

VOLUME SIX · NUMBER THREE

WINTER 1989

INDICATOR

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MONITOR SOUTH AFRICA

VOL. 6

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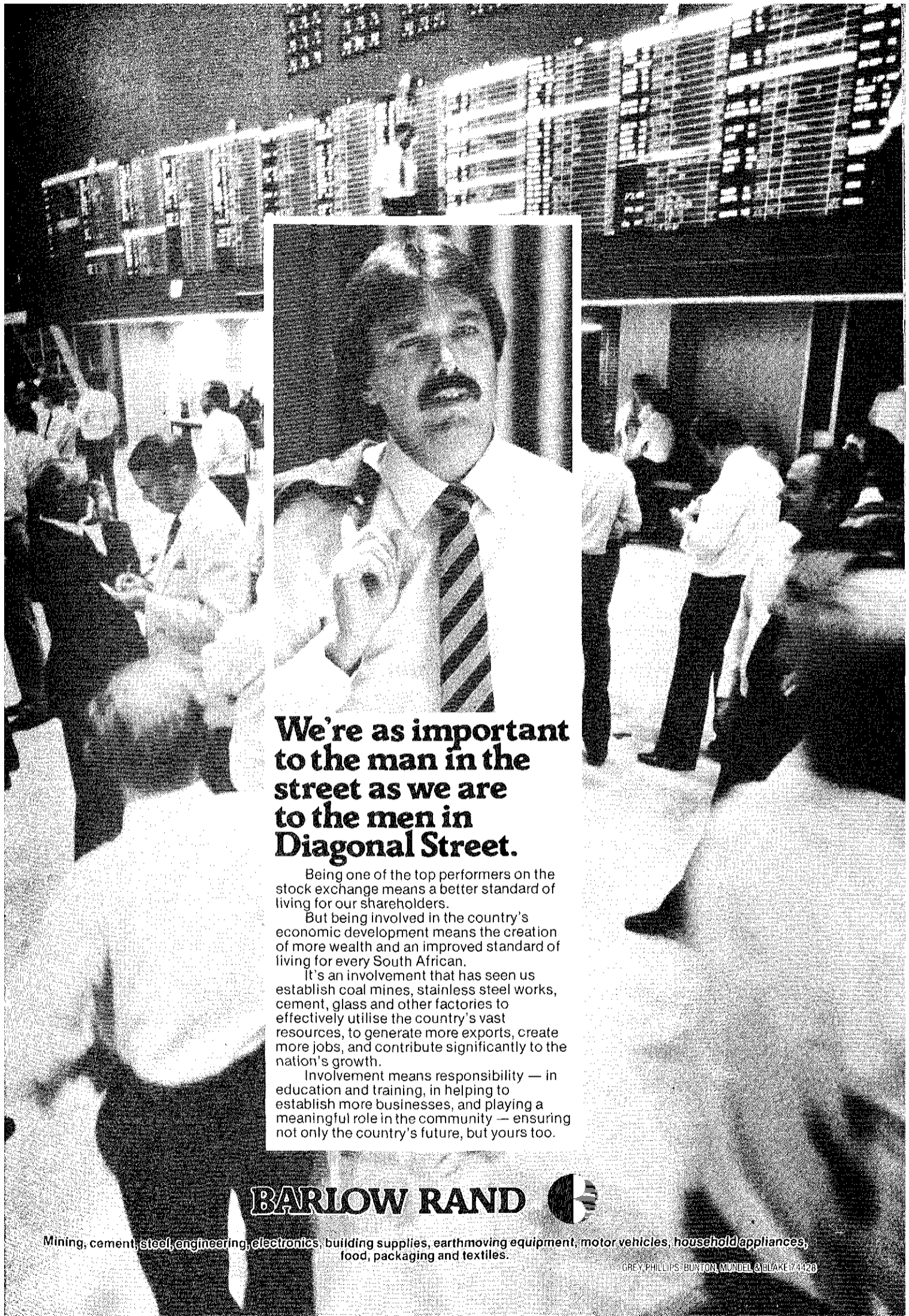
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Editorial Notes

Three of the fundamental political processes that dominate South African society in mid-1989 are highlighted in this edition of *Indicator SA*. The direction taken by these major currents over the months to follow will have a profound impact on the nature of our society as we enter a new decade.

REALIGNING WHITE POLITICS

Firstly, there is the unfolding drama of the parliamentary elections to be held on 6 September. In the House of Assembly, the configuration of white politics in the 1990s – a strengthened far-right, a weakened centre or a resurgent liberal opposition – will determine state negotiation stances on the demands for black enfranchisement and social reforms made by extra-parliamentary forces. In the Houses of Representatives and of Delegates, the extent to which coloured and Indian voter participation overcome the left-wing boycott tradition will determine the future of the tri-cameral system after its inaugural five year 'honeymoon'.

Three separate essays by leading commentators in our *Political Monitor* analyse the election prospects, policy platforms and future roles of the Conservative Party (Simon Bekker & Janis Grobbelaar), the Democratic Party (David Welsh) and the National Party (Hennie Kotze). The other contributions which accompany this pre-election focus on white politics are by Lawrie Schlemmer and SP Cilliers, who write on the perennial white election issues of state security (dialogue with the ANC) and racial zoning (group areas), respectively.

At this mid-way stage of the election campaign, *Indicator SA* also publishes a set of predictions by province for the three major parties contending seats in the House of Assembly. The election forecasts are based on the careful constituency-by-constituency prognosis offered by Professor Kotze, who identifies the safe seats held by the ruling party and isolates the large cluster of marginal seats that could be delivered to the CP or DP by a split right-wing or anti-NP vote.

RETHINKING RESISTANCE DIVISIONS

In this edition, we also cover another critical set of events which reflect a second major political process at work in contemporary South Africa – contestation for power in the extra-parliamentary arena. Since mid-1987 the KwaZulu/Natal region has been wracked by conflict between supporters of Inkatha and the UDF, a violent struggle which has led to almost 2 000 internecine fatalities. Current peace initiatives may reconcile anti-apartheid groups to tolerate differing opposition strategies and in doing so, set the agenda for national negotiations between these two major extra-parliamentary actors and the government in the 1990s.

Our *Urban Monitor* presents new IPSA research data (Quin), identifying conflict trends, mapping township flashpoints and tracing the geographical spread of the violence in the Pietermaritzburg/Durban corridor. An in-depth case study of related conflict dynamics in Molweni (Stavrou/Crouch), a black settlement in Durban's shack belt, appears in the *Rural & Regional Monitor*. This continues the monitoring of political conflict undertaken by *Indicator SA* since the outbreak of civil unrest in September 1984, research findings contained in two special IPSA reports published in December 1988 and February 1989.

BUILDING A THIRD FORCE

The third political process highlighted in this edition is evident in the arena of industrial relations. As in the parliamentary and extra-parliamentary spheres, the central issues concern the adaptation of major interest groups to changing socio-political circumstances, strategies and policies. Although threatened by some of the controversial amendments of the Labour Relations Act (LRA) in 1988, the Wiehahn decade has promoted some of the institutions and practices of industrial democracy in South Africa.

Will the 1990s see renewed conflict or improved relations between employers and trade unions? Two seminal reviews (Jowell & Albertyn) in our *Industrial Monitor* examine the problematic hiatus of the inclusion of black workers in collective bargaining but exclusion from the parliamentary process. The authors advocate a bilateral approach to industrial and socio-political agendas in the next decade, premised on a new national coalition of employer and labour organisations. The ongoing negotiations between Saccola and the labour federations over the LRA amendment are documented as an example of bilateral national bargaining.

OTHER ISSUES

In addition to the above themes which link across the five monitors in this edition, there are the usual features as well as special in-depth reports on topical issues and new research.

In their twentieth *Economic Outlook* written for *Indicator SA* since 1983, Professors McGrath and Holden from the University of Natal comment on the current CPI debate and calculate what they consider to be the actual inflation rate. In her quarterly report on educational issues, our correspondent Monica Bot writes with Lawrie Schlemmer on the findings of a recent survey they conducted into student representative councils at KwaZulu schools. Lastly, special reports from across the country review socio-political developments in the sub-continent, from Namibia to South Africa's booming herbal medicine trade.

Graham Howe, Editor
July 1989

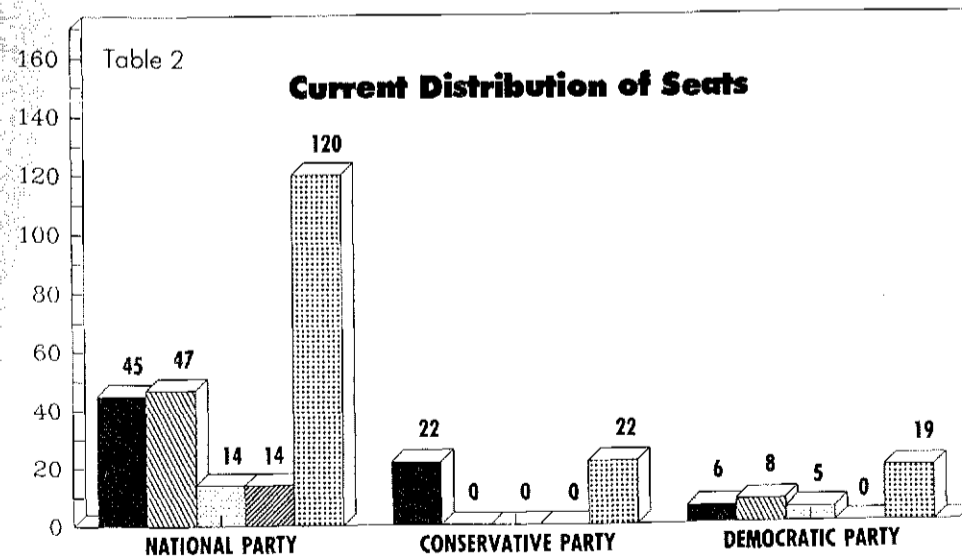
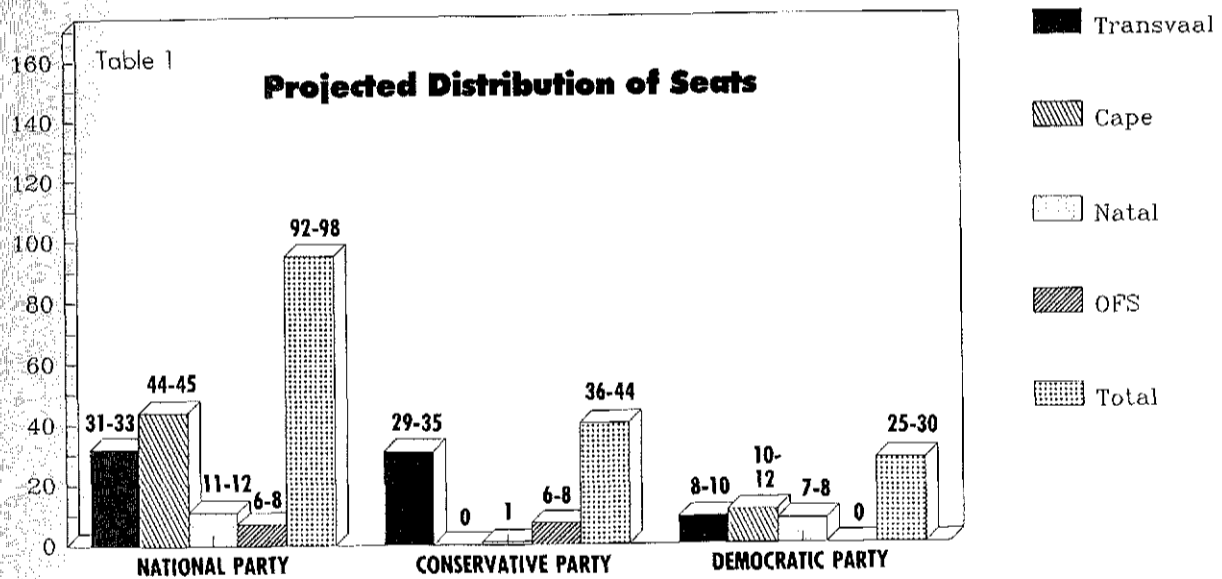
POLITICAL

M O N I T O R

Election Projections for the House of Assembly

6 September 1989

By Professor Hennie Kotze, Department of Political Science, University of Stellenbosch



Post-Election Seminar 1989

Thursday, 7 September 1989

12.30 – 2.30 p.m.

The Johannesburg Sun

The forthcoming elections for parliament take place in a period of dramatic political flux inside South Africa and on the surrounding sub-continent. Although it appears unlikely that the long-ruling National Party will lose its governing majority in the House of Assembly, projected swings to both the left and the right could well change the configuration of white politics as we enter the 1990s. On the day after 6 September, a few hours after the final votes from outlying constituencies are counted, the implications of the election results will be discussed by a panel of top political analysts at a special seminar.

JOINT PRESENTATION

INDICATOR SOUTH AFRICA & FINANCE WEEK invite their subscribers to a working lunch to analyse and discuss the election results of 6 September 1989.

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Richard Humphries

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Indicator SA Correspondent on White Election Trends

CHAired BY

Graham Howe

Editor, *Indicator SA*

SEMINAR COSTS

- Registration fees will be R120 per participant, with a discount of R20 for all *Indicator SA & Finance Week* readers
- Early payment will be requested once invitations are despatched and the seminar is advertised in the *Finance Week*

SEMINAR INVITATIONS

- Invitations will be sent out to *Indicator SA* subscribers in late July
- Final details will be announced in *Finance Week* in due course
- The number of seminar participants will be limited to 300 people
- For further info contact Myrna Berkowitz, *Indicator SA* Liaison/Social Responsibility Researcher, on (031) 815-2525, after 24 July 1989

With thanks to the SA Breweries for their support and assistance

THE CONSERVATIVE PARTY

Conviction at the Crossroads

Professor Simon Bekker, Director, CSDS,
& Janis Grobbelaar, Unisa

...s in parliamentary by-elections, municipal polls and organisational ...st general election, Bekker and Grobbelaar predict the rightwing ...ir presence in parliament from 22 seats to between 30 to 40 seats in ...on 6 September. In an analysis of the CP's three-pronged election ...ress the strengths of the party's grassroots civic approach, the ...ween the CP/DP, and its use of election ammunition such as ...ment and corruption in government.

...ne the ... went to the ... of the 166 ... Assembly. It ... of ... House. ... rformance ... the party's ... lectorate at ... e significantly ... standing.

...75 of the 126 ... 1987 by the ... HNP), a fellow ... r differed from ... rsonality ... ential ideological ... succeed in ... votes in these ... , led to eight ... tional Party (NP) ... ined CP/HNP ... or the NP.

... percent of total ... ion which rises to ... HNP votes are ... r the CP. In ... es out of ten ... htwing parties (a ... ect translation, ... 6).

... ed mainly in the ... 22 CP ... ated in the ... e eight seats in ... NP vote exceeded ... 7. The other two ... in the northern ... of these seats, ... h the CP does

... hold a number of constituencies in the ... PWV region. Two by-elections for ... parliamentary seats in the Transvaal ... contested after the 1987 election have ... returned CP candidates with increased ... majorities.

The regional character of CP support was ... underlined by the outcomes of the October ... 1988 municipal elections. The CP gained ... significant — in a number of cases, ... overwhelming — support in Transvaal ... towns and on the Reef, together with some ... support in the OFS. In the Cape and Natal ... (with some exceptions such as Richards ... Bay), on the other hand, voter support was ... very limited. The CP believes that local ... government elections had become far more ... politicised in the Transvaal (in ... Johannesburg and Pretoria in particular) ... before the October 1988 elections than ... elsewhere, and that the tradition of non- ... party political elections in the other ... provinces significantly limited CP support at ... local polls in those provinces.

CP Voters

Who are the voters who support the ... white rightwing? They are mainly white ... Afrikaners from the north of the ... country. They are those who — in the light ... of dropping standards of living — ... perceive the government to be responsible ... for this deterioration. A significant group ... of these CP supporters are civil servants.

This group may be classified into those ... who support out of *conviction*, and those ... who support out of *protest*. Convinced ... CP supporters believe implicitly in

The CP won ... over 26% of ... total white ... votes cast in ... May 1987, ... winning 22 ... seats in ... parliament but ... losing 8 ... where HNP ... candidates ... split the ... rightwing ... vote

ERRATUM: PAGE 9
Please note that the contact telephone number for Myrnia Berkowitz,
Indicator SA Liaison/Social Responsibility Researcher, is
(031) 816-2525



Afrapix: Anna Zieminski

In the local elections of October 1988 the CP's Hendrik Claasens defeated the NP candidate in Mayfair West, a constituency where racial clashes have occurred over group area contraventions.

Verwoerdian separate development as the solution to South Africa's problems. They are also, in general, active within rightwing voluntary organisations, and may be relied upon to vote for the CP again on 6 September 1989. This group of established supporters who believe by and large that the CP will succeed in revitalising the economy to the heights of the 1960s, comprises approximately half of Afrikaners living in the north of the country.

Protest voters, on the other hand, are a smaller group comprising roughly half Afrikaners and half English-speakers. It is in regard to this group that CP tactics and strategy will prove particularly important, for protest voters are known to vacillate and change their minds.

Mr Jaap Marais, the HNP leader, declared early in 1989 that the HNP would continue to compete with the CP at the polls. This threat is in all probability a hollow one. Although the HNP, according to Mr Marais, will be contesting a number of seats, defections from the HNP to the CP — including a large number of senior HNP office-bearers — are widespread. The party has few funds and little organisational infrastructure left, even in its Pretoria stronghold. Mr Marais has been forced to use his own name, rather than that of his party, to advertise recent public political meetings he addresses. Though he himself continues to enjoy a noteworthy position within the white rightwing, his party's fortunes are at an all-time low.

Pre-Election Tactics

The CP has developed a widespread grassroots approach to its supporters and potential supporters. This approach was tested and validated — mainly in the Transvaal — in the run-up to the May 1987 election and has since been further extended in the OFS, Northern Natal, and the North-Western Cape. It is an approach borrowed from the strategy of the National Party in the 1930s and 1940s. It comprises aggressive participation in local civic associations and voluntary bodies (such as local councils, school boards and agricultural co-operatives), together with the maintenance of continuous personal contact with voters in their homes and their neighbourhoods. Because of party workers' backgrounds and party branch locations, it is an approach which is particularly effective in Afrikaans communities, even though the party does claim a growing English-speaking support base and goes to considerable lengths to woo English-speakers into the fold.

As the governing NP has become more elitist and more distanced from its traditional Afrikaans supporters, the grassroots CP approach has proved its value. Symbolically, the two competing Ox Wagon Memorial Treks in December of last year epitomised this battle for Afrikaner nationalist support. It is interesting to note that, whilst the official Federasie van Afrikaanse Kultuur Organisasies (FAK) Memorial Trek enjoyed wide mass-media coverage, that of the white rightwing (under sponsorship of the Afrikaner Volkswag) achieved significantly wider participation and support, particularly in Pretoria where the final celebration took place.

A second tactic the CP will employ may be called 'limited symbiosis' with the Democratic Party (DP), the governing NP's second major opponent at the polls. It is probable that both the CP and the DP will attack the NP on a number of common issues such as corruption in the state bureaucracy, the size and inefficiency of that bureaucracy, mismanagement of the economy, the leadership turn-about in the NP, and recent resignations of senior party officials and cabinet ministers. In addition, it is possible that the two opposition parties will develop some underwritten agreement on contesting NP marginal seats — where the majorities were small in 1987, a three-cornered contest will most often be to the disadvantage of the governing NP since it stands to lose votes to both the right and left.

One major plank in the CP election strategy to date has been to accuse the governing NP of having 'sold out' the white voter to a future black majority government — *die verloning van die volk*. This plank is closely bound to that of

attacking the government for its mismanagement of the economy, and the resultant falling standards of living for white South Africans in general and for its white civil servants in particular. In this way, the CP has hoped not only to retain support in its own ranks but to gather an increasing number of protest votes from more conservative NP groups.

It is in the context of these two issues that we may expect the issue of the Namibian settlement to be presented by the CP as being inimical to 'white interests' in that territory. Thus, white security as regards both the establishment of Namibia and the continuation of the state of emergency in South Africa itself, will remain a primary focus and may become as before, the primary pre-election issue.

A second strategy of CP attack will be to accuse the NP of moving in the direction of the liberal, 'sell-out' DP. The CP charges that if the combined CP and DP seats were to exceed 83, the NP would be induced to form a coalition government with the DP (rather than with the CP), thereby showing its true emergent colours.

Thirdly, it is probable that the CP will broadcast its future scenario for the country in terms of principles rather than concrete policy. It subscribes to two principles. The first may be called racial exclusivity in the important domains of life (such as home, suburb, school and hospital). The second is that of geo-political partition for the different race groups in South Africa. The CP is likely to avoid spelling out these principles in concrete terms, as it realises that the party has had to become more pragmatic in its interpretation of a number of difficult issues, such as the inevitable continuation of a 'common' (racially mixed) economy in South Africa.

Local Actions

How significantly will the widely broadcast CP local government 'fiascos' in Boksburg and Carletonville affect CP support in the forthcoming national election? It certainly is true that council decisions in these two towns have been portrayed as 'racist', 'uncivilised' and 'anti-South African' in the mass media. It is also certainly true that these mass-media portraits have, moreover, attempted to convey the negative economic consequences such decisions have had (and will have) locally, nationally and internationally.

The commercial boycotts organised by black communities have also enjoyed widespread coverage. To white rightwing spokesmen, these actions represent unwarranted interference by black leaders in white politics. This is a state of affairs rejected in principle, since the

white rightwing promotes the notion of separate racial freedoms and rejects the notion of power-sharing.

The question which demands consideration, however, is the extent to which, and the ways in which, CP and potential CP supporters have been influenced by this mass-media barrage. It is important to remember that the Afrikaans and English media have over the past two years come out firmly and squarely against the CP and the rightwing as a whole. Both the 1987 national election, and the 1988 local elections were contested within this context. There is, therefore, a large measure of cynicism (based on experience) which conservative readers and viewers share regarding media messages. In fact, though some support from owners of small businesses will probably be lost to the CP, the main effect will probably be the inducement of potential DP voters to vote for the NP rather than the attraction of CP voters back into the pro-government camp.

The Terre'Blanche affair — also broadcast with high visibility in the mass-media — has resulted in the loss of respectability of the Afrikaanse Weerstandsbeweging (AWB) in the eyes of the white rightwing leadership. With significant resignations at senior level and the resultant diminution of organisational coherence, the AWB has (for the moment at least) generally lost ground as an important current within the wider white rightwing movement.

On the basis of recent interviews with CP leaders, no substantial empirical evidence has appeared to support the view that the above events have affected CP support detrimentally. On the contrary, party spokesmen claim that support is growing rather than diminishing. A number of their analysts, in fact, believe — on the basis of the national by-election and local government election results — that a swing of between 7 percent and 10 percent to the CP has taken place over the last two years.

Prognosis

Our analysis has led us to the general conclusion that the CP has not, in fact, lost significant support over the last year. If anything, the party has extended its organisational base from the Transvaal to the OFS and certain key regions of Natal and the Cape. In addition, the rise of the DP will probably help more than hinder when it comes to the CP winning seats.

There are of course a number of imponderables. On the domestic front:

- How loyal are English-speaking CP supporters to a party which remains Afrikaner nationalist in shape and tradition? (Dropping standards of living

It is probable that the CP and the DP will attack the NP on a number of common issues, from indecision on group areas to corruption

There is no apparent evidence to suggest that divisive trends within the AWB have adversely affected the CP's support

Standerton, one of the two Transvaal constituencies where by-elections since May 1987 have returned CP candidates to parliament with increased majorities.



Based on by-election and local election results, CP analysts claim that a swing of 7-10% to the CP has taken place since May 1987

will probably help keep this loyalty in place in the short term only).

- To what extent will internal NP dissension sap its electoral strength, and what effect will the emergence of a new Transvaal-based leader, Mr F W de Klerk, have on this strength?

- How effectively will the NP (and DP) highlight the practical policy weaknesses of the CP's vision of a future South Africa?

On the international front:

- In what ways will events in the process of Namibia's establishment affect white voters?

- What military strategy will the ANC choose during the pre-election period?

- What will developments be regarding international sanctions?

These uncertainties notwithstanding, it is likely that the CP will improve its position in the House of Assembly on 6 September. On the basis of its showing at the last national election — with constituency boundaries unchanged — it should retain most of the 22 seats it now holds. (Roodepoort and Carletonville may both be considered marginal.) The six Transvaal seats it should have gained in 1987 as political torchbearer of the white rightwing, will probably be won in 1989. With a good chance to win an additional six seats in the Transvaal, the CP can probably count on about 32 seats in this centrally important province.

In the OFS, it stands to make in-roads in northern rural constituencies. In Natal, the constituency of Newcastle, and in the

Cape, those of Kuruman, Oudtshoorn and Mossel Bay, are considered within reach. All in all, the party will finish with between 30 and 40 seats in the House of Assembly. CP analysts believe yet more seats lie within the party's grasp, based on an alleged swing to the CP over the past two years.

Immediately after the September election, however, the CP will find itself at the crossroads. Taking up the torch of Afrikaner nationalism, the party promises to restore to Afrikaners (and those other whites who support its principles) the South Africa of Dr Verwoerd: founded upon the dual principles of white racial exclusivity and race-based geo-political separation. The party also promises loyal supporters the economic advantages the NP delivered to its supporters in the 1960s.

As the NP government, on the road to what it calls 'reform' and 'power sharing', strays further from these CP principles and goals, and as the possibility of an outright CP victory at the polls wanes in the eyes of its followers, the party leadership will be faced with the critical question of how to sustain belief in these principles among supporters. This, in turn, will focus attention on the logically antecedent question — what region of South and Southern Africa should be defined as the area in which these principles should be applied? Thus, irrespective of the outcome of the September election, the rightwing will be forced to decide on its land question — where fairly to locate the white South African homeland? *UPA*

The Democratic Party

DEVELOPING A POLITICAL CULTURE

By David Welsh,
Professor of Southern African Studies,
University of Cape Town

After the fanfare of the merger of three parliamentary parties and the launch of a united liberal opposition, the Democratic Party candidates face a hard campaign trail as they establish a party identity and policy platform. The most recent opinion poll shows that white electoral support for the new Democratic Party has risen two percentage points to 24,2%, though other estimates claim that a prospective Afrikaner dissident vote for the DP has shrunk from 22% to 8%.

In commenting on the municipal by-election victories for the DP in Johannesburg and Port Elizabeth, Prof Welsh warns that local issues make it difficult to extrapolate national voter trends. However, a 2% increase from PFP voter support in 1987 should see the DP retain the 19 seats that its constituent members currently hold in the (white) House of Assembly, while at least another ten marginal seats are within the DP's grasp.

After a protracted birth and a messy start the Democratic Party (DP) is up and running. It has played to packed houses in all the major centres (including Pretoria), membership is said to be increasing rapidly, and unexpected by-election wins at the local level in both Johannesburg and Port Elizabeth have encouraged the DP leadership to hope that the new party is a viable force.

Given the circumstances of the DP's origin, the triumvirate form of leadership and the governing national board (on which sit equal numbers of representatives from each

of the merging parties and the 'fourth force' of Afrikaner dissidents) were inevitable compromises. As the unfortunate precedent of dual leadership of the (British) Liberal and Social Democratic Parties showed a few years ago, duets or troikas are at best clumsy, interim arrangements, liable to accidents and certainly vulnerable to exploitation by opponents. So far, the DP has been lucky in this respect: Zach de Beer, Denis Worrall and Wynand Malan have, despite all predictions to the contrary, muted their differences (which were always more ones of strategy than principle) and, in fact, have performed quite creditably at meetings.

A recent opinion poll of white voters found that 41% of respondents preferred a non-ethnic federal system, a model akin to the DP's

In contrast to PFP losses in the 1987 election, the DP is not likely to be disadvantaged by a voter boycott by white anti-apartheid activists

The troika, however, could only be a stop-gap measure, and sooner or later the DP will have to choose a single leader — an issue that could prove highly divisive. How the troika will stand up to the election barrage it will receive from the National Party (NP) remains to be seen. Similarly, the DP's policy, while based upon solidly liberal principles about which there is little disagreement, is a hastily spatchcocked document that will be subjected to searing probes during the campaign.

Latent Support

Any assessment of the DP's election chances must start from what it holds at the moment, and what indications the polls are giving. In addition to its 18 elected (plus one indirectly elected) Assembly seats, the DP can, in practice, lay claim to Parktown and Mooi River, which are currently held by MPs who declined to join the DP. The party also holds three seats in the House of Delegates and one in the House of Representatives.

The most recent M & M poll (*Rapport* 14/5/89), gives the DP 24,2% of the white electorate's support, which is nearly two percentage points up from the previous poll that was taken before the merger. The same poll indicated again that many more white voters supported a DP-like constitutional model than supported the DP itself. Thus, when asked to choose between four different constitutional models that were not associated in the questionnaire with a particular party but in fact correspond closely to particular party policies, 41% of the respondents expressed preference for a non-ethnic federal or confederal system which protects individual rights through a Bill of Rights. Such a model clearly corresponds to the old PFP constitutional policy and, now, to the DP's.

Significantly fewer, 27% of poll respondents, supported the model that closely resembles the National Party's constitutional plan, while 19% supported the 'partition' model that is associated with the Conservative Party.

The inference to be drawn from these figures is that the challenge facing the DP is to try to mobilise this latent pool of support. This was something the old Progressive Federal Party (PFP) was unable to do. Willem de Klerk has often spoken of the famous '22%' — NP supporters who agreed in substance with a far more liberal policy; as will be known, he now believes that this group has shrunk to eight percent of the NP support-base.

Poll data gives one broad outlines of trends in the electorate, but they can be misleading because even small swings can have major effects on a party's electoral fortunes. For instance, a two percent swing

to the DP over and above what the PFP received in the 1987 election will in all probability enable it to retain its existing seats in the Assembly and win several others that the PFP lost narrowly in 1987.

- Albany (lost by 844 votes)
- Simonstown (268)
- Walmer (532)
- Wynberg (97)
- Edenvale (168)
- Hillbrow (89)
- Umhlanga (557).

In addition, Helderberg (which Denis Worrall lost by 39 votes in 1987) is a marginal constituency, as is Umbilo (where the NP beat the now defunct New Republic Party by 480 votes in 1987). Mooi River (won by the NRP in 1987 by a majority of 1 807) should, on the basis of a possible swing, be a winnable DP seat.

Randburg promises to be a battle royal, with Wynand Malan (1987 majority: 2 646 as an Independent) being opposed by Glenn Babb, formerly of the Foreign Affairs Department. Malan has a strong constituency organisation, and has been a good constituency politician as well as having a national profile. Babb is very articulate and, even as a civil servant, has achieved a high profile as one of the architects of South African regional and African policy.

Linden Factor

The stunning win by the DP in the Linden by-election for the Johannesburg City Council, together with a far less publicised DP victory in a Port Elizabeth Council ward, previously held by a popular NP ex-mayor of the City, has aroused DP hopes that a country-wide swing in its favour may be underway. In October 1988 the late Mr Danie van Zyl won the Linden ward comfortably by 399 votes over challenges by the CP and the PFP, the latter offering only token, 'flag-waving' opposition. Brahm Spies's 340 vote victory over the NP on 7 June represents a 14% gain by the DP over the votes won by the PFP in 1988.

Linden, however, is not 'typical': its demographic profile suggests a roughly 50/50 Afrikaans/English breakdown, with most voters being in the 30-to-50 years age bracket. Afrikaner 'Yuppies' — the much-heralded potential new source of DP *stemvee* — are said to be a small minority. Undoubtedly, local issues played some part, and possibly even some former CP voters voted for the DP out of spite. Most accounts, however, show that national issues predominated: frustration with the NP's ambivalence on constitutional issues and, very importantly, on its mismanagement of the economy. (In passing it may be remarked that



AFRAPIX Anna Zerninski

precisely the same frustrations are likely to cause what might be called 'right-leaning' NP wavering supporters to vote CP in September.)

If one could extrapolate from the Linden result some 45 to 50 seats might be considered as potential DP wins, but, of course, no such extrapolation is legitimate, especially at this early stage of the campaign. As Hermann Giliomec often reminds us, never underestimate the National Party. Its election machine may be showing some signs of metal fatigue (the elderliness of its workers is often commented upon) and its use of SABC television is only just beginning. Moreover, it does not appear to have a cash problem — which will enable it to outspend the DP by at least three to one in needle contests.

In the 1987 election roughly 20% of voters on the Assembly's rolls had moved from their stated addresses; in 1989 that figure is likely to be even higher. Tracing missing voters is time-consuming and expensive, so that the NP's distinct financial edge — enabling it, for example, to use paid telephone canvassers — is a considerable advantage.

Party Cohesion

In contrast to 1987, when the PFP was mauled, the DP is not likely to be disadvantaged by voter boycotts of the

election. Exactly how much this cost the PFP remains a matter of debate, but many participants in the debate confined themselves to the actual turn-out on polling day; whereas the actual cost of the anti-participation mood was more likely to have been found in the refusal of many younger people to canvass, put up posters and do all the other (admittedly boring) chores that are essential to a campaign.

Things may be different in 1989. Even important elements in the UDF coalition are acknowledging that whites belong to a 'strong parliamentary culture' (Cassim Saloojee's term) and that the DP has an influential role to play in mobilising the anti-apartheid white opposition. Similarly, van Zyl Slabbert (who performed a tantalising Dance of the Seven Veils in response to pressure to stand for the DP in Stellenbosch) has urged people to vote for the DP.

Whether the DP will contest seats in the other Houses is a nettle that remains to be grasped. Probably they will support their three Indian members in their re-election fights, and possibly, in a potentially messy compromise, a limited number of other seats in the House of Delegates. There are widely differing views within the DP on the issue, which, significantly, do not coincide with the old party lines. Former PFP members, for example, split down the middle on the advisability of fighting in the Coloured and Indian Houses.

The launch of the new Democratic Party in Johannesburg, 8 April 1989. The triumvirate leadership and party chairmen, from left to right: Wynand Malan (ex-NDM), Denis Worrall (ex-IP), Jan Momberg and Colin Eglin (co-chairmen), and Zach de Beer (ex-PFP).



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The DP election campaign will strengthen the new party's internal cohesion and identity, while communicating policy stances to the white electorate.

Given its recent origin, the DP faces quite serious challenges in integrating itself as an effective fighting force and developing its own internal culture. There has been a fair amount of grumbling from old PFP people about the alleged 'hijack by Johnnies-come-lately', while former National Democratic Movement (NDM) and Independent Party (IP) people are eager to dispel any thought that the DP is simply the PFP in a new guise. There have been a number of skirmishes at constituency level, especially where nominations have been involved. Esther Lategan's unsuccessful challenge for Ken Andrew's seat, Gardens, has generated a fair amount of bitterness, as has Denis Worrall's successful bid for Ray Swart's old seat, Berea.

Against this it must be recalled that some of the most bitter infighting for candidate nominations occurred among former PFP members for old PFP seats. Tony Leon's capture of the Houghton nomination, and Dene Smuts capture of the Groote Schuur nomination in the challenge to Jan van Gend by no fewer than eight aspirants (all former PFP people) are cases in point.

No doubt, as the DP leadership has been saying, it is a sign of vigour and health that capable people came forward to offer themselves for election, but there must be fears that overly robust competition may have damaged what is still a somewhat tenuous unity. On the other hand, it is widely recognised among DP people from each of the three merging parties that they either cooperate, with the distinctly promising possibility of making at least modest gains — or squabble their way into complete political irrelevance.

If the DP can hang together and strengthen its internal cohesion through the rigours of electioneering, as well as notch up some significant gains, it will be in better shape to face its next major

hurdle, which will be the choice of a single leader after the election.

Policy Issues

At this stage DP policy is vague in crucial areas. For example, its constitutional policy is limited to bland endorsements of classic liberal positions, the most important of which are a commitment to universal franchise on a common roll, some form of proportional representation, federalism, and a justiciable Bill of Rights. Given time constraints, the DP has not yet been able to come up with a constitutional programme that would match the sophistication of the PFP's. The NP will attack the existing formation as simply a recipe for black majority rule.

On another critical issue, security, the DP has supplemented its brief programme by accepting the recommendation of the PFP's security commission (which was chaired by Helen Suzman). This document does not fudge issues: it is a raking critique of existing security practices, for their cruelty and, ultimately, their counter-productive nature, and a plea for the restoration of civil rights, the rule of the law and the accountability of security agencies.

On the crucial issue of banned organisations, the commission is clear: banned individuals and organisations should be unbanned, but engaging in, fomenting and advocating violence, terrorism, insurrection or revolution, are to be dealt with 'firmly and expeditiously through the courts and in terms of the ordinary law of the land'.

As will be recalled, the NP used the security issue to devastating effect on the PFP in 1987. Drove of voters succumbed to the primitive 'law-and-order' message, partly because the violence of the previous two years was still fresh in their minds. No doubt they will try the same formula this time. Several DP people have indicated an intention to be pro-active on the security issue by attacking the NP for their inability to govern without emergency powers, and by arguing that the short-term effects of these powers in curbing violence are greatly outweighed by their deeply alienating impact on the communities and organisations against which they are used.

Lastly, an unknown factor that will be of crucial importance to the DP's fortunes will be the influence of the 'Give-FW-a-chance' (the new NP leader) syndrome. Closely related will be arguments that the ruling party needs to be strengthened 'to keep the CP at bay'. Both of these issues were addressed by Zach de Beer in a recent speech where he remarked that the acid test for the NP in 1989 was Boksburg — and they failed it. JPA

THE NATIONAL PARTY

Fighting on Two Fronts

By Professor Hennie Kotze,
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To ward off the dual challenge from the left and the right in the 6 September polls, the National Party will probably reactivate a two-pronged campaign — a conservative election platform to woo the white 'platteland' voter and a reformist platform to woo the white urban voter. Although the ruling party is thus faced with a major challenge and could lose between 20-28 seats to the CP or DP on Prof Kotze's data projections, he does not anticipate a 'hung parliament' — the NP is likely to retain its dominance of parliamentary politics into the 1990s.

There is a growing tendency to question the role of Parliament and political parties in South Africa as initiators of large-scale political and social change. Admittedly, major covert decision-making structures exist in addition to Parliament, such as the State Security Council; nonetheless, the elected legislature remains relevant. After all, since Parliament legitimises the executive authority, the entire parliamentary process (which includes elections) is important.

Parliamentary elections are also critical components of the political process, since it is through this mechanism that a body is constituted which allocates resources and passes laws. Besides, in the final analysis, Parliament alone can amend the Constitution. Against this background, elections — seen here as the formal expression of preferences of those included in the political process — are not only indicators of public opinion. The results also may be used as a basis for speculation on the prospects for reform as South Africa enters the 1990s.

Plebiscite Issues

The National Party enters the election with a dual threat looming: that of the ultra-right based on the rejection of 'reform' and that of the liberals based on an insistence on more extensive and fundamental social realignment. However,

the problems confronting the National Party outside the parliamentary process are far more serious than those within it.

Overwhelming black opposition to Parliament in its present form compels the government to speed up change in the political sphere. The NP's basic problem, through its declared policy of 'negotiation', is to create political institutions that will satisfy most blacks, while at the same time retain political power commanded by most whites.

During the parliamentary session ending in May 1989 there were indications already that all parties regard political rights for Africans as a major issue. Although such issues have always to some extent featured in South African general elections, they have tended to be obfuscated by what can be termed the domestic issues of 'white' politics. In this respect, the 1989 election could become a watershed in South Africa's history because all the signs are there that the election might become a form of plebiscite on the type of negotiations needed to extend full citizenship to Africans.

Other important aspects that furnish the political context for the election are:

- The State President's illness in January and the consequent paralysis and schism it created in the NP;
- The allusions of corruption in government circles. In this regard, the reports of the Harms and Van den Heever

Instead of the customary focus on domestic 'white' issues, this election centres on negotiation politics and on political rights for Africans

Current & Projected Distribution of Seats

House of Assembly, May 1989 and 7 September 1989

Professor Hennie Kotze

	NATIONAL PARTY		CONSERVATIVE PARTY		DEMOCRATIC PARTY		Vacant seats	Total seats
	Projection	Current	Projection	Current	Projection	Current		
Transvaal	31-33	(45)	29-35	(22)	8-10	(6)	3	76
Cape	44-45	(47)	-	(-)	10-12	(8)	1	56
Natal	11-12	(14)	1	(-)	7-8	(5)	-	*20
OFS	6-8	(14)	6-8	(-)	-	(-)	-	14
Total	92-98	(120)	36-44	(22)	25-30	(19)	4	166

NOTE

* The seat of the disbanded New Republic Party is included here.

The CP is gaining the upper hand in the hegemonic battle for Afrikaner symbols and for control of traditional nationalist recruiting mechanisms

commissions can be recalled;

- The implementation of the Namibian settlement plan on 1 April 1989 and the Swapo incursion;
- The constant rumours on the release of Nelson Mandela and the prominence of this issue among black groups which are cultivated for negotiation;
- The resignations of several cabinet ministers, especially that of the Minister of Constitutional Development and Planning, Chris Heunis, have again conjured rumours of dissension in the NP regarding the pace of reform;
- The continuous deterioration of the economy, growing inflation and inflated bond rates, for which the government is blamed; and
- The disintegrating relationship between the NP and one of its 'junior partners' in Parliament, the Labour Party.

Lost Monopoly

With the resignation of various cabinet ministers as well as MP's who will not pursue nomination, the National Party is approaching the election with a large number of novices. A feature of the 1987 election was that the NP nominated candidates in every constituency in the country except for the two Cape Town seats of Grootes Schuur and Claremont — also the only constituencies where no elections were fought — an almost unprecedented event in South African electoral history.

As in the past, the NP will again put up the most candidates nationwide in the forthcoming election. As usual, a number of nomination battles have been fought and the calibre of candidates is gradually improving with regard to experience and qualifications. It seems as if the days when

the NP could 'put up a broomstick and it would get elected' are gone forever.

In Afrikaner circles the NP no longer has the monopoly to select the best potential candidates because of strong competition from the Conservative Party. Not only is the CP gaining the upperhand in the hegemonic struggle for Afrikaner symbols but there is also a breakdown of NP recruiting mechanisms, such as the Afrikaanse Studente Bond. The ASB was training ground for aspirant NP politicians and a substantial number of its past presidents are still to be found in NP parliamentary ranks. Taking their cue from the previous leader of the party, Mr PW Botha, quite a number of party organisers, especially Cape-based, have been nominated for election in the past.

Whilst the NP has now definitely shed its Afrikaner exclusivist image, with up to 50 percent of English-speakers supporting the party, relatively few native English-speakers are nominated for the party. This fact has never really been stressed by opposition parties for fear of being accused of practicing 'boerehaat' techniques.

Recent Trends

In their campaign planning the NP will certainly pay attention to the trends that emerged in the 1987 election. At this early stage it would be hazardous to estimate any kind of swing to or from the present government. However, if one takes the results of recent by-elections and the municipal elections into consideration, it will not be surprising if the NP loses seats to both sides (see data base).

It must be remembered that on a national level the NP concentrated nearly all its efforts and resources in the 1987 election on fighting the 'liberal' opposition parties. The far-right was thus given the space to wage a relatively aggressive election campaign, in a sense jumping on the government's security bandwagon. It can be assumed that the NP will devote considerably more of its energies to combating the rightwing in the September election. But, being forced to fight on two fronts — to the left and to the right — will not only drain financial resources but test the NP's own ability for political rhetoric that will satisfy both camps.

Linking electoral choice to social causes has become increasingly more difficult in South Africa. Whilst traditional party loyalties based on ethnicity weaken, as is evident in English voter support for the NP, other factors have emerged such as the ultra-right trend. The 1987 election saw a majority of the Afrikaanse working-class supporting the Conservative Party, which promised to pay special attention to their interests. The CP presented voters with visions that harkened back to the days of grand apartheid, a

period which the white working-class could well look back to as a golden age.

The bulk of Afrikaner NP support seems to be based in the ranks of the civil service, young professionals and the business community. In the 1987 election the party won every English-speaking working-class seat at stake, plus a fair number of middle- to upper-class English-orientated seats. A strong geographical trend cutting across class cleavages in some instances was also evident. Where the far-right did exceptionally well in the Transvaal and the Orange Free State (polling 37,8% and 42% of the votes respectively), its impact in the other two provinces was less marked. These trends certainly did not pass NP strategists unnoticed.

National Party intelligence will try to pinpoint opposition strongholds, even within constituencies. For the first time in South African electoral history, each separate polling district's votes have been made available to the various political parties. Using these figures and the available opinion poll data sponsored by government, it would, on the constituency level at least, be fairly easy to use a 'horses for courses' approach in terms of explaining policy. The NP is in any case well known for using a two-pronged attack, one devised for the 'platteland' and the other for the urban areas — this strategy may even be extended to provincial level.

Television Images

The National Party has a head start because of the government's dominance of the SABC and the Afrikaans print media. The mere fact that the government has allowed for an unusually long campaign, even after criticism from within their own ranks on the length of the 1987 campaign, is a sign that they believe it will be to their advantage. As in the past, television and the Afrikaans press will define what will count as acceptable political views, creating messages favourable to the government — thus playing an agenda-setting role. Television accentuates slogans, symbols and personalities rather than initiating complex arguments. As in other countries, television no longer simply covers elections; the television medium has become the election campaign.

Television conveys images rather than issues, which certainly suits the NP. The Afrikaanse Weerstandsbeweging (AWB) with its rather negative militant image, which will be associated in the election fray with the CP, will provide the NP propaganda machinery with another field day. Paradoxically, South Africa's increasing isolation could also be utilised to foster the party's chances against the CP. The CP policy options employed in Boksburg and Carletonville, as well as



AFRAPIX Eric Miller

The State President-in-waiting, Mr FW de Klerk and his wife Marike, at the opening of Parliament after the drama when Mr PW Botha stood down as NP leader and President due to illness.

media and international reaction, will be used to show how their policies could lead to racial conflict and poverty. (Too much emphasis on the *faux pas* of the CP in Boksburg might not necessarily be to the NP's advantage as little proof exists as yet that this might have had a detrimental effect on CP support in general).

With the new rapprochement between the government and some East Bloc countries it will be difficult to trot out the old and tried 'total onslaught' line against the Democratic Party. Indications are that the DP will be accused of being soft on security and of advancing the cause of the ANC and various other bogeymen. This scare strategy pulled a substantial number of the English-speaking voters away from the Progressive Federal Party in the 1987 election. But, with erstwhile high profile military officers amongst DP candidates, it can be expected that the tactical tools used by the NP to foster the image of 'sell-outs' will be more subtle.

After the promise by new party leader FW de Klerk of a 'positive' approach to the election, it is to be expected that the emphasis will fall on 'controlled reform'. This was neatly captured in the 1987 election by the NP's slogan, 'Reform Yes, Surrender No'. Although this position is obviously meant to attract as wide a range of support as possible, it may become a hazard under incessant opposition insistence for details of black inclusion in the political process. But, through fighting a proactive campaign rather than following the opposition as in the 1988 municipal elections and the recent Linden municipal by-election, the NP may put the opposition parties on the defensive with the propaganda machinery at its beck and call.

The far-right performed well in the Transvaal and Orange Free State in the 1987 elections, polling 37,8% and 42% of total votes respectively

The self-perception of economic deprivation held by the average white voter may become the major campaign issue for the NP to address

Transvaal and Natal are likely to see the fiercest election battles where both the CP and DP can make gains, with CP gains in the OFS also possible

The influence of purely political factors such as the state of the economy and party leadership is increasing in South Africa. A combination of the following perceptions (true or false) may lead to an increase in support for both opposition parties, but more so for the CP:

- the overtaxation of taxpayers;
- high interest rates;
- weak measures to control inflation;
- ideological costs, such as the duplication of services; and
- the blunder by Deputy Minister of Finance Org Marais, who stated recently that South Africans are no worse off economically than 20 years ago.

The perception of 'economic deprivation' by the average voter may become the major issue which the NP will have to address. One can therefore speculate whether the Nationalists will again feed the public artificial sweeteners, such as 'fiddling interest rates for the election'. If this turns out to be the case, they are surely banking on a short public memory.

Although electoral choice may ostensibly be between policies or parties, much of the voter's thinking is about leaders — here the NP has a considerable advantage with new leader FW de Klerk. Pitted against the CP's Treurnicht (an old-styled Nat) and the DP's untried 'troika' (with a commitment to universal franchise), an affable FW de Klerk supported by the slogan 'Give FW a chance' may well keep a substantial number of left-leaning NP deserters in the camp. However, it is highly doubtful that the de Klerk factor will have the same effect on deserters to the right.

Crystal Ball

Taking all the above-mentioned factors into consideration, it is possible that the NP will lose seats both to the far-right and to the left (see data base). Transvaal and Natal are likely to see the fiercest election battles. In Transvaal both the CP and the DP can make gains, while a number of NP seats may fall into DP hands in Natal. The CP may also gain a number of Free State seats. The Cape is the only province where not many seats will change hands.

A preliminary analysis at this early stage points to the following possible election outcome (also see table on this monitor cover:7):

● Transvaal

With the HNP relegated to a one-man show it is to be expected that the CP will pick up those seats where they have lost on a split vote with the HNP. Six seats fall into this category: Pretoria West, Wonderboom, Hercules, Lydenburg, Rustenburg and Stilfontein. Another seven to eight marginal NP-seats may also fall into CP hands even if the 1988 municipal election swing of 17 percent to the CP is halved. These are

Gezina, Innesdal, Krugersdorp, Maraisburg, Meyerton, Potchefstroom, Roodeplaat, and Springs. With the DP splitting the vote to the left of the CP, the following seats are also on the danger list: Alberton, Klerksdorp, Geduld, and even Vanderbijlpark and Vereeniging as outsiders.

Out of 76 seats in the Transvaal, only about 23 can be regarded as safe NP constituencies. With the expected drift of English-speaking voters back to the liberal fold the DP has a better than even chance to win Edenvale, Hillbrow and North Rand. The NP's respective majorities in these seats in the last election were 168, 89 and 1 197. With proper organisation the NP can capture Roodepoort from the CP. Although it is unlikely, a swing in the NP favour could place constituencies like Barberton, Carletonville, Nigel, Brakpan, Delmas and Pietersburg, within their grasp.

In the Transvaal, a post-election breakdown of seats could indicate: CP, 29-35; NP, 31-33; DP, 8-10.

● Natal

Here again, the expected drift of English-speaking voters to the DP may deliver Umhlanga, Amanzimtoti and Maritzburg North and South to the liberal camp. Umbilo and Mooi River are also winnable by the DP. The CP has a better than outside chance to capture Newcastle.

In Natal, the post-election seat division may look like this: NP, 11-12; DP, 7-8; CP, 1.

● The Orange Free State

For the first time in recent memory it is possible that the NP will lose a number of seats in the Free State, all to the CP. These constituencies are: Fauresmith, Ladybrand, Sasolburg, Heilbron, Parys and Welkom. Another two seats show an outside chance of falling into DP hands, namely Bethlehem and Smithfield.

In the Free State, the end-result is likely to be: NP, 6-8; CP, 6-8.

● Cape Province

In this province the main fight will be between the NP and the DP, with a small number of seats likely to change hands. The CP has an outside chance in Kuruman and if there is a dramatic swing country-wide, also in Oudtshoorn.

The following four NP seats are well within the reach of the DP: Albany, Walmer, Simonstown and Wynberg. In Greenpoint the NP may well reverse the 1987 result and beat the DP. Although vulnerable in Gardens and Port Elizabeth Central, the DP may prevent a take-over there.

The post-election Cape may look like this: NP, 44-45; DP, 10-12.

The bottom-line for the 1989 election, however, is that the expected outcome is in no doubt. The only question to be answered is the size of the National Party majority after the votes are counted on 6 September. PPA

Dialogue after Dakar: Part II

RISKS AND REWARDS

By Professor Lawrence Schlemmer, Director,
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Over the last five years, key interest groups across a broad spectrum from within South Africa have held exploratory policy talks with the exiled African National Congress, establishing or renewing contact on neutral ground outside the country. The Democratic Party, furthermore, has made dialogue with extra-parliamentary organisations and the ANC part of its policy platform. Hence contact with the ANC has become an issue in the coming general election and will no doubt be raised often in the cut and thrust of political campaigning.

In the last edition of Indicator SA, Professor Schlemmer, a delegate at the Idasa meetings convened in Dakar (Senegal) in 1987 and Leverkusen (West Germany) in 1988, commented on the agendas and strategy of these trailblazing missions. In this sequel, he looks at the policy implications of this process of dialogue, acknowledging its value but identifying some risks and dangers to be avoided.

After the Dakar talks in 1987, London-based journalist Mike Robertson asked the question — was the encounter a meeting of minds or an emotional mugging? (*Business Day* 17/7/87). It was both these things and more to boot.

In the first place, one obvious but necessary point — the ANC is vital to a resolution of conflict in South Africa. Not only does it have the international recognition to make it a necessary participant in the politics of conflict resolution, but it also has the symbolic stature and the popular following inside the country. In the most recent poll, conducted by Markinor in March 1989 for

The Independent newspaper in Britain, 41 percent of urban blacks in South Africa gave Nelson Mandela as their choice for future State President. Their next most popular choice, surprisingly, was President PW Botha, with Archbishop Tutu and Chief Buthelezi following. It is pointless, therefore, to argue whether or not the ANC should be dealt into discussion about the future — it deals itself in.

Some of the issues are troublesome, however, and they seem to indicate a need for precision and clear-sightedness in the process of dialogue between internally-based parties and the exiled resistance movements.

A distinction must be drawn between ANC sympathisers and those who want negotiations but do not necessarily agree with ANC policies

Because leaders in the operations field are not involved in negotiations, the dominant convictions of the ANC could well be hidden

A moratorium on violence in anticipation of negotiation is politically more feasible than expecting the ANC to abandon violence

Ambiguous Images

There are internal South Africans whose political views and commitments make them natural allies of a movement which seeks a radical transformation of South African society. It is their right to take risks and enter into sympathetic intellectual and political exchange, if not informal alliances with the ANC. There are others, however, who might want to see the ANC included in negotiations and who will defend the ANC's right to operate internally but who do not share the political commitments of the organisation. For the latter, informal alliance politics would be distinctly inappropriate and constraining. Perhaps there needs to be clear recognition of this distinction.

Like many political organisations, the ANC finds ambiguity useful and utter clarity dangerous. Adam (1987) refers to the ANC as 'pragmatically ambiguous'. Equally, however, democratic politics requires that ambiguity be challenged.

A recent, well-documented analysis of the ANC in the US journal *Commentary* was able to depict the organisation as trapped in rigid anti-imperialist dogma, as consorting most intimately with some of the most scandalously anti-democratic and ruthless third world leaders, as singularly out of touch with lessons of recent development economics and as having one or two lurking fascist tendencies. Quotes and references to the ANC's mouthpiece *Sechaba* supported every generalisation (David Roberts 1988). Other projections of the ANC, as well as the recent constitutional guidelines, suggest a democratically accountable body, concerned with social justice and redistribution, willing to delay socialist goals in deference to economic practicalities and deeply committed to a non-radical and non-discriminatory society.

ANC President, Oliver Tambo, contributes to the confusion when as recently as January 1989, on the 77th Anniversary of the ANC, he called for the biggest offensive at all levels to smash black local authorities and other administrative structures. He applauded the heightened intensity of violence during 1988, a year when 'soft' targets were hit more than ever before. In *Sechaba* and *Radio Freedom* transcripts in 1987 and 1988 one can find more violent rhetoric. Earlier this year a *Sechaba* article still spoke of the need for mass insurrection. At the same time, during meetings, abroad with internally-based groups, ANC spokespeople appeared saddened by the perceived necessity of violence, regretted attacks on soft targets which they argued occurred because of difficulties of communication and the anger of rapidly trained operatives.

The serious problem is that the public debates do not seem to involve ANC

leaders in the operations field, nor do they involve the writers and editors of some of the tough articles and broadcasts that attempt to dignify violent strategies. The diplomats give very persuasive reassurances, but the dominant conviction in the organisation as a whole could well be hidden.

One accepts that all political formations, particularly in the third world, and certainly not excluding our present political system in South Africa, have a certain 'wolf in sheep's clothing' character. Moral purism is problematic in politics. However, there is a degree of duality in the ANC's presentation of itself which is very serious and confusing. Unless debates with the ANC go further to the heart of this problem of ambiguity (than the ones the author has attended), they might be failing in a very significant way.

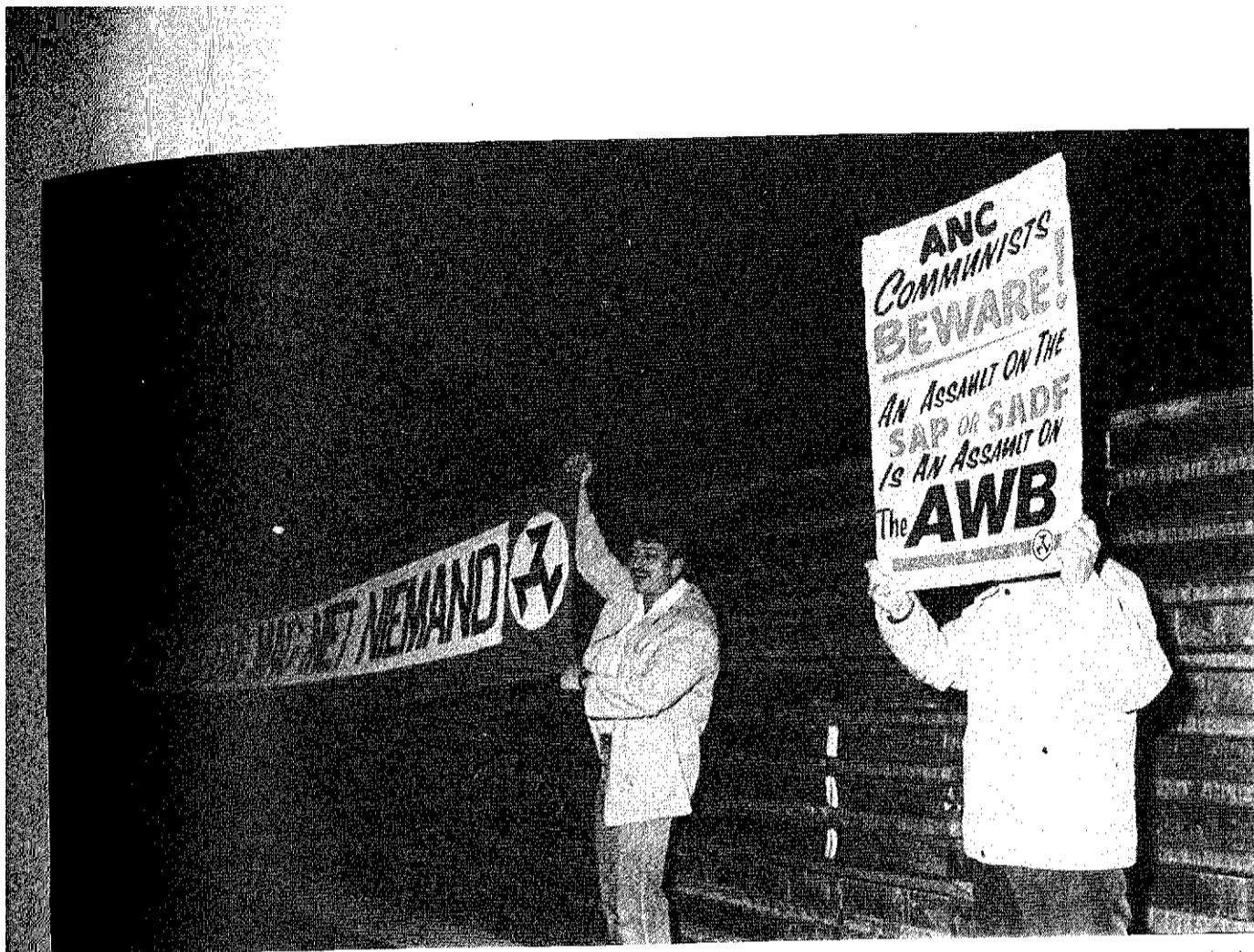
Another aspect of ambiguity concerns the preconditions for negotiations. (The South African government has its own serious ambiguities, but this is not an article about the government). The ANC formally stated preconditions for negotiations (see Lodge 1988) are in this author's view unnecessarily restrictive but at least they are clearly articulated. What is of more concern is that there may be deeper qualifications (as indeed there are with the South African government). ANC analyst Tom Lodge refers to a recent article in *Sechaba* which questioned the goal of putting pressure on the government to negotiate; rather, the article stated, the government had to be eliminated. In this case the precondition would be the impending collapse of the government. This type of communication generates uncertainty which dialogue has to address very squarely.

Other Issues

At the same time, the general issue of violence need not be reduced to over-simplified choices. The ANC, from its own point of view, can make a convincing case for the political necessity of maintaining pressure and leverage, and violence and sanctions are two of its well-established methods. As Professor Wimpie de Klerk (*Sunday Star* 12/7/87) argues, to expect the ANC to abandon violence is politically unrealistic; a moratorium on violence in anticipation of negotiation is politically more feasible.

Two further questions can be posed which are relevant to debates with the ANC:

- firstly, does the strategy of violence have to become a 'culture' of violence as the pages of *Sechaba* not infrequently portray?
- secondly, have peaceful forms of mass-mobilisation, with the possibility of powerful demonstration effects on government, been fully exploited?



AFRPIX

Obviously, there are massive security constraints, but equally, the ANC did not appear to encourage the mobilised communities in 1984/5/6 to stop judiciously short of threats to public order (as Martin Luther King would have done).

Among issues in the debate, the goals of conflict resolution and change are perhaps most important. Here again there is ambiguity. Some opinions in the ANC, privately expressed, suggest a realisation that negotiation is very unlikely to occur as a clear-cut hand-over of power. Important articles and statements have appeared accepting the inevitability of compromise and even of a transitional period of power sharing with the SA government. On the other hand, the official ANC statement on negotiations of 9 October 1987 is that negotiations will only be possible if they are aimed at a 'transformation' of the society into a non-racial democracy. In the late 1988 and early 1989 editions there have been articles in the ANC journal which emphatically reject compromise, insisting that it would defeat the purpose of the ANC struggle.

Some organisations, like the Consultative Business Movement (see *Indicator SA* Vol 6/No 1-2:105-108), and many visitors to the ANC accept the concept of 'transformation'. The problem is that it is a very ambiguous term. It can be taken to mean a singular process by which the political system is not reformed or expanded to include blacks, but replaced by a new system in which the majority

claims control, probably under the leadership of the ANC.

This transformation is certainly morally defensible, but for anyone engaged in dialogue with the ANC to suggest that it is politically possible within the foreseeable future without a violent eruption, if not a civil war, may be very irresponsible. The greatest burden of responsibility on people in debate with the ANC is to convey internal realities (with or without their own political preferences). This responsibility entails the need to raise the issue of *transitional* arrangements, to debate possibilities of constructive compromises for both sides and to consider trade-offs and the nature of likely settlements in the unique case of South Africa.

Finally, on the topic of ambiguity, there is the issue of a 'mixed economy'. The fact that the ANC has been willing to concede that a fully socialist economy will not be appropriate in the short run or even the medium term has been taken as a welcome sign of economic realism. Indeed the 'Constitutional Guidelines' of the ANC published recently for debate, omit key socialist strategies which were part of the older Freedom Charter. Economist Servaas van der Berg, speaking at an Idasa seminar in May (*Sunday Star* 21/5/89), pointed out, however, that many key policies are left unstated: '... do they actually imply greater moderation, or that this moderated stance is only the result of strategic considerations whether there has actually been a shift in the

The banner on the left proclaims 'We share power with no-one! Afrikaner Weerstandsbeweging members exemplify far-right rejection of dialogue and negotiations with the ANC, which, along with security, are likely to be election issues for all participating parties.'

Significantly, the DP has decided to interact with the 'mass democratic movement' and the ANC to resolve the conflict in South Africa

The DP and the NP should facilitate negotiation between the white political establishment and all relevant extra-system opposition

thinking ... or whether differences of opinion are disguised behind the rather-bland statements in the (constitutional) guidelines.'

Perhaps the greatest danger is that the ANC and people in dialogue with it should agree on the general compromise of a 'mixed economy'. The concept of a mixed economy means very little — all socialist and capitalist economies are to some degree 'mixed'. State intervention in a mixed economy can be such as to cripple initiative and the functioning of the market. On the other hand state stimulation of new development and crucial welfare functions can facilitate the growth of a free market economy. The guidelines do not answer crucial questions.

Building Bridges

The South African government intensely dislikes private dialogue with the ANC. That, however, is absolutely no reason why it should not continue. If dialogue is merely an expressive outlet for internal political frustrations, however, the government may be right in saying that it can do more harm than good. But if dialogue with the resistance movements takes up the same type of issues as must be addressed to the South African government, then it can certainly help to resolve South Africa's problems.

One of the most significant new developments in South African politics is the decision by the Democratic Party to interact with the 'mass democratic movement' and the ANC in an attempt to facilitate a resolution of the simmering conflict in our society. There is even talk of a possibility of an 'alliance' or a 'coalition' with the UDF. (See report in *Sunday Star* 11/6/89). Questions are bound to be raised, however, as to whether the DP will be facilitating a resolution to conflict or simply lending support to one side in the conflict. There is no doubt that the DP leadership would wish to pursue the former strategy in preference to the latter. A consequence, however, is that the DP will have to give keynote attention to the following:

- honestly assess the various ambiguities in the strategies of the ANC and the UDF and give a clear statement of how it responds to those ambiguities;
- it is the DP's democratic right to support whatever constitutional and economic policies it considers appropriate. It also has a white supporter constituency, however, which is crucial to its relevance in South African politics. It will therefore have to be very precise on the degree to which it is compromised by any formal or informal alliance with Charterist organisations or the degree to which it is promoting its voters' interests within the context of building bridges

between parliamentary and resistance politics;

- one of the understandable intentions of the ANC and the UDF, given the recent failure of insurrection and taking account of international pressure on the ANC to reduce violence, is to mobilise maximum political support on their side in order to maintain impetus as the premier liberation formations and to isolate the government. This has been variously stated by senior office-bearers. Obviously there are dangers inherent in this for the DP to avoid, one of them being that the resistance organisations may be tempted to merely temporarily modify policy and rhetoric to strategically accommodate a 'united front';

- linked to the point above, it is obvious that 'united front' politics, if the DP with its formidable range of talents is drawn in, may impact negatively on other black or extra-parliamentary organisations which also deserve to be part of the resolution in South Africa. Unless the DP has good policy-related reasons for promoting one extra-parliamentary or black cause more than any other, it will have to develop a very balanced strategy;

- a final point, and possibly the most important, lies in the nature of parliamentary political rivalries. An opposition party in parliament can become embroiled in an acrimonious competition which may make it difficult for the governing party to adopt opposition strategy without losing face. The DP and the NP government should ideally interact with one another (on the issue of resistance politics) in such a way that eventual negotiation between the white political establishment and all relevant extra-system opposition is concretely facilitated. This is perhaps the most difficult challenge of all.

Clearly, however, the DP and other organisations like Idasa which have engaged in dialogue with the ANC and resistance politics are breaking vital new ground in politics of stalemate. The ANC and the UDF, ambiguities aside, are also in an important strategic transition. Strengthening dialogue as an effective vehicle for an inclusive resolution of our political impasse may have risks but is the single most important challenge in our contemporary politics. *DPWA*

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NORTH of the SOUTH

Almost Independence Day?

By Duncan Guy,
Correspondent, Windhoek

In the second Indicator SA article (see Totemeyer in Vol6/No1-2:19-21) on the build-up to independence elections in Namibia, Duncan Guy reports from the frontline on the climate of conflict and intimidation in Owamboland. Focusing on the outdoor rally culture that has emerged as the country's 42 political parties get their election campaigns underway, our correspondent identifies the dramatic divisions to be overcome in this nation in the making.

The student, pupil and teacher boycott at schools in Owambo in Namibia's Far North comes at a time when the red, green and blue colours of Swapo are being sported more openly in the region. Although the students' demands are related directly to the actions of the security forces in the region — notably the presence of former *Koevoet* members in the police — the confinement to base of the military has put a new face on the north. Every second vehicle is no longer a ratel, a buffel or a panzer car. In fact they are hardly ever seen anymore. Untag is making sure of that.

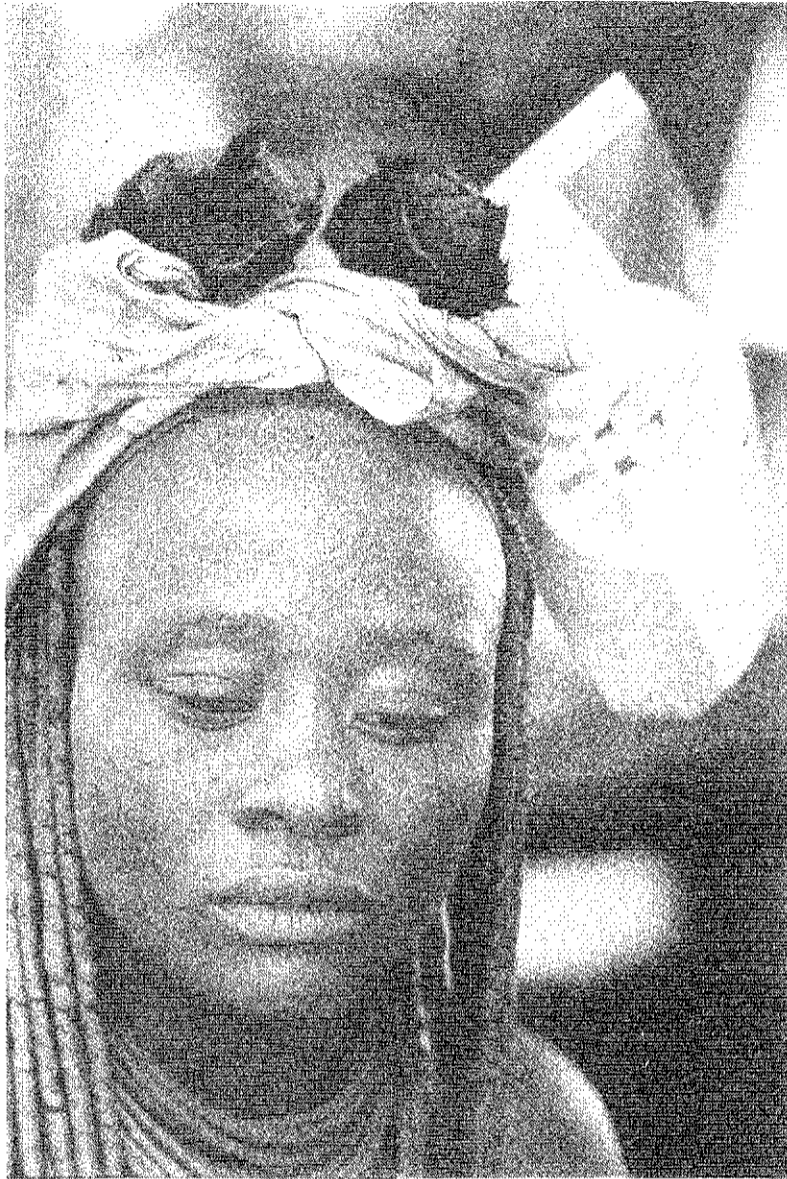
Koevoet is a major stumbling issue in Namibia's path to independence. As far as the authorities are concerned, the people in question have been on reorientation courses since the notorious counter-insurgency group were abandoned. But to many locals in the north they are the new personnel in olive-green uniforms who sit on top of casspirs and are very much part of the police patrols now 'going about their normal duties to maintain law and order'. Police spokesman, Chief Inspector Derek

Brune, recently confirmed that many former *Koevoet* members were taking part in the search for 'at least 300 Plan (Swapo) fighters believed to be in the north with access to heavy arms and ammunition caches'.

Staff at the Human Rights Centre at Ongwediva, along with churchmen, regard the presence of heavy machine-guns on the casspirs as a means of psychological intimidation. They reciprocate the allegations of intimidation against them by saying that the presence of Swapo arms caches poses the threat of intimidation against the local population. Intimidation and *Koevoet* are the most widely used words in Namibia today. Intimidation has been linked to actions by the South African-led security forces and Swapo supporters, from alleged brutal assaults to ripping off t-shirts which display the colours of the 'wrong side'.

Untag police monitors have been more effectively deployed in recent weeks, keeping an eye on the SWA Police. Acting on their information, Untag spokesman, Cedric Thornberry, recently said that if the current climate of intimidation continues,

Political intimidation has been linked to a range of actions by both the security forces and Swapo supporters



Atropis: Paul Weinberg

Rallies and party symbols have become a central feature of Namibian life. A supporter of the Democratic Turnhalle Alliance, who has braided a DTA flag into her hair.

free and fair elections in Namibia would be impossible.

The Administrator-General, Louis Pienaar, has appointed a Commission of Inquiry into intimidation and other related unlawful acts, to be chaired by a veteran independence campaigner, Bryan O'Linn SC. The powerful National Union of Namibian Workers has threatened that it will urge its members not to participate in the commission because it believes the AG has too much control over it. O'Linn has denied their allegations and called upon the media, trade unions and political parties to co-operate in the joint responsibility of making a success of Resolution 435.

Cuca Talk

Widespread feelings expressed by locals in the north recently are that returning exiles will not be safe if the *Koevoets* are still around. It is highly possible that even if the latter are removed from the police-

force they could, in their desperation, gain access to weapons which have been circulating in the region for a long time. Other elements may do the same. The Untag police monitors are still not adequately manned to do their job. They also lack landmine-proof vehicles and, according to sources in the north, sometimes can only follow police patrols until they leave the main roads.

Locals of Owambo are becoming quite open in expressing their enthusiasm for their returning brothers. It is not always easy to glean information from the northern inhabitants. The years of war have taught them not to be so foolish as to speak their minds to any stranger. Although Owambo is generally regarded as a Swapo stronghold, it is not always possible to establish where loyalties lie — or whether what inhabitants express to a stranger is simply what they feel is the safest thing to say.

During February a *cuca* (shop and shebeen) at the village of Onethinde, south of Oshakati, was frequented now and again by people in SWATF uniforms. The most direct communication to these out-of-place visitors came from a woman who kept saying, 'I cannot understand what you are doing here'. Some months later when the Plan fighters who scattered about Owambo after 1 April were being summoned to cross over to Angola, patrons at the *cuca* translated a radio broadcast that 'die terroriste' were being delivered a message. Everyone shot their clenched fists into the air, rejoicing that their fellow countrymen, the Plan fighters were on their way home. 'My brother was killed by a rifle grenade after 1 April and my cousin was injured', one man shouted, as others said 'Viva Swapo, Viva'. The bartender gave the V-sign of the DTA, in a spirit of fun.

While the battlegrounds tell brutal stories such as the open graves at Ondeshifilwa and the feared 101 Battalion's searches through villages and farmsteads, there is also a lighter side to Namibian politics. The first of April illustrated this when the two main parties, Swapo and the DTA, held rallies in Katutura outside Windhoek, as did one of the smaller parties, the Namibian Patriotic Front.

Supporters of all parties were in their hordes, dressed in colours, sporting flags and showing their respective signs. Trucks, taxis and buses were crammed with people, as were the roadsides. It was definitely a day to be remembered for Katutura. Before the meeting party supporters exchanged their respective signs in the most amicable way. People sporting different party colours even chatted happily to one another. Then came the hours of speeches in which leaders expressed how their respective parties were so right and all others so wrong. There was potential for large-scale

confrontation by emotionally-charged masses. But nothing serious — relative to the circumstances — took place at all. Similar events on a much smaller scale have occurred since then, also without tension or crowd anger.

Confidence Crisis

Observers say there was far more enthusiasm in 1978 when the nation believed independence was on its way, only to see the process backfire. This time round, 1 April brought disappointment which confused and saddened many people — polarising the nation in the making. Reports came from Owambo that even Swapo supporters were confused about what the organisation was up to. The relative peace of the cease-fire which started when the settlement plan was agreed upon was suddenly broken by the worst fighting ever.

At an emergency meeting at the Katutura Community Centre, human rights lawyer, Dave Smuts, said that after his visit to the site of the killings of Plan fighters, he believed one could draw the inference that the South African-led troops adopted a policy of not taking any prisoners. Dr Abesai Shejavali, Secretary-General of the Council of Churches of Namibia, spoke of the 'smell of death' at the scene.

It appeared that the three main forces of influence in Namibia each suffered a crisis of confidence. The security forces were accused of being savage. One UN official described their actions as that of a 'doberman mentality'. The quality of statesmanship in Swapo's leadership was severely criticised for allowing such an event to occur after so much diplomatic effort had been spent on hammering out the settlement plan. And of Untag people asked, 'Where were you'?

Activating the dreaded 101 Battalion did not make UN Special Representative, Marti Ahtisaari, a popular man for the one political camp — they called for his replacement — while the South Africans obviously won some mileage by having their forces put to use. Perhaps this had the greatest effect on locals' naive views of Untag's role in Namibia's transition to independence. Suddenly they were not the liberators people expected them to be. The painful process of learning the hard way that all Untag could do was to monitor the independence process had begun. The country was still to be run by the Administrator-General, and the security forces still would be responsible for law and order.

Untag went through a lull of being considered a body without influence. At a meeting in Katutura the international monitoring body introduced itself to the

community. They faced accusations from the floor that certain Untag members had come to Namibia 'to have a good time'. Why had they not been more effective in stopping intimidation? At Swapo rallies people were told that Namibians would have to be their own liberators. Thousands heard anti-Untag statements from guest speakers such as the UDF's Dullah Omar at the commemoration service and solidarity rally for the Plan fighters killed on 1 April. 'Africa's people have bitter experience of the UN', Omar warned, saying they were imperialists who had let down Patrice Lumumba in the Congo.

Rally Politics

On 4 May South African trade unionist, Moses Mayekiso, aired similar anti-UN sentiments at a meeting, also in Katutura. The meeting commemorating the emotional event of Cassinga Day saw a return of greater numbers and enthusiasm at Swapo meetings.

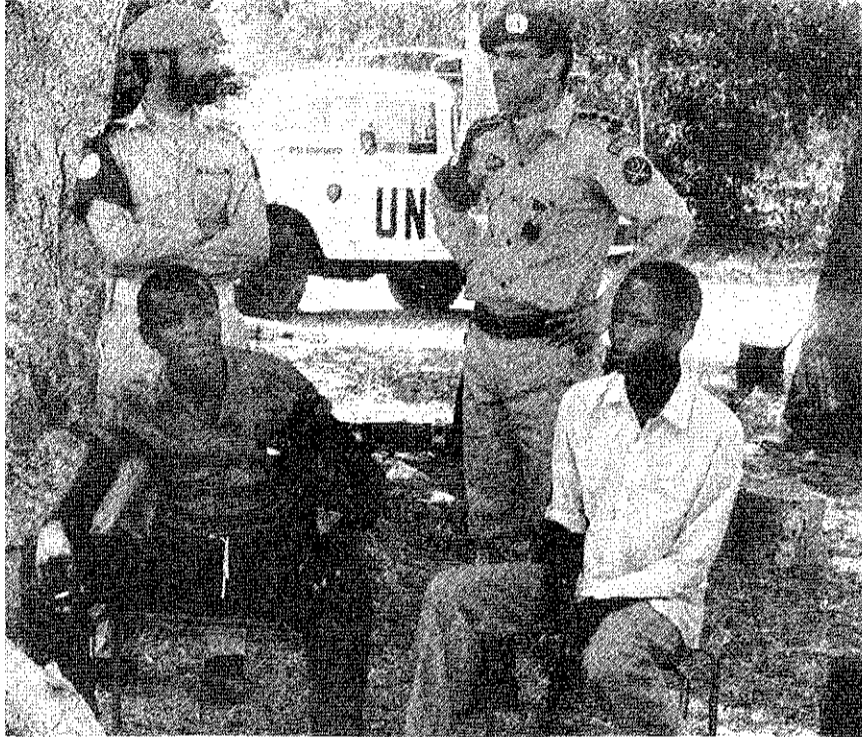
Rallies have, of course, become a feature of Namibian life — on the agenda somewhere every weekend without fail. The DTA led by former Nationalist Dirk Mudge has the upper hand when it comes to organising capabilities and means.

DTA rallies are in massive marquees. Factory-printed t-shirts are available for everyone and the party's band gets people dancing after the speeches. Addresses normally go along the lines of: 'The DTA brought about the changes to Namibia over the past ten years. We dropped the pass system, the Group Areas Act, and gave you houses, pensions and jobs. We do not make false promises. Swapo say they will distribute wealth. We say you have to create wealth to distribute it'. They also tell rallies they are the party which does not wage war; they stand for peace and democracy. DTA support appears to come from tribalists — the Herero-speaking people most significantly — rather than politicised people. They also draw support from those individuals with commercial interests. A common sight at a DTA rally is that of a white farmer bringing his workers along to such a rally, each kitted out with a DTA t-shirt.

Swapo rallies are generally far more lively. Instead of being in a tent they are usually on a field or even on a roadside. Speakers stand on a platform rigged up from planks on top of drums. Singing and participation in the meeting requires no persuasion and clothes are generally home-made. Speeches tend to include messages along the lines of: 'Fellow oppressed Namibians, Swapo has waged a long and bitter struggle against the racist oppressors who are behind the DTA. It is we who brought about Resolution 435 through the blood of our

After the killing of Plan insurgents the three main forces of influence, UN, Pretoria and Swapo, each suffered a crisis of confidence

Anti-UN sentiments have been expressed at political rallies; their role has been seen as administrative rather than as impartial peace-keepers



Atropia: Eric Miller

Untag troops from Pakistan stand guard over two Swapo guerillas captured after the massive incursion into Owamboland on 1 April, the ceasefire day when the independence initiative almost collapsed.

brothers, the Plan fighters. The oppressors are still at work trying to make it difficult for Swapo to win'. Since 1 April they have stressed at rallies that their fighters had every right to be in Namibia: 'It is the South Africans who are here illegally'.

The DTA and Swapo, although definitely the largest and most significant parties, are not the only ones. Offshoots of Namibia's complicated network of political representatives launched over the years, have mushroomed into fronts, alliances and parties. There is the Namibia Patriotic Front of Moses Katjuongua, a veteran nationalist who has done his stint in exile, having had links with China. With him is Eben van Zijl, 'crown prince of the National Party', and Siseho Simasiku from the Caprivi. On 1 April there were several Himba-speaking tribesmen bussed in from the north-west of Namibia, among other folk, at a rally in Katutura. They also made up a large contingent of those who greeted the UN Special Representative on his arrival at the airport the day before. In his 1 April address, Katjuongua said his party was 'the voice of reason of what a democratic Namibia should be like. Anything to the left or right of us is madness or political suicide'.

Then there is the United Democratic Front of Chief Justus Garoeb, a progressive movement in favour of multi-party democracy which draws much of its support from elements of the Damara and 'coloured' groups. There is also the Namibia National Front, an alliance of veteran nationalists. At the launch in Rehoboth the NFF leader, Vekuti Rukoro, described his party as anti-ethnic, authentic black nationalist and committed

to the upliftment of the impoverished and oppressed through the distribution of wealth.

White Stances

The newly-formed Federal Convention of Namibia, launched in late May, has linked the anti-Resolution 435 groups. It includes Kaptein Hans Diergaardt of the Rehoboth Basters' 'Republiek' (which enjoyed special representation in the ethnic second-tier government), and the Action Christian National group (which is the 'election front' of the National Party of South West Africa). The latter joined the recent motorcade protest to Pretoria, Bapsfontein, Klerksdorp and Upington.

The extreme white rightwing is thought to be something of a damp squib. AWB leader Hendrik van As boasted of how the anti-R435 motorcade would attract people in 10 000 vehicles. Only 30 vehicles took part and only one hundred of the thousand of people attending the meetings were 'Suidwesters'. However, right-wing sentiments were strongly expressed at Grootfontein in mid-May when they threatened to the Administrator-General that they would take matters into their own hands if certain demands were not met. One of their more 'verligte' representatives, Jan Engelbrecht, said afterwards that the meeting had nothing against Untag or Resolution 435: 'We just fear that if Swapo breaches R435 once more, we will be the first farming areas to be hit'. He also said Untag should 'get itself in gear and monitor Swapo more extensively in Angola'.

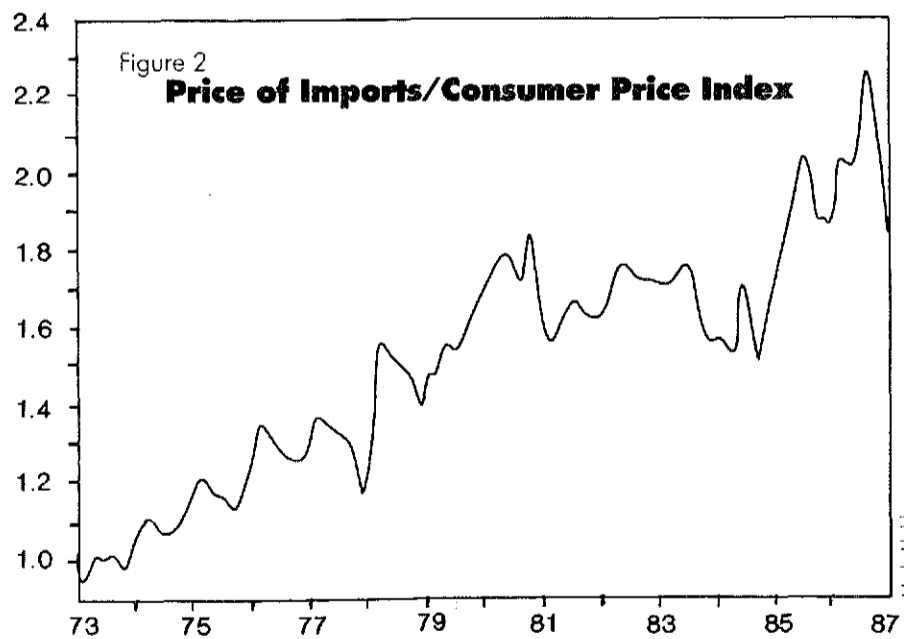
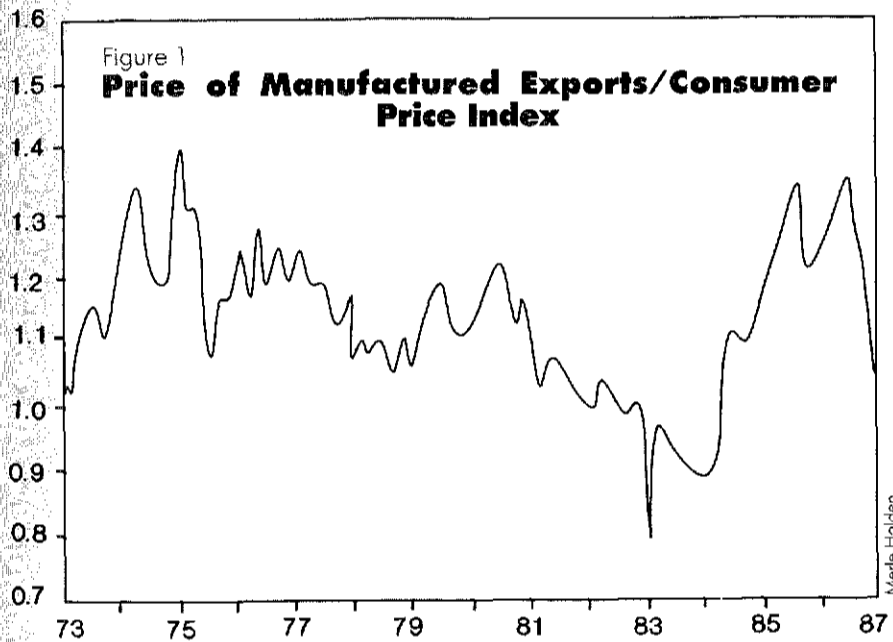
DTA leader Dirk Mudge said recently that people who in the past were loyal to the far rightwing were suddenly accepting the reality of Resolution 435. White opinions seems to be behind the DTA, which promises to protect private enterprise and institute a multi-party democracy. In fact most whites speak of the DTA as the 'democrats'. White people — only eight percent of the population — are not seen in any great numbers at any of the rallies.

Although Swapo stresses that it is a non-racial organisation, it has not converted most whites from thinking of them as a terrorist organisation. Mudge recently addressed a more 'white' DTA rally at the Windhoek showgrounds. He concentrated more deeply on economic issues such as privatisation than he is normally inclined to do at most rallies which take place in the 'townships'. The sight of the neo-colonial 'biltong-boere' sharing politics with the 'natives' is indisputably a change from days gone by. But whether the majority of whites will ever compromise in the interests of national unity, as expected of them by many fellow black Namibians, remains an open question. *J.P.A.*

ECONOMIC

M O N I T O R

Competitiveness of South African Exports and Import Substitutes, 1973-1987



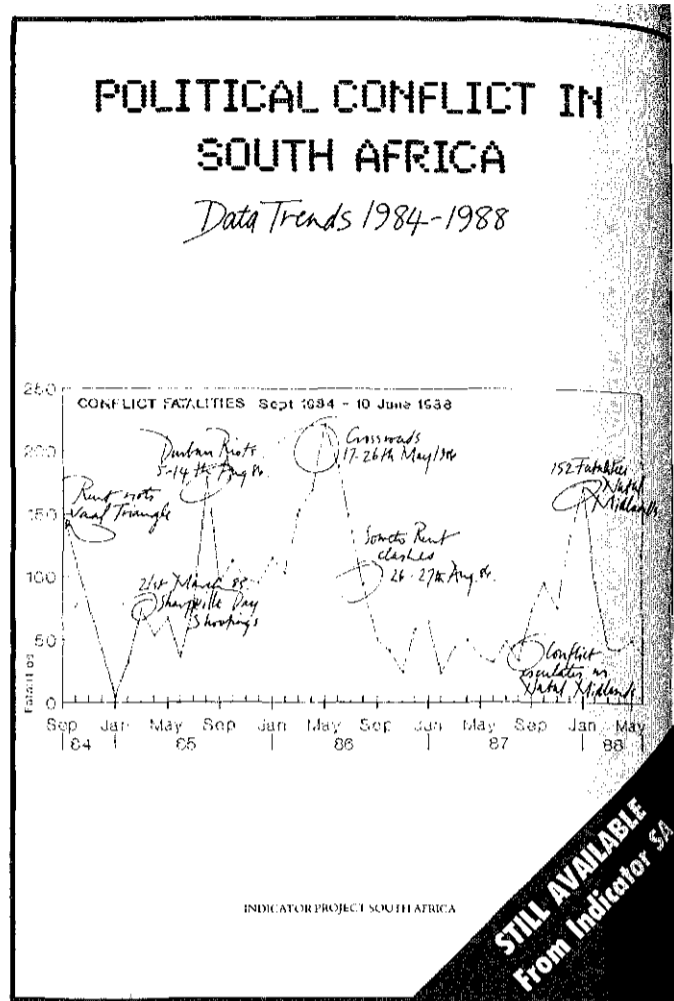
Cover Article: In a review of South Africa's trade policy over the last four decades (this monitor:31-36), Professor Merle Holden comments on the above indices, which represent the real exchange rate of exports and imports, respectively.

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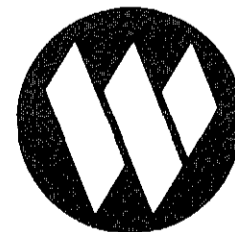
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WOOLTRU

TRADE POLICY DEBATE

Import/Export Trends, 1957-1987

By Professor Merle Holden, Department of Economics,
University of Natal, Durban

The development of trade strategy in South Africa has been chronologically similar to other developing countries. In the post-war period import substitution was vigorously encouraged, followed by a reassessment in the 1970s with attempts to reduce the bias against exports. South Africa is now in the unique position of facing economic sanctions in the USA and parts of the European Community. These are actions which could be viewed as the most discriminatory form of protection.

During the 1950s and 1960s the predominant trade strategy amongst developing countries was one of import substitution. This choice was based on the post-war arguments that exports were not an engine of growth and that growth would benefit from protecting infant industry. In the Latin American countries in particular, these views were taken as justification for encouraging industrialisation through comprehensive protective measures.

During this period world output grew at 5% per annum while world trade grew at 7% per annum, confounding the export pessimists and benefiting those countries which either actively promoted exports or did not heavily bias their economies towards import substitution. The Far Eastern economies of Hong Kong, South Korea, Taiwan and Singapore — the Gang of Four — are examples of the pursuit of a strategy of export promotion. In South Korea exports were promoted to such an extent as to make production for the domestic market less profitable than for the foreign market.

The emphasis on export promotion occurred largely because of the mounting evidence of the detrimental effect that import substitution was having on economic growth. In addition, the growth performance of the export promotion oriented countries had been more satisfactory than that of countries oriented towards import substitution.

However, the oil crises of the 1970s, the debt crisis of the 1980s, and the overvalued dollar in the early 1980s resulted in declining world output and trade, giving rise to pressure for protection in the developed world. This has raised the spectre of export pessimism once again, and has led to some questioning of the export promotion strategy.

Import Substitution

Since the Second World War, import substitution in South Africa has been

encouraged through a system of import tariffs combined with quantitative restrictions which have been applied with varying severity to ostensibly deal with recurring balance of payments problems. As the Viljoen Commission pointed out in 1958 the system of quantitative controls also provided domestic industry with adequate protection, favouring consumer durables and non-durables while permitting the import of capital goods at low or no rates of duty.

Since 1920 the average propensity to import, i.e. the ratio of imports to GDP, has remained at 0.24. The Latin American economies, on the other hand, have an average propensity to import of 0.10. This difference can be explained by the higher tariffs on all goods in these countries. Whereas South Africa has maintained higher levels of effective protection on consumer goods with very low levels on capital equipment. In 1963, goods for domestic consumption enjoyed effective tariff protection of 15%, with 6% on intermediate goods and 2% on capital goods. Research also shows that from 1956/57 to 1963/64, those industries where substantial import substitution had taken place were also industries which had enjoyed high levels of effective protection, attracting resources from the rest of the economy (Holden & Holden 1978).

For the period 1967 to 1973, Zarenda (1977) shows that import replacement occurred largely in coal and other mining, foodstuffs, textiles, printing and publishing, basic chemicals, metal products, and other manufacturing industries. Furthermore, Zarenda finds that there were sectors which experienced negative import substitution over this period — grain, sugar and animal feeds, wool scouring, cotton ginning and dyeing, clothing, footwear, synthetic resins, plastic materials and man-made fibres, paints, plastics, machinery and motor vehicle parts.

Although clothing and footwear had experienced high levels of effective

Import substitution in South Africa has been encouraged by a system of import tariffs and variable quantitative restrictions

Table 1

Import Penetration Ratios for Selected SIC Categories

	1965	1970	1975	1980	1985
Food	9,7	11,3	12,7	6,0	7,7
Beverages and tobacco	4,5	5,3	4,0	2,4	4,9
Textiles	37,8	30,2	20,8	15,8	15,8
Clothing	10,8	14,6	10,1	6,7	7,2
Footwear	3,4	8,4	10,5	8,6	10,4
Wood & wood products	25,0	19,7	18,7	12,0	9,3
Paper & paper products	23,4	24,3	17,9	16,4	13,6
Chemicals	25,0	25,2	16,5	15,1	15,1
Metals & metal products	21,1	17,1	16,5	7,0	11,1
Non-metallic products	22,8	17,7	12,6	6,3	20,0
Rubber products	21,4	20,2	19,3	22,8	20,6
Machinery	50,3	57,0	52,3	50,1	52,1
Motor vehicles & transport equipment	37,1	39,2	34,5	31,4	30,0

Notes

1 Source: Kahn S, 1987.

2 Import penetration is defined as the proportion of imports in the domestic consumption, where domestic consumption contains both domestic production and imported goods.

Current debate centres on whether we go the same route as Latin America, further replacing imports and penalising import users

protection in 1963/64 of 30% and 22%, it would seem that this had been insufficient to prevent imports from growing when the internal market was buoyant. In 1965 the import penetration ratios for clothing and footwear were 10,8 and 3,4 respectively, indicating that imports had largely been substituted for by domestic production. In particular, Zarenda's calculations show that during the 1960s imports increased in these sectors despite a reasonable level of protection.

For the period 1971 to 1978, Holden (1989) shows that the greatest degree of import substitution occurred in motor vehicle parts followed by other manufacturing, wool scouring and cotton ginning, other basic chemicals, textiles, other machinery, wood and wood products, and non-ferrous metals. Those sectors where significant import penetration or negative import substitution took place were other transport equipment, agricultural machinery, railway equipment and printing. The bulk of import substitution was occurring in those sectors producing intermediate goods.

Unfortunately, we do not have any recent published studies of effective protection for the South African economy. McCarthy (1988:9) reports that 'the modal effective rates of protection for non-primary goods have been estimated to fall between 20 and 30%'.¹

Table one shows that import substitution is all but complete in the consumer goods industries. The import penetration ratio for clothing has declined from 10,8 in 1965 to 7,2 in 1985. The ratio for footwear has risen from 3,4 to 10,4 despite protection,

while textiles have declined from 37,8 to 15,8.

The intermediate goods such as wood, paper and paper products, chemicals and metals have also experienced substantial declines in import penetration ratios. Whereas, machinery, rubber, motor vehicles and transport equipment still have high import penetration ratios.

Debate at present revolves around whether South Africa can afford any further import substitution. Those areas where import substitution would occur is in those sectors of the economy, such as capital equipment, where economies of scale are necessary for low-cost production. It is clear that given the high average propensity to import in South Africa, there is scope for further import substitution. The question is whether we wish to go the same route as Latin America in replacing imports and imposing high costs on the users of import substitutes.

Export Promotion

In the early 1970s doubt arose as to the ability of import substitution to provide further employment and growth in the economy. The Reynders Commission of enquiry was appointed to investigate the possibilities for growth in the export sector. This commission reported in 1972, followed by the Van Huyssteen Committee proposals which culminated in the system of Categories A to D assistance. Export incentives ranged from tax concessions for exporters, rail freight concessions,

Table 2

Export Shares in Total Exports

	1957	1964	1971	1978	1983	1985
Agriculture	18,9	15,6	9,6	7,4	3,8	4,0
Mining	53,1	58,5	56,6	59,6	50,4	62,3
Food	7,6	10,2	12,2	7,4	2,8	3,5
Beverages & tobacco	0,0	0,7	0,5	0,4	0,1	0,1
Textiles	2,2	1,8	3,7	1,7	1,2	1,6
Clothing & footwear	1,3	0,8	0,9	1,0	0,2	0,2
Wood and wood products	0,0	0,1	0,1	0,4	0,2	0,2
Furniture	0,0	0,1	0,0	0,0	0,0	0,0
Paper & paper products	0,7	0,9	1,2	0,8	1,0	1,9
Printing & publishing	0,0	0,3	0,2	0,1	0,0	0,0
Leather products	0,0	0,2	0,4	0,1	0,1	0,2
Rubber products	0,6	0,2	0,2	0,1	0,0	0,1
Basic chemicals	4,2	3,1	7,6	6,4	2,2	3,4
Non-metallic products	0,4	0,4	0,8	0,7	0,2	0,2
Basic metals	4,0	5,4	4,5	8,5	12,1	17,5
Metal products	0,9	0,9	1,5	0,8	0,3	0,4
Machinery	1,7	1,1	2,1	0,8	0,7	1,3
Electrical machinery	0,5	0,3	0,8	0,3	0,2	0,3
Motor vehicles	0,9	0,7	1,0	0,8	0,7	1,0
Miscellaneous	2,0	1,5	3,0	2,9	0,9	1,5

Table 3

Export Shares in Manufactured Exports

	1957	1964	1971	1978	1983	1985
Food	27,0	39,7	36,2	22,3	12,1	10,2
Beverages & tobacco	1,1	2,7	1,5	1,1	0,6	0,4
Textiles	7,9	7,0	10,9	5,1	5,2	4,9
Clothing & footwear	4,6	2,9	2,7	3,0	0,7	0,9
Wood & wood products	1,0	0,5	0,3	1,1	0,7	0,7
Furniture	0,5	0,4	0,1	0,2	0,2	0,2
Paper & paper products	2,7	3,3	3,4	2,4	4,3	5,5
Printing & publishing	0,4	1,2	0,6	0,3	0,1	0,1
Leather products	0,2	0,7	1,2	0,4	0,4	0,6
Rubber products	2,4	0,9	0,6	0,3	0,2	0,2
Basic chemicals	15,0	12,3	22,2	19,4	9,7	10,0
Non-metallic products	1,5	1,4	2,3	2,2	0,7	0,8
Basic metals	14,3	21,1	13,2	25,6	52,8	51,9
Metal products	3,3	3,5	4,4	2,3	1,1	1,2
Machinery	6,1	4,4	6,2	2,3	3,2	3,7
Electrical machinery	1,8	1,3	2,5	1,0	0,9	0,9
Motor vehicles	3,1	2,7	3,0	2,3	3,0	3,0
Miscellaneous	7,1	5,9	9,0	8,6	4,0	4,5

Table 4

Exports as a proportion of Total Production

	1957	1964	1971	1978	1983	1985
Agriculture	25,0	24,0	13,0	17,4	26,4	23,7
Mining	93,0	87,0	80,0	80,0	97,0	66,0
Food	11,8	17,4	16,0	15,3	7,7	10,3
Beverages & tobacco	2,9	6,0	2,8	3,5	1,2	1,1
Textiles	16,4	10,9	14,2	11,4	13,2	20,4
Clothing & footwear	5,4	4,8	5,3	10,3	1,9	4,3
Wood & wood products	5,6	2,7	1,6	9,5	4,7	7,4
Furniture	2,3	2,5	1,0	2,8	2,1	3,3
Paper & paper products	10,5	9,1	8,6	9,0	11,0	22,3
Printing & publishing	0,2	4,8	1,7	1,6	0,3	0,6
Leather products	3,0	15,0	21,3	10,8	10,7	17,3
Rubber products	11,2	4,5	3,8	2,7	1,9	2,9
Basic chemicals	6,5	10,5	14,7	13,1	5,2	6,6
Non-metallic products	10,4	3,4	4,4	7,3	1,9	3,7
Basic metals	26,5	29,7	10,8	25,4	57,6	77,7
Metal products	4,9	3,8	4,6	3,4	1,3	2,7
Machinery	12,0	9,1	9,8	4,6	4,9	11,6
Electrical machinery	4,2	3,4	4,4	2,4	1,9	3,4
Motor vehicles	2,2	3,1	2,8	3,2	3,4	6,7
Miscellaneous	27,9	22,4	24,4	45,9	31,0	63,2

The state assistance given to exporters is not a switch by policy-makers to a trade strategy of export promotion

drawbacks and rebates of import duties on imported inputs, to direct cash subsidies. The principle of uniformity of incentives to exporters was adopted in 1978.

As from 1 April 1989 the tax rebated marketing allowances for exports (A and B categories) have been replaced with export incentives in the form of six-monthly, tax-free, cash payments for manufactured exports using at least 35% local content. The D export assistance, a rebate to tax-paying exporters will be phased out from 1990. But the C export incentive, a cash grant to exporters sustaining losses will be maintained. In addition, certain 'sunrise industries' are being targeted for structural adjustments in specific sectors.

In view of the performance of exports since 1978, the assistance given to exporters during the 1970s should not be viewed as a switch by policy-makers to a trade strategy of export promotion. In all probability it only addresses some of the bias which existed against exports in the 1950s and the 1960s, arising from the emphasis on producing for the domestic market.

Tables two, three and four (see main data base) show the shares of exports by selected SIC classifications in total exports, in manufactured exports and exports in each category as a proportion

of total output in each sector from 1957 to 1985.

Table two shows that the role of gold mining exports has not diminished over the last thirty years. Mining exports accounted for 62,3% of total exports in 1985. What is notable is the declining importance of agricultural, fishing and forestry exports, and the increasing importance of manufacturing exports, which rose from 28% of total exports in 1957 to 33,7% in 1985.

Table three shows that within manufactured exports basic metals increased their share dramatically from 14,3% in 1957, to 51,9% in 1985. In 1985 basic metals accounted for 17,5% of total exports. The performance of basic chemicals has been disappointing however, with 4,2% share of total exports in 1957 and 3,4% in 1985.

The export performance of a sector can also be judged by the share of exports in domestic production. Table four shows that basic metals increased their proportion of output exported from 26,5% in 1957, to 77,7% in 1985. Miscellaneous industries, textiles, paper and paper products, leather and leather products, also improved their export performance over this period. The clothing and footwear industries have remained firmly wedded to the domestic market, exporting a mere 4,3% of

domestic production.

In general, the share of exports in domestic production increased for many of the sectors between 1983 and 1985, reflecting the effects of the depreciated Rand. It can be concluded that for sectors other than basic metals the improved system of export incentives appears to have played a minimal role in inducing firms to produce for the export market.

Manufacturing Sector

The economic success of those countries which followed export-promoting regimes stimulated interest in the relationship between exports and growth. Recent research (Chow 1988) shows that not only has the growth in exports fostered economic growth, but that as manufacturing developed it also stimulated export growth.

Research in South Africa (Holden 1989) shows that from 1947 to 1970, when import substitution was heavily emphasised, growth in manufactured output promoted growth in manufactured exports. Manufactured exports in and of themselves were not an engine of growth. Undoubtedly, the manufacturing sector was primarily concerned with profitable production for the domestic market and any surpluses from this market would have been exported when the domestic economy was in recession.

In contrast, once the emphasis on import substitution was reduced in the period 1968 to 1987 it was found that manufactured exports were strongly influencing the growth of manufacturing output. In turn, manufacturing output was also found to be enhancing export growth. This implies that the expansion of exports and the development of the manufacturing sector both accompanied and reinforced one another.

Once import substitution had run its course, exports were found to be critical to growth and the development of manufacturing industry. South Africa, through its exports of basic metals, basic chemicals, textiles and paper products, was able to expand the domestic market by having access to the international markets. The growth of these exports and industrial development were inextricably linked.

Real Exchange Rate

One way of establishing the competitiveness of exports is to examine the price of exportables relative to the price of non-tradables. This index is called the real exchange rate for exports. Exportables are goods which are either exported or are

potentially exportable, while non-tradables are those goods and services which do not enter into international trade. Figure one (see monitor cover:29) shows the price of manufactured exports relative to the consumer price index from 1973 to 1987 on monthly data.

The decline in the index shows that the incentive to produce for the export market was gradually discouraged from 1975 to 1984. The severe depreciation of the Rand in 1984 and 1985 is then reflected in the index rising precipitously in 1984. This improvement in the real exchange rate from the viewpoint of exporters was reflected in an increase in the proportion of output exported by most of the sectors in the manufactured sector in 1985.

As far as importables were concerned the incentives given to substitute for imported goods is shown in figure two (see monitor cover:29) where the price of manufactured imports relative to the consumer price index was calculated for 1973 to 1987. This index represents the real exchange rate for imports. Importables are goods which are imported and compete with domestically produced goods. In the early 1970s the incentive to produce importables for the domestic market improved. However, it then remained unchanged from 1975 to 1984, to improve dramatically with the depreciation of the Rand.

In conclusion the real exchange rate did not favour the production of exportables nor importables during most of the 1970s and early 1980s. It was only with the depreciation of the Rand in 1984 and 1985 that the production of tradables became more attractive.

Future Policy

The threat of sanctions to the South African economy must be taken seriously. In particular, in the event of sanctions becoming more onerous should South Africa turn away from promoting exports and embrace import substitution as did the Latin American countries in the 1960s?

Sanctions have been imposed on South Africa so that those goods which are of strategic value have not been sanctioned, nor has gold other than coins been affected. These are goods in which South Africa does have some bargaining power. To this end the imposition of an export tariff on these goods would improve the terms at which they are traded. An improvement in the terms of trade could then be used to offset the loss in the terms of trade from other goods which have been adversely affected by sanctions.

It would be unfortunate if South Africa were to enter into a policy of much greater import substitution. Firstly, import substitution on a grand scale would be

For sectors other than basic metals, improved export incentives do not appear to have induced firms to produce for exports

With sanctions, should we turn away from promoting exports, impose export tariffs and embrace import substitution?

To place further disincentives to produce for the export market and thereby diminish exports further would be a tragedy

costly. Secondly, the very imposition of sanctions will in the longer term ensure that the economy moves in a 'natural' way via the price mechanism towards producing for the domestic market. Exports have been shown to play an important role in the development of the manufacturing sector in South Africa, despite having enjoyed low incentives to export from both the exchange rate and the fiscus. To place further disincentives to produce for the export market and thereby diminish exports further would be a tragedy.

With its abundance of natural resources South Africa has had to face an additional problem for development in terms of the now famous 'Dutch Disease' problem of de-industrialisation. When the price of natural resources, gold in particular, has increased, real wages have risen throughout the economy and labour has been reallocated to this booming sector. At the same time increased export receipts have tended to appreciate the currency in real terms. The real appreciation plus the increase in real wages has squeezed the manufacturing sector, retarding its development. This explains why South Africa has been unable to achieve the same degree of specialisation in its manufactured exports as have the East Asian newly industrialised countries of South Korea, Taiwan and Hong Kong.

With the natural resource boom of the late 1970s the manufacturing sector in South Africa should have been shielded. This could have been achieved by the taxation of wages in the resource sector to reduce the pressure on wages in the manufacturing sector. In addition, to ameliorate the effect of the real appreciation of the exchange rate, taxes on the profits of the booming sector could have been used to subsidise imported capital goods to the manufacturing sector. As it was the real appreciation of the currency in the 1970s and early 1980s would have had a deleterious effect on both the export and import substituting sectors in the economy, negating the attempts by policy-makers to establish a strong manufacturing base for the South African economy. J.P.W.

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Policy Review

The operation of small enterprise, be it informal or formal, is often considerably impeded by the regulations designed to govern the operations of business in general. For the formal small business, regulations serve to increase the cost of being in business. The outcome is lower profits and lower growth.

Legislation is only appropriate where compliance costs are outweighed by the benefits to the community evolving from the regulation. The informal sector operates outside the regulatory framework and is consequently illegal. Isolated from the normal business services of which the formal sector avails itself, it incurs the added risks and costs of harassment by the authorities. These consequences also serve to reduce profits and growth.

Access to Finance

One might usefully define three points along the continuum of small enterprise. Firstly, in the informal sector there is the 'marginalised' group who are forced, possibly through joblessness, into self-employment on a very small scale. Secondly, there are the informal sector operators who might be described as 'informal capitalists', whose businesses have potential for growth and ultimate entry into the formal sector. Finally, there are the formal small enterprises who comply with regulations. It is a continuum, however, with most operators facing similar problems, namely a shortage of capital and management skills.

In the formal sector and amongst the entrepreneurs in the informal sector, access to capital would lead to increased growth and employment creation at a capital:labour ratio far more favourable than that realisable in most big business operations. Even the marginal group in the informal sector plays a role in the alleviation of poverty, so that access to funds for this group would also generate worthwhile returns.

The problem can be broadly stated as one of risk versus return. For most financial institutions in this country, small business is an extremely risky market with uncertain returns, whether in the short or the long term. It could be surmised that those banks which are active in the area treat this as part of their social responsibility.

In addition to the high risk associated with small and new business, there are the relatively high administrative costs of granting a small loan. Furthermore, there is the problem of under-capitalisation. New businesses often require very little start-

FINANCING SMALL ENTERPRISE

A Review of Regulatory Factors

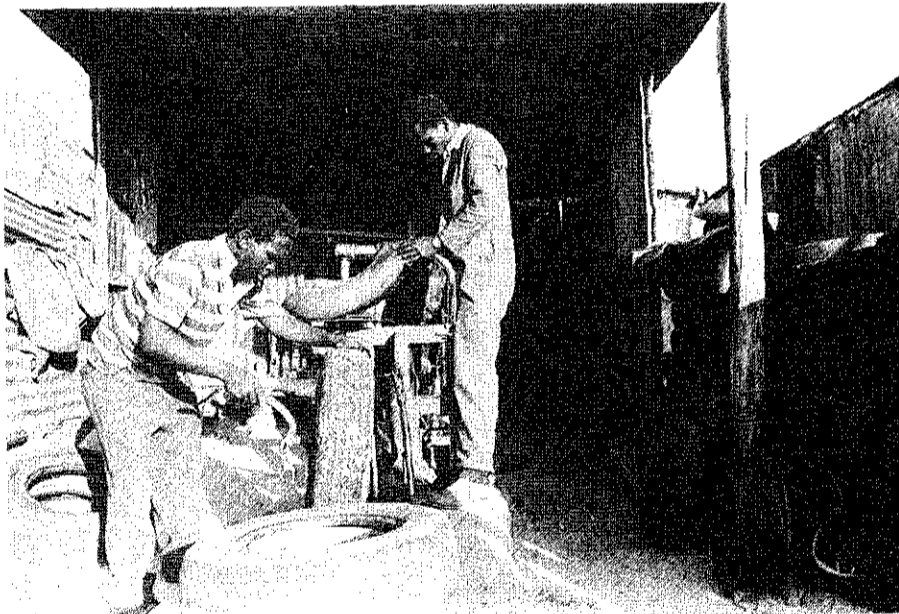
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In a sequel to her article on a Small Enterprise Promotion Act, published in the previous edition of Indicator SA, Hesketh investigates the regulatory framework affecting the access of small enterprise to capital. Drawing on experience in other developing states, the author makes recommendations to deregulate certain aspects of the financial sector.

up capital, so that there is little security for a lender who is approached for expansion capital. All this must be assessed against the expected rate of return, which may not simply be increased commensurate with risk because the maximum is regulated by the Usury Act.

Even if the Usury Act were scrapped, the gap between commercial banks and the informal business sector would be unlikely to close in the short term. Informal business is not geared to using the formal banks as sources of finance, and commercial banks are not geared to providing small loans. The lending practices of commercial banks rely on assessments of risk based on examination of trading records etc. (which usually do not exist for the informal enterprise) and on reputation (which is very difficult to assess outside one's own community). The prospect of applying for bank finance is daunting enough for sophisticated users of the banking system, so one can imagine the reluctance of the informal trader. Many informal operators are, in any event, a considerable distance from a bank or building society.

The absence of formal intermediaries or agents acting between banks and informal business indicates that the market is prevented from closing the gap. The most likely reason is the regulation of how financial institutions must operate with respect to capitalisation, prescribed assets etc., through the Banks Act, Building Societies Act, Financial Institutions (Investment of Funds) Act, and Inspection of Financial Institutions Act.



Atropix: Roger Meintjies

Of course, there is an active informal lending market in the form of the *mashonisa* and *stokvels*, but these involve themselves only in a limited way in business financing.

A backyard tyre workshop, typical of the thriving small business activity hampered by formal regulation.

Recommendations

There are two ways in which the access of capital to small enterprise could be improved:

- by reducing risk and administrative costs; and
- by increasing return.

Improved access to capital for small business would increase growth at a capital:labour ratio more favourable than for big business

In Mexico City loans of up to US\$200 at 10% interest are available from commercial banks to street sellers for one trading day

Risks and Costs

The risks of lending to small and informal business arise mainly out of a lack of information and a lack of security. As risk is reduced, so are administrative costs with the decreasing need for investigation. Indeed, simply improving the record-keeping ability of small operators would significantly aid their chances of getting finance. Some of the larger banks are actively involved in this education process.

Other solutions are in practice elsewhere in the world, a particular example being the Grameen (Rural) Bank in Bangladesh which makes loans against group guarantee rather than collateral. It had a repayment rate of about 97% on total lendings of US\$39 million in the period from 1983 to 1986. Loans are made to groups of borrowers rather than individuals. If one member defaults, the group is held responsible and may not have its credit renewed unless it settles the debt. Similar schemes are under way in other parts of Asia. A United Nations agency, the International Fund for Agricultural Development, now makes it policy to lend to such groups rather than to their governments.

Another method of reducing risk is to make the market smaller, so as to have stronger links between borrower and lender. This is, in effect, what the informal market does. Apparently it is unusual for *mashonisa* to enquire what loans are to be used for, because the default rate is so low. The loss of face is sufficient to deter would-be defaulters. However, these small lenders would not operate efficiently at rates within the Usury Act ceiling, and seldom do.

Credit unions are the third largest extenders of consumer credit in the United States. Yet in South Africa they exist formally only in the most limited sense, in the form of Friendly Societies, because of legal requirements affecting financial institutions. A credit union is a loan club, based on some common bond between its members, which aggregates savings by accepting deposits and makes loans to its members, usually on call. They are not capitalised, nor are they usually geared to this; they have no statutory requirements with respect to how their funds are invested and they do not create money.

A government guarantee scheme would also reduce the risk for the lender, but there is a problem of developing a 'guarantee culture' which encourages banks to push their worst risks onto the scheme, and prevents companies from making it on their own.

Increasing Returns

The immediate answer to increasing returns to lenders is to do away with the

interest rate ceiling prescribed by the Usury Act, and allow lenders to charge rates commensurate with risk. One study on the informal sector by Nattrass and Glass found that although absolute profits were fairly low, the rate of return on capital of most of the operators was in excess of 50%. It would seem that small borrowers are able to pay relatively high rates of interest on working capital which turned over quickly, and that worries about exploitation may be unfounded.

It was the need to provide easier access to small amounts of money for the very small firm in particular that led to the development of the over-the-counter loan scheme in Mexico City. Loans of up to US\$200 are available from commercial banks to street sellers for a period of one business day at a flat rate of 1%, making the annual return to the bank in excess of 200%. This is now a very active market which is profitable for the banks despite the seemingly high risk.

For the more formal kind of small business which is reluctant to grant further equity but already in debt, acquiring further capital is also a problem. This could be addressed by allowing higher interest rates to be charged, for example, on subordinated debt, which ranks behind the firm's other creditors, many of whom may be charging close to Usury Act ceilings.

Increasing returns to providers of equity to small business could be achieved by the introduction of something similar to the Business Expansion Scheme in Great Britain. This scheme allows investors in small businesses to reduce their taxable income by the amount which they have invested, provided that it must remain in the business for a certain period of time.

Improving Access

It is vital for the economy, from the point of view of growth, employment creation and the alleviation of poverty, that access to finance by the small enterprise is improved. It is therefore recommended that the Usury Act be reviewed towards removing the interest rate ceiling, and reducing and simplifying the disclosure requirements, where credit is provided for business purposes rather than to consumers.

Further, the legislation pertaining to the registration of financial institutions should be examined with a view to allowing the emergence of smaller intermediate institutions, which will more closely address the financing requirements of the smaller enterprise. *IPDA*

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RETROSPECT

After having registered an increase of 3% in real terms for 1988, Gross Domestic Product increased 1,6% per annum for the first quarter of 1989. Nonetheless, for the first quarter of 1989 domestic spending surged on at an annual rate of 6%. This means that the balance on the current account would have deteriorated by more than 80%, annualised. This deterioration in the current account balance was due to the decline in the price of gold and the increase in imports as domestic spending rose.

It was concern with the balance on the current account which led to the gradual rise in interest rates and the imposition of import surcharges of up to 60% during 1988. Continuing concern with the balance of payments in 1989 has been reflected in further increases in interest rates in an attempt to dampen down the economy and decrease the demand for imports.

Less than two months after the budget was delivered, further deflationary measures were announced. The bank rate was increased another percentage point (from 9,5% in March 1988) to 17% and the prime rate followed swiftly, increasing to 20%. In addition, hire purchase conditions were tightened with a 5-10% increase in deposits and a shortening of the repayment period. A 10% loan levy on the normal tax payable by all companies was imposed starting at R5 000 and repayable after five years. And although the import surcharge on capital goods was lowered from 20% to 15% a large number of exemption permits would no longer be allowed.

These measures were justified on the grounds that demand pressures in the economy were still excessive. The increase in government expenditure was attributed to seasonal factors. In March the broad money supply (M3) increased at an annualised rate of 26,5%. Gold and foreign reserves had not changed much, and the price of gold at US\$376 remained below the average of US\$437 an ounce for last year. Furthermore, there were indications that the rate of inflation had once again started to accelerate when the CPI increased to 13,8% per annum in March.

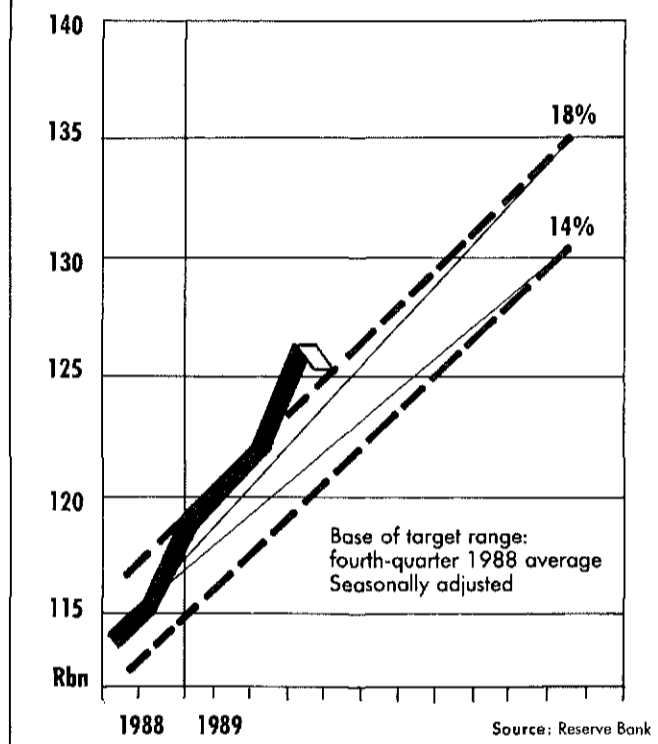
On announcing the new package the Minister of Finance explained, 'This package was put together to quickly address the current imbalance caused by a too rapid increase in total demand'.

Premature Interventions

As economic events have unfolded, it would seem, with the benefit of hindsight, that this package was indeed put together too quickly. The price of gold fell precipitously to under US\$360 an ounce towards

Figure 1

1989 Target for M3 Growth



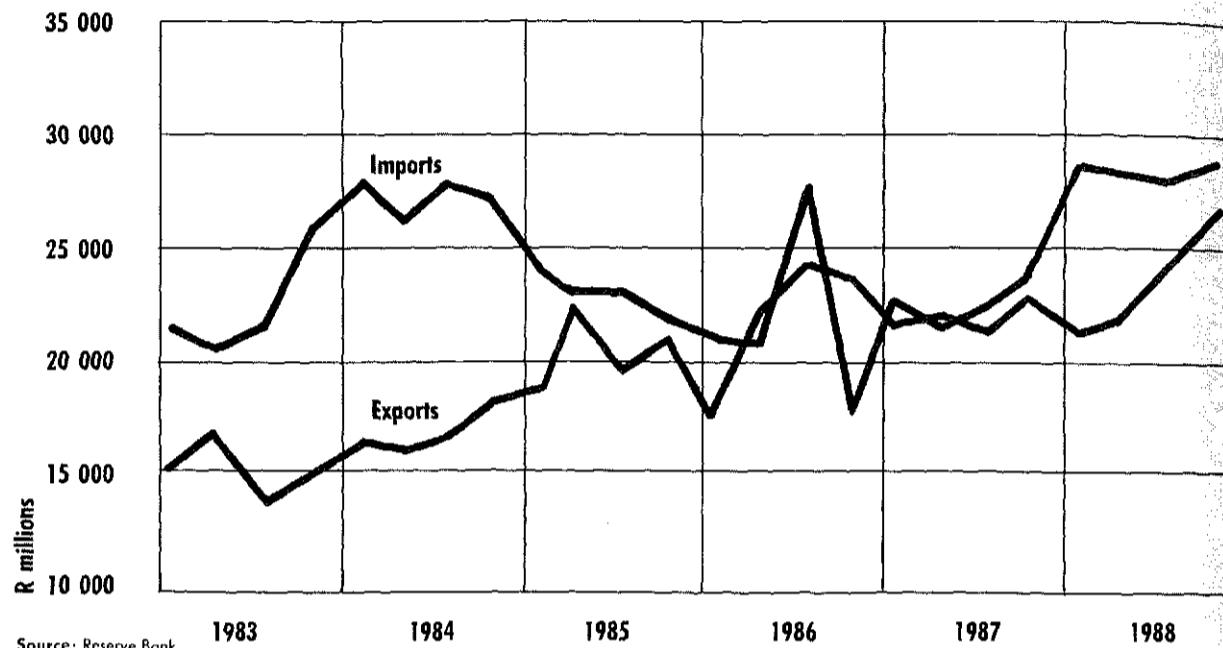
the end of May, followed by a collapse of the Rand to under US\$36c. It could be argued that the domestic economy is shielded from the decline in the price of gold as the Reserve Bank has allowed the exchange rate to adjust. However, there is a growing body of literature which shows that in the first year in which developing economies have devalued their currencies, there has been a contractionary effect on income and output. If this is also the case for South Africa, then despite the depreciating Rand the fall in the price of gold will have a depressing effect on growth in the economy.

Even as these events occurred, the preliminary figures for the money supply were announced showing a fall in its annual growth in April to 25,9%. For the first time in a year there had been a fall in the monthly figure for M3. Figure one shows movements in M3 from November last year. It also demonstrates that M3, despite its fall, is still outside the bounds of its targeted growth. It would seem, therefore, that the earlier contractionary policy has started to work and that the additional measures of Minister Du Plessis' package will turn out to be a case of 'overkill' to an economy labouring under the depressing effects of the low gold price.

Figure 2

Volume of Merchandise Imports & Exports

At constant 1985 prices, seasonally adjusted annual rates



Source: Reserve Bank

Table 1
Effective Exchange Rate of the Rand and Gold Price

	Effective Exchange Rate (end of period)	Gold Price (US dollar)
1982	102,68	375
1983	91,82	424
1984	64,01	360
1985	46,38	317
1986	50,94	368
1987	52,5	447
1988	45,58	437
1988 Jan	52,24	477
1988 Feb	50,01	442
1988 Mar	48,9	443
1988 Apr	48,39	451
1988 May	47,04	451
1988 Jun	47,08	451
1988 Jul	44,95	437
1988 Aug	45,52	431
1988 Sep	44,79	413
1988 Oct	43,82	406
1988 Nov	46,37	420
1988 Dec	45,58	419

The effective exchange rate of the Rand as calculated by the Reserve Bank indicates the depreciation of the Rand in trade-weighted terms which has occurred over the last year. Table one shows that in 1985, a

year of crisis for the balance of payments, the index stood at 46,38 as against 102,68 in 1982. The subsequent three years show a steady appreciation in nominal terms as the price of gold rose. Thereafter, as the price of gold fell, the index reached a low of 43,82 in October 1988. It undoubtedly will have depreciated further in recent months, given the high weight of the dollar in the index, and the dramatic drop in the price of gold to below US\$360 an ounce.

Figure two shows that although the volume of imports failed to respond to the depreciating exchange rate over 1988, at least in volume terms, imports no longer continued to rise. Whereas the volume of merchandise exports responded vigorously. Given the high imports in 1988 as a result of buoyant expenditures, it was not surprising that the current account surplus narrowed in 1988 to R2,9bn from R6,15bn in 1987.

Capital outflows greatly exceeded the current account surplus in 1988, causing a decline in gross gold and other foreign reserves. Therefore, despite the intervention in the foreign exchange market on the part of the Reserve Bank the exchange rate still depreciated over 1988. We might question this intervention in the light of the continued decline in the price of gold. As a general rule, a country should only finance a deficit on the balance of payments if the deficit is viewed as temporary.

If we take the view that the price of gold is due for an upturn in the near future, then this financing can be justified. Otherwise it would have been less costly if the Reserve Bank had let the exchange rate truly float while keeping the money supply to its targeted level. It would seem that in recent months the Reserve Bank has decided to cease supporting the Rand and has allowed the exchange rate to depreciate as the price of gold has continued to fall.

REVISED PROSPECTS

At the end of 1988, economists from the major financial institutions provided forecasts of significant economic variables for the coming year (see *Indicator SA* Vol6/No1-2:52). In May 1989, with the benefit of some hindsight, these same economists have now revised these forecasts for 1989 and also provided forecasts of the same variables for 1990. An average of these forecasts for each period at different points in time are provided in table two.

On average, growth in GDP has been revised upwards from 1,3 to 2,2% for 1989. Despite the decline in the price of gold and the consequent loss of purchasing power, the continued buoyancy in expenditures in the first quarter of 1989 undoubtedly led to this change in expectations. However, all forecasters are pessimistic regarding growth in 1990, with an average forecast of 0,8%. The *Financial Mail* (19/5/89) points to the increase in interest rates as a determining factor here, but we would also speculate that in the short run the present depreciation of the Rand in and of itself will exert a depressing effect on the economy in the coming year.

The forecasts of the prime rate have also been revised upwards for 1989, with forecasters on average expecting a peak of 20,4% as against their original estimate of 18,8%. By the year-end it is anticipated that interest rates will decline marginally and by the end of 1990 should reach the level of 16,6% for the prime interest rate.

Forecasts of inflation have also been revised upwards for 1989 from 15,6 to 16,5% on average.

This revision is not surprising given the high domestic expenditures and the past growth in the money supply. All forecasters look to a moderation in the inflation rate in 1990 to an average of 14,8%.

Although forecasters have revised their estimates of the price of gold downwards from US\$400 to US\$391 an ounce, the forecasts for the exchange rate are on average slightly lower, from US37,8c to the rand to US37c. It could be argued that given the present low gold price, an average of US\$391 for 1989 is optimistic and that the exchange rate forecast should be revised downwards. It is interesting and also contradictory that forecasters are expecting the exchange rate to weaken in 1990 to US35c despite an increase in the price of gold to US\$412 an ounce, and a substantial decline in the growth of the economy.

The previous Economic Outlook published in *Indicator SA* (Vol6/No1-2:51-55) suggested that the growth performance of the economy was poised on a knife edge. If increases in interest rates were resisted until after the general election the sudden tightening of monetary policy would lead to a drop in economic growth. In the last few months Governor de Kock has surprised economists as well as others by increasing the bank rate twice. Our prognosis that the authorities would opt for 'cold turkey' after the election is no longer valid. However, we also suggested that the economy could slip off the knife edge if the gold price were to collapse. Unfortunately this scenario is still a possibility.

Table 2

Projections for 1989 and 1990

	December 1988 Average Projections for 1989	May 1989 Average Projections for 1989	May 1989 Average Projections for 1990
Prime Rate (%) Peak	18,8	20,4	-
Year-end	16,2	19,8	16,6
GDP (% growth)	1,3	2,2	0,8
CPI (% growth, year-to-Dec)	15,6	16,5	14,8
\$/Rand (year-end, US cents)	37,8	37	35
Gold (annual average, US \$)	400	391	412

Source
Financial Mail, 23 December 1988
Financial Mail, 19 May 1989

CPI/INFLATION DEBATE

Inflation is often singled out as the prime cause of poor economic performance in South Africa, and it would seem that most people harbour a distrust of 'officially' produced inflation rates. Hence the recent claims that the inflation rate is actually over 30% per annum have been accepted by many without question. The official source of the inflation series, Central Statistical Services (CSS), which has estimated the inflation rate to have taken a high annualised monthly rate of 21% and a low annualised monthly rate of 12% over the period since 1986, has attempted to refute such claims. It would appear that their reasoned arguments have gone largely unread, however. After all, who in South Africa can believe the government?

This issue is so important that we believe that we should speak out as members of the economics profession. For if it is true that the inflation rate has been grossly underestimated in recent years, then many very disturbing implications follow, e.g.:

- increases in social welfare payments based mainly on the inflation rate will have been far too small;
- average real wage growth from the mid 1970's may not have occurred at all;
- or even worse, the small real growth of GDP recorded since 1980 may not even have taken place.

Put simply, without an inflation rate statistic which has credibility the measurement of trends in real incomes in the economy is impossible.

The inflation rate is obtained from the annual percentage change in the Consumer Price Index (CPI), and the CPI is at present derived from expenditure patterns as they existed in the 12 major metropolitan regions in 1985. The expenditures of all race groups are included, as are all income classes. However, people in informal housing were not included in the 1985 surveys. The prices from which the CPI is derived are obtained on a monthly basis (applying to the first seven days of the month) and the prices of consumer goods are collected from formal retail outlets in the metropolitan regions.

If there are failures in the CPI they must therefore lie in the base period expenditure weights, or in the monthly price data. About the price data there is nothing to be said except that we do not have reason to assume that there has been any systematic change in the biases in this data. Thus if the price surveys produced credible inflation rates in the 1970s there is no reason to assume that in themselves they would understate inflation in the 1980s.

The income data for the race groups collected during the expenditure surveys has been found to be remarkably consistent with incomes estimated from the population census (McGrath 1983). Survey and Census income data form the basis of the now conventional wisdom that whites receive in excess of 60% of total personal income, and that their share has been reduced since 1970. If the expenditure weights underlying the CPI are so wrong that they are the source of a major error in estimating the inflation rate, then by implication our knowledge of

Table 3

Expenditure Weights of the CPI as at 1985 (%)

● All Items	
Lower Income	18,73
Middle Income	27,35
Higher Income	53,93
● Food	22,70
Lower Income	35,30
Middle Income	26,90
Higher Income	16,30
● Housing, Fuel & Power	23,60
● Transport	17,20
● All Other Items	36,50

the distribution of incomes in South Africa is also under question. Do we really believe this proposition?

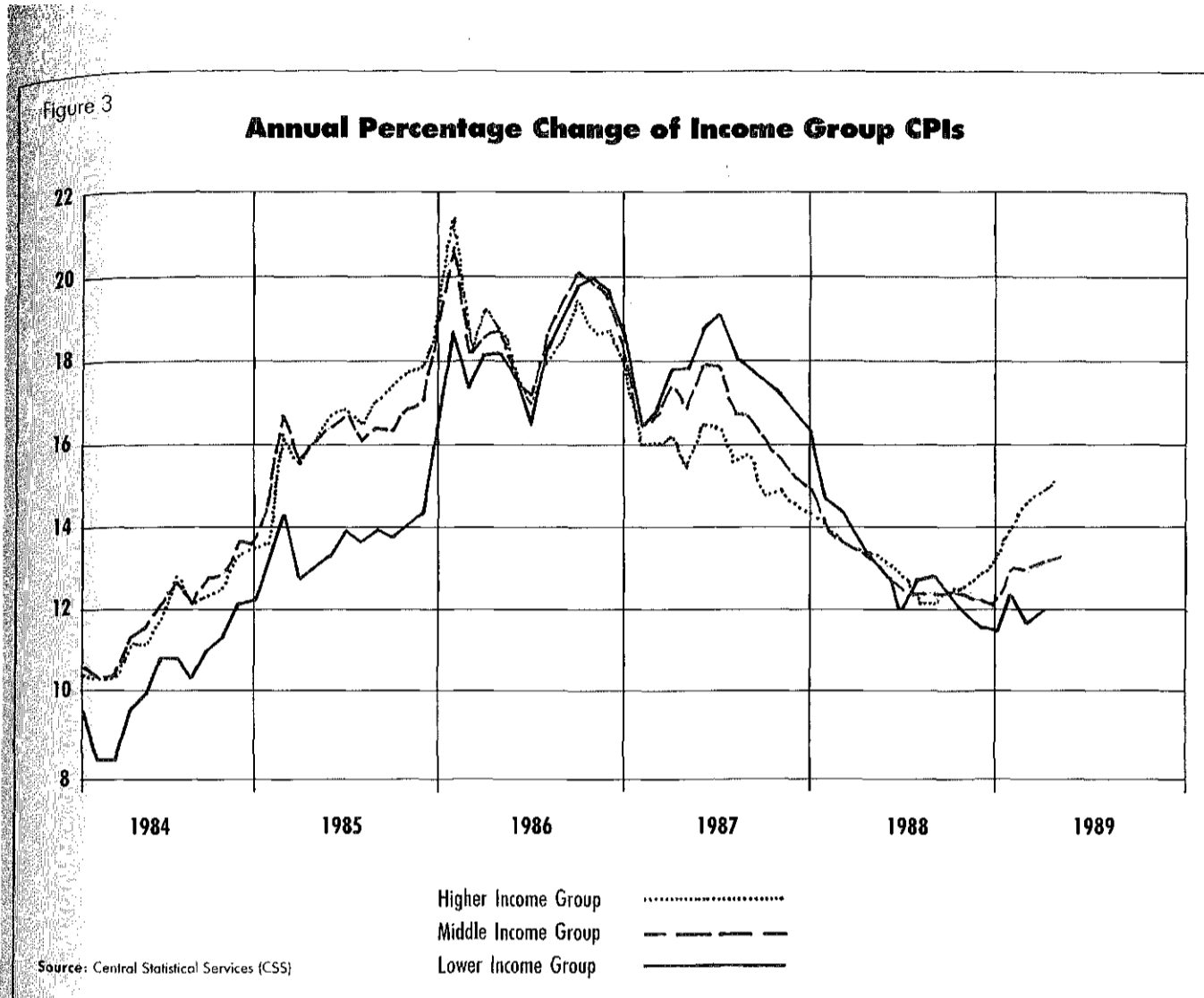
The expenditure weights of the CPI as at 1985 are shown in table three.

Dispelling Doubt

The expenditure weights of the income groups (see table 3) are broadly consistent with all the other major research on income distribution and expenditure for the economy. The food expenditure weights of the income classes (which correspond largely to African, Coloured and Indian, and White households) appear as would be predicted, with higher income households spending a smaller proportion of income on food but a higher proportion on services. As a result of these expenditure patterns the low income index is very responsive to escalating food prices, while the high index is much more sensitive to rising mortgage and interest payments.

The performance of the three CPI's is shown in figure three. It is interesting to see how rapidly the annual percentage change of the middle and high group CPI's escalated in 1985 when interest rates rose, and how the annual escalation of these groups' CPI's dropped as interest rates followed their downward path over the period from the middle of 1986. The low group's annual percentage inflation rate is heavily dependent on trends in food prices, and the relative stability of food prices in the last quarter is reflected in this index. It would appear that the income group specific indexes move in the direction which would be predicted.

However, this is not enough to dispel doubt, for the doubts are about the size of the changes. Fortunately, there is also a Production Price Index (PPI) showing trends in input costs in all sectors of the economy, and clearly consumer prices respond with a lag to rising production costs. The PPI is



produced from completely independent data. We can thus infer the plausibility of the inflation rate as reflected in the CPI from the trend of the PPI. The PPI is estimated using as sectoral weights the value of production, and at the industry level the weights are based on the value of materials used. Producer prices are obtained at the point of

production in South Africa, or 'ex-warehouse' in the case of imported commodities. Table four compares the CPI and PPI for selected months from 1985 to March 1989.

As would be expected, there are important differences in the percentage changes between the series but their trends have never become so grossly different that we could infer that the inflation rate (i.e. the percentage changes in the CPI) has been severely understated.

On the basis of these arguments we must conclude that there is no reason to doubt the official inflation series. Economic statistics all contain quite large ranges of error, but for the CPI these are not going to be large enough to double the recorded inflation rate. Our support for CSS in this issue does not mean that we do not have suggestions for improving the official series, which should certainly be extended to households in shacks and other informal accommodation, and possibly also to the non-metropolitan regions. In inflationary times relative prices can also change very markedly in a relatively short period, and change expenditure patterns. The expenditure weights may then also require a revision in 1990, rather than in 1995. *IPMA*

Table 4
**Consumer and Producer Price Indices
1985 - 1989**

	CPI (All Groups)	PPI* (Total Output)
1985	100,0	100,0
% Change	10,9	13,3
March 1986	110,9	113,3
% Change	19,2	16,8
March 1987	132,2	132,4
% Change	9,0	13,4
March 1988	144,1	150,2
% Change	16,3	13,8
March 1989	167,6	170,9

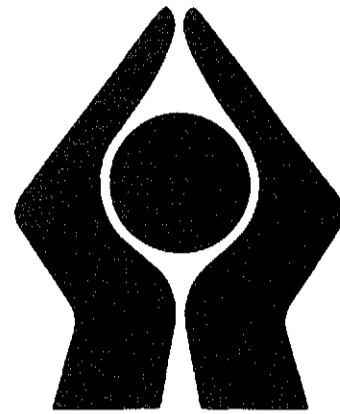
Note:
* Adjusted to a base of 1985 = 100

Reference
McGrath M.D. 'The Distribution of Personal Income in South Africa 1945-1980', unpublished PhD Dissertation, University of Natal, 1983:ch7.

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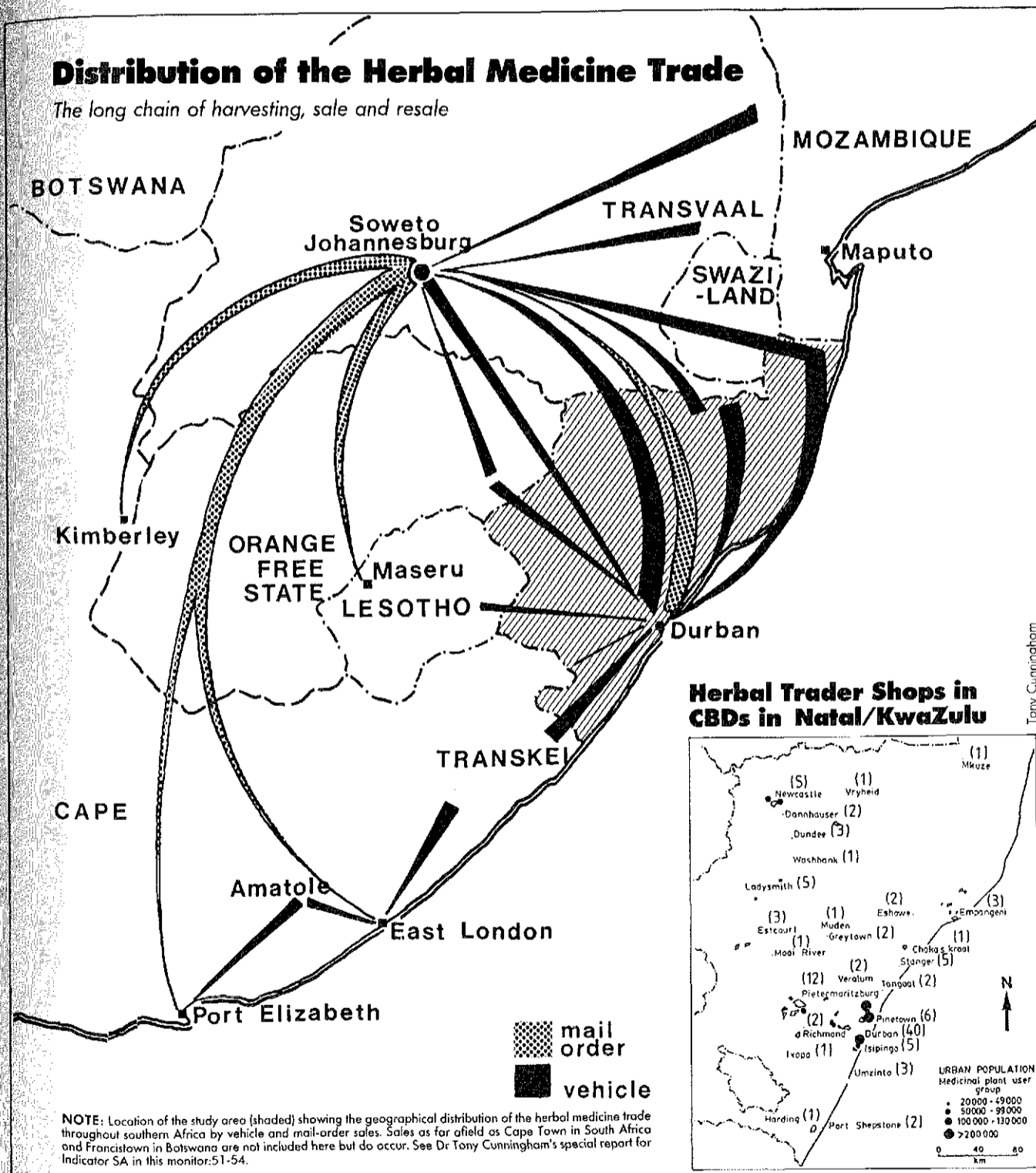
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MOLWENI

Violence on the periphery

By Stavros Stavrou & Andrew Crouch,
Centre for Social & Development Studies,
University of Natal, Durban

During September 1988, coinciding with the unrest in the Pietermaritzburg — Durban corridor and in some of Durban's shack areas, Stavrou and Crouch surveyed seventy residents of the Greater Molweni area as well as a large range of parties involved in the conflict. In their analysis of the responses, the researchers identify and discuss the symptoms and probable causes of conflict in this rapidly urbanising area on the periphery of the Greater Durban Metropolitan Region. The fieldwork was undertaken by Dennis Mbona, Charles Mbona and Xolani Yokwe.

'I cannot live in my father's kraal, my brother is with the enemy, it would be like two bulls in the same field.' (Survey respondent)

Intense forces of rapid urbanisation have created a classic conflict between groups competing for access to limited resources

The rapid growth of the Greater Durban Metropolitan Region created a demand for labour and an expectation of employment among the multitude of workseekers attracted to the area. The resultant influx of rural African people has far exceeded the capacity of allocated urban land and housing, however, giving rise to major squatter settlements and creating an inverse migration trend toward the peripheral areas of the region. People are now settling in these areas to gain access to land and accompanying infrastructural resources for residential purposes, and not primarily in order to gain access to employment opportunities in the city.

Some migration into these areas is due to a process of natural urbanisation caused by the lack of economic opportunities in rural areas (see May in *Indicator SA* Vol6/No1-2:59-63). Others move into the peripheral areas in order to escape the social ills which prevail in Durban's formal townships. The majority, however, move into the city's fringes because of land pressure elsewhere. It is these intense forces of rapid urbanisation that have created a classic setting of conflict between groups of people who, for reasons of survival, are competing for access to limited resources. An imbalance, created by large numbers of people in areas lacking both land and infrastructure, creates a pressure valve, manifested in the form of ideological warfare between competing political groups.

Geopolitics

Molweni, 30 kilometres west of central Durban is one of the city's many peripheral settlements. Located on the Natal/KwaZulu border, on the fringe of a white residential area, the greater Molweni region encompasses a traditional rural farming sector, an urban township settlement, a relocation camp and a squatter community. The area was traditionally characterised by a relatively harmonious symbiosis amongst its different groups. However, since the end of 1987 it has been transformed into one of the many battlefields in the Natal/KwaZulu region (see Quin in the *Urban Monitor*:68-72).

It has been estimated that, between July 1988 and March 1989, anywhere between 100 and 200 people have died in the Molweni conflict. It is very possible that the death toll could be considerably higher given the often dubious nature of both media and police reports. During the same period thousands of refugees have fled their homes, either to other safer areas or into the surrounding bush.

Superficially, it is relatively easy to identify the warring factions. One group comprises the Ngcolosi of Lower Molweni who fall under the control of Chief Bhengu and the Embo clan under Chief Mkhize. On the other side are the Ngqungqulu who inhabit the Upper Molweni area and fall under the jurisdiction



Billy Paddock

of Chief Mhtembu. A more definitive focus whereby one attempts to delineate national political groupings and local affiliations becomes a far more onerous task.

The main cause of violence in the Molweni area ... is land occupancy' according to Gavin Woods, Director of the Inkatha Institute (*Sunday Tribune* 9/5/89). While this observation comes closest to the core of the problem, there are several other contributory factors, including an exceptionally high rate of in-migration, rife unemployment and a scarcity of infrastructural resources. Very prominent also are political issues revolving around allegiance to diametrically opposed ideologies and the role of traditional authority structures. Further, the construction of the Inanda Dam in Lower Molweni has compounded existing social tensions through forced removals (although premature flooding spared the authorities from undertaking the onerous task themselves) and the creation of a resettlement camp, 'tin-town', within the area.

Tribal Authorities

It has been suggested that Lower Molweni, which is an appreciably more traditional rural area than Upper

Molweni, is a staunch Inkatha stronghold. Evidence from the local residents, particularly those from the Upper area, suggests that tribal leaders and elders in the Lower area are undoubtedly very sympathetic to Inkatha. However, there is little evidence to suggest that those involved in the actual fighting are the torch-bearers of Inkatha ideology. The residents of Upper Molweni, whose fighting groups consist mainly of youths, appear to be less inclined toward traditional values and, consequently, are widely referred to as 'comrades'. Whether this perception provides clear evidence that they align themselves with or are sympathetic to the principles of the UDF is debatable.

A common feeling amongst residents of both areas, and indeed, the image portrayed in the popular press, is that the conflict is one between the UDF and Inkatha. Such a clear-cut distinction is both incomplete and short-sighted. While battle-lines may now have been drawn within these parameters, the myriad of possible causes do not find their roots in the underlying ideological differences of the UDF and Inkatha.

The survey respondents speculated that one potential source for conflict is the relatively comprehensive infrastructure which Upper Molweni boasts. The Upper area is far better organised in terms of roads, available electricity and water supply, services such as schools, as well

A war party of tribal traditionalists in pursuit of 'the enemy', one of the many violent conflicts between various politicised factions in Durban's shackland.

High unemployment and poverty rates have created insecurity and tension at both the household and community level

Subsistence agriculture augments very low cash incomes derived within the formal sector

as greater accessibility to shopping and transport facilities. These advantages would seem to be contentious issues since Lower Molweni is clearly seen to be the poor relation of Upper Molweni.

The majority of respondents interviewed in Lower Molweni felt that the Mhtembu area (Upper Molweni) should have been incorporated under their own chief's (Chief Bhengu's) authority. This stems from their belief that the Ngcolosi tribe has a greater historical, cultural and legal right to the area. Lower residents argue they should not have to share resources available only to Upper Molweni, and that their area should have the same kind of development initiatives. They feel that the Upper area has usurped their traditional authority in the greater region.

Most respondents felt that the pressure on infrastructural resources was exacerbated by the influx of outsiders into Molweni. Both Chief Bhengu and Chief Mkhize, leaders of the Ngcolosi and Embo respectively, have demanded that the imojondolo dwellers, migrant tenants and refugees in their area should be evacuated. A temporary court interdict has stalled this initiative but the accusations and the intentions remain. What is important is that no such call emanated from the authorities in Upper Molweni, thus creating the impression of tacit support for outsiders. Further, this lack of support for the stance taken by Chiefs Bhengu and Mkhize from Lower Molweni has given rise to a perception that elements in the Upper area are anti-tribal authorities.

The fact is that the tribal authorities in Lower Molweni preside over land traditionally utilised for agricultural purposes, while Upper Molweni has always been primarily a residential area. It would seem that although the tribal authority issue is prominent in the minds of some of the protagonists, it is certainly not a cause but rather a symptom of the conflict. It is a conflict which most respondents felt was an enigma to rural areas and typical only of urban townships; a feud brought about by outsiders moving into the area.

In-Migration

Following the repeal of influx control regulations, the steady trickle of in-migrants into the Molweni area turned into a flood (see table 1). For the two years preceding 1987 the population in both Lower and Upper Molweni almost doubled, increasing at the rate of almost 37 percent per annum. (During the same period the black population of the Greater Durban Metropolitan Region increased at an average of six percent per annum). The majority of these newcomers have settled in Upper

Molweni. It must be noted that substantial intra-regional migration has occurred. Over 5 000 residents from the Lower area were, because of the 1987 floods and the construction of the Inanda Dam, forcibly relocated to the Upper area (*Daily News* 5/9/88).

Of all households/individuals interviewed, 60 percent were either from the Molweni region or another rural area within a ten kilometre distance of its boundaries. Over two-thirds of all respondents were aware of the presence of at least three new households/individuals, excluding those relocated into 'tin-town' who had settled within a one-half kilometre radius of their own house during the past three years. Of the remaining one-third, only one respondent was not aware of at least one recent in-migrant.

Of those respondents not indigenous to the area, 53,6 percent had migrated into the area prior to 1985 and 46,4 percent since then. Table two illustrates the origins of these migrants, of which the survey identified three different types:

- township residents who move to peripheral areas in order to avoid existing socio-political township problems and/or in order to find land whereupon they can build homes (see Schlemmer 1985);
- longstanding migrants who move from other urban areas and/or hostels to the periphery, primarily in order to bring members of their rural household into Durban and secondly, to find land;
- new rural-urban migrants, migrating into the city primarily in order to find employment.

Prior to 1985 nearly three-quarters of all migrants originated from the rural areas, coming to Molweni primarily to gain access to employment in the Greater Durban Metropolitan Region. Since then, however, nearly 70 percent of all in-migrants have moved to Molweni in order to gain access to resources other than employment, namely, land.

Unemployment

High levels of unemployment are guaranteed to be a major factor contributing to general dissatisfaction in any society, particularly amongst the unemployed. The survey of Molweni found that among the respondents and their households, there existed an unemployment level of 38,9 percent. Given the small size of the sample it is necessary to look toward other sources for a more complete picture.

Table three illustrates the Economic Activity Rates (EAR) of the people of Molweni. Assuming that comparable studies hold good for the Molweni region, then

unemployment has risen from approximately 8 percent in 1985 to 26 percent in 1987. Given this rapid rise in unemployment, it is not altogether inconceivable that by late 1988 levels of unemployment would have reached those derived from the survey, i.e. 38,9 percent.

Of those households interviewed in Upper Molweni, 48 percent of the economically active and employed members worked at industrial concerns. The largest formally employed group by occupational sector in Lower Molweni was 36 percent, who were employed as domestics and/or gardeners at nearby white houses.

Unemployment and poverty have created insecurity at both the household and community level. Many residents are surviving from day to day as there is seldom a guaranteed cash income. The survey found that average household cash income was R163,93 (R27,32 per capita) per month and average household expenditure, R179,72 (R29,95 per capita) per month. These incomes are even lower than those in other peripheral areas, e.g. KwaMgaga: R229,12 (1985), Fredville: R202,29 (1987), and KwaMatabata: R187,19 (1987), (in May and Stavrou, 1988:25). The figures include only cash earnings and do not translate subsistence agricultural productivity nor informal sector earnings into monetary terms. However, the figures do give a good indication of the level of poverty.

Economic inertia breeds boredom and idleness among the unemployed, which arguably exposes people to easy recruitment for one or other 'cause'. Unemployment levels also have increased as a consequence of the violence itself. Firstly, residents of Molweni have been forced to stay away from work in an effort to protect their property. This has primarily affected those in the Upper area, where most of the destruction of property has occurred. Secondly, people have become afraid of using public transport because certain elements have been stopping and searching buses and taxis for their perceived enemies. This has also forced people to stay at home, essentially affecting those in the Lower area, who, because of their spatial location, have to pass through the Upper area to get to both the industrial and white residential areas.

Land Issues

Land pressure in the larger Molweni area has become extreme due to the combination of factors discussed above. If any one single cause of the violence were to be highlighted, it would have to be the ratio of available land to resident population.

In Lower Molweni the allocation of land is still the preserve of the Chief and

Data Base

Molweni

Intra-regional migration in the urbanisation process

Table 1
Population Growth Rates: Greater Molweni
1985-1987

Population	Lower Molweni	Upper Molweni	Total
1985 ¹	4 012	29 000	33 012
1987 ²	7 023	54 873	61 896
Percentage increase	75,0	89,2	87,5
Percentage growth per annum	32,3	37,5	36,9

Sources

¹ Revised 1985 Census Data.

² Inkatha Institute, Vincent Leggo, KwaZulu Finance Corporation, May and Stavrou.

Table 2
Origins of Migrants into Molweni
Pre and Post 1985

	pre-1985	1985-1988
Township residents	26,7%	15,4%
Longstanding migrants	-	53,8%
New rural-urban migrants	73,3%	30,8%

Table 3
Economic Activity Rates (EAR): Molweni¹
1985-1987

	1985		1987	
	No of registered unemployed	EAR as % of total population	No of registered unemployed	EAR as % of total population
Lower Molweni	1 324	33,0	1 414	15,9
Upper Molweni	12 180	42,0	13 007	23,7
Total	13 504	40,9	14 421	23,2

Sources

¹ Revised 1985 Census Data, Vincent Leggo, Inkatha Institute.

effectively administered on his behalf by the various indunas. In Upper Molweni, however, there is minimum interference by the Chief and his indunas. For all intents and purposes, they do not play an active role in allocating land and residential rights. Existing residents and in-migrants negotiate these issues whenever necessary. The lack of formal control on residential rights in the Upper Molweni area is clearly reflected in the extent of in-migration during the past three years.

Land in Lower Molweni continues to be utilised in the traditional sense, as both a place of residence and for agricultural purposes. Subsistence agriculture augments very low levels of cash incomes derived within the formal sector. Land in Lower Molweni, therefore, acts as an

The declining availability of land for subsistence, rental or residence is a major cause of the conflict

The pressure on resources has been exacerbated by the influence of outsiders, including shack-dwellers, migrant tenants and township refugees

Of those interviewed, only 25% of the 'vigilantes' and 20% of the 'comrades' could identify Inkatha/UDF leaders

important means of survival, primarily through crop production (vegetables and fruit) and secondly, through pastoral activity (cattle and goats).

Although there has been a 75 percent increase in population growth in the area, household:land ratios remain relatively favourable as the majority of migrants have located on the fringes. However, the construction of the Inanda Dam in the heart of Lower Molweni has robbed the region of 2 500 ha of its most arable land, decreasing the total amount of land available to the Ngqolosi people. It has also resulted in the forced removal of over 5 000 people from the area, into a 'tin-town' and tent settlement in the centre of Upper Molweni.

Originally, those affected by the dam issue were offered fairly reasonable compensation, incorporating pay-outs for land, buildings and livestock. Moreover, people were told that their relocation sites would be adequate for continued agricultural production. Then came the floods of September 1987. The majority of the respondents stated quite emphatically that the monies which they received were considerably less than initially promised. Indeed, even those fortunate enough to receive relocation compensation as well as flood relief received less than expected. This has left people disillusioned and angry — divorced from their access to an augmented income and robbed of their land, that pillar of social structure. Resentment against the bureaucratic monolith has met with little satisfaction and as a result has been directed at recent migrants, some of whom have obtained residential rights in the 'locals' ex-area.

The incoming migrants have had to pay for their right to tenure. Land acts as an important source of subsistence to the residents of Upper Molweni in the form of rents and levies. From the survey it was ascertained that rents for individual rooms varied from R8 to R15 per month, with the average being R12. Levies imposed on those migrants allowed to construct imojondolo's in backyards ranged from R10 to R40 per month, with the average being R22. The survey showed that monies from tenant rentals contributed anywhere from between 8,2 and 37,5 percent, with an average of 14,3 percent, of total household income.

The influx of migrants into Upper Molweni has had a beneficial impact for those existing residents who have capitalised on the opportunity of generating income from land which has no value other than for residential purposes. The strain imposed on existing infrastructural resources by the recent in-migrants is no doubt adequately compensated for by cash rentals and levies generated. Any moves to either reduce or limit the presence of migrants in the area is likely to be met by some form of resistance.

Interpretations

It is not inconceivable that clashes between Lower Molweni residents over the sharing of scarce resources and against recent in-migrants have taken the form of Upper versus Lower clashes, as Upper residents enter the struggle in order to protect their own interests, the income from migrant rents and levies.

People in the Lower area are more partial to the tribal authority system and its links to Inkatha, while the opposite is true of inhabitants of the Upper area. Further, many Upper Molweni residents are employed in the industrial sub-sector of the formal sector wherein progressive trade union activities are more prevalent. It is, therefore, relatively easy to foster an Inkatha or UDF identity on the relevant protagonists, who may themselves perceive the struggle as an Inkatha versus UDF one. Members of various groups, on the one hand, become either vigilantes or 'otheleweni' (torch-bearers of Inkatha ideology and supporters of tribal authorities), and on the other hand, either comrades or 'amaqabane' (anti-traditional, liberation fighters and supporters, ultimately, of UDF ideology).

Newcomers, suffering the effects of dislocation and feeling threatened by events around them, who have no existing allegiances, are likely to join whichever group offers the prospect most suited to their continued existence in the area. They are unlikely to join a particular faction solely because it offers some kind of ideological comfort. Of those respondents interviewed, a fraction over one-quarter of the 'vigilantes' and less than 20 percent of the 'comrades' could identify the leaders of Inkatha and the UDF respectively. This is not to suggest that the respondents were unaware of the socio-political dynamics of each movement. However, there are important causes of the Molweni conflict that go beyond the ideological. Unless the struggle over resources is dealt with, political negotiations alone will not be able to eradicate the violence on the city's periphery. *TZA*

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HERBAL MEDICINE TRADE

A Hidden Economy

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The herbal medicine trade is a multi-million rand 'hidden economy' in southern Africa, and nowhere more so than in the Natal/KwaZulu region. It is a booming business, with more than 400 indigenous and 20 exotic species sold by herbal medicine shops in Natal/KwaZulu despite:

- legislation dating back to 1891 against the practising of diviners (*izangoma*) in what Natal's colonial administrators interpreted as 'witchcraft';
- forestry legislation since 1914 which protected economically important timber species such as *unukane* — Stinkwood — (*Ocotea bullata*), and the specially protected status given since 1974 to all species within major plant families (Liliaceae, Orchidaceae, Amaryllidaceae, fridaceae) that are a source of traditional medicines; and
- attempts by the Natal Pharmaceutical Society in the 1930s to prohibit sale of traditional medicines within urban areas.

In 1929 there were only two herb traders in the Durban area. By 1987, the Herbal Traders Association (HTA) alone had over 100 registered shops spread throughout Natal/KwaZulu with additional outlets owned by the National Nyangas' Association (NNA). More diviners practice now than when legislation against them was promulgated, and specially protected species continue to be sold despite the law enforcement efforts of conservation and forestry bodies.

The growth of the herbal medicine trade is also a unique example of the success of traditional specialists in organising, side-stepping restrictive legislation and entering the urban cash economy. The Natal Native Medicinal Association, for example, was formed in Durban in 1930 to try and obtain recognition for herbalists in Natal, just as the African Dingaka Association had been formed in the Transvaal three years earlier. However, the triumph in subsequent decades of traditional specialists and the informal sector over legislation against their activities has been a hollow victory. The success of the trade (see

cover map:45) has been followed by the demise of supplies of some of the most effective and popular medicinal plants, with important implications for health care.

Demand & Supplies

The informal trade in traditional medicines has a history in Natal/KwaZulu that goes back at least a century, with Qwabe, Cunu and Zulu hawkers trading in *indungulo* (*Siphonochilus natalensis* and *S. aethiopicus*) and *ikhathazo* (*Alepidea amatymbica*) (Webb & Wright 1979). Since this time, there has been a steady increase in demand for traditional medicinal plants. Demand for common, fast-growing species is easily met, particularly where leaves (eg *umhloniyane* — *Artemesia afra*) or fruits (eg *isikwakwane* — *Catunaregam spinosa*) are used. Shortage of this category has, therefore, never been of concern to conservation biologists or herbalists.

The impact of the trade on popular, slow growing or scarce species has been a different case, particularly where roots, bark, bulbs or whole plants were involved. This consequence was noted by early Natal botanists. By 1898, Medley-Wood had recorded the local extermination of *umondi* (*Mondia whitei*) in the Durban area due to collection of its roots, 'which found a ready sale in stores' (Medley-Wood & Evans 1898). By 1900, *indungulo* (*S. natalensis*), a species found in South Africa and nowhere else in the world, had similarly disappeared from its only known localities in the Inanda and Umhloti valleys due to a trade into Lesotho (Medley-Wood & Franks 1911), whilst by 1938 all that could be found of *isibaha* (*Warburgia salutaris*) populations were 'only poor coppices, every year cut right down to the bottom, used all over and sold by native herbalists' (Gerstner 1939).

By 1946, 40 to 50 bags of *isibaha* and *umkhwangu* (*Erythrophleum lasianthum*) roots and bark were sometimes railed in

The booming herbal medicine trade is a unique example of rural traders side-stepping restrictions and entering the urban cash economy

The success of the trade has resulted in the depletion of supplies of some of the most effective and popular medicinal plants

Table 1

Scarce Medicinal Plant Species

Increases in Price, 1960-1980

SPECIES	ZULU NAME	PRICE PER BAG		
		1960	1970	1980
<i>Boweia volubilis</i>	igibisila	R20	R50	R120
<i>Curtisia dentata</i>	umlahleni	R 8	R12	R 30
<i>Ocotea bullata</i>	unukane	R 5	R 7	R 25
<i>Siphonochilus aethiopicus</i>	indungulo	?	R50	R140
<i>Synaptolepis kirkii</i>	uvuma omhlophe	R 5	R10	R 80
<i>Warburgia salutaris</i>	isibaha	R 5	R25	R120

Table 2

Common Medicinal Plant Species

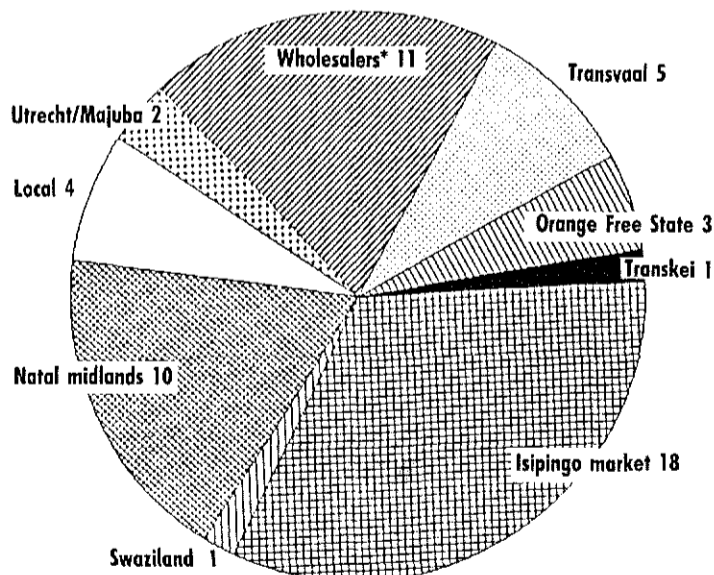
Increases in Price, 1960-1980

SPECIES	ZULU NAME	PRICE PER BAG		
		1960	1970	1980
<i>Pentanisia prunelloides</i>	icishamlilo	R5	R8	R12
<i>Gunnera perpensa</i>	ugobho	R4	R5	R12
<i>Gnidia kraussiana</i>	umsilawengwe	R4	R6	R12

Figure 1

Current Supply Sources for *iqibisila* (*boweia volubilis*)

(n = 55 herb traders)



Source Govender pers comm, in Cunningham:1988.

* Natal and Transvaal Wholesalers.

a single day to Durban (Gerstner 1946). Not only herbalists and herb traders were involved in this growing trade, however. In 1958, the large-scale ring-barking and sale of *unukane* (*O. bullata*) bark was arranged by a commercial farmer in the Karkloof, who employed labourers to strip the (Stinkwood) trees on commission (Taylor 1961). Yet it was only in the 1960s, with rapid urbanisation, that the trade really started to boom, with devastating results for vulnerable species.

Over the same period, the expansion of afforestation, agricultural and urban associated development has resulted in a dramatic decrease in the area of indigenous vegetation in the region. Canelands, for example, now cover 58 percent of the Coastal Lowlands bioclimatic region (Fotheringham 1981), with an estimated 90 percent of Coastal Forest replaced by canelands (Cooper 1985). The effects of this reduction in forest area are particularly significant as indigenous forests only cover 0.3 percent of the total area of South Africa, but are a source of 130 commercially sold traditional medicines (Cunningham 1985). Greater and greater pressure is therefore placed on the remaining areas as sources of supply for the urban demand.

For some rural herbalists, the resulting depletion of local supplies of selected species has decreased self-sufficiency to the point that they now have to travel to towns to buy herbs like *ikhathazo* (*Alepidea amatymbica*) that were formerly freely gathered near to their homesteads. For urban herbalists, herb traders and their patients, it has meant rising costs of many over-exploited species (table 1) whilst prices of popular, but common species remain low (table 2). Local extinction of endemic species such as *indungulo* (*S. natalensis*) also has implications for human health on a global scale due to their potential value as sources of new pharmaceutical drugs.

Commercial Exploitation

For foresters and conservation biologists, plant depletion represents a major threat through:

- reduced species diversity and genetic erosion of scarce medicinal plant species in conserved areas where commercial exploitation of medicinal plants is taking place;
- economic loss to the timber industry due to the ring-barking of *unukane* (*O. bullata*), which at R1 500 — R3 000 per cubic metre, is the most expensive timber species in South Africa. Timber from ring-barked 'mature' trees is often not recovered on time, whilst smaller trees are ring-barked before they reach

marketable size;

- tree die-offs due to ring-barking opening up canopy gaps, affecting forest structure and facilitating the invasion of exotic species.

For more than seventy years, law enforcement has been the dominant strategy of foresters and more recently conservationists, in trying to control the commercial exploitation of medicinal plants. At best, it has merely slowed down the rate of exploitation without providing any real solutions. A major reason for this has been a failure to understand the powerful causal factors behind the trade, resulting in the rejection of the major recommendations for pro-active management and conservation of medicinal plants by cultivation made by Jacob Gerstner in 1938 and 1946.

Over-exploitation of medicinal plants has arisen through three main factors. Firstly, the rapidly growing, rapidly urbanising population of black South Africans represent the medicinal plant user group, particularly since 1960. If peri-urban 'fringe' figures are included for South Africa as a whole, then this represents a rise from 5,8 million (37,7 percent of total) in 1970 to 8,6 million (42,5 percent) in 1980 (Simkins 1985), with an exceptionally high rate of urbanisation in the greater Durban area (Anon 1984).

Secondly, a large proportion of this urban population consults traditional practitioners due to the widely held belief that good health, disease, success or misfortune are not chance occurrences, but are due to the action of individuals or ancestral spirits (Berglund 1976). Holdstock (1978), for example, estimated that 80-85 percent of people in Soweto consult traditional practitioners. In Umlazi, 30 percent of a random sample of residents (Wainwright et al 1977) had used the highly toxic medicinal plant *impila* (*Callileps laureola*), which is by no means as popular as *isibaha* (*W. salutaris*) or *ikhathazo* (*A. amatymbica*).

Thirdly, high rates of unemployment and a low level of formal education are common to many parts of KwaZulu. Local indigenous plant resources with economic value are therefore sold by medicinal plant gatherers (the vast majority of whom are rural women) as one of their few ways of obtaining income. Over 300 gatherers supply the requirements of herb traders and urban herbalists in the greater Durban area alone.

Medicinal plant use has therefore changed over the past century from being a specialist activity of herbalists (*izinyanga*) and diviners (*izangoma*) to a thriving trade involving commercial gatherers and hawkers, most of whom are not trained herbalists or diviners. Unlike the rural traditional practitioners who usually gather plant material in small quantities, the

prime motivation of commercial gatherers is an economic one. This results in depletion of certain species in an opportunistic scramble for the last bag of bark, bulbs or roots.

Emerging Trends

Stimulated by rapid urbanisation, rural unemployment and the value placed on traditional medicines, the volume of medicinal plant material sold is greater than at any time in the past. Based on a recent survey, it is estimated that over 300 000 large *inguduza* (*Scilla natalensis*) bulbs are sold in Natal/KwaZulu annually — yet each bulb probably takes eight to ten years to grow to that marketable size in the wild. As resources are depleted locally, so the tentacles of the informal network of gathering and supply spread from Durban into communal KwaZulu areas and thence to private farmland in Natal, and from there into the Transvaal and Swaziland (see figure 1).

It is clear that the massive demand for bark, roots and whole plants vulnerable to over-exploitation cannot be satisfied from wild plant populations. In the medium term, uncontrolled exploitation would be reduced by a combination of:

- provision of alternative supplies from (i) managed logging of trees (eg, *unukane* — *O. bullata*) in the southern Cape, where bark is a discarded by-product (ii) salvage of plants from development sites (dams, new farm and forestry lands);
- formation of traditional healer associations in rural areas as (i) focal points for cultivation of medicinal plants to increase self-sufficiency (ii) conservation pressure groups to reduce ring-barking by commercial gatherers and to reinforce traditional conservation practices;
- organisation of cultivation on a large scale to supply the urban demand, by both farmers (focusing on eight species with potential due to high price and rapid growth rate) and forestry organisations (slower growing, high conservation priority tree species that are currently not a commercial proposition for entrepreneurs);
- identification and better patrolling of key vegetation types in conservation areas;
- the formulation of patent or pharmaceutical medicines with the same name and action as their herbal counterparts, which has already occurred as a response to shortages of certain herbal medicines (eg, 'Bangalala Pills', 'Isihlambezo' and 'Special Imbiza'). This could be a further way of reducing pressure on wild stocks of rare species such as *isibaha* (*W. salutaris*).

Lack of formal education not only forces people into medicinal plant exploitation, but also is correlated with the reliance on traditional medicines that is a driving force

The local extinction of plant species which are sources of new pharmaceutical drugs has global implications for human health

Law enforcement by foresters and conservationists has slowed down the rate of plant exploitation without resolving the problem

The trade has changed from a limited specialist activity of rural herbalists to one involving commercial gatherers and hawkers

The cultivation of medicinal plants will have to be promoted on a large scale to meet urban demand and substitute for rare species

behind the herbal medicine trade in urban areas. In his study in the Durban area, Kaplan (1976) found that possession of formal education resulted in a highly significant reduction in the use of traditional medicines, thus emphasising the relationship between education policy and medicinal plant conservation.

Better access to medical doctors will also play a role. Traditional practitioners are more numerous and often more accessible than western medical doctors, particularly in rural areas. In 1982, the medical doctor : total population ratio was 1:17 500 (Savage 1985). The traditional doctor : total population ratio is certainly higher. As far back as 1909 the herbalist : total population ratio was 1:360 in Zululand and 1:1 050 in Natal (Jackson 1919). Despite cultural differences, the traditional practitioner : total population ratio today is considered comparable to that of Zimbabwe, which has a 1:956 ratio in rural areas and a 1:234 ratio in urban areas (Gelfand et al, 1985).

Even if a patient requires a medical doctor therefore, there may be no choice but to visit a traditional practitioner — a factor that would be alleviated by an improved medical doctor : total population ratio.

Long-term Solutions

In the long term, medicinal plant conservation will depend not only on the solutions discussed above, but on policy changes that improve access to employment, education and health care for black South Africans. Virtually all commercial medicinal plant gatherers, for example, are rural women with little or no formal education, and therefore limited access to a formal employment. Medicinal plants are knowingly over-exploited as one of their few income earning options.

Maasdorp and Whiteside (1987) recently suggested a massive public works programme to reduce unemployment. Road construction, improving sanitation or planting woodlots are all more constructive and less risky forms of employment than exploiting specially protected medicinal plants, particularly if they are in state forest or conservation areas. Cultivation of key medicinal plant species as part of a public works programme (woodlots, agro-forestry) would kill two birds with one stone, providing alternative employment and an alternative supply source of those species.

All of these policies need strong support if they are to succeed. Cultivation of traditional medicines is an intuitively appealing idea first proposed here in 1938, yet not implemented until the Durban Municipality developed the well-publicised

Silverglen Nursery project. What the publicity has not made clear, however, is that cultivation on its own is not a solution. Plants have to be cultivated cheaply and on a large scale to meet the urban demand. At present, low prices ensure that few species are sold for a high enough price to make commercial cultivation possible. Even fewer of these are in the category most threatened by over-exploitation. With the value of medicinal plants to human health locally (traditional medicines) and globally (potential new pharmaceuticals), we have a responsibility to ensure that depletion does not occur.

Acknowledgement

The major thrust of this paper stems from a recent research project aimed at developing a conservation policy on the herbal medicine trade through joint funding and participation of the main interest groups involved — the National Nyangas Association, Herbal Traders Association, Natal Parks Board, Conservation Section, Department of Development Aid, KwaZulu Bureau of Natural Resources, FRD/CSIR and Human Needs Resources and Environment Programme: HSRC. Without this support the study stemming from the Southern Life Association Ethnobotany Programme, Institute of Natural Resources, would not have been possible.

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THE INVISIBLE COLLEGE

Regional Literature Databases

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Regional literature databases (including bibliographies) offer hope for an improved flow of information. Regional databases, as the term suggests, would concentrate on material available on given topics within a previously defined geographic region.

One of the major problems involved in conducting research in black areas is the difficulty in obtaining written information as well as contact addresses of organisations active in the field. The problems of information retrieval are compounded where most of the material consists of unpublished (internal) reports, or material published in obscure journals and in other hard-to-find sources — known collectively as 'grey' literature. Detailed personal knowledge of the various individuals and agencies working in an area is often the only way to gain access to written material.

Initial Entry

At some point in the course of development orientated work in black areas, there exists the need to try and collate existing sources of data. If this is undertaken too early, very little information will be evident despite a considerable expenditure of time. If the task is left indefinitely, however, several of the earlier reports may never be found, resulting in an incomplete record.

Missing reports, in effect, may as well have never been written at all. Alternatively, the material might only be known to a small circle of people who, with the passage of time, move away and leave no-one aware of the existence of the data. At best, grey literature may only have a lifespan of some four years after which memories fade.

The loss of information is especially problematic where an historical trend is being examined or where a before/after study is undertaken. Repetition of research previously undertaken as well as practical techniques already tested in the field, but not well publicised and therefore 'lost', may result from ignorance of past research. This

has financial implications where money (always in short supply) could have been better spent on different projects. Isolation from other people working on the same problem in a different area and, therefore, a lack of knowledge, also lead to duplication of effort. The 'invisible college', accordingly, may not operate at all or only sporadically.

Entry of young researchers to a given discipline or sub-discipline is complicated by a lack of previously known work. New personnel may have to spend a considerable amount of time initially trying to locate background material. Barriers to entry, therefore, in the form of limited available knowledge can impose a considerable constraint on the effective use of new staff.

Intra-agency communication can also be problematic and some senior personnel may resent the posing of inappropriate questions or requests for data already secured and 'believed' to be widely known. This can sometimes follow from young researchers over- or under-stating the magnitude of a problem through a simple lack of understanding of what has gone before.

Initial inaccuracies or impressions may not be corrected with time. Alternatively, promising hypotheses and suggestions for research (in written form) cannot always be acted on due to a lack of knowledge of the existence of material.

Database Approaches

A regional literature database offers several advantages, provided that a suitable 'clearing house' can be established. The formulation of a database (which is not a project to be entered into lightly) should involve an individual or preferably groups

In the absence of a regional database, barriers are thrown up to entry by new researchers, efforts often duplicated and hence funding wasted

A Resource Guide

Some South African Literature/Databases and Bibliographies
(which may be relevant to research and extension work in KwaZulu as well as other black areas)

Name of System	Contact Agency	Sphere of Interest
(1) GENERAL TOPICS		
SABINET (South African Bibliographic and Information Network)	SABINET P O Box 11064 Brooklyn 0011	Database host (directory) of all book and periodical holdings in South African libraries. Includes a list of higher degree theses submitted to Southern African universities.
ISAP/RSAT (Index to South African Periodicals) - partially available on SABINET	City of Johannesburg Public Library Market Square Johannesburg 2000	List of articles contained in selected South African periodicals.
PISAL/TISAB (Periodicals in South African libraries) - partially available on SABINET State Library	P O Box 397 Pretoria 0001	Database producer of all periodical holdings in South African libraries.
JC/GK (Joint Catalogue of Monographs) - partially available on SABINET	State Library P O Box 397 Pretoria 0001	Database producer of all book holdings in South African libraries.
Union Catalogue of Theses and Dissertations in South Africa - partially available on SABINET	Ferdinand Postma Library Potchefstroom University for Christian Higher Education Private Bag X05 Potchefstroom 2520	List of all higher degree theses submitted to Southern African universities.
SANB (South African National Bibliography) - to be incorporated into SABINET	State Library P O Box 397 Pretoria 0001	List of all material published in South Africa. Covers all subject areas and held by South African legal deposit libraries.
Bibliography of Official Publications of the Black South African Homelands	Documentation Centre for African Studies SANLAM Library University of South Africa P O Box 392 Pretoria 0001	List of official publications.
Bibliography of South African Government Publications (see below):	Division of Library Services Department of National Education Private Bag X122 Pretoria 0001	List of official publications.
Volume 1: Department of Statistics Volume 2: Department of Agricultural Technical Services/Department of Agricultural Economics and Marketing Volume 3: Department of Water Affairs Volume 4: Reports of Commissions and Committees of Inquiry Volume 5: Department of Health Volume 6: Department of Forestry		
INCH/INEG (National Press Cuttings Service)	Institute for Contemporary History University of the Orange Free State P O Box 2320 Bloemfontein 9300	File of newspaper clippings drawn from approximately 80 South African newspapers and a few periodicals.
NAREM (National Register of Manuscripts)	State Archives Service Private Bag X236 Pretoria 0001	List of archival material held in various South African libraries and archives.
TALK	Institute for Research Development Human Sciences Research Council Private Bag X270 Pretoria 0001	List of local and international professional conferences in the human and social sciences (mainly current or future conferences).
(2) HUMANITIES AND RELATED TOPICS		
BGSAED (Bibliographical Guide to South African Economic Development)	Department of Economic History University of Natal King George V Avenue Durban 4001	List of articles on a variety of topics.
CSRD/SSN (Centre for Social Science Research Data)	Group for Methodology and Technology Human Sciences Research Council Private Bag X270 Pretoria 0001	Index of questions used in HSRC research questionnaires, plus information about the data set.
Church and Development: An Annotated Bibliography	Institute for Missiological Research University of Pretoria Brooklyn 0011	List of articles on a variety of development issues.
CLI	Centre for Library and Information Services Human Sciences Research Council Private Bag X270 Pretoria 0001	List of articles contained in South African social science periodicals.
INPLRES	Institute for Planning Research University of Port Elizabeth P O Box 1600 Port Elizabeth 6000	List of articles on urban and regional topics, developmental research and socio-economic demographic topics.
INSOCDEV	Institute for Social Development University of the Western Cape Private Bag X17 Bellville 7530	List of articles on sociology, political science, economics, education and related topics.

NAVO DATA BANK

NOTE:

An annual extract drawn from the national database of the CSIR (see below) and the NAVO DATA BANK of the HSRC is available in book form in various parts (known as the National Register of Research Projects). It is currently published by the Chief Directorate Science Planning, Department of National Education, Private Bag X122, Pretoria 0001. Parts I, IIA and IIB concern the natural sciences and Parts III and IV concern the human sciences.

SOCJNL

(Sociology Journal Literature)

Institute for Research Development
Human Sciences Research Council
Private Bag X270
Pretoria
0001

List of higher degree theses and other work undertaken in the social sciences and humanities at Southern African universities, the HSRC, state departments and private institutions

Department of Sociology
University of Stellenbosch
Private Bag 5036
Stellenbosch
7600

List of articles on labour relations, demography, population descriptions and general sociology.

(3) AGRICULTURE, SCIENCE AND OTHER TOPICS

ENGY

South African Energy Information System
CSIR
P O Box 395
Pretoria
0001

List of articles on energy.

ERIENGY

Energy Research Institute
University of Cape Town
Rondebosch
7700

List of articles on energy.

ENVLIB

School of Environmental Studies Library
University of Cape Town
Rondebosch
7700

List of articles on environmental science and ecology, with special emphasis on environmental impact analysis and Southern Africa.

ESLI

(Ecology Section Literature Index)

Botanical Research Institute
Department of Agriculture and Water Supply
Private Bag X101
Pretoria
0001

List of articles on plant ecology.

DISPECSA

(Diseases Peculiar to Southern Africa)

The Hans Snyckers Institute
University of Pretoria
P O Box 667
Pretoria
0001

List of articles on human diseases specific to Southern Africa.

FISHLIT

(Fish Literature)

JLB Smith Institute of Ichthyology
Private Bag 1015
Grahamstown
6140

List of articles on Southern African marine and fresh water fish and related topics.

NATIN

Soil and Irrigation Research Institute
Department of Agriculture and Water Supply
Private Bag X79
Pretoria
0001

List of articles as well as numerical data on soils, climate and topography.

National Register of Research Projects
(Natural Sciences)

Division of Information Services
CSIR
P O Box 395
Pretoria
0001

List of research projects in the natural sciences undertaken in Southern Africa.

NOTE:

An annual extract drawn from the national database of the CSIR and the NAVO DATA BANK of the HSRC is available in book form in various parts (known as the National Register of Research Projects). It is currently published by the Chief Directorate of Science Planning, Department of National Education, Private Bag X122, Pretoria 0001. Parts I, IIA and IIB concern the natural sciences and Parts III and IV concern the human sciences.

ORI

Oceanographic Research Institute
P O Box 10712
Marine Parade
4056

List of marine articles with special reference to the east coast of Southern Africa.

PHOTOS

Botanical Research Institute
Department of Agriculture and Water Supply
Private Bag X101
Pretoria
0001

Extensive collection of slides on botanical and veld types of Southern Africa with associated information.

SAGEFOLIT

(South African Geological Literature)

Geological Survey Department of Mineral and Energy Affairs
Private Bag X112
Pretoria
0001

List of articles on geology.

SAMED

(South African Medical Literature)

Institute for Biomedical Communication
South African Medical Research Council
P O Box 70
Tygerberg
7505

List of articles on a variety of medical topics.

WATERLIT

(Water Literature)

South African Water Information Centre CSIR
P O Box 395
Pretoria
0001

List of articles on water and sanitation.

WATSNU

(Water and Sanitation Natal University)

Department of Economics
University of Natal
P O Box 375
Pietermaritzburg
3200

List of articles on domestic water, sanitation, drought and floods in KwaZulu.

WURM

Directorate of Agricultural Information
Department of Agriculture and Water Supply
Private Bag X144
Pretoria
0001

List of articles on Nematodes and their hosts.

Footnotes

- 1 This is not an exhaustive list. The discovery and advertising of all South African databases and bibliographies would form a most valuable information research and extension project.
- 2 For further information on selected databases, contact A Goldenhuys, Centre for Library and Information Services, Human Sciences Research Council, Private Bag X270, Pretoria 0001 or N Spicer, Division of Information Services, CSIR, P O Box 395, Pretoria 0001.
- 3 Also see: Anonymous, 1986. 'Wired to the World', Computer Mail - Supplement to the Financial Mail, 28 February 1986:27-30.

Acknowledgements

The author would like to thank C Dubbeld (University of Natal, Durban), A Goldenhuys (HSRC), J Morrison (Natal Society Library, Pietermaritzburg), I Prozesky (University of Natal, Pietermaritzburg), N Spicer (CSIR) and R van Niekerk (Department of Agriculture and Water Supply, Pietermaritzburg), for their kind interest and assistance with compilation of this resource guide.



Afropix: Paul Weinberg

Subsistence farmers at work in rural KwaZulu. A regional literature database on all research into agriculture would be of immense use for researchers, policy-makers and development agencies.

who have the necessary experience and detailed understanding of local conditions.

A database would not only provide lists of references grouped under suitable headings but would also identify the main proponents of research or extension (those who do record their experiences), as well as indicating agencies active in a particular sphere. Gaps in knowledge or little researched areas rapidly become evident through perusal of a database. Knowledge of material available in an allied discipline or sub-discipline, which the concerned field worker should know something about, is another advantage of a regional database.

Given the high proportion of information available only as grey literature and therefore hard to track down, the compilation of a literature database for black areas involves a considerable expenditure of time and effort. A database is only as good as the information (and perspiration) invested in the project. Another problem is that of updating the literature, which is never as challenging as initiation of the database but which could become burdensome. Some material, especially early work, may be of indifferent quality due to problems experienced at that time, although such work would need to be seen in a historical context. A major difficulty might well concern the banning of some literature.

Other literature such as internal engineering reports — which in the field of water and sanitation in KwaZulu, for example, often contain valuable numerical data — are seldom known about or made available even if one was aware of the existence of the information. While a certain case can be made for secrecy involving contract engineering work for a time, the subject matter ceases to be of great commercial significance after a few years.

It is not impossible to speculate that

engineering and other reports, as a condition of the award of the state contract, should have a time lapse clause after which the material is publicly released. This could result in tax savings where a problem tackled in 'Area A', say in 1983, is only experienced or addressed in 'Area B' (1000 km distant) in 1988. Lack of knowledge of the previous engineering reports will probably result in some 're-inventing of the wheel' by an engineering firm granted a contract by a different government department in 'Area B'.

The drawing up of a database need not only involve literature and could include purely numerical data. Aid and other organisations, with the exception of socio-economic data and perhaps some other data, seldom have the scientific resources or continuity to collect, for example, long-term rainfall or river run-off data. Nevertheless, a knowledge of the existence of numerical databases and whom to contact for such data may be invaluable.

Co-ordinating Needs

Several literature or numerical databases are possible for KwaZulu as a region, such as agriculture, health, nature conservation, etc. Each database would require commitment and a suitable team acting as a clearing house. Since Natal and KwaZulu are physically inter-woven, a future programme might involve various databases for Natal and KwaZulu as a combined geographic unit (this is the case with rainfall and river run-off data). Co-ordination of the various databases to avoid excessive overlapping or data poaching would then become an issue.

There are already a variety of South African literature databases in existence, ranging from SAMED (medical literature — see table) to JUTASTAT (legal material) — some free and some not, with some accessible only to specified organisations with the necessary computer equipment. To add to the difficulties, there is no composite up-to-date list available of all the South African databases and their formats. Neither is there an accepted co-ordinator, or 'honest broker', although the CSIR and the Human Sciences Research Council collate material in their respective fields of interest.

Regional literature databases to some extent would side-step these issues, although difficulties cannot be altogether avoided. Future problems should not obscure the need for regional literature databases for black areas, especially where 'grey' literature (which at present forms the majority of the information) is not being collated and is likely to be lost from view — unfortunately at a time of rapidly accelerating interest in the circumstances of black people. *UPA*

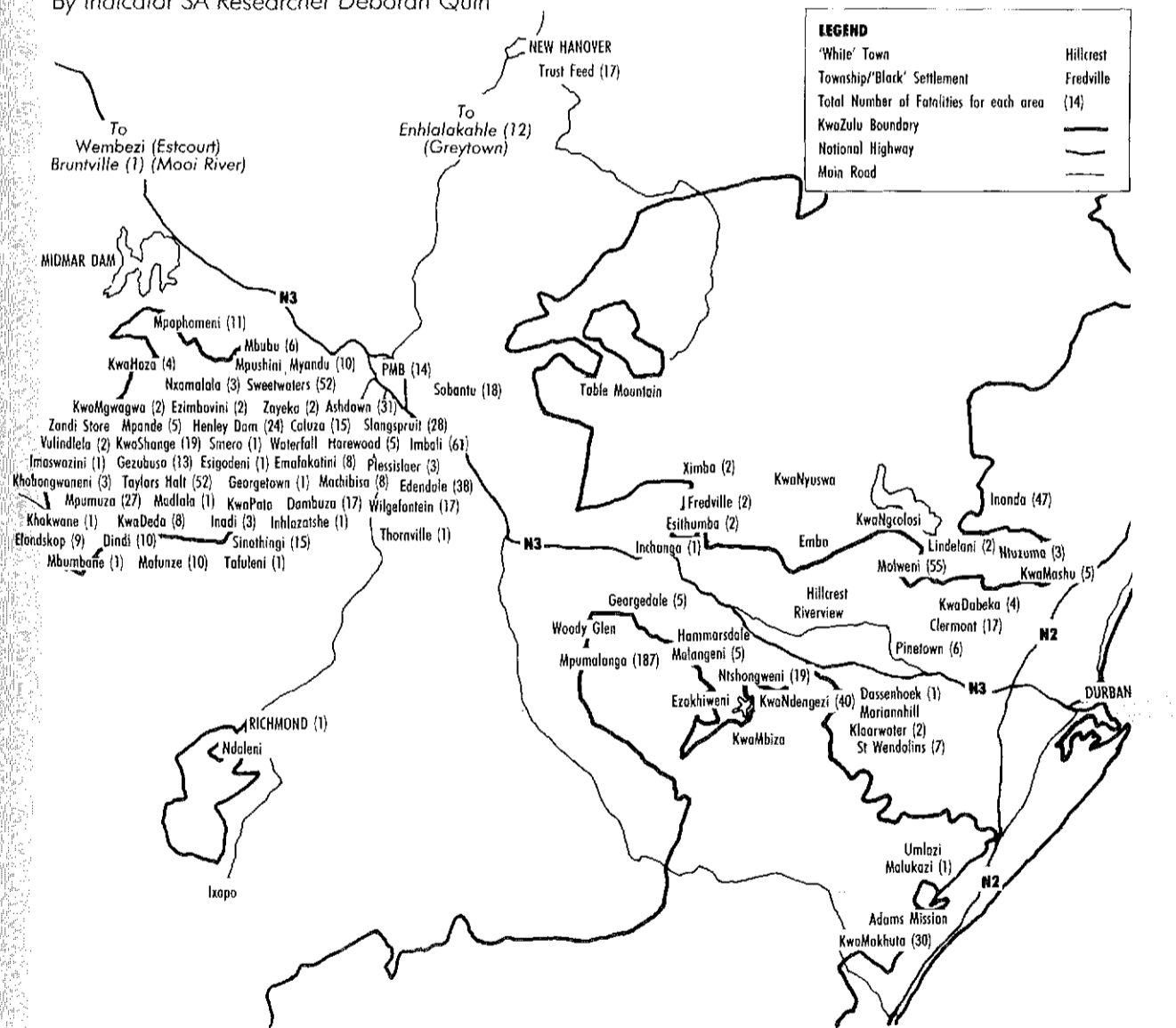
URBAN

M O N I T O R

Political Conflict in the Pietermaritzburg/Durban Corridor, 1985-1988

Township Flashpoints: Locating Fatalities

By Indicator SA Researcher Deborah Quin



NOTE: See chronology of political conflict in KwaZulu/Natal and annual breakdown of fatalities by major area in this edition: 68-72.

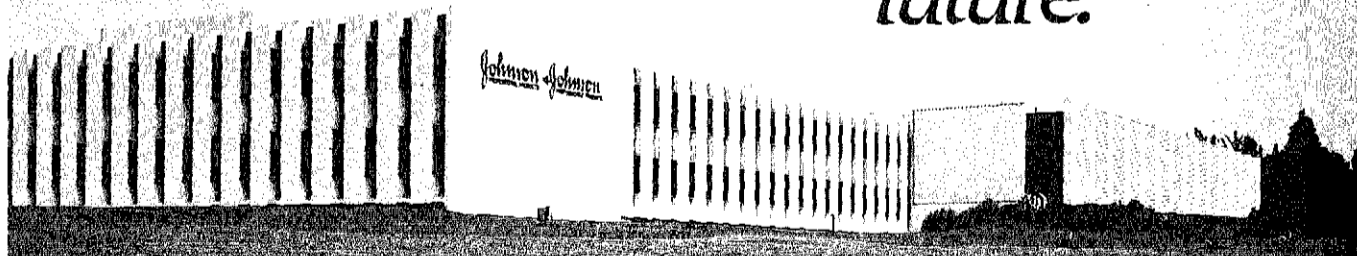


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STUDENT REPRESENTATION

A KwaZulu Survey

By Monica Bot & Professor Lawrence Schlemmer

What do pupils envisage when they demand democratically elected SRCs? An indication of what some pupils have in mind may be found in the results of an investigation conducted for the KwaZulu Department of Education and Culture by the authors into 'the attitudes and opinions of parents and pupils on the possible institution of SRCs', and the terms of reference upon which the constitution of such SRCs might be based. The study was commissioned by the KwaZulu authorities in order to guide future policy in regard to student representation.

During the past decade, one of the recurrent demands by African pupils has been for democratically elected student representative councils (SRCs) in high schools. Often such bodies were unofficially elected, and linked locally or nationally to organisations such as the South African Students Movement, the Congress of South African Students, the Soweto Students' Congress, etc., all of which were banned after periods of boycotts. In 1988, a total of 15 youth, student and teacher organisations were restricted in terms of the emergency regulations. Further, in November 1988 the Department of Education and Training (DET) gazetted severe regulations stating that pupils would be suspended or expelled if, among other forbidden activities, they were to incite pupils to boycott, to contravene regulations, etc.

The DET argues that adequate communication and representation structures for pupils have been established in the form of SRCs and liaison committees. Minister Viljoen said in March 1988 that 89 out of 409 DET schools had SRCs (*Natal Witness* 22/3/88). Despite this, demands for democratically elected SRCs have persisted, possibly because relatively few SRCs have been installed, or possibly because of disagreement over regulations pertaining to their establishment (see box). Early in 1989, for example, the Soweto Students' Co-ordinating Committee was formed, and one of the 'immediate issues to be tackled was to demand full recognition of democratically elected SRCs and parent-teacher-student associations' (*Sowetan* 30/1/89).

The Sample

In a survey of parent and pupil attitudes

on SRCs, a total of 28 secondary schools was randomly selected from 11 urban and rural circuits under the KwaZulu Department of Education and Culture. In each school five groups of 35 randomly selected pupils (two std 8 groups, two std 9 groups and one std 10 group) completed a questionnaire designed by the authors, which was both in English and Zulu. A total of 4 889 pupils took part in the study, the fieldwork for which was carried out by IMS SA (Pty) Ltd during April and May 1988. The fact that the fieldwork was conducted by a commercial organisation as well as the reassurances that were given as regards confidentiality of answers, encouraged frank and honest replies.

The schools selected included metropolitan high schools in Durban (eg. KwaMashu, Umlazi, Mpumalanga), which have been influenced by current political trends and pupil culture in African city schools, as well as schools which have been more insulated from such trends, particularly those selected in rural KwaZulu areas. Thus the study encompassed a fair spectrum of types of political climate which are encountered in African schools in South Africa.

Of the total sample, 38% of pupils were in std 8, 41% in std 9 and 21% in std 10. A large number of pupils were older than is generally expected at school level; over half of the pupils were 18 years old or more, and 19% were in fact 20 years old or more. Of the total group, 47% were male and 53% female. Overall, pupils did not seem to be highly politicised, at least not to the extent that any percentage approaching a majority belonged to particular political organisations (63% mentioned they belonged to sports clubs or choirs, while only 16% mentioned political or student organisations).

The SRCs and liaison committees set up by the DET have not satisfied pupil demands for democratic structures

The KwaZulu survey covered a representative sample of pupil political cultures in rural and urban African city schools

Nearly two-thirds of respondents believe that pupil representatives should make rules together with the principal and staff

Knowledge of SRCs

While 46% of pupils had heard of SRCs previously, 54% had not. Awareness of SRCs well exceeded actual knowledge of what an SRC is; only 24% of pupils claimed that they knew what an SRC is. Very few pupils had negative opinions of SRCs: 51% of pupils were not sure whether they were a good thing or a bad thing, 46% thought they were a very or a fairly good thing and only 3% thought they were fairly or very bad.

Pupils were then given four descriptions of SRCs, and asked to select which of these best described what an SRC is (percentages exceed 100% because more than one response could be given):

SRCs are groups of pupils who:	(n=4 889)
Are elected to speak for pupils	80%
Have grievances about schools	27%
Have appointed themselves to speak for pupils	18%
Belong to political organisations	5%

The high extent of agreement with the first description, in view of the fact that only a minority had indicated they knew what an SRC is, probably reflects preference as much as knowledge about SRCs.

Prefects & Elections

Pupils were asked to indicate which of three representative systems they preferred, to which answers were as follows:

Appointed prefects	11%
Pupil-elected prefects	43%
Pupil-elected SRCs	46%

This question was followed by a probe concerning the method of selection and appointment. Although there is majority support for a prefect system (54%), most pupils feel these should be elected by pupils, and then appointed by the headmaster. Among those wanting SRCs, however, there was also substantial support for a joint process of appointment. The combined results of the two items allow the full range of preferences to be given. This is presented below for the sample as a whole and for Durban metropolitan schools separately:

Pupil's representatives should be:	Whole Sample	Dbn Metropolitan
Selected solely by staff	6%	4%
Selected by staff and parents	9%	6%
Selected by staff and pupils jointly	49%	43%
Selected solely by pupils	36%	46%

In the sample as a whole there is no majority preference for representation on the basis of selection solely by pupils. In the Durban metropolitan schools the preference for autonomous pupil representation increases to 46%, hence still slightly short of a majority. Whether prefects or SRCs are preferred, or whether staff and parents should participate, however, over 70% of pupils feel that representatives should be elected. Thus the interest in a democratic system is very strong throughout the sample. This concern with a democratic procedure is also reflected in the fact that there is near consensus that an equal number of pupils should be elected from each class; just over 70 percent felt one or two pupils from each class should be elected as opposed to electing more pupils from higher standards.

Duties of Representatives

With regard to the duties of pupil representatives, the following emerged:

- Some 58% of all pupils felt that representatives should have uniform duties in all schools. (This was supported by 52% of pupils preferring prefects, compared with 65% of those preferring SRCs.)
- Only 36% of pupils felt that representatives should only have advisory roles. (This proportion was 30% among those preferring SRCs.) Hence nearly two-thirds felt that representatives should make rules together with the principal and staff.
- Some 57% felt that representatives should have the right to join the school committee (50% of those preferring prefects felt they should have this right, compared with 66% of those preferring SRCs).
- As many as 55% of all pupils felt that parents and/or teachers should have the right to veto pupil decisions. Sixty-three percent of those preferring prefects felt that parents and teachers should be able to stop a decision by prefects, compared with 46% of those preferring SRCs. Thus even among the pupils wanting SRCs, there is by no means a strong majority insistence on complete pupil autonomy or unilateral pupil power.

Among pupils there is wide support for representatives to deal with pupils' work, pupil discipline, and sport, choir and other activities, and there is also majority support for them to deal with pupil protests. With regard to political matters, however, few pupils feel this should fall within the areas of responsibility of either prefects or SRCs:

Prefects/SRCs should deal with:	Prefects (n=2 649)	SRCs (n=2 238)
Encouraging pupils to work, do homework	55%	61%
Responding to student protests	55%	61%
Discipline of pupils	54%	50%
Sport, choir and other school activities	50%	53%
Behaviour of teachers	35%	51%
What is taught in class	32%	39%
Buying of books and stationery	29%	43%
Payment of fees	29%	36%
Punishment of teachers	10%	16%
Political matters	4%	8%

On all but one issue, support for SRCs dealing with the issues above was higher than in the case of prefects. The most notable differences between the two groups of pupils are in respect of whether the behaviour of teachers should be dealt with, and the buying of books and stationery. With regard to funding, the majority of both groups felt prefects or SRCs should be allowed to raise funds, in addition to obtaining money from the school (between 54% and 57%); while the remainder felt they should only get financial support from the school.

Finally, with regard to whether SRCs or prefects should have contacts outside the school, pupils favouring SRCs were more inclined to endorse this, although the majority of both groups (63%) was either unsure or opposed to this. Pupils who were in favour were then asked which of a list of organisations they should be able to join. This is given separately for those selecting prefects and those selecting SRCs:

	Prefects (n=1 363)	SRCs (n=1 475)
NECC (National Education Crisis Committee)	54%	60%
Students Christian Association (SCA)	43%	33%
Inkatha Youth Brigade	30%	17%
Student congresses	20%	31%
Sansco (SA National Students' Congress)	14%	28%
UDF	4%	14%
Azasm (Azanian Students Movement)	1%	3%
Other (spontaneous mention)	3%	2%

Pupils who had chosen SRCs were thus slightly more in favour of these joining organisations such as the NECC, student congresses, Sansco and the UDF, than were pupils responding with regard to prefects. The latter also felt more strongly that prefects should only work in their own school (64%) instead of joining together with prefects from different schools; this latter alternative was supported by 66% of those favouring SRCs. Of those who supported prefects/SRCs joining a wider network, pupils favouring SRCs were clearly more in favour of joining at a national level than were pupils

SRC Constitution (Secondary Schools)

Department of Education & Training model

Objectives

- To act as representatives of their fellow students.
- To serve as a channel for communication between students themselves, and between students, staff and the principal.
- To assist in maintaining order in the school in accordance with the approved school rules.
- To set a positive example of discipline, loyalty, respect, punctuality, academic thoroughness, morality, co-operation, and active participation in school activities.

Duties

- The promotion of good relations among the students themselves, students and school staff, the school and the community, and the school and the parents. Methods include meeting with class leaders once a month, and ensuring that problems raised are formulated, submitted and solved by means of negotiation and consultation with the principal and the staff.
- The promotion, of responsibility by participating once a year in an advisory capacity in the revision of the school rules, of 'studentship' and of leadership.
- Support for the total educational programme of the school (academic, religious, cultural and sports).
- Maintenance and refinement of school traditions.

Composition

- The SRC consists of democratically nominated and elected students from standards 8 to 10 in every secondary school.
- Twelve pupils will be elected from std 10, eight from std 9 and four from std 8.
- The SRC will be led by an executive committee consisting of four students elected by the SRC.
- The principal or his appointee shall be ex-officio an advisory member of the SRC, and is also the teacher in charge of student affairs.

Election Procedure

- Each student may nominate not more than 12 students from std 10, eight from std 9 and four from std 8.
- Nominations take place under the supervision of the class teacher and a head of department/principal. No consultation between pupils is permitted.
- The nominations are sorted and counted, and those who obtain the most votes are placed on a shortlist (no more than 24 students for std 10, 16 for std 9 and eight for std 8). These names are placed on a ballot paper, and the day after the nominations each student receives a ballot paper and votes.
- The votes are counted in the presence of the candidates, and those who have obtained the most votes will form the SRC for the current year.
- SRC members are required to sign a 'code of honour'.

Note:

Students who do not qualify as nominees in terms of the following requirements are removed from the nominations list under the supervision of the principal: those elected must have attended the school for two continuous school terms prior to the election date; must have attended the school regularly; reveal signs of leadership and integrity; evince a positive attitude, be able to act authoritatively and responsibly; and set a positive example as regards loyalty, respect, punctuality, academic thoroughness, morality and co-operation.

- The principal can discharge a member of the SRC if he/she commits an act which undermines the administration of the school or encourages others to commit such acts; is disobedient or refuses to carry out instructions from any teacher or a person in charge; refuses to fulfil duties; displays improper or unseemly behaviour; stays away from school without a valid reason; fails to attend meetings regularly; or has been suspended.

Other regulations

- Half of the SRC plus one forms a quorum.
- The SRC must meet at least once a month. The minutes of the Executive must be submitted and approved at the meeting; the following day these must be submitted to the principal by the SRC. The principal forwards these minutes to the governing body, the ward inspector and the circuit inspector.
- Funds are obtained by request via the principal and the governing body from the school fund to cover normal expenses, such as for stationery and other administrative expenses.

Source

Summarised from Department of Education and Training, *Communication Structure*. Pretoria: 9 October 1984.

Although pupils appear equally divided on whether they prefer SRCs or prefects, both camps support a democratic selection process

Political agendas are not placed high on the agenda for either prefect bodies or SRCs

Acknowledgement
The authors would like to thank the KwaZulu Department of Education and Culture for permission granted to publish the above survey results.

favouring prefects. However, the results for the two groups reveal a considerable overlap in perceptions of duties of pupil representatives.

Comment

What is apparent from this overview of the survey findings is that there is no consensus among pupils in the schools of KwaZulu regarding the type of pupil representation — the choice for either prefects or SRCs is roughly equal. While pupils have preferences, these vary both within and between schools. Furthermore, it appears as if there is a considerable lack of specific knowledge of what an SRC is. Pupils are generally firmer on their preferences than they are on their knowledge of SRCs elsewhere in the country.

What did emerge is that pupils in certain, but not all, metropolitan schools have a closer acquaintance with SRCs. The results also clearly showed that there are certain school districts in which SRCs are very popular and others, usually but not exclusively rural, where prefects are favoured. It is impossible, however, to single out particular districts as anywhere near uniformly pro-SRC or pro-prefect.

Whatever the representative system is called, the pupil sample as a whole prefers that it is elected by staff and pupils jointly (with or without parents), followed by selection solely by pupils. Other consensus issues are:

- Political concerns are not high on the agenda for either prefect bodies or SRCs. While pupil protests were a more prominent concern, pupils have in mind a student leadership that deals with or mediates protests rather than leading them.
- The main roles which pupils see for their leadership concern things like motivation to study, pupil discipline, extra-mural activities and dealing with pupil protests.

The most fundamental difference between the pupils who want SRCs and those who want prefects is that the pro-SRC group tends to have what may be termed a 'trade union' orientation; they are more inclined to want uniform duties in all schools, the right to join school committees, be involved with staff in decision-making, join outside pupil or student organisations, work collectively with other schools, and form linkages covering the whole of the country. On the other hand, virtually half of the pro-SRC group was willing to agree to SRC decision being vetoed by teachers or parents; not much less than the proportion in the pro-prefect group.

While these findings are not representative of the whole country, they may give some indication of differences in perception of student representation between pupils

and the DET. When comparing these findings with the SRC constitution of the DET (see box), the following differences emerge:

- While the majority of KwaZulu pupils (just over 70%) felt that an equal number of pupils should be elected from each standard, the DET stipulates that higher standards be more heavily represented. Pupils thus seem to be genuinely interested in the kind of representation which is sensitive to the differing interests of younger and older pupils at particular education levels.
- While the DET lays down a number of rules and allows for subjective judgements on the basis of which nominees can be rejected, 36% of KwaZulu pupils felt that SRCs should be solely pupil-elected, which increases to nearly half of the pupils in metropolitan schools most typical of the DET situation.
- Contacts with outside organisations such as the NECC, SCA, students' congresses and Sansco, were favoured by 37% of pupils; no mention of a wider network is made by the DET.
- With regard to duties, the DET sees the SRC as an advisory body, while only 35% of KwaZulu pupils felt they should only give advice, and 65% that they should make rules together with the staff. Similarly, 55% felt they should have the right to join the school committee. However, 55% also felt that parents/teachers should be able to stop a decision made by the SRC/prefects.
- While there is consensus regarding responsibility for academic, extra-mural and some disciplinary activities, 42% felt that SRCs or prefects should also deal with teacher behaviour (13% that they should deal with the punishment of teachers), and 35% that they should deal with what is taught in class, and with the buying of books and stationery.

Although some of these points may be debatable and very likely unacceptable to the DET, others could certainly be considered and discussed, including the issue of equal representation for different standards and participation in drawing up rules. The DET has indicated on various occasions that one of its main problems is how the Department is perceived; in order to promote a successful communication structure, therefore, it would seem of the utmost importance that genuine discussion and consultation should take place on such matters.

The results of this study suggest that even in the metropolitan schools studied, the demands of pupils are likely to be reasonable if the entire pupil body is consulted by means of fair and objective referenda. The concern among pupils appears to be dominantly with a democratic process of grievance articulation, rather than with pupil hegemony.

Free Settlement Cities

APARTHEID'S GREY ZONES

By Professor SP Cilliers,
Department of Sociology,
University of Stellenbosch

The political stalemate on group areas reform and the ruling party's adherence to the principle of racial zoning have become a major election issue in the build-up to the 6 September polls. In reviewing three related new acts and two withdrawn bills, Prof Cilliers comments on the limitations of the new concept of 'free settlement areas' and speculates on the prospects for more substantial reform of this pillar of apartheid policy.

Recent legislative initiatives on the issue of racial zoning were triggered by the publication of the President's Council's Report (PR 4/1987) late in 1987. This report was drafted at the request of the State President, who in 1984 had referred the findings of a Technical Committee on the Group Areas Act, the Separate Amenities Act and related legislation (the Strydom Committee) to the President's Council. The Committee had been instructed to review various reports relating to aspects of consolidating the Group Areas Act, the Separate Amenities Act and the Slums Act into one comprehensive Act.

The PC-Report took as its point of departure the brief to the Strydom Committee, which, in turn, had accepted the idea of residential separation as the basis for the spatial ordering of society. The validity of this concept was, therefore, not questioned or even argued by either body of review.

Ownership and occupation of land in rural areas was considered only in so far as it affected the Group Areas Act. Therefore, no attention was given to the 1913 or 1936 legislation restricting African access to land.

PC Recommendations

The President's Council's Report of 1987 recommended:

- that the Separate Amenities Act No 49 of 1953 be repealed, as well as Section 1(4) of the Group Areas Act and Proclamation R17 of 1986. (Section 1(4) had extended the former Act to cover temporary occupation; while Proclamation R17 of 1986 nullified this with regard to free trade areas.); that local authorities assume responsibility for the management of beaches and of the sea, with a right of appeal to the Administrator-in-Executive Committee; that privatisation be used where desirable in the development of public amenities;

- that the principles of the Slums Act be retained and strengthened, through a review and extension of the Act, and through rationalisation of this Act, the Act for the Prevention of Unlawful Squatting of 1951, and related housing and health legislation. Further, it was recommended that the responsibility (Section 3(1)) of local authorities to provide housing be scrapped, and their responsibilities in this regard be reviewed;
- that with regard to the Group Areas Act, provision be made for procedures to change the status of existing separate residential areas into open areas, for the creation of separate or open areas in new residential areas, and for the utilisation of town planning for the ordering of settlement.

It was further recommended that:

- all premises/land zoned for non-residential purposes be open for occupation by members of all population groups;
- residential status of proclaimed townships be changed on the initiative of the relevant local authority, a group of lawful inhabitants or owners, and the relevant management committee and neighbouring affairs committee, subject to the inhabitants having been canvassed by the relevant local authority;
- local authorities be authorised to grant exceptions with regard to residential occupation;
- developers to have the right to choose the population groups entitled to reside in townships to be developed by them;
- local authorities to attend to the creation of open areas in or around Central Business Districts (CBDs), or the creation of residential areas for the different population groups near to CBDs;
- tertiary education authorities be free to decide on the occupation of their campuses;
- certain controlled rural areas (agricultural land) be declared open areas for ownership and occupation.



AFRAPIX Eric Miller

A family classified as 'coloured' under South Africa's apartheid law, who live illegally in highrise Hillbrow, an informally 'mixed' inner city area of Johannesburg.

Government Reaction

The President's Council's Report was the subject of statements by the State President and by Cabinet Ministers to the House of Assembly on 5 October 1987. A detailed reading of *Hansard* and of media reports on these statements leads to the following conclusions:

The principle of separate residential areas was reconfirmed, and notice given to the intention to create instruments for the effective protection from intrusion of residential areas allocated to a particular community. The concept of open areas was accepted in principle, however, both with regard to new townships and to existing townships. Lastly, support for the retention of separate schools for each population group — even in the light of the possibility of open residential areas — was reiterated, although mixed private schools may be established.

Government response to the PC recommendations stressed there should be thorough investigation of the possible constitutional implications for the institution of open areas before any steps were taken towards the implementation of the concept. Further contravention of existing laws in anticipation of changes in the legal situation would not be tolerated — lengthy and complex legislative and administrative procedures were to precede any move to open certain residential areas.

Lastly, the recommendation of the President's Council concerning the abolition of the Separate Amenities Act was not accepted.

Recent Action

Five Bills were tabled in parliament late in 1988 to give effect to the new government policy. These were:

- Prevention of Illegal Squatting Amendment Bill
- Free Settlement Areas Bill
- Local Government Affairs in Free Settlement Areas Bill

- Slums Bill
- Group Areas Amendment Bill.

The first three of these were subsequently enacted, the Slums Bill has not yet been enacted, and the Group Areas Amendment Bill has now been withdrawn.

- *Prevention of Illegal Squatting Amendment Act, No104 of 1988*

This Act creates presumptions in connection with the prohibition of illegal squatting, thereby shifting the burden of proof to the defendant; increases prescribed penalties; provides for the obligatory ejection of persons convicted of the offence of illegal squatting; extends the ambit of the main Act to control squatting in areas outside the area of jurisdiction of the local authority, by means of committees; and provides for the conversion of emergency camps into transit areas under management and control.

The amended Act also creates mechanisms for the upgrading and development of areas designated for the settlement of squatters into fully-fledged townships in which the inhabitants may acquire ownership of sites; and charges the Minister of Constitutional Development and Planning with the responsibility of determining general policy regarding the prevention of squatting.

The passage of the Act was effected without the concurrence of the Houses of Delegates and Representatives, after the President's Council had made a positive recommendation in terms of Section 78(5)(a) of the Republic of South Africa Constitution Act of 1983.

During discussion of the Bill in Parliament and elsewhere, fears were expressed that this Act could possibly be utilised for the purposes of 'black spot' clearances, forced removals, population resettlement and/or the reinstatement of influx control. A close reading of the Act shows that these fears are unfounded. However, note should be taken of the fact that much stronger action by the state against illegal squatting is now possible in terms of the Act.

- *The Free Settlement Areas Act, No102 of 1988*

This Act provides for the declaration of certain areas as free settlement areas, i.e. areas in respect of which immovable property situated in it may be lawfully occupied, acquired, held or disposed of to any person irrespective of the race of that person. It also provides for the establishment of a Free Settlement Board, to report on the desirability or necessity that a particular area be declared a free settlement area; and for procedures to be followed for having an area proclaimed as such. A proclamation by the State President must, if it affects an area already proclaimed for occupation by members of a specific population group, rest on the concurrence of the (white, coloured or Indian) Ministers' Council concerned.

This Act came into effect on 8 February 1989. In terms of Section 4(1) of the Act, a Free Settlement Board has already been appointed under the chairmanship of Mr Hein Kruger, at present a member of the President's Council.

The initial reaction to the Act has been mixed. On the positive side, the concept underlying the Act, i.e. the recognition of the legitimacy of the desire of some people to live in an open environment, has been widely welcomed. This step has even been hailed as indicative of a slight shift away from a previous unrelenting commitment by the ruling party to strictly

enforce residential segregation. On the negative side, it has been rejected by coloured and Indian leaders as wholly inadequate in view of their total opposition to the concept of group areas.

• *Local Government Affairs in Free Settlement Areas Act, No103 of 1988*

This Act provides for the amendment to the ordinances and regulations of the various provinces, in order to make provision for political participation in local government processes by residents of free settlement areas (through the institution of management bodies). Provision is also made for the establishment of a joint committee of the local authority and the management body concerned. Voters who are already registered in such areas are afforded an option to retain their votes in existing local authorities.

The (re-)introduction of mixed voters rolls for local authorities, albeit only for yet to be established and limited free settlement areas, is a noteworthy relaxation of a previous unswerving state commitment to the concept of separate representation at all levels of government.

• *The Slums Bill of 1988*

The Slums Bill, tabled in 1988 as a General Affairs Bill, had as its object the counteracting of urban decay. It was to replace the 'outdated' Slums Act of 1979, the administration and enforcement of which had become 'too cumbersome'. The Bill introduced two new elements, namely the intention to extend the Slums Act to black urban areas and the introduction of the concept of a (public) nuisance. The responsibility to combat urban decay (i.e. slum conditions) was to remain with local authorities. This Bill was not taken through all stages in Parliament in 1988.

During the 1989 session of Parliament a new Bill, entitled Development and Housing Amendment Bill (House of Assembly) (B56-89(OA)) was tabled as an Own Affairs Bill. It proposes to incorporate the Slums Act of 1979 in the form of a new chapter into the Development and Housing Act No103 of 1985, and to repeal the Slums Act of 1979, in so far as it concerns the white population group. The provisions in this regard will streamline the procedure of slum clearance, giving more extensive powers to local authorities to remove or prevent the occurrence of a slum (referred to as a nuisance in this Bill) on premises in 'white' areas within their areas of jurisdiction.

• *The Group Areas Amendment Bill of 1988*

The Group Areas Amendment Bill had its main thrust the tightening up of existing legislation so as to more effectively combat the phenomenon of 'grey areas'. This provision was envisaged for a very significant increase in fines — e.g. from R400 to R10 000 in some cases — and for summary ejection of persons, their dependents and possessions. The Bill was clearly formulated to give effect to the government's reaction to the President's Council's Report, namely that contravention of existing laws in anticipation of changes in the legal situation would not be tolerated.

The adamant opposition by the Houses of Delegates and Representatives to group areas as well as the very strong objection publicly voiced, both internally and internationally, did not allow for the Bill to be processed through Parliament during 1988. The Bill

has now been withdrawn, though further legislative initiatives probably will be launched after the general election on 6 September 1989.

Commentary

These recent legislative initiatives launched by the government illustrate the contradictions inherent in current National Party policy on the issue of racial zoning of land. The Free Settlement Areas Act, together with the earlier deracialisation of Central Business Districts, suggest a willingness to acknowledge the need for freedom of association and the needs arising out of an integrated economy. During the campaign for the 1987 elections, no National Party candidate unreservedly condemned the Group Areas Act, although sentiments suggesting a willingness for change were often expressed. These were, however, always accompanied by a reaffirmation of the party's commitment to the preservation of group identities, i.e. through separate residential areas and segregated schools.

Following the municipal elections of October 1988, actions by town councils dominated by the Conservative Party in places such as Boksburg and Carletonville have confirmed the dangers inherent in the 'local option' approach advocated in the President's Council Report.

Will the legislative changes in fact bring about meaningful reform? While there may in principle have been a shift towards a greater recognition of freedom of association, in practice very little will change in the medium term. Local authorities, with whom much of the initiative in implementing free settlement areas rests, will probably overwhelmingly choose not to initiate the conversion of existing segregated residential areas into free settlement areas.

From a sociological perspective, the concept of free settlement areas is unsound. Given the imbalances between the property markets in white and black areas, the disparity in standards between residential areas in white and black areas, the fears that the average homeowner has concerning the effect of changes in racial zoning on property values, and the cumbersome procedures involved — it is unlikely that meaningful progress will be obtained through the declaration of free settlement areas.

In view of the general election to be held in September 1989, it may be expected that the same strategies used during the 1987 election campaign will be followed. The National Party will endeavour to argue that progress towards a more open society has been achieved through the enactment of the Free Settlement Areas Act. The Conservative Party will promise to strengthen and enforce the Group Areas Act more rigorously, and will probably move further towards a policy of total territorial separation. The Democratic Party will call for the scrapping of the Group Areas Act and the Separate Amenities Act. The Labour Party will maintain its unrelenting stance against the Acts, in the hope that this will strengthen their support at the polls.

Voter behaviour in areas where the application of these acts has come under pressure will most certainly influence National Party initiatives after the election. There is, however, no prospect at this stage of the Group Areas Act being repealed under a National Party government. J.P.A.

The Pietermaritzburg Peace Initiatives

Data Trends September 1987-June 1989

Compiled by IPSA Researcher Deborah Quin

<p>Sept 1987</p>	<p>2 Sept High school in Pmb's Edendale complex closed after death of 2 residents in conflict in black residential areas, with one teacher seriously injured, too dangerous for pupils to attend class. Residents in nearby Harewood and Sinathingi claim they are being forced to join Inkatha. 5/6 Sept A policeman is murdered in Sinathingi unrest. 21 Sept New emergency restrictions imposed on unrest funerals in Pmb areas of Edendale, Ashdown, Imbali, Sobantu; also, Mpumalanga (Hammarisdale), Enhlalakahle (Greytown) and Mpophomeni (Howick). 25 Sept In KwaShange in Pmb's Vulindlela complex, 15 people are killed and 30 injured in attack on Inkatha house, 3 police and 3 others held for questioning.</p>
<p>Oct 1987</p>	<p>3/4 Oct According to police 33 people have died in Pmb conflict since upsurge on 21 Sept this year. 5 Oct UDF and Inkatha release joint statement appealing to members to stop the violence. 12 Oct Pmb Supreme Court finds 3 Inkatha Youth Brigade members guilty of murdering a Cosatu official in Mtunzini (N Coast) in December 1986. 19 Oct Matric examinations disrupted in Edendale by armed groups of men, police agree to protect pupils. 22 Oct Sixteen more arrests in Edendale bring total arrests in week to 324. 23 Oct Special police team formed to crackdown on unrest as pupils unable to write exams in townships, some pupils writing at alternative venues in Pmb city centre. 26 Oct KwaZulu govt asks for Plessislaer (outside Pmb) police station to be handed over as they believe the SAP have been unable to maintain law and order. 27 Oct Chief Buthelezi and Minister of Law and Order Vlok hold talks on conflict in Ulundi.</p>
<p>Nov 1987</p>	<p>1 Nov Pmb prayer meeting for peace, Archbishop Tutu calls for ceasefire. 3 Nov In Pmb Supreme Court, 3 Slangspruit (outside Pmb) residents apply for urgent interdict to restrain Inkatha leader Chief Zuma, from attempting to assault or kill them. Another interdict is brought by 9 Harewood residents against same man. In another case, David Ntombela, local Inkatha chairperson of Imaswazini (Vulindlela), his brother and 6 others provisionally restrained in action brought by Mkhize following the murder of his mother and sister. 5 Nov SADF called in to assist police to contain Pmb violence. 6 Nov Tutu, Hurley and Gumede meet with Buthelezi, Dhlomo and Musa Zondi. The main interest groups discuss ways of ending the conflict which has led to more than 130 fatalities this year. 7/8 Nov In Sobantu 3 BC youth supporters killed in ongoing conflict with UDF youths. 13 Nov Martin Wittenburg, Skumbuzo Ngwenya and 10 youths detained while holding peace talks. UDF/Cosatu estimate 200 midlands supporters now in detention. 14/15 Nov Seventy-three people detained over weekend, preventative detention. 17 Nov Another 18 UDF/Cosatu members detained at Cosatu house, 2 days before start of peace talks, includes 2 more key negotiators, Robin Mkhize and Kenneth Dladla. 18 Nov UDF quits peace talks as 39th member is detained. Another 29 arrested in Edendale and Plessislaer, including crisis fieldworker. Since Jan 1987, 150 fatalities - at least 90 dead since 21 Sept, with more than 500 arrests. Wittenburg and Ngwenya released from detention with severe restrictions, 34 Inkatha supporters detained in recent crackdown. Pmb Supreme Court, 4 Inkatha members temporarily restrained from committing acts of violence against 2 Imbali residents. 24 Nov First round of peace talks chaired by Pmb Chamber of Commerce. Joint statement issued calling for release of all detained members of organisations involved in conflict. 28/29 Nov At least 10 fatalities over weekend in Mpande and Henley Dam (Vulindlela), Mpumalanga, Harewood and Imbali.</p>
<p>Dec 1987</p>	<p>5/6 Dec Edendale UDF rally goes ahead with magistrate's permission. 7 Dec Taylors Halt, group of men bussed in, go on rampage killing 7 people, 21 arrested. Pmb police arrest 287 in crime prevention exercise, total arrests now over 800. 8 Dec Pmb police say 1 120 people from Pmb's black areas charged under emergency regulations since 21 Sept this year. 9 Dec Second round of peace talks chaired by Pmb Chamber of Commerce. Deadlock over release of document by the exiled (ANC) Marxist Workers Tendency group, which criticises Uwusa and Inkatha, calling for their destruction. 11 Dec More than 500 police cordon off Relief Street area in central Pmb in crime prevention exercise and arrest 220. 16 Nov Pmb UDF/Cosatu rally and Taylors Halt Inkatha rally. More than 10 000 attend separate party report-backs on peace talks. 19/22 Dec At least 20 die in Pmb's black areas of Henley Dam, Sinathingi, Edendale, Imbali, Willowfountain, Mpumuza, Inadi, Sweetwaters, Dambuza, Mlangeni and Ezakheni. 25/27 Dec Fifteen die including 3 people in Molweni (Thousand Hills area) conflict, 22 houses destroyed and 42 people arrested. 28/30 Dec In Sinathingi 5 mourners are killed in an ambush and 2 BC activists are killed in Imbali, with at least 7 more deaths reported in KwaDeda, Slangspruit and Taylors Halt. According to police statistics, the death toll since mid-September is 204, while CAE figures show over 400 conflict fatalities in 1987 (at least 108 in Dec).</p>
<p>Jan 1988</p>	<p>SAP report 26 people die in conflict on New Years Day in Pmb townships. A joint statement is released by Inkatha and UDF calling on members to stop committing acts of violence. 9/10 Jan Pmb Catholic churches hold vigils to pray for peace. 13 Jan According to police already 42 people killed in the New Year. 15 Jan At Mafakhatini (Vulindlela) a bus driver is shot dead, eighth driver killed since Nov 1987. 16/17 Jan Another 11 conflict fatalities.</p>

	<p>18 Jan In Mpumalanga 4 men and 2 youths are shot dead by AK-47 gunfire in 2 separate incidents.</p> <p>25 Jan Pmb Chamber of Commerce meets with Buthelezi in continuation of peace initiative.</p> <p>Imbali resident and 4 sons obtain interim interdict restraining 3 Inkatha members, incl an Imbali councillor, from killing or assaulting them.</p> <p>28 Jan Pmb Supreme Court grants further interdict against Zuma brought by the Mthembu family after 2 members seriously injured. Several KwaZulu school principals in Pmb area demand Inkatha membership cards before allowing pupils to register.</p> <p>30/31 Jan 15 000 Inkatha members hold peace rally at Sweetwaters.</p> <p>At least 13 people die, including 5 in Sweetwaters. After rally, a raid on Ashdown, a predominantly UDF area, leaves 4 people dead, leading to stayaway on 1 Feb by residents fearing for lives and property.</p> <p>At least 163 conflict fatalities during the month (CAE); police figures show 119 dead.</p>
Feb 1988	<p>Pmb court extends interim interdict against 3 Inkatha leaders, Zuma, Zuma and Ntombela with 6 others in application brought by Mkhize family.</p> <p>2 Feb Minister of Law and Order brings in more police reinforcements as 100's of refugees flee Ashdown/Mpumzuza area fearing renewed violence.</p> <p>3 Feb In central Pmb 100's of Inkatha supporters bussed in for attack on Cosatu offices, police arrest 46. Sobantu High School closed, fearing violence in clashes between rival Nasco/Soyco and Azasmi/Azanyo youth groups.</p> <p>4 Feb PFP calls for SADF to be brought in to support police in Pmb townships.</p> <p>5 Feb Mayor of Pmb meets Minister Vlok in CT to discuss violence.</p> <p>Vlok will not agree to SADF being deployed but more police to be sent in, presently being trained. Pmb magistrate refuses permission for another Inkatha rally at Taylors Hall.</p> <p>6/7 Feb Police reinforcements arrive and a temporary base set up at KwaDeda.</p> <p>ANC in Lusaka calls for urgent action to end fighting between 'conservatives' and 'radicals'. Death toll in Pmb area since 1 Jan reaches 112.</p> <p>10 Feb Sobantu Residents Association calls on 2 youth organisations, Azayo and Azasm, to leave area in attempt to end clashes with UDF groups. UDF secretary for Natal midlands, Martin Wittenburg, is redetained under emergency regulations.</p> <p>11 Feb Four more UDF officials detained under ISA.</p> <p>13/14 Feb In Sweetwaters, 2 people who supported a court application against Inkatha are murdered.</p> <p>15 Feb Pmb Supreme Court extends 3 interim interdicts restraining Inkatha leaders and members from threatening or attempting to kill certain township residents, another application is postponed.</p> <p>16 Feb According to Minister of Law and Order 254 people from Pmb area have been charged with unrest related offences and are awaiting trial.</p> <p>17 Feb According to Pmb church leaders about 60 000 people have been displaced by the violence, SAP hand out leaflets urging residents not to leave the area.</p> <p>22 Feb In Mpumalanga, Inkatha leader Mabaso is stabbed to death by large group, 15 arrested.</p> <p>24 Feb Clampdown under emergency regulations completely restricts UDF and Cosatu.</p> <p>29 Feb More than 800 people detained in Pmb area between June 1987 and February 1988.</p>
Mar 1988	<p>1 Mar Special constables (300) armed with shotguns begin duty in Pmb townships after 8 week training course.</p> <p>2 Mar In Ximba (Camperdown) in Pmb/Dbn corridor, Mbalha, a member of the KwaZulu Legislative Assembly, is shot dead in his home in AK-47 attack.</p> <p>3 Mar PFP seeks urgent interview with Vlok over allegations that large number of special police brought into area have strong Inkatha links, one is even a respondent in court interdict and a son of Inkatha leader.</p> <p>9 Mar Five kitskonstabels discharged from SAP because of alleged involvement in crimes, 1 Inkatha Youth Brigade member is arrested.</p> <p>165 unrest related court cases involving over 400 accused on Pmb court roll.</p> <p>15 Mar Co-chairman of Pmb Chamber of Commerce peace team is dropped. This action follows reports in foreign press, as he is not allowed to make public statements.</p> <p>21 Mar Howick magistrate finds 9 Inkatha members responsible for killing of 3 Mpophomeni residents in December 1986, referred to AG for prosecution.</p> <p>22 Mar Pmb Supreme Court grants 2 interim interdicts restraining Inkatha leaders from killing Mthembu and 3 sons. Another provisional interdict is extended, restraining police from killing or threatening resident of Myandu.</p> <p>23 Mar Sobantu men (218) taken in by police for questioning, 8 detained under emergency regulations. Supreme Court extends interim interdict restraining Imbali town councillor and Inkatha leader, Mncwabe, from attacking 6 Imbali residents.</p> <p>31 Mar Six Elandskop (Vulindlela) residents incl local Inkatha leader, Ntombela, are charged with murder of Mkhize family members in Oct 1987. In Imbali 200 pupils from Siqongweni high school are suspended after unrest incidents.</p>
April 1988	<p>8/10 Apr In NiShongweni valley, 6 people are killed in spreading Pmb/Dbn corridor violence.</p> <p>12 Apr Pmb Supreme Court extends 3 interim interdicts against Inkatha officials. 2 KwaShange men are convicted on 13 counts of murder for killing Inkatha family in Sept 1987, 1 man is ex-policeman.</p> <p>20 Apr Pmb Supreme Court finds ANC's Gordon Webster guilty on 14 charges, including murder of policeman. Twenty-three conflict fatalities in Pmb/Hammarsdale corridor conflict in past month (CAE).</p>
May 1988	<p>5 May Six Elandskop residents, including Inkatha chairman, convicted on 2 counts of murder.</p> <p>14/15 May Inkatha Central Committee decides to suspend anyone using violence for political purposes.</p> <p>Inkatha leader, Lindelani Shabalala has his membership suspended. Three people are killed at St Wendolins, near Pinetown.</p> <p>16 May At NiShongweni another 3 people are killed. In Imbali a special constable and son of Imbali mayor is hacked to death by group of youths, was identified as respondent in court interdict.</p> <p>24 May In Mpumalanga 18 die in past week.</p> <p>26 May Near Hammarsdale 3 die in armed attack on house.</p> <p>27 May Pmb Inkatha member and former kitskonstabel Mncwabe found guilty of culpable homicide. Co-accused, Imbali town councillor, acquitted following murder of 3 Imbali youths.</p> <p>Thirty-three conflict fatalities in past month (CAE) in Pmb/Hammarsdale areas.</p>
June 1988	<p>6 June In KwaNdengezi (near Pinetown) 3 people are shot dead.</p> <p>8 June In Pinetown 3 men are stabbed to death by group.</p> <p>25/26 June Despite appeal by Slingspruit women to police for protection, a group of armed men go on rampage, 66 arrested.</p> <p>30 June Pmb UDF makes an application to Minister of Law and Order to lift effective banning to enable resumption of peace talks.</p> <p>Thirty conflict fatalities in past month (CAE).</p>
July 1988	<p>In Imbali, Mthembu is shot dead, allegedly key witness in case against Inkatha warlord; he had obtained a court interdict to stop threats of murder.</p> <p>13 July In Ashdown 16 school children are injured by special constables sent to protect them.</p> <p>16/17 July Slingspruit residents meet with Brig Gert Viljoen for unrest talks.</p> <p>23/24 July Hundreds of Molweni families flee continuing violence, widoeke (vigilantes) allegedly forcing people from their homes.</p> <p>28 July Molweni High School reopens 2 weeks late after fighting in the area and lack of transport kept it closed. UDF's Wittenburg released from detention but heavily restricted.</p> <p>30/31 July Eleven die over weekend in Pmb and Hammarsdale, bringing total fatalities for month to 49.</p>
Aug 1988	<p>1 Aug Four die in Enhlalakahle (Greytown).</p> <p>3 Aug In Mpumalanga 101 men and 135 women arrested at restricted funeral.</p> <p>6/7 Aug In Mpumalanga 5 bus passengers are killed in mob attack on 2 buses at funeral.</p> <p>8 Aug New peace initiative convened by Chief Maphumulo from Table Mountain. Talks include clergy, Inkatha and Edendale Crisis Committee.</p> <p>9 Aug According to Pansa there are now more than 20 000 refugees from violence in the Pmb area.</p> <p>13/14 Aug In Sweetwaters 3 people are stabbed to death after Shaka Day rally.</p> <p>20/21 Aug In Mpumalanga 3 people are killed by special constables and 1 person is killed by mob.</p>

	<p>24 Aug In Molweni and Inanda outside Dbn, where more than 21 people have died since Jan this year, 1000's leaving homes and taking refuge in churches and hushes. Pmb Supreme Court grants temporary interdict restraining 2 tribal chiefs from ejecting shackdwellers from Riverview, Molweni and KwaNgcalisi (Thousand Hills) areas after they warn all temporary residents to leave or be forced out.</p> <p>27/28 Aug In Molweni 10 more conflict fatalities. In KwaNdengezi 4 people die, in Gezibuso (4) (Vulindlela) and in Imbali (3) with deaths also reported in Inanda, Harding, and Zayeke (Vulindlela).</p> <p>29 Aug In Molweni 4 more people die in purge of area, 1 person killed in security force action.</p> <p>31 Aug Peace is reported in Molweni after 15 more fatalities but schools remain closed. Pmb Supreme Court interdicts Inkatha member from attacking a Fredville/Inchanga resident.</p> <p>Fifty-five conflict fatalities in Pmb/Hammarsdale areas this month (CAE).</p>
Sept 1988	<p>2 Sept Cosatu and Inkatha sign peace pact. After 4 days of secret negotiations between delegates from Cosatu and Inkatha a peace pact is signed in the Pmb Supreme Court. They agree to establish a complaints adjudication board to recommend steps against those who act contrary to principles of the accord. Both organisations call for curbs on the UDF to be lifted so as to include all groups in peace process.</p> <p>7 Sept Police announce 3 police stations to be set up in Molweni area, already 250 police moved in.</p> <p>10/11 Sept Four deaths in Sweetwaters after 2 Inkatha meetings in Yulisaka and Gezibuso. 6 other deaths reported in Mpumalanga and Molweni, Pmb areas of Nxalala and Imbali, and in Gamalake (S Coast). Dhlomo summonses 3 Inkatha chiefs to Ulundi to question their failure to attend peace rally and explain the ensuing violence.</p> <p>14 Sept Delegation of 14 women from Imbali request that SADF be deployed as violence in the area increasing, police offer to step up their presence.</p> <p>15 Sept Pmb Supreme Court extends urgent interdict restraining Fredville Inkatha leader, Zuma, who threatened to burn down residents house.</p> <p>17/18 Sept Scores of youths continue to flee violence in Sweetwaters.</p> <p>20 Sept Police in Pmb raid offices of Cosatu, Pansa, Black Sash, Lawyers for Human Rights and Edendale Advice Centre.</p> <p>25 Sept Taylors Halt Shaka Day rally, 3 die in clashes after it.</p> <p>27 Sept In Edendale the brother of Inkatha leader Zuma is shot dead.</p> <p>30 Sept Despite peace accord families still fleeing Sweetwaters area after 6 houses burnt down.</p> <p>Forty conflict fatalities during month and 75 injuries (CAE).</p>
Oct 1988	<p>1/2 Oct Thousand Hills Partnership meeting reports that 600 youths had moved into Molweni area to protect families threatened with eviction by local chiefs. CAE reports upwards of 20 000 refugees in greater Pmb area, and possibly as many as 60-70 000 displaced in the whole of KwaZulu/Natal.</p> <p>4 Oct Meeting in Pinetown to discuss ongoing violence.</p> <p>Police, representatives of Thousand Hills Partnership, the PFP Unrest Monitoring group, tribal chiefs and KwaZulu Mp's discuss conflict in Ungeni River valley. First report of political violence in Wembezi township outside Estcourt.</p> <p>8/9 Oct In KwaMakhuta (S Coast) 5 men are killed in feuding. An Inkatha member is killed after peace rally in Mpumalanga. About 500 families from both sides of conflict given refuge by Chief Maphumulo of Maqongqo, near Table Mountain.</p> <p>13 Oct Natal Witness reports 14 people killed in Sweetwaters, Sobantu, Edendale, Pinetown and KwaMakhuta so far this month.</p> <p>15/16 Oct Peace initiative at Durban seminar.</p> <p>Meeting of leaders of political and community organisations, supporters of Freedom Charter, Black Consciousness and Pan-Africanism movements/ ideologies.</p> <p>21/24 Oct In Eastwood (Pmb) two bombs are defused at a school. In Mpumalanga pamphlets distributed smearing Mayor Rodger Sishi for his recent trip to Lusaka as leader of football delegation, also contains inflammatory remarks about neutral Chief Maphumulo who hires bodyguards after death threats. Smear campaign also launched against Pansa organiser involved in crisis work in Pmb.</p> <p>27 Oct Eighteen conflict fatalities in the past week. In Pmb 7 Azasm youths convicted of revenge killing of Sobantu man in June 1987.</p> <p>29/30 Oct In Mpumalanga a teacher is shot dead.</p> <p>Death toll in conflict reaches 602 this year in Pmb/Hammarsdale areas (CAE).</p>
Nov 1988	<p>First case of Pmb violence heard before the Cosatu/Inkatha peace tribunal, secret hearing to prevent intimidation.</p> <p>11 Nov In Mpumalanga 5 UDF youths are shot dead.</p> <p>25 Nov In Retief St (Pmb), 3 die in group clashes.</p> <p>30 Nov In New Hanover (Midlands), 4 die in Inkatha/UDF clashes.</p>
Dec 1988	<p>3/4 Dec At Trust Feed (New Hanover) 11 people are shot dead at night vigil and another man is stabbed to death nearby.</p> <p>17/18 Dec In Caluza 3 people are killed in invasion of area by Inkatha members after a rally, 281 women sign petition calling for the removal of police from Caluza as they failed to prevent the attack.</p> <p>19 Dec Three die in Hammarsdale in separate incidents. In Mpumalanga the sister of Inkatha councillor Nkele dies in ambush of car.</p> <p>24/25 Dec At least another 13 fatalities reported.</p> <p>26 Dec In Mpumalanga 7 people die during clash with special constables.</p> <p>30/31 Dec Mpumuza/Ashdown clashes leave at least 5 dead.</p> <p>During December violence more than 76 people die, incl 26 in Mpumalanga. Over 659 die during 1988.</p>
Jan 1989	<p>2 Jan Peace meeting in Mpumalanga called by Mayor Sishi.</p> <p>Inkatha officials in Ulundi decide not to support latest peace initiative. More than 75 people killed in Mpumalanga area since 1 Oct 1988.</p> <p>5 Jan SADF moved into Inanda/Newtown after appeal by 100 residents to end 2 month clashes with the squatters.</p> <p>9 Jan Hundreds of Shongweni families take refuge as violence claims 5 more lives. More than 1 000 families have fled area in past 6 months.</p> <p>11 Jan Mpumalanga peace talks between UDF/Inkatha leaders.</p> <p>UDF youth leader detained before scheduled talks. Security force raid in Inanda, 8 arrested for possession of homemade firearms.</p> <p>15/16 Jan Imbali township residents meeting called by mayor.</p> <p>Initiative to draw up resolutions on continuing violence as 7 more people are reported killed during the week. Mpumalanga peace prayer vigil fails as residents are too afraid to attend. Bus boycott begins in Nhlazatsha area of Edendale after fare hikes. 15 deaths in Imbali recorded since 20 November 1988.</p> <p>21/22 Jan Mafunze/Elandskop residents hold prayer meeting for peace. Inkatha says the only solution to the violence is to meet with the ANC whom they claim is responsible. In Edendale 5 buses are damaged during boycott.</p> <p>28/29 Jan Meeting in Shongweni with community leaders including Chief Maphumulo.</p> <p>Lack of schooling the main issue but leaders agree that violence must end first; the committee negotiate for return of KZT bus service suspended following clashes at Pinetown bus rank which left 1 person dead. Inadi clashes between Inkatha warriors leaves 4 dead.</p> <p>30/31 Jan Thousands of children in Shongweni and Mpumalanga flee to find education elsewhere, leaving many schools empty. Schools in Table Mountain, Nishongweni, and Mpumalanga (corridor); Georgetown and Bongudunga (Edendale) not yet open due to shortage of facilities and violence. Some teachers abandon classes after principals refuse to admit pupils from other areas. 4 men are killed in Retief St clashes in ongoing violence.</p> <p>Results of only hearing of complaints adjudication board are released.</p> <p>After 2 month delay, board finds strong evidence that 2 Inkatha warlords Zondi and Zuma violated principles of accord, both refused to appear at hearing. Inkatha decides not to discipline its members until court rules on criminal charges pending.</p> <p>Chief Buthelezi and Minister Heunis announce the formation of a joint committee to discuss negotiations.</p> <p>In Ixopo (Midlands) 2 people are killed in attack on house.</p>
Feb 1989	<p>1 Feb Mpumalanga kitskonstabels withdrawn after allegations of brutality. KwaZulu police take over Mpumalanga, Hammarsdale and KwaNdengezi; 20 police stations now under them.</p> <p>Minister Wlok tells parliament 30 Inkatha members at Hammarsdale and 2 at Imbali are awaiting trial for violent crimes. 1000's of Pmb schoolchildren unable to attend schools for fear of harassment and violence but are refused permission to register schools in other areas.</p> <p>Two new peace initiatives are launched.</p>

Acronyms

ARA African Rural Advancement
 AG Attorney General
 ANC African National Congress
 Azanyu Azanian National Youth Unity
 Azasm Azanian Students Movement
 BC Black Consciousness
 CAE Centre for Adult Education
 Cosatu Congress of South African Trade Unions
 IPSA Indictorial Project South Africa
 ISA Internal Security Act
 KZ KwaZulu
 LRC Legal Resources Centre
 NP National Party
 Numsa National Union of Metalworkers of SA
 PFP Progressive Federal Party
 SACP South African Communist Party
 SADF South African Defence Force
 SAP South African Police
 Soyco Sobantu Youth Congress
 UDF United Democratic Front
 Umag Unrest Monitoring Action Group (ex-PFP)

	<p>In Ntuzuma (N Dbn), joint committee of UDF supporters and Inkatha members formed calls on residents to respect each others political beliefs. In Ashdown (Pmb) community organisers decide to meet with Inkatha leaders in attempt to end internicine violence.</p> <p>9/10 Feb Ten people killed in Mpumalanga since handover of policing to KwaZulu. 19 local youths released from 1 month detention.</p> <p>13/16 Feb In Mpophomeni (Howick) an Azapo pupil is killed in clash at school. Headmaster of Bhekisisa school is stabbed to death by 3 men whose children are not registered.</p> <p>18/19 Feb Chief Buthelezi warns certain local and regional Inkatha leaders to behave properly. In Shongweni 5 Inkatha members are killed in a shebeen.</p> <p>20/21 Feb Two hundred detainees in Natal reported to be on hunger strike, Minister Vlok confirms 113 on hunger strike in Dbn. KwaMgagwa (Vulindlele) residents flee to Mpophomeni.</p> <p>22/23 Feb Refugees, mainly older residents, flee Malweni in new wave of violence, residents call for a permanent police presence. Ashdown community leader Siphon Matoko, is stabbed to death, and 2 men are killed near Sinathingi. 2 Imbali councillors are acquitted on murder charges.</p> <p>25/26 Feb Six people are killed in Shongweni in retaliation for Inkatha members murder last week. 2 more die in Inchange.</p> <p>27/28 Feb At least 13 Pmb detainees admitted to hospital, over 100 on hunger strike, demanding to be charged or released. Hospitalised UDF's Ngwenya now detained for 13 months. No Pmb detainees released and lawyers unable to secure meeting with Vlok.</p> <p>Inquest finds 2 members of Mkhize family from Maswazini district were killed by group including KZ MP Ntombela, referred to AG. 11 more people die in Mpumalanga, Clermont (Pinetown) and Sinathingi, while 7 people are shot dead in Ezakhiweni (Shongweni) violence.</p>
<p>Mar 1989</p>	<p>1 Mar Pmb security police chief, Brig Buchner says 261 unrest cases have been brought before the courts since April 1988, which involved 252 Inkatha members and 156 UDF supporters. 18 detainees appear in court.</p> <p>2 Mar Justice Didcott sets aside Industrial Court decision refusing to reinstate 1 000 Sarmcol workers fired at Howick plant in May 1985. Pmb Supreme Court sentences Inkatha member to 8 yrs for murder of UDF supporter.</p> <p>Anglican church calls on state president to implement a judicial commission of inquiry into political violence in Pmb. The call is refused outright.</p> <p>3 Mar Imbali town councillor is charged with murder of local resident in Aug 1988. Violence in Mpophomeni and KwaMaza claims 4 lives and forces many residents to flee.</p> <p>4/5 Mar Mayor of Pmb, Cornell meets with Brig Buchner to discuss release of hunger strikers.</p> <p>Since State of Emergency declared in 1986, 1 838 people detained in Pmb area. 6 deaths reported in Mpumalanga, KwaMashu and Shongweni.</p> <p>6/7 Mar City residents, incl members of Chamber of Commerce and councillors, begin solidarity fasts with detainees now on 17th day of hunger strike. 6 detainees released from Pmb prison.</p> <p>8/9 Mar 35 hunger strikers in Natal hospitals suspend 19 day fast after Minister of Law and Order assures they will be to be charged or released, though restricted. Durban detainees still on hunger strike.</p> <p>12 Mar Meetings held in Clermont and KwaMashu to counter violence in schools.</p> <p>13 Mar UDF's Ngwenya Skumbuzo released from detention, with prohibition on any UDF activities, restricted to Pmb magisterial district, house-bound at night and to report to police station every day.</p> <p>16/19 Mar Hundreds flee Shongweni after at least 22 people gunned down in past month. In Ezakhiweni, an Inkatha controlled area, 200-300 houses are empty, in Non-Inkatha area of KwaMhiza there are 1 000 empty houses.</p> <p>Widespread violence reported.</p> <p>20/21 Mar Police arrest 239 people in Mpophomeni and KwaMaza after 6 people are killed, 2 in Imbali.</p> <p>22 Mar Cosatu lawyers present dossier detailing alleged collusion between police and Inkatha members. Commissioner of SAP orders investigation of memorandum as it could breach Cosatu's restriction orders.</p> <p>24 Mar Shongweni meeting called by Chief Maphumulo.</p> <p>Both parties to conflict attend, Inkatha area chairman says 12 members murdered in last few weeks by automatic gunfire.</p> <p>25/26 Mar Conflict spreads to Randville in Estcourt. 14 people are killed in tribal clashes near Greytown and 7 deaths reported in KwaMashu. In Mpumalanga, Themba Sishi is murdered, son of mayor who together with Chief Maphumulo spearheaded peace campaign in area. Pmb inquest finds KwaZulu MP Ntombela implicated in death of 2 women in Vulindlele in October 1987, case referred to AG.</p> <p>Conflict fatalities in 1989 so far estimated at 165 (CAE), excluding Shongweni/Inchange area.</p>
<p>April 1989</p>	<p>Over 3 000 Pmb township homes burnt conflict over past 3 years, with more than 30 000 refugees (CAE).</p> <p>Archbishop Hurley attempts to initiate high-level peace talks between UDF, Cosatu and Inkatha.</p> <p>7 Apr Chief Maphumulo petitions State President to appoint commission of inquiry into Natal violence.</p> <p>28 Apr Interim order granted by Pmb Supreme Court restraining Minister of Law and Order and SAP from assaulting or acting in an unlawful manner towards Mpophomeni residents.</p> <p>29 Apr Inkatha Central Committee proposes alternative initiative to Archbishop's proposal.</p> <p>Inkatha adopts a resolution calling for national leaders of Cosatu, UDF and ANC to meet Chief Buthelezi and Inkatha leaders to establish a joint initiative for peace in Natal/KwaZulu.</p> <p>30 Apr Imbali resident Duma is killed after giving evidence at Inkatha/Cosatu complaints adjudication board against 2 Council and Inkatha members. During past month 40 conflict fatalities in Pmb black areas (CAE) and 47 in Durban area (Umag).</p>
<p>May 1989</p>	<p>1/2 May Labour Day meeting at University of Natal initially rejects call by Buthelezi after he rejects the Archbishop's initiative.</p> <p>3/4 May Inkatha disowns former chairman of Howick branch, Siphiso Zuma after accusations of his involvement in 25 murders. Mpumalanga councillor Nkehli, an Inkatha Central Committee member, dies in hospital after being shot in Dec 1988.</p> <p>11/12 May Cosatu suspends its participation in the complaints adjudication board but responds to Inkatha peace initiative.</p> <p>UDF/Cosatu agree to meet Inkatha on 20 May but venue dispute occurs as Inkatha suggests Ulundi and others call for neutral meeting place.</p> <p>15 May Trust Feed Crisis Committee (tenants), landowners, Afra, Rutch of LRC and Chief Maphumulo launch a peace initiative.</p> <p>All parties agree to Edendale meeting on 20 May. More than 1 500 residents have taken refuge from fighting since December 1988.</p> <p>16 May Minister of Law and Order says call for inquiry into Pmb violence is rejected as it would not resolve conflict. He blames the 'revolutionary agents of the ANC-SACP alliance, namely UDF and Cosatu', alleging they are engaged in leadership struggle with Inkatha.</p> <p>Minister of Justice meets with KwaZulu delegation to discuss release of Mandela, whose continued imprisonment impedes negotiations.</p> <p>18 May Joint peace talks scheduled for weekend collapse over venue dispute.</p> <p>20 May Edendale peace meeting for Trust Feed settlement endorses peace resolution.</p> <p>They propose the establishment of a fund to assist Trust Feed residents to rebuild homes.</p> <p>22 May In Imbali a Numsa official is injured and her husband and child killed in attack on home. Ms Ndlovu was instrumental in exposing the role of police in Imbali at an earlier Cosatu press conference in Jhb.</p> <p>26 May Violence spreads to the Ndwedwe area of KwaZulu with the killing of 9 people at a shop in Maphephkeni.</p> <p>28 May Buthelezi meets with NP leader FW de Klerk in Durban to discuss constitutional reform and the security situation in Natal/KwaZulu.</p> <p>The Impendle funeral for Ndlovu and daughter is called off at the last minute after threats of vigilante violence.</p> <p>29 May In KwaMakhuta Chief Buthelezi launches Inkatha public campaign against violence.</p> <p>Buthelezi again calls for a peace initiative, reads letter from Mandela calling for restoration of cordial relations between Inkatha and the ANC. Total of 235 fatalities in Pmb area so far this year and 166 in Durban area (CAE/Umag).</p>
<p>June 1989</p>	<p>1 June Jabu Ndlovu of Numsa dies in hospital. Cosatu says in face of attacks on members and inability of police, army and courts to halt the killings or protect township residents, it will take peaceful protest action.</p> <p>5/7 June Three day stayaway in Pmb to protest violence; absentee rates vary between 10-30%, with progressively less support and no support from Inkatha as they had not been consulted.</p> <p>New church sponsored initiative to help promote peace talks approved by Anglican synod.</p> <p>Mandates Archbishop Tutu and other church leaders to appoint an independent inquiry headed by a lawyer, to investigate causes of violence in Natal.</p> <p>Chief Maphumulo calls for extraordinary law enforcement and judicial systems to deal with violence.</p> <p>Maphumulo proposes appointment of a public mediator or ombudsman, and that government should sponsor peace talks immediately.</p> <p>Anglican delegation meets Chief Buthelezi and 8 cabinet members in Ulundi. They discuss peace initiatives, stress need for talks and for both sides to agree to a neutral venue.</p> <p>12 June UDF Natal President Archie Gumede issued with restriction orders prohibiting him participating in UDF, 2 days before scheduled peace talks.</p> <p>Buthelezi refuses to leave Ulundi for peace talks but agrees to assign colleagues to meet at any venue.</p> <p>15 June Cosatu spokesperson and Inkatha secretary-general confirm exploratory peace talks will be held in Durban on 19 June.</p>

	<p>16 June Restrictions on Gurnede are modified by Minister of Law and Order after representations from Bishop of Cape Town and Archbishop Tutu, to enable him to participate in peace talks.</p> <p>17/18 June Nine people die over weekend preceding peace talks, including 4 Inkatha members on their way to an Inkatha prayer meeting, 9 UDF members are injured. Orders restricting Human Rights lawyer and UDF treasurer Cachalia are lifted to enable participation in talks.</p> <p>19 June Five hour peace talks held in Durban hotel with 5 delegates from Cosatu/UDF and Inkatha. They release brief press statement and agree to hold further peace talks.</p> <p>23 June Second round of peace talks held in Durban. The delegates issues a statement: 'We have now agreed on the format and contents of a joint report which will be finalised in due course and submitted to our respective organisations and presidents.'</p> <p>25 June Inkatha holds a prayer meeting for peace at Edendale's Wadley Stadium. Newspapers report that a historic meeting in London or Lusaka is being planned between ANC, UDF, Cosatu and Inkatha leaders. An ANC spokesman commented (STrib 25/6/89) that, 'Everybody wants the peace process to succeed. We all want the violence in the townships to end.'</p>
	<p>MONITORING NOTES</p> <ul style="list-style-type: none"> ● The major peace initiatives during the conflict are reflected in a bold typeface, with further details provided underneath these dates. ● Townships or black residential areas are also marked off in bold typeface. This signifies the first time that major incidents during the 1987/89 regional conflict have been reported in these areas or monitored in this chronology. ● Although the above emphasis of a specific township does indicate a general pattern of spreading conflict in the Pmb/Hammarsdale/Dbn corridor, it does not mean that previous, isolated incidents of violence have not occurred in such demarcated areas.

Breakdown of Fatalities by Sub-region in KwaZulu/Natal

Township Area ¹	No of Conflict Fatalities Per Annum				
	1985	1986	1987	1988	Total
MIDLANDS SUB-REGIONS:					
Enhlalakahle (Greytown)	-	-	4	8	12
Trust Feed (New Hanover)	-	-	-	17	17
Vulindlela (Pmb:KwaZulu)	4	4	85	192	285
Edendale (Pmb:Natal)	6	5	106	154	271
Mpumalanga/Hammarsdale	2	6	44	145	197
Unidentified Locations ²	-	2	158	143	303
Midlands Sub-total	12	17	397	659	1 085
DURBAN/INLAND SUB-REGIONS:					
NiShongweni	-	-	1	18	19
KwaNdengezi	-	7	3	30	40
St Wendolins/Klaarwater	-	-	-	10	10
Umlazi	-	8	13	1	22
Chesterville	-	31	9	1	41
Inanda/KwaMashu	-	21	15	52	88
Pinetown/Clermont	-	7	9	11	27
Ximba/Molweni	-	-	18	44	62
KwaMakutha	5	-	17	8	30
Unidentified Locations ³	(100)	(29)	-	-	(129)
Durban Sub-Total⁴	105	103	85	175	468
Other KwaZulu/Natal Areas⁵	2	5	5	8	20
Total for KwaZulu/Natal	119	125	487	842	1 573

MONITORING NOTES

1 The many township sites of conflict in the Pmb/Dbn region have been grouped together by major black residential complex and geographical sub-region in this table. Some areas where only a few fatalities have been recorded (e.g. Thornville or Ixopo) and which fall outside of these complexes are excluded here.

2 The category, 'Unidentified Locations' (Midlands and Durban) cover those fatalities where specific locations are not identified in media/other monitor reports.

3 The large number of fatalities (129) in the 'Unidentified Locations' category for the Durban/Inland area represents those killed in the earlier 1985/86 national conflict. A breakdown of specific locations is not available for this period.

4 Excludes those Durban townships that have been less affected by the 1987/89 regional conflict, e.g. Lamontville.

5 Includes conflict fatalities in those townships on the North or South Coast that fall outside of the Pmb/Hammarsdale/Dbn corridor, e.g. Empangeni, Mtunzini, or Gamalake.

6 For the first three months of 1989 a further 165 conflict fatalities in the Pmb/Hammarsdale corridor were monitored by the CAE (UNP).

7 The high violence levels in Inanda in 1988 have continued this year, with 50 fatalities reported between Jan-May 1989.

SOURCES

Indicator SA Press clippings
CAE Centre for Adult Education, University of Natal (Pmb)

Pacsa Pmb Agency for Christian Social Awareness
Umag Unrest Monitoring Action Group (ex-PFP)

IPSA

INDUSTRIAL

M O N I T O R

SCOPE FOR BILATERALISM

Issues for Ad Hoc and Regular Negotiations between the Federations of Capital and Labour

(1) Promoting Freedom of Association

● Endorsement of the rights to associate, bargain collectively and consider industrial action. ● Protection of the civil liberties necessary to promote industrial democracy, e.g. by: Ensuring meetings are held, particularly for report-backs before and after negotiations; Challenging detention without trial and demanding fair trial; Demanding freedom of opinion and expression without interference; Taking steps for the protection of property and individual rights. ● Identification of responsibilities and obligations in conduct and behaviour, particularly in situations: Where violence can occur; Where intimidation and victimisation can occur; Where understanding of the process of debate, resolutions, voting and balloting is essential.

(2) Negotiating Entry at ALL IR Levels

● Procedures for worker participation to counter the authority of hierarchy of management. ● Procedures for collective bargaining, including industrial action, e.g. picketing, status of strikers, negotiation levels, etc. ● Procedure for negotiating on national socio-economic policy issues.

(3) Providing Social Security

Protection against loss of income can be negotiated and administrative aspects improved at various IR levels, e.g. over: ● unemployment insurance ● pensions and provident funds ● workmen's compensation ● other contingency funds, e.g. sick pay, medical benefits, etc.

(4) Dealing with Apartheid

● Although race is no longer granted a privileged status in labour legislation, the social colour bar and other apartheid laws impinge on the factory floor. ● The consequences have to be incorporated into the agendas of special regional forums where such community issues not dealt with by sectoral collective bargaining forums can be negotiated.

(5) Improving Access to Common or Public Goods

The quality of life of workers can be enhanced through active targeting of improvements in: ● public transport ● health care, e.g. clinics and hospital services ● township conditions ● debate on the role of Capital on Regional Services Councils.

(6) Negotiating Manpower Development

The development of South Africa's manpower is essential if the full potential of the economy is to be realised. This requires the establishment of a Labour Market Council to negotiate: ● training schemes ● impact of technology ● scope for job creation ● state assistance for the unemployed ● improved quality of worklife ● productivity.

Source:

Douwes Dekker L. 'The Role of Federations of Unions and Employers' Associations in Negotiating the Parameters of Social Policy', Research Paper No9. Johannesburg: Wits Graduate School of Business, December 1988.

COVER ARTICLE: In this *Industrial Monitor*, Kate Jowell and Chris Albertyn discuss the viability of organised capital and labour using bilateralism to achieve a negotiated IR and political order, in the context of the LRA crisis and the imbalance of power in existing tripartite relations with the state.

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DC 1477

THE BARGAINING TRIANGLE

Beyond the Wiehahn Decade

By Kate Jowell,
Graduate School of Business,
University of Cape Town

The basic structures of collective bargaining in South Africa in the 1980s have been industry or regional level bargaining through formal organisations external to the individual company, on the one hand, and plant level bargaining by the people directly involved, on the other. In the following commentary on the pressures of the Wiehahn decade, Kate Jowell emphasises a third, vitally important structure that is trying to emerge at a macro-level. It is the national, political bargaining context of industrial relations that exists as a matter of course in all western democracies in one form or another, but has been conspicuous by its absence in South Africa.

Industrial relations is about the limits on management's right to command and a worker's duty to obey; about management's prerogative to dictate terms and conditions of employment and a worker's right to try to secure the terms and conditions it wants (Hyman 1975:24-26).

Where does collective bargaining take place over the nature and terms of the labour/management relationship? Before 1979 the most common and important structure in South Africa was the joint union-employer forum for industry bargaining — the respectable, registered industrial council of which the metal industry's version was probably the most visible; or the less orthodox version exemplified by the mining industry, where the Chamber of Mines and a clutch of established, mostly white unions, have had a long-standing relationship without the burden of a shared establishment, or an official licence from Pretoria.

Since 1979, however, the new unions representing black workers have carved out

a second, more grassroots type of collective bargaining structure. They have created, with management, in-house structures based on common law agreements between them. The recognition agreement is the innovation of the 1980s and plant level bargaining has exposed South African managers, union officials and ordinary shop stewards to their toughest ever learning curve, in the arts of listening and compromise. It has also introduced them to a number of very important requirements for successful collective bargaining:

- the need to accept and operate according to jointly agreed rules;
- the need to seek mandates from their respective constituencies if they want a bargain to stick; and most importantly,
- recognition that the bargaining partners are interdependent.

At the national level, all western democracies have also developed mechanisms for bringing together the major groupings in society with government: to lobby, to discuss, to negotiate the needs of their constituencies and influence

The Wiehahn Commission stressed the tripartite nature of an industrial relations system and the relative deficiencies of our polity

Background

Saccola

From ILO to Internal LRA Negotiations

Indicator SA Researcher Rob Evans

Saccola has its origins in the South African Employers Committee of International Labour Affairs (Saecla), which was formed in 1948 to maintain links with the international community including representation in the International Labour Organisation. Saecla registered under the Labour Relations Act in the 1950s, and in 1975 changed its constitution and name to the South African Employers Consultative Committee on Labour Affairs (Saccola). In 1977 Saccola and the Urban Foundation drafted a code of conduct for South African employers, at the same time that US companies operating here signed the Sullivan Code and European companies signed the European Economic Community's (EEC) Code of Conduct.

Saccola has no full-time officials, but does have rotating office-bearers drawn from member organisations. The only major employer organisation not represented on Saccola is the National African Chamber of Commerce and Industry (Nacac). The member organisations are:

- Association of Chambers of Commerce (Assocom)
- Afrikaanse Handelsinstituut (AHI)
- Automobile Manufacturers Employers of SA
- Building Industries Federation of South Africa
- Chamber of Mines
- Federated Chamber of Industries (FCI)
- SA Agricultural Union
- SA Federation of Civil Engineering Contractors
- SA Motor Industries Employers Association
- SA Sugar Manufacturers and Refining Employers Association
- Steel and Engineering Industries Federation of SA

Bilateral Negotiations

In December 1986 draft amendments to the Labour Relations Act were published in the government gazette for comment, and in 1987 the Labour Relations Amendment (LRA) bill was tabled in parliament. The National Union of Mineworkers (NUM) resolved at its fifth national congress in February 1987 to reject the proposed LRA amendments, and the following month the FCI condemned the government 'crackdown' on unions. In September 1987 Assocom met the Minister of Manpower to discuss collective bargaining processes in light of the proposed LRA amendments.

In February 1988 Cosatu announced its preparedness to discuss the LRA bill with employers, and in response Saccola met to discuss Cosatu's call. In early June Saccola held bilateral discussions with Cosatu over the legislative amendments, just four days before the massive national stayaway called jointly by Cosatu and Nactu to protest the LRA. The talks ended in deadlock, as did Saccola's talks with Nactu the following day.

A series of advertisements followed in the national newspapers. Firstly, Saccola claimed that 'most of the objectives raised by Cosatu to the bill had been dealt with in the revised version tabled in parliament (May 1988). Secondly, Cosatu stated in its public advert that the bill ignored the federations' major recommendations and was 'part of a broader strategy to suppress democratic opposition and worker organisation'.

Later in June 1988 a trilateral meeting of representatives of the Department of Manpower, Saccola and Cosatu was convened. At the same time, however, the parliamentary joint committee on manpower, mineral and energy affairs approved the bill with only minor changes. At the end of June, the bill was passed in parliament without further amendment. In July Cosatu laid a formal complaint with the ILO, which decided to refer the matter to the United Nations Economic and Social Council. Also in July the LRA Act was gazetted for information, and in August the date for the promulgation of the full Act was set at 1 September 1988.

The union federations reacted to the promulgation with the demand that while Saccola/Cosatu/Nactu negotiations were still taking place, Saccola's affiliate organisations should not use the new rights and powers conferred upon employers by the amended LRA. The main points of dispute which Saccola has agreed to examine again with the unions include:

- new definitions of unfair labour practices, now codified
- the basis for union registration
- dispute resolution procedures, particularly the time period to declare a 'legal' strike and the definition of a dispute
- secrecy provisions on the publication of industrial court judgements
- civil indemnity and the assumed responsibility of the union for the actions of its members, including costs of lost production during strikes.

legislation and government policy in the desired direction. The Wiehahn Commission made much of the tripartite relationship on which an industrial relations system supposedly stands but succeeded only in drawing attention to the deficiencies of our polity. A truly tripartite arrangement did not exist then, nor does it now. White union links with government are a fading remnant of a once powerful force and the triangle still almost totally excludes any serious black labour voice.

But it is possible that this particular structural logjam has been broken. The three-cornered Saccola, Cosatu/Nactu and government negotiations over the Labour Relations Amendment (LRA) Act are the first publicly visible sign since Wiehahn that the parties have taken a step towards accepting their tripartite interdependence and each other's legitimacy in that relationship. The process has not brought immediate results but it is this macro-tripartite level that represents the third structure of collective bargaining.

Social Functions

Collective bargaining serves an important social function. It has been said that 'collective bargaining is the great social invention that has institutionalised industrial conflict' in much the same way that the electoral process and majority rule have institutionalised political conflict in democratic countries (Dubin 1954:44). Where there is free collective bargaining it is possible to bring the issues that separate groups out into the open. Doing this makes them sensitive to the pressures of public opinion and forces the disputing groups to try to resolve conflict issues as quickly as possible, with the minimum damage to society at large.

Some economists and businessmen argue that the function of trade unions and collective bargaining is to create a monopoly in the labour market, thereby visiting all the conventional, baleful effects of monopolies on our economy. The list of these effects is quite long, with the most popular being higher wages, misallocation of resources on machines as opposed to jobs, and the inefficiencies of restrictive practices. There is also much evidence to support the economists in their views. The conventional wisdom is never entirely or even mostly wrong.

What these critics generally do not acknowledge is the significant non-wage, social effects of collective bargaining. Market liberals argue that trade unionism inhibits market forces and ultimately damages everyone's life chances. Yet for most people the classic market mechanism of 'exit' from conditions they do not like is simply not available. They

may not completely dislike the conditions they experience, but in any event, the options may be even worse, or in the case of the bulk of South Africa's workers, non-existent.

Collective bargaining through a trade union provides employees with an alternative, namely, the 'voice' mechanism — a means of talking through their dissatisfactions and trying to secure change, without risk and without the all-or-nothing solution of exiting (Freeman and Medoff 1979:69-71). This particular role of trade unionism is also an exercise of social power that, at its best, subjects the employment relationship and the work environment to the rule of law. Some would say that the true function of collective bargaining is to have a civilising impact on the working life and environment of employees. Writing on the experience of western industrialised society, Weiler explains that,

'Workers participate in making social decisions about matters that are salient to their daily life ... take their destiny into their own hands, decide what kind of working conditions they want and then actively pursue those objectives, with all the risks that may entail ... Collective bargaining is intrinsically valuable as an experience in self-government (because it encourages self-determination and self-discipline)' (1980:30-33).

While the specific context of labour relations may vary from society to society the above fundamentals are universal. In South Africa the same rules apply:

- the process of collective bargaining via trade union has great social value, particularly in the absence of African political representation;
- it has been a safety valve through which a large group of black people have been able to exert control over large areas of their lives and ameliorate their lot.

However, there are other fundamentals, which are that:

- real negotiation is only possible between groups that have power — if that power is limited and reasonably balanced;
- negotiation can only take place where the parties accept as reasonable, and will therefore abide by, certain rules for conducting the process;
- lastly, state intervention to balance the power of the parties must be seen to be even-handed, something that is possible despite the ideology of the government of the day.

Gains and Stresses

Before 1979 there was no true collective bargaining between black employees and

MAWU NAAWU MICWU
CONGRESS OF METAL
WORKERS TO

LAUNCH THE

NEW METAL
UNION



Alrapix: Eric Miller

their employers, because they had no power to demand it. Black unions were not legitimate in official eyes, they had no access to industrial councils, and black workers occupied the bottom of the job heap. The Wiehahn Commission and the (then) Minister of Manpower, Fanie Botha, went some way to empowering black workers by legitimising their unions and dropping job reservation in 1979 — but they were just one step ahead of a tide that was already turning. Rising black education, an increasing skills shortage and the moral pressures of international opinion were already giving black workers bargaining muscle outside of our formal industrial relations system. Employer power to resist good faith bargaining was no longer absolute.

In the beginning it was touch and go as to

The launch of the National Union of Metalworkers of SA, a merger of Mawu, Naawu and Micwu, May 1987. The industrial council for the metal industry has been one of the most visible bilateral bargaining forums

The Saccola, Cosatu/Nactu and government negotiations over the LRA are the first visible sign since Wiehahn of tripartite relations at work

The new LRA has led to union pressure on management to bypass offensive aspects and develop a new generation of dispute procedures

whether the newly respectable black unions would actually operate according to the rules of that system. However, by and large they have done so, in addition to adapting and developing their own unofficial rules in the form of plant bargaining, with all its attachments of disciplinary, retrenchment and disputes procedures. There has been an explosion of communication and negotiation between managers and workers on all fronts, and the development of a strong body of union leadership (Van der Merwe 1989). In the late 1980s a core strand of acceptance of collective bargaining and its rules knits together industrial relationships at both plant and industry level.

However, the past few years have also seen many forces combining to unravel them, to separate people and damage the system that holds them together. Managers know from coalface experience about violence and intimidation in the workplace and outside of it; about sabotage and threats to senior employees; about the routine flouting of agreements by workers and their representatives. Each one of these is subversive of successful principled collective bargaining. Most stayaways are not being used as an industrial relations tool to secure a collective bargain with management, but rather to bludgeon Pretoria. Strike levels have also rocketed, though these are most often a product of ignorance, of lack of union discipline, or the failure of one or both parties to correctly identify their opponent's bottom line, rather than a rejection of the collective bargaining system per se.

Unions and workers also speak of ways in which they perceive patient playing by the rules to be discredited. For example one or other party uses the police or informers to undermine them or resorts to excessive legalism as a substitute for bargaining, even to its own brand of coercive dirty tricks.

Johan Liebenberg of the Chamber of Mines has referred to the violent trends in the mining industry but also to what he called the other kind of violence — against union leaders and organisations themselves, which seem to go unpunished. He particularly referred to the lack of progress in the police investigation of the bombing of Cosatu house in May 1987, the murder of a NUM organiser at Vryheid Coronation Colliery, and other examples of arson, bombings and murder directed at unions and their representatives. The industrial relations system cannot survive if such 'acts of terror' do not have sequels in the courts. The system depends on trade unions' being legitimate and full participants, 'enjoying the full protection of the law' (Liebenberg 1987). The FCI made some of these points itself in a document submitted to the Minister of Manpower in May 1987.

The parties themselves are also divided in their approach to industrial relations and wider political issues. The divisions within Cosatu are an open secret and their agreement to enter into a social democratic type of dialogue with government, in company with employers, was a victory for one faction, rather than a compromise. Employers are equally divided on the merits of certain aspects of the amended LRA, between those who support certain hawkish clauses and those who believe in offering the carrot of protection for good behaviour.

And what should one risk saying about divisions in government? Suffice it to say that the pragmatists — who have a solid grasp of what is legitimate in industrial relations and of how to protect the system from delegitimation in either management or union eyes — have often been overruled.

Political Bargaining

Can we expect any other scenario for collective bargaining, given the divisions in our wider society? Black circumstances stand in stark contrast to perceived white affluence. Blacks and whites are divided against each other and amongst each other, on political grounds. The stresses imposed by economic decline, by sanctions, by the visible floundering of political parties and movements have made all of us anxious about our futures.

So while we may at last have social and legal change to make the balance of power between unions and management more fair; while there has been significant acceptance and shaping of the rules of collective bargaining by all parties, our wider political system makes it difficult to view government's role in the political aspects of industrial relations as even-handed.

The LRA is one good example. It has many welcome provisions but the rhetoric that preceded the recent amendments and the substance of certain new strike provisions have made it easy for 'the left' to cry 'foul'. Ironically, two years ago the National Manpower Commission recommended changing the strike rules to protect and therefore encourage disciplined, fair strikes and lockouts. Government chose instead to strengthen the stick to be used against transgressors. But perhaps the amendment of the LRA and the events that have accompanied it may yet produce a constructive end-result.

Already, events have led to union pressure on management to bypass aspects of the amending legislation that they find offensive or threatening, by developing a new generation of procedural steps for handling

disputes. For managers, this has been the opportunity to bargain in some of the provisions they have sought, particularly provisions to jointly regulate violence and intimidation in the context of disputes. In this process they both are supporting principled collective bargaining by jointly devising a code to establish a new power relationship between themselves that is perceived by both parties to be reasonable.

The events around the LRA amendment also led to the emergence of a macro-level process bordering on political bargaining, in the Saccola/Cosatu/Nactu experiment, however tentative that was. What took place between the three was a public dialogue on political reform, the first in post-1948 history, with organisations representing black people, that are not of the government's creation and that have great credibility and support from their constituencies. There have been few public signs that the dialogue has been continuing but the initiative by the Consultative Business Movement indicates that the process is not dead (see *Indicator SA* Vol 6/No 1-2:105-8).

Trade union activity and union-led political protest since 1979 have also demonstrated that black people have assumed a leverage where they can thwart, neutralise or frustrate any government initiative that does not command widespread agreement (Welsh 1988:6). Perhaps that is an overstatement. However, the leverage they demonstrated by the three-day stayaway of June 1988 against the LRA, by mobilising their non-violent economic power and sheer weight of numbers, was widely recognised. Such mobilisation is not, of course, necessary in a democracy.

Bridging Gaps

In responding to the power of disenfranchised workers in June 1988, business and the state have opened up a small corner of the political arena to an important contending group and tacitly acknowledged after years of rebuff that their consent to political change is important. If only that acknowledgement could be made explicit, if this fragile macro-forum could be adapted, reshaped and strengthened, if its business could be extended to other important issues on our national agenda such as housing, job creation, deregulation, sanctions and the like! Then, we would surely have a chance of protecting collective bargaining and of moving positively into the next decade, reforming our politics, our economic system and our national way of life, from the industrial relations arena, bottom up.

This process will require of all three parties — the state, capital and labour — that

they find some way of bridging the value gaps that currently come between them. Management and labour have already shown that they can do this without abandoning their own values, through collective bargaining. They will have to make the running in reform, however. There is currently no other credible forum through which political reform can be pursued. In any case, a political solution to South Africa's problem is not going to make our social and economic problems disappear overnight. Who better than management and labour to start on the social and economic issues and in so doing, chip away at the granite block of our political structure?

The major value gaps that will have to be bridged if the process is to work, span the most basic of shop-floor bargaining issues, right through to national political issues that concern us all. These value gaps directly impact on collective bargaining in every company and every industry structure, because if they cannot be bridged, then in the medium-term our system of collective bargaining, of industrial democracy, will collapse under their weight. They place pressure on bargaining at every level and on the utility of the reform option for both sides as an alternative to right or left-wing radicalism.

Some unionists and their supporters have indicated that they see some businessmen as important political actors (Erwin 1988), and that they recognise their value as social partners (Thompson 1987). Some businessmen and their organisations have made public statements about the legitimacy of Cosatu and Nactu as representatives of organised employees, and about the need for political factors affecting trust and good faith relationships to be tackled. The building of the middle ground needs urgent support and courageous exposure. Nothing else will fight the pressures on collective bargaining as effectively. *WJA*

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Reform could occur through collective bargaining, provided the state, capital and labour bridge the value gaps currently dividing them

Who better than management and labour to start negotiating on social and economic issues, chipping away at the political structure?

TRADING PARTNERS

Towards An Employer/Labour Lobby

By Chris Albertyn,
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Collective bargaining in South Africa has moved through several phases, with the early to mid-1980s showing a growth in union strength and bargaining power. Chris Albertyn argues that the introduction of the LRA amendments has truncated this process, with the state providing capital with the necessary statutory leverage to reassert a power imbalance. This leaves the unions once more on the fringe of the collective bargaining process, at a time when their participation is crucial to the negotiation of South Africa's political future.

The longer term interests of capital are undermined by a close association with the apartheid state

There are two principal approaches to the analysis of South African capitalism since World War Two. They are the liberal and the revisionist views of the relationship between capital, the state, and workers. Broadly-speaking, the liberal view sees the dominant sections of capital as having been at variance with the state and in conflict with its apartheid objectives, whereas the revisionists see capital as having been comfortably accommodated by the apartheid state.

From the liberal view, capital wanted a reformist government that would steadily transform South African society from being racist and discriminatory to becoming a relatively integrated, non-racial system. This view identifies the industrial skills shortage which developed by the end of the 1960s as being the consequence of apartheid, and as dysfunctional to the interests of capital at the time. It points out that the racial stratification of the economy inhibited its growth, and that the social uncertainties and disruptions caused by influx control, the Group Areas Act and the other central institutions of apartheid undermined the development of a genuinely national consumer economy.

The revisionist view sees a different history. It argues that, far from capital being in conflict with the apartheid state, it was in fact cosy with the strong state required to maintain and extend apartheid. That view identifies the benefits derived from the

state's repressive labour policies in the 1950s and 1960s. It argues that the high rates of return on capital during those two decades were the consequence of the implementation of its programmes by the apartheid government. The revisionists argue that while capital may not have been entirely happy with the source of its success, and while employers would have liked a less obviously oppressive system, they nevertheless benefited so much from the execution of apartheid that their interests were fundamentally in harmony with those of the government.

The author does not intend to pass judgement on these analyses of our history, save to make the general comment that in broad terms the revisionist view applies particularly to the period until 1970. Further, the liberal view should have gathering relevance, given that the policies and practices of the government are now undermining, rather than enhancing, the overall stability of the economy. Employers should be increasingly unhappy with our political system. Liberals argue that the disjunction between the interests of capital and the government has become so great that one can no longer argue that the state is serving the interests of capital. The long-term interests of capital are being steadily undermined by its association with the apartheid state.

But where the revisionist approach seems correct is that capital appears to be faint-hearted in its reaction to the government's

calamitous conduct. It seems that capital is willing to mortgage its long-term interests for the increasingly limited, short-term gains offered by the apartheid state.

Limited Gains

It is clear that capitalism in South Africa expanded enormously in the 1950s and 1960s and that it benefited from the elimination of worker resistance during those decades. It is also clear, though, that the strictures placed on the emergence of black workers into skilled categories of employment at the end of the 1960s fettered the growth of the economy. In short, capital needed the removal of racial restrictions in production for its further growth.

By the early 1970s the system of representation of black workers within industry was manifestly inadequate and discredited. But this realisation did not mean, before 1976, that employers favoured the full recognition of rights of collective bargaining for workers. On the contrary, employers were still resistant to African workers being granted rights of collective bargaining. Only one recognition agreement, that of Smith and Nephew, was concluded before the Wiehahn reforms were implemented. Capital had no desire at that stage to enter into collective bargaining with the mass of its workers until the obligation was imposed generally upon all employers by the state.

The pressures from workers during the 1970s, and particularly the national

rebellion in the 1976-78 period, induced the state to reform the economy. Significant sections of capital were urging such reform, but they were unwilling to take the initiative themselves, and they depended ultimately on the state for the change.

In 1981 the unions were a meagre force for employers to reckon with. The power relationship between them was most unequal — organised labour was no match for the employers. Between 1981 and 1987, however, the unions grew prodigiously. They took advantage of their new strength and confidence, and employers were unprepared for their sudden bloom. It was the unions' heyday. They made valuable advances, and secured certain basic rights.

But if we look in detail at what in fact was won, if we assess properly the extent of union gains, what was achieved appears relatively unspectacular in international terms. The rights secured by the new unions in South Africa were rights won by American workers in the 1930s, by British workers before 1910, by German workers before 1900 and by Scandinavian workers by 1920.

What was startling was how suddenly the gains had been made. That is what frightened employers, and that is what induced employers, as a class, to complain to the state that the relationship between them and unions had become unbalanced, tilted too far in favour of the unions. They sought amendments to the Labour Relations Act (LRA) to reverse certain rights obtained by workers, and they were rewarded by the 1988 amendments.

By dealing directly with the state over LRA amendments, capital has distanced itself from the unions and fostered resentment

Organisations of employers and workers, far more readily than other social powers, can create the preconditions for political change



Oil refinery workers protest the LRA amendments and hostel evictions of migrants during the national stayaway of mid-June 1988

Post-LRA Demands and Concessions

The Right to Centralised Bargaining

Unions are likely to demand increasingly centralised bargaining - from the plant to the group, and from the group to the industry level. Firstly, plant bargaining will be restricted increasingly to negotiations over work practices. Secondly, the bargaining of significant changes to terms and conditions of employment will occur at a more central level.

There are several reasons for this transition in union bargaining strategies which include:

- Unions are increasingly organised beyond the plant level, at group and even at industry levels. They can, therefore, now negotiate effectively on behalf of their members at these levels. Previously, unions did not have shop-steward structures at group and industry levels, and it was not possible for them to negotiate responsibly at those levels.
- The volume and duration of negotiations have become such that unions do not have the resources to sustain effective negotiations by their officials at each plant where they are representative. They need to be able to spread their resources less thinly, in order to better negotiate for their members.
- Unions are not likely to make significant, systemic advances and gains for their members in plant level negotiations. For example, it is possible for an employer association to agree at national level to reduce the duration of the working week throughout an industry, because every employer will be affected equally. However, it is unlikely for a union to achieve such an improvement in negotiations with a single employer at a single plant, because that employer could become uncompetitive in its industry if it were to make such a commitment.

The Right to Strike

The second concession that employers will have to consider concerns strike law. Unions cannot bargain effectively unless the right of their members to strike is secure.

The rights to strike and lockout have a three-part history:

- they appear first as the freedom from prosecution by the state;
- at the next stage, protection from delictual liability is granted to unions and employers' associations engaged in procedurally lawful strikes and lockouts;
- finally, the full rights to strike and lockout are achieved. Workers are protected from dismissal for striking, save in certain limited contexts when the employer is obliged to retrench employees for the continued viability of the enterprise, in which event a retrenchment procedure is applied; and employers' lockouts have similar protections.

In the negotiation of the above procedures the exchange that the parties can expect will involve the express waiver by unions of the right to strike on unfair labour practice disputes. In return, employers will grant protection from dismissal of workers engaged in a lawful strike concerning an interest dispute.

The 1988 LRA amendments do not reverse an imbalance. They halt a process in which unions were beginning to acquire the attribute of equal partners with employers in the regulation of labour relations. The imbalance which characterised our labour relations for the century before 1981 was in the process of being remedied. That process has now been truncated, and the traditional inequality in the social powers of employers and unions is being re-asserted.

Some employers are delighted by the revival of their former advantages, but they really have little to be pleased by. Their gains now, the re-establishment of unequal power relations with workers, will not be in their long-term interests, nor for that matter in the long-term interests of the unions.

Unilateral Actions

None of South Africa's many severe problems can be properly confronted and dealt with unless we have a significant level of political consensus in our society. Yet there is not the slightest possibility of achieving such consensus until political representation in South Africa is founded on majority rule. Not until we have accepted and confronted the transformation from our corrupted, demoralising apartheid state and moved to the widest possible democracy, can we expect to have the kind of political accord needed to face our pressing social and economic problems. The mass of citizens will act co-operatively towards the state only if they regard the government as being legitimate, in some sense responsible or accountable to them.

What relevance does all this have to relations between employers and unions? The relevance is that organisations of employers and workers, far more readily than any other social powers, can create the preconditions for the necessary changes. The task that faces capital and labour more than any other social powers is to bring about the conditions necessary for that transformation.

In the political relations between capital and labour, the most important relationship in our society, there is no serious confrontation of this political issue. There is remarkably little real confidence shown by employers towards trade unions. There is suspicion of the motives of unionists, and a sense of resignation and frustration when the unions adopt positions which seem obdurate. Many employers feel irritated by what they perceive to be lack of co-operation by unions in the annual negotiations, and they are only too pleased to be rid of bargaining, until the next round is due to start, all too soon, six or nine months later.

After bouts of bargaining employers feel no enthusiasm to engage the union in negotiations on broader issues, on political matters, where their interests may again not coincide, and where there is likely to be further dispute and disagreement. The result is that employers shy away from direct dealings with the unions on the fundamental issues facing South Africa. There is little real endeavour by organised employers seriously to try to come to terms with the organised union movement on the political questions which face us.

To some extent the same may be said of the unions, although the author believes that there is greater willingness on the part of the unions to confer with employers on ways in which our political impasse may be overcome, than vice versa.

It appears that if employers want a

particular change to occur, they may seek the co-operation of a union to assist in bringing about that change. Most probably the union will not readily concede what the employers want, and it will want much in return for the concession sought. Instead of persisting with negotiations with the union, and making some concessions that may seem hard to live with, employers find it easier to approach the government directly, and they arrange the change unilaterally, without the co-operation of the union concerned.

There are many examples of this short-sighted approach to our social and political problems. One is the manner in which employers sought and achieved the 1988 amendments to the LRA. Instead of approaching the unions as an organised movement and seeking seriously to negotiate with them on improvements to the Act to meet the employers' special difficulties with the previous statutory provisions, the employers did what was most comfortable and familiar to them — they went directly to the state, and unilaterally sought and obtained the alterations they desired.

In the short-term employers gain. The scope of employer unfair labour practices are curtailed, several union unfair labour practices are introduced, unions shiver at the prospect of delictual claims against them arising from unlawful strikes, etc. But what have been the costs of these gains? Much greater distance from the unions, more suspicion and resentment, and hatred from workers. The possibilities of joint co-operation to take our economic and social relations from their parlous state to something better are undermined. There is less prospect of workers moderating their demands for socialism. They think in revolutionary rather than incremental terms. The level of antagonism between capital and labour increases. These are the costs of unilateral actions by employers.

Hidden Potential

The liberal and revisionist views of history have some things in common. Both accept that capital did not set the pace of social and economic development, and that the government has largely determined what has occurred in both social and economic relations in our society. That remains true today. Employers allow the state to determine the progress of reform, and in return for such indulgences, the state accommodates employers and ensures that their interests are not threatened.

Employers would like to trust the unions, but they do not. They make what appear to be half-hearted overtures of co-operation to the unions. These overtures are perceived to be disingenuous, because

employers appear unwilling to accept the consequences of real co-operation with the unions. Employers seem to underestimate the magnitude of the concessions that they will need to make, and they become prematurely disheartened. When rebuffed by the workers they then turn to the government for help. They follow the tried and tested route of co-operation with the government, at the expense of their relationship with their own workers.

The effect of this course of conduct has been to ensure the precarious re-creation of the apartheid system and its appalling institutions. Instead of working with the trade union movement authentically and autonomously, employers have tended to rely on the state and to turn to the state for support. In the process, they have vitiated their own potential to fundamentally reform this society.

Employers frequently view themselves as being powerless, as having no influence over government, and over the policies of the state. What can capital and labour do? What can reasonably be expected of them? The government is unlikely to initiate the reforms that are needed to resurrect this society. It will not voluntarily dismantle the central institutions of apartheid, which is the precondition for the negotiation of a transfer of government to democratic institutions. The government needs to be pressured to make the changes that are vital to a reasonable future in this country.

The pressure needed is a combined series of demands by organised employers and trade unions. That is the central project that employers and unions in this country are capable of undertaking.

What of co-operation from the unions? The responsible participation of unions will be required if a joint project of political reform is to occur. Certain unions, and possibly even the major federations, would be willing to enter into serious negotiations with employers' associations on a programme of political demands to bring about the elimination of apartheid. This, in turn, could commence the process of negotiating the transition of majority rule.

Employers and unions have developed institutions of collective bargaining which are worth defending. They have over the past ten years, and earlier, ensured that many thousands of workers and employers are daily engaged in the process of autonomously regulating their relationship, without the interference or participation of the state. Employers and unions must now act together politically to defend their institutions, and to urge the government to move to a position where it must bargain with popular movements. Otherwise, employers and unions may lose the central political position they jointly occupy at present, and their own

Employers will have to demonstrate an allegiance to the unions in the process of jointly negotiating political change with government

As the level of antagonism between employers and unions increases, there is less prospect of workers moderating their demands for socialism

To win political co-operation from workers, employers will have to desist from using the new statutory powers which favour capital over labour

institutions may be put under threat and be endangered.

Preconditions

If significant moves to eliminate apartheid do not occur and the economy continues to decline, unemployment will become more extensive, and the threat of social disorder must increase. Then the capacity of organised capital and labour to influence events will be weakened.

If employers are seriously to endeavour to work with unions on national political issues they will need to gain, or in some cases re-gain, the confidence of the trade union movement. There is much suspicion from unions that employers will not ally themselves with unions against the government. Employers will need to demonstrate that they are capable of such a changed alliance, in their long-term, rather than their short-term, interest.

The critical basis for achieving some serious political co-operation with unions at the national level will be an undertaking by employers not to rely upon statutory provisions which tilt the balance between the social powers of labour and capital too heavily in the direction of capital. As an act of good faith and demonstration of their commitment to reasonable terms for collective bargaining, employers will need to be willing to negotiate dispute procedures which are autonomous and ancillary to those in the Act.

Employers are going to have to make concessions in two areas of industrial relations. Firstly, in the level of bargaining, and secondly, in the regulation of strikes and industrial conflict (see boxes). Such concessions may occur as part of the negotiation of autonomous procedures between unions and employers which will extend the dispute provision of the LRA. They are also a pre-condition for any serious political co-operation between capital and labour.

If employers do not follow the above route, if they are unwilling to make these concessions, they will not get co-operation from unions to pursue joint political demands. If employers do not get involved in the political process, directly and overtly, with unions, they may not in the long run be able to protect the institutions of collective bargaining that have been of benefit to both employers and workers.

These institutions are a fundamental feature of a democratic society. Yet if employers continue to rely on the state to gain an unfair advantage over unions, they are likely to damage the institutions of collective bargaining. They may thereby imperil their long-term interests for short-term gains. IFA

MEDICAL MICRO

The current crisis of escalating costs of health care provision in the United States is mainly because of the central role that medical aid schemes play in their system. Likewise in South Africa health costs are on the increase. Between 1977 and 1982 the average costs of medical aid schemes increased by 18,3 percent per annum (the average growth in the CPI over the same period was 13,4 percent). In 1986 alone the average increase in premiums was 40 percent and there is no reason to assume that this trend is likely to change. Indeed, medical scheme administrators warn of the inevitability of rapidly rising costs.

As medical schemes are often a condition of employment the worker has no option but to pay the increased cost. This is an important factor for any union to anticipate when negotiating a medical scheme for its members. Why do medical aid costs tend to spiral upwards?

- Doctors tend to 'over service' their patients. For example, they may require too many return visits, order unnecessary tests or prescribe drugs rather than have longer consultation times.
- Patients 'overuse' the service in order to get their 'money's worth' by attending for minor ailments and insisting on receiving drugs.
- Pharmaceutical companies oversell their drugs with massive advertising campaigns.
- The legislation is rigid and prevents medical aid schemes from introducing cost-cutting practices.

The abuse and inefficiency that occurs is undermining the medical aid establishment itself. A spot audit check was done in South Africa in 1986 by the Representative Association of Medical Schemes on a random sample of 43 audited schemes. It

AID UNDER THE SCOPE

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The author argues that although the medical aid system does not offer any long-term solution to South Africa's health needs, it could be of benefit to the better-paid black skilled worker. In practical terms, national health policies are not likely to radically change in the near future and workers are being increasingly offered medical aid packages. In this industrial relations context, the pros and cons of various types of schemes are debated.

revealed that 32 schemes were showing losses of more than R22 million, whilst six were insolvent and others were 'hanging on the brink of bankruptcy'.

The present crisis that medical aid schemes find themselves in is probably irresolvable. Many solutions are being discussed, including removing legal restraints on the functioning of medical aid schemes, providing selective cover only, making patients pay for the initial visit, and many more. However, these proposals are only likely to have a minor impact because the underlying causative factors are left untouched. Furthermore, by limiting the benefits that a member can get (such as not paying dental bills or hospital bills), the medical aid is no longer providing that worker with total health care.

Another important weakness of a system based on medical aid schemes is the fact that it can never provide health care to those most in need of it. The schemes are almost always connected to employment in some way, and even then it is usually only available to skilled workers upwards. This means that unskilled workers, the unemployed, and rural dwellers will never have equivalent access to good health care.

Privilege and wealth in South Africa are largely distributed along racial lines and medical schemes reflect this. By 1986, 75 percent of whites were covered by medical aid whereas only 3,66 percent of Africans had such cover. However, it appears that greater interest is being shown by companies and employer bodies in establishing schemes for their black employees. This is partly due to a management desire to offer a more attractive package to skilled workers in order to stabilise their workforce. It is also likely that large firms, especially

multinationals, are under pressure to provide perks, like medical aids, on a non-discriminatory basis.

Advantages

Traditionally in South Africa black workers have had no medical cover, though a minority have belonged to 'medical benefit schemes'. These are a kind of poor man's medical aid. A worker pays less to belong to a medical benefit scheme (usually about 10-15% of medical aid rates) and the benefits extended to workers are correspondingly less than those of a medical aid scheme.

The legal difference between medical aid and medical benefit schemes is that in the latter the workers may only attend a panel of doctors that has been selected by the scheme. Typically, benefit schemes do not cover dependents and offer less comprehensive curative services. However one advantage of benefit schemes is that they sometimes offer preventive services, such as immunisation or x-ray programmes, which are seldom part of a medical aid scheme.

Clearly, the most obvious advantage of belonging to a medical aid scheme is that it gives the worker and his/her family peace of mind. They will not have to pay large sums of money to doctors or hospitals for sudden, unexpected medical costs. It also means that members may attend private general practitioners, specialists and private hospitals. In general they would obtain better treatment than in the overcrowded and understaffed provincial hospitals.

Furthermore, if a person does not have

By 1986, 75 percent of whites were covered by medical aid schemes whereas only 3,66 percent of Africans enjoyed medical aid cover

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Table 1

**100% SCHEME:
Black Member with 3 Dependents**

Wages ¹	Total Contribution ² by Medical Aid Scheme ³			
	SIZWE	MCI	MCG	NMP
R2 000	208,70	267,10	229,22	324,00
R1 500	173,90	254,20	209,60	
R1 200	143,50	245,10	190,94	310,00
R1 000	139,00	239,40		
R800	135,80	230,40	154,76	286,00
R650		215,60	136,30	
R500	119,20	187,20	118,44	
R400	104,90			
R300	87,50		62,30	
R250	76,80			
R200	64,70			
R150	55,00			

Footnotes

- 1 The figures on the left are the workers' total monthly income.
- 2 The figures in the columns are the total monthly contribution that is paid to the medical aid for that wage category.
- 3 The actual names of the medical aid schemes are Sizwe Medical Fund, MCI Medical Aid Scheme, MCG Medical Aid Scheme, and the National Medical Plan.

Table 2

**Comparison of Outpatient Tariffs (provincial),
for a family of five (1986)**

Total monthly income	CPA	NPA	TPA
Nil	R0,50	Nil	R2,00
R0-R50	R0,50	R3,00	R2,00
R50-R100	R0,50	R3,00	R2,00
R100-R200	R1,00	R3,00	R2,00
R200-R300	R1,00	R3,00	R2,00
R300-R400	R1,00	R4,00	R7,00
R400-R500	R1,00	R5,00	R7,00
R500-R600	R1,00	R6,00	R7,00
>R600	R10,00	R14,50	R20,00

Legend

- CPA Cape Provincial Administration
- NPA Natal Provincial Administration
- TPA Transvaal Provincial Administration

to worry about personally paying for the costs of health care then he/she is likely to seek attention sooner rather than later. It has been shown that as hospital costs have risen in the Western Cape, so patient attendance has decreased (Frankish et al). People with chronic diseases such as diabetes, asthma, epilepsy, etc., are not returning for routine follow-up; rather, they only come back when they are so sick that they are forced to seek attention. Clearly, patients on medical aid would not have financial reasons for delaying seeking medical care.

Disadvantages

The reason that most workers do not and cannot belong to a medical aid scheme is that it is simply a luxury which is usually prohibitively expensive. Contributions vary from 5 to 20 percent of a worker's salary (see table 1), with lower paid workers paying proportionately more. With many families earning wages below the bread-line, private health care is hardly a priority. The rapidly increasing costs of medical aid are likely to put these schemes even further beyond the reach of workers in the future.

African workers pay smaller contributions than other race groups simply because their claim rates are lower. This is so not because Africans are ill less often but rather because they do not have similar access to health care facilities. Provincial or council clinics, let alone private facilities, are inadequate in the townships. The vast majority of private facilities are in city centres or white residential areas and hence not within easy reach of most black people.

Medical aid for a worker who has dependents in the rural areas is virtually useless for his/her family, as there are often no private health care facilities and limited state facilities. For this reason many government agencies and industrial council schemes do not cater for dependents.

For workers on 80 percent schemes, the 20 percent balance that they have to pay can be substantial. Even on 100 percent schemes the worker may have to pay from his/her own pocket if he/she exceeds the ceiling limit on any particular service. Furthermore, many doctors charge more than the stipulated medical aid rates. This means that the patient has to pay any excess charges that are over and above set tariffs.

In reading the small print of various medical aid rules one finds certain 'exclusions', i.e. services for which the scheme will not pay. Examples are treatment for alcoholism, infertility, and services by chiropractors, homeopaths, sangomas and other practitioners not

registered with the SAMDC. These exclusions will lessen the appeal of medical aid for African workers.

Another important consideration is that under most company or Industrial Council agreements membership automatically terminates when the worker leaves the particular job. Therefore, the unemployed worker is not covered at the time of greatest economic hardship.

Types of Scheme

For those who can afford it, there are basically four types of medical schemes:

- industrial council negotiated schemes
- company in-house schemes
- independent/commercial schemes
- trade union schemes.

Firstly, certain industries have medical schemes that have been negotiated between employer representatives and registered trade unions at industrial council level. These schemes fall under the Industrial Conciliation Act and not the Medical Schemes Act, and so can be exempt from certain provisions of the latter Act. The management board is usually equally representative of employers and registered union members. This means that policy decisions such as the scale of benefits, workers' contributions, etc. are negotiated by all parties who are members of the industrial council.

The workers, through their trade unions, will have more direct impact on the functioning of the scheme than they would have if they simply joined an already existing commercial scheme. Indeed, the possibility exists that a more 'progressive' medical aid scheme could be negotiated that included such measures as screening programmes (TB, high blood pressure, industrial lung diseases etc.). Even preventive health programmes could be sponsored by those industrial councils on which independent trade unions have a strong influence.

Secondly, some of the larger companies have in-house schemes for their own employees (such as OK Bazaars, UBS, Tongaat-Hulett's, Datsun-Nissan and many others). Membership for individual workers may be either compulsory or voluntary depending on the scheme.

Thirdly, there are other commercial schemes that workers may join as individuals. These are usually more expensive than industrial council or in-house schemes, however, especially if the employer does not make a contribution.

Finally, there are schemes run by trade unions such as the benefit scheme run by the Food and Allied Workers Union (Fawu) in the Western Cape. There is no legal obstruction to stop a union

establishing and registering its own schemes except for the fact that a minimum of R200 000 must be put up as collateral. There might also be a problem of getting employers to make contributions to a purely union-controlled scheme. The obvious advantage of union schemes are that the union would comprise at least 50 percent of the management board.

At present there are just over 200 medical schemes in the country. Although most are based within specific companies or industries, there is still a vast range to choose from. The majority of schemes will only admit workers as members if the employer body joins the scheme.

Final Decision

The decision by any grouping of workers or union to join or reject a medical scheme will depend on the particular circumstances. The main factors to consider are:

- Can the workers afford the contribution?
- What percentage of the contribution will the company pay (usually 60 or 66 percent)?
- Are local council or provincial facilities adequate, thereby obviating the need for medical aid?
- Are there private facilities (GPs, specialists, hospitals, etc.) which would cater for workers and that are available?
- Is the union being offered the best possible scheme?
- Who will dominate the management board and therefore all policy decisions?

In the final analysis what has to be balanced up is, on the one hand, the cost of medical aid, the peace of mind that it brings and the accessibility of services, and, on the other hand, the cost and acceptability of state health care facilities. There is no simple formula that will determine whether or not it is advisable for a group of workers to go on to a medical aid scheme. In general, the costs of state health institutions will be less than the cost of medical aid. In reality, the vast majority of black workers will not be able to afford a medical scheme and will continue to rely on inadequate state institutions.

A whole range of primary health care and preventive measures could be part of medical aid schemes rather than purely offering medical insurance. It remains to be seen how the government and capital would respond. However, within the constraints of our existing health care system, the union movement could use their power in industrial councils or company negotiating forums to initiate alternative and progressive developments in the health care of workers and their families. **PPA**

The vast majority of African workers cannot afford a medical aid scheme and rely on state health care, even though this is inadequate

A whole range of primary and preventive health care measures could form part of medical aid schemes, increasing their appeal

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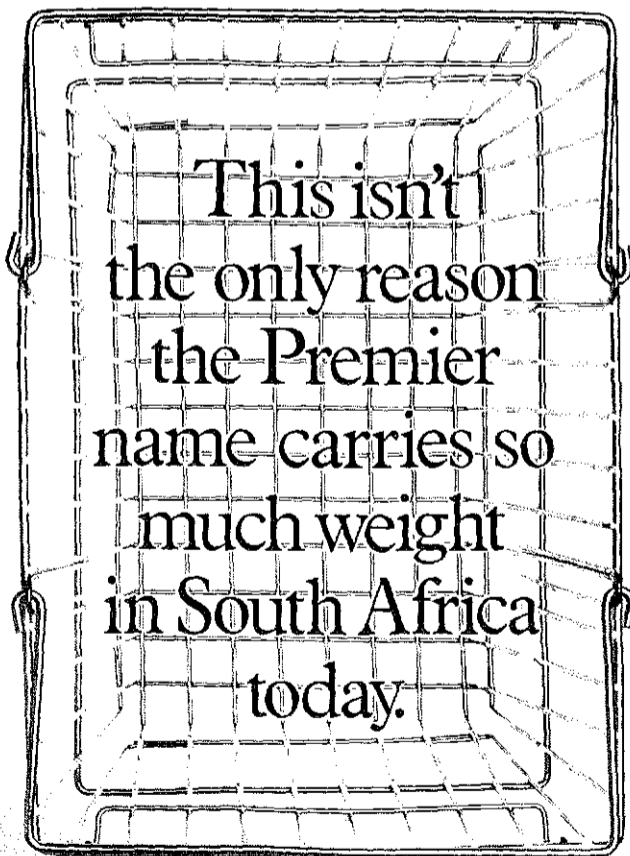
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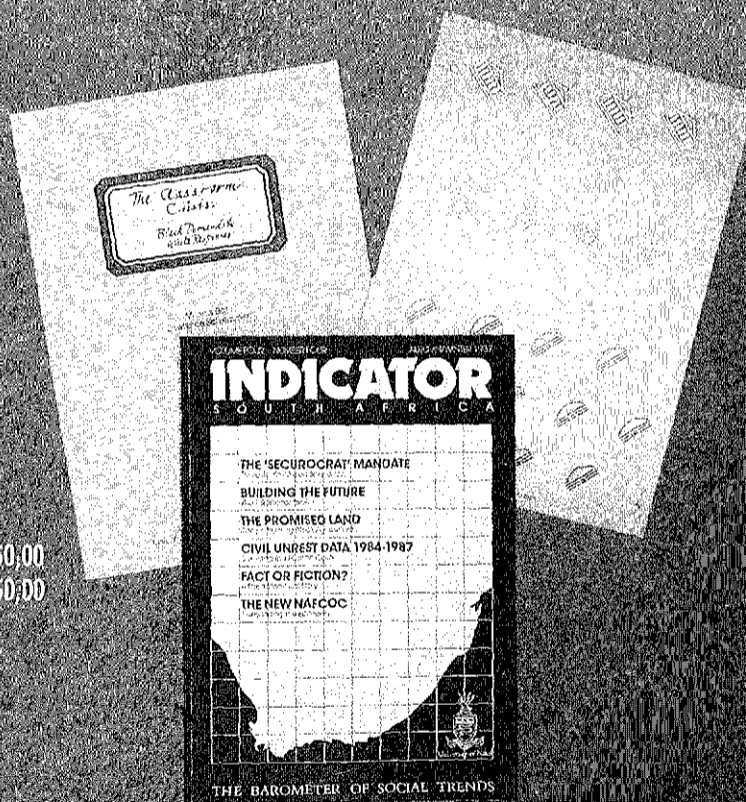
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