

VOLUME FIVE · NUMBER FOUR

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SPRING 1988

# INDICATOR

S O U T H A F R I C A

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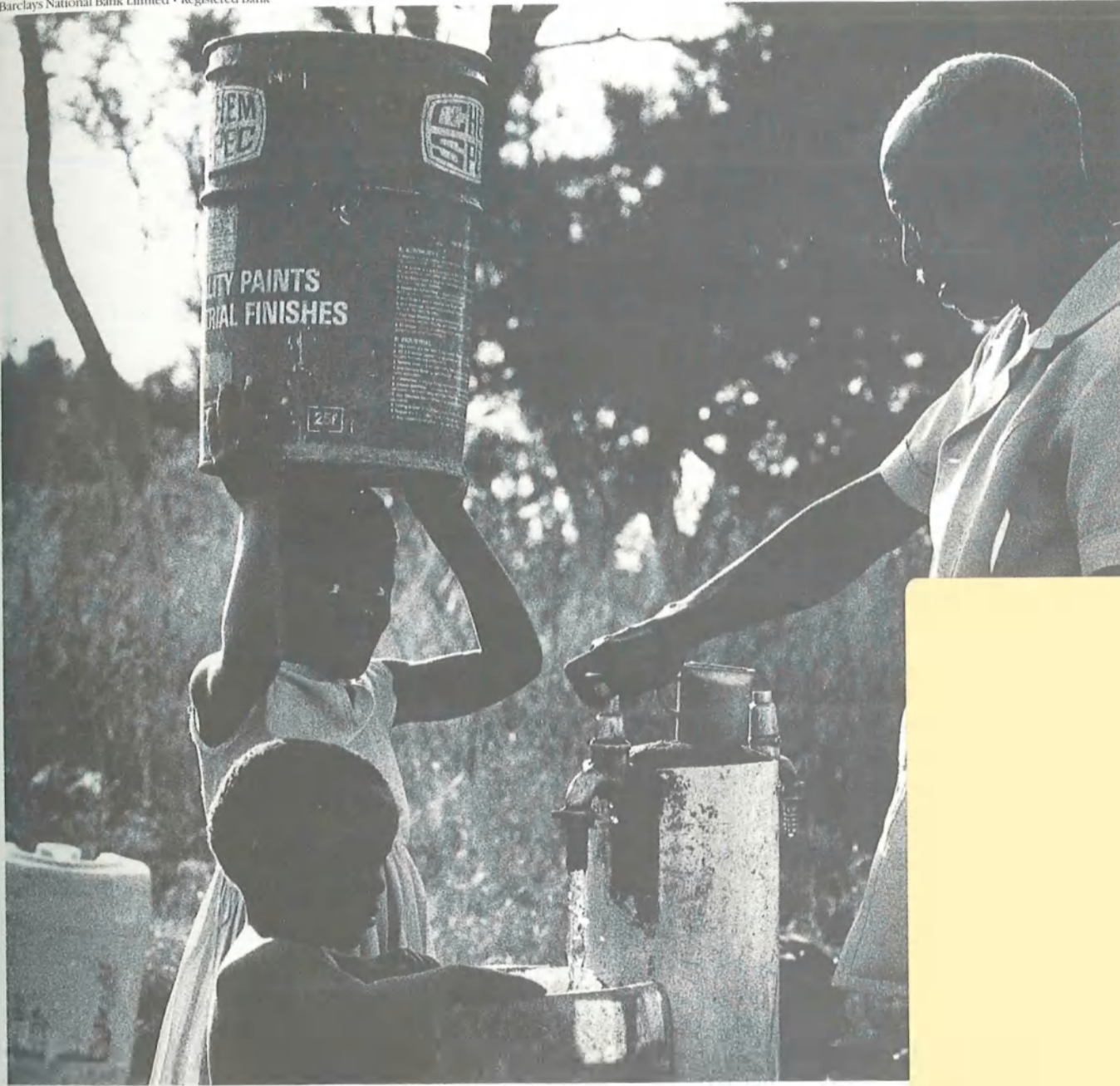
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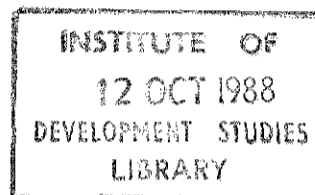
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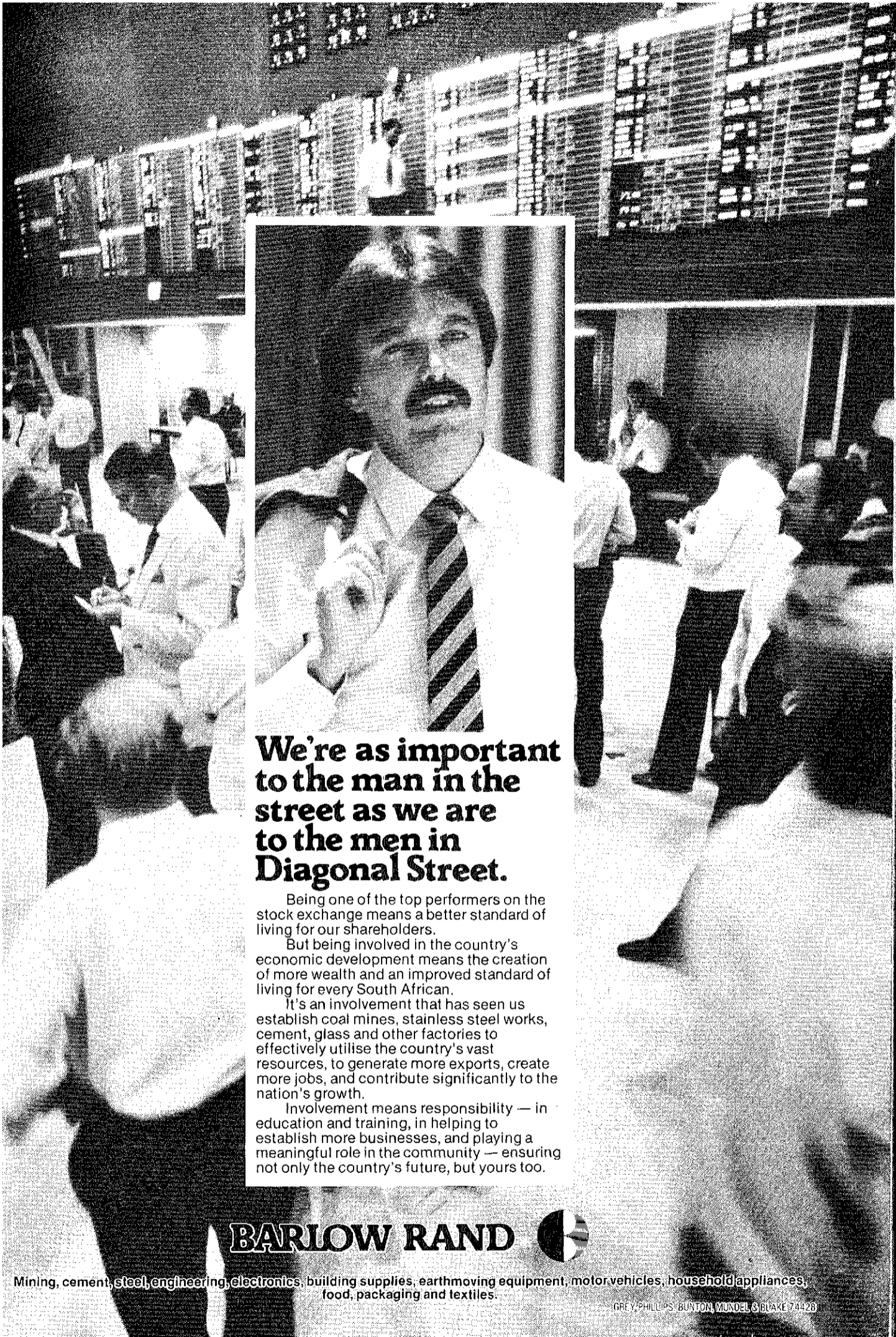
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*Indicator SA* was established in 1982 in response to the evident need to develop statistical indicators and monitor key developments in South African society during a critical phase of flux and change. The Project aims to contribute to informed debate among key decision makers through providing a data analysis, trend diagnosis and policy prognosis service. To promote these objectives, IPSA publishes a quarterly journal divided into five 'monitors' – namely political, economic, rural and regional, urban, and industrial – as well as producing occasional focuses on the major issues of the day.

Financially, the Project relies on donor subscriptions from companies and foundations in South Africa and abroad, who consider it part of their social responsibility programme to support the independent investigation and analysis of issues in all areas of South African society. A broad spectrum of individuals and institutes in the public and private sectors also subscribe to the *Indicator SA* journal and information service. Interested subscribers should contact the liaison officer directly at the IPSA offices.

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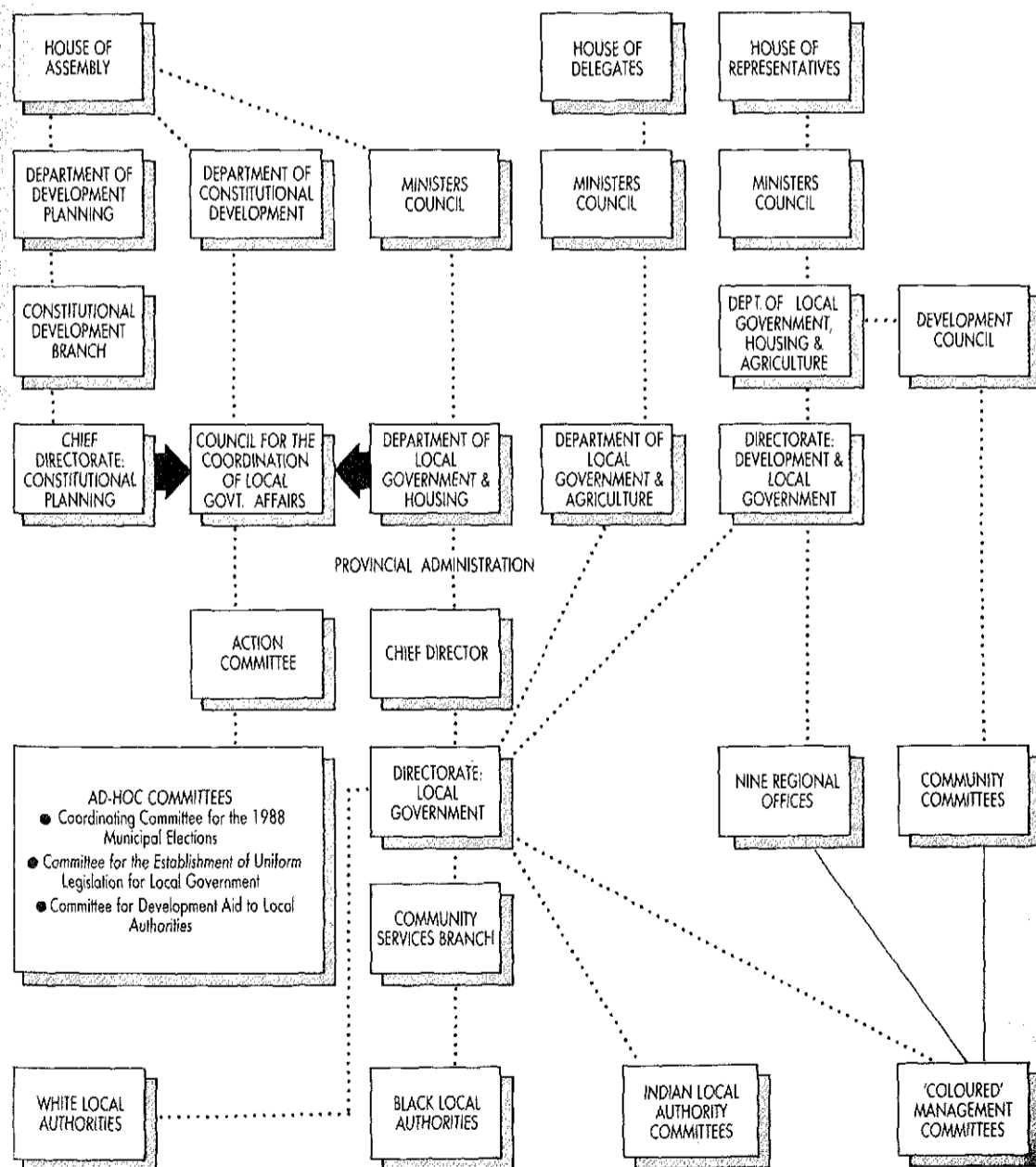


# POLITICAL

## M O N I T O R

### LOCAL GOVERNMENT IN SOUTH AFRICA

*A Heunisquean Matrix*



# OCTOBER 1988

## Dress rehearsal without script

By Prof Lawrence Schlemmer,  
Centre for Policy Studies,  
Wits Graduate School of Business

**T**raditionally, white municipal politics has been the preserve of promises about grass verges, sidewalks, streetlights and refuse removal. Over past decades part-time or small-time politicians have attracted mediocre or worse turnouts at the polling booths in the course of building careers which have gone unnoticed outside of listless ratepayers associations and the middle pages of local newspapers.

There have been exceptional periods when local and national politics have become intertwined. In the early twenties for example, local councils became active in opposing the purchases of business property by Indians in the Transvaal; a form of action repeated up to the forties in Natal. In each of these periods of local authority action, the central government responded by appointing commissions and eventually by yielding to local demands for legislation.

After the National Party election victory of 1948, however, the high-key blueprint political dynamic at the centre has tended to push local government back into relative obscurity. Since the beginning of the eighties, this has begun to change. Local authority issues have come to the fore, presenting central government with an array of contradictory challenges and opportunities, largely due to attempts by government to engage local councils in the solution of problems which the national bureaucracy felt helpless to address directly. Local politics are once again on centre-stage.

The township protests of 1976-77 placed black grievances concerning a range of local amenities and services on the agenda. The Riekert Commission which reported in 1979 found a range of weaknesses in the (then) centrally determined administration of urban African affairs and made a range of recommendations for a restructuring of local administration, in the interests of the more effective utilisation

of African labour. This report launched a process of restructuring which is still underway.

In debate in 1980 on the findings of the Cillie Commission of Enquiry into the disturbances of 1976-77 the government announced plans to speed up the transfer of powers from the administration (later development) boards to the African local authorities. Mr Louis Rive was appointed to lead a Greater Soweto Planning Council to enhance quality of life and redress grievances. He argued convincingly that African townships could not cater for their own infrastructural development needs. These, and a number of other inputs, began to transform government thinking to the point where cabinet ministers have conceded that the Verwoerdian-apartheid notion of a separation of urban African affairs from the city politics and administration of the common area was a mistake.

### Policy Issues

Obviously, a re-orientation of policy has been hastened by the 1984-87 urban protests. The urban black situation has turned full circle and is very broadly comparable to the policy dilemma faced by the Smuts government just before its defeat by the Nationalists, when the United Party was gearing up to consider major policy changes suggested by the Fagan Commission. The politics of South Africa are once again turning on the hinge of urban African communities. This issue is the key to the October elections.

Today, we have a situation in which the political consciousness of whites is largely dominated by the following issues, whether seen as problems or opportunities:

- up to 4 million African squatters now live near urban and in peri-urban areas;
- most of the high-rise residential areas abutting the Johannesburg city centre are either mixed or completely black in residential composition;
- mixed residence is creeping outwards towards the Johannesburg suburbs wherever property values and rentals are low and turnover among residents is high;
- perceptions of high rates of crime are coupled with perceptions among whites of more and more black people on the streets;
- an increase in acts of sabotage and terrorist attacks on soft targets;
- the rising interest rates, higher bond and hire-purchase costs, coupled with the first signs of flagging economic growth;
- signals of the impending independence of Namibia are creating a consciousness among many whites that the day of political 'reckoning' is drawing closer for South Africa;

*In the 1980s central government has attempted to engage local authorities in the solution of problems which the national bureaucracy cannot address directly*

MUNICIPAL TRENDS

- the increasing indications that there will be renewed unrest in the townships in the weeks leading up to the local authority elections in these areas;
- the US Presidential campaign and the starkly confrontational position being taken on South Africa by Governor Dukakis will create additional uncertainty among whites.

Against these uncertainty factors, a review of all available recent survey polls and investigations undertaken by various organisations suggests the following pattern of voter behaviour. Firstly, white voters are now more 'crystallised' than ever before in the basic pattern of their orientations. In other words, developments and shifts since the May 1987 election have clarified and hardened divisions between the various political camps. Secondly, without going into statistical detail, and taking account of the tendency for voters with definite views to be more likely to turn out on election days, the following support ranges seems to have emerged:

Firm rightwing opposition	32-38%
Marginal rightwing/NP fence-sitters	2-6%
NP (or NP-linked independent)	28-51%
Floating liberal/fringe NP, plus emerging IP support	6-16%
Firm 'progressive' opposition (PFP & NDM)	9-12%

(These results are based on an interpretation of various polls, including Centre for Policy Studies research, Marken-Meningsoopnames surveys and parliamentary by-election results. They are estimates of potential voter turn-out and not simply of voter attitudes.)

The interpretation of the above results shows what is rapidly becoming a new potential reality in South African politics. The National Party, being positioned in the centre of the spectrum can still command an impressive majority in any general election *provided* it can retain the support of most of the floating vote. If, however, an image of the NP takes hold of the imagination of voters in which it is seen to be unable to manage the situation of stress in the country, and the floaters drift away to the right and to the left — the NP, within a short space of political time, could end up as no larger than the liberal opposition parties to its left in a hung parliament, with the Conservative Party as the largest party. Under these circumstances, the sheer uncertainty factor in the minds of whites as well as inevitable disagreements among the centre-left parties will quite possibly enable the CP to force an emergency election and come to power. That is, unless parliament were to be suspended.

This interpretation has been presented in order to illustrate the underlying context in which the municipal elections are due to be held.

## Municipal Impact

The municipal contest on 26 October will be a dress-rehearsal of how voters from all race groups are likely to respond to national political developments. As the title of this article suggests, the political 'script' is hugely incomplete at this stage. None of the parties contesting (or boycotting) the elections have developed even a reasonably clear basis for responding to the challenges which lie beyond the local government elections. One could even go so far as to call the coming poll a test of strength under conditions of confusion.

Among Africans in the townships research by the Department of Information has shown that there is widespread ignorance concerning city councils, the power of local candidates and the utility of elections. There is, however, suggestive evidence that the advertising campaign of

Survey polls show that the National Party can command an election majority if it retains the support of the 8-22% floating vote to its left and right

## Party Breakdown of Election Nominations

The nominations for candidates for the October municipal elections throughout South Africa closed on 16 September. The following figures show nominations for white city council elections in the major cities only.

City	Wards (seats)	Total Candidates	NP	CP	PFP	IND	R/C
Bloemfontein	18 (36)	36	-	16	-	2	18
Cape Town	17 (34)	57	-	5	-	52	-
Durban	30	67	20	4	-	37	6
Johannesburg	51	128	46	28	37	13	4
Pietermaritzburg	15 (30)	34	5	-	-	20	9
Port Elizabeth	13 (26)	51	6	-	-	45	-
Pretoria	42	93	37	41	-	11	1

- The above table illustrates only the official party nominations, but it is evident from election brochures and posters that there are 'independent' candidates with party affiliations, particularly to the Independent Party, the National Democratic Movement and the PFP.
- In Bloemfontein, the Aksie Komitee, a group that has been active in the city for nearly 40 years, is fielding 18 candidates with primarily NP leanings, while the two independent candidates have CP support.
- In Cape Town, the only party that officially put forward candidates was the CP, but there is known to be a balance of NP and PFP affinities among the other candidates.
- The eleven Durban 2000 and four Pretoria 2000 alliance candidates are included in the independent column above.
- Johannesburg City Council is one of only three constituencies that the PFP will contest in the Transvaal.
- The CP claims to have put forward 1 432 candidates in the Transvaal, and over 3 000 throughout the country.
- Port Elizabeth has a history of non-party involvement in the City Council.
- Not included in the list above are 3 Herstigte Nasionale Party candidates standing in Pretoria.

Key  
 NP National Party  
 CP Conservative Party  
 PFP Progressive Federal Party  
 IND Independents  
 R/C Ratepayers/Civic Associations

*The municipal contest will be a dress-rehearsal of how voters from all race groups are likely to respond to national political agendas and developments*

*In setting the stage for the next parliamentary elections, the October contest signals the need for parties to formulate clear policy and strategy*

government is raising the general level of awareness.

As the potential black voters become more aware of these issues, one basis of non-participation (ignorance) will fall away only to confront the voter with a dilemma. In large, highly politicised townships, the newly aware voter will be confronted by a burgeoning boycott message on the one hand and, with notable exceptions in some townships, a very mixed quality of candidates on the other. There might also be covert intimidation despite the readiness of the security police.

The boycott message will be the clearest general signal to black voters. Its clarity, however, will do little to answer the question of what the UDF and other organisations supporting a boycott would propose to do with a 'negative mandate' after the elections. Given the state of emergency and the already proven effects, only convinced revolutionaries could have an answer. There are a sufficient number of less-highly politicised townships where a poll of well over 25 percent is possible in contested constituencies, which will probably suffice for the government to be able to claim success for its campaign and have black local government more firmly re-established in some places. Nevertheless, the results will be patchy and no clear 'script' is likely to emerge.

The coloured people will have almost equally difficult choices. The Labour Party, after its recent performance of driving the tricameral parliament to the brink of crisis, will get full marks for effort. The government will, however, have driven its recent Group Areas and Squatter legislation through the President's Council and the voters will be entitled to wonder what all the effort has produced. One may expect more mutual respect between the LP and the NP after the elections but the exact political spin-offs of the rapprochement will not be clear to even the most devoted supporter of the Labour Party.

White voters will go into the election clutching a very confusing variety of images of what lies beyond the contest. The perceptions and themes that will contribute to the swirling mix of signals in the October elections include political priests; sacrifice of standards; blacks swamping the cities; central areas becoming 'slums'; crime rampant; crumbling of group areas; 'integrated schools come next'; Regional Services Councils (RSCs) as the thin edge of the political wedge; economic mismanagement; revolutionaries reappear in the townships; RSCs as multi-racial experiments; terrorism; live and let live; the government is destroying due process in the law courts; black homelessness; persecution of blacks in white suburbs; desperate squatters with nowhere to go; RSCs as entrenching apartheid; strangulation by rising interest

and bond rates; fuel and other price increases.

The National Party, in areas where it has put up party candidates (and not independents), may not do as badly as many people expect in the white municipal elections. This will be mainly due to the fact that it will be positioned roughly at the midpoint of all these contradictory campaign accusations and expectations. As always before, the ruling party probably has a political card or two to play. Mr P W Botha's appeal for Afrikaner unity has not worked but his trip to Mozambique and Malawi will. If the Angolan negotiations go favourably and there is a time-table for Cuban withdrawal, the NP's image will also be enhanced.

## Setting the Stage

Hence the municipal elections will probably record significant gains for the Conservative Party but will not topple the dominant position of the National Party. They will be no more than a dress rehearsal for the next general election, in which anything could happen.

To the extent that the local government elections will be a test of confusion, they will merely set the stage for the next general parliamentary election. No single party or strategy will lose hope, but all will find that the challenge of clear policy formulation will become critical:

- the Conservative Party will have to portray to potential supporters how it proposes to divide the country and preserve the economy;
- the National Party will have to face the task of making the management of conflicting needs sound more like a positive policy, with longer-term potential to survive;
- the Independent Party and the Progressive Federal Party will have to begin the serious task of portraying themselves as being able to form part of a possible future government. They will have to give concrete consideration to the implications of an alliance with the NP in a scenario of right-wing ascendancy;
- the Labour Party will have to form an alliance or at least a basis of co-operation with one or another white party — possibly the NP, possibly the liberal opposition. The choice will be difficult, but without an alliance of this kind the LP will be confined to spoiling tactics;
- the extra-parliamentary organisations will have to develop strategies with potential political effect because boycott politics will once again prove to be inconclusive, resulting simply in a continuing stalemate in the black areas.

In other words, hopefully, the October elections will convince the actors that they need to rewrite their scripts. *IPAA*

# SHAPING A POST- APARTHEID CITY

*A review and assessment of three different kinds of white local government initiatives for change. The author has selected three case studies — Durban as an example of a party-political initiative, Port Alfred as a case study in negotiation politics, and Pietermaritzburg as an exercise in participatory planning. Atkinson then investigates the possible impact of the October municipal elections on future initiatives.*

By Doreen Atkinson,  
Department of Political Studies,  
University of Stellenbosch

**T**he resurgence of interest in municipal politics in South Africa is fraught with ambiguities. There is little clarity about the real agendas of either the state, the opposition, or extra-parliamentary movements. Agendas are complicated by the subdivisions among government departments and between levels, and by the internecine hostilities within the broad opposition. The capacity of white local actors to respond creatively to pressure, as well as their courage and finesse in dealing with the central and provincial decision-makers, are open to question. Municipal government has historically experienced little more than benign neglect, and councillors have seldom been exposed to broader political currents and conflicts.

Yet the unprecedented degree of attention being focused on municipal government is potentially very exciting. It brings a new set of protagonists, with their own perspectives and capabilities, into the stale divisions of apartheid politics.

Furthermore, the growing perception of the interdependence of racial groups within the local community is an important motivation for actors to find some kind of political accommodation. During the last five years, several cities and towns have experienced an unprecedented degree of discussion and negotiation on the possibilities and nature of a post-apartheid city.

## Party-political Approach

The Durban City Council (DCC) has clearly expressed the need for an alternative to the existing system of 'coloured' and Indian municipal representation.

Historically, the DCC has been dominated by white opposition parties and it has made many attempts to desegregate municipal representation. The Council has been critical of government policy at the local level, including separate local authorities, influx control and recently, the Regional Services Councils (RSCs). It has had troubled relations with racially-defined Local Affairs Committees (LACs) because of the unsatisfactory calibre of many LAC members and the fact that they obviously do not have widespread support in their own communities.

In November 1986, the DCC elected a subcommittee to investigate alternatives to the LAC system. Several LAC members joined the committee. However, the white representation on the committee was problematic — the most enthusiastic participants were PFP members, while NP councillors participated quite reluctantly. The Council was divided on whether discussions on alternatives were at all within its competence, as more conservative councillors felt that they had no right to consider a central government policy matter. There was very little possibility of inviting extra-parliamentary groups to participate — the committee's brief was limited to reconsidering the relationships between the white council and the (coloured and Indian) LACs.

During 1987, the committee formulated and investigated possible local government options. Various issues were considered, such as the type of franchise, the allocation of votes to persons and households, the optimum number of councillors, and minority protection. Numerous innovative suggestions were made, and there was widespread discussion about 'interim' and 'ideal' options. African

*The unprecedented degree of attention focussed on municipal government will bring a new set of protagonists into the stale divisions of apartheid politics*



*A township billboard promoting the Bureau of Information's song stands in stark contrast to the security force presence. In a current campaign the Bureau is attempting to encourage black voter participation in the municipal elections.*

participation was discussed, in terms of an interim advisory capacity or as part of a long-term, full participatory system. The committee tried to envisage a system which would be attractive simultaneously to the government, the white electorate, the LACs, and other race groups.

The subcommittee felt that the present system is not viable, and therefore urged the Council to treat the matter with urgency. However, by August 1987 the DCC had concluded that the government would not contemplate any changes to the existing municipal system before the October 1988 elections. Any decisions would have to be dealt with by a new City Council; hence the subcommittee was disbanded. Further, the NP has recently enlarged its majority on the DCC's management committee, which is likely to slow down initiatives for change in future.

The difficulty with a party-based (white) council initiative for change is the overt politicisation of issues that inevitably occurs. Because such initiatives are usually proposed and guided by opposition party members, the entire issue tends to arouse party-political hostility from more conservative parties. The DCC responded to this problem by scaling down the initiative, which then became an in-house subcommittee dialogue between the Council and the LACs. Even this was largely unacceptable to the other councillors.

Extra-parliamentary groups often express scepticism about 'liberal' councils, on the grounds that their initiatives ultimately will be ineffective within white politics. The councils tend to become liberal enclaves,

limited by their own internal divisions, by government suspicion, and by the non-involvement of other opposition groups. Party-political initiatives for change often obscure possible agreements and alliances between various political groups. This does not mean that such attempts are insignificant. They enable white councils to explore some of the dimensions of the problem, before these issues are thrown open to public debate. Such preparation will provide more clearly defined options once these councils do participate in city-wide negotiations.

### Negotiation Initiatives

During 1985, the township in Port Alfred experienced the widespread political mobilisation which swept through the Eastern Cape. The (white) Port Alfred Town Council was soon confronted by a consumer boycott. The Chamber of Commerce responded to the boycott by forming a negotiating arm, the Employers' Federation (EF). The township's civic association was keen to negotiate with white authorities, as it adhered to the United Democratic Front's tenets of non-racialism and negotiated change. Because the (African) community council had resigned, the EF became a conduit for grievances raised by the local civic association, e.g. the use of rental income for community projects, opposition to RSCs, and demands for the white Council to take over administration of the township.

During the next year, regular negotiations took place between the EF, the civic

association, the Town Council, and the Eastern Cape Development Board (ECDB). The Chamber of Commerce became motivated to improve living and employment conditions in the whole town. The Town Council took responsibility for applying unemployment funds to improve conditions in the local township, and offered to develop an industrial park for African businesses. However, when the Council contacted the government to secure approval, the Department of Constitutional Development and Planning reiterated the policy of establishing autonomous black local authorities — white local authorities, therefore, would have no role in administering or upgrading townships.

The negotiations petered out after about twelve months. The state of emergency and the detention of key black leaders (often the most moderate and competent ones) finally ended contact between the Council and the civic association. Even before this stage, however, polarisation between the participants had intensified. The Council gradually found itself caught between the civic association's refusal to deal directly with the Board, and the Board's intransigence in asserting authority in the township.

The failure of negotiations invariably leads to greater radicalisation in townships and to greater caution in the white community. Yet the negotiation option has several important advantages. It forces white authorities to deal with the most powerful leaders in the townships and to address the issues which township organisations consider to be the most important. It is, therefore, an intensive learning experience for white participants. It can also be a significant experience for black leaders, who have to deal with white power-holders and white institutional structures for the first time.

Even if negotiations ultimately fail, white councils stand to gain from the goodwill created during the process. Negotiations are invariably affected by the political culture of a locality, and future negotiations will be based on the memory of past achievements. Past agreements may also lay the foundation for further bargaining.

At present, it is clear that the government will not allow negotiations between representative institutions (white councils and black civic organisations) at the local level. Such initiatives are seen as inherently subversive of government policy because they effectively establish a representative forum based on principles other than racial segregation. What is needed, therefore, is a kind of municipal initiative which could involve all sectors of opinion (like the negotiation approach), and yet establish ongoing and stable procedures for the resolution of crucial issues of conflict. The participatory

planning approach offers some possibilities in this regard.

### Participatory Planning

Since 1984, the Pietermaritzburg City Council has engaged in a 'strategic planning' initiative. Called 'Pietermaritzburg 2000', it envisaged a process of metropolitan planning which would include substantial public participation. The goal of 'strategic planning' is to identify key problems, methods and constraints, while encouraging the entire community to contribute human and financial resources towards the realisation of a 'shared vision'.

This initiative, financed by the City Council, has consisted of the formation of five 'action groups', dealing with employment, housing, the quality of life, city finances, and political change, respectively. The action groups were open to any interested individuals, from all ethnic communities. Over a period of two years, each action group analysed problems within its field and made suggestions to overcome these problems. Their activities were co-ordinated and administered by the City Engineer's Department.

This approach offers many advantages. Firstly, it brings public involvement into the very heart of decision-making, which often tends to take place within administrative departments only. Secondly, it exposes administrators to the opinions and experiences of sectors of the community which have been kept isolated and disenfranchised for many years. This interface can help in solving problems and applying solutions, as the likelihood of inappropriate policies is diminished thereby.

Thirdly, municipal officials at present do have practical administrative reasons for planning for an entire metropolitan area. Planning along racial lines is often fragmented, cumbersome, time-consuming and expensive. Municipal infrastructure, such as water and electricity supply, often cannot be administered on a racial basis. In other words, groups with the political desire to overcome racial barriers can work with officials who agree on the need for integrated planning.

Fourthly, involvement in planning is an important educational experience for all political leaders and activists. A thorough knowledge of practical constraints and possibilities would not only result in more realistic demands being made, but would strengthen the impact of political leaders in decision-making processes. It will also enable business and political groups to get to know each other's perspectives, constraints and interests.

Participatory planning is not only a way to circumvent racially-based planning. It is

*Local level negotiations force white authorities to deal with representative township leaders and address issues which civic organisations consider important*

*The Pietermaritzburg 2000 exercise envisaged substantial public participation by local leaders of all races to plan a shared metropolitan vision*

*As African, coloured and Indian councillors develop a stake in segregated local and national institutions, racial administration will be further entrenched*

*Negotiations and planning initiatives during the last few years have helped to identify problems and procedures for change at the local level*

an important investment in any developing society because the immense problems of urbanisation and development impose tremendous demands on decision-makers. There is no room for misguided planning and administrative waste. Even a 'post-apartheid society', in whatever form, will benefit from an open and publically sensitive bureaucracy. Democratic planning is not simply a political luxury; it is a crucial component of effective planning.

In any participatory planning process, structures must be set up with due regard to the political sensitivities of all groups. This may require a long period of prior negotiation, to enable all political groups to state their preconditions for involvement, and to develop sufficient organisational and leadership skills to participate effectively. A great deal will be demanded from the convenors of such an initiative to motivate all political groups to participate. One crucial problem stems from the failure to involve all extra-parliamentary political groups — the Pietermaritzburg 2000 initiative was ultimately dominated by commerce and industry. Another crucial question for any similar initiative will be the response and restraint of the security forces.

Participatory planning in communities that are as divided as South Africa's cities certainly will be difficult. Mutual trust and understanding will have to be built up over many years, and visible signs of success provided. Yet this option offers a more secure foundation for negotiation and more inclusive popular participation than the other two alternatives. With appropriate leadership, participatory planning could offer a more durable way of securing change at the local level.

### After the Elections

It is generally recognised that the October elections will be a watershed event in municipal politics in South Africa, not because the implementation of central government policy will be seriously affected, but because the attitudes of the new set of councillors will crucially affect the prospects for change at the local level.

Popular support for (African) Black Local Authorities, for (coloured) Management Committees, and for (Indian) Local Affairs Committees will strengthen the principle of segregated local government, at least in the interim. It is envisaged by the government that autonomous coloured and Indian local authorities will become largely responsible to the 'own affairs' national departments of Local Government, Housing and Works (see chart:7). As African, coloured and Indian councillors develop a stake in segregated local and national institutions, racial administration

will be entrenched even further. Enthusiastic participation in RSCs and the channeling of RSC funds to deprived areas, may also induce a degree of public acceptance of racially-defined institutions.

In the white community, a right-wing backlash is very likely, especially in the two northern provinces. Even Cape and Natal local authorities may experience this trend. In fact, the generation of councillors who took part in local initiatives for change, may soon be replaced by representatives who will have to re-learn the political lessons of the last four years.

A weak response to African, coloured and Indian elections, coupled with a significant white opposition vote in crucial cities, may temporarily delay the implementation of the 'own' and 'general' affairs principle. But the government has shown such determination in establishing RSCs and own affairs departments in the last three years, that there are significant constraints on the ability of local actors to devise constitutional alternatives at the local level. Whatever the outcome of the elections, the prospects for reform after October appear rather bleak. The situation is worsened by the constraints on information (especially affecting white voters), the state of emergency and widespread political repression.

The most crucial practical aspect of the October election will be the calibre of the new councillors. Although it is unlikely that the central government will change its overall policy regarding local government, it may be induced to allow a few local initiatives in future. As the administrative and financial practicalities of group areas and the own/general affairs distinction steadily become more problematic, some scope may be given to local actors. It is crucial that councillors be knowledgeable, prepared and eager to snatch at any officially sanctioned loophole, in order to revive public debate on the urban question. It is unlikely that the government will initiate any moves towards non-racialism at the local level; but it may eventually permit those cities who wish to experiment, to do so.

Preliminary intra-council debates, as in the Durban case, will be a valuable precursor to the fundamental political accommodations which will have to be achieved in future. Negotiation and planning initiatives during the last few years have also helped to identify problems and procedures for change. Determined intervention by community and business leaders is now more imperative than ever, to spur local authorities to address urban issues. The next few years will be an important preparatory phase, to acquaint local leaders with issues and options, and to begin the delicate task of building public forums for future negotiation processes. *JPA*



# Showdown on Platteland & Rand

By Richard Humphries,  
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*The results of the October elections for white and black municipalities in the Transvaal are likely to be among the most important of the nationwide polls. In white politics, the municipal elections follow 18 months after the 1987 general parliamentary election, and will thereby provide a fairly accurate barometer of current political opinion within the white electorate. In black politics, the elections follow the period of sustained violence in townships during 1984-86, the effects on extra-parliamentary political activity of the Emergency, the sustained rent boycotts in certain townships, and the extensive upgrading of township infrastructure.*

*The forthcoming elections have become a virtual test of political will between the government and moderate black participants in the local authority structures, and their political opponents inside and outside the country.*

The 1987 general elections revealed a number of important trends in white electoral politics in the Transvaal. Although losing substantial support to the Conservative Party, the governing National Party gained a number of constituencies from the Progressive Federal Party, chiefly through attracting support from English-speaking South Africans.

The CP emerged as the major rightwing political party and decimated the longer-standing Herstigte Nasionale Party, winning substantial support in the rural areas and gaining a notable foothold in the urban constituencies on the Reef and in Pretoria. The CP's impressive growth since being founded in 1982 testifies to an important shift in Afrikaner political dynamics. No longer is the National Party the sole authoritative voice of Afrikaner nationalism, as it has been for some 50 years.

Similar shifts were at work within the English-speaking white community before the 1987 parliamentary elections. Traditionally the major support base of the opposition parties to the left of the ruling party, substantial numbers of English-speakers voted for the National

Party last year. These gains to a large extent compensated for the NP's loss of votes to the CP on the right.

It is within this context that the municipal elections will take place. Although they are traditionally low-key affairs with a low voter turnout, this almost certainly will not be the case in the 26 October polls. The major parliamentary parties are fighting the elections on a clear party platform (although not in all cases and in all areas), and appear determined to bring national political issues to bear on the election campaign. Parish pump issues seem to have been consigned to the municipal refuse dump.

High levels of party involvement are likely to have a distinct effect in mobilising party supporters, especially supporters of opposition parties, thus producing a substantially higher voter turnout at the polls. The publicity campaign mounted by the Bureau of Information will also help to create an awareness of the forthcoming elections.

## CP Manifesto

The Conservative Party's municipal manifesto, issued in April 1988, has clearly set the tone for the elections. It links participation in the elections to a broader fight for the rights of whites, which it argues are no longer represented by the National Party with its 'integrationist' policies.

Given the CP's use of the elections as a tool to increase and mobilise support for its broader policies, it is not surprising that its manifesto is a mix of local municipal and national issues. Many of these national issues are of little direct relevance for municipal affairs. The CP raises issues such as influx control, the use of black labour in white areas, law and order issues, white unemployment, the protection of white schoolchildren from terror attacks, while also promising to uphold moral values and standards in municipalities which it might control after the elections. In the words of one CP

*The CP municipal manifesto links participation in the elections to a broader fight for the rights of whites, primarily national issues*

*Although a low profile campaign, the NP municipal manifesto is a virtual point-by-point response to the major issues raised by the CP*

PFP participation, with Five Freedoms Forum support, is confined to Johannesburg, Randburg and Sandton in the Transvaal municipal elections

The October elections have been elevated to a virtual test of legitimacy between the government and the extra-parliamentary opposition

candidate for the Pretoria City Council, 'We are not fighting the municipal elections on issues like pavements and roads, but for the fight for survival of Afrikaners and whites' (CP meeting, 15/8/88).

On more conventional municipal issues the CP concentrates its focus on group areas and the new RSCs. Firstly, it promises to maintain and extend exclusive facilities for each race group. Traditional apartheid policies provide the core rationale for the CP's campaign, since municipalities have the power to make decisions or are consulted by higher levels of government for their views on an important range of issues, such as the opening up of public facilities. Secondly, RSCs are attacked because they are seen as an expensive system to promote multi-racial government at the third-tier level and because white taxpayers' money is being used to provide facilities for other races. The CP commits itself to ensuring that a racial allocation of income is followed by those RSCs which it might control after the October elections.

Given the constitution of the councils, the CP needs only to control some 35 percent of the votes on an individual RSC to exercise a veto in the decision-making process. If the CP decides to veto RSC budgets, the hitherto smooth functioning of the RSCs in the Transvaal (see *Indicator SA* Vol 5/No 3:13-18) would be severely disrupted, forcing the provincial administrator to take budgetary decisions on behalf of the councils. The CP aims at taking control of half the RSCs in the Transvaal on this basis, but could well end up effectively controlling ten out of the twelve RSCs in the province if the party does as well as it expects on the East and West Rand. Certain CP spokesmen talk of bringing the activities of the RSCs to a standstill (*Die Patriot* 22/4/88).

Nationwide, the CP hopes to attract in the vicinity of one million votes and to control some 70 percent of the municipalities in the Transvaal. The only major council which it now controls is Pietersburg. The obvious symbolic prize for the CP, given its essentially Afrikaner character, would be to win control of the Pretoria City Council. Party spokesmen are cautious about their chances, however.

Besides their almost predictable sweep of the Transvaal platteland, the CP is optimistic of making major gains on the East Rand, West Rand and Vaal Triangle, following their showing in the 1987 election and in the Randfontein by-election. Party spokesmen report that the swing to the CP is now greater in urban areas than it is in the rural areas. This surge of support is attributed to uncertainty over the principle of residential segregation, the abolition of influx control and a (perceived) consequent increase in crime.

## NP Responses

The National Party appears to be fighting an election campaign in response to the issues raised by the CP, especially on group areas. The NP's formal party involvement is restricted to the urban areas in the PWV area and to a handful of municipal campaigns in the platteland. In all other areas it has decided to informally support independent candidates who stand on an ostensible non-party platform.

What explanations can be offered for an almost unprecedented decision by a ruling party to abstain from an opportunity to mobilise supporters? First, the NP's stance is a tactical response to the CP's aggressive political campaign in the rural areas and its immersion of national political issues in local level politics. By abstaining from direct involvement, the NP hopes to claim credit for not politicising municipal affairs and to thereby pick up electoral support. Secondly, the CP is blamed for virtually intimidating NP supporters into standing as independents rather than on a party ticket. Local businessmen apparently fear loss of patronage from voters if their political preferences are openly known.

The NP's strategy has the obvious advantages of allowing the NP to claim victory over the CP should the (NP's) independent candidates triumph, while also denying defeat if the latter candidates should fail.

Just as the CP would dearly love to win in Pretoria, an outright victory for the NP over the PFP in Johannesburg would be an equally desired symbolic victory. To win here, the NP needs to retain the support of English-speakers, while trying to minimise desertion to the CP in the southern suburbs where the CP is campaigning aggressively on the group areas issue.

The NP's municipal manifesto, only released in mid-August 1988, is a virtual point-by-point response to the major issues raised by the CP's municipal manifesto. The manifesto restates the statutory provisions of group areas amendments, arguing that these in fact will tighten the principle of residential segregation. It reaffirms the principle of 'own affairs' in local government. The RSCs are defended on the grounds that they provide economies of scale in the provision of bulk services, that they do not influence the internal workings of (white) municipalities, and that race group domination is not facilitated via the RSCs.

Issues of urbanisation and squatting are prominently dealt with, again in almost rote response to the CP's campaign. The NP's manifesto promises to allow for a process of consultation with whites before extra land is made available for black housing to

deal with the pressures of urbanisation. Squatting is unacceptable, yet informal townships will be allowed and upgraded into conventional towns.

The various aspects of group areas and the inter-racial sharing of facilities are undoubtedly the key issues of the municipal campaign. The elections demonstrate the extent to which national political issues have become local issues and vice versa. In the words of one NP organiser in Pretoria, 'The beaches have never been closer to Pretoria' (*Business Day* 27/7/88).

### PFP Profile

Progressive Federal Party participation in the municipal elections in the Transvaal is restricted to Johannesburg, Randburg and Sandton. Under a young, revitalised leadership, the PFP is fighting a high-profile and aggressive campaign to gain control of the Johannesburg City Council. It is being helped by support from the Five Freedoms Forum, which should ensure that white liberals and leftwingers who deserted the PFP in the 1987 general election once again vote for the party.

The PFP's municipal manifesto argues for the opening of all residential areas, rather than simply attempting to restrict desegregation to specific neighbourhoods. It emphasises that desegregation must be accompanied by the maintenance of minimum community standards and by the enforcement of noise, hygiene, health and density regulations.

The PFP is still suffering from the after-effects of its dismal performance in the general election last year. Senior party supporters in Pretoria, where the party has had an official presence on the City Council, have refused to fight the October elections on an official party ticket. Instead, they have combined with the National Democratic Movement to create a 'Pretoria 2000' ticket. In Sandton, too, the PFP appears to have split, since many prominent supporters are behind the Sandtonians, an independent grouping of candidates, while the party's rump fights to retain party control of the area.

### BLA Elections

If the white municipal elections are essentially a test of the National Party's strength as a political party, then in some senses, the black municipal elections are a partial evaluation of the NP's record as a government (albeit one not directly accountable to black South Africans). The NP government has elevated the October elections to a virtual test of legitimacy between itself and the exiled African National Congress and various internal



Afrapix: Vuyi Mbobo

political groupings. The Black Local Authorities (BLAs) are seen as the stepping stones to African participation at higher levels of government, from the RSCs through provincial government to the proposed National Council.

The government clearly hopes that the political clamps of the state of emergency and the actions against trade unions and the United Democratic Front (among other organisations), coupled with the extensive upgrading of infrastructure, will have made it possible for black moderates to participate in the elections and to mobilise support. The ability of voters to vote before election day, via special prior votes, is an additional tactical measure to counter pressures not to vote.

At this stage, however, it seems unlikely that the voter turnout in the elections will exceed the low polls of the inaugural BLA elections of 1983. Numerous indicators point to this outcome. Firstly, the success of the three day industrial stayaway in mid-1988 indicates that, despite the restrictions of a state of emergency, considerable capacity exists for opponents of the government to organise their constituency. Secondly, the ongoing rent boycott in certain areas, including Soweto and the Vaal Triangle, will cast a shadow on the elections and on township residents' attitudes to the councils. Thirdly, the deep-rooted perception of many councillors as being dishonest and corrupt, will also have scarred the image of the BLAs. *DPJA*

*A despondent councillor surveys the remains of his belongings after his house was attacked by arsonists. African participants in local government were singled out by activists during the unrest of 1985-86.*

# PARTY POLITICS go to LOCAL POLLS

By Robert Cameron,  
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In the Cape Province, 90 percent of potential white voters, 60 percent of coloureds and 60 percent of Africans have registered for the municipal elections

The abolition of an elected provincial council has accelerated party-political activity in the Cape Town City Council

*The general municipal elections take place after the recent inauguration of the multiracial Regional Services Councils (RSCs), whose primary aim is to redistribute wealth to poorer black (African, coloured and Indian) areas. In an important sequel to his critique of the Western Cape RSC (see Indicator SA Vol5/No3:18-22), Cameron discusses the dynamics of the forthcoming elections in the region in order to illuminate the varying issues at stake for the different 'race' groups. The author also takes a brief look at state strategy on the local elections, which are of crucial importance in the attempt to build up legitimacy for grassroots constitutional reform in the townships and internationally.*

The municipal elections are, as government spokesmen have constantly emphasised, the building blocks of South Africa's new constitutional dispensation. On taking office, white and black councillors will not only have certain discretionary power over primary local government affairs, but will also nominate representatives to sit on the new RSCs. The government is determined not to allow the tricameral fiasco of 1984 to be repeated. It aims to ensure that reasonable percentage polls are attained by promoting the elections in a vigorous manner while neutralising extra-parliamentary organisations. To persuade people to participate and vote, it has embarked on a R4,6m advertising campaign, substantially increased allowances for local authority members, and enrolled the maximum number of eligible voters. According to a Cape Provincial Administration survey, 90 percent of potential white voters, 60 percent of potential coloured voters and 60 percent of potential African voters have registered (*Argus* 27/7/88).

A decision by the UDF to participate in these structures obviously would have thrown a spanner into state strategy. In mid-1980 bans were placed on calls for a boycott of the election, except by registered political parties, and a Prior Votes Act passed to prevent intimidation (see box:53). There are fears that the Act makes it more likely for election fraud to take place and minimises chances that percentage

polls can be accurately monitored. The passage of other related legislation has pre-empted any prospects of the UDF adopting the IRA option, i.e. winning seats and refusing to take them up. The provincial administrators have been given the power to appoint members of local authorities or to appoint members to fill vacancies.

## White Elections

In the Western Cape there is a tradition of non-party political involvement in local government. This has contributed to most elections in the area being low-key affairs, with a number of candidates being elected unopposed or on low polls. The average poll in contested wards in the CCC area has decreased steadily in the 1980s, from 43,8 percent in 1980, 37,77 percent in 1982, to 35,18 percent in 1984. There is another major factor that explains white South Africa's hitherto general lack of interest in local elections. The apartheid system has led to the centralisation of many functions which are often the domain of local authorities in other countries, e.g. education, welfare and the pattern of residential neighbourhoods.

The Cape Town City Council (CCC) is the largest and wealthiest local authority in the region. There are a number of PFP and NP members on the Council, who cannot impose their party's will unreservedly even though behind-the-scenes activity by these national-based parties has increased in recent years. The abolition of an elected provincial council, a party-political forum where regional and local issues were discussed, has accelerated this trend. The regional crises of 1984-85 have also politicised the Council, forcing it to take a stand on some controversial issues. A commission was appointed to look at civil violence in the Western Cape and there have been attempts to get a 'local option' model off the ground as a substitute for RSCs.

Nevertheless, both the PFP and NP have announced that they will not contest the elections on party-political grounds. The PFP is committed to working for the election of councillors who commit

themselves to a programme of non-racial democracy. Although it is only likely to make an impact in a couple of constituencies, the CP has indicated that it will put up candidates. The Independent Party will also participate but remains an unknown factor in the region.

The PFP felt that Cape Town's ratepayers would respond unfavourably to party-political involvement. Instead, according to a leaked PFP election plan, the party's objectives are 'to gain maximum influence on local government in the Western Cape so that PFP values are implemented effectively' (*Cape Times* 26/5/88). In view of the PFP's current low fortunes at the national level it would not have been in its best interests to fight the elections on formal party-political grounds. The national political ramifications of PFP municipal candidates losing in traditional party strongholds would have been disastrous.

It seems certain that the NP will also fight a thinly-disguised election campaign. NP successes at the expense of the PFP in the general election of May 1987 suggest that the NP may capture a number of CCC seats in the local elections. Further, it is likely that local issues will be reflected to a greater extent in contests in the Western Cape than in the Transvaal where official party-political involvement in local government is well-established. The election manifestos of CCC candidates reflect a combination of city-wide issues, parochial ward issues and national political concerns. A civic storm has raged over councillors voting pensions for themselves which will cost the ratepayer over R2,7m. A number of councillors could win or lose seats on their stance on this contentious issue.

### Coloured Elections

At local government level, advisory management committees were created for 'coloured' people, who are numerically the predominant 'group' in the Western Cape. Although provision exists on the statute book to upgrade these bodies to the status of autonomous local authorities, political opposition from extra-parliamentary movements and committee members themselves (and the lack of an effective tax base) has prevented this development (see case study:62-64).

In recent years committee representatives have been elected on inordinately low polls, even if measured against the generally low polls experienced in white municipal elections. Similarly, there is no official party-political presence on management committees but considerable behind-the-scenes influence. A number of sitting Labour Party members are also councillors, and their policy is to 'keep a tight grip on management committees to derive maximum political benefit for the

party' (*Cape Times* 24/6/85).

In terms of the new constitution, local government is one of the functions deemed to be an 'own affair'. (Functional supervision of the management committee is still carried out by the provincial administration, however). Although the Labour Party made a virtual clean sweep of the 1984 tricameral elections in the Cape Peninsula, the average poll was a miserable 11,1 percent. The party has set out to build legitimacy subsequently, making R7m available for upgrading housing and the urban environment through the House of Representatives.

A new interest and redemption formula for home-ownership instalments and rent payments has been introduced for coloured people living in council housing. Bond repayments and rents are now worked out on the basis of the occupier's income and not on the value of the house. The intention of this new policy is to reduce payments on bonds and rents generally. The Labour Party, in the first major test since the 1984 tricameral elections, is likely to go to the local electorate on the basis of its material achievements.

### African Elections

There were no fully-fledged Black Local Authorities in the area until a recent decision by the CPA to upgrade the Cape Town Town Committee (CTCC), into the Ikapa Town Council. There are also five town committees with limited executive powers. The biggest African local authority in the region, the then CTCC, encompassing the established African townships, was elected on an average 11,6 percent poll in contested wards in 1983 (27 percent in 1977). It collapsed during the 1985-86 unrest due to popular resistance. However, the state of emergency has curtailed the activities of progressive organisations and allowed the state to resurrect the CTCC. There is no party-political involvement in these elections and it is not certain on what basis they will be fought.

In the Old Crossroads shack settlement in 1986, a conservative faction headed by Johnson Ngxobongwana destroyed neighbouring satellite camps which were the strongholds of progressive organisations. Local elections in this area will test the success of the 'Crossroads option', i.e. the attempt to buy the support of shack communities through a combination of military support, material incentives and allowing conservative factions to control their own areas. These could well be the most strategic elections in the region. The higher the support for Ngxobongwana, the more likely it is that the state will attempt to replicate the 'Crossroads option' in other shack settlements.

*The Labour Party is likely to go to the local electorate on the basis of material achievements, e.g. urban upgrading and home ownership schemes*

*After the vigilante/-comrade clashes, the most strategic BLA election in the Western Cape will be in the Old Crossroads shack settlement*

If voter turnouts are reasonable in upgraded urban areas, the government will take it as a vindication of reform policies

Local elections in the townships are also of critical importance for the state because representatives on the new National Council will be elected by colleges composed of members of African local authorities. The major criticism of this constitutional scheme is that African councillors are unrepresentative. However, even if they were representative, it does not alter the fact that there is a fundamental blurring of mandates. Local councillors represent a restricted geographical area and have access to limited executive powers. They have no mandate to negotiate issues which could involve gaining access to substantive national powers which, in turn, become binding on Africans in the entire country.

### Co-option & Opposition

The tradition of non-collaboration or non-participation in government structures has been the most important regional characteristic of extra-parliamentary politics down the years. With their homes in the Western Cape, the New Unity Movement (NEUM) and the Cape Action League (CAL) carry the banner of non-collaboration and view the municipal elections in this light. A fear of being outflanked to the left is one of the reasons why the UDF and its affiliates have boycotted political structures in the 1980s.

Despite the fact that there seems to have been a subtle move away from rigid non-collaboration in the region, participation in the coloured and African elections is not taken as a serious option within UDF ranks. Western Cape chairman, Dullah Omar, has said that 'participation was out of the question' (*Cape Times* 9/2/88). Participation would involve a major and traumatic reversal of traditional tactics and is clearly not going to occur overnight. For the white municipal elections, however, the UDF has left the decision as to whether to participate to its regional affiliates. Debate is in progress in the Western Cape at present.

The state, through the various measures described above, has probably ensured that there will not be a repeat of the embarrassingly low polls in the coloured and Indian national elections of 1984. However, even if the polls are low, the NP is still likely to continue with its reform programme. Local government reform has hitherto been imposed in an undemocratic fashion and it is unlikely that policy will change as a result of electoral rejection of new constitutional structures.

The policy of co-option through material upliftment of black communities is likely to continue one way or another. If voter turnouts are reasonable in areas where material upgrading has occurred, the

government will take it as a vindication of reform policies and upgrade other townships. If polls are low, the government will probably take the view that it is too premature to see the results of the RSCs. The period until the next local elections will probably be used to build-up the legitimacy of black councillors, through utilising RSC redistributive funds (and JMC secret funds) to develop infrastructure and patronage in the townships.

It is unlikely that the South African state, in the midst of a severe financial crisis, has the resources for the massive redistribution of funds it needs to achieve stability. It is also unlikely that shifts in the composition of ethnic local councils will have much effect on the political make-up of the Western Cape RSC. The architects structured this body in a way that would downplay the influence of the liberal CCC (see *Indicator SA* Vol5/No3:18-22), the one institution of substance which could have obstructed government policy at the lower level.

However, the implementation of RSCs will have certain important implications for (white) primary local government. Unlike in the Transvaal and OFS, the Western Cape RSC took over the infrastructure of the conservative divisional councils of Cape, Paarl and Stellenbosch. It has already identified six regional functions which it intends taking over, and in terms of the RSCs Act of 1985 it may assume a further fifteen regional functions. If it succeeds, the CCC stands to lose a number of functions and could be vastly weakened. In this scenario, CCC candidates will go to the polls on issues that could be removed from the local arena by the RSC in the foreseeable future.

There would be important consequences if a NP-leaning administration were to take over the reins of power of the CCC. It would probably spell the end of initiatives such as the local option and participatory planning projects which the CCC has attempted to get off the ground. The Minister of Constitutional Development is known to be opposed to any scheme that could undermine his constitutional plans. He is likely to instruct town councils where the NP wields influence not to experiment with initiatives falling outside the parameters of government policy.

Finally, reasonable percentage polls in the (coloured) management committee elections could see government attempts to expedite the development of autonomy for these bodies. Already, there are attempts to consolidate the CCC's six management committees, which could be regarded as the precursor of an independent local authority for coloured communities in the Cape Peninsula. Management committees have resisted so far, but if the carrot of commercial and industrial development is dangled before their noses, they could possibly reconsider.

If polls are low, on the other hand, the government will probably conclude it is too early to test the popular impact of RSC upgrading

Natal

# LACs - Gravy or Grassroots Train?

By Martin Challenor,  
Political Reporter,  
The Daily News

**A**bdool Gaffar Joosab, appointed member of the Natal Executive Committee, opened a meeting of prospective candidates in the run-up to the October elections for the Indian town board and local affairs committees (LACs) with a simple plea: 'Increase the numbers of voters in each area to give credibility to the LACs. Please increase the poll to make it respectable and above criticism. It is your duty to get voters to the poll.' Instantly, a member of the audience was on his feet: 'There should be no credibility to the LACs system. I am not looking for credibility as far as the present system is concerned. What I am looking for is for the community of South Africa to be on one roll.' Several candidates at the meeting repeated the same idea; they wanted to use local government bodies as a platform to work for a common voters roll; and also to tackle daily problems in their lives such as crime, group area restrictions, unemployment and inefficient administration.

## New Powers

According to a government gazette of 13 May 1988, coloured and Indian management and local affairs committees can request that 106 new powers be delegated from (white) local authorities. The list, drawn up by the Department of Development Planning, contains some contentious provisions. Firstly, LACs will be able to allocate rented dwellings and act against tenants of sub-economic dwellings who fail to pay rent. This constitutes a possible problem area given the controversy over increased rentals under the government's new rent formula. Secondly, LACs will be able to sell or

rent business sites. For the most part, however, the 106 powers are run-of-the-mill local government functions.

If LACs accept the powers, they will be taken a long way down the road to autonomy but further into the 'own affairs' ambit of apartheid (and financial power will still lie with white town councils). Indian councillors who seriously hope to use local government mechanisms to change the shape of South Africa, will have issues to consider after taking office that far outweigh their immediate concerns about the patchwork way the state has registered voters and if it is better to have ward or slate elections. On the slate system, if there are five seats on a LAC that is not divided into wards, voters will be able to choose up to five members from all the nominations.

For those participants working within the system to change it at the grassroots level, there is the risk of being caught up in eviction battles instead. Nevertheless, their concerns about material problems are very real and a powerful theme informing the elections. And just as bread-and-butter issues have driven some people to stand as candidates, these concerns could also lead voters to the polls. However, sitting alongside candidates with good intentions are those who are more interested in the financial benefits that lie ahead than in serving the public. They have earned criticism for joining the gravy train.

The tragedy of a grassroots participatory reaction to the problems of South African society is that the government seeks to channel it into more apartheid-type bodies. The government needs a high poll in the municipal elections to add weight to its claims in the debate over who speaks for black South Africans, to counter allegations that local administration is breaking down, to make local government reforms work and to entice the private sector into social development projects, particularly housing in the townships.

Established civic organisations such as the Durban Housing Action Committee (DHAC) and the Durban Central Residents Association (DCRA) are not taking part in the elections. According to spokesmen for the two groups, they feel there can be no productive strategy employed through compartmentalised, racist government institutions, which are also costly to ratepayers. Further, the tricameral parliament has shown that councillors will be instrumental in applying harsh laws and passing harsh measures, while being virtually powerless beyond voicing their protests. DHAC claims local government structures have failed dismally to alleviate day-to-day community problems such as group area evictions, high rentals, poor amenities, etc: 'DHAC believes the only meaningful solution at local government level is the creation of

*The 106 new powers to be delegated to LACs will give them responsibility over council housing, rent arrears and business sites*

*Participants working within the system to change it at the grassroots level run the risk of being caught up in eviction battles instead*

*Conflicts in the House of Delegates are too intense to spare the local elections in Indian areas from party-political tensions*

*Many sitting councillors and MPs share a vision of direct participation in a unitary local government for all race groups*

open, non-racial city councils on the basis of one person, one vote on a common voters roll.'

The Natal Indian Congress, a UDF affiliate, is not taking part in the municipal elections either. Top Congress officials have said they never discussed going into the system. In the Supreme Court they plan to challenge provisions of the emergency regulations which restrict the right of organisations to campaign against the elections. As a legal organisation with a legitimate interest in the political future, the NIC believes they have a right to approach the community to explain a position of non-participation.

### Delegates Role

Elections in Natal will be held to choose 36 councillors for the four town boards of Isipingo, Marburg, Umzinto and Verulam, plus 144 members for the twenty LACs located throughout Natal. The province, not the House of Delegates, will handle the actual elections, through the auspices of the (white) city and town councils.

An additional 21 members of four LACs will be appointed by the provincial administrator for Grey Street, Gingindlovu, Mashini Park (Eshowe) and Mtubatuba. Municipalities have used electricity accounts to register voters, relied on parliamentary voters rolls or sent out registration forms. Once voters rolls have been compiled, elections will be held in eight semi-rural areas under the development and services board, and their existing advisory committees upgraded into LACs. These are Cool Air, Ottawa, Redcliffe, Riet River, Shakaskraal, Shallcross, Tinley Manor Beach and Tugela. These elections for another 43 LAC members could take place next year only.

Whether the good intentions of some candidates will survive the party-political battles and oust sitting LAC members remains to be seen. Both Amichand Rajbansi, leader of the National Peoples Party (NPP) and Somaroo Pachai, leader of the breakaway Peoples Party of South Africa, have said the elections should not be fought on a party-political basis and appealed to voters to choose the most dedicated candidates. However, the bitter clashes in the House of Delegates, rooted in personal animosities rather than ideology, are too intense and enduring for local government elections to emerge unscathed. Party-political tensions have been exacerbated by evidence given before the James Commission of Inquiry into alleged irregularities in the House of Delegates.

The turn-out on 26 October will determine the credibility of the LACs. The House of Delegates has thrown its weight behind

the elections, and established a steering committee of ministers and representatives to encourage voters. It seems as if many people want to participate, if only to set about tackling perceived community problems. In Isipingo, for instance, about 4 000 people have joined a neighbourhood watch network to try and cut down on the occurrence of six major crimes a day. Many members are openly critical of the police and one faction is standing for the town board elections on an anti-crime ticket.

A former executive member of the Natal Indian Congress for nine years, Peter Govender, is to stand for the Marburg town board as part of an alliance of eight candidates. His manifesto claims he has opted out of all extra-parliamentary platforms to contest the elections: 'I am on record that I prevailed upon my people in the past not to vote for ethnic institutions, and as such, many thousands of people heeded this call. Considering the many problems facing the residents of Marburg, I sincerely believe that the past and present town councillors, who brought upon us untold miseries and hardships, should be replaced.' He has listed as local problems the unfair allocation of plots, religious sites, properties and housing (besides a tremendous land and housing shortage), an inconsistent rating system, high water accounts, and inadequate urban infrastructure and facilities.

Minister of Local Government, Housing and Agriculture, S V Naiker, holds a clear vision: 'Ultimately, we have one goal, and that is direct participation'. This sentiment is echoed by Pachai, MP, who maintains that 'for as long as we do not sit around one table, there will be no peace at local government level.' Furthermore, 'We as participation politicians cannot go into the future without bringing the extra-parliamentary people into our orbit of thinking'.

As administrators, the House of Delegates has become a part of Indian people's lives, from the maternity wards and health services, through schooling and housing, into careers and culture. The new prior votes legislation will give officials and candidates much time to knock on people's doors, inform them of this, then offer to take them to the polling booth straight away. If another round of elections is held in five years time, the present advisory committees could be fully-fledged town councils running Indian areas and working entirely through the House of Delegates, while meeting the representatives of other population groups through the RSCs.

The percentage poll on 26 October will show to what extent the desire of Indian people to have some minimum control over officials who have maximum control over them, outweighs a principled rejection of apartheid institutions at the local level.



# ECONOMIC

## M O N I T O R

### SANCTIONS AGAINST SOUTH AFRICA

OECD Members

	AUSTRALIA	AUSTRIA	BELGIUM	CANADA	DENMARK	FINLAND	FRANCE	WEST GERMANY	GREECE	NETHERLANDS	IRELAND	ITALY	JAPAN	LUXEMBOURG	NEW ZEALAND	NORWAY	PORTUGAL	SPAIN	SWEDEN	SWITZERLAND	TURKEY	UK	USA	
IMPORT BANS	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	Kruger-rands
	•			•	•	•			•	•	•				•	•								Coal
	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	Iron & Steel
	•			•	•					•					•	•				•				Uranium
	•			•	•						•	•		•	•	•				•				Agricultural Produce
				•												•						•	•	Products of Parastatals
EXPORT BANS	•	•	•	•	•	•	•	•	•	•						•						•	•	Petroleum
	•	•			•					•	•		•	•	•	•	•	•	•	•		•	•	Computer Equipment
	•	•		•		•	•	•	•	•			•	•	•	•	•	•	•	•	•	•	•	Nuclear Trade
BAN ON LOANS/ INVESTMENT	•	•			•	•	•	•	•	•	•	•	•	•	•	•	•	•	•	•			•	New Investment
	•	•	•	•	•				•	•			•	•	•	•						•	•	Private Loans
	•	•	•	•	•				•	•			•	•	•	•				•	•	•	•	Government Loans
	•			•	•	•							•	•	•	•	•	•	•	•	•			Air links

△ Voluntary ▲ Applies only to government bodies  
 □ With exception of exports to the Koeberg (Cape Town) nuclear power plant  
 ■ Imports allowed under licence

OECD (Organisation for Economic Co-operation & Development)

Source  
 Indicator South Africa, Vol4/No2 (Spring 1986):13.  
 Lipton M. Sanctions and South Africa: The Dynamics of Economic Isolation. Special Report No 1119. London: The Economist Intelligence Unit, 1988.  
 US State Department.

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*Disinvestment has not had an immediate effect on the South African economy, and, in most cases, has provided opportunities for local entrepreneurs to acquire assets previously controlled by foreigners, at discount prices. Further, in the face of trade sanctions, alternative markets for exports have been sought and often found. But longer term prospects for the economy are bleak, as the country is crucially dependent on inflows of foreign capital and on foreign exchange earnings from exports if it is to maintain a reasonably high rate of growth. Each move towards the further isolation of South Africa is part of a campaign which will gather momentum as the psychological impact on local and international business confidence becomes apparent.*

**D**emands for the severance of economic links between the rest of the world and South Africa were first made after the Sharpeville incident in March 1960. Economic sanctions have remained a key pressure strategy of many groups seeking an end to racial discrimination. Repeated United Nations resolutions calling for the voluntary cutting of trade and transport links with the Republic have been approved. To date, the only mandatory action undertaken by the General Assembly has been the arms embargo (1977), since the US, the UK and, until recently, France and West Germany have vetoed further mandatory measures.

The most far-reaching measures adopted by any national government (see chart:23) have been those passed by the US Congress in 1986. Until then, despite considerable pressure from the anti-apartheid lobby, the US had done little more than support the arms embargo and restrict loans from the export-import bank, especially to the South African government and parastatals. In October 1985 the Reagan Administration banned the importation of Krugerrands and limited the export of computers and nuclear technology. These measures were inadequate, and in September 1986 the Comprehensive Anti-Apartheid Act (CAAA) was passed, in spite of the President's attempted veto, imposing a wide range of trade sanctions.

In Europe, the 12 members of the European Economic Community (EEC) supported the arms embargo, and in 1985, banned oil exports to South Africa and the sale of computers to the South African police and military, and withdrew their military attaches from South Africa. Additional EEC restrictions imposed in July 1987 include bans on new investment and on the importing of certain iron and steel products and gold coins. A voluntary ban on the promotion of tourism in South Africa has also been instituted. Further independent action has been taken by some countries, notably the Scandinavian states, which progressively since 1979 have introduced comprehensive trade and investment embargoes against the Republic,

# SANCTIONS

## Change by force of alms

By Carolyn Jenkins,  
Department of Economics,  
University of Natal

with the exception of some strategic minerals.

Other countries which have imposed bans on commodity and capital flows to and from South Africa include Canada, Australia and New Zealand, which in 1985 tightened restrictions on the sale of arms, oil and computers and on financial flows to South Africa. The long-standing ban imposed on the sale of oil by the Organisation of Petroleum Exporting Countries in 1973 still stands.

Countries which, as yet, have played a minor role in imposing sanctions are increasingly under pressure from the US not to take up the slack left by American withdrawal. The CAAA explicitly provides for retaliation against countries taking advantage of US restrictions in the form, for example, of the abrogation of preferential trading agreements. Threats have already been made to Japan and Israel in this regard. The CAAA also allows for the intensification of sanctions if the South African government is not seen to be making satisfactory progress towards abolishing apartheid. It seems inevitable that further isolation can be expected.

In other words, in comparison to the selective embargoes and restrictions of the 1970s, stringent economic sanctions have been imposed on South Africa since 1985-86. Attempts to measure the precise effects on the economy are hindered by the lack of suitable data — data on trade in arms and oil are impossible to find, and the publishing of foreign trade statistics was stopped in January 1986 in the interest of 'secrecy'. Nevertheless, information that is available about the country's external economic relations does throw some light on the effects of increasing isolation thus far.

### Capital Flows

Historically, the economy has been crucially dependent on inflows of foreign capital for financing both domestic investment and current account deficits (i.e., the excess of imports over exports).

*Those countries playing a minor role in the sanctions interface are under pressure from the US not to take up the slack left by American withdrawal*

*In comparison to the selective embargoes of the 1970s, stringent economic sanctions have been imposed on South Africa since the 1985-86 period*

Table 1 **South Africa's Balance of Payments**  
Current Prices (Rm)

YEAR	Balance on Current Account	Long-term Capital Movements	Short-term Capital Movements	Changes in Liabilities related to Reserves*
1980	2 818	-478	-1 804	-2
1981	-4 089	542	419	2 123
1982	-3 345	2 423	797	36
1983	-78	-238	290	1 107
1984	-2 220	2 563	-1 772	542
1985	5 925	-445	-8 786	2 071
1986	7 196	-3 060	-3 037	-2 283
1987	6 152	-1 698	-1 371	-1 167

\* Liabilities related to foreign reserves include all foreign short-term liabilities of the Reserve Bank and other Banking institutions and short-term foreign loans to the Central Government by foreign banks and authorities

Source: South African Reserve Bank. Quarterly Bulletin, June 1988:5-64.

Table 2 **Specific Export Items**  
Current Prices (Rm)

YEAR	Edible fruit & nuts	Sugar & confectionery	Mineral fuels (mostly Coal)	Iron & Steel Products	Coins	Other unclassified
1980	288,5	404,3	753,0	1 024,2	1 489,0	10 417,8
1981	309,5	265,1	1 109,9	1 029,5	1 287,2	8 908,6
1982	403,6	213,5	1 253,3	1 133,0	924,5	9 576,6
1983	356,8	163,4	1 259,3	1 114,5	1 524,8	10 484,4
1984	533,3	213,9	1 800,1	1 544,7	943,6	13 429,2
1985	428,7	354,4	3 226,1	2 694,1	343,2	18 322,5

Source: Central Statistical Services. Monthly Abstract of Trade Statistics: January - December, 1980-1985.

*Facing large deficits on the capital account of the balance of payments, our economy is most vulnerable to restrictions on bank loans and direct investment*

While direct investment, particularly the financing by multinational corporations of foreign subsidiaries, made up more than half of total foreign liabilities during the 1960s, it declined in relative importance during the 1970s, evidencing a great dependence on indirect investment, especially foreign loans, by the Republic.

The retreat of foreign companies, especially those based in the US, has accelerated during the 1980s. In 1984, seven US companies disinvested; 40 left during 1985, 49 during 1986 and by June 1987 a further seventeen had sold out. (The total number of companies that departed in 1986 was 65). The withdrawal of foreign companies has, to date, not had as significant an impact as might have been expected. Foreign subsidiaries of multinationals are not responsible for inducing ongoing large inflows of long-term direct investment. Expansion occurs by reinvesting profits earned in South Africa, with foreign companies retaining between 30 and 76 percent of the gross profits over the years from 1960.

In most cases disinvestment has occurred by selling assets to (usually) South African investors, and the existing plant has continued to operate, generally with the

same staff and with technological, licensing, franchising and trade-mark links intact. The shock Barclays Bank withdrawal in November 1986, for example, was accompanied by almost euphoric pleasure on the part of some of its senior staff that the 40 percent stake, valued at about £200m, was passing into South African hands (Anglo American Corporation and others) for £166m, representing a discount of approximately one-sixth. None of the approximately 25 000 employees were to lose their jobs, and certain international advantages such as 'visa' cards would remain.

Of more immediate concern for the economy is the success achieved by the disinvestment campaign in halting bank loans to South Africa. The vulnerability of the economy to this measure arises from its increased dependence, particularly on the part of the public sector, on foreign loans to finance overspending on investment and consumption. During the 1970s and early 1980s, political instability and the consequent falling profitability of direct investment resulted in an increased reliance on short-term borrowing, which placed an increased debt-servicing burden on the economy.

The sharp depreciation of the Rand in 1985, caused by large-scale sales of the currency and the refusal of some creditor banks to roll over short-term debt, placed the country in a position where it was unable to meet its repayment obligations. A four-month moratorium on the US \$14bn of short-term debt was declared in August 1985, and this was later extended to 31 March 1986. The agreement reached in February 1986 between South Africa and its 30 major international creditor banks allowed for repayment of no more than 5 percent of the debt before February 1987, albeit at an increased interest rate. It is a matter of pride to the Governor of the Reserve Bank that the country is meeting its rescheduled commitments.

This should not obscure, however, the precarious position of an economy facing large deficits on the capital account of the balance of payments, as shown in table one. The virtual cessation of inflows of direct investment and the outflow of capital used for stock exchange transactions as well as non-direct investment — together with the obligation to repay regularly outstanding short-term debt — has necessitated a reduction in domestic expenditure and the further depreciation of the domestic currency in order to encourage surpluses on the current account. While the disruptive effect of capital outflows on current transactions has been lessened with the reintroduction of the dual exchange-rate system in 1985, any upswing in the domestic economy (with its consequent increase in demand) or any loss of export markets places an immediate strain on the balance of

payments.

One further complicating factor, sometimes cited as a greater problem than disinvestment, is the growing investment of private South African companies in foreign assets. Although the strict measures currently in operation controlling the outflow of domestic funds make this difficult, total direct investment abroad increased between 1980 and 1985 in real terms by 105,2 percent. It declined in 1986 by some 22 percent in real terms, mainly due to a fall in share premium, reserves and undistributed profit and long-term loans abroad. Increasingly, South African capital, reluctant to invest at home, has been finding more profitable and less risky opportunities abroad. This places further strain, not only on the balance of payments, but also on the ability of the economy to expand its productive capacity.

### Trade Flows

Bans on South Africa's imports have, until recently, been restricted to petroleum, arms and nuclear trade and computer equipment, the last mentioned usually applying to government, military and police bodies. The CAAA, however, completely banned US sales of computer equipment, a measure which has also been applied by Scandinavia, Australia, Austria and Japan. The Americans have been particularly careful in recent years about the destinations of their computer exports, usually reserving the right to inspect equipment at any time in order to check that it is being used for the purpose for which it was sold. A round of checks made early in 1988 provoked a storm of protest among South African businessmen who felt that American interference with domestic business was going too far.

Data on volumes, values and sources of imports of these strategic items are unobtainable. In the statistics that were published until January 1986, they were included under 'other unclassified goods and balance of payments adjustments', an item which between 1980 and 1987 amounted to between 15 and 28 percent of total imports. Very little can therefore be said about the direct consequences of sanctions on the availability of strategic commodities. One very obvious result is the need that has been created for South Africa to become self-sufficient in these items, a driving force behind the development of the oil-from-coal and armaments industries.

The closure of markets for certain South African exports has begun to make itself felt in the affected industries, although the depreciation of the Rand means that locally produced goods are competitive in world markets. In real (rand) terms, merchandise exports, excluding gold, have risen through the mid-1980s. The volume

Table 3

### Tourism Trends 1981-87

YEAR	Total No of Visitors to South Africa	% Holiday	% Business	% Study
1981	708 710	76,3	21,7	2,0
1982	659 913	76,1	21,8	2,1
1983	704 444	74,9	22,6	2,5
1984	792 387	73,6	23,6	2,8
1985	727 552	75,4	21,8	2,8
1986	644 502	75,1	22,2	2,7
1987	703 351	76,4	21,2	2,4
Jan-Apr 1987	241 809	75,5	21,4	3,1
Jan-Apr 1988	267 578	76,6	20,7	2,7

Source Central Statistical Services. Report No 19-01-14 and monthly news releases. Satour analysis of statistics.

Table 4

### Migration Trends 1981-87

YEAR	Immigrants	Emigrants	Net Gain/Loss
1981	41 542	8 791	+32 751
1982	45 784	6 832	+38 952
1983	30 483	8 247	+22 236
1984	28 793	8 550	+20 243
1985	17 264	11 401	+ 5 883
1986	6 994	13 711	-6 717
1987	7 953	11 174	-3 221

Source Central Statistical Services. Report No 19-01-14 and monthly releases.

of exports fell between 1980 and 1983, rising again to a peak in the latter half of 1986. It has been of vital importance to the economy to maintain a high level of exports while attempting to cut back on imports, so as to run up a surplus on the current account of the balance of payments in the face of large capital account deficits.

The implementation of sanctions measures, however, has resulted in a shift in the relative importance of the country's major trading partners. After the passage of the CAAA, South African exports to the US fell by a dramatic 40 percent in 1987. Exports of goods specifically banned under the CAAA such as uranium products, iron, steel and coal fell to almost zero. Some exports not listed have also ceased, such as gold and silver (bullion and ore) industrial diamonds, motor fuel and shellfish. In the first nine months of 1987, the two-way trade between the US and the Republic fell to R3 844m from R5 368m in the same period in 1986. Once the country's largest trading partner, the US has been overtaken in significance by Japan. In 1987, Japan's two-way trade with South Africa rose nearly 20 percent to R8 540m, prompting both American ire that it is filling the gap left by the US withdrawal and Japanese embarrassment at its evident willingness to do business with Pretoria.

Trade with the UK and West Germany, fourth and third in importance in the

*Perhaps a greater problem than disinvestment is private South African company investment in foreign assets, which increased by 105,2% between 1980-85*

*Sanctions have changed the relative importance of the country's major two-way trading partners, with the US falling by 40% and Japan growing by 20% in 1987*

Republic's trading relations, has also declined. In 1986 British trade with South Africa fell by 15 percent, although it rose again somewhat in the following year. In 1987 South African exports to Germany dropped by 25 percent in deutschmark terms (about 20% in rand terms from R3,1bn to R2,5bn). This fall was due primarily to a decline in German purchases of gold and Krugerrands, the latter falling by almost 90 percent as a result of the EEC ban. Gold exports fell by 53 percent, which was the same percentage as the decline in coal sales to Germany. In 1986, as relationships with France deteriorated, exports to that country fell by 40 percent.

The clamp on information which has resulted in the cessation of publication of trade statistics means that the precise effects of the 1985-86 round of sanctions on specific exports cannot be traced. Table two lists the value of exports of some restricted items during the 1980s. The success of a ban on a commodity vulnerable to sanctions can only really be seen in the column head 'coin', however, since restrictions on the purchase of Krugerrands have been in effect for longer than those on other goods.

## Tourism and Migration

Another interesting aspect of the country's external relations is the movement of people across its national borders. Relevant factors here include the refusal of many countries to allow the promotion of tourism in South Africa and one of the more alarming results of political and economic instability, the 'brain drain'.

After a decline in the number of visitors to the country in 1985 and 1986, numbers of people arriving on a non-permanent basis rallied again in 1987 and the first four months of 1988. Table three reveals that total numbers arriving in 1987 were 3,3 percent down on 1985 figures and 11,2 percent down on 1984 figures, but 9,1 percent up on 1986. In the first four months of 1988, 10,7 percent more people arrived than in the same period last year. Typically, about three-quarters of foreign visitors come for holiday purposes (about half of them from Africa). The growth in tourism over the last 18 months can to some extent be attributed to the favourable rate of exchange for foreigners, particularly those from Europe and America. While this means that tourism could be earning less foreign exchange for the country, these figures are an interesting indicator of the impact of the anti-apartheid lobby in discouraging tourism to South Africa.

Migration figures reproduced in table four reveal a steady decline in the number of immigrants through the 1980s, with a sharp fall in 1986 and an increase in 1987.

In 1986, which is the latest year for which detailed statistics are available, close on one-third of the immigrants came from the UK, while nearly 27 percent arrived from Zimbabwe. Of those who were economically active, 36 percent were classified as professional, technical and related workers. The number of people emigrating from South Africa rose noticeably between 1985 and 1987, although fewer left than in 1977 and 1978 following the Soweto unrest — 26 000 in 1977 and 20 686 in 1978. Of the 5 578 economically active people who left in 1986, over 40 percent were classified as professional, technical and related workers, about 20 percent of those being engineers. The single most popular destination was the UK (40%), followed by Australia (29%).

## Summary

The 1980s have seen a broad range of sanctions applied to South Africa with varying degrees of effectiveness in terms of their power to cause damage to the economy. The cessation of foreign capital inflows has caused disruptions, with the difficulty of acquiring foreign loans causing more problems than the withdrawal of multinational companies, although, with time, the deprivation of new long-term direct investment will hamper growth. Of concern is the lack of confidence of local businessmen and their consequent search for more profitable, less risky opportunities abroad, creating what has been termed 'internal disinvestment'.

It is still too early to assess the impact of international trade restrictions. In the face of the clampdown on information, it may never be possible to do more than speculate. At present it appears that alternative sources of prohibited imports are being found and domestic production of these items has been initiated. Banned exports include only those goods of little or no strategic importance to the countries imposing the restrictions. Nevertheless, the impact on South African trade has illustrated the harm that can be caused if sanctions become more comprehensive and more widely applied. To date, the availability of alternative markets has buffered the export industries affected by the prohibitions. Tourism for both holiday and business purposes has been little damaged so far, although the net permanent loss of people through migration is an important reflection of negative perceptions of the country's prospects.

The present level of sanctions can, in all likelihood, be survived, but the costs to the economy grow with each additional embargo. As a highly open economy, our relationships with the rest of the world are better cultivated than cut — by the politician as well as the businessman.

*Although the 'brain-drain' is substantial, fewer numbers of people emigrated from South Africa between 1985-87 than after the Soweto unrest of 1976-77*

# Can sanctions work selectively ?

Stephen Gelb,  
Labour & Economic Research Centre

*Any contribution that sanctions can make to ending apartheid is probably more modest than is sometimes claimed. At the same time, sanctions are neither irrelevant nor irrational. Economist Gelb attempts to unravel their logic, to understand how they could indeed 'work' to promote political change, as their supporters hope. In examining sanctions in the context of wider political processes, he shows that views on the efficacy of sanctions reflect support for one or other of the two main paradigms for democratic change in South Africa.*

The first conception of a non-racial democracy expresses the principle of one person, one vote, without distinction or qualification. Every (adult) person is regarded as a full and equal citizen of the society, as elaborated, for example, in the first clause of the Freedom Charter, titled 'The People Shall Govern!'. This means a complete break with the past through the over-turning of the existing representative institutions of the state, which could not in any way be based on principles of racial or ethnic group membership. At most, geographically-based distinctions could be drawn. The idea of 'liberation' captures the total transformation which is involved. (It should be noted, though, that the change in political structures does not imply any necessary change in wider social and economic arrangements).

The second conception qualifies the extension of citizenship by retaining special forms of racial-cum-ethnic representation to guarantee minority or group rights. This paradigm underlies not only the government's vision of democracy, but also models such as the KwaZulu/Natal Indaba. All systems of governance of this sort involve reform, i.e. the essential properties of the present system are retained even while its form is changed. This paradigm is, then, but a pale imitation of the first. These two goals are alternatives which cannot be reconciled with each other in any simple way — one or the other has to be chosen.

The respective goals of the two frameworks suggest quite different perspectives of the actual political process of change. The second approach understands apartheid as a collection of discriminatory practices and institutions, which can be successively 'peeled away' until apartheid has disappeared. The steady increase of black power in (consumer, labour and financial) markets is the key factor in this process of continuous change, premised on an assumption of growth in the economy as a whole. The legalisation of black trade unions, or the scrapping of the Group Areas Act, are two examples presented of steps in the progressive erosion of the racial edifice.

In contrast, the first approach demands a radical break. Apartheid is conceived as an integrated structure of power or a system. Changes such as those mentioned above are interpreted here as a re-organisation of the overall system. They constitute not a peeling away of racial practices, but a process of deracialisation and re-racialisation. A further distinction is that such changes are seen to occur in a context of economic decline, not growth — it is the imperative of restoring growth which is seen by critics of piecemeal reform to enforce restructuring. They argue that the need is not thereby dissolved for some ultimate moment of transition, that is, the replacement of the existing form of political representation.

Each successive phase of the 'liberation struggle' is marked by the dominance of a particular strategic orientation — a

*Consensual forms of foreign policy reflect an acceptance of a target government's legitimacy, in contrast to the use of coercive actions such as sanctions*

Sanctions 'work' when they impact upon the dynamics of social conflict in ways favourable for the transition towards a majoritarian non-racial democracy

Insurrection, a related strategy, was adopted prematurely in 1984-85 as its overall success hinged on making rapid progress towards political transition

theory of transition — defining the main contours conceived of the path to the point of transition. It is evident that support for sanctions is rooted very explicitly within the first conception of non-racial democracy. While consensual forms of foreign pressure are based on the continued international legitimacy of the government of the target country, coercive actions, such as sanctions, indicate that the need to overturn its political order has been accepted. Thus the impact of sanctions should be evaluated in the context of the political process conceived in the first paradigm.

### Shifting Role

The consequences of sanctions for economic growth per se, or for the 'market power' of blacks, are somewhat besides the point. Nor can the issue simply be reduced to a moral dilemma as to whether blacks will be 'hurt' — for one thing, it is obvious that the sources of black unemployment and impoverishment run much deeper, and are far more complex, than could be accounted for by sanctions and their possible effect on economic growth. The apartheid system, and the market economy, themselves raise questions of this sort, on account of their impact on the lives of individuals.

What is more relevant is whether sanctions harm black organisations, which are a crucial force for political change. Sanctions are effective to the extent they impact upon the dynamics of social conflict in ways that are, on balance, favourable for further progress towards the moment of transition. In other words, sanctions 'work' when they reinforce the strategy currently dominant within the liberation struggle, and so are consistent with the prevailing theory of transition. Further, a shift in the broad transitional strategy demands also a re-evaluation of the approach to sanctions.

Within this perspective, sanctions are not a central factor, but play a secondary, supportive role. Certainly, there are some who accept the first version of non-racial democracy and who see in sanctions a vehicle sufficient unto the day — a peaceful alternative to political action within South Africa which, it is feared, must necessarily entail bloodshed. In another context, sanctions alone might be an adequate strategy; this was true in the case of South Africa's own sanctions against Lesotho in early 1986. But the South African state is not the Lesotho state. It will take more than US and other Western pressure, even from comprehensive sanctions, to bring it down.

Of course, it is also clear, in retrospect, that insurrection itself was a premature strategy adopted in 1984-85. Its overall

success hinged on the possibilities of rapid progress towards transition. Given the unequal access to the means of force, and the high cost in social disruption, popular uprisings inevitably cannot be sustained for very long. An insurrection either succeeds quickly, or not at all. In such a context, sanctions 'work' only if they too have a significant impact in the short term on the state's capacity to defend itself.

This means, in effect, that sanctions in this phase of the liberation struggle would have had to be comprehensive and mandatory, as well as imposed over a short period. But, if there had been the political will within South Africa's major Western trading partners to adopt this approach, sanctions would have worked. They would have worked by posing to the government and other interest groups (most crucially, big business) the choice between apartheid or international trade and investment links.

The point is not that the disruption of international economic relations would have led to an immediate economic collapse, implying the disintegration of the economy. Adjustment would have been possible — the adaptability of industrial economies to other straitened circumstances, such as war, convincingly demonstrates this. (Sanctions are, like wars, a coercive form of foreign policy). But even wars end when their costs can no longer be carried. Pushing onto the black population any substantial proportion of the enormous costs would simply have fanned the flames of the insurrection itself. So the burden of adjustment would have had to be carried not by blacks alone, but also and significantly, by the government and by business.

If implemented then, comprehensive and mandatory sanctions would have reinforced the thrust of the 'ungovernability' strategy — that the costs involved in maintaining the apartheid power structure had simply grown too large. A glimpse of the possibilities was in fact provided by the financial 'sanctions' implemented by private banks, especially from the US, in July/August 1985. This is perhaps the one action thus far which could be said to have worked. The massive flight of capital reflected a continuing loss of confidence in South Africa on the part of international business. It thereby forced a significant, if temporary, rethink among important elements of South African business, about the costs of apartheid, and the value of continued support for it.

### New Phase

What role can sanctions play in the new phase of repression? With the balance of forces having swung back, the contours



of the new phase are being shaped by the state's strategy. The three parts thereof can be concisely expressed — firstly, pacify the townships through security force action; then, alleviate as far as possible the material grievances seen to have underpinned popular unrest; and finally, try to win some degree of legitimacy for limited forms of black political representation, especially at the local level.

Township upgrading, housing construction and job creation policies will entail some degree of redistribution of resources into black communities, providing in the process better living standards for some part of the population. But these have to be understood within the context of the state's overall goals — to remove entirely even the idea that non-racial democracy is attainable (the widespread acceptance of this idea being one of the major gains of the insurrectionary period), and to re-organise the overall power structure to exclude political activity outside of extremely limited parameters of group-based power sharing, or 'democracy' defined in terms acceptable to the government. Any material improvements for urban blacks will be accompanied by a move away from more substantive democratic or participative possibilities.

The tasks confronted by the oppositional forces are two-fold. Firstly, they have to defend their organisations' existence vis-à-vis the state's actions against them, such as the 24 February restrictions. Secondly, some way forward — a new theory of transition — has to be developed. The debates about 'soft targets', participation in the October municipal elections and alliances with centrist forces express varying perceptions about the appropriate path. (These are alternatives in many ways, and not necessarily mutually reinforcing. Increased success for the latter tactic could well help to make the former less likely).

There are early signs that the strategies of foreign supporters of the first paradigm of non-racial democracy are adapting to this new environment. There is increasing recognition that, if it is to work, international action should include not only coercive policies toward the South African government, but also positive measures to support the vital process of reconstructing and institutionalising black oppositional politics inside South Africa. In other words, a two-track policy is emerging. Reinforcing this idea, ANC President Oliver Tambo has drawn a clear distinction between a boycott of cultural expressions and academic work which reinforce apartheid, and support for those which contribute to the development of a 'new South Africa' (Canon Collins Lecture, August 1987).

The other 'track' remains tied to sanctions, of course. But here too, there are

indications of a shift in approach. Notwithstanding the recent passing by the US Congress of the Anti-Apartheid Amendment Act (the Dellums Bill), debate within US policy circles reflects some feeling among supporters of sanctions that comprehensive mandatory sanctions are no longer appropriate to the South African political conjuncture. A major factor here is the perception that some trade sanctions could seriously undermine black organisations, particularly the trade unions (which are already on the defensive), and that there is no short-term possibility of dramatic political change. Increasingly, the view is gaining ground that sanctions should be selective, focusing on weak points in the apartheid system.

Further evidence is provided by the August 1988 meeting in Toronto of the Committee of Commonwealth Foreign Ministers, charged with developing strategy towards South Africa for that body. The emphasis here was the need to focus on strengthening financial sanctions against Pretoria. This recognises that the financial 'sanctions' imposed in August 1985 continue to limit South African access to international credit. The shortage of domestic savings and the huge outflow of capital during the past three years as investor confidence collapsed, has placed very tight constraints on the balance of payments, leading to the necessity to cut short cyclical upswings in domestic economic activity and impose various controls on imports.

But what is relevant here is the political impact of the credit restrictions. Together with the difficulty of cutting spending in other areas, the consequence has been that the government is desperately short of funds for its political strategy — to pay for the houses, streets and lighting, and to create jobs for urban blacks. Efforts to redirect to this end the massive cash flows dammed up within financial markets, due to the lack of incentives to invest in production, explain much of the thrust of current fiscal policy. In this respect, limited inflows of foreign capital represent a major obstacle in the way of long-term political stabilisation.

Will new financial sanctions 'work'? They will if they can help to slow, or even stop, the government's efforts to restructure the system of power in ways which could totally shut out oppositional forces and thereby prevent, for many years to come, any progress towards the elusive goal of non-racial democracy. The aftermath of the three-day protest stayaway in June has demonstrated that coercive action can still pressure the government into a negotiating process, especially when big business feels obliged to shift its own attitude. PDA

● *With acknowledgement to Leadership, Special Issue on Sanctions (September 1988).*

*The new two-track foreign policy towards South Africa combines coercive actions with positive measures to support and institutionalise internal black opposition*

*After the success of the credit 'sanctions' of August 1985, a strategy of selective sanctions is emerging which focuses on weak points of the apartheid system*

# Economic Outlook

By Prof Merle Holden & Prof Mike McGrath,  
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## RETROSPECT

Falling foreign confidence in the South African economy, disinvestment pressures, and the burden of repaying foreign debt (following the post-1985 rescheduling agreements) had placed the economy on a growth path which was severely constrained by the termination of capital inflows and by the need to accumulate foreign reserves for scheduled debt repayments. The experience of the brief recovery of the economy in the present business cycle provides our first experience of the meaning of these constraints.

By the middle of 1988 the economy had been in an expansionary phase of the business cycle for three years. The recovery was modest at first, but real Gross Domestic Product (GDP) had advanced at nearly 3% from the third quarter of 1986 to the second quarter of 1987. It continued to expand at a slightly lower rate from the third quarter of 1987 to the second quarter of 1988. Prior to September 1987 the economy was able to achieve a combination of economic growth, rising monetary demand, large current account surpluses, rising foreign reserves, an appreciating exchange rate and declining inflation rates.

This was, however, an unusual situation which could not be sustained for any great length of time, given the isolation of South Africa from international capital inflows. As the recovery proceeded strongly, rising import payments, sluggishly rising export earnings, and relatively stagnant values of net gold exports caused a diminution of the current account surplus on the balance of payments for 1987 to R6 152m, and the emergence of a deficit of R410m in the first quarter of 1988. There was a consequent decline in foreign reserves, which fell to R7,7bn in June 1988 from a peak of R8,7bn in August 1987. In the first six months of 1988 the effective exchange rate of the Rand declined by 14,4%. The strengthening of the dollar between January and June 1988 contributed to the depreciation of the Rand, and also resulted in a decline in the dollar price of gold.

By mid-December 1987 gold had broken through the US \$500 mark, but fell back to an average of US \$451 in the first seven months of 1988, thereby adversely compounding the rising negative balance on the South African merchandise trade account.

The inflation rate had been successively reduced from 18,6% in 1986, to 16,1% in 1987, and to 13,3% for the first half of 1988. The improvements in 1986 and 1987 were attributable in large measure to the appreciation of the exchange rate of the Rand and the depressed state of the labour market in those years.

Disturbing fixtures of the expansionary phase of the business cycle were:

- The repayment of foreign debt failed to ease the availability of foreign capital. Over the three year period beginning in 1985 the repayment of foreign debt placed a heavy burden on domestic economic welfare as R11,5bn in foreign debt was repayed (excluding valuation adjustments from exchange rate changes). This included approximately 20% of the repayments in terms of the rescheduling arrangements with foreign banks. Under normal conditions access to long-term foreign capital would have eased as the credit worthiness of the economy improved, e.g., the ratio of foreign debt to exports of goods and services declined from 171% in 1984 to 93% in 1987. Political pressures and uncertainties prevented a renewed capital inflow.
- In the upswing of the business cycle, although there was a revival of private sector fixed investment, net real fixed investment in private manufacturing failed to respond to the recovery. The real fixed capital stock of the manufacturing sector merely levelled out after 1986. Here too is a reflection of the lack of direct foreign investment, and the depressed, uncertain expectations of South African capitalists.
- The growth of employment in the course of the upswing was far below the natural growth of the labour force. Total employment in the non-agricultural sectors of the economy rose at minimal rates of 0,3% and 0,9% in 1986 and 1987 respectively, but significantly faster at an annualised 1,8% in the first quarter of 1988.
- The upswing, even in its attenuated form with average real annual growth rates of less than 3%, could not be sustained. The preliminary estimate of economic growth for the second quarter of 1988 is an annualised 1,5% on the previous quarter, which appears to indicate that the economy is already moving into the contractionary phase.

## MACROECONOMIC POLICY

Since June this year we have seen a panic reaction on the part of policymakers to what was perceived as a balance of payments constraint to further growth in the economy. The Governor of the Reserve Bank, Dr Gerhard de Kock, has freely admitted in his annual address (August 1988) that the consumption-led boom in the economy was fuelled by a boom in the money supply, turning the current account surplus of 1987 into a possible deficit or small surplus for 1988. The spectre of repayments of the foreign debt was then used as the *raison d'être* for the measures taken to dampen import demand, and hence, the economy. Instead of letting the exchange rate adjust the balance of payments on its own, a somewhat lower exchange rate has been combined with a slow-down in monetary growth and the imposition of selective import surcharges.

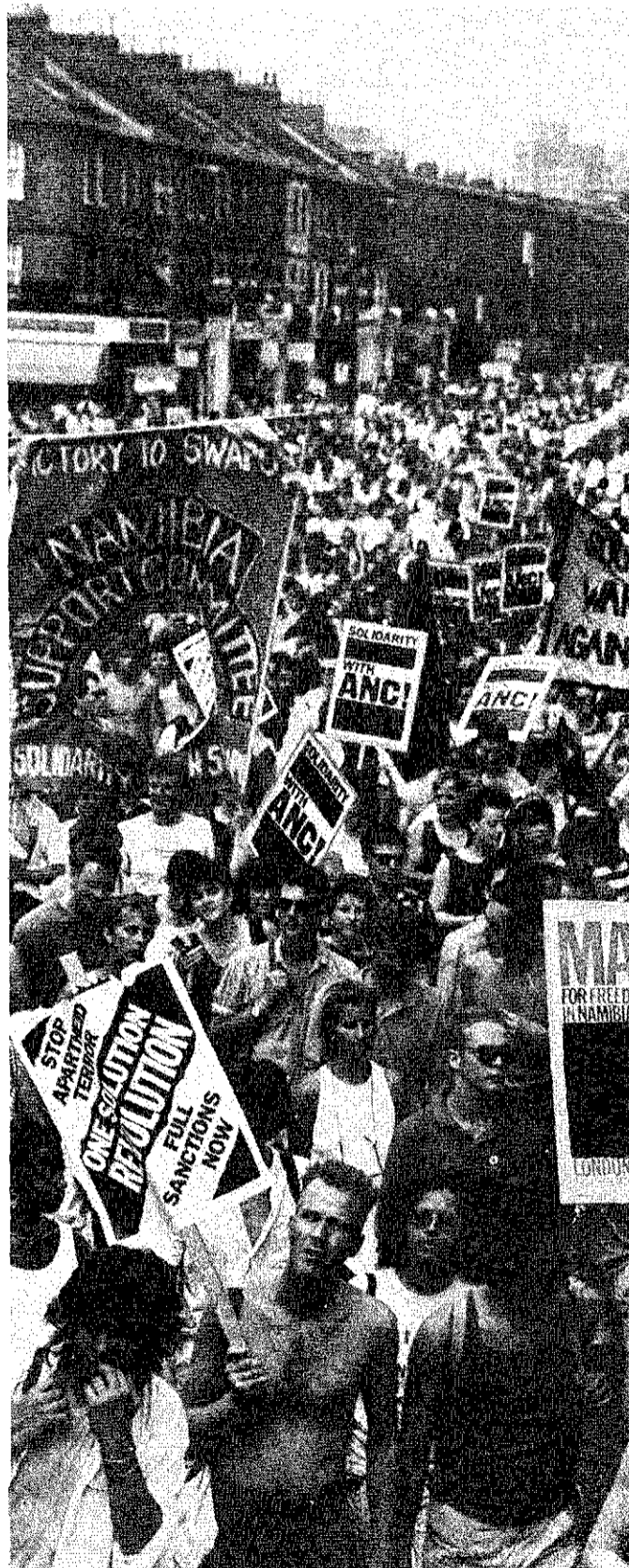
It would appear that policymakers are loathe to see the value of the Rand fall below US 40 cents, and in recent weeks the Rand has traded in a narrow band of US 40 to 41 cents despite a decline in reserves. As the Rand has become a barometer of the economic and political health of the country, it is not surprising that a fall to below US 40 cents would be viewed as an indicator of failure on the part of the present government.

Year-on-year increases in excess of 20% in all the definitions of the money supply also showed the reluctance of the monetary authorities to control the growth in money supply and allow interest rates to rise as the demand for money rose in the recovery period. The interest rate is also a politically sensitive variable that is receiving much attention because those more likely to be hurt by increases have a strong lobby, namely farmers and mortgagees. However, in an attempt to effect a slow-down in monetary growth and make some contribution to dampening consumer demand the Bank rate was increased to 12,5% followed by an increase in the prime rate to 16% in August this year.

It is against these comments that the recent August macroeconomic package should be viewed. The use of selective import surcharges and tighter hire purchase controls represents an intervention in the marketplace by which it is hoped to restore the current account surplus without triggering a strong political protest. The 10% import surcharge has been replaced by a differential system with the surcharges ranging from 0% to 60%. Those items carrying the 60% surcharge include video machines, hi-fi's, television sets, tape recorders, jewellery, perfumes and Perrier water. The 20% surcharge has been applied to goods such as computers, boats, aircraft and capital goods such as machine tools.

Having stipulated that the import surcharges would

*An anti-apartheid march through London, linking the political issues of sanctions, ANC/Swapo support and military conscription. The isolation of South Africa from capital inflows has hampered domestic economic recovery.*



AFRAPHX: Paul Weinberg

apply immediately (even to goods already shipped) the government has relented if companies can show that their future would be 'imperilled', thereby allowing for exemptions to the surcharge. It was not clear at the time of writing how these exemptions would apply, providing again another example of government ineptness when interfering with the market. It is also not clear that these measures will help in a substantial way with the current account, given that consumer goods only account for 11% of total imports.

In addition to the import surcharge, hire purchase and other credit transactions have had deposits raised and the repayment periods shortened. Transactions involving motor vehicles and furniture remain unchanged, which presumably reflects the low import intensity of these sectors.

Both these measures, the import surcharges and the heightened HP requirements, have a commonality about them. They are arbitrary and discriminatory. They introduce distortions in both consumption and production patterns, lowering the economy to a level below what would be optimal. However, we recognise that decisions regarding the economy are seldom taken on efficiency grounds, with income distribution and pressure group considerations predominant in many instances. This macroeconomic package represents a tinkering with the economy and a return to direct controls. The Reserve Bank, despite its intention to allow greater flexibility in the external value of the Rand, is now having second thoughts as to the ability of the exchange rate to equilibrate international payments without imposing other costs on the economy (See Annual Report 1988:4).

## PROSPECT

The economic outlook for the rest of 1988 presents a picture of reduced circumstances for an economy constrained to a lower rate of growth in order to generate the necessary savings to finance external capital outflows. By holding South Africa to debt rescheduling deadlines the international community continues to squeeze economic prospects for all of South Africa's citizens, exacerbated by the inexorable effects of economic and financial sanctions. Most economic commentators agree that growth will reach 2,5% this year or probably lower if the price of gold continues at lower than US \$430 an ounce.

Expectations of the FM Board of Economists regarding the rate of inflation set an upper limit of 15% by the year-end. We view this as an overly optimistic forecast, however, and predict an increase in the annualised monthly inflation rate to around 20% by December 1988. Our prediction is based primarily on growth rates in the money supply exceeding 20%, in addition to the once-off effects emanating from the depreciated Rand, the import surcharges and the 16% increase in the price of petrol. The higher petrol price should on its own effect a 1% point increase in the rate of inflation.

The apparent reluctance of the Reserve Bank to allow interest rates to rise significantly has led to forecasts of rates remaining much where they are now, with a prime rate of 16%. If indeed this is the intention of the Bank and if the rate of inflation rises, the economy will yet again be experiencing negative real rates with all the concomitant disincentive effects these have on savings.

Furthermore, in recent months there has been a switch in trade financing towards domestic sources,

induced by the rising international interest rate differential as foreign interest rates have risen. Although this implies outflows on short-term capital at a time when it could not be afforded, we recognise that this will be reversed given the nature of trade finance. It is interesting that even though South Africa is isolated from world capital markets, the economy is still affected by uncoordinated international macroeconomic policies if the exchange rate is strongly managed.

Unless the parameters of the South African system can be fundamentally altered the economy faces the prospects of:

- continuing outflows of foreign capital through scheduled and unscheduled debt repayments, and capital flight with their contractionary effects;
- short-lived upswings in the economy if they start with increases in domestic expenditure, with export-led growth offering the only hope for sustained long-term growth with relative price stability;
- relatively high and rising rates of inflation as a result of economic growth as current account deficits force down the exchange rate of the Rand, and the money supply increases to accommodate the increased expenditures;
- sanctions pressures, through excluding South African exporters from potential or existing markets — or simply through reducing confidence in investments in export-orientated industries — will reduce the responsiveness of South African exporters to any given depreciation of the Rand.

Sanctions will not only prevent the economy from moving to a path of higher, export-led growth but also cause a real decline in economic welfare by denying South Africa the benefits of free trade. □□□

## A REJOINDER ON REDISTRIBUTION

By Tony Ardington, Chairman,  
Economic Committee of the KwaZulu/Natal Indaba

The summer edition of Indicator South Africa (Vol5/No2:24-30) contained articles on the Indaba proposals by Natrass and May, and by Corbett, which emphasised the economic difficulties facing the region and, indeed, South Africa as a whole.

Corbett came to the same conclusion as the report of the Economic Committee of the Indaba and the du Pisanie and Meintjies report commissioned by the Durban Chamber of Commerce, namely that the region could not afford to upgrade government services to the levels currently enjoyed by whites. It is pertinent to note that the country as a whole could not afford to equalise services at these levels and that it is unrealistic to expect preferential transfers from the central fiscus to any one region to achieve this end.

The crucial difference between the reports is that neither du Pisanie and Meintjies (nor Corbett) investigated the possibility of downgrading the state's contribution to services for whites, whereas the Economic Committee concluded that this was the only possible course to follow. Corbett rightly points out that this option diminishes the appeal of the Indaba proposals to white voters. At some point, however, we must have the political leadership and courage to face whites with the reality of the economic prospects. Even the present government, which in 1955 passed the Separate Amenities Act — thereby legalising past practices and the (then) current policy of having separate facilities for different population groups which were not equal — has come to face this reality. There is today a commitment to move from 'separate and unequal' to 'separate but equal' and in the process, to reduce government services for whites.

Government expenditure on white education is being reduced in real terms each year, while there have been very large increases in expenditure on black education. The latest figures available to the Economic Committee of the Indaba were for 1984-85, when expenditure on education was R215 735 000 by the Natal Provincial Administration and R186 257 000 by the KwaZulu government. Since then, Pretoria has implemented a formula for determining expenditure on education

which has resulted in an increase in the KwaZulu Education Department's budget to R300m in 1986-87 and R599m in 1988-89 — a compound increase of 34 percent per annum. (The compound increase since 1986 has been in excess of 41 percent per annum.) Simultaneously, whites have been told they will have to pay increased school fees if they wish to maintain in the future the same standards they have experienced to date.

Whatever else one may say of the government it has undertaken to equalise its contribution to expenditure on services for the different population groups and, as far as expenditure on education is concerned, has stuck to that resolve. Additional evidence of the government's intentions is contained in the Regional Services Councils Act, which requires that priority be given to those areas where the backlog in basic municipal infrastructure and services is greatest. An analysis of the budgets of those RSCs that are operational confirms implementation of this function.

It is important to appreciate that equalised expenditure is only possible if there are increasingly large inter-regional transfers — transfers of taxes from rich white areas to poor black areas. This is a risky political business. The extent to which it can continue will depend on how rapidly the economy grows and how much redistribution of government expenditure is possible — redistribution away from control functions and defence, towards welfare functions. One should not underestimate the potential impact of such redistribution.

### Funding Proposals

Where does the funding of the KwaZulu/Natal Indaba proposals fit into these developments? The consequence of a national policy to equalise expenditure between the different race groups will be an increase in the flow of money to the poorer and more populous regions, e.g. to KwaZulu/Natal, whether the Indaba proposals are implemented or not. These transfers plus additional tax revenues, which in 1984-85 terms would have increased the resources available to the regional government by less than 10 percent, would represent the only resources

*In moving from 'separate but unequal' to 'separate and equal' services at the national level, state services for whites inevitably must be downgraded*

*Equalised expenditure will be possible only if there are increasingly large inter-regional transfers of taxes from rich white to poor black areas*

To implement the Indaba Bill of Rights, which accords the right of equal access to unified, non-racial services, would require major new resources

The experience of the American South shows that statutory reform heralded both desegregation and sustained regional economic growth thereafter

available to a new regional government.

The Economic Committee concluded that markedly higher levels of taxation in KwaZulu/Natal would probably lead to a flight of both capital and skills away from the region, undermining the prospects of economic growth. Thus the consequence of accepting a Bill of Rights which gives individuals the right of equal access to all government services, and the reality of the economic constraints within which the region would have to live, make a downgrading of government-funded services to whites inevitable.

Natrass and May have stated that an Indaba-type settlement would have to deliver benefits to its principal support groups to have any chance of long-term survival. Indeed, when one considers the extent of unemployment, the lack of access by Africans to urban land and the conflict that already exists between the UDF and Inkatha, a settlement can only be achieved if the vast majority of people in the region see their positions improve in the relative short term following the implementation of the Indaba proposals. For this to be achieved, additional resources beyond those described will be required by the new regional government. The only likely major source is a benign central government. The Indaba proposals could only be successful if they form a major part of a new national reform initiative.

Unfortunately, the credibility of the current government is such that its embrace of these proposals would undermine popular acceptance of the proposals in the region. The central government would have to be seen to be moving from that which cannot be achieved, namely the goal of 'separate but equal', to the supply of unified, non-racial services, using a new federal dispensation to achieve this. The creation of a climate of reconciliation is a precondition to the implementation of new initiatives.

The same authors also question the capacity of the current administration to deliver improved services, assuming finance is no longer the constraint. They concede that enormous inefficiencies are created by apartheid structures but suggest that the short-term benefits of unification of all government departments will not be as significant as expected. This will, no doubt, be true in the very short term in areas such as education and health care. However, other benefits could be delivered very rapidly once the legal constraints created by apartheid have been removed — e.g. the supply of urban land, municipal infrastructure and services.

### Time is Neutral

The Indaba proposals have been criticised by Corbett for putting the

constitutional cart before the economic horse. What is implied is that the region must first attain economic muscle before attempting to equitably distribute services and facilities. 'We need more time to solve these problems' has become an excuse for not tackling them. One is reminded of Martin Luther King's comment that 'time is neutral', for it can be equally well used by the forces of repression as those of liberation. There are no strong arguments for deferring the implementation of equal services (justice) until a riper time. 'Time' wrote A P Cornford, 'like the fruit of the medlar tree has the trick of being rotten when it is ripe'.

Quite often, constitutional change has preceded economic reform and the provision of improved social services. Sometimes it is only because the constitutional cart is in place that reform becomes possible, as the underlying ethic of the constitution overrides the short-term interests of a ruling elite. In 1954 the Supreme Court of the United States (in the case of 'Brown et al vs the Department of Education of Topeka et al') decided unanimously that the supply of separate services and facilities for different population groups contravened the Bill of Rights and the Constitution because that which was separate was inherently unequal. Thus the decision of the same court in 1896 that it was permissible to supply 'separate but equal' services and facilities was reversed.

In *Journey Continued*, Alan Paton emphasises the importance of the 'Brown case', describing it as the most significant step in the fight to establish the rights of black people in the United States. It was this Court interpretation that made President Kennedy's interference in the state affairs of Alabama at Little Rock (when he led a little black girl to register in a 'white' school), constitutional, and the passage of President Johnson's civil rights legislation two years later, possible.

It is also worth noting that even in those counties in the American South where blacks were overwhelmingly the majority of the population, there was no flight of white capital and skills arising from the unification of government services. Indeed, the civil rights legislation of 1965 heralded both the dismantling of segregationist structures and a period of sustained economic growth for the southern states. UDF/NA

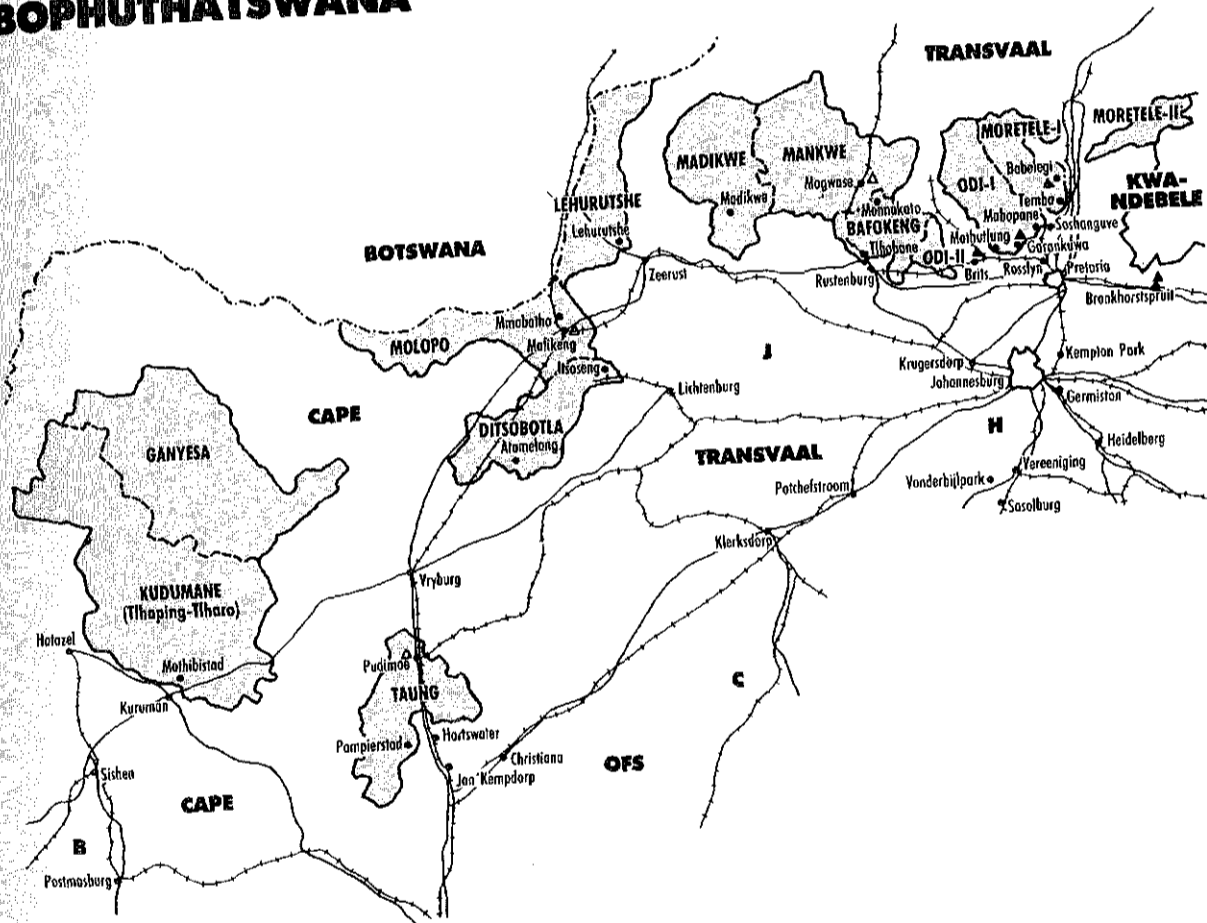
#### ● Footnote

The principles of the report of the Economic Committee of the KwaZulu/Natal Indaba were agreed to by all members of the Committee, which gave authority to the Chairman to finalise and present it. Corbett is incorrect both in alleging that the committee failed to reach agreement and in concluding that the final report is unofficial.

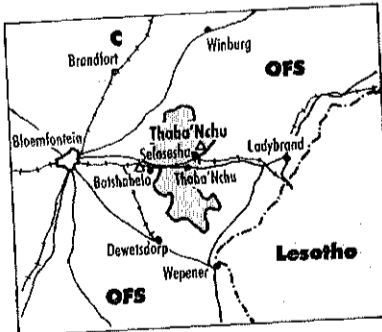
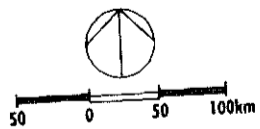
# RURAL & REGIONAL

M O N I T O R

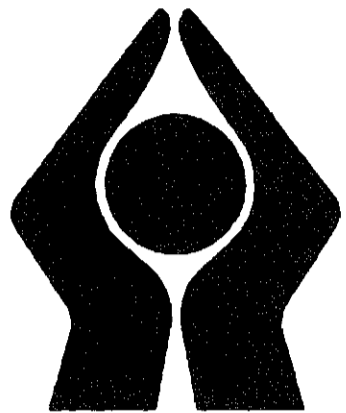
## BOPHUTHATSWANA



- LEGEND**
- Bophuthatswana
  - Boundaries**
  - District
  - Homeland
  - International
  - Towns**
  - Proclaimed and major towns
  - Infrastructure**
  - Main roads
  - Railway lines
  - Development Areas**
  - Industrial development point
  - Deconcentration point
  - Development Region



SOURCE: Development Bank of South Africa. SATBVC Countries: Statistical Abstracts (1987).



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# BOPHUTHATSWANA

## Bordering on No-man's Land

By Indicator SA Researcher Vijay Makanjee

### INSTITUTIONAL POLITICS

Bophuthatswana, the 'homeland' of the Tswanas, was granted 'independence' on 6 December 1977, following the precedent set by the Transkei twelve months earlier. The territory is governed by a 96-member National Assembly, including 72 elected members and up to 12 additional members appointed by President Mangope. In addition, there is an executive council (cabinet) made up of the executive president and 15 ministers. With 22 government departments and 4 public corporations, the homeland contributes to the burgeoning civil service bureaucracy in South Africa.

Mangope has a long history of being involved in homeland political structures. In 1961 he was vice-chairman of the Tswana Territorial Authority, and later in 1968 he became chief councillor. In 1972, the Bophuthatswana National Party (BNP) led by Mangope gained 72% of the votes and won 12 of the 16 seats in the Territorial Authority. A Legislative Assembly of 72 members (48 designated and 24 elected) was formed after obtaining 'self-government' in June that year.

The BNP's manifesto in the 1972 election in the homeland called for the development of a Bophuthatswana nationalism, with promises of attendant protection (and privilege) for Bophuthatswana citizens. In opting for 'independence', Mangope has accepted the boundaries demarcated for the fragmented homeland by Pretoria.

### Opposition Politics

Within Bophuthatswana, there have been major incidents of conflict between the opponents and supporters of homeland-style 'independence'. It has not been immune to the civil unrest that has rocked the rest of South Africa in the mid-1980s. Bophuthatswana's proximity to the major industrial centres of the PWV region has meant that simmering township issues are taken back into the homeland by daily commuters and by unionised migrants. In 1986, Bophuthatswana police opened fire on 5 000 people attending a meeting in the Winterveld (see IPSA Vol4/No2:24-25), killing 11, injuring 70 and arresting 2 500. There have been many security force clashes with ANC guerrillas crossing the territory to reach the Reef.

Citing widespread corruption and electoral malpractice, a faction within the territory's security forces staged a coup attempt in Mmabatho on 10 February 1988. Although short-lived, the coup managed to highlight the institutional support Mangope draws on

for continued homeland rule. Within fifteen hours, the coup was promptly put down by the South African Defence Force, acting under the behest of the Republic's National State Security Council.

The coup attempt was led by a relatively unknown and non-commissioned officer, Warrant Officer MTF Phiri, attached to the homeland's presidential guard. Statements issued at the time claim ruling powers were reinvested in the People's Progressive Party led by 'Rocky' Malebane Metsing. The aspirant president later resurfaced in Lusaka, where he remains in exile. Although there appear to have been similarities with the earlier coup(s) in another South African homeland, Praetorian intervention in Bophuthatswana but restraint in the Transkei raises some interesting questions. It must be noted that South Africa is one of the world's major suppliers of platinum, a large portion of which is mined in the homeland. Bophuthatswana's platinum exports are listed on Wall Street while the Transkei's dagga exports are not (Streek & Wicksteed 1982).

Soon after restoring Mangope's presidency, in this strategically located homeland on the Botswana border, Mr PW Botha inadvertently let slip that the South African government was 'back in full control'. He then qualified this, saying the homeland 'president was back in full control' (*Weekly Mail* 12-18/2/88). But Mangope's dependence on South Africa is not just in military terms. In the 1986/87 financial year, South Africa paid R245m to the homeland, nearly a quarter of the Bophuthatswana budget. South Africa also guarantees loans taken out by the homeland. Ultimately, homeland fiscal resources come from the pockets of South African taxpayers.

### POPULATION

Table 1

Demographic trends in Bophuthatswana  
1980—1985 (de facto)

Population	1980	1985
Rural	1 272 042	1 482 962
Urban	238 604	257 638
Total	1 510 646	1 740 600

Average annual increase: 2.9% (excluding migrants)

### Analysis

- The de jure population (i.e. including Bophuthatswana citizens resident in 'white' South Africa) was

estimated at 1 987 046 in 1985.

- The de facto population was 1 740 600 in 1985, representing an increase of almost 13,2% since 1980.
- There is a predominant rural settlement pattern, reflected in a rural:urban ratio of 8,5:1,5 in 1985. This growing demographic trend could be attributed to the large numbers of people removed or relocated to the homeland's more remote areas, such as the enormous shack settlement of Winterveld.

### LAND

The homeland consists of seven distinctly separate geographical areas covering a total of 4,18m hectares. With segments located north of Pretoria, in the western Transvaal, northern Cape and the Orange Free State, it is the second largest of South Africa's ten homelands. The population density based on the (de facto) 1985 census figures was 39,6 people per km<sup>2</sup>, lower than the Transkei (67,2), Venda (64), and the Ciskei (96,6).

### AGRICULTURE

It has been estimated that only 10 percent of the homeland is arable land. Based on a de facto population of 1 740 000, the average arable land per household is 1,4 ha. This is lower than the Transkei at 1,5 ha, and markedly lower than the rest of South Africa at 3,8 ha per household. (A household is taken to comprise 6 persons.) Between 1980 and 1986 the number of cattle decreased from 602 560 to 463 008, an average decrease of 4,3% per annum, further impoverishing the rural populace.

Agricultural contribution to the gross domestic product of the homeland has declined at a steady rate since 1970, ranking third after manufacturing and mining (respectively). Although declining, the 'non-market' agricultural sector still has managed to contribute approximately 34,7% to GDP, while the 'market sector' only contributed 0,3% (1985). As in other homelands, state agricultural production seems geared towards the production of cash crops with little assistance being provided for the growing of vegetables and other crops for household consumption. The value of maize produced in 1984/85 was more than R8m, while vegetable production was valued at only R40 000.

### EMPLOYMENT AND LABOUR

#### Analysis

- In 1980, only 21,2% of the Bophuthatswana's de facto population (i.e. excluding non-residents living in 'white' South Africa) could be considered potentially economically active, which is relatively higher than in the Transkei (11,2%), Ciskei (9,4%), and Venda (8,1%). In 1985 this had increased to 25,2% (438 981) of Bophuthatswana's de facto population. The number of commuters trekking daily across Bophuthatswana's borders to work in South African industry accounts for this favourable comparison.

- A breakdown of employment categories shows that there has been a decline from 20 606 (1980) to 12 331 (1985) people working in the domestic agricultural and related sectors. This could be partially responsi-



The beginning and end of the abortive coup at the sites of two symbols of homeland 'independence', 10 February 1988. (Left) On seizing power, a rebel soldier stands guard

ble for the declining contribution of agriculture to the homeland's GDP in 1985.

### Union Organisation

In terms of the homeland's Industrial Conciliation Act 'foreign' unions are prohibited from operating in the territory (see IPSA Vol3/No1, IM: p18). Perhaps the homeland trade union movement see the emergence of the non-racial trade union movement as a political threat to their own power, based as it is on ethnic mobilisation. Trade unions, in turn, refuse to accept homelands as 'states' — the right to operate in Bophuthatswana is dependent on basing union headquarters there and accepting the territory's 'independence'. A white mineworkers union has been allowed to operate in the homeland, however, despite the fact that their

Table 2  
Number of migrant & commuter workers

	1980	1985
Migrants	218 000	246 446
Commuters	161 200	116 009



outside 'Garona', Bophuthatswana's parliament; (right) ten hours later, rebel soldiers captured by the SADF in the Independence Stadium, Mmabatho.

head office is not situated within Bophuthatswana.

**Analysis**

- Since the exact numbers of migrant and commuters are not known, the figures above are estimates.
- The decline in the number of commuters could be attributed to a number of industries that have relocated to the homeland since 1980.
- Overall, there has been an increase in the number of migrant workers employed in South Africa between 1980 and 1985.
- There has been a sharp increase in the number of unemployed in the homeland, rising from 45 347 (1980) to 113 000 (1985).

**INCOME AND EXPENDITURE**

There are approximately 287 000 households in the homeland. Average household earnings in Bophuthatswana in 1985 was R3 353 (Cobbett:4). The Bophuthatswana authorities are reluctant to release data in general — thus there is no recent data available for the analysis of household income and expenditure.

**REVENUE**

Table 3

**Major contributors to GDP 1986**

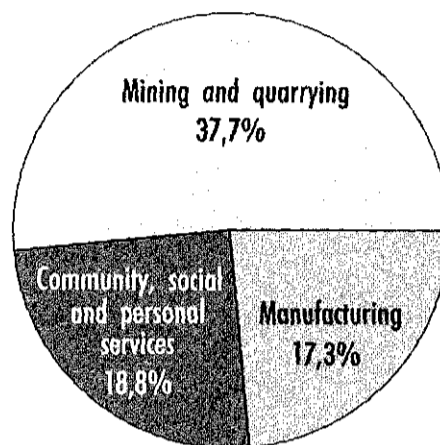
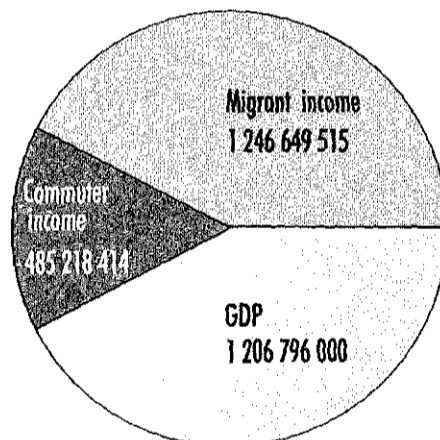


Table 4

**(Projected) Contribution of Migrant and Commuter Income to GNP (1985)**  
Total GNP = R2 938 663 929



Minus foreign factor payments R562 413 929

**Analysis**

Estimates for migrant and commuter income were derived by multiplying the number of migrants and commuters times the average earning per sector (see table 3) in South Africa. It must be noted that these are theoretical calculations, since the actual data is unavailable, the exact number of workers in these categories is not known and the exact salary value of the homeland's workers is unobtainable.

Calculated on this basis, per capita income from GNP would be R1 196 at current prices. At constant 1980 prices GNP per capita increased by R22 to R636 (an increase of just 0,7%).

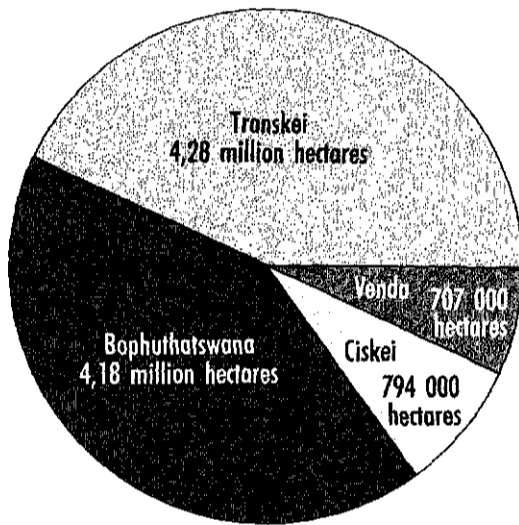
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**STATES OF INDEPENDENCE : Comparative Data on TBVC homelands**

**Homeland & year of independence**

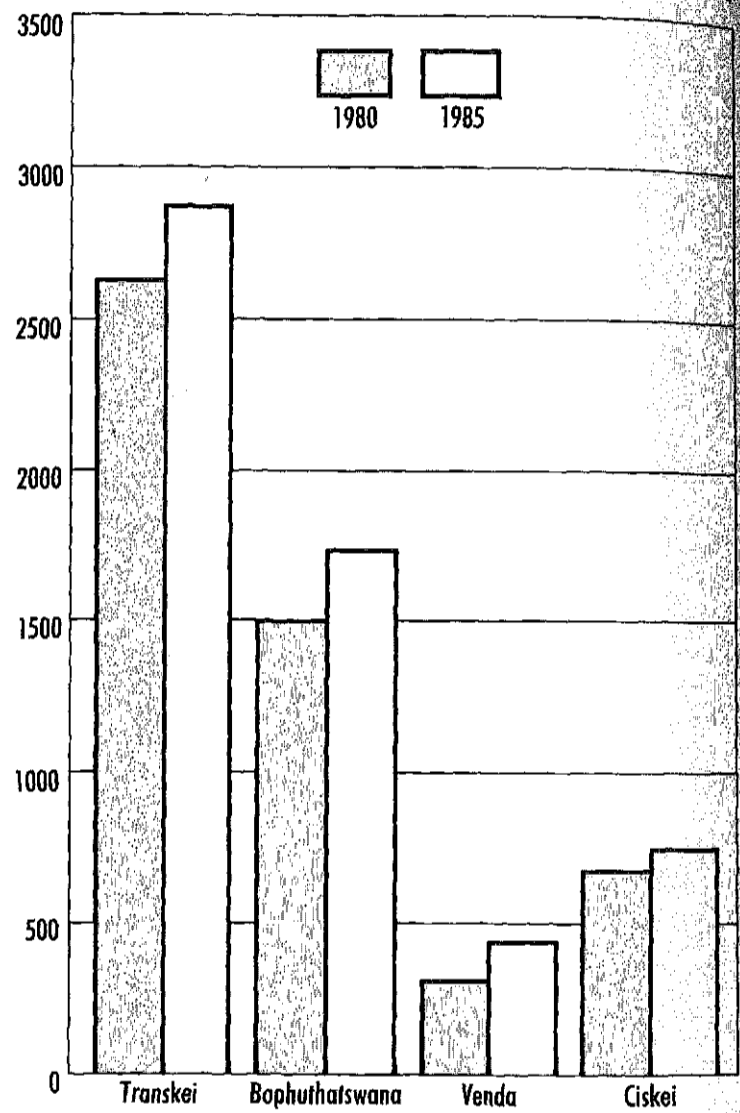
- T Transkei (1976)
- B Bophuthatswana (1977)
- V Venda (1979)
- C Ciskei (1981)

Table 1 **Comparative Land Area**



*Note*  
Some of these figures are estimates. Actual figures on the homelands are often difficult to obtain. Also, the accuracy of figures available has been disputed, with claims that the government's political agenda to promote homeland independence plays an important role in the compilation and release of official data.

Table 2 **Comparative Population Growth (R'000)**



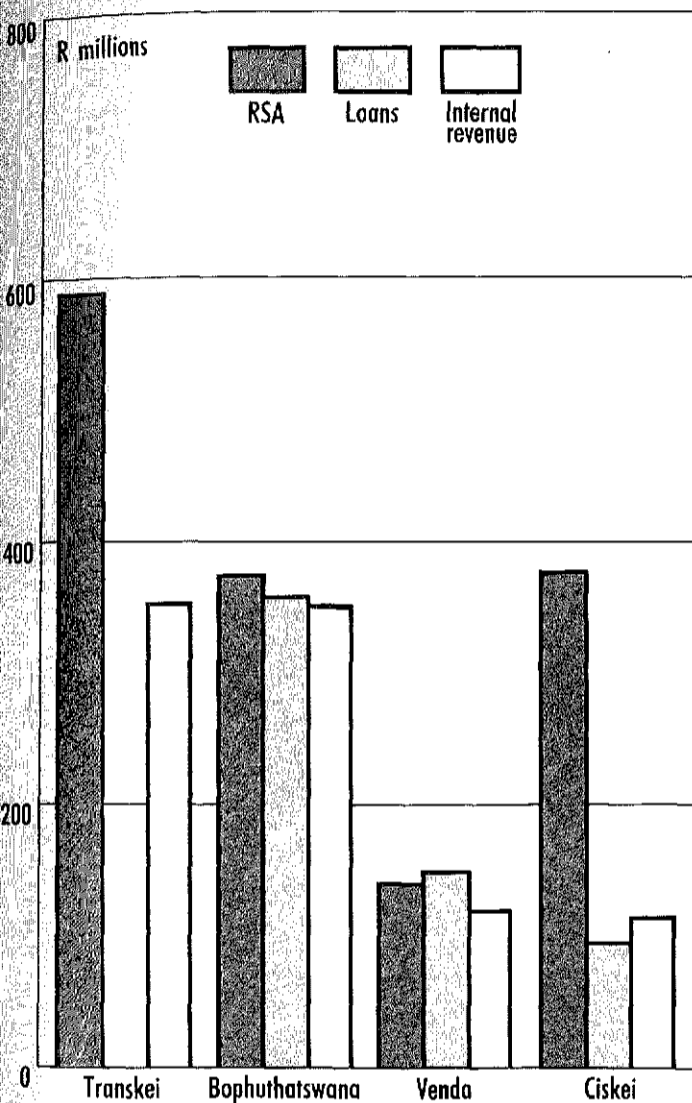
TBVC Homelands	1980	1985
Transkei	2 623 110	2 876 122
Bophuthatswana	1 510 646	1 740 500
Venda	344 932	459 819
Ciskei	682 880	750 000

Table 3 **Employment in South Africa**

	1985	1986
Total TBVC		
Migrants	771 397	707 807
Commuters	187 011	139 161

Vijay Makanjee

Table 4 Sources of TBVC Revenue, 1986/87



REVENUE '000	RSA(1)	Loans	internal revenue(2)
Transkei	589 682	-	354 060
Bop	370 300	359 980	356 880
Venda	140 000	146 766 (3)	121 673
Ciskei	375 300	94 310	117 723

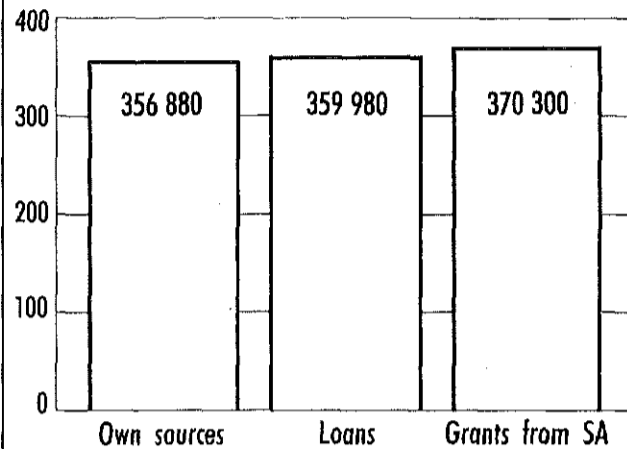
1 includes customs union and rand monetary area payments  
2 includes general taxes transferred to homelands  
3 includes a category called additional budgetary aid and loans

Table 5

Total TBVC budget	1985/86	1986/87
Bop	12 070 976 486	1 006 989 000
Ciskei	959 799 000	615 715 000
Transkei	983 861 000	1 312 719 000
Venda	276 922 000	373 138 100

Table 5

Composition of Total National Revenue, 1986/87 (R'000)



Note

- Own sources includes transfer payments from South Africa for customs union and income tax contributions.
- Loans are regarded as grants from Pretoria, which underwrites and also guarantees loans taken out by homeland authorities.

## INFRASTRUCTURE

According to the South African national development plan, the homeland falls under four separate development regions (B, C, H, J). In 1985/86 the Development Bank of South Africa funded 74 projects based in the homeland. These had an expected investment of R635m of which the DBSA would loan R337m.

Table 6

Industrial Development

Region	No of Industries	Employees
<b>Industrial development points</b>		
Babelegi	H	120
Garankuwa	H	146
<b>Deconcentration points</b>		
Taung	B	6
Thaba 'Nchu	C	79
Mogwazi	J	44
Mafikeng	J	5

Table 7

Decentralisation Incentives

	1986	1987
Long-term	R 4 260 094	R 6 406 445
Short-term	10 830 561	16 294 335
Total	15 090 655	22 700 780

#### Analysis

- Under the industrial decentralisation scheme, various incentives are paid to industries relocating from South Africa to the homeland. These include cheap rail rates, worker rebates, income tax concessions to subsidised housing, etc.
- Incentives for industry increased by more than R7m between 1986 and 1987.

#### Education

Table 8		
Education	1980	1985
<b>• Education Levels</b>		
No education	427 131	347 589
Primary education	618 381	752 886
Secondary	239 020	350 629
Post-school, with std 10	2 803	9 186
Unspecified	11 070	40 170
<b>• Education Facilities</b>		
<b>(1) Primary</b>		
No of schools	758	838
No of teachers	5 688	8 923
Enrolment	318 144	355 993
Pupil:teacher ratio	56:1	40:1
Pupil:classroom ratio	56:1	49:1
<b>(2) Secondary</b>		
No of schools	258	371
No of teachers	1 886	3 549
Enrolment	3 315	4 599
Pupil:teacher ratio	35:1	35:1
Pupil:classroom ratio	62:1	46:1

#### Health

Table 9		
Health	1980	1985
<b>• Health Care Facilities</b>		
No of hospitals	9	11
Health centres	-	7
Clinics	115	155
Mobile clinics	63	143
<b>• Health Personnel</b>		
Doctors	70	106
Nurses	2 788	2 672
Paramedics	56	52
<b>• Health Indicators</b>		
<b>Population ratio:</b>		
Per hospital bed	334:1	374:1
Per doctor	21 580:1	16 421:1
Per nurse	542:1	651:1

#### Analysis

Since 1980 there has been a significant increase in the number of health facilities available in the homeland, especially in the provision of clinics and mobile clinics. However, as table nine indicates, there are over 16 000 people per doctor, based on a crude population number:doctors ratio.

#### Housing

Bophuthatswana's 19 proclaimed towns had 38 641 housing units, each occupied by more than 5 people. The total number of households (1985) in the homeland was estimated to be 287 000.

#### Winterveld

Situated about 30km north of Pretoria, Winterveld is the controversial site of an enormous informal settlement within Bophuthatswana. Numbering over 500 000 people (1980), Winterveld has been mainly populated by non-Tswanas who account for about 90% of its population. Most of those who moved to Winterveld have gone there as a last resort, particularly after being removed from other 'black spot' areas inside 'white' South Africa.

Originally on black-owned agricultural land, Winterveld fell under Bophuthatswana upon the homeland attaining independence in 1977. When the area was incorporated into the homeland, residents of Winterveld burnt Bophuthatswana flags in protest. Events in the area culminated in a major clash on 26 March 1986 when police shot and killed 11 people and arrested thousands.

The homeland authorities have attempted to move non-Tswana residents out of the territory. In a case against 70 'squatters' from Winterveld in 1985, Bophuthatswana banned a key defence witness from entering the homeland. Although charges against the 70 were later dropped by the authorities, the case itself points to a growing ethnic nationalist trend in South Africa's homelands. In addition, Bophuthatswana authorities have used its own anti-squatting legislation to disguise the removal of these non-Tswanas. *IPAA*

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# THE LAST METROPOLIS

## RSC Stalemate, Indaba Checkmate

By Dr Jeff McCarthy,  
Department of Geographical and Environmental Sciences  
University of Natal,

*In early 1985, even before Parliament passed the Regional Services Council Act, speculation was rife in the Natal press that the Durban area was to host South Africa's first operational RSC. A map of proposed RSC boundaries was being debated in local government and business circles, and informed opinion held that the Durban RSC would be formally constituted by early 1986 (Natal Mercury 11/5/85). In reality, the course of events has turned out to be rather different. RSCs are yet to be formally constituted in Natal, which appears set to become the last province where RSCs are to be operationalised, if they are to be fully operationalised at all. In the following overview, Jeff McCarthy explains why the impasse over RSCs has come about in the region.*

In broad concept, RSCs amount to mechanisms for the co-ordination and funding of physical planning and service delivery in metropolitan areas. The functional interdependence of the various components of Natal's metropolitan areas, in turn, is something that has been recognised by a variety of groups over a considerable period of time. A guide plan for the Durban Metropolitan Area (DMA), published by the Natal Town and Regional Planning Commission in 1973, was an important statement of such interdependence. It was the catalyst for the development of the Durban Metropolitan Consultative Committee (Metrocom) in 1977, formed on the initiative of the Natal Provincial Administration to 'act as a liaison vehicle for all the local authorities in the DMA' (Pim Goldby Associates 1984).

Metrocom was dominated by debates on the relative priorities of the white local authorities in the DMA, as well as matters of inter-government liaison in the provision of services. While Metrocom's business was to encourage further efficiency

in services provision, through realising economies of scale, there was a suspicion among certain smaller local authorities that it might lead to an erosion of local control over a range of services and associated service charge increases (ibid). These suspicions were probably compounded by the fact that at the same time, the larger municipalities in South Africa were seeking new sources of revenue from beyond their borders. As the retired City Treasurer of Durban, Ossie Gorven (1985), has noted with reference to the RSC Act, 'Municipalities have for years been pressing government to assist in the provision of alternative sources of income'.

### Three Developments

By the early 1980s, three additional considerations had emerged to further underline the functional interdependence of the DMA and to intensify suspicion about the implications for local government finance. First, in 1980 the Browne Committee of Inquiry submitted

*The functional inter-dependence of all areas in the Durban Metropolitan Region has been long recognised by groups engaged in regional planning initiatives*

*The fiscal interdependency of segregated local authorities in South Africa's towns was highlighted by the Browne Committee eight years ago*

*Without a sound tax-base, black local authorities are highly dependent on proximate white municipalities*

a report which concluded that local authorities as a whole in South Africa did not appear to be suffering financial deficits (African areas were excluded from their brief). Rather, the data 'reflected the same general pattern, viz a surplus in respect of whites as against deficits for coloureds, Asians (sic) and joint services which together approximate the surplus for the whites' (Browne, 1980:83).

The Browne Committee went on to recommend that 'In order to establish viable local authorities for coloureds and Asians ... a system of regular transfer payments from white to coloured and Asian authorities should be introduced, whereby the payments would be equal to the calculated need minus the ability to pay of coloured and Asian authorities' (ibid). As Gorven (1985) has observed, 'this proposal raised a furore among organised local government, was strongly opposed by the United Municipal Executive — the top body representing municipal government in South Africa — and the proposal of transfer payments from affluent white industrial areas and CBDs was temporarily dropped'.

The Browne Report succeeded in raising the issue of fiscal interdependence within South Africa's metropolitan areas. In particular, it drew attention to the problematic relationship between patterns of land use and urban administration in South African cities. Where the property tax (or 'rates') system of local public finance is combined with an absence of substantial retail, office and industrial useage within lower-income local authorities, the revenue-earning result is bound to be highly regressive. This is because industrial, commercial and office owners/renters are a leading source of property tax revenues. When the Croeser Working Group continued from where the Browne Report debacle had ended, therefore, it is not surprising that they should have looked for some other source of taxation, besides the property tax, with which to finance metropolitan government.

A second development of the early 1980s again demonstrated the problem of intra-metropolitan fiscal dependency, as well as the financial non-viability of black local authorities. In particular, the lack of a sound financial base for the former community councils made these structures vulnerable to popular antagonism and rejection (Bekker and Humphries, 1985). In Natal, even relatively conservative Inkatha community councillors went to Court in 1983 in an (unsuccessful) effort to prevent the Port Natal Administration Board (PNAB) from raising township house rentals. The PNAB, in turn, claimed that such rental increases were necessary to secure the financial viability of the community councils (Reintges, 1986). UDF

officials argued, in the same context, for the incorporation of black residential areas into the broader non-racial local authorities at the metropolitan level (Reintges, 1986).

A third development which was particularly significant in Natal, was the increasing recognition in official circles of the problems of informal settlements. There has been a very rapid growth of such settlements on the perimeter of Durban, mostly behind KwaZulu borders, which come within a distance of fifteen kilometres of the CBD. By the early 1980s, most of the African population working in Durban were living in settlements which lacked even the most rudimentary of services and had no recognised local government structures. Organisations such as the Inkatha Institute played a significant role in fostering awareness of such settlements, their needs, and their functional interdependence with the metropolitan area (cf Fourie, 1983, 1984). In so doing, they too succeeded in placing questions of metropolitan co-ordination, planning and finance on the agenda of local government restructuring, at least in Natal.

## Complex Alliances

By the mid-1980s, then, the circumstances in Natal were such that ruling urban elites had mixed feelings about RSCs. On the one hand, PFP and NRP orientated councillors dominated the larger city councils, and their party-political allegiances made them negatively disposed towards NP-sponsored constitutional reforms. On the other hand, there were precedents in Natal generally, and in Durban in particular, for the concept of metropolitan government. The Durban City Council (DCC) had, in fact, thoroughly investigated the implications of an RSC for the DMA before the RSC Bill was enacted, and its research revealed that the Council would dominate the voting on such an RSC. Indeed, in effect, the RSC Act would allow the DCC to figuratively expand its borders, and rule over a much wider area, albeit in allegiance with 'junior partners' of its own choosing.

It is possibly for this reason that leading DCC figures were quite outspoken in favour of RSCs at an early stage. For example, Durban's Town Clerk, Gordon Haygarth, who was also Secretary of Metrocom at that time, expressed general enthusiasm for RSCs, and implied that Metrocom had played a significant role in actually shaping the RSC Bill (*Natal Mercury* 11/5/85). Durban's PFP-orientated Mayor, Neil MacLennan, was also cited in the press as saying that 'increased rates in many areas and levies on commerce and industry as a result of the



formation of RSCs were the price that had to be paid to promote stability in South Africa' (ibid). Business groups, on the other hand, were not enthusiastic about RSCs. It was reported that, 'Spokesmen for the Durban Metropolitan Chamber of Commerce and the Natal Chamber of Industries said the (RSC) levies would further depress industry and commerce and lead to higher inflation, higher unemployment and more businesses going under' (*Natal Mercury* 10/5/84).

An ambivalence about RSCs in Natal allowed an initial acceptance of the structures by late 1985, at least among white local government officials and councillors. The more conservative Indian politicians were similarly well-disposed, given their generally cliental relationship under reforms sponsored by the National Party, and given that the Indian areas might well hold the balance of voting powers required to reach the two-thirds voting majority necessary for RSC decision-making. Hence NPP leader Amichand Rajbansi, for example, often has been cited in the press as being of the opinion that RSCs are a 'positive development' (*Daily News* 16/11/87).

The two major populist political groupings in Natal, however, the UDF and Inkatha, expressed early dissatisfaction with RSCs. Despite their other differences, both organisations have rejected RSCs (DHAC 1985; Mansfield 1985) on the grounds that there has been:

- a further lack of consultation with them in the formulation of the RSC Act;
- a bias towards the wealthy in the allocation of voting powers; and,
- an effective entrenchment of racial segregation at the local authority level, from which RSC representatives are to be nominated.

The ambivalence of PFP/NRP councillors towards RSCs, a long-established PFP/Inkatha alliance in Natal and organised business hostility to RSCs, formed part of the context for a KwaZulu/Natal Indaba. Inkatha's influence in the metropolitan areas is strongest in the peri-urban shack settlements where service consumption levels are negligible. It is understandable, therefore, that Inkatha has seen little potential advantage in involvement in RSCs. Hence, in a mixed reaction to the RSC Bill in May 1985, Chief Buthelezi concluded that 'there are about 1 400 000 black squatters in the Greater Durban area ... these people will remain outcasts in decision-making' (*Natal Mercury* 11/5/85).

Further, RSCs implied the potential diminution, and thus later abolition, of the powers of the NRP-controlled Natal Provincial Council. This threat may have been instrumental in predisposing the NRP towards other concepts of restructured local and regional government in which

they might be able to play more powerful or influential roles. In any event, both the timing of the Indaba (beginning at much the same time as the anticipated formation of the Durban RSC) and the alliance of major promoters (PFP/NRP/Inkatha) appear to be more than coincidentally related to the RSC initiative in Natal.

Although the Indaba initiative cannot be reduced to a straightforward competition with RSCs, there are points in common to the two projects; for the Indaba writ large the concerns of RSCs, in geographical and political terms. Both RSCs and the Indaba agenda share the idea of functional and political interdependence between the racial-geographical 'compartments' inherited from Verwoerdian apartheid. Moreover, both envisage multi-racial decision-making in respect of services delivery, the possibility of enhanced efficiency and some welfare redistribution in the financing of such services. There have been, of course, important differences — the Indaba addressed co-ordination problems at a broader geographical scale and considered a wider range of services than RSCs. Moreover, its proposed mechanisms of representation are more radical in their political implications.

### RSC/JEA Co-existence

The National Party addressed related problems of inter-regional co-ordination between homelands and provinces in 1981, at the Good Hope Conference. The concept of 'multi-lateral development co-ordination', at an executive level, subsequently became the favoured mechanism for resolving such problems. It was later to be applied to the concept of a Joint Executive Authority (JEA) for Natal and KwaZulu, the government's attempted compromise with the Indaba initiative. Indeed, Minister G Viljoen's endorsement of JEA-type structures for the whole of South Africa in August 1987 lends some credence to the idea that, for government at least, a watered-down 'executive co-operation only' derivation of the Indaba proposals was quite consistent with its broader visions for restructured regional government. In this context, it was conceivable that RSCs and JEA-type structures could co-exist (cf Cobbett et al, 1985).

In the National Party view, the main problem with the Indaba proposals is the insufficient protection of 'group rights' (Hansard No 1, 1987:Cols 191-194). A second line of criticism, used to scare off business support to some extent, has related to the financial and taxation implications of the Indaba proposals (ibid:Col 157). With the advantage of hindsight, these appear to be curious avenues of criticism,

*Recognition of the problems of informal settlement around Durban place questions of metropolitan coordination, planning and finance on the official agenda*

*Both the UDF and Inkatha have rejected the RSCs because of lack of consultation, racial voting bias and entrenchment of ethnic principles*

Both RSCs and the Indaba agenda share the idea of functional and political inter-dependence between the various ethnic local authorities

Political tensions between a tri-cameral alliance on EXCO and a pro-Indaba alliance on the JEA have delayed the implementation of RSCs in Natal

given that RSCs themselves make no explicit provision for 'group rights', and given that RSCs themselves have been severely criticised for the same financial and tax implications.

In any event, the Indaba proposals and government rejection served to polarise Natal's local politics in 1987. The polarisation developed between:

- those groupings favouring the restriction of local and regional government, along the lines of 'executive multi-lateralism' at both the regional and metropolitan scales (eg, the National Party and National People's Party); and,
- those favouring the Indaba proposals themselves (eg, the Progressive Federal Party, New Republic Party and Inkatha).

With the trend towards executive control in provincial matters, EXCO assumed an increasingly important role in ushering in the new JEA for Natal and KwaZulu, and also for implementing RSCs. By July 1987 EXCO was announcing that RSCs should be operational in two months and EXCO members berated dissident groups — business, the KwaZulu government and town councils — for their perceived reluctance in implementing RSCs (*Natal Witness* 3/7/87). MEC Peter Miller criticised the Pietermaritzburg City Council for 'not giving Local Affairs Committees recognised municipal boundaries and powers of their own', and asserted that RSCs would go ahead shortly with LAC representation 'whether they had these recognised areas of jurisdiction or not' (*ibid*). These statements were particularly instructive as to the tricameralist-type of alliances developing within or around EXCO.

Inkatha, on the other hand, remained adamant in its opposition to RSCs, and acted in a loose coalition with certain municipalities and business groups to block their implementation (*Natal Witness* 6/7/87, 12/9/87). By early 1988, press reports had it that there was an increasing disenchantment within the JEA over the matter, and that municipal officials and councillors were beginning to side with EXCO on the matter of RSCs (*Financial Mail* 19/2/88).

At this stage, RSCs were already operational elsewhere in the country and it seems probable that pressure might have been exerted on EXCO to hasten their implementation in Natal, despite the opposition of Inkatha in particular. Thus, on 29 February 1988, Mr Peter Miller announced four proposed RSCs for Natal — the Durban metropolitan area RSC (*Indicator SA* Vol5/No3:23), the Pietermaritzburg metropolitan area RSC, the upper south coast RSC and the lower south coast RSC — without support from the KwaZulu government (*Daily News* 29/2/1988). Because the National States Act precludes it, no areas of KwaZulu can be included within the domains of these RSCs without Ulundi's permission. This

effectively excludes most of the neighbourhoods in need of upgraded services. Mr Miller expressed dissatisfaction with the situation but suggested that 'the matter was being discussed at JEA level' (*Daily News* 29/2/88).

## Power Struggle

By mid-1988 Inkatha support for RSCs still hung in the balance. One interpretation has it that Chief Buthelezi is hoping to use the JEA to achieve similar purposes to the RSCs (i.e. redistribution to the shack areas); another holds that the National Party hopes to use the JEA to get the KwaZulu government to co-operate with the formation of RSCs (*Financial Mail* 19/2/88). Local authorities now appear to be relatively minor players in this power struggle, and any supposition of a determining role being played by 'capital' seems inappropriate. Organised business in Natal has been ambivalent on both RSCs and the Indaba proposals. To choose but one example, the Durban Metropolitan Chamber of Commerce has been publicly outspoken on what it sees as the negative taxation implications of both schemes (*Natal Mercury* 10/5/85; *Sunday Tribune* 18/1/87).

The RSC issue in Natal now appears to centre upon a complex love-hate relationship between the National Party and Inkatha. Established urban political elites — town councillors and key officials — and the co-optable Indian political groupings now appear to be broadly comfortable with RSCs. In the context of a state of emergency, few within the power bloc seem very interested in UDF/COSATU opinions, and even the price of Inkatha support appears bothersome to those in power. Future rounds in the JEA/RSC debacle in KwaZulu/Natal will probably be important indicators of the shape of co-option politics to come in South Africa.

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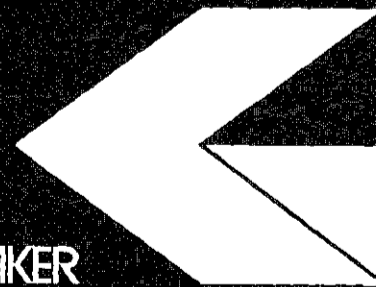
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# BLAs

## Bread-and-Blood Politics

By Indicator SA Researcher Rob Evans

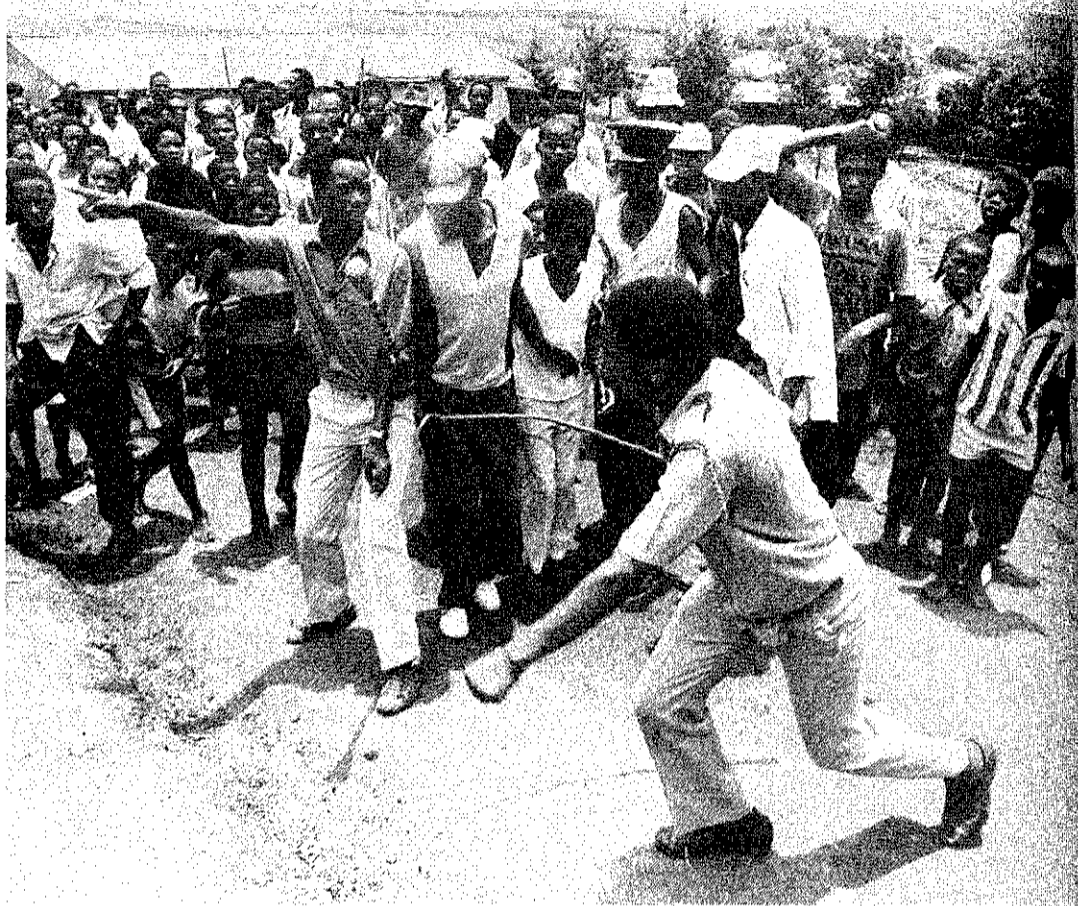
*On 26 October, 7 100 councillors of all races will be elected to 1 126 ethnic local authorities in the most widespread test of legitimacy the National Party's constitutional reforms have yet faced. In the white municipal elections, a takeover of councils in the Transvaal by the Conservative Party will have dire implications for RSC upgrading programmes in township troublespots; in the African elections, a reasonable voter turnout will be taken as a vindication of the government's reform and redevelopment programme. The coloured and Indian elections, in turn, will test the credibility of the tri-cameral system, and are unlikely to escape from the party-political feuds and credibility crisis at the national level.*

*The BLA elections will test the legitimacy of the RSCs and the proposed National Council, since local authorities are the building-blocks of the system. In the Eastern Cape, 22 townships will return candidates unopposed, while two others have no candidates. One of those with no nominations, Lingelihle (Cradock), underwent upgrading in recent months. It provides an early indicator of the likely impact of reform programmes in highly politicised communities.*

**T**he period during which the Community Councils Act of 1977 was passed was characterised by a high degree of social unrest and militancy in African townships. In Soweto, the Urban Bantu Council had collapsed under community pressure after the West Rand Administration Board announced substantial rent increases and the community-based Committee of Ten was formed in its place. This was not an isolated event. Many African communities rejected the type of representation offered by the Urban Bantu Councils in a similar context and for similar reasons for their later opposition to the Community Councils (CCs) in the late 1970s and Black Local Authorities (BLAs) in the 1980s.

Community Councils were afforded administrative as well as consultative powers, but in reality they were designed to increase African responsibility for administering housing and raising revenue. In this phase of local government administration boards manned by white personnel controlled the financial accounts of African townships. Rent and service charge increases were directly related to recouping losses and increasing revenue to these accounts. The CCs were given the task of drawing up their own budgets but were obliged to approve price increases for basic facilities set by the administration boards. This type of collaboration on issues crucial for any community was viewed by many township residents as unacceptable and

Between 1987-88, Pietermaritzburg's townships have exploded with internecine conflict between supporters of the UDF and Inkatha



The Natal Witness - Mike Woffenberg

resulted in the widespread rejection of CCs.

The municipal elections will exclude approximately 4,5m KwaZulu residents and a further 2m Africans in 'informal settlements' around Durban

### Establishing BLAs

After the Riekert Commission recommended in 1979 that CCs be given fully-fledged local authority status, the Minister of Co-operation and Development postponed all elections until 1982 in preparation for new legislation (see box:53). Firstly, the Black Local Authorities Act came into effect in August 1983, establishing town and village councils which are to follow an evolutionary process and attain full autonomy over time. Secondly, the Black Communities Development Act was passed in 1984, transferring the administration boards to a system of development boards, their object being to 'promote the viability, development and autonomy of black communities and certain of their institutions' (GG Vol 225, 1984).

With the repeal of formal influx controls in July 1986, the Abolition of Development Bodies Act entrusted the provincial administrator as the 'caretaker' of the former administration boards. Subsequently, in October 1986, responsibility for BLAs was transferred from the Department of Constitutional Development and Planning to the provincial administrator also. The functions of the Natalia Development Board, for instance,

are now vested in the Community Services Branch (CSB) of the Natal Provincial Administration (NPA).

In Natal, the CSB controls eighteen townships, none of which has achieved city, town or village council status. The thirteen town committees and five local authority committees (bodies constituted according to the BLA Act, but with lesser powers than the city or town councils) enjoy jurisdiction over a total population of approximately 152 000, including Sobantu in Pietermaritzburg, and Chesterville and Lamontville in Durban (Natalia Development Board, 1986). Considering that KwaZulu areas are excluded, relatively few Africans fall under this system in Natal. KwaZulu has its 'own' system of local government for an approximate population of 4,5 million and will hold elections at another time. Also excluded from the October elections are the estimated 2 million Africans in 'informal settlements' in the greater Durban area.

With housing as their primary administrative function, BLAs inside 'white' South Africa are seen by township communities to be responsible for rent increases, poor housing conditions and inadequate services, or at least perceived to be party to inactivity over these issues. Although the amount is far lower than in other provinces, African local authorities in Natal are owed R2,5m in rental and service charge arrears in the wake of the national boycotts (*Business Day* 4/3/88). It

is within this administrative scenario that one should locate the participants in the October municipal elections.

The BLA Amendment Act of 1988 has extended the definition of an 'owner' of immovable property to include Africans with freehold and leasehold rights, as well as those with a site permit or relevant certificate. This gives backyard shackdwellers the right to vote in proximate communities if they have been resident for three months in the vicinity and if they are on the voters roll. The Act does not apply to people in informal settlements as their tenure is considered to be illegal by the authorities, but does apply to those occupying 'informal' shacks on residential property in an established urban township, i.e. backyard shackdwellers.

The regulations also give citizens of the TBVC homelands who are resident in a local authority area the right to vote if they meet the qualification of three month residence. The irony is that a South African citizen living in KwaMashu (KwaZulu) cannot vote in the forthcoming elections, while a TBVC 'foreigner' living in a shack in a friend's backyard in, for instance, Chesterville (Natal), has that choice (*Financial Mail* 1/4/88).

Initially, the Community Services Branch of the NPA used the township registers to compile a voters roll, but with the inclusion of backyard shackdwellers as potential voters further registrations were collected on a house-to-house basis. The CSB has reported poor co-operation from the communities and very little response from shackdwellers, which is accountable to the fragile nature of the latter group's tenure and fear of removal. The preliminary voters rolls were placed at CSB offices for inspection (and possible additions), from 28 July 1988 for a period of one month. In Natal, the roll for African voters thus only closed on 28 August, while for other race groups the closing date was 31 May. Nominations for election candidates were open for a two week period from 29 August to 16 September.

In March 1987, the United Municipalities of South Africa (UMSA) was formed with the support of 26 councils nationwide, a breakaway group from the Urban Councils Association of South Africa (Ucasa). Shortly thereafter, the mainstream Ucasa held meetings in Natal where 13 local authorities pledged their support and reconstituted the Urban Councils Association of Natal (*Natal Mercury* 6/4/87). In July 1987, UMSA objected to the original proposal that 19 October 1988 should be the election date because it is the anniversary of the banning of various political organisations and newspapers in 1977. The matter received the attention of the Cabinet and

the municipal elections were rescheduled for 26 October.

## Township Divisions

The essential issue in the elections is that of participation, or conversely, non-collaboration. The emergency regulations preclude many political groups from calling for a voter boycott and, by implication, prevent their participation also. Only those groups that declare their intention to participate peacefully have been allowed to

IPSA Research

## Fifty Years of African Local Government

Since the formal establishment of segregated residential areas for Africans in 1937, local government structures for the African population have undergone several transformations:

1937 The Native Laws Amendment Act (No 46 of 1937) establishes separate townships for Africans.  
1945 The Native (Urban Areas) Consolidation Act (No 25 of 1945) establishes Black Advisory Boards for each of these townships. Finances are vested in the Native Revenue Account held by the white local authority.

1961 The Urban Bantu Councils Act (No 80 of 1961) provides for the gradual replacement of Advisory Boards with Urban Bantu Councils (UBCs).

1963 The Bantu Laws Amendment Act (No 76 of 1963) allows the white local authority to grant executive powers to the UBCs but retain the Native Revenue Account.

1971 The administrative role of white local authorities is transferred to a system of Bantu Affairs Administration Boards, with 22 established at the time.

1977 The Community Councils Act (No 235 of 1977) replaces the UBCs with a system of Community Councils (CCs), with the Administration Boards controlling the financial accounts of townships.

1983 The Black Local Authorities Act (No 102 of 1982) comes into effect, establishing city, town and village councils, as well as making provision for fledgling local authority and town committees.

1984 The Black Communities Development Act (No 4 of 1984) transfers the Administration Boards to a system of Development Boards.

1986 The Abolition of Development Bodies Act (No 76 of 1986) transfers the functions of the Development Boards to the Community Services Branch of the Provincial Administration.

1988 There have been several pieces of legislation over the last few months that relate specifically to the general municipal elections of October 1988. The most important of these are:

**The Prior Votes for Election of Members of Local Government Bodies Act (No 94 of 1988)**

- Provides for a system of special votes (the name of the Bill when first published) whereby persons registered on the voters roll may vote for candidates in their constituency before the election day through a postal vote.
- Implies that those not wishing to cast a vote publicly in fear of intimidation or reprisal, can do this in secret.

**The Black Local Authorities Amendment Act (No 95 of 1988)**

● Empowers the Provincial Administrator to remove and re-staff a local authority where he finds that the object of legislation is being frustrated, or where he finds an elected official refuses to participate or take office in the local authority. (This clause was contained in the Regional Services Council Amendment Act No 49 of 1988.)

● Where there are no elected officials, e.g., through en masse resignation under community pressure, the Administrator can appoint members to manage or control the authority until an election can be held. The Act also allows the Administrator to postpone elections as he deems fit, in which case nominated candidates shall remain so, and acting officials whose term of office would have expired at the time of the election, would remain in office.

● Individuals or sitting councillors who are in three month arrears on rental or service charges may not stand for election.

**Proclamation R97 of 1988 (Emergency Regulations), read with Government Notice 1112 of 1988**

- Prohibits the promotion of an election boycott by 18 organisations, including the United Democratic Front (UDF), Azapo, the National Education Crisis Committee, township civic and youth organisations.
- Provides for a ten-year prison sentence or a fine of R20 000 for those convicted of intimidation of voters.

### BLA Elections in Durban

The Ningizimu Town Committee is the BLA for the Durban area, and consists of fourteen wards covering two major townships that fall outside of KwaZulu's boundaries and five hostel complexes.

TOWNSHIP/HOSTEL	Ward	Population Adults (1988)	Votes Cast in 1981	Registered Voters (1988)
Lamontville	1	19 724	1 268	3 268
	2		-	3 046
	3		1 165	3 112
	4		1 106	3 167
S J Smith Hostel	5	4 652	899	2 008
	6		-	2 314
Glebe Hostel	7	10 400	529	4 306
	8		493	3 078
	14		-	2 570
Jacobs Hostel	9	885	-	945
Dalton Hostel	10	1 329	-	1 327
Chesterville	11	8 096	847	2 654
	12		873	3 080
Thokoza Hostel	13	668	-	749

Source: Natal Provincial Administration

**Analysis**

- The five hostel complexes of migrants command the greater number of wards in the Ningizimu Town Committee, yet represent fewer numbers of people than the two townships, Chesterville and Lamontville.
- Hostel population figures reflect available bed space, and exclude additional 'legal' lodgers for whom there is no allocated space. As 'legal' lodgers, these people are eligible to register as voters. This explains the discrepancy between population and registered voters.
- The number of registered voters in each ward possibly include legal lodgers and backyard dwellers, who do not appear in township population figures, but are entitled to vote under the BLA Amendment Act of 1988.
- Several prominent Inkatha members presently sit as councillors in the town committee, including the life-president of the Inkatha Womens Brigade.
- Former Jorac and community leader, Harrison Dube, was elected in ward 3 of Lamontville in 1981. He was murdered by a fellow councillor, 'Moonlight' Gasa, in 1983.

*In Natal, opposition to rent increases and homeland incorporation placed township civic groups in conflict with the main participant in community councils, Inkatha*

campaign. In Natal, this leaves Inkatha as the only group able to openly participate in the elections.

Inkatha is the sole political party in the KwaZulu Legislative Assembly and a prominent actor in the Natal region, with a claimed membership of 1,5 million. Mobilising support primarily in rural areas, with gradual urbanisation it has developed a support base in the province's urban areas. The traditionalist movement aspires to liberation through power-sharing within the existing system, based on the early ANC philosophy of 'participation with rejection'. In other words, if structural positions could be occupied by people with ideals for a 'liberated' South Africa, attempts by central government to implement separatist and discriminatory

policies could be blocked at the local and regional level.

The adoption of the strategy gained ANC support for Inkatha's ascendancy to power in KwaZulu, but the exiled nationalist movement later rejected this modus operandi. The final split between the ANC and Inkatha came in 1979 in a consultative conference in London over the very issue of boycott tactics versus strategic participation. The impact of this debate in Natal is that Inkatha supporters have become members of the town committees, thereby placing the organisation in a problematic position in relation to those community groups who later affiliated to the UDF.

In 1982, the (then) Port Natal Administration Board (PNAB) announced a 63 percent rent increase to be implemented in Durban's townships. A 13 percent increase in bus fares by the Durban Transport Management Board and PUTCO bus company in December 1982, led to the formation of the Joint Commuters Committee, primarily based in Lamontville and Hambanati but with support from other Durban townships. When the date for rent increases was set for May 1983, the new community alliance provided a base to mobilise protest, leading to the formation of the Joint Rent Action Committee (Jorac).

In this period, civic associations were formed in almost all formal townships within the PNAB's jurisdiction, making up the membership of Jorac. Strategy revolved around direct representations to PNAB and the Department of Co-operation and Development, mobilising liberal support groups and informing communities about the nature of rent increases and the ineffectiveness of community councils (later to become town committees in Natal). Direct opposition to council actions and the implied circumvention of official channels began a movement in Natal's townships that held a two-fold dissension: that of opposition to CCs as a form of government, and by implication, opposition to Inkatha as a primary participant in CCs.

Shortly thereafter, the Department of Co-operation and Development announced that Lamontville and Hambanati were to be incorporated into KwaZulu. This move exacerbated intra-township divisions as residents became concerned they may lose section 10 rights to live and work in 'white' South Africa. Once again, resistance, in this instance to incorporation, was construed as opposition to KwaZulu and thereby to Inkatha. Also in 1982, the community council of Sobantu (Pietermaritzburg) collapsed under community pressure. A Committee of Twelve was established as a representative residents association, which still operates today and is recognised by the authorities.



The following year, a national campaign was launched to oppose the new constitution, headed by the newly formed United Democratic Front (UDF). There was immediate affiliation in Natal, mainly by Jorac, the Natal Indian Congress and student movements. The existence of Inkatha and the National Forum, the black consciousness movement, curtailed much of the potential affiliation to the UDF in the region. Nonetheless, the conflict between Jorac and Inkatha was thus carried over into an Inkatha/UDF conflict.

In 1985, national unrest rose to new levels and several UDF affiliates in Natal called for stayaways and boycotts, the very tactics that Inkatha rejects. This precipitated a distinctly political conflict which escalated into violent confrontation in August 1985, and introduced a further dimension into deteriorating relations within Natal's townships. The conflict has continued to the present, reaching a state of civil war in Pietermaritzburg between 1987-88.

### Election Impact

The polarised politics of Natal's townships will have a marked effect on the forthcoming elections. Although UDF groups are unable either to actively participate or openly oppose the elections, there had been debate within UDF circles prior to the June emergency regulations. In February 1988, a statement released by the UDF claimed, 'The UDF will not participate in the municipal elections in October. Like the whites-only elections, the apartheid municipal elections will not serve any meaningful role in bringing about justice, democracy and peace for the oppressed majority.' At the same time, the UDF called on its affiliates to consider forms of protest action.

Earlier, it was reported that the UDF had reconsidered participation in the elections (*Business Day* 10/2/88), a position first mooted by UDF president Archie Gumede in July 1987. He claimed that local government could provide useful training in democratic procedures, as 'the stakes were not as high as those in the main political process' (*Business Day* 6/7/87). After coming under severe criticism from Azapo and the Western Cape wing of the UDF, Mr Gumede later qualified his position: 'There is no basis for saying the UDF is thinking of participating in elections' (*Leadership* Vol6/No3).

The last local elections for Africans in Natal were held in 1983, when polls ranged from 5,9 to 36 percent (see box:54). The Ningizimu CC (which covers Lamontville, Chesterville and the three former PNAB hostels in the Durban area) held elections in September 1984, with contests in only four out of thirteen

wards, and no nominations at all for another two wards in Lamontville and Chesterville.

In the Durban area, several prominent council members became disillusioned with the system and resigned. In one particular case, Harrison Dube, a councillor from Lamontville who was instrumental in the formation of Jorac and an outspoken critic of the CC system, was killed by a fellow councillor, 'Moonlight' Gasa and two others. Since Gasa was a prominent Inkatha central committee member, many township residents condemned Inkatha and a great deal of conflict arose. What is illustrated here is that councillors can gain the support of the community, but in the real sense, cannot deliver the goods. In demonstrating this, Dube encountered what is now a common solution to political differences in Natal — extreme violence.

The impact of the elections on the new RSCs is especially interesting in Natal. The RSC boundaries exclude the KwaZulu areas, but include the Development Trust areas. Participation in the RSCs has been rejected by Chief Buthelezi. In light of Inkatha's involvement in urban politics, it remains to be seen how responsive African local authorities based in Natal will be to RSC participation. This assumes, of course, that candidates with Inkatha sympathies will stand in the elections. The MEC for local government in Natal, Mr Peter Miller, has said, 'Our preliminary work, contact and discussions with communities has led us to believe that they are eager to participate.' In any event, the recent legislation that allows the Provincial Administrator to institute a local authority (see box:53) where none exist, nullifies the need for successful BLA elections. In this way one might see full participation in the RSCs if the October elections fail in some townships, albeit through seconded or appointed officials.

The current state of play is that the municipal elections are indeed being contested in Natal, but whether the opposition groupings will make effective use of clandestine networks to oppose and limit participation is not known. These groups will not be fielding candidates on organisational tickets and it is doubtful that individuals will stand as independents instead. Inkatha's hegemony has left many of the wards uncontested; where there is a strong opposition presence in a ward, however, it is likely there will have been no nominations.

The fate of Harrison Dube and others, and the violent expression of ideological differences in Natal, appears to leave little space for strategic participation or partisan politics within African local government today. If there is a vehement pursuit for positions in local authorities, it is quite possible that a new wave of political violence could sweep through the region.

*The tragic saga of Harrison Dube illustrates that African councillors can gain the support of their community, but in the real sense, cannot deliver the goods*

*If there is a vehement pursuit for positions in local authorities, a new wave of political violence could sweep through the region*

# Bla-Bla Black Sheep, have you any votes?

Township elections were held in 1983 for 29 community councils that were given city, town or village council status (see below) under the Black Local Authorities (BLAs) Act, No 102 of 1982. Elections for 158 councils were to have been held in September 1982 but were postponed, along with all other community council elections in African residential areas, until November/December 1983 pending implementation of the new BLA legislation. Prior to the forthcoming October 1988 elections, no general elections have been held for African local councils since their constitution in 1977. A government notice published in July 1986, replaced all community councils that were not already town or village councils with town committees.

## African City, Town & Village Council Elections

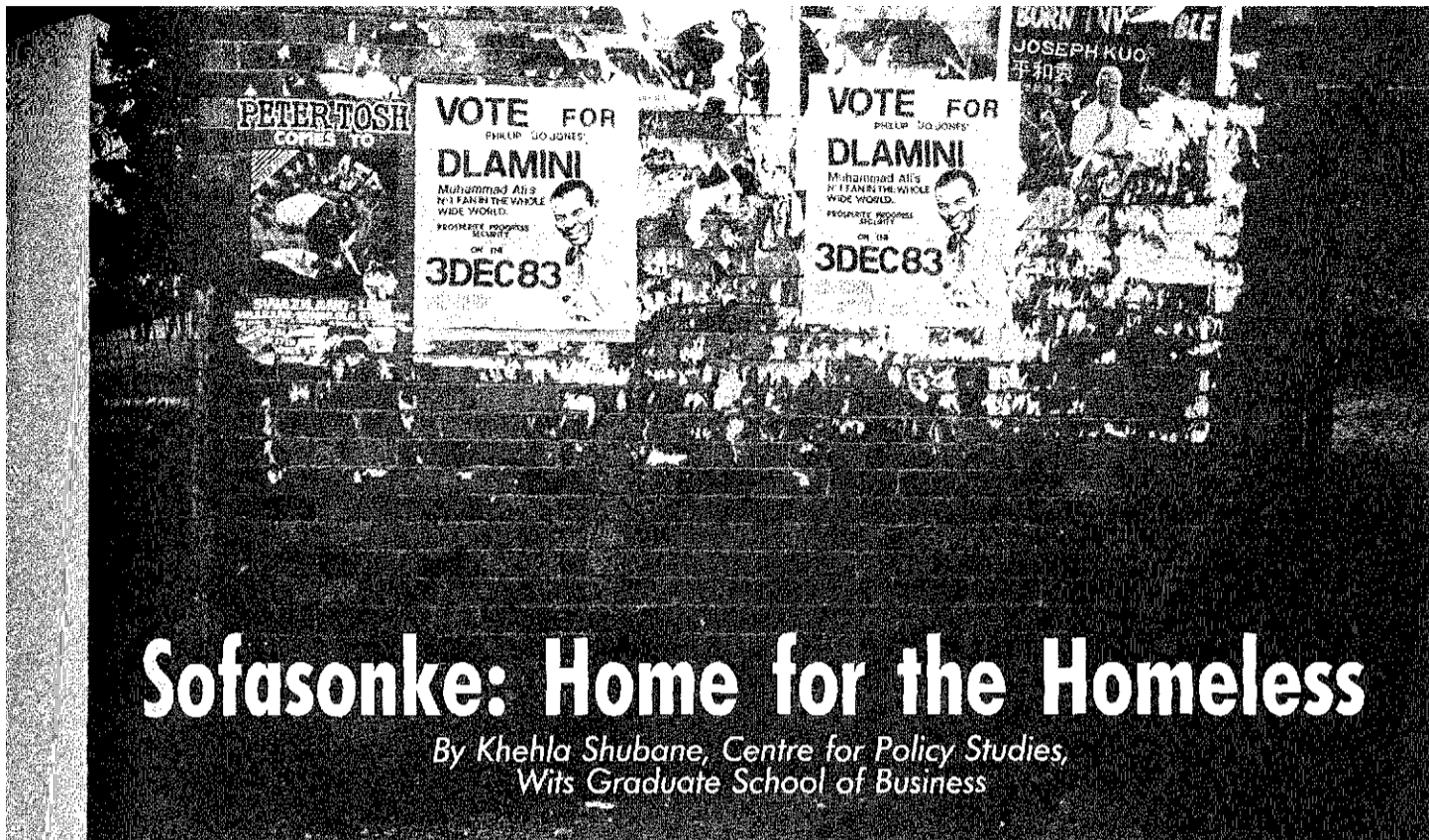
Township	Population (1980)	Wards (1 Seat each)	Candidates 1983	BLA % Poll <sup>+</sup> 1983	CC % Poll <sup>+</sup> 1978	Resignations (to mid '85) Councillors	Mayors
<b>Transvaal</b>							
Alexandra	34 951	9	9	-	79,0	-	-
Atteridgeville	56 987	11	23	15,0	22,8	-	1
Bahlokong	18 569	11	23	24,0	-	-	-
Daveyton	59 099	10	23	18,6	19,6	-	-
Diepmeadow	#146 559	15	24	14,6	16,0	-	-
Dobsonville	30 448	7	13	23,5	42,0	-	-
Evaton	32 201	12	15	5,9	10,0	3	-
Ikageng	21 916	8	18	24,5	40,3	-	-
Jouberton	20 373	8	23	31,7	23,9	-	-
Kagiso	33 715	11	14	36,6	48,0	-	-
Katlehong	102 155	15	28	22,7	23,0	1	1
KwaThema	55 217	10	23	20,7	19,0	1	-
Lekoa	154 069	39	97	14,7	-	7	-
Mamelodi	78 363	12	35	27,8	24,7	-	-
Mhluzi	12 623	11	11	-	46,0	-	-
Seeisoville	28 699	15	35	35,4	-	5	-
Soweto	#467 429	30	85	10,7	5,9	-	-
Tembisa	126 162	17	37	16,9	13,2	6	-
Thokoza	27 364	9	30	16,7	29,2	-	-
Vosloorus	34 402	9	15	11,9	16,0	-	-
Wattville	15 301	5	10	16,0	16,6	-	-
KwaGuka	27 365	13	17	29,6	25,1	2	-
<b>Sub-total</b>		<b>286</b>	<b>608</b>	<b>*20,8</b>	<b>*27,4</b>	<b>25</b>	<b>2</b>
<b>Northern Cape</b>							
Galeshewe	32 958	12	30	26,9	36,4	-	-
<b>Eastern Cape</b>							
Kayamandi	201 947	21	43	13,7	11,0	5	-
KwaNobuhle	19 562	14	14	-	-	16	1
Lingelihle	7 006	7	7	-	15,6	5	1
Rini	15 146	9	12	6,05	26,0	1	-
<b>Sub-total</b>		<b>51</b>	<b>76</b>	<b>*9,8</b>	<b>*17,5</b>	<b>27</b>	<b>2</b>
<b>OFS</b>							
Mangaung	55 778	17	31	24,8	-	-	-
Thabong	29 987	9	22	28,4	34,4	1	-
<b>Sub-total</b>		<b>26</b>	<b>53</b>	<b>*26,6</b>	<b>34,4</b>	<b>1</b>	<b>0</b>
<b>TOTAL</b>		<b>375</b>	<b>767</b>	<b>*20,7</b>	<b>*26,8</b>	<b>53</b>	<b>4</b>

**Note** + The percentages are calculated for contested wards only. # These figures were calculated from the 1985 census. \* Average %

**Analysis**

- In almost all the elections polls there have been objections that official figures are too high, as there are many more eligible voters than actually appear on the voters rolls. Township population figures are under-enumerated, and voters rolls are often compiled from township registers.
- There have been more resignations by an unknown number of council members since mid-1985. In refusing to reveal the number of black councillors injured or killed during unrest between 1986-87, the Minister of Constitutional Development and Planning said recently, 'it cannot beyond doubt be attributed to their holding these offices' (Hansard, 21-24 March 1988, Questions: Col698).
- In all areas, BLA election polls decreased from 1978 to 1983, the lowest polls being recorded in the Eastern Cape. Widespread unrest in the region between 1984-87 led to the collapse of many local authority structures (see box:60).
- There were resignations of 52,9 percent of councillors in the Eastern Cape between September 1984 and May 1985, in comparison to 8,7 percent of councillors in the Transvaal.
- Evaton in the Transvaal recorded the lowest percentage poll in the 1983 elections. The council went on to announce rent increases in August 1984, sparking off widespread unrest in the Vaal Triangle during which several councillors were killed.
- Townships under the Lekoa and Tembisa councils were centres of unrest and have had the highest number of councillor resignations. The chairman of the Lekoa council and another councillor were killed in September 1984; the 'Sharpeville Six' now await an appeal against their death sentence in the former case.
- In the Free State, Thabong experienced unrest in August 1984 after the first rent riots against the new BLAs in Tumahole in the province.

**Sources** Hansard, 10 to 14 June 1985, Questions: Col1795. Annual Survey of Race Relations 1983, Johannesburg: SA Institute of Race Relations.



# Sofasonke: Home for the Homeless

By Khehla Shubane, Centre for Policy Studies,  
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Phototecht: Adele Gordon

*The Sofasonke Party is the oldest represented in the Soweto City Council, with a history tied to participation in various government structures. Founded in 1944 by James Sofasonke Mpanza, it originally led a group of black families who had entered Johannesburg in search of employment and shelter. Since those early days the Sofasonke Party has drawn support from the homeless in the city's shack settlements.*

Political participation in government-created bodies was extremely contentious at the time of the Sofasonke Party's formation. When ANC leaders in the Native Representatives Council (NRC) postponed proceedings indefinitely to protest against the brutal suppression of the 1946 mineworkers strike, debate in Congress circles turned in favour of boycott tactics. This was to become a frequently used weapon in subsequent years.

Unlike many black organisations, the Sofasonke Party has never questioned the issue of participation. It has had a presence in successive bodies which have given some kind of 'political' expression to Africans in Soweto — the Advisory Boards, Urban Bantu Councils (UBCs), Community Councils, and now, the Black Local Authorities.

The Sofasonke Party has not existed as a continuous organised force, however. With the Nationalist Party's election victory of 1948 and the unfolding of urban apartheid, the party went into decline. The role of organising people in the townships against removals in the 1940s and 1950s, for instance, was taken over by the ANC, e.g. in the Sophiatown campaign. Individual members of the Sofasonke Party continued to play a role within the Advisory Boards and UBCs over the next two decades. Mpanza was a

member of the Soweto UBC at the time of his death in 1972.

## Council Fiefdom

The Sofasonke Party re-emerged as a political force in 1982 after the enactment of the Black Local Authorities legislation. It contested the 1983 elections under the leadership of the ageing township tycoon, Mr Ephraim Tshabalala. The party captured 17 of the 30 seats in the new Soweto City Council, with the rest going to various other groups and independents who contested the elections.

Constituted as a majority, the Sofasonke Party moved swiftly to consolidate its newly-won power. In the early days members seemed determined to implement their election promise of reducing rent to R5.00. Tshabalala, elected mayor in early 1984, promptly issued a statement that he would refuse to sign any document until the financial position of the township was revealed to him. The party also voted members onto the Council's administrative staff.

The Sofasonke Party ran the Soweto council as a kind of fiefdom. Having put members onto all major sub-committees it turned to questioning the role of white bureaucrats within the council. They were accused of working without regard to party policies. Soon after assuming office the deputy-mayor announced that twelve former West Rand officials would be dismissed. However, the then chief executive officer, Mr Nico Malan, claimed the officials had terminated their employment voluntarily. These tensions persist today.

The party did not forget those who had put it into power. It continued holding report-back meetings at the Eyethu Cinema to keep in touch with the grassroots membership. With the emergence of large

Posters for the 1983 BLA elections in Soweto link one councillor to Mohammed Ali, placed next to other adverts promoting a popular culture

After a long history of political participation in segregated local bodies, the Sofasonke Party now controls the Soweto City Council

*For the last 40 years, Sofasonke's major constituency has been the shack settlements of Soweto*

*Straddling the political divide, Sofasonke attempts to both participate in the council and maintain a popular presence in the community*

squatter areas in Soweto, it embarked on a vigorous recruitment drive to sink deep roots among the five 40 000-strong camps. These practices and campaigns proved extremely useful to Tshabalala at a later stage when internal dissension developed within the party.

Tshabalala started Mshenguville, a camp with about 2 000 shacks, which has been named after him. The party's popularity increased considerably. Soweto's mayor sought to project himself as a modern 'Mpanza', the party founder who had led the homeless to occupy open municipal land in the 1940s. The camp was tightly organised into blocks with Sofasonke lieutenants at the helm. Various fees were levied, including R500 per family to purchase land at Zuurbekom and build formal houses. Tshabalala also organised young people whom he called 'comrades', who guarded his businesses and personal property against attack.

When his term of office expired in early 1985, Tshabalala failed to obtain a sufficient number of votes to continue as mayor. The majority of councillors intended electing another Sofasonke candidate, the deputy-mayor, Mr Isaac Buthelezi. This move was upset when the central committee of the Sofasonke Party suddenly expelled its chairman, Mr Manyosi. He retaliated by standing for election as mayor but a few hours before his certain election, Manyosi was killed by unknown gunmen.

A fourth candidate, Mr Edward Kunene, was subsequently elected as mayor. He appeared to be the best person to counter-balance the tensions which had developed within the Sofasonke Party. Meanwhile, Tshabalala continued to hold meetings with the party's grassroots membership. Presumably, threatened by the power base that the former mayor was building outside the council, other councillors voted Tshabalala back into office barely five months later.

## Second Reign

Tshabalala's second term as mayor proved to be an unhappy one. He was suspended for defying colleagues who believed that not more than 400 squatters should be allowed on council land in Mshenguville. He continued to encourage the homeless to settle there, however. Other squatters simply moved onto the land without obtaining permission from anyone, increasing the number of shacks in the area to 1 500.

In August 1986 rent protesters who had gathered in the streets of White City in anticipation of evictions were shot at by the security forces, leaving 27 people dead and many others injured. Soweto's rent boycott started in June 1986 and it is still in force today. The community has

demanded, inter alia, that it should pay only service charges and not rentals. The shootings further aggravated tensions in the council. All councillors vacated their houses to live in town except for Tshabalala and another member who remained in the township. The mayor publicly criticised his colleagues, called upon them to resign, and invited the Soweto Civic Association to join the Sofasonke Party and form a new council.

Under family and community pressure, Tshabalala eventually tendered his own resignation, the only councillor to have done so in Soweto over the last five years. This has given him time to focus energies on party activities. Surrounded by a new crop of aspirant councillors, the Sofasonke Party has campaigned vigorously for the October 1988 elections. Candidates have held open-air meetings almost every weekend since May. Even grenade attacks and the killing of party enthusiasts has not dampened their determination — with full security force protection, the party has sustained its election campaign.

Sofasonke candidates continue to promise to reduce service charges to R10.00 per month and to scrap rents. This probably explains the number of people, including pensioners, who have attended their election meetings. Some people in squatter areas also give their support to the party in the hope that they will be rewarded with houses.

Serving councillors have not held election meetings. Their image has been badly tarnished by the brutal rent evictions which have characterised the last two years in Soweto. Matters have worsened since Soweto's Director of Housing, Miss E Bester, announced that several houses of rent boycotters will be sold on auction. These actions and continued evictions may well turn even sympathetic supporters against the forthcoming elections. Heightened tension between councillors and the council bureaucracy headed by the Town Clerk, Nico Malan, also appear inevitable if the Sofasonke Party wins the elections. The bureaucrats are determined to retrieve every cent owed by the rent boycotters. The Sofasonke Party, if promises are anything to go by, seems committed to scrapping all rentals.

The Sofasonke Party is attempting to straddle two areas, namely, participation within the council and maintaining a popular presence outside the council. The divide will eventually force the party to choose between one of these two strategies. If re-elected, the party will attempt to assume tight control over the bureaucratic structures of the Soweto City Council. This, the bureaucrats will rebuff. Tensions are likely to lead to a split within the party, with pliable members remaining within the council and working closely with the bureaucrats. *UPWA*

Eastern Cape

# THE FRONTIER LEGACY

By Cecil Manona,  
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*The unstable political situation in Grahamstown's African townships in a regional context of serious unrest between 1984-86 undoubtedly will have an important bearing on the forthcoming municipal elections. Cecil Manona reports that long-standing neglect of these communities is manifested in widespread poverty, low wages, a high rate of unemployment and poor housing. All decisions about where African people can live as well as the laws governing the townships have been made and administered by whites. In analysing the emergence of a black local authority in Grahamstown, Manona shows that Africans have never been allowed effective participation in the life of the city nor even real control over affairs in their allotted areas.*

**L**ike many South African towns, Grahamstown includes racially segregated townships situated on the periphery of the central district which are occupied almost exclusively by African people. For this Eastern Cape community of 57 700 people (1985 census), the current local authority is the Rini City Council (previously a community council), which came into existence in 1983. Formerly, the African townships fell directly under the jurisdiction of the Grahamstown City Council. An Urban Bantu Council (UBC) established under earlier legislation in 1967 was merely an advisory body with no statutory powers at all.

The Grahamstown UBC did not achieve much during its existence, largely because it had no recognised rights or duties. By September 1977 it had become so unpopular that a public meeting was convened which called for its immediate dissolution. The UBC was criticised for accepting the forthcoming implementation of a community council without consulting residents, for failing to keep people informed about local affairs by not holding regular report-back meetings, and for acting against the will of the people by co-operating with the (white) administration board in the proposed resettlement of a large section of the townships. Further, the UBC had not called for elections even though its term of office had expired. It was more than a

coincidence that the first phase of violence and civil unrest in Grahamstown's townships started in this year, lasting up to 1980.

The formation of a community council in 1978 elicited overt opposition from a notable proportion of township residents, who generally perceived it as another government-created institution which would merely entrench apartheid. Although several meetings were held by candidates in the inaugural council election of 1978, no specified issues were contended. Instead, the 'campaigns' were dominated by personality politics. In two of the nine wards candidates were elected unopposed and overall, only 26 percent of registered voters participated in the elections (see box:56).

Statutory bodies like the community council can function effectively only if they have both competence and legitimacy. Competence implies recognised rights and duties which the body is able to execute, while legitimacy refers to the authority to make decisions for the public. The competence of a local authority is not only related to the formal or statutory definition of its duties but also closely linked with what that body can actually undertake. The institution's legitimacy, on the other hand, derives both from its relationship with the community and from the wider political system of which it forms a part. That the community council of Grahamstown did not have legitimacy is evident from the failure to gain popular support from its inception. It will be shown that the council also lacked competence.

## Socio-Economic Issues

In the late 1970s one of the major problems in Grahamstown's townships was the shortage of suitable housing, resulting from the unavailability of land and funds. Even though a start was made in the early 1980s in providing limited facilities for self-help housing, residents had to contend with ever-increasing congestion. Yet, from 1978 onwards, one of the tasks undertaken by the Eastern Cape Administration Board (ECAB) and Grahamstown's community council was to



Atropix: Julien Cobbing

*Assassinated in May 1985, Cradock community leader, Matthew Goniwe, became a symbol of protest in the Eastern Cape, showing how civic movements could be a force for change*

### Administrative Collapse in the Eastern Cape

Besides the fully-fledged Black Local Authorities (city, town or village councils), there are also 195 town or village committees throughout the country. These committees have not as yet achieved full local authority status, and in many cases, they are run under the chairmanship of a white administrator appointed by the provincial administrator. In the Eastern Cape many of these committees have collapsed under community pressure, leaving only the administrator to run the affairs of the township. The extent of this is illustrated below:

#### Town and Village Committees

Township (white town)	No of Wards (1 seat each)	No of sitting Councillors	Resignations (to mid'85) Councillors	Mayors
Bongoletu (Oudtshoorn)	7	4	3	-
Khanyiso (Pearston)	6	1	5	-
Khayamnandi (Steynsburg)	6	5	1	-
Kuyasa (Colesberg)	8	1	7	1
KwaNajoli (Somerset East)	9	0	8	-
KwaNomzamo (Humansdorp)	8	0	8	-
Kwanonqubela (Alexandria)	5	0	5	-
Kwanonzwakwazi (Alicedale)	8	5	3	-
KwaZamauxolo (Noupoort)	7	0	7	1
KwaZamukucinga (Jansenville)	6	0	6	1
Lingeluthu (Adelaide)	9	1	8	-
Luxolweni (Hofmeyer)	5	2	3	-
Masibambane (Elliot)	6	5	1	-
Masinyusane (Victoria West)	5	0	5	1
Nkwewezi (Port Alfred)	7	2	5	-
Nomothamsanqa (Kirkwood)	7	0	7	-
Nompumelelo (Hanover)	6	0	6	1
Sabelo (Richmond)	1*	0	5	1
Sidesaviwe (Beaufort West)	7	0	7	1
Thembalesizwe (Aberdeen)	6	0	6	-
uMasizakhe (Graaff-Reinet)	8	0	8	1
Vuyalwethu (Steytlerville)	4	0	4	1
Wongaletu (Klipplaat)	6	0	6	1
Zola (Tarkastad)	7	4	3	-
<b>TOTAL</b>	<b>158</b>	<b>30</b>	<b>127</b>	<b>10</b>

#### ANALYSIS

- Only 24 percent of available seats in the above committees were occupied in 1985.
- 76 percent of committee members (including mayors) resigned in the Eastern Cape over the period September 1984 to May 1985.
- Only five of the vacated seats were filled in by-elections in mid-1985.
- The number of Eastern Cape committee members who resigned represent 65 percent of the total number of committee members (184) who resigned in the whole of South Africa over the same period.
- The number of Eastern Cape mayors who resigned represent 45 percent of the total number of mayors (22) who resigned in the whole of South Africa over the same period.

enforce the demolition of backyard shacks. People were only allowed to build extra rooms after their plans had been approved by the board.

By 1981, the demolition of 'unapproved' dwellings was creating severe problems and making the shortage of housing worse. While some community councillors were apparently embarrassed by these developments, the ECAB saw the matter in a different light. Their regional manager commented at the time, 'They (the residents) must learn to respect the community council and abide by its decisions. If not, we must hammer them. No one can allege they don't know the system' (*Eastern Province Herald* 13/11/87).

Other problems which surfaced during this period were the frequent increases in household rentals coupled with the inability of the local authority to improve services. Widespread dissatisfaction with high rentals was sharpened by the fact that African residents had to pay much higher rentals for more inferior housing than in the 'coloured' location. At one stage the monthly rent for a three-room municipal house with neither water nor flush toilets in African townships was R29.22; whereas the monthly rental for a three-room house with water and flush toilets was R15.23 in the coloured township.

In 1982, the 'Voice of Grahamstown', a community-based newspaper, frequently carried reports which noted that the council was not representing the interests of the residents and becoming increasingly resented. A residents and rent-payers association was formed in the townships to fight the latest rent hikes and to protest the postponement of council elections from September 1982 until the end of 1983. (The elections were to confer more powers to the council and convert it into the Rini City Council). The residents association functioned only for a short time and collapsed because the council issue was extremely divisive in the community at that stage. Popular resistance to an imposed local authority was building up and becoming more organised, however.

The views of residents were strongly reflected by the advent of another civic body, the Grahamstown Civic Association (Graca), just before the December 1983 elections. A community-based association, Graca became influential within a short time and was generally seen as the voice of the people. It was founded specifically to oppose the council, which was perceived by many residents as being unable to articulate their aspirations or improve deteriorating living conditions in the townships. Virtually all Graca meetings were well-attended and speakers addressed packed halls.

The first elections of the Rini City Council took place on 1 December 1983 but only 256 people (6,05 percent of the registered voters) participated. This poll was considerably lower than for the 1978 community council elections. Only three of the nine wards were contested and there was virtually no prior campaigning. Voter apathy was partly due to the failure of the council to improve living conditions during its term of office. Many others did not vote because they were supporting an anti-election campaign mounted by Graca. One of the councillors who was elected unopposed said, 'I must really concede that the civic association has achieved some success' (*Grocott's Mail* 6/12/83). Asked for reasons for the low poll he said, 'The people were highly opposed to the increase in rentals. The poor people always

blame the leaders for this' (ibid).

Graca, clearly satisfied with the results of their campaign, found it heartening that the community had shown its unequivocal rejection of the concept of a separate local authority. The chairman said, 'There is hardly anything the community council did for the people here. Instead, the residents have had to pay ever-increasing rentals. Therefore, they had good reason for boycotting these elections. All along we said that the community council is a dummy institution and is not acceptable to us. All we want is full participation in one local authority — the Grahamstown City Council. Nothing will stop us from achieving that goal' (ibid). In the following week, Graca held a meeting to thank the people for their support.

### Violent Phase

The next phase in the conflict over civic issues in Grahamstown began in mid-1984. Serious violence broke out a few days before the tricameral parliamentary elections held on 22 August and continued for about two-and-a-half years (up to about the end of 1986). During this period opposition to the council occurred simultaneously with school boycotts, work stayaways and consumer boycotts. Local authority in the townships came to exist only in name throughout the Eastern Cape (see box:60). As the riots escalated councillors' houses had to be guarded day and night because they were virtually the first targets in the mounting move to disrupt local government. Many unrest deaths occurred close to the home of councillors. At times, night soil removal and refuse collection had to be suspended for several days because council employees were stoned and threatened by the angry youth.

1985 in particular was a problematic year in the Eastern Cape. At the beginning of the year the following five community councils in the Eastern Cape resigned en masse: Iingelihle (Cradock), Somerset East and Cookhouse, KwaNobuhle (Uitenhage), Nomzamo (Humansdorp) and Alexandria. Other councils in the region had been depleted already by individual resignations in the townships of Port Elizabeth, Fort Beaufort, Adelaide and Bedford.

In Grahamstown, however, only one councillor had resigned and the Rini City Council remained intact. There were growing fears that more violence would be caused by the continued existence of this local authority — the councillors seemed prepared to face youth attacks and community disapproval rather than resign their positions. The vacancy of one councillor who died late in 1984 was quietly filled by a very old and extremely

unpopular pensioner. Some people viewed this choice (which was made by the council itself) as yet another indication of the council's disregard for the feelings of the residents.

Another development which fostered strong resistance to the council was its attempt to silence the community by banning the use of halls by organisations which opposed the status quo. Apart from the fact that Graca and other local progressive organisations were banned by the government in due course, decision-making in the community became difficult as residents hardly had any opportunity of convening meetings to discuss civic affairs. The last public meeting in Grahamstown's townships was held over three years ago on 28 July 1985, to enable residents to decide whether to continue with a regional consumer boycott of white-owned stores.

### Awaiting Revelation

These days there are still no public meetings in Grahamstown's townships, even though the municipal elections are due to take place in a few weeks. In normal circumstances elections are preceded by campaigning in which candidates declare and defend their manifestos. It is rumoured that there are a few individuals, apart from incumbent councillors, who are interested in standing for election. Nominations for black local authorities only close on 16 September, however (i.e. after the time of writing). There is no indication as to what is going to happen during the immediate lead-up period but if the previous elections are any guide, township residents are likely to display even more apathy on this occasion.

It is true that civil unrest in the Eastern Cape eased to a marked extent from about the end of 1986. Even so, thirty months of serious rioting have dramatically affected the local situation. Many residents are still recovering from the trauma of difficult times which have left the future uncertain.

Grahamstown is situated in the Eastern Cape, a region which is well-known for black resistance to white domination, from the frontier wars of the past century, through the disturbances of the early 1950s and the mid-1970s, to the current political crisis in the townships. The people's feelings are fed from a religious faith which holds out the promise of dramatic change, so that everyone can prosper here. In religious terms this legacy is the assurance of comfort for the faithful in the next world, and in political terms, the assurance of comfort in the material world. These traditional perceptions have great significance for the forthcoming municipal elections in the region. UPIA

*The demolition of 'unapproved' dwellings, the housing shortage and rent hikes led to widespread dissatisfaction with Grahamstown's community council*

*A civic association was formed in Grahamstown specifically to oppose the Council, which is perceived by many residents as being unable to articulate their aspirations*

# LEGITIMACY CRISIS FOR MANCOMS

By Cheryl Hendricks,  
Department of Public Administration,  
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Until 1972, coloured and Indian people had direct representation on the Cape Town City Council, albeit with parallel segregated bodies from 1965 onwards

Although the ideological lineages of community-based organisations differ in the Western Cape, they all refuse to participate in existing local structures

*The October elections will test the legitimacy of local authorities that are ethnically based within the framework of the 'own' and 'general' affairs principles of the 1983 constitution. The central government has embarked on an extensive campaign to register voters and to popularise the elections, making a vast amount of money available to the Bureau for Information for this purpose. Reporting on the role of (coloured) management committees, Hendricks argues that because racial distinctions form the backbone of local authorities, constitutional reforms and elections remain contentious issues for the disenfranchised and their community organisations.*

The Cape is renowned for having a 'liberal' tradition. This reputation is due, in part, to the fact that 'coloured' and 'Indian' people used to have access to direct representation on the Cape Town City Council (CCC). They appeared on the same voters roll as whites and had to fulfill the same minimum voting requirements. In 1963, however, a provincial ordinance was gazetted which made provision for the creation of separate local government structures for coloured communities.

Accordingly, in the CCC's area of jurisdiction 'management committees' were formed in the suburbs of Athlone, Kensington and Wittehome/Wynberg in 1965. These were nominated bodies, becoming partially elected in 1972 and fully elected in 1977. Management committees and coloured representatives directly elected to the CCC co-existed over the period 1965-72. In practice, however, a qualified franchise based on property ownership and value acted to exclude most coloured people from exercising their CCC vote — only 16 coloured and 4 Indian councillors were elected to the CCC between 1964 and 1972 (Cameron, 1986:110). The duplication of representation was removed in 1971 by a municipal ordinance which changed voting requirements to allow only those persons qualified as parliamentary voters to register as municipal voters for the CCC.

The municipal ordinance of 1971 ensured that the government policy of self-determination for all ethnic groups at a local level was implemented uniformly through South Africa. Since their inception, management committees have faced a legitimacy crisis of major proportions, however. The CCC refused to co-operate with the provincial administrator in establishing management committees falling under the Council's jurisdiction and have made no real effort to facilitate their further development (Todes and Watson, 1986:33). Instead, the CCC has vowed to work towards direct representation for all population groups on the Council (in all probability, through a qualified vote). The Cape Town Peace Initiative, launched in 1985, was an attempt to progress towards this goal (Cameron, 1987:66-69).

More recently, in late 1987, additional management committees were instituted in the CCC's area of jurisdiction. Three nominated committees were formed in the suburbs of Retreat, Schotsche Kloof and Woodstock/Salt River; in the Cape Province as a whole there now are 195 management committees, 35 of which are nominated at present. The historical absence of management committees in many areas partially explains why the government is heavily promoting the October elections, the first to be held for many of these local authorities.

## Non-Participation

Management committees, like (African) black local authorities and (Indian) local affairs committees, are rejected by community organisations primarily because they are based on ethnicity. They are considered to be powerless appendages of the South African government and watchdogs for the status quo at the local level. None of these forms of local government enjoy real power or financial viability. Even the Labour Party has refused to accept autonomy for management committees because the areas in which these bodies are situated are





A street barricade in Athlone. A common sight on the Cape Flats during the unrest of late 1985, when activists blocked major roads with burning tyres and rubble

The Cape Times

essentially dormitory suburbs with no fiscal resources.

During the late 1970s and 1980s a host of community-based organisations mushroomed in the Western Cape. Although the ideological lineages of these organisations differ, they all share the belief that they should not work within existing structures of political representation. Significantly, the implementation of 'non-collaboration' was first espoused in 1943 by the Unity Movement, a political organisation predominantly based in the Cape. As an opposition strategy, its traditions and tactics continue to permeate extra-parliamentary politics on a national level.

Many of these community organisations have directed their struggles at increases in service charges levied by local authorities. In the Cape Peninsula the first protests of this nature occurred in Mitchells Plain in 1980 when residents refused to pay a penalty of two rands for defaulting on electricity rate payments. An electricity petition campaign lasted for a period of six months, with two hundred residents marching on the CCC offices to hand over the petition.

Political mobilisation encouraged communities to no longer accept impositions from municipalities but to actively challenge their decisions. After the petition campaign many communities launched other protests against increases implemented by the CCC. The Cape Areas Housing Action Committee (Cahac), an umbrella organisation for many of the civic associations in the Peninsula, initiated campaigns against bus fare, water, electricity and other service charge increases, civic protests which became the order of the day in townships throughout South Africa.

What can be deduced from this earlier period of protest? Firstly, these protests developed out of issues that essentially affected only a specific community. Secondly, they never challenged the existence of local government structures per se, but rather presented opposition to policy decisions taken by individual

municipalities.

In 1983, an alliance of organisations that were predominantly community-based, namely the UDF, was formed with the specific aim of opposing the three 'Koornhof' bills. These were the Orderly Settlement of Black Persons Bill, the Black Local Authorities Bill and the Black Communities Development Bill (the latter two are in effect today). With the emergence of the UDF the emphasis of extra-parliamentary strategy shifted to directly challenge the very existence of local government structures. Although there had been protests against the formation of (African) community councils in 1977, opposition had not occurred on such a broad scale for decades.

Campaigns were not only directed at black local authorities, but also at

## Urban Trends

IPSA Research

### Mancom Elections in the Cape Peninsula, 1972-87

% Poll	Athlone & District	Kensington	Wynberg	Average % Poll
1972	6,0	18,9	*	12,45
1977	14,5	30,9	*	22,70
1978 (by-election)	6,8	14,7	-	
1979 (by-election)	-	19,5	-	
1981	*	7,6	16,8	12,20
1983	1,81	11,9	-	6,85
1987 (by-election)	2,75	-	-	

\*(no election)

#### Analysis

- The average poll for management committee (mancom) elections in the three CCC areas in the Cape Peninsula has decreased steadily over the last ten years.
- It has been estimated that in 1975 only 52% of eligible 'coloured' voters were actually registered, which would halve the above percentage polls.
- Available data for the 1983 mancom elections in the Eastern Cape shows comparatively higher polls of 80% in Despatch (no ward system), 56% in Uitenhage (no ward system) and 28,75% in Port Elizabeth (contested wards).
- The Labour party made a clean sweep of contested wards in the Port Elizabeth and Uitenhage city-wide elections in 1983. Its candidates were defeated by independents in Despatch, however.

The Labour Party will discover to what extent the material patronage it dispenses in the rural areas will draw support

The elections also will show the level of urban grassroots support for mancoms, which in turn will impact on RSCs in the Western Cape

management and local affairs committees. Civic associations canvassed for a boycott of all local elections to prove to government that official structures lack support and to undermine these institutions. To a large extent, this approach was proven correct by the low polls recorded. For example, the polls for management committee elections in Cape Town (see box) ranged from 1,81 percent to 11,98 percent in 1983, compared with the earlier 7,6 percent to 16,8 percent poll in 1981.

### Election Issues

In Athlone there has been a dispute between the CCC and the management committee over whether to divide the district into nine wards. At present, the area consists of 37 000 registered voters run by eight management committee members but it is not divided into wards. The city administrator feels that an increase in the number of members on a ward by ward basis would be 'unwise and premature' (*Sunday Times Extra* 24/7/88). It is likely that the government will make every attempt to resolve what is essentially a technical dispute in order to avoid running the risk of postponing elections in this key district.

Many new management committees will be instituted in the October elections. Their inauguration is important as the committees are needed to ensure the successful functioning of Regional Services Councils (RSCs) at another level of constitutional reform. For instance, residents of Mitchells Plain will no longer fall under the CCC after October. Instead, residents will pay their rents and rates to the Mitchells Plain Council which, in turn, will send representatives to sit on the Western Cape RSC.

Among contending parties, participation on the RSCs is not at issue but the electorate will be informed as to the financial advantages of participating in RSCs. Among community organisations, however, RSCs also have been rejected, for various reasons. Firstly, RSCs are based on racial structures; secondly, they have been imposed from above without adequate consultation; and thirdly, they will not improve the social and economic conditions of townships. The need for material improvement of the physical environment in 'black' (coloured, Indian and African) areas far exceeds the capacity of primary local authorities.

The management committees are predominantly dominated by members of the Labour Party, the ruling party in the parliamentary House of Representatives. The Labour Party will make every effort to maintain control of 'coloured' local government in an attempt to maximise grassroots support. It appears that these elections are becoming highly politicised in the process, as the various parties

attempt to demonstrate their strength at the local level. A high percentage poll would be indicative of grassroots support for constitutional reforms and could serve to sanction participation and policy at the central level.

The Labour Party draws support predominantly from rural areas in the Cape, due to the patronage it dispenses and the lack of extra-parliamentary organisational activity. It is likely that the largest percentage polls will be obtained in these areas. Normal local issues such as housing, upgrading of amenities and services are being contended in the elections. The Labour Party has been closely associated with self-help housing schemes, which could serve to boost its support. The Group Areas Act is also likely to receive much attention, and in the current local election year the Labour Party has increased pressure on central government to repeal the Act.

### Renewed Unrest?

To conclude, the stance adopted by the various extra-parliamentary movements that the national question should be solved first, precludes acceptance of any constitutional reform at local level. UDF informants have stressed the difficulty of affecting any significant reform at third tier as long as government policy remains premised on apartheid ideology.

The elections will be one indication of how effective the state of emergency has been in crushing opposition and legitimising state structures. The emergency regulations have made it virtually impossible for extra-parliamentary organisations to campaign effectively for a voter boycott of the elections — they will not be able to hold mass rallies or demonstrations. However, in an attempt to overcome the restrictions, AZAPO has formed new organisations to mobilise communities, namely, the Azanian Co-ordinating Committee (AZACCO) and the Western Cape Co-ordinating Committee (WECCCO).

A great deal of attention will be focussed on the election which, as a national event, has the potential to spark off sporadic and unorganised unrest. Spontaneous protest is usually more difficult to curb because organisations have little control over resistance of this kind. The forthcoming election could well lead to a repeat of the events of 1983-85 surrounding the inauguration of black local authorities and the tricameral parliament. UPA

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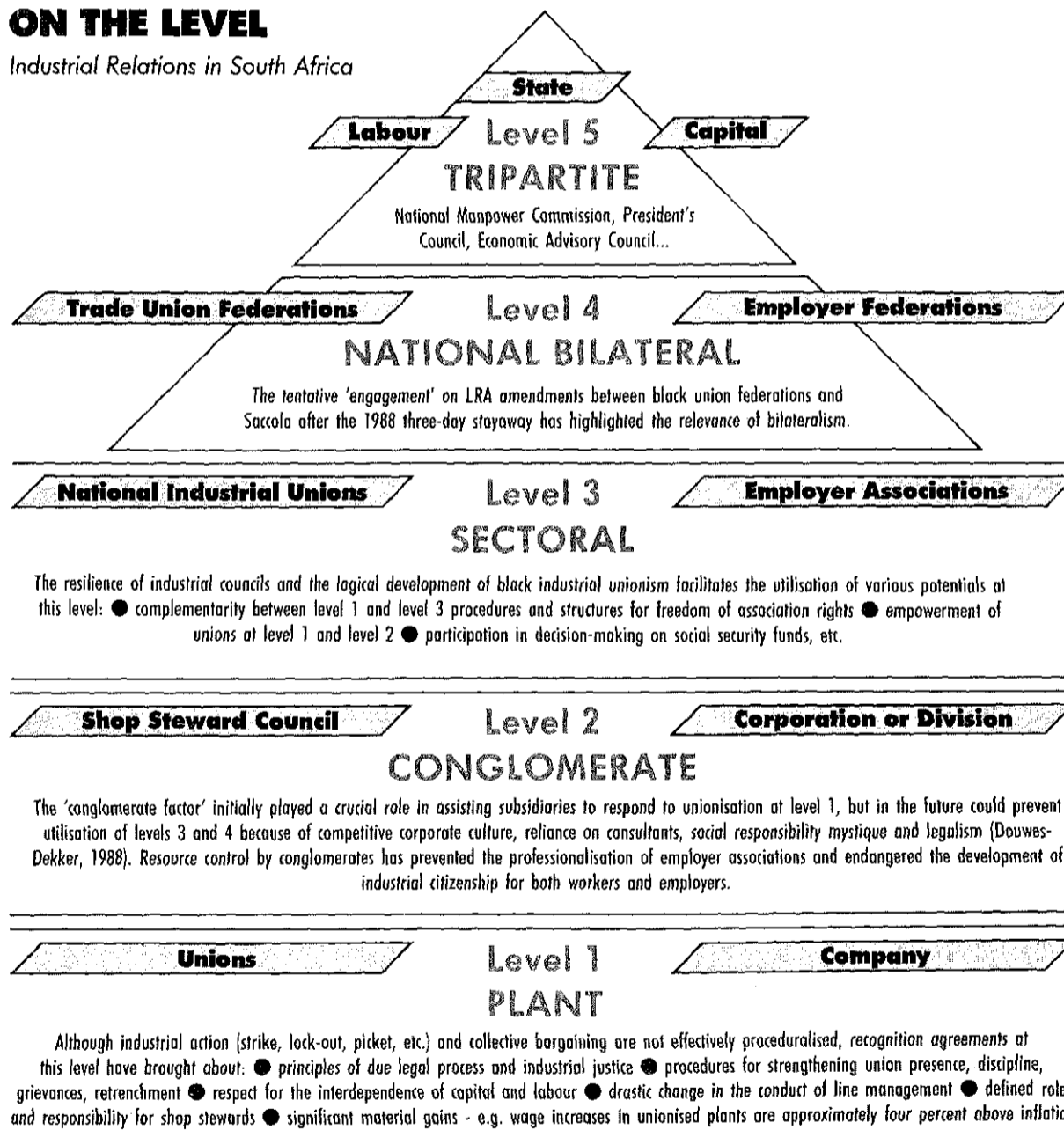
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# INDUSTRIAL

M O N I T O R

## ON THE LEVEL

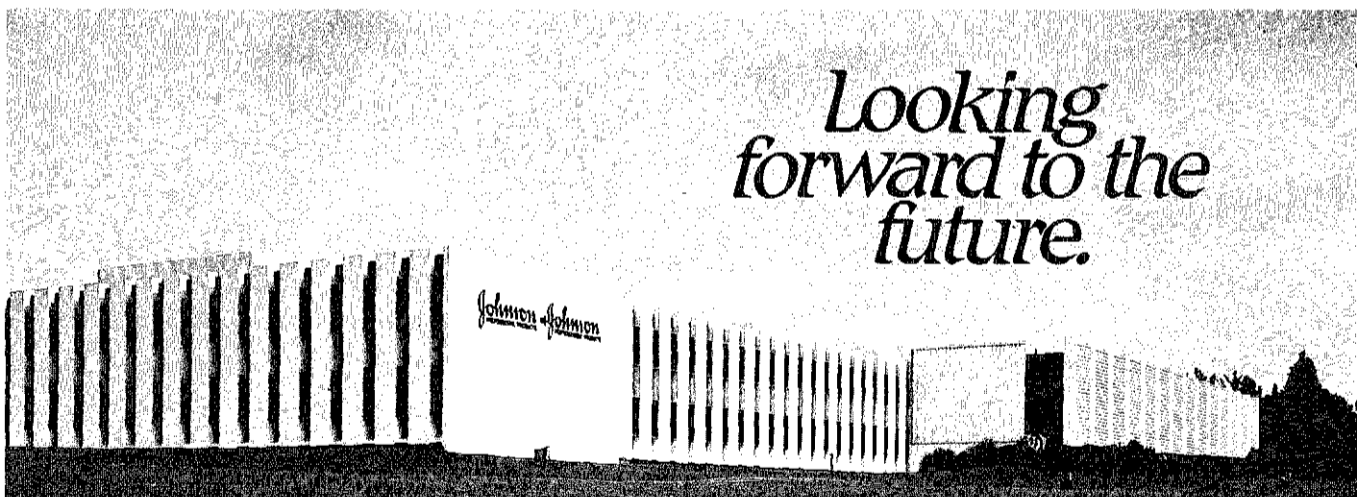
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# BEYOND RECOGNITION

## A New Social Contract

By Clive Thompson,  
Director, Labour Law Unit, University of Cape Town

*Despite a storm of protest by representatives of organised employers and the black labour movement, the controversial Labour Relations Amendment Act (No 83 of 1988) came into operation on 1 September 1988. The Deputy Director-General of Manpower, Joel Fourie, has indicated that the government will still be prepared to consider changes in principle but only if parties use 'normal channels' to direct objections, i.e. through the National Manpower Commission. It would appear that the amended LRA is set to become a major part of South African labour relations for some time to come.*

*There are alternatives, however. Legal academic Clive Thompson proposes that employers and unions, to avoid causing irreparable damage to the emerging industrial relations order, should find creative ways to bypass the institutions and processes forged by the state. By negotiating bilateral agreements based in common law, both sides of the class divide could develop an advanced system of collective bargaining from which all parties would benefit.*

**L**abour law and labour relations represent an enclave within the wider society which is conspicuous as a terrain where real negotiations can take place between leaders who exercise tangible power. The socio-political predicament facing South Africa, demands a democratic system of collective bargaining. The workplace is a major element in anyone's life and trade unions have achieved much for their members in the 1980s. They may have yet to gain a stake in the enterprise, but there can be no denying the fact that they now have a say in the way things are done there.

In the words of one commentator, 'the economic function is the beginning, not the end of the case for collective bargaining. The role performed by trade unions has never been narrowly pecuniary ... protecting the employee from the abuse of managerial power, thereby enhancing the dignity of the

worker as a person, is the primary value of collective bargaining, one which entitles the institution to positive encouragement from the law' (Weiler, 1980:30-31).

In South Africa, however, the role of trade unions is not and will not be limited to the working environment (see boxes:74). In the fourth year of a state of emergency the role of organised labour as a partial countervailing force to government excesses has become crucial. The emergency measures have drastically undercut the power of the internal political opposition and have adversely affected the role of the courts, the press and the churches in their endeavours. The amended Labour Relations Act will similarly constrain trade unions in the conduct of a broad range of legitimate activities.

Concentrations of power work against democratic outcomes, and the independent stance of the trade union movement is

## THE LABOUR RELATIONS AMENDMENT ACT, No 83 of 1988

### DEFINITIONS

Broadly defines the concept of an unfair labour practice (ULP) as any act or omission which in an unfair manner infringes and impairs the relationship between an employer and employee (see Indicator SA, Vol 4/No 3:79). Identifies at least fifteen specific kinds of ULP in an attempt to codify ULP in principle (Section 1)

### EXCLUSIONS

The LRA no longer applies to any person who teaches and/or trains people at any educational institution supported wholly or partly from public funds. Farm and domestic workers remain excluded from the LRA's ambit (Section 2)

### INDUSTRIAL COURT

- Sets out procedures for the Minister of Manpower to nominate members to sit in the Industrial Court (Section 17)
- Amends Court's powers to reflect the new definitions of an ULP (Section 43)
- Increases the Court's powers to grant temporary relief through status quo orders to restore original terms and conditions of employment (Section 43)

### LABOUR APPEAL COURT

- Establishes a Labour Appeal Court (LAC) which falls under the jurisdiction of the Ministry of Justice and has the status of a division of the Supreme Court (Section 17A)
- Empowers the LAC to decide upon any question of law and any appeal from litigants in the Industrial Court. The new Court will also have the power to award costs (Section 17B)
- Should permission be given by the LAC, any party to its proceedings may appeal to the Appellate Division of the Supreme Court for a final determination (Section 17C)
- Extends secrecy provisions of Industrial Court judgments to the LAC (Section 67)
- A party will be guilty of an offense if it fails to comply with an order made by the Industrial Court and/or the Labour Appeal Court (Section 53)

### INDUSTRIAL COUNCILS

- Limits the powers of an industrial council to determine an alleged ULP, except where the parties to a dispute agree in writing with a council's ruling (Section 27)
- Creates dispute-settling mechanisms, similar to those applicable to conciliation boards, for industrial councils which have not established their own procedures (Section 27)
- Enforces a time limit of 70 days for an industrial council and 40 days for an industrial council committee to consider an application for exemption, after which the application will be deemed to have been refused (Section 51)

### CONCILIATION BOARDS

- Enables the Minister of Manpower to delegate responsibility for establishing a board to an inspector from the department (Section 35)
- Specifies that an application for the establishment of a board must be lodged within 21 days of any dispute arising (Section 35)
- Precludes parties from using board mechanisms to settle wage disputes if a wage determination is in operation (Section 35)
- A board must attempt to settle a dispute within 30 days from the date on which the application was lodged. The life of a board can only be extended through the mutual consent of all parties (Section 36)

### ARBITRATION

- Increases powers of Director-General of Manpower (Section 45)
- When either an industrial council or a conciliation board has failed to resolve an unfair labour practice dispute, it will then be forwarded to the Industrial Court, unless all parties involved agree this should not happen (Section 46)
- If a dispute has been considered by an industrial council and if further arbitration is conducted by the Industrial Court, the council should pay the prescribed fees (Section 47)

### STRIKES AND LOCK-OUTS

- Prohibits sympathy and secondary stoppages. No employee shall instigate a strike or incite other employees to take part in a strike if the employer or employee is not directly involved in a dispute (Section 65)
- Makes it illegal for anyone to instigate a strike over a dispute which is the same or virtually the same as a dispute which gave rise to a strike or lock-out during the previous 12 months (Section 65)
- Prohibits unregistered (as well as registered) trade unions from taking part in strike action without holding a strike ballot (Section 65)

### INDEMNITY AGAINST DAMAGES

- Any trade union or employer organisation which interferes in the contractual relationship, leading to a breach of contract, will not be indemnified against delictual damages suffered by either employer or union party as a result (Section 79)
- The LRA presumes that union members, office bearers or officials are acting as authorised agents of their union. Removes indemnity completely in the case of illegal strikes, lockouts or the commitment of criminal acts (Section 79)

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consequently one of the few encouraging features of the South African political landscape. Not only do trade unions represent a bulwark against unbridled state power but the process of collective bargaining they co-sponsor stands, or ought to stand, as a model for developments in the rest of society as well. The nature of a post-apartheid society will be significantly influenced by the existence of a trade union movement with an independent base and a discrete set of objectives.

Democracy and pluralism are likely to be synonymous terms in a future South Africa. If they are to suffer a demise, they will probably do so simultaneously.

### Side-stepping LRA

Since 1979 there have been legislative attempts to achieve industrial peace in South Africa through the promotion of a system of industrial justice. However, the commitment to this process has been, at best, uneven. Neither the state nor employers have shied away from securing their interests through security measures, whether as a backup or as an alternative to collective bargaining. Is there a prospect in 1988, in spite of the hostile national climate, of asserting or re-asserting the goal of peace through justice on the factory floor?

Perhaps a limited and workable consensus is obtainable within adversarial labour relations, even amidst a divided society. This will require a deliberate and concerted effort to set the area of industrial relations apart from the governing order, to eschew the ideology and the partisan laws which sustain that order, and to substitute a new social contract. This may involve not merely a disavowal of security legislation but also, in the light of the recent changes to labour legislation (see summary:68), an avoidance of the institutions and processes created by the Labour Relations Act, including the Industrial Court.

Splendid isolation is, of course, impossible. An alternative system must still function within the dominant political order, and must of necessity articulate with it. From a legal perspective relative autonomy may be achieved, paradoxically, through an institution which, although venerable, has not served the cause of labour very well to date — the common law.

The law of contract is a protean vehicle. Perhaps the time is ripe for a reappraisal of its representative in the area of labour law — the collective agreement — as a comprehensive and alternative source of rights and obligations for organised labour and capital.

In the 1970s and early 1980s, the battle for

recognition by trade unions was often bitter. The recognition agreement (see box:76) became the symbol of victory but, after 1979, the document was regarded as a certificate for past endeavours rather than a charter for the future. A great deal of sparring occurred between employers and unions on the content of recognition agreements. Unions were intent on seeing clauses included that were broad, vague and generally open-ended in character, while employers directed much energy into provisions designed to cater for every conceivable contingency. The end results were agreements with lengthy preambles, a detailed checklist of bargaining topics, a convoluted disputes procedure and a disciplinary code with a grid system of offences resembling a crossword puzzle.

With the act of recognition behind them, however, the parties often had limited regard thereafter to the solemn terms of their joint protestations and promises. Although there must be hundreds of recognition agreements in existence today, only a very small number of disputes over the interpretation and application of their provisions have been submitted to arbitration or raised in Industrial Court proceedings.

An explanation is to be found in the fact that the shifting rights and duties of the parties were being determined in the Court without much reference to domestic arrangements. Once the principle of recognition had been won or conceded, as the case may be, the parties looked to the Court to ascertain the state of the art on questions such as unfair dismissal, collective bargaining and protection for striking workers.

Although a formal labour law code has been established, an industrial relations ethos has not emerged. The compulsory adjudication process, although an historic necessity, has had a stultifying effect on the development of relations between the more progressive employers and unions. To a significant degree, they have abdicated their responsibilities and left them in the hands of lawyers and the courts. The lack of an ethos also stems, in a more fundamental sense, from ideological differences (see below).

The Industrial Court has done a commendable job in setting rules for the regulation of conflict, but it does not have the measure of a state of emergency. If there had been a process of political reform in the country during the 1980s, the pressures in the labour arena would have been eased and the level of conflict in the latter quarter commensurately reduced, perhaps to manageable proportions. In the absence of any meaningful developments at the political centre, it has become incumbent upon employers and unions to search for an alternative formula of their own making.

*The amended LRA, security legislation and state interference make it difficult for trade unions to undertake a broad range of legitimate activities*

*The nature of a post-apartheid society will be significantly influenced by the existence of an independent trade union movement*

Common law contracts may provide organised labour and employers with an alternative source of rights and obligations, outside of the LRA

Second-generation recognition agreements must reflect a consistent and deep commitment to democratic values, while rejecting authoritarian state policies

## Advanced System

What is required of a second-generation collective agreement? First and foremost, it must reflect a consistent and deep-seated commitment to democratic values. In negative terms, this entails a rejection of the racist and authoritarian policies of government and, by the same token, an abandonment of a reliance on the coercive instruments of state. In positive terms, it means the adoption of an advanced system of collective bargaining, which recognises the need for a transformed working environment and an equitable return within a productive enterprise. Specific features would include:

- *a right to strike*

It is a system which would underpin the collective bargaining process with a right to strike, not a freedom to strike. Serious negotiations can only occur where a union can back up its demands with effective strike action and where management can give effect to its demands through unilateral implementation of its final offers (the usual form that employer industrial action takes) or through a lock-out.

There is no right to strike where an employer is at liberty to dismiss striking workers unless they are found guilty of misconduct. Therefore, an employer should have no such liberty, provided the strike is a competent one, i.e. it occurs over an industrial issue, is authorised by the union, supported by members and conducted in a peaceable manner. A competent strike takes place after bargaining in good faith reaches deadlock and the dispute procedures of a collective agreement are exhausted.

- *avoidance of technicalities*

In this scheme of things, the principles of collective bargaining are uppermost. Whether the union is registered and whether the dispute provisions of the Labour Relations Act have been adhered to are entirely immaterial factors. It follows, too, that the employer should not contemplate relying on any technical illegality under the Labour Relations Act to proceed against the union or its members; nor should it raise such illegalities in unfair labour practice proceedings before the Court, should the matter proceed in that direction.

- *picket procedures*

Picketing is a civil right contemplated by the notions of freedom of assembly and freedom of speech. It is a legitimate feature of strike action. Picketing used to be specifically enjoined under the Riotous Assemblies Act, but the prohibition was not retained in the consolidating Internal Security Act of 1982. As a technique in the collective bargaining process, picketing effectively remains banned, however, in terms of a proclamation issued in 1976 under the Internal Security Act that

prohibits all outdoor gatherings not of a religious or sporting nature.

What sort of scope is there for employers and unions to attempt to regulate picketing through non-statutory arrangements which, though giving each side its due, limits the potential for violence?

- *no state intervention*

Employers could acknowledge the legitimacy of picketing by refusing to invoke the terms of the proclamation that outlaws open-air gatherings. Pickets occur at access points to company premises which are not usually public places in the everyday sense. As such, the police will seldom arrive at such places in response to a gathering of workers without the invitation of the employer concerned.

If picketing degenerates into unlawful intimidation or outright violence, then it is of course inevitable that employers will resist such behaviour. The challenge is to settle in advance on a formula which meets the legitimate claims of both parties, whereby an employer agrees to countenance pickets of a specified size at specified places that are conducted in a peaceable manner, whether the object of the picket is to protest or to persuade.

- *wage campaigns*

Where workers are free to organise, to bargain, and are adequately protected in these activities, the outcome of bargaining will be a fair wage and acceptable working conditions. Except in areas where union organisation or industrial action is inherently problematic, it should not be necessary for the state to intervene with minimum wage edicts. It is for the market to set prices, but a market which recognises in full measure the legitimate role of organised labour as a market force. In short, an equitable system of bargaining will lead to higher, though not necessarily high, wage levels.

There are no free markets in an absolute sense but the concentrations of power in our markets have been historically skewed and correction is long overdue. For instance, the mining strike of 1987 provided a graphic demonstration of how the migrant labour system undercuts the power of a trade union attempting to act for semi-skilled labour.

- *joint decision-making*

A reasonable return for those who are employed will provide the stake in an enterprise that so many workers appear to be searching for. A stake acquired through bargaining and similar forms of participation will have the best chance of establishing the stability that is so vital for enhanced productivity and overall economic advancement.

South Africa's industrial history shows that it is only in consequence of a bargaining process that other areas of co-operation can be opened up. The most obvious



example would involve joint decision-making on deploying considerable resources bound up in pension funds for the development of the country, particularly in the provision of housing. This, too, would represent an attempt to shape a future at variance with government schemes.

Further, unemployment is not going to be solved by a low-wage policy. It is a distinct, major social issue that needs to be addressed on a multi-faceted basis. The establishment of a broadly satisfied and employed sector will assist in meeting the problem of unemployment, but nothing short of a national plan involving employer and worker co-operation is going to make a substantial impact.

### Alternative Process

A second-generation collective agreement enshrining rights and duties not found in the national law will require an adjudicative process to underpin the alternative regime. Our legal system can cater for such a dispensation. The courts will uphold private agreements, no matter how innovative they are, provided that they are not unlawful or contrary to a notion of public policy which has its roots not in the ruling ideology but in the Roman Dutch and English common law.

The Supreme Court will uphold and enforce the decisions of private arbitrators on the proper interpretation of domestic agreements. This would allow the parties to a new social contract to select, by agreement, persons with specialised knowledge who would be charged with the task of giving authoritative rulings on the content of their agreements.

Equally accommodating is the stance adopted by both the Industrial Court and the Supreme Court in the interrelationship between questions of fairness and legality. The flexible unfair labour practice jurisdiction has been put to good use in order to protect conduct which, although technically illegal, is legitimate in particular circumstances. On this basis workers striking illegally after provocation have been reinstated in their jobs. The unfair labour practice concept in its present form is quite capable of embracing unfamiliar but cogent non-statutory arrangements.

But even employers who may be prepared to reject the official order and to enter into a brave new world will need to be persuaded on the risks and benefits which the venture carries.

Since the time of their resurgence in the 1970s, trade unions in this country have been indiscriminate in their ideological approach to employers. If one's point of departure is that all capitalist enterprises are irredeemably iniquitous, then there



Alrapix: Sonlu Mofokeng

can be little scope for a creative dialectic with the more responsive representatives of capital. Yet it is an obvious truth that the market system, in one form or another, is going to form the basis of the economy for years to come, and quite possibly during the time of representative government as well. Unions should have policies and programmes which reflect this reality.

There is an immediate and compelling reason why trade unions should re-evaluate their strategies towards employers. As extra-parliamentary government centered in the State Security Council strengthens its hold on the country, there is a real danger that one of the last institutions of effective resistance, namely the trade union movement, will be eclipsed as well. Trade unions, like other organisations working for a new society, are under very serious siege. They are not so strong that they do not need to forge relationships with other groups that can assist them in what may turn out to be a battle for survival

There are employers who are reactionary and hostile to a negotiated future, be it at the workplace or in the wider society. Unions will need to relate to them accordingly. There are other employers who are willing to facilitate a negotiated future. But understandably, if employer efforts in the area of collective bargaining are treated as mere concessions to be ruthlessly exploited, no breakthroughs can be expected from this quarter — only a destructive backlash. Beleaguered democrats need their bridgeheads, and collective bargaining is one of them. A new social contract must hold out a reasonable prospect of gains for both sides. IPA

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Workers demonstrate against the amended LRA during the stayaway of 6-8 June 1988. If new recognition agreements allow workers to protest or picket on company property, unions may have to undertake to prevent intimidation or violence.

Common law, non-statutory agreements on conditions of employment will be accepted by the civil courts as long as they are lawful

# TOWARDS BILATERAL SELF-GOVERNANCE

By Professor Loet Douwes Dekker,  
Wits Graduate School of Business Administration

The three day stayaway between 6-8 June 1988, headed by Nactu and Cosatu with support from black civic associations to protest against controls in the amended Labour Relations Act (LRA), will probably prove to be a watershed event in the relationship between capital and labour. Writing in the aftermath of the passage of the controversial legislation, Loet Douwes Dekker poses three central questions:

- Can the industrial relations system cope satisfactorily with issues giving rise to stayaways?
- Can the power strategy of protest be complemented by negotiated bilateral agreements between employers and unions on issues deemed appropriate for each level of collective bargaining?
- Are South African labour relations best analysed as suspended in stalemate because of the coercion and co-optation strategies of the state?

To its detriment, organised labour is no longer involved in national policy-making on unemployment, training, occupational health and safety, etc.

**B**y mid-1988, major challenges faced organised labour and capital in South Africa in terms of the creative utilisation of inherent space and time potentials. The potentials of the industrial relations system are considerable because race as an interest group is not entrenched in legislation administered by the Department of Manpower. Its activities and services are not hamstrung by the 'own' and 'general affairs' requirements which other state agencies have to build into their activities and services.

Black union federations have refused to serve on tripartite statutory institutions involving the Department of Manpower. Such support would give legitimacy to the apartheid state. Individuals from unions affiliated to white-orientated union federations accept invitations to serve on these institutions, however. For a number of years, Tucsa constituted a relevant

component of the organised labour movement because of its multiracial character. With Tucsa's demise in 1986, tripartite institutions have become effectively emasculated even though certain individuals continue to serve on them.

In other words, it can no longer be argued that organised labour is involved in national policy-making regarding unemployment, training, occupational health and safety, etc. A considerable responsibility now rests with persons nominated by employer associations and the state. If employers continue to participate in these bodies without taking into account an obvious structural imbalance, they will reinforce the perception of a close alliance between capital and the state. How can employer associations best put pressure (and if so, what kind) on individuals who represent their interests, to prevent tripartite bodies from becoming even more discredited?

## Recognising Crisis

One of the major challenges facing the actors today is how to honour collective bargaining and the right to strike in the context of a society in which civil liberties are being increasingly eroded. Union leaders cannot engage in inter- and intra-organisational bargaining processes if they cannot hold meetings freely, are detained, cannot conduct picket lines, have no safeguards regarding protection of their property, and are threatened with civil damages if their members are involved in industrial actions (see box:68).

There is much to learn at the national level of the system in terms of negotiating basic bilateral agreements which establish pro-forma procedures for rights and obligations at the lower plant, sectoral and conglomerate levels (see diagram:65); while also setting parameters for social policy on macro-government issues such as public transport, migrant labour, low-rent housing, social security needs, etc. Bilateralism involves building on the effective utilisation of the self-governance principle on which recognition agreements are built, without state guidance or prescription. It will also involve positive and effective responses to community needs which are placed as demands by unions before employers.

At the conglomerate level, the problem faced is how to acknowledge the significant role of corporations in responding to the challenges of a society in transition, without allowing them to usurp the functions of employer associations. The hiatus regarding what is best negotiated at which level has raised the question of the role of trade federations of unions for a particular sector; e.g. the garment, leather, transport, metal, and food sectors. The lack of united action among black and established unions prevents organised labour from using such bodies as a bargaining unit. The international trade union secretariats are influencing the emergence of one bargaining agent at the sectoral level in South Africa, but to date this is only reflected in the metal industry with the establishment of the local council of the International Metalworkers Federation.

The authoritarian strategy of coercion and co-option adopted by the state in guiding reform within the apartheid framework can lead to state control over all levels of the industrial relations system. It can also 'smother' recognition of the state of crisis by either employers or unions. However, the reform process (as defined by the state) cannot be completely controlled and produces unforeseen consequences as core apartheid is eroded. This, in turn, creates opportunities to promote the democratic tendencies that could shape a post-apartheid South Africa.

Comparative industrial relations studies suggest that neither capital nor labour will seriously consider entering bilateral agreements at the national level to forge a power bloc if they do not believe they face a crisis. For instance, certain unions have threatened to operate outside the obligations of recognised procedures while certain employers are known to have 'torn up' the recognition agreement. It is also a fact that considerable support from employers for the 1988 amendments to the Labour Relations Act suggests they hope that 'union gains can be rolled back'. In other words, the legitimacy of unionism is not accepted by employers, probably to a greater extent than the legitimacy of management (capitalism) is challenged by union leaders.

These are avoidance strategies, however, which emphasise the independence of capital and labour. Is the fact of crisis and its nature — the overt awareness among white people of the loss of democratic rights — sufficiently acknowledged by both parties for the interdependence of the industrial relationship to be acknowledged also? Is the crisis of expectations regarding unacceptable behaviour on both sides deep enough for formal negotiations about the full utilisation of the levels of the industrial relations system to commence? For the plant-based collective bargaining of the early 1980s can no longer suffice to meet the challenges of the next decade.

## Interview Findings

In order to assess the degree of frustration that exists and identify to what extent a sense of crisis prevails, the author held open-ended interviews in 1988 with a number of leading industrial relations practitioners and union leaders. The emergence of physical violence in the workplace was referred to by all employer spokesmen, who expect unions to take a stand on this breach of conduct. One commented on the belatedness of this concern, the lack of focus on psychological damage caused by the apartheid system since 1950, and the lack of support for democratic values by capital interests.

Persistent references to workplace violence in the annual statement by the chairman of the Anglo-American Corporation (AAC) for the period 1987-88 were noted in particular. The arbitration award arising out of AAC's dismissal of 20 000 mineworkers involved in Num strike action in the 1987 collective bargaining process requires both parties to formulate a code of conduct on violence.

The LRA amendments are regarded by black unions as having the potential effect of destroying gains made since 1979. In terms of a cycle model of building

*The lack of united action among black and established unions prevents organised labour from using sectoral-based bodies as bargaining units*

*The legitimacy of unionism is not accepted by employers, probably to a greater extent than capitalism is challenged by union leaders*

### The Stayaway from the LRA % Stayaway (PWV)

IPSA Research

To protest the passage of the Labour Relations Amendment Bill and government restrictions upon the activities of a wide range of opposition groups, Cosatu and Nactu called for three days of national 'peaceful protest' between 6-8 June 1988. 'Protest' was merely trade union code for a three-day work stayaway because emergency regulations made it illegal to call for a boycott of the workplace or other institutions.

The June stayaway strike is believed to have been the most successful in South African protest history. Important features were:

- an average of between two and three million workers observed the stayaway on each day;
- it was the first three-day work stayaway in 27 years. (In 1958 and 1961, the ANC and the South African Congress of Trade Unions called for a three-day stayaway, but both campaigns were abandoned on the second days);
- it cost industry and commerce approximately R500 million in lost production, sales, etc.

The Labour Monitoring Group (LMG) conducted a telephonic survey of managements in Natal, the Eastern and Western Cape, and the Pretoria-Witwatersrand-Vereeniging (PWV) region to monitor the stayaway. They found that the following percentage of workers observed the stayaway, sector by sector:

#### Pretoria-Witwatersrand-Vereeniging: % Stayaway

INDUSTRIAL SECTORS	Monday 6 June	Tuesday 7 June	Wednesday 8 June
Manufacturing	81	78	72
Commercial	67	52	48
Public Service	0-62	0-50	0-30
Transport	11	28	28

● A total of 78 856 African employees were covered by the LMG survey in the PWV region.

#### Natal: % Stayaway

INDUSTRIAL SECTORS	Monday 6 June	Tuesday 7 June	Wednesday 8 June
Food	65	66	65
Footware	51	48	47
Chemical	82	82	82
Clothing/textiles	93	89	86
Metal/Motor	84	84	84
Paper	43	29	24
Shop/retail	68	77	75
Transport	57	57	56

● A total of 43 750 African and Indian employees were covered by the LMG survey in Natal.

Source: LMG reports in Weekly Mail, 10/6/88

### Reviving the Stayaway Strike 1984 - 1988

WORK STAYAWAY ORGANISERS	1984	1985	1986	1987	1988	TOTAL NO (Up to 16/6/88)
Trade unions		4	4	2	1	11
National extra-parliamentary movements	1					1
Regional civic organisations		13	25	2	1	41
Alliance of groups	3	4	4	3	3	17
<b>TOTAL</b>	<b>4</b>	<b>21</b>	<b>33</b>	<b>7</b>	<b>5</b>	<b>70</b>

Note It is virtually impossible to precisely identify who was responsible for organising each stayaway. 'Guesstimate' distinctions have to be made between those groupings who initiated the idea of a boycott, the actual organisers, and those groups which lent organisational support to the protest call.

Source

Bennett M: 'Stayaway Strikes in the 1980s'. Indicator SA, Vol4/No1 (Winter 1986):112/113.  
'Stayaway Strikes in the 1980s' (part 2). Indicator SA, Vol5/No3 (Autumn/Winter 1988):82/83.

relationships, the interviews suggest that the disruption of employer and union expectations has been considerable. It appears that events surrounding the new legislation have brought about a crisis severe enough for the potential of bilateral negotiations at the national level to be recognised and explored. The question of renegotiating procedures will have to take into account the potentials of different levels of the industrial relations system.

Employers have adopted a tough stance since 1987, reflected in greater use of lock-outs and the pursuit of interdicts against unions. After the serious crisis of the three-day stayaway, is the 'pain' or trauma being felt by both parties sufficient for a renegotiation towards:

- basic minimum requirements of recognition agreements for the plant level to be negotiated at the sectoral or national levels; and,
- agreement on the issues relevant to each level of the industrial relations system?

It appears as if the parties are stumbling pragmatically through the problems of day-to-day pressures and the need for ad hoc decisions, while bearing in mind future goals. Many employers hope the LRA amendments will de-escalate the high strike incidence experienced between 1985-87. Considerable sectoral differences exist in terms of structures for negotiations, which still have to be explored and possibly standardised. But some key leaders on both sides are moving towards entering formal and substantive negotiations at the national bilateral level.

A statement of intent by both parties to utilise the four levels of the industrial relations system (see diagram:65), in the primary IR arena but with related community linkage, could provide a longer term solution. From 1979 onwards unions and employers were willing to negotiate procedures for the recognition of each other in the workplace through reconstructing employment practices based on fairness, due process, industrial justice and more equitable wealth distribution. This willingness was based on respect of each other's different needs and interests (independence) which at the same time acknowledged each other's interdependence.

Significantly, these procedures provided a system of self-governance which was neither proposed by the state nor required state intervention or support.

### Dual Citizenship

Current pressures on the negotiating parties for realising the potentials of the industrial relations system are more severe than those experienced in 1979. The distinction between political and

industrial citizenship has become a critical factor. Will both sides accept the need to reinforce democracy, in the political system and in the industrial relations subsystem?

A tough choice faces both capital and labour as to whether or not they will negotiate bilateral agreements, enter into tripartite bodies and use their joint resources and power to influence national social issues. One approach is for employer and union federations to lobby state agencies directly and independently of each other to influence policy issues such as taxation, labour and security legislation, etc. The alternative is to negotiate the parameters of policies through mutual national or sectoral federations, trading off preferences and thereby preventing state agencies from determining priorities. The negotiated agreements would be placed before state agencies responsible for implementation. In this way, the labour market parties would influence the industrial relations system instead of participating in structures imposed by the state.

Capital and labour are more likely to consider the bilateral option if they accept the distinction between industrial and political citizenship. The mechanisms of representation in a democratic polity consist of these two circuits. The link between the two forms of citizenship emerges when civil liberties pertaining to

freedom of association are threatened.

The use of the word 'polity' and not 'politics' emphasises that the process of civil order requires — in addition to parliamentary decision-making by political parties — that interest groups should control their own affairs and lobby government agencies. Periodic elections, political parties, manifestos and parliamentary governance constitute the central elements of the democratic polity. However, they must be complemented by structured inputs which allow major organised interest groups, through self-governance, to bring order to their relationship and to influence the nature and implementation of social policy and legislative change.

Citizenship implies not only rights and privileges but duties and obligations also. The leaders desirous of industrial citizenship need to establish reasonably cohesive federations through which issues can be debated, alternatives considered, report-backs made, choices voted upon, and trade-offs decided upon. The decision by the state to promulgate the LRA amendments is in fact an opportunity for employers to use bilateralism at the national level to conclude an agreement binding on the affiliates of labour federations. The crisis and trauma of the present transition can yet be transformed through negotiations into a new society. J.P.A.

*The crisis caused by the amended LRA has encouraged some employers and unions to explore the potential of national bilateral negotiations*



Afrapix: Eric Miller

*Workers at the inaugural merger congress of the National Union of Metalworkers of South Africa (Numsa). The local council of the International Metalworkers Federation has proved to be an important sectoral bargaining unit with Numsa participation.*

## Precedents

### **The First Agreement** Smith & Nephew and the National Union of Textile Workers

IPSA Research

The position of emergent African trade unions was extremely tenuous in the 1970s, for employers were not legally compelled to bargain over day-to-day worker issues. The position of the National Union of Textile Workers (NUTW), which had recruited members at the Smith & Nephew textile plant in Pinetown, was no different. Nevertheless, after a strike by Indian and African workers at the plant in early 1974 the British-owned company indicated it was prepared to informally deal with the NUTW. The union wanted the company to acknowledge it as the sole representative of all the company's employees. NUTW officials, Halton Cheadle and David Hemson, did not know precisely through which mechanism this goal could be achieved, however.

#### **Cocktail Concept**

The idea and concept of a recognition agreement emerged 'not out of a book or great strategic debate, but at a cocktail party' (Friedman, 1987:96). Cheadle explained, 'I met this American diplomat and he asked what our aims were. I said something about getting employers to listen to us in the factories and he said, "Oh, you mean recognition agreements." I had never even heard of them' (ibid).

Interested in the concept, Cheadle asked the diplomat to send him copies of agreements concluded in America. When they arrived, he and Hemson immediately saw the power these agreements could give unions. 'We cut up the American contracts, throwing away the bits we didn't like and sticking the rest on paper. We got our version typed and presented it to Smith & Nephew. About a month later (July 1974), they agreed in principle' said Cheadle (ibid). The agreement which was signed later gave both the Textile Workers Industrial Union and the NUTW:

- full bargaining rights in the plant for three years
- included a full schedule of negotiated wage rates
- allowed for the election of shop stewards
- provided for an arbitrator to be called in to settle a dispute if deadlock was reached in negotiation.

#### **Smith's Sequel**

In the immediate pre-Wiehahn years some employers, mainly because of protracted strike actions, formalised their relationships with African unions through other recognition agreements. An agreement usually included:

- a preamble stating the aims of the agreement
- the terms of recognition of the union
- the union's area of representation
- check-off facilities
- the appointment and duties of shop stewards
- access for union officials to the enterprise.

(Finnemore & van der Merwe, 1986:72).

Full procedural agreements, found within recognition agreements, now generally include some of the following:

- disciplinary procedures
- grievance procedures
- retrenchment and short time procedures
- consultation with shop stewards committees
- negotiation procedures regarding, for example, working conditions and wages
- dispute procedures, including mediation and/or arbitration and a peace obligation
- health and safety
- industrial relations training
- provisions for annulling the agreement.

#### **Sources**

Finnemore M and van der Merwe R. *Introduction to Industrial Relations in South Africa*. Johannesburg: McGraw-Hill, 1986.

Friedman S. *Building Tomorrow Today: African Workers in Trade Unions, 1970-1984*. Johannesburg: Raven Press, 1987.

# USA Debate

# Making Amends for the LRA

By Charles Nupen,  
Director,  
Independent Mediation  
Service of South Africa

*An alternative labour code suggests a new dispensation of rights and duties framed, agreed and asserted outside the statutory arena by employers and organised labour in South Africa. The point of departure is that the Labour Relations Act (LRA) is inadequate as a mechanism to promote credible collective bargaining or to institutionalise and regulate conflict in the industrial arena. Contributing to current debate, Charles Nupen highlights specific shortcomings of the Act and the recent amendments, relating these to political factors and other laws which fall outside of the scope of labour legislation but necessarily impact upon it.*

In democratic societies, laws which regulate the conduct of collective bargaining or which have an impact on the employment relationship usually show the stamp of labour's influence. This influence is brought to bear through participation by the representatives of organised labour in the political decision-making process.

In South Africa, parliamentary influence of this kind has been exercised historically by the representatives of minority racial interests within the labour movement. Black workers have been precluded from exerting direct influence because they are denied the elementary right of political participation. The political process and the laws which it produces are perceived for the most part by the independent labour movement as being set against its interests and objectives.

The Labour Relations Act, even in the post-Wiehahn era, has not transcended the crisis of legitimacy faced by laws emanating from the South African parliament. The credibility which its institutions and procedures attained during this era has suffered a severe setback as a result of the controversial amendments recently enacted (see box:68). These amendments have serviced a perception that the real objectives of the labour reforms were to co-opt and control the independent labour movement.

How does this affect the future of collective bargaining in South Africa? Are there indeed any prospects for developing a credible system of collective bargaining within the framework of current legislation? This must depend upon the extent to which the legislation promotes and protects the three constituent elements of the system: the right to organise, the process of bargaining, and the right to strike and lock-out.

The Act guarantees freedom of association and outlaws victimisation, and thereby underwrites the right to organise. However, the power which unions have to exercise that right is undermined by the ban on open-air gatherings under the Internal Security Act, a difficulty compounded by

the lack of available facilities in industrial areas to conduct indoor meetings. Organisers holding meetings outside factory gates expose themselves to the risk of arrest and prosecution. Many run that risk.

Yet even the most considered strategies of union recruitment have difficulty in piercing the veil of security cast around migrant workers concentrated in hostels on company property. The lives of these workers are often regulated according to a regimen which, in the absence of accorded rights of access, make recruitment and organisation virtually impossible.

## Bargaining Process

Some countries like the United States impose a duty on employers and representative unions to bargain over substantive issues such as wages. The duty to bargain rests on the premise that society has an interest in compelling two organised repositories of power with contending objectives, capital and organised labour, to attempt to settle disputes by negotiation rather than or at least prior to a resort to force.

The clearest infringements of a duty to bargain would be if the employer were to make unilateral changes in terms and conditions of employment, deal with employees instead of with union representatives, or of course, declare an outright refusal to bargain. Another serious infringement, which is often more difficult to detect, occurs when parties go through the motions of bargaining without demonstrating serious intent to reach agreement on points of difference.

Breaches of the ancillary duty to 'bargain in good faith' would be evident in surface bargaining, where parties do not deal with arguments put forward and do not substantiate their own proposals. Substantiation carries with it the duty to furnish sufficient information to enable a party to intelligently and rationally address the issues and arguments that are raised. Further evidence of bad faith would be delaying tactics, unreasonable pre-conditions for negotiation, or an unwillingness to compromise through the bargaining process.

The LRA creates bargaining forums but imposes no duty to bargain. The philosophical tenet which underlies the statutory process in South Africa, from inception to result, is voluntarism.

In the case of industrial councils the notion of voluntarism extends to the very creation of the bargaining forum. In the case of conciliation boards that decision in the past was left to the Minister of Manpower — if he refused an application the parties were simply denied a bargaining forum. This discretion has been

*Even though the LRA guarantees freedom of association, the union right to organise is severely curtailed through security legislation and property laws*

*The LRA creates bargaining forums but unfortunately imposes no legislative duty to bargain in good faith*

*Because legal strikers have not been protected from dismissal, the threat of strike action as a credible pressure in industrial relations has been undermined*

*Credible union leaders may not be available to negotiate a peaceful resolution to a strike if they fear being sued for damages under the amended LRA*

removed by the amendments to the LRA and a conciliation board will henceforth be granted on application. Yet even where these forums are made available, there is no specific legislative duty to bargain. The result, in countless instances, has been a charade. Parties have invoked the machinery of the LRA with no serious intent to bargain but merely as a conduit to the Industrial Court or to the terrain of legal industrial action.

### Court Initiatives

There was initial cause for hope that the Industrial Court, in the exercise of its unfair labour practice jurisdiction, might counter this charade by imposing a duty to bargain. In the landmark Fodens case, the Industrial Court determined a recognition dispute by declaring that the employer's failure to negotiate with a registered, representative union was an unfair labour practice. The Court compelled the employer to commence negotiations in good faith with the union. However, in a subsequent line of decisions from the Johnson's Tiles case, through Hart to Tomsons Sheet Metal Works, the Court has refused to declare an employer's refusal to negotiate an unfair labour practice. It has held that the LRA only encourages (but presumably does not require) collective bargaining. Negotiations, according to the Court, should always assume a voluntary character in order to be effective.

Were this approach to prevail an employer might simply refuse to recognise or negotiate with a representative union. If a resort to force, with all the attendant risks it entails, fails to produce a change of heart, then the union would simply be devoid of a remedy. In a recent decision in the Spekenham case, the Court roundly rejected the notion of voluntarism and endorsed the concept of a duty to bargain. This is an encouraging move but the law on this crucial aspect of collective bargaining process is now contradictory and unclear.

### Force

If it is a duty to bargain which compels collective bargaining, then it is a ready appreciation of the harmful consequences of the failure to produce a settlement which must have the most profound impact on the conduct of either party.

The LRA sanctions a strike or lock-out after observance of certain statutory procedures, except in the cases of essential services (where compulsory arbitration is prescribed) or after a recent wage-regulating measure or award is made. Where procedures are exhausted, the industrial action acquires a legal status; where they are ignored, participants risk criminal sanction. At present, registered unions are granted immunity from

damages claims when participating in legal strikes.

The fundamental problem faced by legal strikers in the past was that they were not accorded protection from dismissal. This experience undermined the instrumental role which the threat of strike action should have had as a credible form of pressure in the collective bargaining process. Under unfair labour practice jurisdiction, however, the Industrial Court has taken exploratory steps to transform a limited freedom to strike into a right by furnishing protection against dismissal, under considered circumstances, to workers engaging in legal strikes.

The clearest evidence is to be found in the recent Court case involving the company, Sentrachem. The line of reasoning in this case was that the Act imposes a resort to bargaining procedures prior to a resort to force. If these procedures are followed (not in a formal technical sense, but in substance) and if the issues are bargained in good faith with a serious endeavour to settle, then a resort to force is legitimate if deadlock still results. Legitimacy would go a long way towards rendering the dismissal of workers unfair and according them a right to reinstatement.

Inconsistency in the Industrial Court's approach to the protection of workers on strike has militated against the development of a coherent jurisprudence, however. The Court has also, with isolated exceptions, equated legitimacy with legality as the determining factor in deciding whether to afford protection. An essentially technical approach has steered the Court away from developing a broader test of legitimacy to evaluate the merits of either party's conduct.

Limitations on strike action are extended under the amendments to the LRA (see box:68). Secondary strikes and recurring strikes are cast as unfair labour practices. A presumption is created that makes trade unions or employer organisations liable for the delictual actions of members or officials arising from interference with the contractual relationship. The onus is on the unions or employer federations to prove that individuals were not acting on their behalf. Trade unionists have argued the logical consequence will be that unions and union officials will pull back from the arena of conflict on the shopfloor in fear of attracting civil liability. Industry may witness a reversion to the pre-Wichahn era where credible worker leadership was simply unavailable to negotiate a peaceful resolution to conflict. The end-result can only be a systematic deterioration of relations on the shop-floor.

### The Alternative

Can solutions to these shortcomings lie outside the framework of the LRA? It is





White workers deliver bread during the three-day stayaway of June 1988 to protest the amendments to the LRA. Labour legislation will always experience a legitimacy crisis as it emanates from a white-controlled parliament and black workers have no direct influence.

Alfapik: Rafis Meyer

possible to devise an alternative labour code, albeit within the constraints imposed by the prevailing political order. The appropriation by the parties of a collective bargaining process in which they determine their own rules and arrangements could redress, in some cases significantly, the shortcomings inherent within the LRA and the constraints imposed by the Emergency. A brief summary of some of the positive rights and duties that could be incorporated into an alternative labour code follows.

Unions would acquire the right of access to company hostels for the purposes of recruitment. Upon recognition, in-house facilities would be provided for the purposes of conducting union business, including venues for meetings and facilities to conduct elections and ballots. Unions would have the right to disseminate union literature on company premises.

An alternative labour code would guarantee both the right to strike and protection against dismissal after the exhaustion of dispute procedures that have been privately negotiated. Further, the right to conduct strike ballots and to picket on company premises during the strike would be provided for. Unions would undertake to conduct themselves in a disciplined manner in these circumstances. The right to engage in secondary strike action in separate plants that form part of a single enterprise would indicate recognition of the legitimacy of workers exerting pressure commensurate with the employer's power to re-allocate and rationalise production throughout the enterprise. Employers in

turn would acquire the right to lock-out after exhausting dispute procedures.

In the area of adjudication, both parties would have the right to refer any rights dispute adjudicable before a South African court to a mutually agreed arbitrator, under agreed terms of reference. Private adjudication would enjoy legitimacy precisely because referral would arise from agreement and because the parties would exercise a considerable degree of control over the process.

The concept of an alternative labour code is not new. A number of the above rights and duties have been negotiated already in existing recognition agreements between employers and trade unions (see box:76). Demands have been made already at industry and enterprise level by certain unions for privately negotiated disputes procedures that accord the right to strike. It is fair to predict that unions will put forward further specific demands at the negotiating table as they strive to establish an alternative to the statutory regime and the constraints of the Emergency.

Unions see the current state of the law as an attempt to subjugate them. Perceptive employers will know that a policy of subjugation which characterised labour relations in the pre-Wiehahn era is dysfunctional to the smooth operation of their enterprises. They have a vested interest in negotiating a collective bargaining system that is credible because it offers them the best, and perhaps the only opportunity of institutionalising conflict and promoting industrial peace. IDA

An alternative labour code would guarantee both the right to strike and lock-out after the exhaustion of privately negotiated dispute procedures

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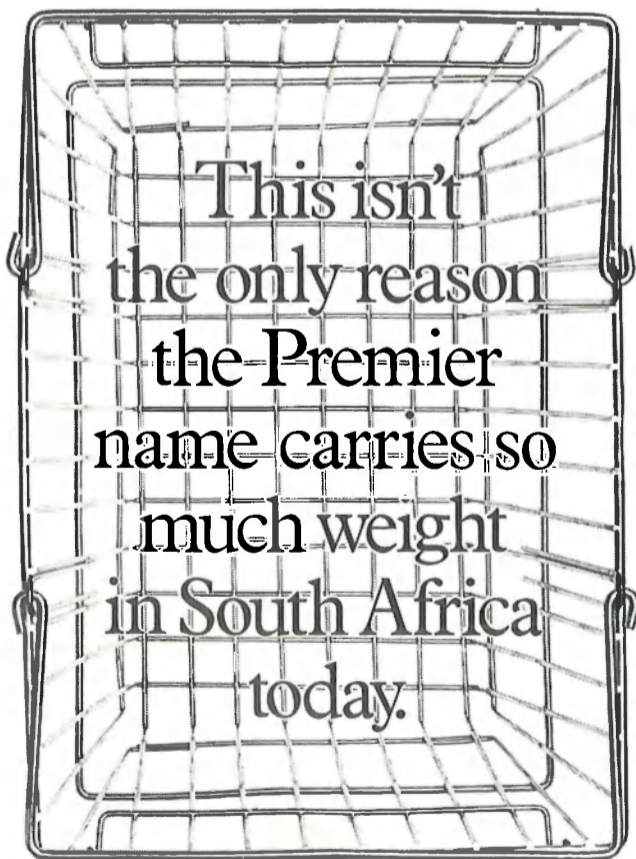
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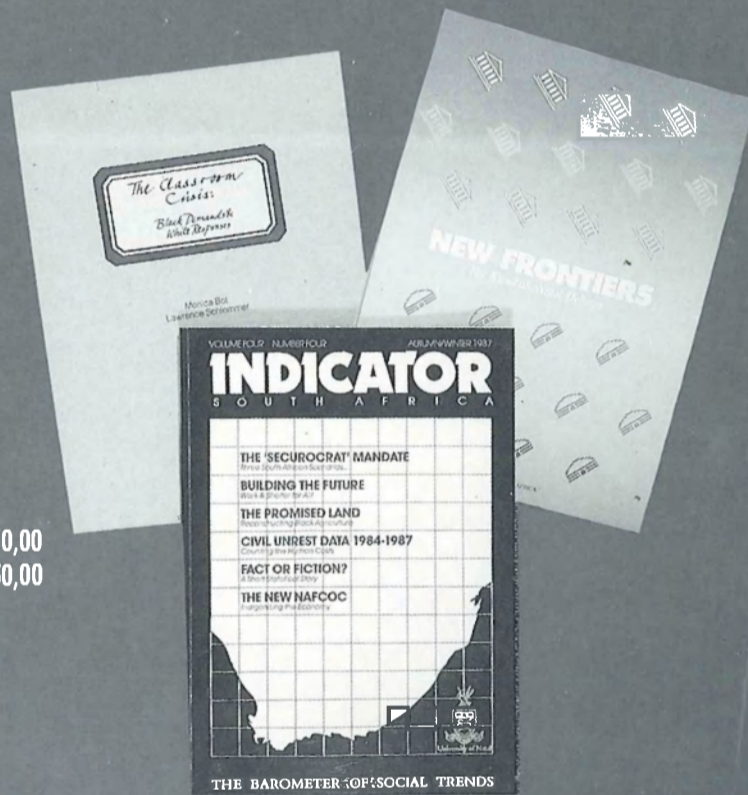
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