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**MEASURING THE 'SUCCESS'
OF EMPLOYMENT CREATION
STRATEGIES
IN THE APARTHEID STATE**

by

Douglas Booth

DEVELOPMENT STUDIES UNIT

Centre for Applied Social Sciences

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The Rural Urban Studies Unit was founded in 1983 by the Human Sciences Research Council for the purpose of studying the dynamics of the links between the rural and urban areas of South Africa. It is situated at the University of Natal, Durban and works in close co-operation with the Development Studies Unit.

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This paper analyses the South African government's policies towards unemployed blacks¹ between 1984 and 1987. These policies are viewed as a prime example of the apartheid state's political posturing in the post-Soweto decade. Efforts to alleviate black unemployment in the mid-1980's, following a history of intransigence on the issue, were not motivated by any sense of altruism but by the popular misperception that any upsurge in political violence, such as South Africa experienced in the mid-1980's, is related to unemployment. This argument explains the contradiction between the admitted failure of the government's policies to reduce unemployment and the pronounced success of the same policies. 'Success' had nothing to do with unemployment per se but with the reproduction of a docile and quiescent black population.

UNEMPLOYMENT, THE RADICAL POOR AND POLITICAL INSTABILITY

"We are not fighting those who want orderly change ... we are fighting the revolutionaries and those terrorist organizations who believe in violence, intimidation and war. We are ... committed to reform in every sphere of national life ... It is the government's policy to fight unemployment. We want to create more jobs ... to promote the establishment of a strong middle class among the black population."

D. M. Streicher, MP (National Party), 1987²

This quote reflects a popular perception of what could be called the myth of the radical unemployed: a powerful fallacy linking unemployment to political instability. The perception is based on the belief that the unemployed are revolutionaries, particularly those who inhabit the shanty accretions of third world cities. It is almost as though people choose to live in such dire circumstances with the express purpose of fomenting revolution. These fears have been given credibility by variants of the socio-economic change political violence thesis. The basic assumption here is that rapid urbanization leads to social dislocation, or alienation, which increases susceptibility to political mobilization and radicalization. In this sense, unemployment is a form of social dislocation. Frantz Fanon, for example, in his book The

Wretched of the Earth suggested:

"It is within this mass of humanity, this people of the shanty towns, at the core of the lumpen-proletariat that the rebellion will find its urban spearhead. For the lumpenproletariat, that horde of starving men ... constitutes one of the most spontaneous and most radically revolutionary forces ..."³

Notwithstanding the general failure of the "wretched of the earth" to mobilize the oppressed and an increasing array of evidence suggesting that unemployed shanty dwellers are the least politicized fraction of the urban population, the myth persists.⁴ In South Africa the illusion of unemployed radicals has a long tradition and constantly resurfaces.⁵ The reappearance of this myth in the mid-1980's sets the stage for this paper: it is critical to explaining why unemployment became an issue in government circles. Later sections of this paper will analyse the peculiar strategies deployed by the apartheid state to alleviate unemployment and evaluate the 'success' of those strategies.

POST-SOWETO ECONOMIC POLICIES AND UNEMPLOYMENT

Although unemployment steadily increased during the 1970's, as a consequence of the capitalization of production in the 1960's and 1970's and manifestations of apartheid ideology, such as the Environmental Planning Act which suppressed job creation in 'white' urban areas, job reservation legislation, and bantu education,⁶ little attention was paid to the problem before the mid-1980's. A number of reasons explain this anomaly.

First, unemployment among Africans, the sector most affected by unemployment was, and remains, heavily disguised. According to the Minister of Manpower the "only official unemployment statistics are those released by the Central Statistical Services" (CSS). CSS figures however, only include people who voluntarily register as unemployed in an attempt to be placed in a job or, if they qualify, to receive unemployment benefits.⁷ Most importantly, these figures exclude

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unemployment in the bantustans and the subsistence agricultural sector. The result is a grossly distorted picture. In January 1987, for example, when most analysts were calculating black unemployment in the four to six million range (see below) the CSS 'concocted' a figure of 1.05 million.⁸

Second, the white electorate is essentially unaffected by the misery of unemployment in two senses. Artificially high levels of white employment have been achieved by absorbing poorly educated and unskilled elements into the public service and parastatals, often at the expense of better qualified black people. Natrass, in fact, points out that in the past decade African employment as a percentage of public sector employment has decreased while the white proportion has increased.⁹ For example, the number of urban whites working for the government increased from 20 percent in mid-1984 to 22 percent during 1985,¹⁰ and by June 1986 it was estimated that nearly 30 percent of economically active whites were working for the government or related public sector bodies.¹¹ Also the Group Areas Act physically removes the ravages of unemployment and poverty from view: a case of out of sight out of mind.

The first indication of concern about unemployment expressed by the National Party appeared at the end of 1979 when the Economic Advisory Council (EAC)¹² and the National Manpower Commission (NMC) began an investigation into the problem. Over the following three years the EAC/NMC devised a general strategy to reduce unemployment and submitted its recommendations at the beginning of 1983. The government subsequently released a White Paper, A Strategy for the Creation of Employment Opportunities in South Africa, the following year. In its White Paper the government said that "any strategy for the creation of employment opportunities should be developed within the framework of a market orientated economic system and should therefore be based as much as possible on the role of the private sector".¹³ Furthermore, the government "reaffirmed its confidence in private initiative" and its "commitment to the promotion of small business including the informal sector".¹⁴ Nonetheless, in tune with the EAC/NMC's recommendations the government agreed to initiate and sponsor a range of labour intensive projects such as low cost housing, home industries, and the construction and maintenance of infrastructure such as roads, dams and schools.¹⁵

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What, then, prompted the government to reverse its economic priorities and shift its focus to unemployment and, moreover, adopt subsidized labour intensive projects? Two interrelated reasons are advanced here: first, there was an increasing awareness of the magnitude of unemployment: and, second, unemployment was perceived as facilitating the upsurge in political violence. Let us examine these arguments.

The Dimensions of Unemployment

During the mid-1980's a series of well publicized research findings revealed the following:

- * unemployment among Africans was in the range 4 800 000 - 5 250 000¹⁶ which represented up to 25 percent of the total African population or 48 percent of the economically active African population.¹⁷
- * approximately 50 percent of African school leavers in the urban areas were unable to find work of any kind.¹⁸
- * up to 70 percent of the potential economically active population in the bantustans were without work.¹⁹
- * the average period of unemployment among African men and women was five years and seven months.²⁰ and,
- * some ten million jobs will have to be created in the period 1980 - 2000 in South Africa if new entrants to the labour market are to be accommodated and unemployment eliminated. Moreover, "this target has little chance of being fulfilled: between 1970 and 1980, which was a decade of prosperity, an average of only 172 000 jobs were created annually just over half the quantity required."²¹

Nor was the problem confined to the African sector of the population. Registered unemployment among Indians, coloureds and whites (elements of the former two sectors having been co-opted into an alliance with the Nationalists under the auspices of the tricameral parliament) more than doubled between mid-1984 and mid-1985 from 29 475 to 67 127.²² The publication of these statistics coincided with a high profile media campaign which focused on the plight of hungry white school children.²³

Further, in the mid-1980's the physical segregation of the urban poor was increasingly difficult to enforce, particularly after the passing of the Abolition of Influx Control Act in 1986 which repealed some laws relating to the movement of Africans to, and within, urban areas. For example, the repeal of Section 29 of the Black (Urban Areas) Consolidation Act reduced the State's power to banish from the cities "idle and undesirable" Africans.²⁴ Thus, the urban poor were becoming increasingly visible in traditional 'white' domains which undoubtedly contributed to the misperception that they were more difficult to police.

Political Violence in the 1980's

The frequency and distribution of political violence in South Africa has increased markedly since the national boycott of schools in 1980. For example, in 1980 465 incidents were recorded, in 1981 171, 1982 130, 1983 222, 1984 712 and for the first seven months of 1985 (1 January to 21 July) 1 419.²⁵ The number of official deaths resulting from political violence increased from 149 during 1984 to 824 in 1985 and casualties from 651 to 2 615.²⁶ While the government apportioned the blame for increasing violence on "the South African Communist Party-African National Congress alliance", "urbanization and socio-economic factors" were also highlighted,²⁷ thus firmly establishing the link between unemployment and political violence and necessitating the need for positive action.

In South Africa the state has long defined social relationships in terms of race and imposed a set of objective material inequalities commensurate with those relationships. In the post-Soweto decade, these social relationships and objective inequalities have materialized in a dialectic between resistance and containment. Black resistance is about the attainment of equality in a non-racial democracy: government containment is about the retention of power and entails concessions, in the form of co-optation and social reform, and overt repression where demands for equality are perceived as a threat to 'law and order'. Within this model, strategies to reduce unemployment and encourage the development of a black middle class are entirely compatible with co-optation and social reform policy.

As a part of this policy the government began pouring money into

economic relief packages. In an initial response to the EAC/NMC's recommendations the government allocated R10 million²⁸ for job creation and training programs in the 1983/84 budget and a further R18 million was provided in 1984/85. However, following the release of its White Paper in 1984 the government allocated R100 million in the 1985/86 budget and in September 1985, no doubt spurred on by thoughts of hungry white schoolchildren and the spectre of five by-elections in the (white) House of Assembly in October, an additional R500 million was provided for a range of projects. Barely five months later R90 million was allocated in the 1986/87 budget for short term job creation programs and R75 million for training unemployed persons. In another special package in June 1986 a further R50 million was made available.

Concomitant with these measures the government reappraised its previously hostile attitude towards the informal sector and committed itself to its 'development' as a means of alleviating unemployment. The promotion of the informal sector has been primarily perceived in terms of removing restrictive legislation and providing capital to entrepreneurs. For example, in his opening address to parliament in 1986, the State President spoke of the need to deregulate small business, including the informal sector, and later that year he was empowered under the Temporary Removal of Restrictions on Economic Activities Act (TRREA) to abrogate laws or regulations which impede job creation or economic growth. A number of organizations such as the Small Business Development Corporation (SBDC), the Competition Board, the Urban Foundation and the Free Market Foundation (FMF) subsequently began investigating deregulation and streamlining restrictive and antiquated legislation. Consistent with the philosophy of providing loans to small operators, parastatals, such as the SBDC, and bantustan development corporations were founded during the 1980's.

In the following section we will analyse the bankruptcy of the job creation and training programs and the strategy of developing the informal sector. Here, however, a critical contradiction in the government's appraisal of these strategies must be noted. On the one hand, "there are still considerable numbers of unemployed" as the Minister of Finance, Barend Du Plessis, put it when presenting his 1987/88 budget. In contradistinction, he has also noted the success of these strategies:

"That our efforts in regard (to job creation) have (borne) fruit is evident from the very encouraging results emerging from the special training and job creation programs and from the significant progress achieved in the sphere of small business development. We also look for a further upsurge in the informal sector ... as the deregulation process gathers momentum."²⁹

In the 1987/88 budget assistance to the unemployed was slashed by 35 percent from R235 million to R181.4 million for employment creation (new allocation R100 million) and training programs (R81.4 million).³⁰ (Although slightly more money was allocated in the 1987/88 budget than in 1986/87 much of the money allocated in the 1985 special package was spent in the 1986/87 financial year.) Moreover, the government made it clear that responsibility for the creation of job opportunities "rested with the private sector". "State assistance", Du Plessis said in his budget speech, "can thus only be justified in exceptional circumstances."³¹ In other words, the 1987 budget reinforced the government's position adopted in the 1984 White Paper, A Strategy for the Creation of Employment Opportunities. By the government's reasoning, state sponsored job creation and training programs adopted between 1984 and 1987 were merely a temporary deviation from the commitment to:

"Firstly, the development of the modern sector ... as the pivot of economic progress. Secondly, ... inward industrialization - that is, a process of economic growth generated internally as a result of the increasing demand for basic goods and services from a burgeoning urban population. Third ... regional development."³²

But, how could the government logically resolve such a blatant contradiction between failure and success? In answering this question one must understand what the government really means by the term 'success'. Before proceeding with this analysis we must first examine the reasons why the unemployment relief strategies failed so dismally.

EMPLOYMENT CREATION STRATEGIES: A CRITIQUE

The cornerstones of the government's unemployment relief measures are job creation projects and training schemes for the unemployed. In addition the government concomitantly committed itself to the 'development' of the informal sector. These strategies are examined in turn.

Job Creation Programs

According to the Minister of Manpower, the primary objective of the job creation program is to create the greatest number of temporary employment opportunities without discouraging people from seeking permanent employment or diverting them away from other economic activities,³³ "however inadequate they might be, for example in subsistence agriculture or the informal sector".³⁴ The fact that apartheid legislation, such as the Group Areas Act and Mines and Works Act³⁵ continues to restrict employment opportunities appears to have escaped the Minister.

Participants in the program are given an 'allowance' of R3 per day in rural areas and R4 per day in urban areas. This is considered "sufficient to provide a worker and his immediate family with one meal a day" and, perhaps more important, high enough to dissuade a person from "opting to make a living by more dubious means".³⁶ In terms of the conditions of this program, project sponsors in rural areas receive R6 per worker per day and those in urban areas R8 per worker per day. Thus, one half of the funds allocated to each project is used to pay the 'allowance' and the other half to finance administrative, transport, material, equipment and supervision costs. Only unemployed persons who are not receiving unemployment insurance fund (UIF) benefits³⁷ are eligible to join the program while preference is given to one member from each family.³⁸

Individual job creation projects are administered as public works programs by various government departments (for example, the Department of Foreign Affairs administers projects in the 'independent' bantustans) and city and town authorities via their relevant provincial administrations, and as labour-intensive projects by the private sector. Between April 1985 and 30 June 1987, 73 479 505 man days were worked on the job

creation program,³⁹ of which 4 309 050 were administered by the private sector under the auspices of the Department of Manpower.⁴⁰

These figures may appear impressive but with closer analysis pale into insignificance. Although the national co-ordinator of the job creation program claims that no statistics have been kept of the number of people who have received assistance,⁴¹ assuming a total of 520 working days in this period then we can at least establish the range: for example, 141 307 people employed for 520 days. Given the temporary nature of the projects (see below), a realistic assessment would be in the order of 825 000 people each employed for approximately four months.

Evaluation of 'success' should, of course, take into consideration other factors such as the quality of jobs created. Abedian and Standish in fact point out that "there exists a modus operandi around which (public works) programs should be structured".⁴² Unfortunately, the South African government has devised its own 'rules' which deviate in nearly every respect from the well documented principles. Analysis of South Africa's 'rules' exposes the bankruptcy of its policies.

One of the principles of the public works program stipulated by the government is that projects must be temporary and able to be curtailed at very short notice.⁴³ Under such conditions, not only is job security non-existent but there is no net gain to the economy in terms of the total number of jobs available. Lewis, for example, attributed the failure of a large scale public works project in the Philippines to its temporary nature, despite the fact that it generated employment for an estimated 12 percent of the national unemployment at the time.⁴⁴ Natrass argues that permanent jobs must be created if job creation programs are to yield "a positive contribution to development".⁴⁵

Similarly, the government stipulated that public works projects must not show an economic return.⁴⁶ This runs counter to a fundamental principle of development economics that "projects selected must have a high economic return to cost".⁴⁷ Returns in this sense refer to forward linkages, for example the payment of a wage that will stimulate growth by generating demand for goods and services.

Evidence suggests that the size of a public works program is critical in

determining the likelihood of success. After reviewing public works programs world wide, Abedian and Standish conclude that one reason why such ventures frequently fail is that they are "trivial" and not "scaled to the needs of the economy".⁴⁹ They estimate that between 14 and 16 percent of South Africa's national budget would have to be spent to finance a package of public works programs with the potential to "initially halt and ultimately reverse the cycle of black poverty" in the country.⁴⁹

It is axiomatic that people who are not offered any real incentive to work on a public works program will be reluctant to participate. Incentives may take the form of a living wage, the opportunity to learn new skills, or the construction of community assets and resources to which contributors will have access. Few of the projects offered any such incentives.

The daily 'allowance' is nothing but an attempt to fool people into believing that they are 'employed'. A family of six Africans supported by a single breadwinner engaged on a public works project in 1987 would have survived on approximately R88 per month - R386 less than the household subsistence level (HSL).⁵⁰ Seen in this light, comments such as the 'allowance' is sufficient to "keep body and soul together" and that it will have a beneficial "ripple effect ... in regard to next-of-kin"⁵¹ are preposterous. (Furthermore, the latter statement contradicts the government's self-imposed principle that public works projects should not show an economic return.) Four rand divided between a family of six would provide each member with one glass of milk, a few slices of bread and one medium sized potato.

Nor have efforts been made to teach skills. On the contrary, a consultant to a road construction scheme in rural Natal recommended that, rather than initiating projects with educational value and skills learning experience, activities should be kept as "simple as possible" to reduce the educational requirements of the supervisory staff.⁵² The Development Bank of Southern Africa (DBSA), in its evaluation of the job creation programs, surprisingly played down the role of what it termed "the learning component". Rather, the DBSA stressed the value of "work discipline" over the acquisition of "rudimentary skills".⁵³

The initiation of projects without consultation with local communities and the failure to link projects to felt needs and general development is another major drawback and has drawn sharp comment. For example, John Pohl, Executive Director of the Natal Chamber of Industries remarked in response to the grass and bush clearing exercises sponsored by the Durban City's Parks and Gardens Department:

"Is it really necessary that we ensure that no weeds grow on the verges? Even if we clear them they are going to grow again. We find that we get to the stage where we are doing only cosmetic things when there are known needs in the community: like the Inanda water pipeline and also a railway line from Durban to Inanda."⁵⁴

A good example of a project unrelated to basic community needs was the canalization of Baynes Spruit near Pietermaritzburg. The project was allocated R1 356 000 and at the time of its inception in 1986 was the largest relief project in the country employing an estimated 1 700 people.⁵⁵ The object of the project was to reclaim swamp land for an outdoor recreational and sporting complex by constructing a ten metre wide canal to divert flood waters. According to Bromberger and Bhamjee considerable support was given to the project by residents of Sobantu - an adjacent township.⁵⁶ Notwithstanding the dearth of recreational resources in black townships, the reclamation of swamp land (which is technically a recreational resource in its own right) for a formal complex can hardly be construed a priority. Perhaps the Pietermaritzburg project co-ordinating committee had in mind the "give them sport in times of crisis" theorem.

The nature of the projects also drew critical comment from respondents in a survey of workers in the informal sector carried out by the author.⁵⁷ Several respondents described them as "women's work" and added that "men are just unwilling to perform this work". (Bromberger and Bhamjee estimate that nearly 60 percent of participants on the Baynes Spruit project were women.⁵⁸) Thus, the general failure of projects to attract young unemployed males cannot be solely attributed to "the relatively small allowance" and "work shyness ... which makes them avoid hard physical labour", as suggested by one analyst,⁵⁹ but rather to a

general failure to implement a tailored package to meet the needs of specific groups.⁶⁰

Finally, unemployment and poverty are political problems which reflect government ideology and its concern for affected groups. Political factors are crucial in determining popular acceptance of any program and hence its chance of success. Of course, programs that reinforce apartheid have long ceased to have any chance of success. However, the level of politicization among black people is such that the government must now totally divorce itself institutionally from its own initiatives if they are to achieve results - and this includes surrogates such as the reviled community council system. It was alleged in parliament during 1987 for example, that R268 000 for job creation projects in Port Elizabeth had been misappropriated by township councillors to build themselves homes.⁶¹ Threats made by the Minister of Constitutional Development and Planning "to reallocate money earmarked for job creation in unrest areas to peaceful areas"⁶² is further indicative of the government's inability to grasp this fundamental point.

The government's willingness to use employment creation funds to contain 'unrest' was demonstrated by the appropriation of R35 million for the training of community policemen.⁶³ This money was part of R60 million allocated in 1985 to public works projects in black urban areas under the guidance of the Department of Constitutional Development and Planning. Community policemen are deployed as auxiliary police forces throughout urban townships. Allegations of misconduct and lack of professionalism have accompanied the appointment of these personnel. Helen Suzman, Progressive Federal Party (PPP) spokesperson on Law and Order, has accused elements of these forces, popularly referred to as 'kitskonstables', 'blackjacks', and 'greenflies', of "intimidating and terrorizing residents of black townships and of regarding themselves above the law".⁶⁴ Recruits tend to be drawn from rural areas at the center of the worst excesses of poverty where any offer of formal employment is grasped. In this sense they represent, in the words of the general secretary of the South African Black Municipal and Allied Workers Union, "the starving who are controlled by their stomachs".⁶⁵ Moreover, they are generally poorly educated and politically conservative and have become willing allies in the crusade against 'criminals' (i.e., the state's definition of political dissidents).

The private sector has also been involved in employment creation projects but, not unexpectedly, abuses have accompanied their involvement. Evidence of firms applying for subsidized labour after being awarded tender contracts was presented in parliament during 1986.⁶⁶ By building the full cost of labour into their tender and then successfully applying for a subsidy to cover these costs several companies have been able to pocket the full cost of labour as "unearned windfall profits"⁶⁷ while paying their workers either a R3 or R4 daily 'allowance'. At the same time it was alleged that farmers in certain districts were receiving money from funds provided for the job creation program on condition that they did not dismiss any of their workers.⁶⁸ While abuses such as these are perpetrated, job creation programs, far from making positive contributions, merely generate political mistrust.

There is certainly little evidence to support claims that the job creation program has been a "phenomenal success" as suggested by the Minister of Education and Development Aid.⁶⁹ On the contrary, the program has been a dismal failure: the pitiful 'allowance', the failure to target projects towards specific groups, the selection of projects which do not impart skills or provide poorer communities with much needed resources, the channelling of monies into schemes that divide communities, and private sector abuses, can hardly be construed as 'success'.

Training the Unemployed

"... an aspiring typist could progress within a period of a mere three weeks to a point where she at least has a passable knowledge of a word processor, even though she cannot operate it expertly. She at least knows how a telex machine works as well. This is the kind of training that is given."

J. J. Lloyd, MP (National Party), 1986⁷⁰

In terms of this strategy the government has allocated funds for the training, or retraining, of unemployed persons. Between April 1985 and 30 June 1987 585 524 people received basic skills training.⁷¹ The training of unemployed persons is largely subcontracted to private enter-

prises who are reimbursed R22 per day per course participant. People over 18 years of age undergoing training receive a daily allowance of R2.40 (16 - 18 year olds receive R1.80) plus one meal per day and reimbursement of their public transport costs. The courses are short term, running from one to five weeks, and cover 180 skills from domestic service to business management and from builders' assistants to computer literacy.

A number of mechanisms operate to exclude the poor and uneducated from this training scheme. First, information about the program has not been widely disseminated. For example, 40 percent of respondents in my survey of informal sector workers had not heard of either the job creation or training schemes. This is certainly tied to the fact that potential participants in training courses are notified through regional labour bureaux. This effectively means that they must either be registered as a job seeker or frequently visit a bureau.

Few people in fact bother to register with labour bureaux - in August 1985 when over five million Africans were estimated to be unemployed, only 52 984 (excluding those in the 'independent' bantustans) were registered. Reasons for this reluctance to register are not hard to find. One reason is intimidation by labour bureau officials. For example one person in my survey claimed an official told him "not to hang around aimlessly because you know there is no work". Research into the administrative practices of labour bureaux supports this argument. Sarakinsky and Keenan in fact suggest that:

"... as absolute unemployment becomes greater, a relatively smaller proportion of the black unemployed bother to register at labour bureaux as they realize there is little or no chance of getting work. Consequently, there tends to be an inverse relationship between the real level of unemployment and the level of unemployment as recorded by the government."⁷²

Second, prospective course participants are screened to assess course suitability. In this regard suitability correlates closely with education and past work experience. While a spokesperson for the Natal Institute of Training assured me that the majority of the 60 courses run

by the Institute assumed only three years of primary schooling, it is difficult to imagine the type of course for which a functional illiterate with no previous work experience is eligible and which will realistically improve employment prospects. A one to three week course can only, at best, marginally increase marketable skills, and certainly not in the type of jobs for which there is great demand. If by chance a vacancy does occur an army of unemployed are lined up in competition.

In September 1987 the government estimated that only 25 percent of those who had enrolled in a training course had found work⁷³ (one wonders whether this figure includes community policemen?), although the Minister of Manpower is optimistic that "a large percentage of the others would find employment within a reasonable period".⁷⁴ The basis of his optimism was never explained nor did he define what he considered to be a reasonable time.

The government has consistently glossed over problems associated with training programs. For example, one member of the NMC dismissed the effects of continued unemployment on newly trained people with an array of flawed arguments such as: "skills ... improved the long-term employability of the trainees" (emphasis added); "even if skills are temporarily lost, experience has taught that they are acquired again relatively easily with a refresher course at a later stage" (one wonders whether the government will consider offering two day refresher courses every x months to people who completed three week courses but remain unemployed!); and, "even if persons cannot be placed after training, training in job-search techniques has some value".⁷⁵

The only conclusion that can be drawn from such statements is that the unemployed are supposed to gain some form of gratification from the knowledge that the government has attempted to alleviate their plight, regardless of actual achievements. According to the DBSA this was in fact one of the guiding principles of the job creation program: "to demonstrate the government to be a concerned government, i.e., 'one that cares'".⁷⁶ As one member claimed during a parliamentary debate: "We are also teaching people in other ways. It not only concerns their standard of living but also the quality of life."⁷⁷ Later in the same debate the Minister of Manpower explained how job training improved the quality of life:

"One sees there (at the training center) how a person undergoes a metamorphosis and how a person changes there within three weeks from a person who is really down and out, into a person who has self-respect and optimism again, and perhaps acquires a certificate ..."⁷⁸

One is forcefully reminded here of the crudely explicit class tones of South Africa's approach to black 'development'. The poor are required to be content with a standard of subsistence that neither threatens a radical redistribution of wealth, nor attempts to challenge the structures of political domination and economic exploitation. Of course, this approach is never overtly pushed in a society which is trying to sell itself as being based on equal opportunity.

Against this background it is not surprising to learn that those gaining most from this program are the some 200 private training institutions throughout South Africa sub-contracted to run courses during 1986.⁷⁹ It is alleged, for example, that one company had grossed more than R3 million from the scheme by April 1986.⁸⁰ Profits are substantially increased where courses rely on cheap video tapes and recycled training equipment and materials.

Private companies using the program to train elements of their workforces at subsidized rates are the other main beneficiaries. A company requiring staff can select employees through a labour bureau and have them trained at government expense. AECI (Bethal) for example, employed "probationary labourers" through the program to reduce the "risks and costs of hiring and retrenchment".⁸¹ The DBSA viewed such practices favourably which it said would "enable employers to identify the best workers". The Bank contended that this was particularly important where minimum wages are high; as for example at AECI where the minimum wage for a labourer is R500 per month.⁸²

In conclusion, serious reservations must be expressed about the viability of any project that can only claim to be 25 percent successful, particularly when the main beneficiaries are not those for whom the project was designed.

Developing the Informal Sector

"As most reasonable people know ... the small business and informal sectors have proved worldwide to be the most efficient job creators."

Ben Vosloo (Managing Director, SBDC)⁸³

Throughout the world, but concentrated in third world cities, people engage in what are imprecisely referred to as 'informal' employment activities. Broadly, informal activities are distinguished from those in the formal sector by their small scale and labour intensive operations, ease of entry, adapted technology and indigenous resources, skills acquired outside formal institutions, and unregulated and competitive markets. Examples of informal activities include backyard mechanics and carpenters, hawkers, 'pirate' taxidrivens, shoeshiners, cardboard collectors, carparkers and prostitutes. The heterogeneous nature of the informal sector includes not only the wide range of activities in manufacturing, retailing and services, but also diversification in terms of productivity, income levels and the motivations of participants. These factors suggest that the informal sector is stratified with the upper echelons characterised by the accumulation of wealth and the lower by subsistence returns.⁸⁴

The latter point is particularly crucial here because in South Africa the state's approach to the informal sector mirrors the social acceptability of the different segments. Not surprisingly, the favoured sectors, which Rogerson recently identified as small scale manufacturing, the shebeen (tavern) trade and street trading,⁸⁵ are those conceptualized in terms of wealth and employment generation rather than survival strategies and where the participants are defined as dynamic entrepreneurs rather than wage-labourers-in-waiting. The strategic advantages of such a conceptualization should not be underestimated: on the one hand, it relieves the government of its responsibility to provide welfare assistance; and on the other, it enables the government to define elements that do not fit the stereotype image as nuisances to be harassed, prosecuted and banished.

Informal sector operators themselves regard official harassment as their

greatest bane. There is little doubt that the repression of the informal sector is entrenched in certain state apparatuses, notably the police and local authorities. In Durban, Johannesburg and Pretoria, for example, recent campaigns have been conducted against informal sector operators on the basis of their alleged criminal tendencies and their perceived threats to tourism.⁸⁶ Research in South Africa indicates that approximately 40 percent of informal sector participants see police and local authority harassment as a major problem.⁸⁷ Harassment by local authorities and the police lends credence to the argument that government policy can be effectively undermined by the actions of stronger interest groups:⁸⁸ the government's agenda for the informal sector is not necessarily compatible with that of the local authority.

For those favoured segments of the South African informal sector, numerous strategies have been proposed to assist their 'development', but two of these, the removal, or relaxation, of restrictive legislation and the provision of working capital, are particularly pertinent.

It is said that the documents applicable to a person setting up a factory "stand five feet high" and that to understand all the, often contradictory, red tape which confronts businessmen at every turn would require a lifetime of work.⁸⁹ The FMP has in fact identified over 1 000 legal impediments to informal sector operations.⁹⁰ Although the State President is empowered under the TRREA Act to suspend legislation which impedes economic progress government officials recently conceded that Botha's extra powers are "essentially a symbolic commitment to deregulation".⁹¹ One year after the TRREA Act was passed it remained unused.

The provision of working capital for participants in the informal sector is based on three myths. The first is that informal sector operators are burgeoning dynamic entrepreneurs. As argued above such a label is politically expedient. Empirical studies repeatedly demonstrate that the majority of participants view their plight as a temporary survival strategy, in the absence of unemployment benefits and state sponsored welfare aid, while seeking formal wage employment. In this context, participants make up those portions of the surplus labour force who cannot find formal wage employment under capitalism and therefore survive on subsistence earnings procured by menial tasks.

The second can be coined the myth of success. According to this myth the door to success is open to anybody prepared to work hard while failure is ascribed to personal deficiencies. The media in South Africa constantly reinforce this myth with case studies of people who have 'made it' in the informal sector and transcended the bridge to the formal sector. For example: "Max has it made on beer bottle sales", Business Day, 23/7/86 (tells the life story of Max Tlakula who made his fortune collecting and selling beer bottles); and, "How Fats became a businessman", The Star, 17/10/86 (describes how perseverance and a loan from the SBDC enabled 'Fats' Thabane to establish a flourishing car wash business⁹²). These stories invariably romanticize the informal sector: "They are mostly unemployed and poor but they have grit, and like chickens which peck a survival out of the dust have improvised many ingenious ways of scrapping together an income."⁹³

Consistent with these myths has been the creation of special institutions to provide loans to small operators. Despite their rhetoric, however, banks and the various parastatals remain prejudiced against small operators who neither keep accurate records of their financial activities nor have thoroughly researched their potential for expansion. For example, while one of the stated objectives of Afribank is to aid small businesses, a spokesperson has pointed out that it can do nothing for those who do not "think and act big".⁹⁴ Thus, very few operators in the informal sector can approach creditors with confidence and certainly none that operate at the subsistence level. Krieger in fact argues that the SBDC does "little to promote the interests of the informal sector" and her research into its lending policy revealed that the SBDC selects clients based on their potential for accumulation rather than those operating at subsistence level.⁹⁵ Da Silva concurs. She concluded that the SBDC is "geared towards helping already established and prospering businesses rather than to promoting new enterprise development".⁹⁶

The allocation of loans by the SBDC for the 1984/85 financial year testifies to these arguments. While empirical evidence suggests most small operators require loans of less than R200 the SBDC lent out only R1.4 million under the infant enterprises scheme which provides 'mini-loans' of up to R2 000 repayable over 24 months. This compared with R2.7 million lent out under the comprehensive assistance scheme (loans of up to R30 000), and R22 million under the general financing scheme (loans

of up to R300 000). The SBDC also acts as guarantor for selected clients who secure bank loans. In the year under consideration the SBDC indemnified loans worth R13 million.⁹⁷

Any development organization which assists the smallest and weakest of businesses must expect to incur losses. However, this is contrary to SBDC policy. The SBDC calculates that between 1981 and the end of the 1988/89 financial year its bad debts will amount to R29.7 million, or 6.8 percent, of total loans of R436 million. According to Ben Vosloo, the SBDC will cease operating if bad debts total more than five percent of loans. He predicted that stricter criteria will be imposed on applicants and fewer loans approved in the future.⁹⁸

Not only are government and parastatal officials biased against small business operators on ideological grounds but because of their social distance from the real life situation of prospective loan applicants they are patently unaware of the applicant's circumstances and consequently are ill-equipped to provide aid. Among the related inadequacies of the SBDC noted by Krieger are: loan repayments are expected to be made by cheque when banks are virtually non-existent in black areas, particularly in the bantustans, and cheque accounts are alien to most black people; the SBDC does not employ sufficient full-time interpreters; the inability to monitor loans has resulted in a tendency to award loans for the purchase of capital equipment rather than working capital; SBDC offices are often located away from the main public transport routes; and, assistance is directed towards production in the manufacturing sector.⁹⁹ This latter point is particularly pertinent in the South African situation where the majority of informal sector activities involve a recycling of goods in the retail sector.¹⁰⁰

The third myth of the informal sector is its capacity for generating employment. This is closely related to the fallacy that it consists primarily of manufacturing activities. On the contrary, most informal businesses are one person shows. Natrass and Glass found that 63 percent of informal sector businesses in Durban are managed by one person and that employment capacity correlates strongly with capital employed.¹⁰¹ Not surprisingly, in the lower echelons of the informal sector there are few employment generation prospects. Natrass and Glass in fact offer the following sobering conclusion for those who place high

hopes on the employment prospects of the informal sector: "(it) is not at present a major source of wage employment, nor within the present environment does it seem likely to develop into one as it grows."¹⁰²

The basic limitation of the government's 'new deal' for the informal sector is quite clear: it ignores the stratified structure of the informal sector. Of course, this misconception enables the government to justify a redefinition of the overwhelming majority of participants, those who survive in the dungeons of the informal sector on the hope that one day they will "get lucky" and secure formal employment, as radical lumpen elements.

DEFINING THE 'SUCCESS' OF EMPLOYMENT CREATION STRATEGIES

In the period between the publication of the government's White Paper, A Strategy for the Creation of Employment Opportunities, in 1984 and the presentation of the 1987/88 budget in June 1987 the effects of black unemployment were widely discussed in South Africa. In view of the state's history of intransigence towards this problem, the question posed here is, why was the apparent concern for black unemployment expressed at that specific conjuncture? The answer had nothing to do with any sense of altruism for the burgeoning unemployed black community and the excesses of poverty which accompany unemployment in a non-welfare state, rather with a fear that this faction was fanning the flames of 'revolution' .

Government debates are littered with references linking unemployment to 'revolution' . Not unexpectedly, the Minister of Manpower is at the fore in expressing this view: "I realize the extent of the revolutionary onslaught against us. I also realize what a breeding ground unemployed degraded people are for revolution, and that is why I am helping them. We are acting in the interests of South Africa."¹⁰³ Likewise, the Minister of Law and Order blames "overseas action, unemployment and the conduct of revolutionaries ..." for the state of emergency.¹⁰⁴ These sentiments have also been expressed by opposition members to the left of the government. For example, Messrs Savage and Malcomess of the PPP have both referred to unemployment as a cause of political violence in Port Elizabeth: "Unemployment rises: violence escalates: no growth takes place; unemployment rises again: people have nothing to do, and con-

frontation becomes increasingly violent in an inescapable circle."¹⁰⁵

Nor have these viewpoints been confined to members of parliament. Vested interests, including parastatals, business lobbies, bantustan leaders and municipal councils have all issued their own warnings. Ben Vosloo, for example, has argued that "South Africa could expect black urban residents to become a destabilizing factor in society if they were denied new business and job opportunities in the future".¹⁰⁶ Andrew Hamilton of the Natal Chamber of Industries believes that "blacks have to be brought into the system of free enterprise as soon as possible - unlike the pattern in the territories to the north - otherwise they will fall prey to socialist ideals ..."¹⁰⁷ Gatsha Buthelezi, Chief Minister of the KwaZulu bantustan, warns that the free enterprise system has already been placed "under siege by militant trade unions and radical extremists."¹⁰⁸ (Of course, these spokespersons conveniently forget that blacks responded positively to the free enterprise system in the nineteenth century prior to the curtailment of opportunity by reams of legislation.) Even seemingly innocuous institutions like the Durban City Engineer's Department have made cautious statements: "The inability to provide at least some basic services, and thus promote 'well being' could lead to the manifestation of social unrest."¹⁰⁹

Likewise the media has echoed related viewpoints, warning of the consequences of "desperate" unemployed workers who roam 'white' cities in search of work (e.g., "Desperate men fight for jobs", City Press, 13/4/86; "Unemployment a sorry story", Business Day, 9/5/86; "Beachfront crime fears," Daily News, 18/10/86; "Desperate wait for work", The Natal Mercury, 18/3/87; and, "Beachfront is a danger zone", Daily News, 14/9/87).

The pronounced 'success' of the job creation and training programs and the 'new deal' for the informal sector should not be interpreted as being related to either a reduction in the total numbers of unemployed or the provision of welfare aid to relieve the misery of unemployment. The failure of the economic relief packages to adequately address these problems has been well noted. Rather, the concept of 'success' has been measured in terms of countering what is referred to as "the total onslaught" directed against the country. This is reflected in the pronouncements of members of parliament. The Minister of Manpower, for

example, has noted the "anti-revolutionary" contributions of training centres on numerous occasions:

"Many of those people (African women being trained as domestic servants) had not worked before or had not had any real contact with other population groups. Thanks to the contact which takes place there (in the training center), an attitude and a point of contact is created which is anti-revolutionary."¹¹⁰

National Party MP Dr M. H. Veldman similarly described his visit to a training center:

"What an experience! What does one see there? I will first tell you what I did not see there. I did not see a single clenched fist: only people who were busy as bees during the training ... Everybody was interested, friendly and eager to carry out their tasks."¹¹¹

During the 1987/88 Manpower Vote the Minister of Manpower in fact concluded:

"This department and I were responsible for the job creation and training program under which more than R1 000 million was spent over the past two years. When I think of success stories and achievements, I cannot recall a greater success story than the job creation and training program launched by the government. I want to state categorically today that the single factor which had the greatest counterrevolutionary effect in South Africa was this job creation and training program. It kept idle people busy."¹¹²

The idea that a three week training course can somehow miraculously transform an "unskilled, degraded and dispirited person" (i.e., a 'revolutionary') as the Minister of Manpower believes,¹¹³ is as absurd as the myth that millions of unemployed people doubly oppressed by apartheid are themselves to blame for their predicament. Incredible as this sounds, it is a popular contention in government circles.

The government has not subjected its fallacious logic to an analysis because the myth of the radical unemployed has enormous appeal and political expedience. Once the parallel between the increase in unemployment and an upsurge in political violence had been drawn any strategy which reduced the latter (in this case the state of emergency) was obviously going to be misconstrued as having had positive effects on unemployment per se. However, the incongruity of tackling unemployment by overt and covert repression under the guise of a state of emergency was not lost on the government. Enter the economic relief packages, with all their positive connotations for black 'development' and 'upliftment', and the government had a politically acceptable policy to tackle unemployment. The fact that this policy was economically ill-founded was irrelevant in relation to the real issue - containing resistance and ultimately retaining power.

Evidence to support this argument can be gleaned from the state's utterances and actions. In its evaluation of the relief measures, the DBSA stressed that the programs were "not intended to show an economic return (but) were designed to serve the public interest in some other way. In terms of socio-psycho-political factors the program must be regarded as having been efficiently implemented."¹¹⁴ It was no coincidence that the relief measures were slashed at precisely the same time as the government was declaring the state of emergency a success. Here 'success' is defined in terms of a docile quiescent black population. At the opening of the fourth parliament in 1987, the State President said: "The correctness of imposing a nationwide state of emergency has been substantiated by the decline in the occurrence of incidents of unrest since the middle of last year." Later he said: "When we announced a state of emergency ... we restored normal conditions. Black people went back to work. Black pupils went back to school. Black people could live in their houses again."¹¹⁵ By the end of 1987 Botha was describing South Africa as a "symbol of peace".¹¹⁶ However, when the government announced in the 1987/88 budget that assistance to the unemployed was being "reduced" the justifications were not, of course, attributed to the effects of the state of emergency but to an imaginary "turn in the economic tide towards growth and development".¹¹⁷

Any concern the South African government appears to have shown for the welfare of black workers, including unemployed fractions, evaporates in

the face of repressive labour legislation such as the Labour Relations Amendment Bill, privatization and deregulation strategies, the detention and harassment of union officials, the banning of union meetings and the frustration of attempts by unemployed workers to organize and mobilize.

The state has clearly identified with capital to repress workers. The Labour Relations Amendment Bill was introduced after the National Union of Mineworkers' strike in August 1987, despite the Chamber of Mines affirming the adequacy of existing labour laws. In terms of the bill: sympathy strikes will become illegal; employers will be able to interdict strikes; any claim to sole collective bargaining rights may be defined as an unfair labour practice (thus encouraging 'sweetheart' and racial unions); employers are entitled to sue unions for damage caused by illegal strikes; boycotts are defined as unfair labour practices for which employers will be able to claim damages; employers will be allowed to selectively re-employ workers after a strike; and, industrial disputes on any single issue cannot be declared more than once in a 15 month period.

Privatization and deregulation are government strategies designed to stimulate economic growth and reduce unemployment. However, within these strategies trade unions,¹¹⁸ minimum wages, and health and safety regulations are defined as obstructions to the creation of new business. To remove these 'obstructions' the government intends establishing "industrial centers" in which crucial provisions of the Basic Conditions of Employment and the Machinery and Occupational Safety acts are removed. For example, restrictions relating to wage rates, overtime work and pay, shift work, work on Sundays and public holiday, notice of termination and conditions of safety such as proper ventilation and the provision of protective clothing for workers engaged in hazardous tasks are all suspended in the industrial centres.¹¹⁹

The repression of workers and the unemployed has been facilitated by the reorganization of the internal security apparatus under the auspices of the National Security Management System (NSMS). The building blocks of the NSMS are Joint Management Centers (JMC's). The NSMS acts as a shadow state structure, to co-ordinate strategies dealing with security problems. Potential 'security' issues have been redefined to include

welfare concerns on the assumption that "people who don't lead decent lives are going to riot".¹²⁰ This assumption is remarkably consistent with the myth of the radical unemployed. While information about the operation of the NSMS is sketchy (the State President has confirmed that "the operation of the system will not be made public"¹²¹) some details have emerged. According to Mr James Selfe, a researcher for the PFP, the Cape Town JMC intervened when it perceived that the Atlantis Residents' Association constituted a "local threat". Selfe said the JMC "organized food parcels for the hungry and soccer tours for the children ... and ... ensured that local politicians in the formal system (i.e., township councillors) were given the credit". "But", he added, "it was simply a front."¹²² Interestingly, the DBSA suggested that the JMC system should have been "used to a greater extent in determining the needs and priorities" of the employment creation program" (emphasis added).¹²³

The apartheid regime's survival is inextricably linked to the propagation of myths, including that which defines black unemployed workers and lumpen elements as radicals. When this propaganda fails the state resorts to coercion and repression. These are the truths of South Africa today.

FOOTNOTES AND REFERENCES

1. Terminology: In keeping with current academic practice the following words are used to denote membership of the respective racial groups: African, coloured, Indian and white. The term black is used to collectively denote those people referred to by the government as 'non-white'. The term bantustan is used to denote a segregated tribal reserve in preference to the commonly used term 'homeland'.
2. Republic of South Africa (RSA), 1987a, House of Assembly Debates, (Fourth Parliament), cols. 86 - 87.
3. Fannon, F., 1967, The Wretched of the Earth, Penguin, Harmondsworth, p. 103.
4. For a critique of this myth see, Nelson, J., 1970, "The Urban Poor: Disruption or Political Integration in Third World Cities?", World Politics, Vol. 22, No. 3, pp. 393 - 414; and, Bienen, H., 1984, "Urbanization and Third World Stability", World Development, Vol. 12, No. 7, pp. 661 - 691. See also the findings of Gerry, C., and Birbeck, C., 1981, "The Petty Commodity Producer in Third World Cities: Petit-Bourgeois or 'Disguised' Proletarian?", in Bechhofer, F., and Elliot, B., (eds.), The Petite Bourgeoisie, MacMillan Press, London, pp. 121 - 154.
5. For example, in 1922 National Party MP Tielman Roos argued: "This country will always be on the edge of a volcano as long as it has large numbers of unemployed ... If it does not absorb the unemployed it will have recurrences of the trouble on the Rand on a bigger scale than it has yet had." Quoted in, Davies, R., Kaplan, D., Morris, M., and O'Meara, D., 1976, "Class Struggle and the Periodization of the State in South Africa", Review of African Political Economy, No. 7, p. 11.
6. See, Beavon, K., and Rogerson, C., 1982, "The Informal Sector of the Apartheid City: The Pavement People of Johannesburg", in Smith, D., (ed.), Living Under Apartheid: Aspects of Urbanization and Social Change in South Africa, Allen and Unwin, London, pp. 106 - 123.
7. All employees, excluding domestic servants and those working in

agriculture and mines, contract and casual workers, and those who earn more than R30 000 per annum, pay into the Unemployment Insurance Fund (UIF). Benefits are paid on the basis of 45 percent of the last salary for either one sixth of the period in which contributions were made, or six months, whichever is the lesser. Those who have never been employed receive nothing.

8. "Black unemployment rises again", Business Day (Johannesburg), 12/5/87. The President's Council which investigated employment creation during 1986, failed to quantify unemployment in South Africa in its report, although it did calculate a surplus labour pool of 3.3 million for 1980. Some of this surplus labour, the report said, is involved in subsistence agriculture and the informal sector. President's Council, 1987, Report on a Strategy for Employment Creation and Labour Intensive Development, PC/1 1987.

9. Natrass, J., 1987, "Feathering a Voter Constituency", Indicator South Africa, Vol. 4, No. 3, pp. 27 - 28 .

10. "State jobs increase causes concern", Business Day, 7/2/86.

11. "30 percent 'work for Govt'", The Natal Mercury (Durban), 24/2/86. In November 1987 the Minister of Constitutional Development and Planning said that there were 20 state departments for general affairs, three own affairs administrations, four provincial administrations, ten bantustan development corporations, 15 parastatal institutions and nearly 1 000 local authorities in South Africa. In addition Regional Services Councils are currently being introduced as horizontal extensions to the local authorities. See "Heunis lifts the wraps on proliferating bureaucracies", The Natal Mercury, 27/11/87.

12. Formerly the office of the economic adviser to the Prime Minister the EAC has been succeeded by the Directorate of Economic Planning in the Department of Constitutional Development and Planning.

13. RSA, 1984, "A Strategy for the Creation of Employment Opportunities in the Republic of South Africa", White Paper, p. 2.

14. Ibid., p. 4 and p. 10.

15. Ibid., p. 16 and p. 18.
16. Sarakinsky, M., and Keenan, J., 1986, "Unemployment in South Africa", South African Labour Bulletin, Vol. 12, No. 1, p. 21.
17. Ibid., p. 22.
18. Ibid., p. 25.
19. Ibid., p. 20.
20. J. Keenan, quoted in South African Institute of Race Relations (SAIRR), 1986, Race Relations Survey 1985, Johannesburg, p. 135.
21. Natrass, J., 1984, "Approaches to the Problem of Unemployment in South Africa", Indicator South Africa (Economic Monitor), Vol. 2, No. 1, p. 2.
22. SATRR, 1986, op. cit., p. 134.
23. This issue received national media attention in mid-1985. See for example, "White children getting food aid", The Natal Mercury, 11/5/85; "Parents feeding families doq food claims manager", The Daily News (Durban) 29/5/85; and "Hunger drive launched as problem grows", The Natal Mercury, 4/7/85. Even the government controlled South African Broadcasting Commission voiced its concern.
24. The state still retains such powers, of course, but under different racial legislation. However, there was a popular perception that all control would be lost with the repeal of Section 29. See, SATRR, 1987, Race Relations Survey 1986, Johannesburg, pp. 338 - 345, for a review of the legislation.
25. These are unofficial figures and should be regarded as under-estimates. See, Booth, D. G., 1987, An Interpretation of Political Violence in Lamont and KwaMashu, Unpublished M Soc Sci thesis, University of Natal, Durban, Chapter 2.

26. RSA, 1986b, House of Assembly Questions and Answers, cols. 1424 - 1425.
27. RSA, 1985a, House of Assembly Debates, col. 4417.
28. R1 = US\$.50
29. RSA, 1987c, House of Assembly Debates, (Fifth Parliament), col. 1543, and RSA, 1987a, op. cit., col. 466.
30. RSA, 1987c, op. cit., col. 1544.
31. Loc. cit.
32. Ibid., col. 1524. See also President's Council, op. cit., pp. 152 - 155.
33. Minister of Manpower, Press statement, 7/10/85. Reprinted in, Viljoen, F., Muller, H., Bloomfield, J., Smith, D., and Van Zyl, A., 1987, Evaluation of the South African Special Programmes for Creating Employment, Development Bank of Southern Africa, Research Report No. 8, Annexure III, p. 2.
34. Quoted in, Barker, F. S., 1986, "South Africa's Special Employment Program of R600 million", Development Southern Africa, Vol. 3, No. 2, p. 170.
35. Under the Mines and Works Act of 1911 only whites can qualify for blasting certificates and hence other advanced levels of mining work requiring this certificate as a prerequisite. Although the Act was further amended during 1987, officially to "remove the last vestiges of job reservation from the statute books", new regulations empower the Minister of Economic Affairs and Technology to determine access to blasting certificates using criteria such as citizenship, language and education. In other words, job reservation imposed by statute has been replaced by job reservation controlled by regulation. The new regulations, which are expected to be promulgated at the end of 1988, effectively exclude over half the black population from blasting certificates.

36. Barker, op. cit., p. 171.
37. See footnote 7.
38. Minister of Manpower, op. cit., p. 2.
39. Personal correspondence with Mr Dirk Thiart, national co-ordinator of the job creation program, Department of Manpower, 2/12/87.
40. Loc. cit.
41. Loc. cit.
42. Abedian, I., and Standish, B., 1986, Public Works Programme, Development, and Economic Growth in South Africa, Paper presented to Workshop on Macro-economic Policy and Poverty in South Africa, School of Economics, University of Cape Town, 29 - 30/8, p. 32.
43. Barker, op. cit., p. 170 and RSA, 1984, op. cit., p. 18.
44. Lewis, J. P., 1972, "The Public Works Approach to Low-end Poverty Problems", Journal of Development Planning, Vol. 5, pp. 96 - 97.
45. Natrass, J., 1984, Approaches to Employment Creation in South Africa, Natal Town and Regional Planning Main Series Report, Vol. 54, p. 16.
46. Barker, op. cit., p. 169.
47. Abedian, and Standish, op. cit., p. 35.
48. Ibid., p. 12.
49. Ibid., p. 19 - 20. During the 1930's unemployment among 'poor' whites was effectively eliminated through a strategy of job creation programs including public works projects. Between 1931 and 1939 the government spent a total of £31 629 000, or an average of 9.8 percent of the national budget per annum, on public works projects and created employment for over 78 000 unskilled white workers. See, Abedian, I.,

and Standish, B., 1985, "Poor Whites and the Role of the State: The Evidence", South African Journal of Economics, Vol. 53, No. 2, pp. 159 - 162.

50. This amount is based upon the HSL for September 1987 in Johannesburg as calculated by the Institute for Planning Research at the University of Port Elizabeth. Quoted in "Apartheid barometer", The Weekly Mail (Johannesburg) 11/12/87. This calculation assumes 22 working days a month and does not take into account the fact that workers engaged on public works projects are reimbursed transport cost which adds marginally to their 'employment package'.

51. RSA, 1986a, House of Assembly Debates, col. 2379. See also, Little, R. D., 1987, "Labour-intensive Road Construction in Periurban Areas: A Case Study", Development Southern Africa, Vol. 4, No. 1, pp. 111 - 121 for a similar argument.

52. Ibid., p. 121.

53. Viljoen, et al, op. cit., p. 118

54. "Industry chiefs not happy with R600m jobs aid", The Daily News, 16/10/85.

55. Bromberger N., and Bhamjee, Y., 1987, Unemployment in Pietermaritzburg with Special Reference to Sobantu, Paper presented to the 18th Annual Congress of the Association for Sociology in Southern Africa, Cape Town, July, p. 17.

56. Ibid., p. 18.

57. Booth, D. G., 1987, "Street Carwashers: Challenging the Myth of the 'Social Pest'", Indicator South Africa, Vol. 3, No. 4, pp. 47 - 50.

58. Bromberger and Bhamjee, op. cit., p. 19.

59. Barker, op. cit., p. 170 and p. 171. F. Barker is employed by the Department of Manpower.

60. See for example, the analysis by Natrass, 1984, in Approaches to Employment Creation, op. cit., p. 68.
61. RSA, 1987c, op. cit., cols. 5468 - 5469.
62. Quoted in, "Unrest areas to lose job creation money", The Natal Witness (Pietermaritzburg), 8/5/86.
63. Personal correspondence with Mr Dirk Thiart, national co-ordinator of the job creation program, Department of Manpower, Pretoria, 22/1/86.
64. RSA, 1987c, op. cit., col. 5038.
65. Quoted in, "We live like outcasts, says cop", Sunday Tribune (Durban), 7/12/86. See also, "Outcasts", Sunday Tribune, 11/8/85.
66. RSA, 1986a, op. cit, col. 6663 and col. 8379.
67. Ibid., col. 6663.
68. Ibid., col. 2394.
69. RSA, 1986a, op. cit., col. 5159.
70. Ibid., col. 2379.
71. Mr Dirk Thiart, 2/12/87, op. cit.
72. Sarakinsky and Keenan, op. cit., p. 19.
73. RSA, 1987c, op. cit., col. 3309. Barker, op. cit., p. 176, claims that those placed in employment after receiving training decreased from nearly 60 percent in 1983 to 25 percent in 1985.
74. Quoted in, "Govt battles joblessness", Business Day, 24/1/86.
75. Barker, op. cit., p. 176.
76. Viljoen, et al, op. cit., p. 15.

77. J. J. Lloyd, quoted in RSA, 1986a, op. cit., col. 2380.
78. Ibid., cols. 2426 - 2427.
79. "Depts jobless scheme extended", The Natal Mercury, 16/10/86.
80. See, "It builds hope, but the cracks are showing", Sunday Tribune, 27/4/86.
81. Viljoen, et al, op. cit., p. 118.
82. Loc. cit.
83. "Time for action", Financial Mail (Johannesburg), 20/2/87.
84. See for example, Le Brun, O., and Gerry, C., 1975, "Petty Producers and Capitalism", Review of African Political Economy, No. 3, pp. 20 - 32; and, House, W. J., 1984, "Nairobi's Informal Sector: Dynamic Entrepreneurs or Surplus Labour", Economic Development and Cultural Change, Vol. 32, No. 2, pp. 272 - 302.
85. Rogerson, C., 1987, "The State and the Informal Sector: A Case of Separate Development", in Moss G., and Obery, I., (eds.), South African Review Four, Ravan Press, Johannesburg, pp. 412 - 422.
86. See for example, "Vagrants in bush threaten workers", The Daily News, 18/10/86, and "Boqus attendants plaque car owners", The Daily News, 22/10/86. The latter article issues a 'warning' to the South African tourist industry: "... unsolicited carwashing, unwanted parking directions and carquarding created a serious problem in ... Maputo (Mozambique) ... Like the hordes of beggars and lottery ticket sellers who made life fairly miserable for tourists, their activities tended to scare off ... visitors ... and affected the Mozambique tourist industry generally". See also, "Pretoria blitz on vendors", Business Day, 13/3/87; "Midget fined R50 for acting as an illegal parking attendant", The Daily News, 17/10/87; "'Hawker squad' grabs 18", Business Day, 11/11/87; "The small guys send their warning to big business", The Weekly Mail, 4/12/87; and, "Please stop the harassment - hawkers", City Press (Johannesburg), 31/1/88.

87. Wellings, P., and Sutcliffe, M., 1984, "Developing the Informal Sector in South Africa: The Reformist Paradigm and its Fallacies", Development and Change, Vol. 15, No. 4, p. 525. This certainly increases among operators who work in white areas.
88. See for example, Natrass, 1984, Approaches to Employment Creation, op. cit., p. 67.
89. See, "Red tape: its proliferation is strangling free enterprise", The Daily News, 12/6/86.
90. Wellings and Sutcliffe, op. cit., p. 525.
91. "PW's privatising wand still unused", Business Day, 11/6/87.
92. For further discussion see, Booth, D. G., "'Fats' Thabane and the 'Vulgar Economist'", Development Southern Africa, Vol. 4, No. 1, pp. 157 - 160.
93. "Enterprise feeds half SA's workers", Business Day, 17/9/87.
94. Maubane, M., 1983, How to get Finance for your Small Business, Paper presented at The Daily News Small Business Seminar, Durban, 22/9.
95. Krige, D., 1986, The Urban Informal Sector in South Africa: What Options for Development? A Case Study of KwaMashu, Natal, Unpublished M Soc Sci thesis, University of Natal, Durban, p. 214.
96. "The biggest helping hand for the not-so-small entrepreneur", The Weekly Mail, 18/12/87.
97. RSA, 1986a, op. cit., cols. 2404 - 2405.
98. "SBDC is facing funding crisis", Business Day, 11/1/88.
99. Krige, op. cit., pp. 200 - 214.
100. Wellings and Sutcliffe, op. cit., p. 528.

101. Nattrass, J., and Glass, H., 1986, Informal Black Business in Durban, Town and Regional Planning Supplementary Report, Vol. 18, p. 30.

102. Ibid., p. 38.

103. RSA, 1987c, op. cit., col. 3338.

104. Ibid., col. 5094.

105. See, RSA, 1985a, op. cit., cols. 3200 - 3202 and RSA, 1986a, op. cit., col. 2409.

106. Quoted in, SAIRR, 1985, Race Relations News, September.

107. "Three pronged approach to change", Sunday Tribune (Business), 20/10/85.

108. Quoted in, "Blacks the future 'business backbone'", The Daily News, 27/2/87.

109. Durban City Engineer's Department, 1984, The Hawker Report: A Geography of Street Trading in Central Durban, Research Section, Town Planning Branch, p. 148.

110. RSA, 1986a, op. cit., col. 2425. It is ironical that the Minister should refer to inter-race contact as anti-revolutionary given that apartheid is supposedly based on the assumption that conflict is avoided if 'races' are separated.

111. Ibid., col. 2387.

112. RSA, 1987c, op. cit., cols. 3337 - 3338.

113. Ibid., col. 3338.

114. Viljoen, et al, op. cit., p. 121.

115. Ibid., col. 3763.

116. "SA is a symbol of peace, says PW", The Natal Mercury 25/12/87.

117. Ibid., col. 1521.

118. See the recommendations in the President's Council report, op. cit., p. 161.

119. Rogerson, op. cit., p. 414.

120. Comment by an anonymous official of the State Security Council. Quoted in, "The uniformed web that sprawls across the country", The Weekly Mail, 3/10/86.

121. RSA, 1987d, House of Assembly Questions and Answers (Fifth Parliament), col. 248.

122. "The uniformed web that sprawls across the country", op. cit.

123. Viljoen, et al, op. cit., p. 129.

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