A STUDY OF THE CAPETOWN AGREEMENT.

Thesis for the degree of M.A.

by

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University of Cape Town

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F O R E W O R D .

In this thesis I have confined myself to the social and economic position of the Indians in Natal, the course of Indo-European relations, the attempts to solve friction - and their effects upon the Indo-European situation.

I have touched only broadly on economic policy and its effects.

I should like to thank Professor H.R. Burrows, M.C., M.Com., William Hudson Professor of Economics, Natal University College, for all his help. I am indebted to him for most of my material on the economic circumstances of the Natal Indians in the later period.

In particular my thanks are due to his Research Assistants Miss Hayward, Mrs. Wilgoose, Mrs. Webb, Mr. Hill, and Mr. V.S. Naidoo for their help and advice - also to Mr. Hill and Mr. Naidoo for the expeditions which added so greatly to the interest of my work.

Finally, I wish to thank Mr. A.I. Kajee, President of the Natal Indian Organisation, for his advice and for all the material he has lent me.

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ABBREVIATIONS USED IN FOOTNOTES.

Rep. ..... Report.

Comm. ..... Commission.

N.I.C. ..... Natal Indian Congress.

S.A.I.C. ..... South African Indian Congress.

Calcutta and were for the most part drawn from the agricultural labouring classes.

The significance of the 'Arab' traders was that they set up economic rivalry with the Europeans and therefore caused hostility. Until the 1880's the Indian in Natal was favoured and encouraged; in the 1880's friction began.[1.]

By the 1890's friction caused by fear of swelling Indian numbers and increasing Indian competition had become acute. Agitation against the expanding Indian free population grew. Thus in 1895 a law was passed, attempting to retain the benefits of indentured labour, while discouraging Indians from settling permanently in the Colony. A £3 tax was imposed on all Indians who failed to re-indenture or return to India on the expiry of their term of indenture.[2.] In 1896 an Act was passed in effect excluding Indians from the franchise, though they were not specifically mentioned.[3.] In 1925 they were to be excluded from the Municipal franchise as well.[4.] They thus became politically impotent. In 1897 an Act was passed which empowered Licensing Officers, who were to be appointed by the Town Councils, and outside the boroughs a Licensing Official, who was to be appointed by the Administrator, to issue trading licences.[5.] The Act vested in them an absolute discretion to grant or refuse licences. This empowered Europeans to restrict Asiatic trade. Further, in 1897, after a popular demonstration against Indian immigration, the Immigration Restriction Act was passed, again not specifically mentioning Indians but undoubtedly aimed at them. It provided a language test to be applied to immigrants into the Colony. Thus henceforth free Indian immigration into Natal was restricted.

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1. On Indian immigration see -
   L.M. Thompson - Indian Immigration into Natal 1860-72 passim.
   Z.A. Stein - A History of Indian Settlement in Natal from 1870-1893 pp. 6-46.
2. Act 17 of 1895.
3. Act 8 of 1896.
4. Ordinance 3 of 1925.
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The result was a vigorous resurgence of passive resistance, and the dramatic march of 3,000 Natal Indians, under the leadership of Mr. Gandhi, over the borders of Natal into the Transvaal, in defiance of the restrictions on inter-provincial movement.[1]

2,000 passive resisters, including Mr. Gandhi, were imprisoned. The Government appointed the Solomon Commission to investigate the Indian grievances, and finally, in the Indian Relief Act (1914), gave effect to its recommendations.

The main objectives of Mr. Gandhi's campaign were secured - inter alia the £3 tax was repealed.

In letters which passed between them in June 1914 - known as the Smuts-Gandhi Agreement - General Smuts gave Mr. Gandhi the assurance that in the future "existing laws" would be administered "in a just manner and with due regard to vested rights", and Mr. Gandhi accepted the Relief Act and the Government's assurances as "finally closing the Passive Resistance Struggle which commenced in the September of 1906."

Thus friction was solved by negotiation and concessions. But it was friction against specific points of administration. The friction between the two communities in Natal remained unsolved.

Moreover, while General Smuts demanded that the concessions of 1914 should be accepted as "a complete and final settlement of the controversy", Mr. Gandhi declared, "complete satisfaction cannot be expected until full civic rights have been conceded to the resident Indian population".

These conflicting declarations contained in the 1914 settlement held the promise of a future clash.[2]

These, briefly, were the main events which formed the background to the relations between the Indians and Europeans in Natal, and between the Indians and the Government in the Union, in the 1920's.

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1. Contained in Act 22 of 1913.

2. On the period 1890-1914 see H.M. Adamson - The Indian Question in South Africa 1900-1914 - passim; C.F. Andrews - Documts. relating to the Indian Question; and Documts. relating to the New Asiatic Bill and Alleged Breach of Faith - passim;
Eric Walker - A History of S. Africa pp. 546-549.

A. BEFORE THE CAPETOWN AGREEMENT.

I. THE POSITION IN 1925.

(a) SOCIAL AND ECONOMIC CONDITIONS OF INDIANS.

The bulk of the Union's Indian population was, perforce, concentrated in Natal,[1] where it outnumbered the European population. In 1921 there were 161,339 Indians in the Union, and 141,336 in Natal, as compared with a Natal European population of 136,838; in 1926 it was estimated that there was a Union Indian population of 173,959 and of these 151,430 were in Natal.[2]

The Natal Indian community was not a homogeneous community. The trading class, and especially the few wealthy among it, was quite distinct from the agriculturists - labourers, market-gardeners, and small farmers - who were on the whole descendants of the indentured labourers.

In 1921 there were 5,710 Indians of 15 years and over engaged in commerce in Natal, and 20,669 in agriculture.[3]

But though within the racial group there were class distinctions, and graded classes of better-off and wealthy Indians, the bulk of the Indian community was socially and economically depressed.

Housing conditions in 1925 were very bad. Overcrowding was worse in the case of Asiatics than any other racial group. The average number of occupants per room in all urban areas of Natal was 1.07 for Europeans, 2.11 for Bantu, 1.79 for Other Coloured, but 2.44 for Asiatics.[4]

In Durban, in a survey of dwellings in 1921, it was found that the average number of occupants per dwelling was 5.55 for Europeans, 3.80 for Bantu, 6.90 for Other Non-Europeans, but 9.52 for Asiatics; and the average number per room was 1.11 for

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1. Inter-provincial migration of Indians was prohibited by the Immigrants Regulation Act (No. 22) of 1913 (sects 4,5)
2. Special Report Series No. 39 - Report of Director of Census on Indian Population of the Union p. 2.
3. Special Report No. 14 - Report of Director of Census p. 23.
4. Special Report No. 39 op. cit. p. 7. (Figures relate to dwellings outside compounds and locations and so do not refer to the poorer classes of Bantu.)

Europeans, 1.91 for Bantu and Other Non-Europeans, but 2.59 for Asiatics[1]. Linked with overcrowding were the insanitary living conditions of the bulk of the Indian community, repeatedly stressed in evidence before the Select Committee on the Areas Reservation Bill in 1926[2].

In Durban and its environs where there is the largest concentrated Asiatic population in Natal, the economic hardships of Indians tend to be accentuated.

In 1921 the Asiatic population of Durban Borough was 16,893 - a proportion of 356.7 Asiatics per 1,000 Europeans[3].

A Committee appointed to enquire into the sanitary and housing conditions of Indians in and around Durban, declared in 1928, "whereas the Corporation has done a great deal for the better housing of Europeans in its area, little or nothing in this respect has been done for the Indian population[4]."

Fundamental in the Indian housing problem in Durban was the Durban Land Alienation Ordinance of 1922[5]. This empowered the Durban City Council, with the Administrator's consent, to insert racial restrictions upon ownership or occupation into the title deeds or leases of Borough land. In the face of Indian protests, the Union Government, in assenting to it, had assured the Natal Indian Congress that "the Government considers it reasonable that the Administrator, in giving his approval to racial restrictions introduced into land sales, should see as far as possible that Asiatics are given reasonable opportunity of acquiring adequate residential sites"[6].

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1. 1921 Census Report Part IX (Dwellings) Table XV.
2. S.C. 9-1926 on the subject of the Areas Reservation and Immigration and Registration (Further Provision) Bill. Eg. See pp. 300, 414, 415-417, and 422.
3. Special Report No. 39 op. cit. P.3.
4. An. 328-1929. Par. 10.
5. Ordinance No. 14 of 1922.
6. An. 328-1929. Par. 6.

But the 14 sales of Municipal land which had taken place in Durban since 1922 had all been restricted to Europeans.[1]

Economic relief, in the form of sub-economic houses, was very necessary for the poorer class of Indian. The majority of the Indian community in Durban was poverty-stricken, and the joint family system accentuated bad housing conditions. This was the traditional system under which sons, instead of setting up separate establishments on marriage, stayed on in the parental home. Thus the average Indian family unit consisted of parents, unmarried daughters, sons, daughters-in-law, and grandchildren, all under the same roof.

But by 1925 nothing had been done to relieve the Indian housing problem in Durban.

The Municipality justified their inactivity by the argument that there was no land available within the Borough for the poorer class of Indian, and that outside the Borough they had acquired land at Cato Manor with the object of establishing an Indian Village, but that this scheme was frustrated by the Indians themselves, who refused to co-operate on the score of segregation. It was owing to the non-co-operation of the Indians themselves that "the claim of the poorer class of Indians, whom the Council is anxious to assist as being in greatest need of better housing conditions, remains unmet up to the present."[2]

The Indians pointed to the fact that all the 14 Municipal land sales since 1922 had been restricted to Europeans, claiming that this was a breach of the Government's assurance of July 1922, particularly as some of the sales were in "Indianized" parts of the town, and declared that opposition to the principle of segregation was not their only reason for opposing the Cato Manor housing scheme. Apart from that, they argued, Cato Manor lay

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1. An. 328 - 1929. Par. 8.
2. Ibid. Par. 7.

outside the Borough boundaries, beyond the jurisdiction of the Municipal Council, and therefore it was highly probable that it would be neglected in the provision of civic amenities and would degenerate into a slum area.[1]

Thus political friction and racial considerations interfered with the economic relief of the Indian community.

Outside Durban, on the outskirts of the City, Indian housing conditions were worse. Here 30,918 Asiatics - i.e. a proportion of 3174.4 Asiatics per 1000 Europeans - were concentrated.[2]

Much of the land was leasehold, and "bad housing and insanitary conditions were unquestionably seen at their worst on leasehold land." Leases were short - usually only annual - so there was no security of tenure, and often more than one dwelling was crowded on the small holdings. Overcrowding was very serious.

Also the barrack system of housing was very prevalent in some parts and, in the Committee's words, this was "one of the greatest evils the local authority has to cope with." Badly planned, the rows of rooms were often without light or ventilation and "each room is usually occupied by a separate family and the sanitary conditions surrounding many of the barracks are very bad and a menace to health."[3]

To sum up then, briefly, the position as a whole in regard to Indian housing conditions and the housing problem in Natal in 1925 - . There is little detailed material on the position outside Durban. It appears that conditions were, naturally, better in the rural than the urban areas. Nevertheless, in the rural areas dwellings of market-gardeners and small agriculturists were often wood and iron shacks, according to Municipal Regulations unfit for human habitation.

The Asiatic figure for overcrowding in all the urban areas of

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1. An. 328 - 1929. Par. 8.
2. Special Report No. 39 op. cit. P.3.
3. An. 328 - 1929. Par. 14.

Natal is high. In Durban in particular housing conditions were bad; on the outskirts of Durban they were much worse. The position was "acute".[1.]

No action had been taken by the Municipal Authorities to remedy the Indian housing problem in the Borough. The economic problem was becoming clouded and complicated by the political issue. The Indians accused the Municipal Council of deliberate neglect on racial grounds; the Council argued that their attempts to relieve the problem were frustrated by Indian opposition to anything savouring of segregation.[2.]

Nevertheless, in failing to act, whatever the grounds, the Durban Municipal Council was building up future problems - .

Indian education in 1925 was also a serious problem.

There were two types of Indian schools - Government schools and State-aided schools. Government schools were founded and maintained at the expense of the Provincial Administration; State-aided schools were founded by private organisations, but their maintenance was subsidised by the Province.

Between 1911 and 1925 there had been some development in Indian education in Natal. The number of Indian children attending school had increased from 3,658 to 8,706; the number of Government schools had increased from 5 to 9; and the number of Aided schools had increased from 31 to 43.[3.]

But Indian education was nearly as inadequate, if not as inadequate, for the growing needs of the population in 1925 as it was in 1911.

A Report of the Superintendent of Education in 1921 admitted that an increasingly large Indian population of school-going age

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1. An. 328 - 1929 par. 20.
2. This argument was not foolproof; there were other reasons for the Indian opposition. See p. 10-11 supra.
3. H.D. Kannemeyer - "A Critical Survey of Indian Education in Natal 1860-1937" p. 201.

was unprovided for and "totally neglected".[1] While the average number of Indian pupils in 1925 was 8,706, 22,893 Indian children of school-going age were not in school at all, i.e. only 27.6% of the Indian population of school-going age received any education.[2]

The Dyson Committee, appointed by the Province in 1928 to enquire into Indian education, reported that "existing facilities as a whole in town and country areas are inadequate for the reasonable needs of the Indian population." Further, although the Government schools were fairly satisfactory, in the State-aided schools (which were the large majority of Indian schools) "the general conditions of the buildings and the status, salaries and method of payment of Indian teachers are unsatisfactory."[3]

The Province received a subsidy from the Union Government of £5.5.0 for each Indian pupil in attendance. But the whole subsidy was not spent on Indian education for which it was designed. In 1925-26 out of the total Government subsidy of £36,179.0.9 received by Natal, only £27,918.0.6 was actually spent by the Province on Indian education.[4]

It seems that in the 1920's the Province was guilty of neglect of Indian education. The Dyson Committee stated in 1928, in regard to the Province's pre-Capetown Agreement policy towards Indian education, "that a restrictive policy in regard to Indian education has been pursued by the Provincial Council up to the present moment, and (the Committee) is of opinion that in so doing the Council was interpreting the views of the general community."[5] These "views of the general community" seemed to be that the more the Indian was educated, the higher he would rise, and the more dangerous he would become as a competitor with the European.

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1. Report of Superintendent of Education 1921. P. 6.
2. Kannemeyer op. cit. P. 202.
3. Provincial Report No. 174 - 1928. Par. 6.
4. Kannemeyer op. cit. P. 208.
5. Provincial Report No. 174 - 1928. Par. 7.

Thus in 1925 facilities for Indian education were very limited; education was the privilege of the few rather than the right of the many. And, as a corollary, the Indian community was necessarily largely unwesternised - for education was the means to westernisation.

This was the general social and economic position of the Indian community in Natal in 1925 - what might be called the "internal circumstances" of the Indian problem.

Broadly speaking, though it was a varied community - some were better-off, a few were wealthy and cultured - yet there was one majority feature - poverty. Always excepting the minority, the bulk of the Indian community in 1925 lived in poverty, under wretched conditions, and without education to uplift them.

(b) INDO-EUROPEAN RELATIONS.

Ultimately the Indian problem was a political, social and economic problem, but in the 1920's it was most pressingly economic.

Economically, it involved the clash of European and Indian interests, and the question of how to reconcile those interests, to the satisfaction of both or at least the acceptance of both, without injustice to the one.

The European attitude to the Indian was dictated by self-interest. As a labourer, indispensable to European industry, in particular the sugar industry, he was favoured and encouraged; but once he advanced from the ranks of the labourer and entered the spheres of European interests, he roused fear and animosity. Economic competition was the root cause of Indo-European friction; and with his lower standard of living, Indian competition could be dangerously effective.

The 1880's when the Indian first began to advance economically and the Arab traders first began to divert some of the European trade, ~~was~~ were thus the origin of Indo-European friction.[1]

Since then the passage of time has meant, and is bound to mean, steady progress in the economic status and capacity of Indians; but the higher he rises the more serious is his competition and therefore the deeper the European animosity towards him. That seems the tragedy of the Indian destiny. Economic and social progress has its repercussions on his political freedom and the way he is regarded.

Yet undoubtedly the European trader and worker had his case. It was "unfair" competition. The Asiatic had a far lower standard of living than the European; therefore he could live more cheaply, could afford to work for less wages than the European, and in his shop where his living expenses were less, the wages he had to pay

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1. Z.A. Stein - A History of Indian Settlement in Natal from 1870-1893. pp. 38-40, 44.

his Asiatic assistants less, he could afford to charge less for his goods. Therefore in every field - industry or commerce - where the European and Indian came into competition, the Indian could undercut the European. The employer would employ the cheapest labour; the consumer would buy his goods in the cheapest market.

It was undoubtedly a serious problem. The European who was subjected to such competition can hardly be blamed for objecting to it; nor can the Indian be blamed for causing it. It was in the nature of the circumstances. Yet the European can be blamed for his approach to that problem.

There were two alternative methods of dealing with it. Either prevent Asiatic competition by artificial barriers - protect the European traders by removing and segregating their Indian competitors, and the European worker by reserving certain occupations to Europeans and establishing a minimum wage for all races - or strike at the root cause of the unfair Indian competition, and try to raise the lower Indian standard of living to the level of the European standard and so prevent him from undercutting the European. This would mean progress instead of repression. But it was the first method that was urged with increasing vigour by the bulk of European opinion.

By the 1920's this problem of Indian competition was becoming serious, but more serious in its effects - the fear it roused amongst the European community and the inter-racial friction based on that fear.

It was a question of numbers and economics. The Europeans in Natal feared they would be swamped by the Indian population, and that Indian encroachment was gradually ousting them in trade, industry and on the land.

In 1911 the Government of India had prohibited further

indentured immigration to the Union; in 1913 the Immigrants Regulation Act had restricted free Indian immigration to South Africa, empowering the Minister to declare the Indian a prohibited immigrant on "economic grounds"[1], and in 1918 at the Imperial Conference India had accepted the Reciprocity Resolution, recognising the right of each community of the Commonwealth to control the composition of its population by the restriction of immigration.[2]

Thus the growth of the Indian population was dependent solely upon its natural increase. And the 1921 Census revealed that, contrary to current belief, Natal's Indian population was in fact increasing more slowly than the European population, which was overtaking it. In 1911 the European population of Natal had numbered only 98,114 as compared with an Indian population of 133,030; in 1921 there were 136,838 Europeans in Natal as compared with 141,336 Indians. The European rate of increase from 1911 to 1921 was 1.76 per year while the Indian rate was only .86 per year.[3] The population trends thus seemed to be a European population growing more rapidly than the Indian and likely, within a few years, to outstrip it. The factors retarding the Indian increase were the restriction of Indian immigration into the Union, the repatriation of Indians, checking but never balancing the natural increase, and the disparity between the number of Indian males and females, though this was decreasing.[4]

Mr. Gandhi in 1914 and the representatives of the Indian Government in 1918 conceded the principle of the restriction of Indian immigration, which they regarded as a slur upon India's national honour, in the faith that once this growing fear of the European public that they would be swamped by Asiatics, was removed, the Europeans would treat those Indians already domiciled

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1. Act 22 of 1913.
2. Statement made by Sir Benjamin Robertson before the Asiatic Enquiry Comm. pars. 5-9.
3. S.C. 9-'26 on Areas Reservation Bill par. 742.
4. Special Rep. No. 14 p. 4. In 1911 there were 171.28 Asiatic males to 100 Asiatic females in the Union; in 1921 142.32 Asiatic males to every 100 females.

in the country more fairly; they hoped that the European population in the Union would be less intent on restricting the expansion of the Indian population, in an attempt to maintain a white supremacy, and would become more ready to grant equal rights and opportunities to a minority group, when there was no longer any danger that this would become the majority.[1]

In 1912 Mr. Gokhale, a leading Indian statesman on a visit to South Africa, had urged that the reasonable European fear of being swamped politically and socially must be conceded by the Indians, in the compromise which alone could be a solution of the Indian problem.[2]

Thus the first objective of the Union's Indian policy, to restrict Indian immigration into the country and prevent South Africa from becoming "an annexe of India"[3], was secured - and sanctioned by the Indian Government in the hope that it would bring better treatment to South African Indians.

General Smuts declared in the Imperial War Cabinet in 1917, that it was because of their fear of being swamped by the Indian population that the European attitude to the Indian in South Africa "has assumed the outward form, although not the reality, of intolerance", but "that once the white community in South Africa were rid of that fear that they were going to be flooded by unlimited immigration from India, all the other questions would be considered subsidiary and would become easily and perfectly soluble."

"I for one", concluded General Smuts, "do not consider that amongst the multitudinous problems which confront us in our country, the question of India will trouble us much in the future."[4]

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1. Robertson - Statemt. before the Asiatic Enquiry Comm. pars. 6-10.
2. C.F. Andrews - Documts. relating to the Indian Question p. 8.
3.
4. C.F. Andrews - op. cit. p. 19; Robertson op. cit. par. 8.

Thus after 1914 the future of Indo-European relations seemed more hopeful - there was hope that the check upon the growth of the Indian population might prove a solution of Indo-European friction - but it was a hope far removed from reality. "All other questions" did not "become easily and perfectly soluble". For it was not only a question of numbers - the clash of the Indian and European in the economic sphere remained, a wedge driving further into the breach in Indo-European relations. Moreover, emotionalism, and especially fear, is often a stronger force than reason, and though the grounds for fear were removed and facts and trends pointed the other way, the popular fear - that the Indians would numerically swamp the Europeans in Natal - remained, and grew.

As the 1921 Census gave the facts about the relative growth and trends of the Indian and European populations in Natal, so the Report of the Lange Commission[1.] (1921) reduced the reports of Indian encroachment to their true proportions.

The Lange Report commented that "the bulk of the evidence consisted on the one hand of protests against the encroachment of Indian traders on the European community; and on the other hand of equally vehement protests against the restrictions placed on Indian traders and members of the Indian community generally."[2.] That was the essence of the Indian problem - how to compromise these conflicting interests.

In 1924 the Minister of the Interior, Mr. Patrick Duncan, declared that because of Indian competition "in many country towns of the Transvaal and Natal --- the European trader who used to flourish there has disappeared."[3.]

How far was this true? There is no doubt that where the

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1. U.G.4-'21. Rep. of the Asiatic Enquiry Comm.
2. U.G. 4-'21 par. 3.
3. Hansard Jan.-April '24 p. 1278 (Debate on Class Areas Bill).

European and Indian came into competition, this was often at the expense of the European, but what was the extent of that competition? Was the Indian ousting the European in trade? Was the European fear justified by fact?

Sir Benjamin Robertson, late Chief Commissioner of the Central Provinces of India, representing the Government of India before the Lange Commission, in a Memorandum to the Commission, maintained that on the whole the Indian trader was not ousting the European.[1.] He argued that in retail trade "the number of dealers' licences held by Asiatics in --- Natal has scarcely increased in recent years"[2.]; and that the Special Licensing Officer of Natal considered that in the country stores "there had been no increase in recent years in the volume of Asiatic trade."[3.]

Further, he maintained that the Indian trader on the whole dealt only in certain lines of business - specialising in groceries, soft goods, and fruit and vegetables - and that though he often undersold the white retailer, the Indian trader only attracted the poorer type of customer. In the rural areas the Indian retailer has a "peculiar economic value" opening up isolated areas where the European would not set up business, and especially catering for the native; and in the large towns "the Indian shop scarcely competes at all with the better class of European shop."[4.]

In the sphere of wholesale trade also Sir Benjamin concluded that the fear that the Indian was ousting the European was at that time (1920) unjustified. The Indian trader was mainly a retail dealer; but there were a certain number of wholesale merchants some of whom had built up considerable businesses. But there was no evidence that the "Indian wholesale merchant undersells the European, or competes with him on unfair terms" and "on the contrary

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1. Robertson - op. cit. pars. 28-32.
2. Ibid. par. 29.
3. Ibid. par. 30.
4. Ibid. par. 31.

the evidence is that the Indian trader, both wholesale and retail, has the support of the European merchant. No leading Chamber of Commerce has joined in the anti-Asiatic agitation."[1.]

The Lange Commission, however, concluded, on all the evidence,[2.] that Indian competition in trade was "keenly" felt in Natal especially in the smaller towns and villages as for instance Dundee, Ladysmith, Verulam and Tongaat.[3.] Indians were carrying on trade in Natal "both wholesale and retail, on an extensive scale"; and because they did not confine themselves to the fruit and vegetable trade, they did in fact compete with the European. The wealthier Indian merchants were mainly in Durban;[4.] and yet, as Sir Benjamin Robertson argued, as a premise for the conclusion that there was little Indo-European conflict in trade, no complaints about Indian competition had been received from the Durban and Maritzburg Chambers of Commerce. But - the fact that there were no complaints does not necessarily mean there was no competition. -

Robertson's argument that the number of Indian dealers' licences had "scarcely increased in recent years" raises the question whether this was because Indian expansion had reached its limits for the time being, or because it was held in check by artificial restrictions?

It is clear that Indian trade could not expand freely but was severely curtailed by the administrative policy of the Licensing Officers. The Licensing Officer of Durban stated before the Lange Commission that "the growth in Durban of the Asiatic licences has been very small. I think on the whole very few licences have been granted, and it is only because we restrict the number that there are not a lot more. We do what we can to -- restrict further Indian licences. --- A European licence is granted almost always as a matter of course, whereas the Indian licence is

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1. Robertson op. cit. par. 32.
2. U.G. 4-'21 pars. 9, 166, 167.
3. Ibid. par. 167.
4. Ibid. par. 166; also see par. 9.

skilled spheres to any great extent. When Indians were employed in industry it was more as unskilled workers, while the European workers were mainly semi-skilled or skilled. Hence Indian and European were rather complementary than competitive.

Finally, there was the fear of Indian encroachment on land. Again - what were the facts? The Lange Commission analysed the question [1].

There was a distinction between Indian acquisition and "penetration", more especially in the towns, based on the principle of the desirability of separation of the two races. In the towns, the Europeans did not object to Indian acquisitions in an Indian area; they did object to Indian penetration by the acquisition of a property in a predominantly European area. The danger of Indian penetration, from the European point of view, lay in the fact that because of his lower standard of living and because of the general colour prejudice, an Indian purchase, with occupation, in a European neighbourhood tended to deteriorate the class of the neighbourhood and the value of the surrounding properties.[2] The European owners of the neighbouring properties would be inclined to sell out, but only an Indian would be likely to buy next to an Indian, and so the process might continue in an ever-widening circle until the first Indian purchase might result in the wholesale Indian acquisition of an area.

The same applied, broadly speaking, to the agricultural districts and there was widespread fear that as a result "a very large proportion of the land in the Colony would fall into the hands of" Asiatics.[3]

But the Lange Commission and Sir Benjamin Robertson found that in the Upland Districts while the European farmed extensively over large areas, mixing both agricultural and stock farming, the

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1. U.G. 4-'21 pars. 152-165.
2. Ibid. par. 218.
3. Ibid. par. 154.

"People of the Asiatic race are gradually penetrating into areas which are occupied for residential purposes and for trade purposes by Europeans ---[1]. This residential penetration is causing so much friction ---[2]."

A Member of Parliament referred in 1927 to "this deadly penetration ---[3]."

The only detailed evidence tendered to the Lange Commission was in regard to Durban and Pietermaritzburg.

Certainly a considerable number of properties in Durban were transferred from Europeans to Asiatics between 1st January 1918 and 31st March 1920 - 137 properties were so transferred at a purchase price of £281,465, and of these 63 were "situated in --- European residential areas[4]." This might have been the result of the abnormal economic conditions of the war, when both Asiatics and Europeans realised large profits in business which, in the circumstances of restricted trade, they invested in fixed property. Another possible explanation was that, in view of the growing anti-Asiatic agitation, the insecurity of their future property rights in the face of European demands for restriction, Indians may have wanted to secure fixed property while they still could[5].

But, nevertheless, there were only a "few Indians of a superior class occupying houses in the Berea", and the "general tendency was for Indians of the same social standing to live in the same quarter". Indians "prefer residing amongst their countrymen of the same class as themselves, instead of amongst Europeans who regard them as helots"[6].

This was also stressed by Sir Benjamin Robertson - "in practice Indians show no desire to live amongst Europeans" - but he added the qualification - "unless they have had a European

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1. Hansard Jan.-April '24 p. 1279.
2. Ibid. p. 1282.
3. Hansard Jan.-April '27 p. 1402.
4. U.G. 4-'21 par. 163.
5. Ibid. par. 164.
6. Ibid. par. 218.

upbringing".[1] This rang rather a dangerous note for the future.

The actual value of Indian-owned properties in Durban increased from £28,840 in 1888-89 to £940,050 in 1920-21 (out of a total valuation of £15,561,930 for all Municipal properties), and to approximately £1,250,000 in 1926.[2] But, at the same time, all properties in Durban had increased enormously in value since 1888, with the great development of Durban as a port, and the Lange Commission therefore concluded that "it seems probable that the value of property owned by Asiatics, as compared with that held by Europeans, is not substantially greater to-day than it was a quarter of a century ago."[3]

In Pietermaritzburg, with its smaller Asiatic population of only 6,830, compared with Durban's 16,893,[4] there was as yet no problem. Europeans owned 84.15% of the total rateable value of immovable property; Asiatics only 2.84%. There was no evidence brought forward of any Indian penetration of European areas.[5]

Thus, in the 1920's, large-scale Indian penetration was only a future possibility; and, in view of existing tendencies, there seemed no reason why it should be a probability - Indians in Durban and Maritzburg had not penetrated European areas to any great extent; it seemed they preferred to live amongst their own race; and therefore, as the Lange Commission concluded, "if attractive residential sites for different classes of Asiatics" were allocated "there should be little cause for such complaints in the future."[6] This was the proviso on which the whole issue of penetration seemed to hinge - there would be no problem of Indian penetration in the future, provided adequate residential sites were allocated for all classes of Indians, in particular choice sites for the few wealthy and cultured, otherwise likely to purchase

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1. Robertson par. 39.
2. U.G. 4-'21 par. 163; S.C. 9-'26 p. 299.
3. U.G. 4-'21 par. 164.
4. Special Rep. No. 39-'26 p. 3.
5. U.G. 4-'21 par. 165.
6. Ibid. par. 218.

those sites in European areas - .

In fact Indians were prevented from "penetrating into areas --- occupied --- for trade purposes by Europeans", as the Minister stated, by the segregation policy of the Licensing Officers. Licences to trade were issued to Indians only in certain areas. The result was that, for example in Durban, Indian traders were for the most part concentrated in the Grey Street area.[1]

Thus the fear of Indian expansion, of "the Indian menace", which by the 1920's had risen to panic, was the basic reason for Indo-European friction - and a reason for the essential difficulty of the Indian problem.

Could friction be removed by checking and restricting Indian expansion, so guaranteeing white supremacy and dispelling the European fear of Indian competition?

Besides the fact that the economic repression of one section of the community was unsound economically - not only from the Indian standpoint, but from the point of view of the European, because national prosperity depends on the full utilisation of all the potential resources of the State - besides this practical disadvantage to the material progress of all, the repression of a minority would necessarily create discontent and unrest, which would eventually affect the well-being of the whole State. The ill-effects of such a policy could not be localised in the Indian community, but would have repercussions on all.

Thus from the standpoint of the interests of the white community, which is perhaps too often the criterion of policy,

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1. S.C. 9-'26 pars. 1503, 1506-1508.

economic repression to remove the feared competition was, if desirable, not wise. This was apart from ethical considerations - the hardship it would inflict on the Indian community, and the fact that such a policy was wrong and unjust, a violation of the accepted principles of the Rights of Man and the freedom of the individual.

Failing suppression of Indian competition, the only solution seemed to be to remove the reason for its danger - raise the lower Indian standard of living. Then the Indian and European trader would meet on equal grounds; the reason for the effectiveness of Indian competition and hence for the European fear of it would be gone. At the same time ethically speaking this would mean progress not repression for the Indian ---.

The fear of Indian expansion consisted in particular of the four fears - that the Indian population would numerically swamp the European, and that the Indian would oust the European in trade, industry, and on the land - which were building up the wall of animosity between the Indian and European communities. In the 1920's there was some justification for the fear of Indian competition in trade, but the fear that the Indian population would swamp the European was after 1914 without basis, and there was little at that time to justify the fear of Indian encroachment in industry and on the land.

But there was a problem for the future. Time and progress would inevitably bring increased competition - more extensive competition in trade and, with better education, more serious competition in skilled occupations.

This prospect of increasing Indian industrial competition in Natal was part of the prospect of increasing non-European industrial competition in the Union. In Natal the prospect seemed more imminent for the Indians were on the whole more highly developed

than the Natives.

The Union's civilized labour policy, in effect a white labour policy, prevented this future danger to European supremacy from materialising.[1]

In 1922 the Apprenticeship Act was passed, in 1924 the Industrial Conciliation Act, in 1925 the Wage Act, and in 1926 the Mines and Works Amendment Act, which in effect operated to establish an industrial colour bar which applied to all non-Europeans in the Union and in particular to the Indian community in Natal.

The Industrial Conciliation Act (No. 11 of 1924) provided for Industrial Councils of representatives of the employers and employees of an industry. These were to draw up conditions of labour, fix wages and hours which, when agreed upon, were to be made binding upon all the employers and employees of the particular industry by a notice of the Minister in the Gazette. It was a useful measure to promote harmony between employer and employee and reduce the number of strikes. But Indians, as most non-Europeans[2], were usually excluded from the trade unions, and were therefore unrepresented on the Councils and excluded from participating in the industrial agreements. Thus the Act empowered European interests to fix conditions and impose these on the Indian (and other non-European) employees.

The Wage Act (No. 27 of 1925) provided for a Wage Board to report to the Minister on wages and conditions of labour in any particular trade, and empowered the Minister to determine, in accordance with the Board's report, a minimum wage for all employees of a particular trade. The Industrial Conciliation Act regulated conditions mainly in skilled labour, the Wage Act in unskilled and "poorly organized" labour. Together they made

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1. Vide C.W. de Kiewiet - A History of South Africa Chaps. IX and X.
2. Except the Cape Coloureds.

Further the Mines and Works Amendment Act (No. 25 of 1926), known as the Colour Bar Act, empowered the Government to exclude persons from certain scheduled occupations, on grounds of colour. The Government might make regulations restricting workers in certain skilled occupations in the Mines, and workers "in, at, or about --- works or machinery" to Europeans, Cape Coloureds, Cape Malays, and Mauritius Creoles.

Thus Natives and Indians could be excluded from skilled occupations on grounds of race. An artificial restraint was imposed upon their economic opportunities to protect the European from their competition. The Government had in fact taken the step of economic repression to guarantee white supremacy.

In view of the principle on which it rested, the Colour Bar Act was hotly opposed by the Natal Indians, and in the Union Parliament only became law when, after it had been twice rejected by the Senate, it was passed by a joint sitting of both Houses.

Thus "taken as a whole, industrial legislation was a protective barrier against the competition of men in a lower social and economic position, and against their encroachment upon spheres of employment and standards of living dedicated to white labour."[1.]

In the 1920's when most Indian workers were still unskilled, this did not inflict great hardship, but in the future when he would begin to rise beyond the unskilled spheres only to find his progress blocked, and openings in skilled occupations artificially barred to him and reserved to Europeans, its effects would be sorely felt.

Such legislation was unsound economically. It was in direct conflict with the fundamental principle that all the potential resources of the State should be used to the full - it placed a restraint on the "economic usefulness" of a part of the population.[2.]

But - "reasons of public policy outweigh strictly economic

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1. de Kiewiet op. cit. p. 276.
2. Ibid. p. 243.

considerations."[1] The economic system was being organised to bolster up white supremacy, and "the solidarity of white society and the integrity of its blood were supreme values"[2].

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1. de Kiewiet op. cit. p. 222.
2. Ibid. p. 222.

(c) ATTITUDES TO THE PROBLEM - INDIAN AND EUROPEAN.

The Indians viewed the problem of the Indian community within South Africa from the standpoint of theory, of the ideal principles of freedom and equality, "equal rights for every civilized man", on which the British Commonwealth professed to stand - though they must also have been thinking of the practical aspect of the question; the practical effects of the unfulfilment of these principles - the limitation of their economic opportunities and progress.

To them these principles logically and necessarily implied "the admission of all people to the rights of citizenship without reservation.[1]" In the words of Mr. Churchill "there should be no barrier of race, colour or creed which should prevent any man by merit from reaching any station if he is fitted for it.[2]" Otherwise those principles, to many the justification of the British Commonwealth, were in fact meaningless.

Theoretically this argument was unchallengeable. But it ignored the practical difficulties of the question. There is a difference between theory and its practical application. In South Africa the two seemed incompatible. For the Indian problem could not be isolated; it was only one part of the colour problem - the problem of 1½ million whites in South Africa as compared with nearly 5½ million non-Europeans.[3] The application of the principle of equal rights for all civilized men would mean, inevitably, the submerging of the white minority in the non-European majority - politically and socially South Africa would be lost to the white man. And this necessary result the European was, quite naturally, above all determined to avoid. From early on the question of the future of the white race in South Africa, the fear that it would be swamped by the non-European, was a

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1. Cmd. 1474 Imper. Confer. 1921 p. 34 (Speech by the Hon. Srinivasa Sastri).
2. Ibid. P. 39.
3. The exact figures according to the 1921 Census are 1,519,488 Europeans; 5,409,092 Non-Europeans.

great factor, underlying attitudes and moulding policy. It was the consideration which would above any other dictate the Union's Indian policy. In fact the crux of the problem for white South Africa was that what was just was not expedient. The principles they accepted outside South Africa as the only worthy criteria in human relations, they could not apply within South Africa.

The Indians judged the Indian problem in South Africa by ethical standards, and based their claims upon right; self-preservation became the criterion of white policy.

This conflict between justice and expediency was the great difficulty of the Indian problem. "The noble course"[1] - a generous policy towards the Indians leading finally to equal rights - seemed like suicide to the white race.

On the other hand was a policy of self-preservation defensible if it was morally wrong? Which was the strongest call and the strongest basis of policy - the right, or the plea of self-preservation? Would not the just policy <u>in the long run</u> prove wiser than "the fleeting salvation of the hour"[2]?

But above all was there no way of compromising the two - finding a solution that was both just yet expedient? This was the extremely difficult problem which faced the Europeans, as the ruling group - caused by the presence of a mere handful of Indians (161,339 in South Africa and 141,336 in Natal), but within the complex racial structure of South Africa.

These attitudes to the problem were put forward by the respective representatives of India and the Union at the Imperial Conferences of 1921 and 1923.[3]

In 1921 the Hon. Srinivasa Sastri declared "to these people (Indians in the Dominions) there is no reason whatever to

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1. Sastri Speaks (edited by S.R. Naidoo and Dhanee Bramdaw). P. 79.
2. Ibid. p. 79.
3. Vide Cmd. 1474 1921; Cmd. 1987 1923 pp. 17-20 and Cmd. 1988 1923 pp. 66-140.

deny the full rights of citizenship" and demanded that "where they are lawfully settled, they must be admitted into the general body of citizenship and no deduction must be made from the rights that other British subjects enjoy."[1] A resolution was adopted by the Conference that the rights of Dominion Indians to citizenship should be recognised, "in the interests of the solidarity of the British Commonwealth"; but South Africa dissented from this.[2]

In 1923 the Secretary of State for India and one of the Indian delegates, Sir Tej Bahadur Sapru, stressed the depth of feeling in India on the question of the status and treatment of South African Indians. For it was a question of India's national honour - "Izzat" - at stake. To India, recently admitted to the Imperial Conferences on an equal footing with the Dominions, and acutely conscious of her growing status, the disabilities placed on Indians within South Africa were "a brand of social inferiority"[3] that applied not only to the handful of Indians within South Africa, with which the Union Government were dealing, but likewise to the millions of India - "Any inequality of Indian nationals enters like iron into our souls ... it cuts to the quick our national pride and our new consciousness."[4] "Where 'Izzat' is at stake, we prefer death to anything else."[5]

That was the gravity of the problem. In view of India's attitude, the touchiness on points of dignity of a country rising to a new and fuller status, a policy of repression of the few Indians within South Africa would not be localised in its effects, but was likely to unleash forces which would have serious repercussions not only upon South Africa in her external relations with India, but very possibly on the British Commonwealth itself. As Sir Tej Sapru threatened in 1923, "if the Indian problem in

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1. Cmd. 1474. P. 34.
2. Ibid. P. 8.
3. Cmd. 1988. P. 67.
4. Ibid. P. 74.
5. Ibid. P. 73.

South Africa is allowed to fester much longer it will pass ... beyond the bounds of a domestic issue and will become a question of foreign policy of such gravity that upon it the unity of the Empire may founder irretrievably."[1.]

What would happen if this point of friction between South Africa and India instead of solving itself, grew more acute? If the relations between two of its members became strained, to breaking-point, would the unity of the Commonwealth likewise be strained, - to breaking point?

Thus there were the larger issues behind the problem of 161,339 Indians in South Africa, which gave it its significance. Within South Africa there was the larger issue of the colour problem, the question of the supremacy of the white race, which made it difficult to deal completely justly with those Indians. Without South Africa there was the larger issue of the relations between India and South Africa, even of the future of the British Commonwealth of Nations, if South Africa did not deal justly with her Indian community.

The responsibility of India for the welfare of the Indian population in South Africa was clear. They had come to Natal under an organised system to which India had agreed. Moreover, in 1896 they had been deprived of the franchise and were therefore powerless to defend their own interests. Once, however, they were absorbed into the body politic of South Africa, and granted the vote as South African citizens, India could cease to concern herself with their welfare, and this would become purely a domestic issue ..[2.]

To all this General Smuts replied, "For South Africa, for white South Africa, it is not a question of dignity, but a question of existence ..[3.]"

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1. Cmd. 1988. P. 84.
2. Ibid. P. 71.
3. Ibid. P. 115.

still further their standard of living, and would perpetuate and intensify their easternism."[1.]

These then were the opposing trends for the solution of the immediate problem - on the one hand raise the lower Indian standard of living, westernise him, so that he no longer had an initial advantage in the field of economic competition. On the other hand repatriation to remove, or at any rate reduce the size of the Indian community and the seriousness of the problem; and for those that remained, segregation, to avoid, but not to remedy, the menace of the lower Indian standard of living.

Westernisation could not succeed as a solution. For education, tending to greater equality of civilization between Indians and Europeans, would intensify competition and the fear of colour. The ultimate aim of the policy of westernisation, as advocated by the Indians, was equality of rights based on equality of civilization. Westernisation would make assimilation of the Indians in South Africa's western civilization possible. But equality of rights and assimilation were just what the Europeans above all were set to avoid. If the menace of a lower civilization was removed, the menace of colour would be intensified. In existing circumstances the lower Indian civilization could serve as an excuse for the denial of equal rights, for example the franchise. With equality of civilization that excuse would be gone; denial would be purely on grounds of colour; it would be more difficult to refuse Indians rights of citizenship and more difficult to guard the supremacy of the Europeans, which was the key European aim. - Equal rights of franchise to Indians would transfer the power from the Europeans in Natal to the Asiatics who outnumbered them.

Thus though westernisation seemed the "logical solution" to the economic problem and the just solution - in practice its

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1. Sir B. Robertson - Statement before the Asiatic Enquiry Comm. par. 72.

effects would make it unworkable. For in raising the Indian to the level of the European, it would strengthen his capacity, deepen Indo-European competition, and so greatly intensify the European's fear for his own supremacy and, with this, the anti-Asiatic feeling and agitation - making a reasonable and, for the Indians, a just solution, ever more difficult.

Voluntary repatriation was consistently the goal of the Union Government.

The system of voluntary repatriation was inaugurated by the Indian Relief Act in 1914.[1] It was agreed to by the Indian Government in the hope that with a reduction in the size of the Indian community in Natal the European fear of the Indian would be moderated and better treatment meted out to those who remained.[2]

The Relief Act provided in section 6 for the granting, on request, of free passages to Indians from any port in the Union to any port in India, on condition that the Indian signed a document abandoning on behalf of himself and his wife and all minor children all further rights of entry, and of domicile in the Union.

The repatriation scheme was publicised amongst the Indians by means of pamphlets and in 1924 a European official was appointed to recruit Indians for repatriation. Prospective repatriates were kept in a camp in Durban till several hundred had accumulated; then a ship was chartered to take them to India. This aspect of the system was criticised in Parliament on the grounds that prospective repatriates often had to wait so long in camp that finally they changed their minds and returned to their former occupations instead of sailing for India.[3]

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1. Act 22 of 1914.
2. Sir B. Robertson - Statement before the Asiatic Enquiry Comm. pars. 6-10.
3. Hansard Jan.-Mar. 1926 pp. 999-1001.

In 1921, as a result of a recommendation of the Interim Report of the Asiatic Inquiry Commission, that a considerable number of Indians were willing to return to India and that the facilities for voluntary repatriation should therefore be improved,[1] the Union Government introduced a bonus to be paid to repatriates on arrival in India of £5 per head, with a maximum payment of £20 per family.

In 1924, as a further stimulus to repatriation, this bonus was increased to £10 per head, with a maximum payment of £50 per family.[2]

By the end of 1926 21,780 Indians had voluntarily repatriated from the Union under the Indian Relief Act, at a total expenditure of £186,059 (at the 30th June 1926).[3] It was estimated in 1926 that about 33% of the repatriates were South African-born.[4] The majority were from the labouring classes; few were from the trading classes.

The figures were as follows:-

Indians voluntarily repatriated from the Union under the Indian Relief Act 1914-1926.[5]

1914	290
1915	993
1916	1,865
1917	1,364
1918	1,532
1919	1,319
1920	1,816
1921	2,927
1922	2,324
1923	2,716
1924	1,063
1925	1,400
1926	2,171
	21,780

1. U.G. 37-'20 p. 3.
2. Hansard Jan.-Mar. 1926 p. 1354.
3. Special Report No. 39-'26 p. 4.
4. Hansard op. cit. p. 998.
5. Special Report No. 39-'26 p. 4; Hansard Jan.-April 1927 p. 121.

II. ATTEMPTED SOLUTION - THE AREAS RESERVATION BILL.

In July 1925, in response to the rising public anger against Asiatics, the Nationalist Government under General Hertzog, with Dr. D.F. Malan as Minister of the Interior, introduced the Areas Reservation and Immigration and Registration (Further Provision) Bill[1] - a more drastic reproduction of the Class Areas Bill,[2] introduced in 1924 by the Smuts Government, but which had lapsed with the fall of the Government and the dissolution of Parliament.

As it was an important issue and the Bill touched fundamental principles of policy, it was not carried further than the first reading in 1925 and was reintroduced in February 1926, to give members and the public opportunity between sessions to study the question and the issues at stake.

The Areas Reservation Bill provided in Chapter I for the compulsory segregation of Indians.

On the initiative of the urban local authority, which could report to the Minister of the Interior that a certain area within its town was wholly or largely occupied by a particular class, and should be reserved for residential and/or trading purposes to that class, the Minister was to appoint a Commission of not more than three persons to investigate the suitability of the area - whether it was adequate in extent and facilities and whether it was the only area for that class in the town.[3] Then, if the Commission reported favourably, the Governor-General might within six months proclaim the area a Class Area (more than one Class Area might be proclaimed in a Borough).[4]

Thereafter no member of the particular class might acquire, lease, or even renew the lease of land outside that area; and no one who did not belong to that class could acquire, or lease or

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1. A.B. 23-'26.
2. A.B. 41-'24.
3. A.B. 23-'26 sections 1 and 2.
4. Ibid. sect. 3.

renew the lease of land within the area.[1] No trading licences could be issued to members of the class outside its area; and none to persons other than that class within the area.

Thus means was given to the urban local authority to enforce compulsory social and economic segregation of the Asiatics within its precincts.

However, the Governor-General might by proclamation exempt persons for a fixed period from the restrictions on the issue of trading licences, and anyone who held a licence outside the class area at the date of proclamation, might renew that licence.[2]

Also the right to renewal of a land lease, created by written lease before the 1st August 1925, when the Areas Reservation Bill was to become operative, was not affected.[3]

There were certain attempts at safeguards. If at any time the Governor-General was satisfied that a class area was inadequate or unsuitable, he might deproclaim it. At the same time he could reproclaim it a class area.[4] In each class area an advisory board was to be established, consisting of not less than three persons of the class concerned and a Chairman, which was to advise the urban local authority, and no bye-laws or regulations were to be made particularly affecting the class without consulting its representatives on the advisory board.[5]

If an urban local authority considered a class area inadequate or over-adequate, it could report to the Minister recommending its extension or reduction. Procedure would then follow as for the establishment of the class area in the first instance.[6]

Section 10 was an important addition to the Class Areas Bill. It provided that the Governor-General might proclaim that

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1. A.B. 23-'26 sect. 4.
2. Ibid. sect. 5.
3. Ibid. sect. 4(4).
4. Ibid. sect. 7.
5. Ibid. sect. 9.
6. Ibid. sect. 6.

in the Coast Belt - a belt along the coast 30 miles inland and not including any part of Zululand - a particular class indicated might acquire, lease or renew the lease of immovable property, but - only from a person of the same class. And, except if the right to renewal of a lease was created by written lease before 1st August 1925, outside the Class Areas and the Coast Belt that particular class might not acquire any immovable property, or lease or renew the lease of immovable property for more than five years.

Existing rights were protected by the provision in section 11 that the Act should not affect the right of a person to dispose of immovable property by will to a member of the same class, or the validity of any transaction for the sale or purchase of land which had been entered into before 1st August 1925.

Chapter II tightened up the Immigration Laws. Section 17(e) abolished the right of dual domicile existing under the Indian Relief Act of 1914,[1] by providing that an Indian would be deemed a prohibited immigrant if he acquired domicile in a province other than that in which he was born.

Section 17(g) placed a time limit upon the entry of wives and minor children (i.e. under 16 years) of domiciled Indians, restricting entry to within five years after the 1st August 1925, or ten years after the first entry of the domiciled Indian, whichever period should be the longer.

This was despite paragraph 3 of the Reciprocity Resolution, accepted by the Union at the Imperial Conference in 1918, which recognised the right of domiciled Indians in the Dominions to bring in their wives and children, subject only to the conditions that not more than one wife and her children should be admitted for each Indian, and that each individual so admitted should be certified by the Government of India as the lawful wife or child of such Indian.[2]

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1. Under the Indian Relief Act Indians born in the Cape could obtain domicile in Natal, and vice versa, and the right to return to the Province in which they were born was maintained.
2. C.F. Andrews - documents relating to the New Asiatic Bill and Alleged Breach of Faith p. 20.

Other clauses provided that any person aiding or being an accessory to a prohibited immigrant, might be removed from the Union by warrant; that domicile should be lost on absence from the Union for three years, though a certificate of exemption from the Minister to go overseas for a special or temporary purpose might be granted for not more than ten years.[1]

Free passages might be granted by the Minister to India "or elsewhere".[2]

Throughout Chapters I and II specific reference to Indians was avoided, but it was undoubtedly aimed at them.

Natives, Cape Malays, Cape Coloureds and Mauritius Creoles were exempted from the application of Chapter I.[3]

The scope of the Bill was thus clear and drastic - to maintain the policy of repatriation; at the same time to reduce even the small numbers of Indians who were still coming into the country, and to compel the remaining Indian community to live, trade, and acquire property rights only in certain restricted areas laid aside by the European local authorities, and in the Coast Belt.

The Government had committed itself to the policy of segregation which, for all the assurances of the Minister of the Interior that the Bill was "steering the safe and sane middle course"[4] and that it was "respecting, as far as possible, the susceptibilities of the Indian population",[5] must mean repression.

Theoretically there seemed certain safeguards to Indian interests - a class area could only be proclaimed after a Commission had reported that it was adequate in extent and facilities, and if at any time the Governor-General was satisfied

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1. A.B. 23-'26 sects. 19 and 20.
2. Ibid. section 21.
3. Ibid. section 12.
4. Hansard June-July 1925 p. 6502.
5. Ibid. p. 6503.

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1. A.B. 23-'26 sects. 19 and 20.
2. Ibid. section 21.
3. Ibid. section 12.
4. Hansard June-July 1925 p. 6502.
5. Ibid. p. 6503.

that it was inadequate, he could deproclaim it.

But in practice it would be extremely difficult to find suitable areas to set aside for the Indians - the Durban City Council in fact stated in evidence before the Select Committee on the Bill that it would be impossible to lay aside any areas for Indians within the Borough.[1]

In practice the European voters would hardly be likely to part with the better parts of the town; the tendency would be to concentrate the Indians in the worst areas.

And once segregated, the Municipal Council, certainly in Durban, with the already too numerous calls upon its limited purse, would hardly be likely to spend its money on an area belonging to a voteless section of the community, which would have no say in the next election. The Indian area would inevitably be neglected, and would very probably degenerate into a slum area - and the Indian standard of living, which was the cause of the economic problem, would be still further depressed, though it might be separated from contact with the European.

The enforced separation of Indian traders from their European competitors and the European market, was an artificial restraint economically and ethically unjustifiable.

Section 10 was a severe curtailment of property rights. Its aim was to prevent further acquisition of property by Indians outside the Class Areas - in the Coast Belt they might only acquire and lease land from Indians. Thus the Indian population would increase, but not the area available to its occupation. This might result in subdivision, leading to congestion.

Racial grounds and the fear of Indian expansion could hardly justify so severe a restriction on the right of one section of the South African community to acquire landed property.

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1. S.C. 9-'26 on Areas Res. Bill pp. 274, 283.

Dr. Malan's claim that the Areas Reservation Bill went further than the Class Areas Bill in carrying out the recommendations of the Lange Report, was not accurate. Rather was it in direct conflict with those recommendations. For though the 1921 Commission recommended voluntary separation and voluntary repatriation,[1] it was emphatic in its rejection of the principle of compulsory repatriation and segregation:-

"We are all agreed in the circumstances some system should be devised for establishing separate Asiatic areas for residential purposes. Residence in those areas must, however, not be compulsory, but should be achieved by gradually attracting the Indian community to localities suitable for the purpose. Any attempt to enforce compulsory segregation would result in failure, and lead to a resurgence of the passive resistance movement."[2]

----- "Indiscriminate segregation of Asiatics in locations ... would result in eventually reducing them to helotry. Such measures, apart from their injustice and inhumanity, would degrade the Asiatic and react upon the European."[3]

And therefore - "there should be no compulsory segregation of Asiatics."[4] But compulsory segregation was the central principle of the Areas Reservation Bill. -----

The Minister's speech introducing the Bill indicated the motives behind the Government attitude and policy, and indicated the spirit in which it would be worked.

"The Bill frankly starts" declared Dr. Malan "from the general supposition that the Indian, as a race in this country, is an alien element in the population, and that no solution of this question will be acceptable to the country unless it results in a very considerable reduction of the Indian population in this country ----- The method which this Bill will propose will

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1. U.G. 4-'21 pars. 120-131, 200-205, 225 (3) and (5).
2. Ibid. par. 126.
3. Ibid. par. 224.
4. Ibid. par. 225 (4).

be the application of pressure to supplement --- the inducement which is held out to Indians to leave the country --- To a certain extent we go on the path which has been trodden before by my honourable friends opposite, but the Bill does not rest there, it goes a good deal further."[1.]

In the words of Lord Olivier, in the House of Lords - "that is more than pressure, it is oppression."[2.]

To sum up then, the Areas Reservation Bill was an extreme measure dealing with the Indo-European problem uncompromisingly from the European angle; dealing with the problem of the rising Indian capacity and competition, which might seem to threaten European supremacy, by repression, because this was in the interests of the European, if at the expense of justice; depriving the Indian of the free right to trade and live anywhere on grounds of race.

It was part of the protective policy to guard European supremacy, which was the product of the fear of non-European expansion. The Colour Bar Act prevented the non-European,[3.] and so the Indian, from competing with the European in skilled industrial work; commercial and residential segregation was to prevent Indian competition in trade and Indian penetration; the restriction on acquisition of property was further to prevent Indian encroachment in agricultural areas; and it was hoped that the system of voluntary repatriation and these restrictions would induce more Indians to leave the country and so reduce the size of the Indian community.

The Areas Reservation Bill was in fact recourse to what the Cape Times described as "the steam-roller policy."[4.]

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1. Hansard June-July 1925 p. 6502.
2. Sastri Speaks op. cit. p. 24.
3. Except Cape Coloureds, Cape Malays and Mauritius Creoles.
4. Cape Times February 1926. (quoted in Indian Opinion Feb. 19th 1926.)

Ethically it could not be justified; it was defended on the score of economic necessity and self-preservation.

But, apart from ethical considerations - would the Areas Reservation Bill achieve anything? Would there be an end which might in any way justify the means? - if the end could justify the means? Was it in fact expedient?

It seems not. As a solution of the Indian problem such a one-sided and inherently unjust measure was doomed to failure. Repression of any form was bound to fail - for it would breed discontent among the repressed which would react on the repressors. Thus what seemed like the policy of self-interest, might in the end prove the opposite.

It was thought that separation would end the friction between the two races. But compulsory segregation would not. For even the proposal of the use of force had the opposite effect - to raise Indo-European hostility to a climax. W.K. Hancock describes the Areas Reservation Bill and the emotional and racial clash it roused as "a landslide of racial conflict".[1.]

Yet there is no doubt that the Areas Reservation Bill was only the expression of public opinion.

In an article in the Natal Mercury "Colonist" voiced the Natal response to the introduction of the Areas Reservation Bill - "our thanks are due to Dr. Malan for the Bill --- It leads one to hope with some confidence that definite legislation, beneficial to the cause of our established birthright of Western civilization, will be accomplished."[2.]

In a leader on the Bill the Natal Mercury welcomed the provisions for urban segregation, although it admitted that "cases of individual hardship it undoubtedly will create", and

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1. W.K. Hancock - Survey of British Commonwealth Affairs Vol. I p. 205.
2. Natal Mercury 24th July 1925.

though it severely criticised the Coast Belt clause as "an injustice and illogical".[1] In reference to the Indian opposition it commented that "it is impossible to build up a monument of sentiment and alleged injustice on such flimsy foundations."[2] But the segregation provisions and restrictions on land ownership hardly seemed "flimsy foundations".

In a further article "Colonist" declared "Absolutely nowhere can White labour compete with Coloured Immigrant labour on equal terms. 'Everywhere the East can underlive the West'. Automatically the Asiatic crushes the White men out - workman and trader." A stand must be taken - "it was a matter of life and death."[3]

Natal European opinion was frankly reactionary - fear made it extreme and unbalanced and blinded it to the other side of the question.

"Natalian" declared in an article in the Mercury:- "It is up to us to show our determination to get rid of the element which is ruining the country ---" The Areas Reservation Bill is "not the lack of 'a sense of justice and equity in the hearts of the Ministers and Parliamentarians of the Union' but it is the crystallisation of the determination of the whole European population to rid this country once and for all of a political, social and economic curse."[4]

Mr. W. Cox, a Member of the Natal Provincial Council, stated in evidence before the Select Committee of Parliament on the Bill, "in the fight for possession of the country the Europeans are determined to protect themselves. It is a matter of self-preservation --- We think conflict between the two races is inevitable, because as the Indian becomes more powerful his behaviour will become intolerable to the European, and we wish

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Mercury
1. Natal/July 29th 1925.
2. Ibid. Feb. 23rd 1926.
3. Ibid. Feb. 9th 1926.
4. Ibid. Feb. 19th 1926.

the matter dealt with before that happens."[1.]

Mr. Cox supported the Areas Reservation Bill as policy to reduce the number of Indians in Natal by applying economic pressure - "the more we worry them, the more we give them encouragement to go elsewhere and the sooner they will accept the situation."[2.]

Mr. H.H. Kemp, as a representative of the Natal Municipal Association in his evidence before the Select Committee, put forward the same principle: "If the Indians will realise the position in which they are going to be placed in future generation if they stay in Natal, they will, for their own sake, more or less agree to repatriation with full compensation. The feeling in Natal is very strong --- and if the Indian remains in Natal they are going to get it in the neck in future generations ---"[3.]

Thus, as the Natal Mercury remarked: "The Bill was backed solidly by public opinion in South Africa;"[4.] "let it be frankly admitted that public opinion favours restrictive legislation of some kind", commented the Cape Times.[5.]

Die Burger perhaps summed up the average European South African's attitude, certainly the Natal attitude - "hardships are inevitable under the Bill, since it is an absolute necessity that an attempt should be made to free our Western civilization from the menace of a race such as the Indians."[6.]

But was it an "absolute necessity"? - and did necessity justify such recourse to repression? Did European interests justify inflicting hardship upon another racial group? This savoured too much of the concept of the "Herrenvolk" of Naziism.

Fear had lent an exaggerated aspect to the real menace of

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1. S.C. 9-'26 par. 2307.
2. Ibid. par. 2361.
3. Ibid. par. 2402.
4. Natal Mercury March 31st 1926.
5. Cape Times ~~leader~~ February 1926. (quoted in Indian Opinion Feb. 19th '26).
6. quoted in English in the Natal Mercury Feb. 12th 1926.

Asiatic competition, and the Government, following popular opinion and strong agitation, rejected justice for what it tried to justify as 'the cause of self-preservation'.

There was no Second Reading of the Areas Reservation Bill but the debate on the Class Areas Bill in 1924, a less drastic edition of the Areas Reservation Bill, showed the attitude of Parliament to such a measure.[1] Parliament on the whole reflected the general feeling of the country. The position as regards Indian competition was highly exaggerated, and criticism in the main, was not on the grounds that the Bill fell short of liberal principles, but that it did not go far enough - and there were constant demands for repatriation as "the only solution"[2] - "the Asiatics have got to leave the country ---"[3] There were only a few speakers e.g. Mr. Robinson, Mr. Waterston and Dr. Forsyth, non-Natal members, who criticised it as a piece of repressive, racial legislation, unjust and impracticable, and unwise.[4]

Indian opinion - in India, sensitive to the treatment of Dominion Indians and regarding it as a "test of their own status in the Empire"[5], and in India and South Africa, regarding any disability placed upon South African Indians as a humiliation on all Indians - was united in intense opposition to the Areas Reservation Bill, and determination to resist it - embodying as it did the principle of compulsory segregation.

"Passionate regard for Izzat - a national phrase for which 'honour' is but a feeble substitute - is the link which unites Indians throughout the world."[6] The Areas Reservation Bill was a severe blow to 'Izzat'. As such it was bound to aggravate the

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1. Hansard Jan.-April 1924 pp. 1277-1326.
2. Ibid. p. 1299.
3. Ibid. p. 1303.
4. Ibid. pp. 1293-1295, 1303-1306, and 1315-1317.
5. S.C. 9-'26 par. 16.
6. Ibid. par. 16.

delicate question of Indo-European relations; if it appeased European opinion, it must inevitably fan the smouldering Indian hostility and discontent into a blaze.

Indian reaction to the Bill was immediate and violent. In South Africa the Natal Indian Congress, and in India the Indian National Congress, charged the Union Government with a breach of the Smuts-Gandhi Agreement of 1914.[1.]

The Agreement had contained an assurance to Mr. Gandhi by General Smuts that "existing laws" would be administered "in a just manner and with due regard to vested rights."[2.] The Indian Government interpreted this as an undertaking that no laws would be passed imposing new restrictions on Indians - that in fact, the status of 1914 would at least be maintained.[3.]

But the Union Government admitted no such interpretation, binding upon the future, and therefore denied that the Areas Reservation Bill was a breach of the Agreement.

The Indian newspaper, Indian Opinion, described the Bill as "the deadliest of all weapons aimed at the Indian community --- in that its intention is to exterminate the Indians in South Africa ---" "the death knell of the Indians in South Africa has been sounded by Dr. Malan"[4.]; as "this iniquitous measure - if the Bill ever becomes law, the Indian community's position in this country will be unbearable ---"[5.]; and urged that "no stone be left unturned in resisting the onslaughts that are being directed against the Indians."[6.]

The Natal Indian Congress protested against it not only as a violation of the Smuts-Gandhi Agreement, but as "far-reaching, iniquitous and disastrous to Indian interests."[7.]

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1. Indian Opinion Aug. 28th 1925 and Feb. 19th 1926.
2. C.F. Andrews - Documents relating to the New Asiatic Bill and Alleged Breach of Faith. P. 18.
3. Sir B. Robertson op. cit. par. 11.
4. Indian Opinion July 31st 1925.
5. Ibid. Aug. 7th 1925.
6. Ibid. July 31st 1925.
7. Ibid. Aug. 28th 1925.

Indian protests may have been emotional, but they contained a central core of truth.

In the first week of September 1925 a Mass Meeting of protest, organised by the Natal Indian Congress, packed the Durban City Hall. Resolutions were unanimously passed protesting against the Areas Reservation Bill "which has for its object our compulsory segregation, the deprivation of our proprietary and trading rights, further restriction of our domiciliary rights, and the ultimate extinction of our Indian community as openly declared by the Minister of the Interior, in as much as it is contrary to all known laws of equity and justice", and demanding a Round Table Conference, between the Union and Indian Governments, as the only method of solution.

The President of the Natal Indian Congress in a measured speech declared: "the policy of racial segregation is retrogressive and detrimental to the progress of human beings. It restricts the liberty and freedom of the class of persons and does not make for its development to the highest degree."[1]

The truth of this was undeniable. But the attitude of the Europeans, who were in the majority, was that it should be sacrificed in the interests of "the peculiar requirements and conditions of South Africa"[2], which it seemed were synonymous with the requirements of the European ruling group.

The 23rd February 1926 was held as a National Day of Prayer by Indians throughout South Africa. In Durban 4,000 Indians marched to the City Hall in protest against the Areas Reservation Bill and prayed for protection "in this hour of greatest danger".[3]

Early in 1926 a deputation of the South African Indian Congress left for India to present the case of the South African Indians.[4]

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1. Indian Opinion Sept. 4th 1925.
2. Hansard Jan.-April 1924 p. 1277. (Speech of the Minister of the Interior, Mr. Patrick Duncan, on Class Areas Bill).
3. Natal Mercury Feb. 24th 1926.
4. Indian Opinion Feb. 19th 1926.

In India, besides the resolution of protest moved by Mr. Gandhi in the Indian National Congress, "giving full support" to the struggle of the South African Indians, many other meetings of protest were held at Bombay, Madras, Delhi, and Calcutta; and by associations such as the National Liberal Federation, the All-India Khalofut Conference, the All-India Non-Brahmin Congress, and the All-India Muslim League.[1]

The Viceroy of India, Lord Reading, in a speech on December 26th 1925, protested against the Union policy of regarding the Indian community as an alien element, and declared: "Let me assure you that whatever differences may exist in India on other political questions, there is unanimity of opinion regarding the position of Indians in South Africa."[2]

As ever, the question of South Africa's treatment of her Indian population roused strong feeling and unanimity of opinion among Indians both in India and South Africa.

In 1926 then, the Union Government gave way to the wave of popular prejudice and panic and attempted a solution of the Indian problem by force. This prophesied its failure; and / immediate effects confirmed it. The Areas Reservation Bill broke any link of co-operation by which the two communities might solve their common problems; it drove Indians, in India and South Africa alike, into an extreme of opposition which, if it continued, would have a disastrous effect on Indo-European relations.

In a word, it satisfied the popular mood, but meant increasing internal strife within South Africa, and was the cause of discord between India and South Africa in the larger Commonwealth sphere.

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1. Indian Opinion Feb. 19th 1926.
2. An. 463 (2) of 1926 (Annexures to Proceedings of S.C. 9-'26) - Annexure (B).

III. CIRCUMSTANCES LEADING TO THE ROUND TABLE CONFERENCE OF 1926.

Meanwhile negotiations between India and the Union, on the subject of a Round Table Conference between the two governments, had been under way since before the introduction of the Areas Reservation Bill.[1.]

With restrictive legislation threatening, the Indian Government had in a telegram of 9th April 1925 proposed a Round Table Conference - to seek "a satisfactory and abiding solution of Indian problem"[2.]; "a settlement which would ensure progress and contentment of Indian community in South Africa on a permanent footing and in a manner consistent with their national respect ..."[3.]

They were willing to waive the question of political rights in such a Conference, and to explore any method to reach a settlement. They warned the Union Government that "any piece of legislation that adversely affects existing rights --- disturbs domicile of Indian community throughout the Union, it agitates opinion all over India; it affects relations of two countries as a whole ---"[4.]

Dr. Malan, the Minister of the Interior, stated in Parliament that the Government was not opposed to the principle of a Conference[5.]; negotiations broke down over its basis.

The Union Government felt that in view of the fact that Union policy had consistently been "that the Indian population in South Africa shall be reduced as near as possible to the irreducible minimum", and the fact that the European attitude to the Indian in South Africa was "almost entirely dependent upon

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1. Ans. 199-'26 Correspondence between the Government of India and Union Government re the Areas Reservation Bill.
2. Ibid. Telegram 9th April 1925 p. 3.
3. Ibid. p. 5.
4. Ibid. ".
5. Hansard Jan.-March '26 p. 671.

In their telegram of October 9th the Indian Government had also requested that it might send a deputation to the Union, to investigate the economic position and general conditions of Indians, and that the Areas Reservation Bill should be held over, pending the deputation's suggestions. The Union Government (in their reply of 10th November) agreed to receive the deputation, but refused to postpone the Areas Reservation Bill, on the grounds that it was urgent and overdue legislation, and (this inaccurately) that it "follows the recommendations of the Asiatic Inquiry Commission" of 1921.[1]

Further the Indian Government requested that if the Union could not agree to a Round Table Conference, it should at least appoint a Commission of Inquiry, to find out the facts in regard to Indian competition.[2] This the Union Government also refused on the grounds that an exhaustive enquiry had been held by the Lange Commission in 1921, since when the position had not materially changed, and that the postponement of legislation which would be involved was impossible in view of the impatience of public opinion.

However, at the same time, the Union Government offered to refer the Areas Reservation Bill to a Select Committee before the Second Reading, so as to widen the scope of its evidence to the fundamental principles of the Bill - provided that the Indian deputation in South Africa was willing to give evidence, and that the Select Committee should be required to report within a limited period, to enable the Bill to be dealt with that session.[3]

This offer the Indian Government accepted, instructing its deputation to present their case to the Select Committee "in respect of general principles", as its objection to the Areas Reservation Bill was "fundamental". It expressed the hope that

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1. Ans. 199-'26.
2. Ibid. Telegram 10th January 1926.
3. Ibid. Telegram 5th February 1926.

the Indian community in South Africa"[1] which was "scarcely in accord with any principle of equity"[2], and emphasising the depth of feeling which the Areas Reservation Bill roused amongst all Indians as a breach of Izzat.[3] Opposition to the Bill was fundamental -"in the light of broad considerations of imperial solidarity and obligations and of elementary justice"[4]; and he appealed for a Round Table Conference between the two Governments, the approach of "sympathy and vision", which would make possible "a solution honourable and satisfactory"[5].

The Natal viewpoint, as put forward by representatives of the Durban Municipal Council, representatives of the Natal Municipal Association, of "Young South Africa", and of the Victoria Farmers' Association, was in favour of the Areas Reservation Bill as the minimum, but not the full, solution, and opposed to a Round Table Conference as involving only delay and a weakening of attitude[6].

The Durban Town Council had on 5th July 1925, adopted a resolution that "the only true method of solving the Asiatic question --- lies in the direction of a Round Table Conference, between representatives of the Union, Britain, and India; further, that the Union Government and the Union Parliament be asked to take such steps as may be necessary for convening such a Conference in this country without delay."[7]

But the Mayor of Durban, Mr. T.M. Wadley, and Councillors A. Eaton and H.H. Kemp stated in evidence in 1926 that as representatives of Durban opinion they could not recommend any postponement of the Bill. If a Conference was to be held, it must be held after the Bill was passed. For "Durban is

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1. S.C.9-'26 par. 10.
2. Ibid. par. 12.
3. Ibid. par. 16.
4. Ibid. par. 2.
5. Ibid. par. 16.
6. Ibid. pp. 269-351, 415-443, and 368-410.
7. Ibid. par. 1486.

impatient ---[1] The opinion of the community is that legislation is overdue ---[2] I think Durban would be opposed to" the withdrawal of the Bill to make way for a Round Table Conference.[3]

Mr. A. Eaton stated, "the people I have been able to come into contact with --- are against all conferences."[4]

The Committee: "Are you in favour of the Conference?"

Mr. Wadley: "Yes."

"Do you want the Bill postponed?"

- "Certainly not. We want even more than the Bill."[5]

As Mr. Kemp declared, "The Bill --- is the desire of the people of South Africa, more particularly the desire of the people of Natal, as it represents the irreducible minimum. Therefore, we hope that the Government will not lose time in putting the Bill through."[6]

Mr. A. Townsend, representing the Victoria Country Farmers' Association, stated that "such a conference we suggest would weaken the Bill ---[7] Any weakening of it would be disastrous. We urge upon the Committee the necessity for the passage of this Bill during the present session."[8]

Mr. W. Cox, a Member of the Natal Provincial Council, representing an anti-Asiatic association, "Young South Africa", stated, "a round table conference --- would be regarded by the majority of inhabitants of Natal as fatal to the interests of the Europeans and the general welfare of the province and of the Union."[9]

Resolutions were passed and forwarded to the Select Committee by urban local authorities in Natal, by political bodies, Chambers

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1. S.C. 9-'26 par. 1575.
2. Ibid. par. 1640.
3. Ibid. par. 1641.
4. Ibid. par. 1576.
5. Ibid. pars. 1787, 1788.
6. Ibid. par. 2403.
7. Ibid. par. 2152.
8. Ibid. par. 2147.
9. Ibid. par. 2130.

of Commerce, Agricultural and Farmers' Associations, and other public meetings and associations - all calling for the tightening up of the Bill and its enactment that session.[1]

For instance, a resolution of the Pietermaritzburg urban local authority - "Bill to be passed. Establishment of Class Areas should be made compulsory"[2]; of the Newcastle Chamber of Commerce - "Strong support. To be passed this session"[3]; and a resolution of the Mayville District Association - "Supports proposed segregation and hopes Government will not be stampeded by deputations from India into modifying proposed provisions of Bill"[4]; the Pinetown and District Farmers' Association - "Bill should be passed without any weakening of its provisions"[5]; and the resolution of a public meeting at Greytown - "Asiatics not to purchase freehold property in any area. Merely short-term leases in reserved areas. New licences to be prohibited. Round Table Conference not to be agreed to"[6].

Thus the general majority attitude of Natal and particularly Durban was one of impatience for legislation to check Asiatic expansion; it regarded repatriation as the only "full solution"[7]; and was opposed to the idea of a Conference implying concessions and postponement.

The Indian deputation made it clear that a Round Table Conference necessitated the suspension of the Areas Reservation Bill. A Round Table Conference between the two Governments could not take place in the atmosphere of intense hostility which the Areas Reservation Bill engendered.

Thus there were the two conflicting attitudes - Natal opinion urging the passage of the Bill, even more repatriation, and no Conference; Indian opinion urging a Conference and no Bill.

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1. An. 463 (2) -'26 Annexure (M) pp. 1-8.
2. Ibid. p. 2.
3. Ibid. p. 4.
4-5. Ibid. p. 6.
6. Ibid. p. 3.
7. S.C. 9-'26 par. 1769 (Evidence of Mr. T.M. Wadley).

But the key point which had emerged from the evidence, and which must weigh considerably in the Government's consideration of the question, was that the passage of the Areas Reservation Bill would in all likelihood mean the end of voluntary repatriation.

The Government of India pointed out that the effect of the enactment of the Bill would be to antagonise Indian opinion, so that in South Africa they would aim at defeating the Government's repatriation policy and in India they might put pressure on the Government to refuse to receive repatriates.[1]

The consistent goal of Union Indian policy, as the Government itself stated, had been to reduce the Indian population "as near as possible to the irreducible minimum."[2] This had been the aim behind the Areas Reservation Bill - to reduce the population by economic pressure.[3] But it appeared it was to achieve the opposite - instead of increased repatriation, the end of repatriation.

Thus from the Government's viewpoint the considerations which weighed for and against the Areas Reservation Bill and a Conference were as follows:- The Bill would allay the acute public fear and would restrict Asiatic expansion; but at the same time it would mean an open breach between the Indian and European in South Africa, and between India and the Union - which was dangerous; and, above all, it would probably mean the end of voluntary repatriation which had been, and was, the Government's main goal as regards the Indian problem. The effect of the Bill would in fact, so the proceedings of the Select Committee revealed, defeat its object.

On the other hand a Conference would mean seeking a settle-

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1. S.C.9-'26 pars. 634, 232.
2. Ans. 199-'26 Union Government telegram of 15th June 1925. Vide p Supra P.57
3. Vide p supra P.49

ment by agreement instead of force, which would consolidate Indo-European relations, and Indo-South African relations; and, a more concrete advantage, which, viewed frm the Government's criterion of expediency was likely to carry weight, the acceleration of voluntary repatriation could be discussed.

Thus when negotiations for a Round Table Conference were resumed by the Indian Government, and when at their suggestion informal discussions had been held between the Union Government and the Government of India deputation, on the 13th April 1926, the Union Government sent a telegram to the Government of India offering to hold a Round Table Conference and suspend the Areas Reservation Bill pending its conclusions, provided that the Indian Government was willing to accept the position that "public opinion in South Africa will not view with favour any settlement which does not hold out reasonable prospect of safeguarding the maintenance of western standards of life by just and legitimate means", and provided that it was willing "to explore all possible methods of settling the Asiatic question." The decisions of the Conference would be subject to confirmation by the two Governments[1].

In a telegram of 17th April the Indian Government accepted these conditions as "a suitable basis" for a Round Table Conference[2].

Following the agreement reached between the two Governments, which was subject to the approval of the Select Committee and of Parliament, the Select Committee on the Areas Reservation Bill reported.

The full agreement between the two Governments which was the official basis of the proposed Conference was as follows:-

"The Government of the Union of South Africa and the Govern-

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1. Ans. 462-'26. Further Correspondence between Govt. of India and Union Govt. re Areas Reservation Bill.
2. Ibid.

ment of India have been further in communication with each other regarding the best method of arriving at an amicable solution of the Indian problem. The Government of the Union have impressed on the Government of India that public opinion in South Africa will not view with favour any settlement which does not hold out a reasonable prospect of safeguarding the maintenance of western standards of life by just and legitimate means. The Government of India are prepared to assist in exploring all possible methods of settling the Asiatic question, and have offered to enter into a Conference with the Union Government for the purpose. Any proposals that the Conference might make would be subject to confirmation by the Governments of the two countries. The Union Government have accepted the offer of the Government of India and, in order to ensure that the Conference should meet under the best auspices, have decided subject to the approval of the Select Committee and Parliament not to proceed further with the Areas Reservation and Immigration and Registration (Further Provision) Bill, until the results of the Conference are available."

The Select Committee accordingly recommended that a Conference should be held, that the Areas Reservation Bill should not be proceeded with until its results were available, and that, to ensure that ground should not be lost by the suspension of the Bill, or new vested rights created, any legislation enacted after the Conference should be made retrospective to August 1st 1925, when the Areas Reservation Bill was to have come into operation.[1]

In a motion introduced by the Minister of the Interior, Parliament adopted the report of the Select Committee.[2]

Thus, after the evident failure of the Areas Reservation Bill as a solution, a Round Table Conference between the Union and Indian Governments was agreed upon.

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1. S.C. 9-'26 pp. v-vi.
2. Hansard Mar.-June '26 p. 2723.

But, in view of the public mood - strongly in favour of restrictive legislation and against a Round Table Conference - what was the reaction to the Government's decision?

Judging by the Press, there was not the outcry which might have been expected. The Natal Mercury, which had welcomed the Areas Reservation Bill as a necessity, with certain qualifications, declared in a leader, "we welcome with heartiness, even enthusiasm, the decision of the Government ---."

For it had become apparent from events subsequent to its introduction, that "the solution provided in the Asiatic Bill --- was no solution at all". A Conference on the other hand raised the hope not only of "protecting 'our western standards of life'", but as well of giving "a fair deal to the Indians in South Africa."[1.]

Non-Natal papers, the Cape Times and the Star, declared, "the Bill cannot solve the problem. A conference might"[2.]; and (the Star), "Dr. Malan in his effort to find a solution which will be mutually acceptable is adopting a sane, practical and statesmanlike policy."[3.]

Indian opinion welcomed the attainment of their objective. "Indian Opinion" acclaimed the Government's decision as "a change of vision"[4.]; amongst the Durban Indian community there was widespread satisfaction at the possibility of an amicable settlement, and Mr. A.I. Kajee, General Secretary of the South African Indian Congress, declared he was "gratified at the announcement."[5.]

In India moderate papers welcomed the decision to hold a Conference as "good news from South Africa", and the more extreme papers hailed it as "the dawn of sanity".[6.] Mr. Gandhi declared "I tender congratulations to Hertzog and Malan upon having risen to the occasion."[7.]

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1. Natal Mercury April 24th 1926 (Leader).
2. Cape Times April 1926. (quoted in Indian Opinion April 14th 1926)
3. The Star April 24th 1926.
4. Indian Opinion April 30th 1926.
5. Natal Mercury April 26th 1926.
6. Ibid. April 26th 1926.
7. Indian Opinion April 30th 1926.

The change of policy was universally accepted and for the most part welcomed; Indo-South African relations were once more friendly; a link of co-operation between the two communities in South Africa was once more being forged - the way to a settlement was open.

B. THE CAPETOWN AGREEMENT.

to be granted of £20 to adults of 16 and over, and £10 to children under 16, payable on arrival in India, and a pension in lieu of or in addition to the bonus could also be granted to decrepit adults, at the discretion of the Union authorities - payable by an official agency in India, from a pension fund provided by the Union Government which was not expected to exceed £500 per annum: free passages were to be provided including the fare to the South African port of embarkation, and from the Indian port of arrival to the destination inland: ships were to sail to Bombay and Madras, their survey and certification was to be strictly supervised, and conditions on the voyage were to be improved: assisted emigrants might return to the Union from India within three years, but not within less than one year, provided they refunded the cost of the assistance they had received, though reductions would be made for any member of a family not returning, and "in other cases of unforeseen hardship", at the Minister's discretion: the family group was the unit for re-entry, though "in cases of unforeseen hardship" the Minister might allow one or more members to remain behind; a son marrying in India might return to South Africa with his father's family and bring his wife and children, but a daughter marrying in India might not return:- after three years' absence Union domicile was to be lost. (This was of general application).

Before a batch of emigrants left the Union information was to be sent at least one month in advance to an authority in India, giving a list of the emigrants and their families, their occupations and intended occupations, and their cash and other resources; and on arrival in India, emigrants were then to be advised, protected from squandering their money and helped to settle in the most suitable occupations, and were to be given the same facilities as Indian nationals to participate in emigration schemes authorized by the Government of India.[1]

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1. A.1-'27 Section I.

Thus the term "repatriation" which had come to be regarded by Indians as insulting, and implying inferiority[1], was replaced by the term "assisted emigration".

The most objectionable feature of the old repatriation system which the Indians regarded as humiliating - that the repatriate had to sign away all further rights of himself and his family to domicile in the Union - was dropped.[2] The loss of domicile was automatic to all South Africans after three years' absence from the Union.

The Union Government hoped that the new provision that assisted emigrants might return to South Africa within three years would encourage emigration; for Indians would be more likely to emigrate to unknown conditions if it was possible to return.[3]

In Paragraph 1 of the Joint Communique it was stated that "both Governments reaffirm the recognition of the right of the Union of South Africa to use all just and legitimate means for the maintenance of western standards of life".

But, at the same time, in the third section of the Conclusions, the Union Government laid down the principle that "the Union Government firmly believe in and adhere to the principle that it is the duty of every civilized government to devise ways and means and to take all possible steps for the uplifting of every section of their permanent population to the full extent of their capacity and opportunities, and accept the view that in the provision of educational and other facilities the considerable number of Indians who will remain part of the permanent population should not be allowed to lag behind other sections of the people."[4]

"The Union Government recognises that Indians domiciled in

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1. Sastri Speaks p. 28.
2. Annual Rep. of the Agent of the Govt. of India in South Africa for the year ending 31st Dec. 1927 par. 61.
3. Hansard Jan.-June 1927 p. 1506-1507.
4. A.1-'27 Section III (i).

the Union who are prepared to conform to western standards of life should be enabled to do so ---."[1]

Therefore the Government promised, "in view of the admittedly grave situation in respect of Indian education in Natal" to advise the Natal Provincial Administration to appoint a Commission of Inquiry into Indian education, and to obtain the help of an educational expert from the Government of India[2]; further, "to consider sympathetically the question of improving facilities of higher education" for Indians, by providing hostel accommodation at the South African Native College at Fort Hare and otherwise improving the attractiveness of the College for Indians[3]; and further to take special steps under the Public Health Act to investigate sanitary and housing conditions in and around Durban, including the question of the appointment of advisory committees of representative Indians, and the limitation of the sale of municipal land subject to restrictive conditions.[4]

The principle of equal pay for equal work, applying to all employees including Indians, which was contained in the Industrial Conciliation Act (No. 11 of 1924) and the Wage Act (No. 27 of 1925) was to be adhered to.[5]

Lastly the Union Government gave the vague assurance, that when the existing trade licensing laws should be revised, the Government would duly consider the Government of India's suggestions that the discretionary power of local authorities might be reasonably limited in the following ways:-

(a) the grounds on which a licence may be refused should be laid down by statute

(b) the reason for which a licence is refused should be recorded

and (c) in cases of first applications and transfers, as well as in cases of renewals, there should be the right of

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1. Joint Communique (Hansard op. cit. p. 509-510) par. 2.
2. A.1-'27 Section III(2)(a).
3. Ibid. Section III(2)(b).
4. Ibid. (2)(c).
5. Ibid. (3).

appeal to the Courts or some other impartial tribunal.[1].

Section II of the Conclusions reasserted the right of entry of wives and children of domiciled Indians (which had been restricted by the Areas Reservation Bill) in terms of paragraph 3 of the Reciprocity Resolution of 1918.

The entry of wives and children was permitted, provided the Government of India certified that they were the lawful wives and children of the Indians who claimed them, and provided that children should not be allowed to enter the Union unaccompanied by their mother, if alive, unless she should be already resident in the Union, or unless the Minister should especially permit their entry. In the case of divorce no other wife should be allowed to enter the Union unless the divorce had been proved to the satisfaction of the Minister.[2].

The Union Government hoped that the new provision prohibiting children from entering the country unaccompanied by their mother, would cut down about 85% of the new entrants. For under the Indian Relief Act there had been about 600 new entrants annually, but the majority of these had been young boys, come for a short time to acquire Union domicile and then returning to India. These were now prohibited.[3].

Other provisions contained in the Joint Communique were that "in the expectation that the difficulties with which the Union has been confronted will be materially lessened by the agreement which has now happily been reached between the two Governments, and in order that the agreement may come into operation under the most favourable auspices, and have a fair trial", the Union Government would not proceed further with the Areas Reservation Bill of 1926.[4].

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1. A.1-'27 Sect. III(4).
2. Ibid. Sect. II.
3. Hansard Jan.-June 1927 p. 1508.
4. Joint Communique par. 6.

The Union Government requested the Indian Government to appoint an Agent in South Africa "to secure continuous and effective co-operation between the two Governments"[1], and the two Governments agreed to watch the working of the Agreement, and to exchange views from time to time as to any changes which experience might suggest.[2]

Thus the Capetown Agreement was a compromise, which Mr. Sastri described as "the very soul of political progress"[3], and as such contained elements of high statesmanship and vision.

India conceded the new repatriation scheme; the Union conceded the upliftment provision and the abandonment of segregation.

On the position in 1925 the Union gained a concrete scheme for more effective repatriation to reduce the size of the Indian community.

The main gain for the Indians was the removal of the threat of the Areas Reservation Bill with its drastic restrictions. But the new gains on their old position were less concrete. Their former position was maintained - with its restrictions and limitations. They received promises of upliftment, promises of better facilities for education, for the investigation of Indian sanitary and housing conditions, and an assurance that when the licensing laws should be revised the Indian viewpoint would be considered.

Thus for the Union the value of the Agreement would be determined by the actual working of the detailed repatriation scheme laid down; for the Indian community the value of the Agreement for the future depended on the good faith of the Union Government - the extent to which their promises of Upliftment were carried out.

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1. Joint Communique par. 8.
2. Ibid. par. 7.
3. Sastri Speaks p. 33.

Yet, it was "a charter of progress"[1]. As Mr. Sastri declared, "the clear enunciation on paper gives our people a sure foothold in the path of progress which they have hitherto lacked --- When things refuse to move forward --- it is a blessing --- to be able to point as to a guiding star, to a clearly expressed ideal of administration."[2]

The Agreement "established a new plane of vision for the various problems which have arisen and will arise"[3]; and at the time it was thought that, hard though it was to reconcile with past policy, "it will be equally hard for this or future Governments to go back upon it"[4].

It gave Indians a security and hope for the future which before they had lacked. For the first time they were recognised as "part of the permanent population", and their share in the future and right to progress, for example education, accepted.

It was certainly a landmark in Union Indian policy.

The Agreement was a radical change in policy. In 1924 Mr. Duncan, the Minister of the Interior, had declared that "it is just as well to recognise quite clearly, that there is no place for the expansion of those people politically and socially in South Africa, as it is at present situated"[5], and had laid down a policy for the Cape Coloured people from which the Indians were directly excluded - that "the European population is responsible for his existence, it must also be responsible for his education and civilization, and it must find a place for him inside its own boundaries"[6]. As they had come to Natal at the request of the Europeans this might have applied equally to Natal's Indian community, but it was explicitly made non-applicable to Indians. In 1925 Dr. Malan, the Minister of the Interior, had referred to

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1. Sastri Speaks p. 54.
2. Ibid. p. 26.
3. Round Table June 1927 (p. 628).
4. Ibid. p. 628.
5. Hansard Jan.-April 1924 p. 1284.
6. Ibid. p. 1281.

the Indian community as "an alien element in the population".[1] But the Capetown Agreement provided for the upliftment of "the considerable number of Indians who will remain part of the permanent population ---."[2]

The Areas Reservation Bill had provided for compulsory segregation, the restriction of Indian property rights, and the limitation of the right of entry of Indian wives and children.

The Capetown Agreement provided for improved repatriation, at the same time the upliftment of the remaining Indian population, and the free right of entry of Indian wives and children in terms of the Reciprocity Resolution of 1918.

It was a swing from the extreme to the moderate and the liberal, and an attempt to reconcile justice and expediency, and the opposing Indian and European attitudes towards the solution of the problem.

It was policy far in advance of public opinion. It ignored the current agitation for segregation and provided no measures to restrict Indian expansion - instead the Indians were to be encouraged to rise further to western standards.

In view of this - that the Asiatic policy of two successive Governments had been changed and that the Agreement ignored strong feeling in the country - what was the public reaction to it?

There was certainly some opposition in Natal to the Agreement. Mr. Sastri stated that there was "in Natal a widespread feeling that in the Capetown Agreement the Union Government had been generous at the expense of, and in the teeth of, the province most intimately and vitally concerned."[3]

On 10th May 1927 the Natal Provincial Council passed a resolution viewing "with misgivings" the "general conditions of the Agreement", and "deploring the fact" that it had not been consulted by the Union Government on the provisions contemplating

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1. Hansard June-July 1925 p. 6502.
2. A.1-'27 Sect. III(i).
3. Agent's Report 1927 op. cit. par. 27.

a relaxation of the licensing laws, and an extension of Indian education, which were questions of Provincial policy involving provincial finance. It resolved that "in the opinion of this Council, the Agreement does not solve the Indian problem nor does it give protection to the European population against Asiatic encroachment."[1].

In Parliament also a few speakers opposed the Agreement[2]. on the grounds that it entrenched the position of the Indian in South Africa, provided no inducement to him to leave the country, that the upliftment provision was "a considerable step forward" in the direction of full political and civic rights[3]., and that it "sacrificed the interests" of Natal by allowing "this deadly penetration" to continue "unhindered and unfettered"[4].

But on the whole the Agreement was accepted. It was accepted by Parliament; it was accepted by the Press[5]., and on the whole it was accepted by the public. Mr. Sastri stated: "I have found in all sections of the people here --- a desire --- if not actually to support the Agreement enthusiastically, at any rate to give it a fair chance"[6].

It was likewise on the whole accepted by Indian opinion. The South African Indian Congress passed a unanimous resolution accepting the Agreement as "an honest attempt to find a solution of the problem"[7]. Though many Indians in Natal criticised the emigration scheme, only the few extremists opposed the Agreement[8].

In India it was "well-received by all parties"[9]; the Government of India accepted it as "eminently satisfactory"[10]; and Mr. Gandhi accepted it as "a settlement honourable to both sides. It was not the best that could be conceived, but it was

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1. Agent's Report 1927 par. 27; Rep. to enquire into the question of the education of Indian children 1928 (No. 174 1928) par. 2.
2. Hansard Jan.-June 1927 pp. 1393-1398, 1400-1408.
3. Ibid. p. 1403.
4. Ibid. p. 1402.
5. Vide Natal Witness Feb. 23rd 1927; Natal Mercury Feb. 22nd 1927.
6. Sastri Speaks p. 104; vide also Natal Mercury May 27th 1927.
7. Indian Opinion March 18th 1927.
8. Agent's Report 1927 op. cit. par. 21, 27.
9. Indian Opinion April 21st 1927.
10. Natal Mercury Feb. 22nd 1927.

the best that was possible --- The compromise is acceptable, in spite of its dangers, not so much for what has actually been achieved, but for the almost sudden transformation of the atmosphere in South Africa from one of remorseless hostility towards that of toleration."[1.]

This was its merit over the Areas Reservation Bill. - It was an agreement. It restored friendly relations between India and South Africa; there was again Indo-South African co-operation; it brought the Indian and European in South Africa nearer the possibility of amity than ever before; certainly the relations between the Indian community and the Union Government were restored, where before they had been divided by a gulf of intense hostility.

And these factors were the first essentials, in fact the sine qua non, for the settlement of the problem.

The Agreement was a step forward towards the solution of friction.

In examining the Capetown Agreement as a potential solution the question arises - what are the criteria for a solution? - It seems it must be acceptable to both parties, and therefore it must be just, and it must be a compromise or the middle way between two extremes.

- In the words of Mr. Sastri: "The rule is that nothing that is not based upon right, that nothing that is not based upon God's will, can stand the test of time."[2.] The rule of ethics had been enforced by the practical law of cause and effect. The Areas Reservation Bill had failed because, besides the fact that it was not based upon right, it roused such an extreme of opposition that it was impossible to enforce. Its ethical shortcomings made it impracticable. -

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1. Natal Mercury Feb. 22nd 1927.
2. Sastri Speaks p. 173.

The Capetown Agreement seemed to satisfy these criteria.

Three questions then arise:-

(1) Was it given "a fair and reasonable trial", as the Minister promised?[1.]

(2) Were the Indians in fact given the chance of "conforming to western standards"?[2.]

and finally

(3) Why then, if it satisfies the above criteria, did the Capetown Agreement fail in its object[3.] - to settle the Indian question, and to inaugurate an era of peace?

Mr. Sastri prophesied in 1927 that "a new era is dawning on the relation that exists between South Africa and India."[4.] Why was this hope not fulfilled?

The first possible reason for the ultimate failure of the Capetown Agreement was that in fact it did not fully satisfy the test for a solution. Though it was accepted it was not accepted equally and in the same way by the two parties to the Agreement. They accepted the same thing but looked at it from different angles. The incompatibility of their two attitudes remained, though it had been bridged by a compromise. Mr. Sastri expressed the hope that the Agreement would "be accepted on all sides as common ground"[5.]. It never became common ground.

For while the Indians viewed it mainly as a means to upliftment, Dr. Malan revealed that he viewed it almost entirely as a means to repatriation.

The Areas Reservation Bill had meant the failure of repatriation; he declared the Agreement was adopted as "the only way of getting the co-operation of India without which repatriation would be a failure ---."[6.]

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1. Hansard Jan.-June 1927 p. 510.
2. Joint Communique (Hansard op. cit. p. 509-510) par. 2.
3. As declared by the Min. of the Interior - Hansard Jan.-June 1927 p. 509, 512.
4. Sastri Speaks p. 5-6.
5. Ibid. p. 104-105.
6. Hansard Jan.-June 1927 p. 1513.

Thus it seemed the Upliftment provision was considered subsidiary. Dr. Malan viewed the mutual compromise from one side; repatriation was the raison d'être of the Agreement.

Though a new liberal policy had been embarked upon, expediency was still the dictator of policy: the Areas Reservation Bill was introduced because it was thought expedient; it was rejected because it was found inexpedient; and the Round Table Conference and Capetown Agreement were accepted because they seemed expedient ---.

The public likewise, certainly in Natal, on the whole accepted the Agreement as the sole practical means of repatriation.

The Upliftment provision was considered "fraught with grave and disastrous possibilities for the Province"[1]. It was "a somersault in Government policy, and a big racial experiment"[2]; "a decided leap in the dark, which it is to be hoped, will not bring about a vanishing perspective of White vitality, authority and influence."[3]

For upliftment would accentuate Asiatic competition, and strengthen their claim to the franchise.[4]

The fear of Indian expansion therefore remained behind the acceptance of the Agreement as the only possible compromise securing the aim of repatriation.

Thus, while W.K. Hancock stated that "given continuance of this progress, there was surely ground for hoping that substantial equality and a growing friendliness would prepare the way for formal equality and a real partnership in pursuing the common good of South Africa --- Some such hope was implicit in the first agreement between the Governments of the Union and of India"[5] - in fact no such hope was held or recognised by the Union Government or public ---.

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1. Natal Mercury May 28th 1927.
2. Ibid.
3. Ibid. May 27th 1927.
4. Ibid. May 28th 1927.
5. W.K. Hancock - Survey of British Commonwealth Affairs Vol. I p. 245.

While as Mr. Sastri declared - "A feeling of mutual respect and equal association between specially chosen representatives is one thing; goodwill and fellowship between communities is another. The first may conclude an agreement; the second alone can carry it into full effect"[1] - this second essential was lacking in South Africa in 1927 ---.

While Mr. Gandhi accepted the Agreement for "the almost sudden transformation of the atmosphere in South Africa from one of remorseless hostility towards that of toleration"[2] - in fact there was no real transformation of attitude to "toleration" ---.

This was the first probable reason, inherent in the situation in 1927, for the ultimate failure of the Capetown Agreement. It was accepted by both parties but it never became common ground; though it was a change of policy, there was no real change of attitude.

Secondly, the economic essentials of the problem remained unchanged. Except that upliftment might eventually prevent the Indian from undercutting the European, the Capetown Agreement did nothing to relieve the problem of Indian competition, which was the immediate cause of friction. If anything, by promoting education and a sense of security, it accentuated it.

The two reasons for failure were interrelated: the European attitude remained unchanged because the cause of friction remained unchanged.

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1. Sastri Speaks p. 10.
2. Natal Mercury Feb. 22nd 1927.

C. THE EFFECT OF THE CAPETOWN AGREEMENT. - 1944.

THE EFFECT OF THE CAPETOWN AGREEMENT, - 1944.

Further development was on the basis of the Capetown Agreement and must be judged in the light of that Agreement and the questions it raised.

Did it fulfil the expectations of its framers?

- The provision for assisted emigration to India was implemented by the Immigration and Indian Relief (Further Provision) Bill of 1927;[1] in February 1927 the new bonuses were introduced, and the details of the scheme were applied under the Act from the 15th July 1927.[2]

But the numbers of Indians repatriated under the new emigration scheme fell far below the expectations of the Union Government.

In 1928 there were 3,477 assisted emigrants which augured hopefully for the success of the new scheme, but thereafter there was a drop and a steady decline in the figures, except for the stimulus of the depression in 1932 when they rose to ~~3,688~~ 3,881.

Thus when in 1932, a second Round Table Conference between the Union and Indian Governments met in Cape Town to review the working of the Capetown Agreement, it concluded that "the possibilities of the Union scheme of assisted emigration to India are now practically exhausted, owing to the economic and climatic conditions of India, as well as to the fact that 80% of the Indian population of the Union are now South African born."[3]

The Indian delegation to the Conference consisted of Sir Fazl-i-Husani, Mr. Sastri, Sir D'Arcy Lindsay, Sir G. Corbett, Mr. Bajpai and Mrs. Sarojini Naidu.

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1. Act 37 of 1927.
2. Agent's Report 1927 par. 54.
3. Par. 3 of Statement agreed upon by Conference (Hansard April 1932 p. 2725-2726). Vide Appendix B.

In view of this gradual petering out of emigration to India, the Conference proposed that a Joint Commission be appointed that year by the two Governments to investigate the possibilities of Indian colonization - from both India and South Africa - of other countries.[1] This idea was developed from the provision in the Capetown Agreement for emigration "to India or to other countries".[2]

This was the only modification of the Agreement the Conference suggested.[3]

Conditions seemed favourable for such a scheme, for in view of economic pressure - the bar to their rise to skilled occupations - there seemed a considerable number of Indians who might be regarded as potential colonists.[4]

But the South African Indian Congress opposed the scheme. They felt that as South African Indians had become largely westernised, it would be difficult for them to fit into the communal life of Indian colonists from India. Moreover their reaction to economic pressure was not to wish to go elsewhere, but rather to redouble their efforts to remove the existing restrictions on their progress.[5]

The Joint Commission was not appointed that year (1932) and in 1933 the Smuts Government came into power. On the 15th June 1933 Mr. Hofmeyr, the Minister of the Interior, announced the appointment of a South African Committee of Inquiry to make a preliminary investigation into the possibilities of Indian colonization of other countries.[6] The Committee therefore reported in 1934 that the attention of the Joint Commission be drawn to British North Borneo, British New Guinea and British Guiana as possible fields of colonization.[7]

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1. Par. 3 of Statement agreed upon by Conference (Hansard April 1932 p. 2725-2726). Vide Appendix B.
2. U.G.23-'34 - Report of Indian Colonization Enquiry Committee pars. 11, 12.
3. Par. 4 of Agreed Statement op. cit. (Appendix B).
4. U.G. 23-'34 op. cit. par. 67.
5. Ibid. par. 68.
6. Hansard June 1933 p. 966-967.
7. U.G. 23-'34 par. 70.

But the Joint Commission was never appointed, and the whole plan for South African Indians to take part in an Indian colonization scheme, proposed as a substitute for the dying assisted emigration scheme to India[1], lapsed.

The causes of the decline in the repatriation figures were, firstly, the growth in the number of South African-born Indians. In 1911 42.6% of the Indian population in the Union were Union-born, in 1921 63.4%, and in 1936 82.19%[2]. This meant a decreasing number who were likely to return to India.

Moreover, it seems that despite the provision in the Cape-town Agreement for the co-operation of the Indian Government in receiving and looking after assisted emigrants, it was extremely difficult for them to be re-absorbed into their respective social organisations and the communal life of their villages. It seems that, despite the precautions of the Agreement, repatriation still involved economic hardships and suffering. Though the provision in the Agreement that emigrants might return to the Union within three years appeared a safeguard, in practice the condition that they had to refund the cost of the assistance they had received, made it impossible for those who were in economic straits to return[3].

On these grounds there was agitation against the emigration scheme from the Indian community within South Africa. They further opposed it as in principle an insult to Indians generally[4]. Thus, for instance, meetings were held in November 1931, especially in Durban and Pietermaritzburg, denouncing the scheme and urging Indians not to participate in it[5].

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1. U.G.23-'34 par. 12.
2. Special Report No. 39-1926 p. 6; U.G.24-'42 (1936 Census Report Vol. V) par. 26.
3. Vide Bhawani Dayal Sannyasi and Benarsidas Chaturvedi - Report on the Emigrants repatriated to India under the Assisted Emigration Scheme from S. Africa passim.
4. Agent's Report 1927 pars. 60, 61; Hansard Jan.-June 1931 p. 3404.
5. Agent's Report 1931 p. 16.

This was the third factor which militated against the success of the scheme.

The question might be raised whether in fact the increase in the repatriation figures immediately after 1927 was due to the Capetown Agreement, or to the pressure of the white labour policy adopted in the 1920's? This argument was advanced by the Indian agitators - that in fact emigration was not voluntary.[1.]

But the occupations of emigrants point to the conclusion that on the whole the rise in figures was the result of the new more attractive emigration provisions and not of economic pressure. For of the male emigrants from August to December 1927, over 50% (344 out of 673) were agricultural labourers.[2.] Similarly for the year ending 31st December 1928, out of a total of 1,288 assisted emigrants, 592 were agricultural labourers, 82 labourers on the Mines, and 151 workers in the Sugar Mills.[3.] For the year ending 31st December 1932 out of 840 male emigrants, 412 were agricultural labourers, 128 workers in the Coal Mines, and 137 in the Sugar Mills.[4.] These were not the occupations which were affected by the white labour policy.

This feature of assisted emigration raised criticism of its possible effectiveness as a solution. For those who emigrated were the poor labourers who were non-competing, and economically useful and desirable to the Europeans; the traders who were the source of friction remained.[5.]

Thus the Capetown Agreement had proved only a temporary stimulant to repatriation. The hopes of accelerated repatriation, which were confirmed by the figures of 1927 and 1928, collapsed after the first few years of the scheme's working.

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1. Agent's Report 1927 par. 62.
2. Ibid. pars. 63, 64 and Appendix (d).
3. Agent's Report 1928 Appendix (d).
4. Agent's Report 1932 Appendix VI.
5. E.g. vide Natal Mercury May 5th 1927 (Speech of Mr. Acutt in the Provincial Council).

The more attractive conditions of emigration were not sufficient to outweigh the factors against it, and the fact that, however unjust and unequal the Indian's treatment as a South African citizen might be, his economic status was on the whole higher than it would be in India.

Mr. Gandhi's statement that "voluntary repatriation by way of granting free passages and similar inducement will not, as my experience teaches me, be availed of to any appreciable extent[1.]", was proved correct.

The effect of the failure of the emigration scheme was a waning regard for the Capetown Agreement amongst the Europeans in South Africa.

The Natal Mercury stated in 1932: "The Capetown Agreement has largely broken down so far as the Union is concerned through the unsatisfactory results of repatriation--- It is now obvious that the Capetown Agreement has not benefited South Africa, and that in the interests of this country it should be scrapped.[2.]" Further it prophesied the introduction of an amended form of the Areas Reservation Bill at the earliest possible moment.[3.]

As has been mentioned, Dr. Malan expressed similar sentiments.[4.] But in 1933 the United Party came into power and Mr. Hofmeyr succeeded Dr. Malan as Minister of the Interior.

The booklet issued by the State Information Office when the Indian question came before U.N.O. in 1946 refers to the Agreement as "at that time thought to be a great step forward in settling the differences between Europeans and Indians in South Africa, though it has since become almost a dead letter[5.]".

This ~~seems~~ either a confession that the upliftment promises had been neglected, or again an indication that the Agreement was

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1. Sastri Speaks p. 18.
2. Natal Mercury Jan. 19th 1932.
3. Ibid. Jan. 16th 1932.
4. Hansard Jan.-June 1943 p. 5433-5434. Vide supra p.80 ~~Vide supra p~~.
5. The Indian in South Africa - issued by the State Information Office, Pretoria. P.14.

Further, what was the practical effect of the Upliftment provision on the conditions of the Indians in Natal? Were the promises of the Agreement fulfilled? Were the Indians given the chance of conforming to western standards?

Certainly great strides were made in education.

A Provincial Committee was appointed in terms of the Agreement to enquire into the education of Indian children.[1] It found that facilities for Indian education were inadequate, particularly in the Government-Aided schools.[2] It therefore recommended that the facilities for Indian education must be extended and that this could most speedily be done by the establishment of Government schools in large centres of Indian population when funds should permit, and the extension of the Aided schools. There should be no alteration in the system of voluntary attendance.

Further the system of Grants-in-Aid by the Province to the Aided schools which was on a capitation basis should be changed, and financial aid should be in the direction of Provincial responsibility for the total cost of teachers' salaries in Aided schools.

More liberal salary scales and conditions of service should be introduced for the whole Province.

To meet the proposed extension of Indian education, it was essential to establish a Training College for Indian teachers; therefore Mr. Sastri's offer of a fully-equipped College should be accepted and the Province should assume responsibility for its maintenance.

In regard to the financial provision for the proposed extension of Indian education, the first essential was that the

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1. No. 174, 1928 - Report of the Committee appointed to enquire into and report upon the question of the education of Indian children (Dyson Committee).
2. Rep. No. 174-'28 par. 6. Vide supra p.13.

total amount of the subsidy received by the Union Government for Indian education, should be used for Indian education.

In addition representations should be made to the Union Government to meet the financial obligations involved by an increased subsidy - paid not on the attendance figures of the previous year, but year by year on the increased figures of the current year; and further representations should be made that, if possible, the funds of the Indian Immigration Trust Board should be used as capital for establishing new Indian Government schools and, in special circumstances, for improving State-Aided schools.[1.]

These recommendations were to a great extent carried out. As a Provincial Commission to enquire into Indian education in Natal in 1937 reported: "The Provincial Administration --- has made great efforts to carry out the recommendations of this report, with the result that there has been a very remarkable expansion of Indian education since 1927, the rate of which expansion continues without signs of diminution."[2.]

In 1929 Sastri College was opened as a combined training college and high school. It was founded by private Indian enterprise - on the initiative of Mr. Sastri £20,000 was raised amongst the Indian population - and the Province then assumed responsibility for it.[3.]

In 1930 regulations introduced reforms on the lines of the recommendations of the 1928 Report. The Provincial Administration assumed responsibility for the payment of the teachers' salaries in Aided schools. A monthly salary grant was therefore paid to the Aided schools, instead of the quarterly capitation grants.

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1. Rep. No. 174-'28 pars.8-10.
2. Report of Education Commission published under Provincial Notice No. 60 1938 (Broome Commission) par. 405.
3. Ibid. par. 409.

Further, regular salary scales for teachers in both Government and Aided schools were adopted.[1]

As a result of the recommendation of the Dyson Report the Province increased its expenditure on Indian education by £9,000 to bring it up to the level of the Government subsidy.[2] But the Union Government did not increase its subsidy for Indian education.

"Indian education has made an impressive advance" since the Capetown Agreement.[3]

The number of Indian pupils enrolled rose from 9,766 in 1927 to 22,669 in 1937, and to 30,883 in 1943. The number of Indian schools rose from 53 in 1927 (9 Government and 44 Aided) to 107 in 1937, and to 127 in 1943. The number of teachers rose from 300 in 1927 to 640 in 1937, and to 883 in 1943. And expenditure on Indian education in Natal rose from £35,982 in 1927, to £47,814 in 1929, to £96,095 in 1937, and to £226,492 in 1944.[4]

Yet - "with all the extension and progress which has been made, what has been achieved in Indian education cannot yet be considered adequate or satisfactory ---."[5]

"The Natal system for Indian children falls far short of adequacy ---."[6]

For although the Indian enrolment figures increased by 130% from 1927 to September 1936, almost half the Indian children of school age in 1936 were not in school at all. The estimated total number of Indian children of school age was 40,000: the actual number in school was 21,356.[7] In 1940 the estimated

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1. Report of Education Comm. published under Prov. Notice No. 60 1938 (Broome Commission) par. 410.
2. H.D. Kannemeyer - "A Critical Survey of Indian Education in Natal 1860-1937" p. 217.
3. U.G.22-'45 - Interim Report of Comm. of Enquiry into Matters Affecting the Indian Population of the Prov. of Natal par.9.
4. Vide Appendix.
5. Broome Report par. 413.
6. U.G.9-'44 - Rep. of the Prov. Finance Resources Committee par. 342 (Corbett Commission).
7. Broome Report par. 415.

Though there had been great expansion subsequent to the Capetown Agreement "it would appear that the vast majority of Indian children do not acquire the rudiments of primary education. The system from this point of view must appear to be an unsound mushroom growth."[1.]

"The rapid growth of Indian education has not been consistent with sound progress and solid development."[2.]

The root causes of the serious inadequacy of Indian education were firstly the lack of accommodation.

As the Director of Education stated in 1942: "the demand for accommodation is still far in excess of the supply and hundreds of Indian children have to be turned away each year because the existing schools are full."[3.]

In 1941 the 17 Government schools were able to accommodate about 25% of the Indian school population. The buildings were generally satisfactory. But the 98 State-aided schools were "housed in privately-owned buildings which, with rare exceptions, are inadequate and unsuitable."[4.]

"The position appears --- to be that the existing schools cannot accommodate suitably all those who wish to attend school and are certainly inadequate for the accommodation of all those who should attend."[5.]

This was a deficiency in the system for which the Provincial Administration was responsible, but for which it could hardly be blamed. Finance was the limiting factor. The Union Government had undertaken the educational upliftment of the Natal Indian population, but it had left it to the Province to implement this promise without in any way increasing the rate of subsidy for Indian education. Limited financial resources

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1. Broome Report par. 420.
2. Ibid. par. 435.
3. N.P.4-'45 - Report of the Director of Education for the years 1941 and 1942 par. 2.
4. U.G. 9-'44 op. cit. par. 102.
5. Ibid. par. 342.

teachers out of 143 teachers in Government Indian schools, and only 47 Indian women teachers out of 462 teachers in Government-Aided schools.[1.]

It was a vicious circle - Indians would not allow their girls to go to school because there were not enough women teachers; but there were not enough women teachers because Indian girls would not go to school.[2.]

In view of this the Broome Report recommended in 1937 that, the more fully to implement the Capetown Agreement's promise of upliftment, as many separate girls' schools as possible should be established, and that to make teaching more attractive to women, salary scales be raised;[3.] further that the salaries and conditions of service of teachers possessing the same qualifications in Government and Aided schools should be equalised;[4.] that in districts where there was sufficient accommodation, education should be made compulsory up to Standard IV for children from 7 to 14 years, and where it was compulsory it should be made free.[5.] Finally it recommended that an urgent request for an increase in the subsidy for Indian education be put to the Union Government.[6.]

"The Commission agrees --- that everything should be done to encourage and hasten the 'South-Africanising' of the Indian in South Africa."[7.]

As a result of these recommendations the Provincial Administration in 1941 increased the low salaries of Indian teachers in Aided schools. In 1942 new scales further reduced the disparity between the salaries of teachers in Government and Government-aided schools, and finally in 1943 the teachers in

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1. Broome Report pars. 423, 425.
2. Ibid. par. 426.
3. Ibid. pars. 426-427.
4. Ibid. par. 443.
5. Ibid. par. 450.
6. Ibid. par. 476.
7. Broome Report par. 428.

restricted the Province's ability to carry out the Central Government's promise.[1]

A second cause was the lack of Indian teachers, especially women teachers - due to the facts that the potential number of teachers (pupils who matriculated) was so small, and that salaries for Indian teachers were so unattractive. Salaries of teachers in Aided schools were much lower than of those in Government schools. The lowest scale in the Government schools was almost equivalent to the highest scale in the Aided schools.[2]

A third reason for the inadequacy of Indian education even after the Capetown Agreement was the poverty of the average Indian, coupled with the fact that Indian education was neither compulsory, nor free. Again, the prohibitive cost, out of all proportion to the subsidy received by the Province, made compulsory Indian education impracticable.[3]

The Broome Report considered that the average Indian earned about £3 a month and had a large family to support. He could not afford to send all his children to school, and would seldom be able to keep them on at school after they had reached a wage-earning age. The boys, as the wage-earners-to-be, would have preference over the girls, who would have to stay at home to look after the younger children.[4]

A further reason for the small number of Indian girls in school, was the traditional Indian prejudice against the education of girls. Indians did not see the value of education for girls, and were strongly prejudiced against girls being taught by men in mixed schools. Thus there was not a full response to upliftment.[5] Moreover, in 1937 there were only 6 Girls' Schools (4 Aided), ~~xxxxxxxxxx~~ compared with 90 Mixed Schools. Further, in 1936 there were only 3 Indian women

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1. Broome Report pars. 474-476.
2. Ibid. pars. 426-428, 440-441; U.G. 9-'44 par. 343.
3. U.G. 9-'44 par. 99.
4. Broome Report par. 429.
5. Ibid. par. 429.

Government-aided schools were taken over as employees of the Administration with the same salaries and conditions of service as teachers in Government schools.[1]

Compulsory Indian education was not introduced but on 1st August 1942 a scheme was inaugurated by which Indian education in both Government and Aided schools should become progressively free - year by year and standard by standard - until by 1st January 1949 all Indian school-children would receive free education up to Standard VI. By 1949 primary Indian education will therefore be free, but not compulsory.[2]

The Government subsidy for Indian education was not increased at that date.

In 1944 the conditions of inadequacy still persisted - Indians still "lagged behind other sections of the people" in "the provision of educational -- facilities".[3]

The Corbett Report repeated the finding of the Broome Report. The Union Government subsidy fixed in 1925[4] was wholly insufficient if adequate provision was to be made for Indian education in Natal. To cover the reasonable costs of education (which was its aim) it should be increased from £5.5.0 to £10 per caput.[5]

This suggestion was not adopted. But in March 1945 the Union Government took the first step to assist the Province towards the fulfilment of the Government's undertaking in the Capetown Agreement.

The basis of the Government subsidy was changed. It was to be based not on the attendance figures, but on the provincial expenditure. The subsidy was to equal 50% of the annual provincial expenditure on Indian education. It would thus be

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1. Information from Dept. of Education, Natal.
2. U.G.9-'44 par. 100.
3. Cape Town Agreement Summary of Conclusions III(1).
4. By Act 46 of 1925.
5. U.G.9-'44 pars. 470-475; 624-25, 628, 629.

more elastic, and would vary according to the year to year expenditure.[1]

In higher education, as part of the post-Agreement policy, besides Sastri College, two other secondary schools for Indians were established.[2] But again, though some provision was made after 1927 where before there had been none, facilities were hopelessly inadequate. 10% of the applicants to Sastri College have had to be turned away for lack of accommodation.[3]

University and technical education was the responsibility of the Central Government. After the Capetown Agreement part-time technical classes for Indians were instituted - under the control of an Indian Technical Education Committee and subsidised by a Government grant.[4]

After 1929 in Durban, and after 1939 in Pietermaritzburg, evening continuation classes for adult education were held in school buildings; since 1930 commercial classes have been held at Sastri College, Durban, and since 1939 at the premises of the Hindu Young Men's Association, Pietermaritzburg; and in 1931 facilities for domestic science training were made available to Indians in Durban at Sastri College and Albert Street School.[5]

But there is no Technical College for Indians providing facilities for full-time technical education.

The Committee appointed in 1942 to enquire into the present facilities and future policy for higher education for Indians in Natal found that "there is a definite demand arising from the great need for technical instruction, and that any classes which might be started would receive strong support."[6]

It therefore recommended that the offer of an Indian, Mr. M.L. Sultan, of £17,500 for a Technical College and science block should be accepted, and a Technical College erected for

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1. Information from Dept. of Education, Natal.
2. Broome Report par. 409.
3. H.R. Burrows - Indian Economics in Natal.
4. and 5. U.G.27-'42 - Report of Comm. to Enquire into the Present Facilities and Future Policy for Higher Education for Indians in Natal Chap. I. passim.
6. Ibid. par. 13.

Indians, which should be subsidised by the Government as other technical colleges.[1]

However, the Technical College has not as yet been erected, and limited part-time classes are still held at Sastri College.

There is no Indian University in Natal. But in 1936 the Natal University College inaugurated part-time University classes principally in B.A. subjects which are held, mainly in the week-ends, in Sastri College.[2]

The part-time students are officially ex-mural students of Natal University College, and receive their degrees at the graduation ceremony of the College, but otherwise there is strict segregation and Indian students do not enter the College buildings.

This system has serious deficiencies[3] but the 1942 Commission ~~felt~~ found that, apart from financial considerations, the existing demand did not justify the founding of a separate Indian University College in Natal, particularly in view of the fact that Indians may enter the Universities of Capetown and Witwatersrand.[4]

Thus the effect of the Capetown Agreement on Indian education has been a great expansion of primary education - and a certain expansion of higher education.

Yet the system as a whole remains hopelessly insufficient for the needs of the population.

However, this has not been the fault of the Province. The Capetown Agreement brought a direct change to provincial policy in regard to Indian education. Where before the Agreement, policy had been restrictive,[5] post-Agreement policy aimed steadily at expansion, limited only by financial deficiencies. The Province had attempted to implement the promise of educational upliftment made by the Union Government in the Capetown Agreement - in so far as its financial resources allowed.

In terms of the Capetown Agreement the Minister of Public

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1. U.G. 27-'42 pars. 14-20.
2. Ibid. pars. 21-28.
3. Ibid. par. 29.
4. Ibid. par. 31.
5. Vide supra P. 13.

Health in 1928 instructed the Executive Committee of the Central Housing Board to investigate the sanitary and housing conditions of Indians in and around Durban.[1]

The Committee found the position "acute".[2] It therefore recommended that, in the first place, to deal with the problem on the outskirts of Durban, the Borough boundaries should be extended to include the peri-Durban area.[3]

In 1932 this recommendation was carried out, and the Municipal area of Durban was increased from approximately 13 to approximately 67 miles. Its Asiatic population was expanded from 16,893 to include the 30,918 Asiatics formerly on the outskirts of the City. According to the 1936 Census Durban thus contained an Asiatic population of 80,486 as compared with 88,062 Europeans - out of a total Natal Asiatic population of 183,661.

This seriously increased the burden upon the Durban Municipal Council, presenting it with the crucial problem of Indian housing and sanitary conditions in the Added Areas, which had hitherto been outside its jurisdiction.

The Committee further recommended that a housing scheme of two- or three-roomed houses, to be leased or sold to Indians on easy terms, should be carried out by the Municipal Council at Eastern Vlei; and that loans should be provided by the Municipal Council and the Health Boards in the peri-Durban area, to Indians owning land and wishing to build cottages for personal occupation The funds for these projects should come from the £50,000 earmarked for Indian housing under the Housing Act - £25,000 for each scheme.[4]

The Municipal Council accepted the recommendation as to housing loans, but in a resolution of 1st February 1929 rejected the housing scheme.

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1. Enquiry into Sanitary and Housing Conditions of Indians in and around Durban An. 328-1929. (Vide Agent's Report 1928 - Appendix (d)).
2. Ibid. par. 20. Vide supra p. 12.
3. An. 328-1929 pars. 17-20.
4. Ibid. pars. 21 and 22.

Percentages of Households	Asiatic	European	Coloured	Native
(1) above the line	29.4	95.1	61.8	75.1
(2) below the line	70.6	4.9	38.2	24.9

Moreover, it was estimated that of those Asiatic households above the line, only about 10% enjoyed some comfort; 16% managed to exist on their incomes, but in case of a calamity involving sudden cost, they were liable to fall into poverty. Their circumstances might be described as potential poverty.

Of the 70.6% in 1943 living in varying degrees of poverty, it was estimated that 4 out of every 10 were destitute.[1.]

Thus "the incidence of poverty in Durban, as illustrated by the households investigated, is borne by a small proportion of Europeans, and by increasingly larger proportions of non-Europeans with the heaviest burden on Asiatics."[2.]

One of the reasons for the greater poverty of Asiatics is that they have the largest families. In 1943 the average number of persons per household for the four racial groups was as follows:- Europeans 3.9; Coloureds 4.6; Natives 3.1; Asiatics 6.1.[3.]

The root conditions of poverty and ignorance produced serious Indian housing and living conditions.

In 1943 the position as regards Indian housing was described: "The main characteristics of Indian localities in and near most Natal towns are that they are low-lying, often lacking in normal urban services and amenities, and already overcrowded --- In some areas the standard of housing and urban facilities is deplorably low; with their shacks and primitive sanitation, they are largely slums."[4.]

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1. N.U.C. Poverty Datum Line Report 1943/44.
2. Ibid.
3. Ibid.
4. H.R. Burrows - Indian Life and Labour in Natal p. 30.

There is "no doubt that the housing conditions of a large percentage of the Indian community are deplorable ---[1.]".

A housing survey of Durban 1943/44[2.] revealed that of a total of 8,161 Asiatic houses in Durban, 5,583 i.e. 68% were owned and 2,578 i.e. 32% rented. Thus a high proportion of Asiatic houses were owned. But the significance of this was conditioned by the fact that "a very high proportion" of Asiatic 'houses' were "shacks and shanties of the least permanent type.[3.]" Of the 8,161 Asiatic houses, 81% were of wood and iron, while only 19% were built of brick and stone.

Compare this with the figures for the type of European-occupied houses[4.]:

Type	Indian		European	
	Number	Percentage	Number	Percentage
Brick and stone	1,548	19	9,781	77
Wood and iron	6,613	81	2,966	23
Total	8,161	100	12,747	100

Thus, while only 1 in every 4 European houses was of wood and iron, 4 in every 5 Indian houses were "relatively short-lived structures" of wood and iron. This "accentuated the evils of overcrowding.[5.]"

The average number of occupants per dwelling in 1943 was 4.7 for Europeans, 5.4 for Coloureds, 4.8 for Natives, but 7.6 for Asiatics; and the average number per living room was .9 for Europeans, 1.9 for Coloureds, 2.3 for Natives, but 2.5 for Asiatics.[6.]

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1. U.G.22-'45 op. cit. par. 6.
2. Natal University College Housing Report D.H.4.
3. Ibid. p. 5.
4. Ibid. pp. 2 and 4.
5. N.U.C. Housing Report D.H.4 p. 5.
6. Ibid. p. 7.

The 1943/44 Durban Survey revealed that the number of occupants normally found in a six-roomed European house, were crowded into two rooms in the case of Natives, somewhat more than two rooms in the case of Coloureds, and into less than two rooms in the case of Asiatics.[1]

A third of the Indian families lived in one-roomed houses.[2] The average number of rooms per Indian household was 2.4 - compared with 3.9 per European household, 2.6 per Coloured, and 1.4 per Native household.[3]

In a survey of the extent of Asiatic overcrowding in 1943/44 it was found that of a sample of 640 Asiatic households in Durban 314 were living in overcrowded conditions according to the Durban Municipal Housing Regulations, and 351 by the Capetown Survey Standard.[4]

The extent of overcrowding expressed as a percentage for each racial group was as follows:-

	Europeans	Coloureds	Natives	Asiatics
According to Durban Municipal Housing Regulations	6.3	33.3	44.9	49.1
According to Capetown Survey Standard	3.3	24.4	26.7	54.8

Thus nearly 50% of the Asiatic households were living in overcrowded conditions according to the Municipality's housing regulations.

Besides poverty, the larger Indian household was one reason for the high degree of Asiatic overcrowding. This was largely due to the joint family system. By 1944, however, this was gradually breaking down - in 1940 a survey in Durban found only one joint family to every six single households. But even single Indian households are, on the whole, large.[5]

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1. D.H.4 op. cit.
2. H.R. Burrows - Indian Economics in Natal.
3. D.H.4 op. cit.
4. Survey completed by Dept. of Economics N.U.C.
5. H.R. Burrows - Indian Life and Labour in Natal p. 18.

All figures relating to Indian housing conditions, point to the conclusion that, despite the Capetown Agreement in 1927 inaugurating a new policy of upliftment for Indians, in 1944 the Indian housing problem in Durban was the most acute of the four racial groups. Housing conditions amongst the Asiatics were the severest; the degree of overcrowding the worst.

An estimate of the number of houses necessary for the minimum effective relief of the Indian housing problem was 30,600, compared with 7,700 for Europeans and 1,880 for Coloureds.[1]

The Durban Corporation had up to 1938 completed no housing schemes to relieve the Indian housing problem.

But in 1939 50 economic selling and 50 sub-economic houses were completed for Indians at Cato Manor, and from 1934 to 1940 housing loans enabled individuals to build 22 houses. In 1941 50 more sub-economic houses were completed at Cato Manor for Municipal employees, and in 1940 75 sub-economic houses for Indians were completed at Springfield.[2]

The position at the time of the passing of the Pegging Act in 1943 was that 225 houses for Indians had been completed by the Durban Corporation. This was compared with 72 flats and 700 houses completed for Europeans, 64 flats and 35 houses for Coloureds, and 664 houses for Natives.[3]

In 1943 a comprehensive new scheme for 686 sub-economic houses for Indians was started at Springfield.[4]

In June 1947 approximately 503 of these had been completed.

To the charge that, despite the upliftment promises of 1927, it had neglected Indian housing, the Durban City Council replied:- "The charge is not only ill-founded but the City Council's best efforts have been frustrated, largely by the

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1. The Poverty of Natal - Report of Dept. of Economics N.U.C. (1943)
2. Select Committee Proceedings of Provincial Council, Natal 9-11 1944 vol. II - document 14 - Statement in regard to Durban Corporation Housing Schemes.
3. Ibid.
4. S.C. Proceedings Provincial Council Natal op. cit. documt.14.

Indian market-gardeners and small agriculturists were shack-dwellers. They usually held a small plot of land (on the average about half an acre) on a short-term lease, with no security of tenure, and often lived in the poorest type of wood and iron shelter in serious conditions of overcrowding and squalor.

"The typical Indian market-garden family --- lives congested in a poor sort of temporary shanty without adequate water supply, lighting, or sanitation - a favourable breeding-ground for diseases such as dysentery."[1.]

Poverty and wretched living conditions affected the health of the Indian community. The Indian death-rate was high - in 1939 it was 14.5 as compared with a European death-rate in Natal of 9.9.[2.]

"Malnutrition was very bad amongst the Indian community in Durban"[3.]; Indian children in Natal "are often weak, under-nourished, and under-weight"[4.]; and there was a high child mortality - in 1940 1 in every Indian death was a child under 15.[5.]

Thus the upliftment provision of the Capetown Agreement had had little practical effect on the economic circumstances and average living conditions of the Indians in Natal. There had been no large-scale action to implement the promise of upliftment, particularly in Durban where it was most necessary.

Was the effect of the Capetown Agreement as a whole, a trend towards westernisation?

It was widely held by Europeans, and this view was supported by the Durban Municipal Council,[6.] that the Indian could not be

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1. H.R. Burrows - Indian Life and Labour in Natal p. 9. Preliminary Report on the Housing of the Indian Community in Durban made by Dept. of Economics N.U.C. 1940.
2. H.R. Burrows op.cit. p. 32.
3. Ibid. p. 23.
4. Ibid. p. 32.
5. Ibid. p. 33.
6. Vide Memorandum by City and Water Engineer's Dept. of Durban City Council to Natal Judicial Commission 1944 p. 17.

assimilated into western civilization.

Lord Hailey, on the other hand, maintained that "Indians readily adopt the European manner of living, and standards of education, sanitation, and the like, where their economic conditions permit them to do so"[2]. This seemed more reasoned.

Indians eagerly responded to opportunities of education leading to westernisation, presented to them after the Capetown Agreement - "Most members of the Natal Indian community --- want not Indianisation but South-Africanisation --- which helps to make them less alien, less unprivileged and less unintegrated into the structure of South African society"[3]. The result of the Agreement has therefore been a trend towards westernisation, slowed down by the limits of the Indian's contact with western ideas - the limits of Indian education - and by economic depression. "Their economic conditions" to so large an extent do not "permit them" to be westernised.

As has been stated, however, westernisation serves rather to increase than to solve the problem of Indo-European friction. It intensifies competition, which is the basis of the problem. Though it makes him "less alien", westernisation by thus strengthening the barrier of European fear, does not help to make the Indian "less unprivileged and less unintegrated into the structure of South African society".

Its effect upon the Indian is not altogether stabilising. Education weakens the hold of traditional customs and civilization; the Indian assimilates western culture. But he is not assimilated by western culture. His position becomes therefore "marginal"[4], and uncertain.

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2. Lord Hailey - An African Survey p. 334.
3. U.G.27-'42 - Comm. to enquire into present facilities and future policy for higher education for Indians in Natal p. 33.
4. Address by Dr. P.J. de Vos to Race Relations Conference (June 1947) on "The Sociological Situation in regard to the Indians in Natal".

The immediate effect of the Capetown Agreement upon Indo-European relations was to restore calm. Mr. Sastri, the first Agent of the Government of India in South Africa, by his statesmanship, his idealism yet comprehension of practical difficulties, and above all by his inspired oratory and great personal charm, did much to consolidate this effect.

He appealed to the Indian community to support the Agreement, and to hold education and westernisation as their aim.[1]

As Mr. Gokhale in 1912,[2] he reassured the Europeans on the question of political supremacy. "It is no part of our intention either now or at any time in the future to challenge the political supremacy of the white part of the population of South Africa --- We recognise as a natural corollary that there must be certain limitations and restrictions upon the political and municipal freedom of Indians ---."[3]

He appealed to them for justice, against expediency:-

"Political ideals are not always to be left as ideals suspended in mid-air ---."

"It is in your power to do great things, ladies and gentlemen. For what is done in South Africa determines what will be done where white and coloured races come into living contact all through our Commonwealth. Much depends on you. Be not swayed by the considerations of the moment, by the fleeting salvation of the hour. These are not considerations for which those who are the vehicles of the British spirit should give assent in their hearts. Have an eye always to the great future of the Empire. Think of what it would mean if you chose the noble course. Think of what it might mean if you yielded to the temptations of the hour ---."[4]

But because the fundamentals of the problem - the fear of

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1. Sastri Speaks e.g. vide pp. 6-7.
2. C.F. Andrews - Documents relating to the Indian Question p.8.
3. Sastri Speaks p. 90.
4. Ibid. p. 78-79.

colour and economic competition - remained unchanged by the Agreement, these ideals remained unapplicable to South Africa.

Because the fundamentals of the problem remained unchanged, the calming influence of the Agreement was short-lived. When evidence of Indian expansion again became striking, Indo-European friction again became acute.

D. E C O N O M I C T E N D E N C I E S 1 9 2 7 ——.

E C O N O M I C T E N D E N C I E S 1 9 2 7 ---.

In 1921 there were 141,336 Asiatics in Natal as compared with a European population of 136,838.

The 1936 Census revealed an Asiatic population in Natal of 183,661, (83.6% of the total Union Indian population) compared with a European population of 190,549. Thus the percentage increase of the Asiatic population from 1921 to 1936 was 29.66, while the percentage increase of the European population was 39.25.[1.]

While in 1911 and 1921 the Asiatics in Natal had outnumbered the Europeans, by 1936 the European population had outstripped the Asiatic.

But the factors involved in population trends in Natal[2.] are a falling European and a rising Indian rate of increase.

Natal has the lowest European birth-rate in the Union, falling faster than in any other province of the Union.[3.]

AVERAGE CRUDE BIRTH-RATE 1927-1936.[4.]

Area.	Births per 1000 of European Population.
Transvaal	27.0
Cape	24.5
Orange Free State	24.3
Natal	19.6
Union	24.9

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1. U.G. 39-'41 - Report of the Indian Penetration Commission par. 24.
2. R.H. Smith - Labour Resources of Natal (Summary prepared by Dept. of Economics, N.U.C.) Chap. III.
3. Ibid.
4. Ibid. Chap. III Table IV.

Thus it would seem that the future trend of the Indian population will be sharply upward at least for about thirty years, if after that there is a slow decline. For the short-term effect of improving conditions will probably be a rise in the birth-rate and a fall in the death-rate, though ultimately there will probably be a slow decline in the birth-rate as well - as has been the tendency in the case of white communities.[1.]

"Rapid growth must be considered a prime conditioning force in the economic situation."[2.]

This factor, together with the youthfulness of the population, intensifies Indian education and housing problems and means an expanding Indian consumer market and labour potential, and an expanding reservoir of Indian competitors.[3.]

Further, an expanding Indian labour potential means that the effects of the limitation on economic opportunities will be more seriously felt.[4.]

Another tendency, part of a world-wide process, is the urbanisation of the Indian population in Natal - the accelerating drift to the towns, in particular to the focal point of Durban.[5.]

There has been a general decline of the rural population, but in the case of the Europeans and Indians of Natal since 1921, it has been an absolute decline. While in 1921 only 21.3% of the Natal Indian population was urban, in 1936 61.6% was urbanised, that is, 6 out of every 10 Indians in Natal lived in urban areas.[6.]

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1. R.H. Smith op. cit. Chap. III; Burrows - Indian Life and Labour in Natal pp. 3-4.
2. R.H. Smith Chap. III.
3. Ibid.; Burrows op. cit. pp. 3-4.
4. R.H. Smith op. cit. Chap. III (On limitation of economic opportunities, vide supra p.30-33).
5. Ibid. Chap. IV.
6. Ibid.; Burrows op. cit. p. 5.

URBAN PERCENTAGE OF THE FOUR RACIAL GROUPS IN NATAL 1904-1936.[1]

Year.	European.	Indian.	Coloured.	Native.
1904	57.8	25.0	40.5	3.92
1921	59.2	21.3	43.1	4.79
1936	76.4	61.6	65.5	8.26
Percentage increase 1904-36	32.2	146.4	61.8	110.7

In 1936 of the total Indian population of Natal of 183,661, 113,549 lived in urban areas; 70,112 in rural areas.[2]

The great acceleration of the urbanisation of the non-European population, in particular of the Indian population, has meant a tendency towards racial equality in the total urban population of Natal (excluding the small Coloured population).

URBAN RACIAL STRUCTURE OF NATAL POPULATION 1904-1936.[3]

Percentage of total urban population.

Year.	European.	Indian.	Native.	Coloured.	Total.
1904	47.1	21.0	29.6	2.3	100
1921	47.5	17.7	32.0	2.8	100
1936	36.5	28.4	32.1	3.0	100

The causes of urbanisation are broadly speaking industrialization, the attraction of life in the towns, and the attraction of the higher wages of the towns.[4]

The general Indian labour trend is from the unskilled to the more skilled, and as the urbanisation of the population

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1. R.H. Smith op. cit. Chap. IV Table VIII.
2. U.G..24-'42. 1936 Census Rep. Vol. V, Table 25.
3. R.H. Smith op. cit. Chap. IV. Table IX.
4. Ibid. Chap. IV.

indicates, away from agriculture to industry.[1]

The reasons for this[2] are the growing competition of the Native in unskilled work, for which he is physically better fitted than the Indian; and at the same time the opening up of opportunities in better-paid semi-skilled occupations, for which the Indian by reason of his "intelligence, dexterity, and stability"[3] is well-fitted.

The Indian is "equal to the European in the performance of the semi-skilled repetition work of the modern factory" and forms a more stable labour supply than the European or Native, less disposed, once trained, to change his occupation.[4]

This upward trend of the Indian "towards lighter, semi-skilled and better-paid work"[5], with the Native gradually taking his place in unskilled occupations, is illustrated by the employment figures of the Sugar Industry from 1910 to 1932.

While in 1910 18,270 Indians were employed in the Sugar-Planting and Milling Industry in Natal, and 2,380 Natives, in 1925 11,440 Indians were employed and 27,873 Natives, and in 1933 only 8,020 Indians as compared with 40,263 Natives.[6]

Moreover, fears that Indian labour was indispensable to the Sugar Industry were proved groundless. Output showed that Native labour was as effective as Indian labour. While "the original foundations of the (Sugar) industry were laid upon Indian labour, all new development during the past twenty years (1910-1932) has been on the new basis of Native labour"[7], and the diminishing supply of Indian labour was accompanied by a phenomenal expansion of the sugar industry.

The production total increased from 82,000 tons in 1910

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1. U.G. 23-'34. Rep. of Indian Colonization Enquiry Committee pars. 62-67; Burrows - Indian Life and Labour in Natal p. 6.
2. Ibid. p. 6.
3. Ibid. p. 11.
4. U.G. 23-'34 op. cit. par. 58.
5. Ibid. par. 66.
6. Ibid. par. 53.
7. Ibid. par. 53.

rises the fewer are the avenues of employment open to him.[1]

With his capacity rising towards equal ability with the European, as a result of the post-Agreement policy of Upliftment, inequality of opportunity chafes more deeply.

The effect of the white labour policy has been to waste potential resources and to increase Indian unemployment.[2]

In 1921 the Lange Commission declined to recommend a minimum wage for all races on the grounds that it would be "a frank call for the protection of the European with his higher standard of living against the Asiatic", and that "a minimum wage based on the needs of the highest types employed must lead either to the unemployment or to the extravagant pay of people not approaching that standard."[3]

This was borne out by subsequent tendencies. It seemed just and desirable to prevent the Indian from undercutting the European, but at the same time where rates of pay are equal, employers tend to prefer to employ Europeans. Thus "'equal pay for equal work' may be the cause of condemning many, who would be only too glad to do the equal work for less pay, to unemployment or into the ranks of unskilled labour".[4]

"In general the economic difficulties of the Indian in Natal are not so much due to a lack of employment --- as to the barriers to certain avenues of employment, especially in the skilled trades ---."[5]

In the year ending 30th April 1936, the unemployment rate in South Africa was 3.1% for Europeans, 3.8% for Coloureds, and 3.6% for Indians.[6]

Because of the joint family system the effects of unemployment are not so seriously felt in the case of Indians - if one

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1. U.G.23-'34 op. cit. par. 67.
2. H.R. Burrows - Indian Life and Labour in Natal p. 16-17.
3. U.G.4-'21 - Rep. of the Asiatic Inquiry Comm. par. 212.
4. Burrows - Indian Economics in Natal; vide also Indian Life and Labour in Natal p. 16.
5. Burrows - Indian Economics in Natal; vide also Indian Life and Labour in Natal p. 17.
6. Ibid. p. 16.

member of a family is unemployed, he is supported by the family group. But the joint family system is gradually breaking down - [1].

Yet, for the present there is a wide scope for Indians in the semi-skilled spheres for which they are well-suited and in which they have secured a place. The general effect of mechanization has been to increase semi-skilled employment opportunities, particularly in the textile, leather and rubber industries.[2]

Thus the all-round economic tendencies of the Indian population in Natal are a rapidly increasing population for at least about thirty years, accentuating housing and education problems; a general labour trend from the unskilled to the more skilled with a limit to the utilisation of the Indian's growing industrial capacity; and an accelerating drift away from agriculture to industry, off the land to the towns. This is an unhealthy tendency, accentuating the economic miseries and racial frictions of the towns. It is part of a world-wide tendency; in South Africa it is complicated by racial differences.

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1. Vide supra p. 103.
2. Burrows - Indian Life and Labour in Natal p. 17.

E. CONCLUSION.

C O N C L U S I O N .

The causes of the later deterioration of Indo-European relations were thus inherent in the position after the Capetown Agreement.

At root there remained the fear of Indian expansion.

Factors in the situation were - the proviso upon which the question of penetration in Durban seemed to rest[6] - the allocation of adequate residential sites for Indians - had not been fulfilled. No choice sites within the Old Borough had been made available to Indians. The Capetown Agreement had brought westernisation, creating a desire for proper facilities and amenities which could only be found in European areas. In particular, the Capetown Agreement had brought security, encouraging investment - and the main source of Indian investment was property.[1.]

The result of these factors was Indian penetration of European areas in Durban.[2.] This particular manifestation of Indian expansion caused acute fear and friction.[3.] Negotiation, because of the Municipality's maintained refusal to allocate choice sites for Indians in the Old Borough, failed to remove the cause of friction.[4.] The Pegging Act, a temporary measure, therefore tried to prevent it.[5.] Again expediency caused a restriction of Indian rights - which could be defended only on

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6. Vide supra p 27
1. Vide U.G.39-'41 - Rep. of Indian Penetration Commission Chap. VII for full discussion of the reasons for penetration. Investment was the main reason.
2. Ibid. Chaps. IV-VII; U.G.21-'43 - Rep. of Second Indian Penetration (Durban) Commission - passim.
3. Vide U.G.21-'43 op. cit. par. 21;
   Memorandum of Durban City Council's Deputation to the Administrator and the Minister of the Interior p. 1.
4. Vide Ibid. - passim.
   Memorandum submitted by the Representatives of the Natal Indian Association on the Lawrence Committee.
5. Trading and Occupation of Land (Transvaal and Natal) Restriction Act (No. 35) 1943.

grounds of white protection. Again this roused extreme opposition[1]. - and accentuated Indo-European strife. Once more the extreme measure was replaced by an agreed compromise - the Pretoria Agreement.[2] Indo-European relations were to some measure restored and a settlement seemed possible. The Agreement was an achievement in that it involved considerable concession of principle on the part of the Indians.[3]

But this time the compromise was not accepted by European opinion. It was not made expedient by any such prospect as repatriation. It was only a weakening of the protective measures against Indian expansion.

In Natal European opposition to the Pretoria Agreement was as fierce as Indian opposition to the Pegging Act had been.[4] Moreover - the Europeans were the voters. Finally the Natal Provincial Council broke the Agreement by passing an Ordinance which was in direct conflict with its principle.[5]

In these circumstances the Union Government did not implement the Agreement, but took the middle course and declared it had lapsed.[6]

In Indo-European relations a deadlock had been reached. The compromise could not be made acceptable to public opinion; its breach precipitated a breakdown in relations between the two communities. In the circumstances of this dilemma the Government pursued the will of the electorate amidst increasing Indian opposition and a rising tempo of racial feeling. With Govern-

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1. Vide Select Comm. Proceedings 9-11 1944 Vol. II (Prov. Council Natal): doc. 18 - Memorandum submitted by the N.I.C. to Senator Clarkson Dec. 1943; doc. 19 - Resolutions of N.I.C. Conference Feb. 1944; doc. 21 - Memorandum submitted by the S.A.I.C. to the Prime Minister March 1944. Indian Opinion 9th, 16th, 23rd, 30th April 1943.
2. U.G.22-'45 - Interim Report of Comm. of Enquiry into Matters affecting the Indian Population in Natal Chap. II Appendix A(1) and (2).
3. Vide Indian Opinion E.g. 28th April, 19th May 1944.
4. Vide Natal Mercury e.g. 21st, 24th April, 6th and 17th June 1944.
5. Residential Property Regulation Ordinance (No. 20) 1944.
6. General Smuts' Note to the Natal Indian Congress (Natal Witness 6th Dec. 1944).

ment policy more closely linked with European interests, Indian agitation for the franchise and political representation developed for the first time.[1]

Finally the Government passed the Asiatic Land Tenure and Indian Representation Act,[2] which perpetuated the restriction of Indian property rights, re-embodying the principle of segregation and class areas; and at the same time granted the Indians in Natal the franchise on a communal basis, in conflict with the recommendation of the Broome Report and the attitude of the Natal Indian Congress.[3]

The result was the final severance of Indo-European relations and Indo-South African relations.

The events of the 1940's were thus a repetition of the events of the 1920's. Public opinion was the sine qua non - which made the trial of the Capetown Agreement possible, but which was a reason for its ultimate failure, and which wrecked the Pretoria Agreement. It was the practical limitation to the Government's power to solve the question. For "it is difficult for the Union Government to take action, which is considerably in advance of public opinion."[4] The non-repressive compromise which alone could provide a solution was not acceptable to the electorate.

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1. Vide Memorandum submitted by the Natal Indian Congress to Senator Clarkson Dec. 1943.
   Statement of the Natal Indian Congress to the Natal Post War Reconstruction Commission 1947.
2. Act 28 of 1946.
3. U.G.22-'45 op. cit. Chap. IV.
4. Capetown Agreement - A.1-'27 III (2)

A P P E N D I X A .

THE CAPETOWN AGREEMENT.

JOINT COMMUNIQUE ISSUED BY THE GOVERNMENT OF INDIA AND THE GOVERNMENT OF THE UNION OF SOUTH AFRICA.[1]

It was announced in April, 1926, that the Government of India and the Government of the Union of South Africa had agreed to hold a round table conference to explore all possible methods of settling the Indian question in the Union in a manner which would safeguard the maintenance of western standards of life in South Africa by just and legitimate means. The conference assembled at Cape Town on December 17th, and its session finished on January 11th. There was in these meetings a full and frank exchange of views which has resulted in a truer appreciation of mutual difficulties and a united understanding to co-operate in the solution of a common problem in a spirit of friendliness and goodwill.

Both Governments reaffirmed their recognition of the right of South Africa to use all just and legitimate means for the maintenance of western standards of life.

The Union Government recognise that Indians domiciled in the Union who are prepared to conform to western standards of life should be enabled to do so.

For those Indians in the Union who may desire to avail themselves of it, the Union Government will organise a scheme of assisted emigration to India or other countries where western standards are not required. Union domicile will be lost after three years' continuous absence from the Union, in agreement with the proposed revision of the law relating to domicile, which will be of general application. Emigrants under the assisted emigration scheme who desire to return to the Union within the three years will only be allowed to do so on refund to the Union Government of the cost of the assistance received by them.

1. Hansard Jan.-June 1927 p. 509-510.

The Government of India recognise their obligation to look after such emigrants on their arrival in India.

The admission into the Union of the wives and minor children of Indians permanently domiciled in the Union will be regulated by paragraph 3 of resolution 21 of the Imperial Conference of 1918.

In the expectation that the difficulties with which the Union has been confronted will be materially lessened by the agreement which has now happily been reached between the two Governments, and in order that the agreement may come into operation under the most favourable auspices, and have a fair trial, the Government of the Union of South Africa have decided not to proceed further with the Areas Reservation and Immigration and Registration (Further Provision) Bill.

The two Governments have agreed to watch the working of the agreement now reached and to exchange views from time to time as to any changes that experience may suggest.

The Government of the Union of South Africa have requested the Government of India to appoint an agent in the Union in order to secure continuous and effective co-operation between the two Governments.

SUMMARY OF CONCLUSIONS REACHED BY THE ROUND TABLE CONFERENCE ON THE INDIAN QUESTION IN SOUTH AFRICA.[1]

I. SCHEME OF ASSISTED EMIGRATION.

(1) Any Indian of 16 years or over may avail himself of the scheme. In case of a family, the decision of the father will bind the wife and minor children under 16 years.

(2) Each person of 16 years or over will receive a bonus of £20, and each child under that age a sum of £10. No maximum shall be fixed for a family. A decrepit adult who is unable to earn his living by reason of a physical disability may, at the

1. A.1-'27.

discretion of the Union authorities, receive a pension in lieu of or in addition to the bonus. The pension will be paid through some convenient official agency in India out of a fund provided by the Union Government to such amount as they may determine. It is expected that the amount required will not exceed £500 per annum in all.

In every case the bonus will be payable in India on arrival at destination or afterwards through some banking institution of repute.

(3) Free passage, including railway fares to port of embarkation in South Africa and from port of landing in India to destination inland, will also be provided.

(4) Emigrants will travel to India via Bombay as well as via Madras. Emigrants landing at Bombay will be sent direct from the ship to their destination at the expense of the Union Government.

Survey and certification of ships shall be strictly supervised, and conditions on the voyage, especially in respect of sanitary arrangements, feeding and medical attendance, improved.

(5) Before a batch of emigrants leaves the Union information will be sent to some designated authority in India at least one month in advance, giving (a) a list of intending emigrants and their families, (b) their occupation in South Africa and the occupation or employment which they would require in India, and (c) the amount of cash and other resources which each possesses. On arrival in India, emigrants will be (i) advised, and so far as possible, protected against squandering their cash money or losing it to adventurers, and (ii) helped as far as possible to settle in occupation for which they are best suited by their aptitude or their resources. Any emigrant wishing to participate in emigration schemes authorized by the Government of India will be given the same facilities in India as Indian nationals.

(6) An assisted emigrant wishing to return to the Union will be allowed to do so within three years from the date of departure

between the Central Executive and the Provincial and minor local authorities. But the Union Government are willing -

(a) in view of the admittedly grave situation in respect of Indian education in Natal, to advise the Provincial Administration to appoint a provincial commission of inquiry and to obtain the assistance of an educational expert from the Government of India for the purpose of such inquiry;

(b) to consider sympathetically the question of improving facilities for higher education by providing suitable hostel accommodation at the South African Native College at Fort Hare, and otherwise improving the attractiveness of the institution for Indians;

(c) to take special steps under the Public Health Act for an investigation into sanitary and housing conditions in and around Durban which will include the question of -

(i) the appointment of advisory committees of representative Indians; and

(ii) the limitation of the sale of municipal land subject to restrictive conditions.

(3) The principle underlying the Industrial Conciliation Act (No. 11 of 1924) and the Wages Act (No. 27 of 1925) which enables all employees, including Indians, to take their places on the basis of equal pay for equal work, will be adhered to.

(4) When the time for the revision of the existing trade licensing laws arrives, the Union Government will give all due consideration to the suggestions made by the Government of India delegation that the discretionary powers of local authorities might reasonably be limited in the following ways:-

(1) The grounds on which a licence may be refused should be laid down by statute.

(2) The reasons for which a licence is refused should be recorded.

B. STATEMENT AGREED UPON BY THE ROUND TABLE CONFERENCE HELD IN CAPE TOWN IN 1932 ON THE INDIAN QUESTION IN SOUTH AFRICA.[1.]

In accordance with paragraph 7 of the Capetown Agreement delegates of the Government of the Union of South Africa and of the Government of India met at Capetown from January 12th to February 4th 1932, to consider the working of the Agreement and to exchange views as to any modifications that experience might suggest. The delegates had a full and frank discussion in the Conference, which was throughout marked by a spirit of cordiality and goodwill.

Both Governments consider that the Capetown Agreement has been a powerful influence in fostering friendly relations between them and that they should continue to co-operate in the common object of harmonizing their respective interests in regard to Indians resident in the Union.

It was recognised that the possibilities of the Union's scheme of assisted emigration to India are now practically exhausted owing to the economic and climatic conditions of India as well as to the fact that 80% of the Indian population of the Union are now South African born. As a consequence the possibilities of land settlement outside India, as already contemplated in paragraph 3 of the Agreement, have been further considered. The Government of India will co-operate with the Government of the Union in exploring the possibilities of a colonization scheme for settling Indians, both from India and from South Africa, in other countries. In this investigation which should take place during the course of the present year, a representative of the Indian community in South Africa will, if they so desire, be associated. As soon as the investigation has been completed the two Governments will consider the results of the enquiry.

No other modification of the Agreement is for the present considered necessary.

1. Hansard April 1932 p. 2725-2726.

C. OCCUPATIONS OF NATAL INDIANS 1921 AND 1936.[1]

1921.

Occupation.	Natal Indians 15 years and over.
Fishing	133
Agriculture	20,669
Industrial	6,460
Transport and Communication	2,939
Commercial	5,710
Public Administration and Defence	261
Professional	436
Personal Service	34,988
Indefinite	8,099
	79,695

1936.

Occupation.	Natal Asiatics 15 years and over.
Fishing	133
Agriculture	17,726
Mining and Quarrying	673
Industrial	9,994
Transport and Communication	1,475
Commerce and Finance	7,581
Public Administration and Defence	2,953
Professions	582
Entertainment and Sport	267
Personal Service	5,842
Other Industries	2,971
Not gainfully occupied	47,651
	97,848

1. According to Census of 1921 and 1936.

D. NUMBER OF INDIAN SCHOOLS, PUPILS, TEACHERS, AND ANNUAL EXPENDITURE ON INDIAN EDUCATION 1925-1943.[1]

Year.	No. of Schools.	No. of Teachers.	Enrolment.	Annual Expenditure. £.
1925	52	268	8,706	27,918
1926	52	280	9,102	28,430
1927	57	300	9,766	35,982
1928	71	363	11,462	34,581
1929	80	401	13,464	47,814
1930	82	427	14,701	68,814
1931	88	468	16,318	57,095
1932	88	480	17,088	62,317
1933	90	500	17,718	67,650
1934	98	541	18,961	72,151
1935	100	584	20,652	93,031
1936	99	605	22,676	89,557
1937	107	640	22,669	96,095
1938	110	669	23,600	102,151
1939	116	709	25,081	110,290
1940	117	765	27,449	117,664
1941	115	813	28,890	126,621
1942	121	851	30,060	148,307
1943	127	883	30,883	177,013
(1944)		(930)		(226,492)

E. STANDARD DISTRIBUTION OF INDIAN CHILDREN 1929-36.[2]

	1929	1931	1933	1934	1935	1936
Sub-std. I	5,157	6,762	6,124	6,439	7,543	6,686
Sub-std. II	3,198	2,873	2,688	2,973	2,891	3,606
Std. I	2,146	2,867	2,680	2,819	2,821	2,815
Std. II	1,747	2,140	2,083	2,055	2,445	2,609
Std. III	1,384	1,659	1,683	1,729	1,745	2,074
Std. IV	1,070	1,191	1,184	1,353	1,634	1,522
Std. V	660	831	716	840	988	1,121
Std. VI	378	639	631	647	747	923
	15,740	18,962	17,789	18,855	20,814	21,356

1. Compiled from Broome Education Rep. 1938 par. 417; Reps. of Director of Education (N.P.4-'45 and N.P.1-'47); and from information from Dept. of Education, Natal.
   There are no figures available for 1944.
2. Broome Rep. par. 419.
   (Figures for 1929 and 1931 include Coloured Children - about one-tenth of total).

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document 4 - Some Observations on Indian Penetration by Senator D.G. Shepstone, dated 11th March, 1940.
document 6 - Report of Meeting between Minister of the Interior and Members of the Lawrence Committee, dated 7th November, 1940.
document 7 - Minutes of Meeting of Lawrence Committee, 24th May, 1942.
document 8 - Memorandum by Estates Manager to Town Clerk, Durban, dated 1st May, 1944, regarding the Natal Indian Commission.
document 14 - Statement by Ernest Green in regard to Durban Corporation Housing Schemes.

document 18 - Memorandum submitted by Natal Indian Congress to Senator Clarkson on Pegging Act on the 2nd December, 1943.

document 19 - Resolutions of the Natal Indian Congress Conference, 19th February, 1944.

document 20 - Extract from Mr. Sinclair's speech as Chairman of the Natal Municipal Association at a Conference between the Natal Municipal Association and the Natal Indian Congress, January, 1944.

document 21 - Memorandum submitted by South African Indian Congress to the Prime Minister - March 1944.

document 37 - Copies of letters from the Natal Indian Association to the Minister of the Interior - 22nd December 1941 and 13th July 1942.

P.S. Memorandum submitted by the representatives of the Natal Indian Association on the Lawrence Committee.

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University of S.A.	L.M. Thompson	- Indian Immigration into Natal 1860-72.
University of Witwatersrand	H.D. Kannemeyer	- A Critical Survey of Indian Education in Natal (Summary prepared by Dept. of Economics N.U.C.)
	R.H. Smith	- Labour Resources of Natal (Summary prepared by Dept. of Economics N.U.C.)

MAP OF DURBAN AND VICINITY.