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# DEVELOPMENT TRANSFORMATION & FREEDOM

*Critical Perspectives on Development, Transformation  
and Freedom, with reference to a social and  
economic history of the state, markets and  
civil practices in the Western Cape of South Africa,  
c. 1910-1948*

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Doctor of Philosophy  
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## Acronyms

**AAC**-All African Convention  
**A-FCWU**-African Food and Canning Workers Union  
**AHI**- Afrikaanse Handels Instituut  
**APO**-African Peoples Organisation  
**ANC**-African National Congress  
**BCM**-Black Consciousness Movement  
**BIC**- Bantu Investment Corporation  
**BMR**-Bureau of Market Research  
**CAD**-Coloured Affairs Department  
**CAFDA**-Cape Flats Distress Association  
**CDC** - Coloured Development Corporation  
**CDNR**-Council for the Development of Natural Resources  
**CFL**-Cape Federation of Labour  
**CITB**-Clothing Industrial Training Board  
**CFL**-Cape Federation of Labour  
**C.L.P** -the Civilised Labour Policy  
**CLPP**-Coloured Labour Preference Policy  
**CPA**- Cape Provincial Administration  
**CNETU**-Council of Non-European Trade Unions  
**COSATU**-Congress of South African Trade Unions  
**CSIR**-Council for Scientific and Industrial Research  
**CUSA** -Council of Unions of South Africa  
**DIVCO** -the Divisional Council  
**DBSA**-Development Bank of Southern Africa  
**DRC**-Dutch Reform Church  
**EPZ**-Export Processing Zones  
**EPU**-Export Processing Units  
**ESCOM**-Electricity Supply Commission  
**FCI** -Federated Chamber of Industries  
**FCWU**-Food and Canning Workers Union  
**FEDUSA**-Federation of Unions of South Africa  
**FEDSAL**-Federation of South African Labour  
**FOSATU** -Federation of South African Trade Unions  
**GDP**-Gross Domestic Product  
**GFWBF**- General Factory Workers Benefit Fund  
**GGP**-Gross Geographic Product  
**GNP**-Gross National Product  
**GRP**-Gross Regional Product  
**GWU**-Garment Workers Union  
**IANC**-Independent African National Congress  
**IAS**-Industrial Aid Society

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**IBRD**-the International Bank for Reconstruction and Development or World Bank

**ICU**-Industrial and Commercial Workers Union

**IDC**-Industrial Development Council

**IDP**-Integrated Development Plan

**IDZ**-Industrial Development Zone

**I&J**-Irvin and Johnson

**ILO**-International Labour Organisation

**ISCOR**-Iron and Steel Corporation

**ISRDP**-Integrated Sustainable Development Programme

**JMC**-Joint Management Committees

**KWV**-Kooperatiewe Wynbou Vereniging

**LANOK**-Landlike Ontwikkeling Komitee

**LKB**-Langberg

**LMC**- Local Management Committees

**MAWU**-Metal and Allied Workers Union

**MLL**-Minimum Living Levels

**MSDP**-Metropolitan Spatial Development Framework

**NACTU**-National Council of Trade Unions

**NAD**-Native Affairs Department

**NDAC**-National Development Advisory Committee

**NEDLAC**-National Economic, Development and Labour Council

**NEF**-National Economic Forum

**NEUM**-Non European Unity Movement

**NHF**-National Housing Forum

**NICISEMI** -National Industrial Council For the Iron and Steel, Engineering and Metal Industry

**NICMI**-the National Industrial Council for the Motor Industry

**NLL**-National Liberation League

**NPDP**-the National Physical Development Plan

**NMC**-National Manpower Commission

**PDC**- Western Cape Provincial Development Council

**PDL**- Poverty Datum Line

**PSLSD**- Project for Statistics on Living Standards and Development

**PRA**-Participatory Rural Appraisal

**PSP**-Provincial Strategic Plan

**RDA**-Regional Development Association

**RDAC**-Regional Development Advisory Committee

**RIDP**-Regional Industrial Development Programme

**RDP**- The Reconstruction and Development Programme

**RSC**-Regional Service Council

**SAAU**-South African Agricultural Union

**SACTU**-South African Congress of Trade Unions

**SACTWU**-South African Clothing and Textile Workers Union

**SAIRR**- South African Institute of Race Relations

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**SAQA**-South African Qualification Authority  
**SARH**-South African Railways and Harbours  
**SDI**-Spatial Development Initiative  
**SEPC**-Social and Economic and Planning Council  
**SLL**-Subsistence Living Levels  
**SMME**-Small, Micro and Medium Enterprises  
**TLC**- Trades and Labour Council  
**T.L.S.A.**- Teachers League of South Africa  
**TRC**- the Truth and Reconciliation Commission  
**TUCSA**-Trade Union Council of South Africa  
**UDF**-United Democratic Front  
**UN**-United Nations  
**UNISA**-University of South Africa  
**UPE**-University of Port Elizabeth  
**UTP**- Urban Training Project  
**VAT**-Value Added Tax  
**WCEDF**-Western Cape Economic Development Forum  
**WCRSC** - Western Cape Regional Service Council  
**WESGRO**- The Trade and Investment Promotion Agency  
**WPMWU**- the Western Province Motor Assembly Workers Union  
**WPWAB** -- the Western Cape based Western Province Workers Advice Bureau  
**WTO**-World Trade Organisation  
**XDC** – Xhosa Development Corporation

**To the memory of the late Molly, Sam and Gerald Sayers**

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## Abstract

Development has attained a status where it has become central in the pursuit of strategies to ensure growth and the eradication of poverty in modern society. A societal endeavour that has endured the passages of time as an end to poverty was central to the objectives articulated during the period of the Enlightenment. Development as a critical aspect of modernization formed a central component of the social and economic landscape with the establishment of the modern state after 1910 in South Africa, albeit colonial in character. Development discourse and practice was informed by instruments fashioned to address growth and poverty. The form it took, whether through facilitating enterprise establishment and clustering, labour market intervention, or the provision of improved terms of property transaction and development and public housing, all addressed issues central to the relation between the state and civil and customary practices. Whether these endeavours were informed by growth concerns such as investment in infrastructure, measures shaping the functioning of the labour, property and housing markets or income distribution and poverty eradication such as the provision of public housing, emerging developmental discourse and practice and associated planning were prominent in informing prevailing social relations, markets and the state. This was discourse and practice impregnated by conceptions of what constituted civil, and social identities such as class, race, religious association and language. It provided the opportunities, constraints for access to resources, forms of allocation and the realization of various instrumental freedoms. While its origins lie in the debates about economic growth and industrial development and poverty alleviation, the tendency is to establish a path that accommodates both while addressing fundamental issues of human development and associated freedoms.

This dissertation examines the history of its evolution with particular reference to regional development and planning. Regional and local development and planning practices emerged, offering possibilities for more efficient resource allocative arrangements that distinguished not only between sectors, but also provided the promise of its inter-relationship and urban and rural dimensions. It is reflected in the emergence of the latter with the formation of the modern state in 1910 where planning simultaneously underwent a transformation from town planning to regional planning that incorporated town planning, but addressed relations with its non urban environs. It is in this context that an examination of clustering and agglomeration trends, labour markets and the emergence of the social related to the property and housing markets, offers

interesting insights into the elements that informed not only these sectoral dimensions of development and planning discourse and practices, but also posed questions of the efficacy of integrated or holistic dimensions of planning at a regional level. The use and management of developmental instruments that emerged to deal with the duality of wealth creation through the pursuit of growth and poverty eradication through redistributive measures were, however, shaped on the anvil of contending social identities that involved class and race. As the formation of a unified colonial administration and opposition provided the institutional context, developmental discourse and planning practices informed the content. Although only the earlier period is examined here, it, together with reflections on later periods provides an opportunity to discern and distinguish the different forms of developmental discourse and practice that has marked the social and economic landscape. The Segregationist period has in this sense provided certain distinctive features that differentiates it from that in the ensuing Apartheid and post-Apartheid periods. It is in this sense that the nature and path of modernization can be discerned, albeit during a period where a particular form of colonialism and development discourse and practice formed critical components.

The methodology used to examine the subject matter involves the use of primary material that straddles the realms of collective decisions taken by various state and non state institutions and correspondence involving these institutions and individuals, the results of social and economic surveys, whether conducted by the Office or Bureau of Census and Statistics or the Universities. The contemporaneous reflections of public intellectuals and endeavours of present day academics are reflected on. Critical text that has been used consists of, inter alia, the Cape Flats Committee of Enquiry and the Social and Economic Planning Council and the results of the Social Survey conducted under the auspices of H.H. Batson of UCT. Although reference has frequently been made to the cases that today would be considered urban in that they fall within the boundaries of the major metropolis of Cape Town, cognizance should be taken of the fact that the then Greater Cape Town epitomized the nature of transformation that would occur in rural and urban areas throughout the remainder of western Cape and South Africa. The geographical space covered, however, involved what is referred to today as the Western Cape, one of nine provinces of the Republic of South Africa. It was previously considered a province of the Cape Colony (before 1910) and a region of the Cape Province (between 1910 and 1994) respectively.

## Preface

*The analysis of power relations within a society cannot be reduced to the study of a series of institutions or even to the study of all those institutions that would merit the name 'political'. Power relations are rooted in the whole network of the social. This is not to say, however, that there is a primary and fundamental principle of power which dominates society down to the smallest detail; but, based on this possibility of action on the action of others that is coextensive with every social relationship, various kinds of individual disparity, of objectives, of the given application of power over ourselves or others, of more or less partial or universal institutionalization and more or less deliberate organization, will define different forms of power. The forms and the specific situations of the government of some by others in a given society are multiple; they are superimposed, they cross over, limit and in some cases annul, in others reinforce, one another. It is certain that, in contemporary societies, the state is not simply one of the forms of specific situations of the exercise of power—even if it is the most important—but that, in a certain way, all other forms of power relation must refer to it. But this is not because they are derived from it; rather, it is because power relations have come more and more under state control (although this state control has not taken the same form in pedagogical, judicial, economic, or family systems). Using the restricted meaning of the word 'government', one could say that power relations have been progressively governmentalized, that is to say, elaborated, rationalized, and centralized in the form of, or under the auspices of state institutions. Michel Foucault, on Power in 1982.<sup>1</sup>*

**T**he establishment of a government of national unity in South Africa in 1994 ushered in a period of transformation under significantly different global and local conditions than that prevalent throughout most of the African continent with the advent of a negotiated political settlement between the settlers and the forces of liberation that was premised on a political-military impasse. "My Government's commitment to create a people-centred society of liberty binds us to the pursuit of goals of freedom from want, freedom from hunger, freedom from deprivation, freedom from ignorance, freedom from suppression and freedom from fear. These freedoms are fundamental to the guarantee of human dignity. They will therefore constitute part of the centrepiece of what this Government will seek to achieve, the focal point on which our attention will be continuously focused. The things we have said constitute the true meaning, the justification and the purpose of the Reconstruction and Development

<sup>1</sup> Foucault, M: *Power—The Essential Works of Foucault 1954-1984*, Vol 3, The New Press, New York, 2000, p345.

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Programme, without which it would lose all legitimacy.”<sup>2</sup> Transformation processes currently underway and popularly referred to as reconciliation and nation building partly involves the redefinition of social identities as political and cultural constructs. It is a process within which nation building and reconciliation has a mediating role in the formation of a more inclusive nation state. This fact represents a momentous qualitative shift in the political regime to which blacks have been subjected for centuries when Apartheid constructed barriers to equal citizenship and rights were cast aside in the election held on 27-29th April 1994. The allocation of resources such as land - urban and rural; control over and ownership of economic enterprises; social services and infrastructure generally; educational institutions; human resource educational endowments and housing stock however, remain racially skewed. It impacts profoundly on the political culture and the present initiative to develop a non-racial, democratic political regime in the country.

Resource allocation informed by development and planning practices is not, however, a new phenomena that emerged with the demise of Apartheid and the reconstruction of a democratic and non-racial society. It evidently informed the path of modernization that shaped the nature of political, social and economic transformation, development and freedom since the constitution of the modern state in 1910. Here development was epitomized by the particular set of social and economic instruments used in the ambit of political economy and the local population albeit at a local and regional level. It dealt with issues that encapsulated the urban and rural dimension of growth and development as the territorial and social division of labour changed. A social and economic history of local and regional development and planning discourse and practices, has, however, been neglected in comprehending the nature of modernity, colonialism and development in South Africa and its regions.

Through an examination of a history of regional development and planning practices and their inter-connectedness with agglomeration trends, labour market institutions, poverty and the social within a specified geographical area, interesting insights that are of relevance today are provided about the importance of institutions, including the state form, governmentality, discourse production and the development of apparatus and technologies of power. The unlocking of their strategic value through an

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<sup>2</sup> President Nelson Mandela: Inaugural Address to a joint Sitting of Parliament, 24 May 1994.

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examination of the development of planning regimes and their impact on income distribution and poverty, provides reflections on the nature of modernity and its attendant variants such as colonialism and development. This, however, should be considered in the context of the occurrence of poverty described and analysed with reference to the responsibilities of the modern state providing the conditions for the emergence of development as a discourse and practice. The centrality of the state and its transformation and impact on market and non-market arrangements and regional development in particular, does provide a platform for the examination of changes or shifts in regional development.

Here, the emergence of regional development and planning linked to the establishment of the modern segregationist state in 1910 was crucial in comprehending the modalities of codification processes. The changing nature of regional development thereafter rested on the pursuit of the high modernist or particular developmental objectives based on Apartheid prescriptions. The rehabilitation of development and its regional dimension emerged in nascent form with the attempts at reform with neo-Apartheid. This was a trend that gained momentum, albeit it in a different form, with the advent of a democratic South Africa after 1994. It is only in the 1990s that more comprehensive propositions began to emerge that fuelled the rehabilitation of development. The rights and basic needs development agenda gained ascendancy as it is in this sense that the new frontiers of development thinking moved beyond an emphasis on the 'economic fundamentals' of technology, resources and preferences to incorporating the importance of institutions, distributional considerations and history. This was a shift that involved changing conceptions and approaches towards poverty. It amounted to a rehabilitation that aided a recodification of changing power relations and established development as a critical component of modernisation in a new global environment. Here, a new development agenda informed by the relation between the changing state form and its citizenry was considered pivotal to the materialisation of the newly accorded instrumental freedoms.

An analysis of the genesis of development in the context of colonialism and modernization is only possible through an examination of discursive practices "embodied in technical processes, in institutions, in patterns for general behavior, in forms for transmission and diffusion, and in pedagogical forms which, at once, impose and

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maintain them.”<sup>3</sup> Here, residues of collective memories in the form of surveys, records of decision of legislatures and their executives and those of civil society and the reports of commissions of inquiry provide ample testimony of the circumstances for the emergence of development as a discourse and practice. Local knowledges or residues of collective memories that have evolved, been organised and circulated through the use of “methods of observation, techniques of registration, procedures for investigation and research, apparatuses of control”,<sup>4</sup> were central to prevailing power relations.

These reflections on local discursive practices provide an overview of the source material used and identify gaps in analysis and avenues for further research. Key data sources were the residue of collective memories in the form of surveys conducted, commissions of inquiry and records of decisions of local legislatures and their executives, and of civil society. The Social and Economic Planning Council (SEPC), Cape Flats Committee of Inquiry, and the H.E. Batson led Social Survey constitute some of the key reports used to construct an understanding of the development and planning practices and discourses pursued during the 1910 to 1948 periods<sup>5</sup>. Reflections on contemporary life by certain public intellectuals and recent commentaries on colonialism, the origins, nature and future of development and modernity were also instructive. An examination of the agriculture, food processing and clothing and textile sectors provides critical insights into the nature of the regional economy and the importance of the primary and secondary industries in a growth trajectory and state intervention<sup>6</sup>. Settlement patterns, then commonly referred to as ‘pondokkie’ settlements, that increasingly came to dominate the local landscape are also illuminating. The local area Retreat<sup>7</sup> has been identified as an area for closer scrutiny due to it reflecting the emergence of different settlement patterns particularly during the 1910 to 1948 period, in addition to that prevalent in the high density areas along the Docks-Observatory railway axis.

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<sup>3</sup> M. Foucault: *Language, Counter-Memory Practice-Selected Essays and Interviews*, Cornell University Press, Ithaca, New York, 1977, p200.

<sup>4</sup> M. Foucault: *Power/Knowledge-Selected Interviews and Other Writings 1972-1977*, The Harvester Press, Sussex, 1980, p102.

<sup>5</sup> There is no doubt that the work produced during this period initiated and provided the basis for quantitative analysis of poverty in South Africa. A tradition, which certain locally based institutions built on particularly in relation to the history of PDL analysis, when the PSLDS laid the basis for the conduct of poverty related surveys such as the October Household Survey (OHS) and the Labour Force Survey (LFS). Statistical analysis that not only informed the findings of commissions of inquiry, but also decisions of legislatures and their executives as well as those of civil organisations and planning practices.

<sup>6</sup> Recent studies, in addition to the work of M. Nicol, R. Goode and F. Baker, have confirmed the importance of these mature industrial sectors in the Western Cape economy.

<sup>7</sup> In addition to the work of M. Wilson and A Mafeje on Langa, the Cape Town History Series and the Centre for Popular Memory at the University of Cape Town and Kronos at the University of the Western Cape are producing work on areas such as Langa, Windemere, District Six, Simons Town, Claremont and Sea Point for this period. It reaffirms the position that Retreat does represent a microcosm of certain settlement patterns in Cape Town.

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## 1. Reflections on Contemporary Life

Although the print media played a significant role in registering the pursuit of modernization among both state and non-state institutions, it is its use by local social and political organizations that gave local discursive practices a particular character. Regional newspapers and periodicals that were published during this period, such as the *Cape Argus*, *Cape Times*, *Die Burger*, *the Torch*, *The New Age* (the *Guardian*), *the Sun*, *the Spark*, *Umsebenzi*, *the Cape Standard* and *the Education Journal*, provided a rich tapestry of perspectives. Moreover it was the analytical reflections and polemics not only in the print media but also in published text and unpublished manuscripts and speeches at social and political platforms that provided impressions of prevailing fault lines among protagonists of certain discursive practices. Although the individuals involved occupied positions in academia or as professionals in disciplines such as medicine or law, what distinguished them was their capacity to be public intellectuals who “transgress and transcend discursive frontiers and critically and visibly engage the large and burning public issues.”<sup>8</sup>

Individuals such as J.C. Smuts, Edgar Brooks, G.H. Nicholls, J. Howard Pim, Maurice Evans, C.T. Loram, G.P. Lestrade, Werner Eiselen, involved in different legislatures, Commissions of Inquiry and academia, played a critical role in the definition of the native problem and helped to invest segregationist discourse with a much needed vocabulary. Their views were internalised and repeated by liberal or benevolent segregationists, such as J.H. Hofmeyer.<sup>9</sup> Practices that informed the establishment of the Native Advisory Committee and the Native Affairs Department (NAD) and the later establishment of the Coloured Advisory Council (CAC) and Coloured Affairs Department (CAD) deflected demands for a universal franchise. H.J. Van Eck<sup>10</sup> and H.J. van der Bijl were, at the same time, some of the key strategists informing the formulation and implementation of the pursuit of modernisation in a segregationist milieu based on extensive state intervention as advocated by the Industrial and Agricultural Requirements Commission (1940) and the Social and Economic Planning Council (SEPC-1942-1948). Here the consideration of the need for co-ordination at local and regional level through regional development and planning was critical to its endeavours. A position that had

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<sup>8</sup> Zeleza, Paul Tiyambe: *Manufacturing African Studies and Crises*, Codesria, 1977, p22.

<sup>9</sup> S Dubow: *Racial Segregation and the Origins of Apartheid in South Africa 1919-1936*, Macmillan in Association with St Anthony's College, Oxford, 1989, p45.

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support among regional development associations established primarily among local authorities, primarily white business and farming interests in respective regions variously defined.<sup>11</sup>

While different approaches towards Segregation as expounded by the followers of Smuts and Hertzog dominated the social, economic and political landscape at the turn of the century, its criticism and the activities of the Joint Council movement epitomized attempts at its revision within establishment circles<sup>12</sup>. Here, celebrated social commentators and authors, academic or otherwise, such as W.M. Macmillan, C.W. De Kiewiet, J.D. Rheinallt Jones, W. Hutt, E.A. Walker and R.F.A. Hoernle<sup>13</sup> were considered custodians of the analysis of social, economic and political problems. And they invariably dealt with it as part of the broader problem referred to as the Native Question, thus subjected to specifically designed measures or interventions earmarked for “the other” among white liberals. Here, an examination of the nature of civilised existence, the question of citizenship whether in the form of social, economic or political rights, race and the role of the state were some of the critical issues considered. These critical commentators increasingly emphasised the incompatibility of the vicissitudes of economic integration and economic, social and political segregation and the need for a conciliatory approach to address the issues.

Earlier African writers such as Sol. T. Plaatje’s *Native Life in South Africa*, G.A. Mbeki’s *The Transkei in the Making* in 1939 followed by *South Africa: The Peasants Revolt*, S.M. Molema’s *The Bantu: Past and Present: An Ethnographical and Historical Study of the Native Races in South Africa* in 1920 and A.B. Xuma’s *Bridging the Gap Between White and Black in South Africa* in 1930 were to depict the negative effects of the various measures that impacted on the livelihoods of Africans. “Such writers, mainly drawn from the Christian and educated elite of the time, explored precolonial and African history and sought to recover the oral traditions of their communities. Sol T Plaatje and S. Modiri Molema, for example, provided rich portraits of Tswana history while John Henderson Soga published a survey of the history of the Xhosa-speaking people and from the 1920s onward there was a proliferation of local histories written in the African languages which

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<sup>10</sup> see Van Eck, H.J: *Some Aspects of the South African Industrial Revolution*, Hoernle Memorial Lecture, SAIRR, 1951; *Industriële Ontwikkeling in Suid Afrika*, Raad van die U.K.O.V.S., 1 Mei 1943 and Van Eck, H.J: *South African Industry Present and Future*, Address to the Witwatersrand University and the South African Institute of Engineers, 1951.

<sup>11</sup> Fourie, F.C. v. N.: *Regional Development and Planning in South Africa*, The South African Interest Group, Cape Town, 1947.

<sup>12</sup> *ibid*

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have only in recent years started to receive the attention they merit. The more radical of these works form part of what became the more substantial body of polemical and historical work associated with the growth of African nationalism during the remainder of the twentieth century. Crafted mainly outside of university history departments, these studies grappled with the experiences of African dispossession and resistance, and questions of race and nationalism and their variable and complex relationships to those of class and capitalism.”<sup>14</sup>

The early 1930s and 1940s also witnessed the emergence of young groups of radical thinkers within, or associated with, or distinct from, the social and political organisations among blacks. The ANC Youth League, Indian Congress, the newly established anti-CAD movement, the unions and associations such as the TLSA formed the organisational opportunity for the activities of intellectuals such as Dr A. B. Xuma I.E. Dhlomo, A. Lembede, Y. Dadoo, ZK Mathews, G.M. Naicker, the Gools, I.B. Tabata and B. Kies. The Atlantic Charter formed a key reference point in defining citizenship when they pursued the construction of social, economic and political programmes as reflected in the drafting of the *Ten Point Programme* in December 1943, the *African Claims in South Africa* pamphlet that contained a proposed Bill of Rights in 1943<sup>15</sup> and the construction of *Joint Declaration of Cooperation* involving Naicker of the TIC, Dadoo of the NIC and Xuma of the ANC in March 1947. The use of differing strategies and tactics such as the use of pacifist resistance and the boycott to realise these objectives were registered in various pamphlets and essays such as the *Boycott as a Weapon of Struggle* by I.B. Tabata.

The writings of B. Kies (*Background to Segregation and The Contribution of the Non-European Peoples to World Civilisation*); Willie van Schoor (*The Origin and Development of Segregation in South Africa*); I.B. Tabata (*The Awakening of a People and Education for Barbarism*) and E. Maurice (*The Colour Bar in Education*) were some of the first to provide more detailed reflections of the pivotal role of land and education as instruments of dispossession and impoverishment among non-Europeans while forming part of the leadership of the anti-CAD movement, AAC and NEUM. This body of writing led to the development of an intellectual tradition that influenced discursive practices for a

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<sup>13</sup> R.F. A. Hoernle: *South African Native Policy and the Liberal Spirit*, Witwatersrand University Press, Johannesburg, 1945.

<sup>14</sup> Bozzoli, B., Delius, P., Brown, J., Manning P., Shapiro, K., Weiner, J.: *History From South Africa-Alternative Visions and Practices*, Temple University Press, Philadelphia, 1991, p5 and pp119-143.

<sup>15</sup> See Asmal, K, Chidester, D and Lubisi, C: *Legacy of Freedom: The ANC's Human Rights Tradition*, Jonathan Ball Publishers, Johannesburg-Cape Town, 2005.

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considerable period long after the movement ceased to be a major political force particularly in the Western Cape. This was reinforced with the later publication of *Three Hundred Years* by Hosea Jaffe aka 'Mnguni' and the *Role of Missionaries in Conquest* by Dora Taylor aka 'Noshipo Majeke' that reflected early introduction of the use of a class analysis of the colonial situation.

Other critical thinkers such as Leo Marquard aka 'J. Burger', however, were also to make telling remarks about the state of the non-white population in a seminal work titled *Black Man's Burden* in 1943. It is, however, the later works of Lionel Forman's *Chapters in the History of the March to Freedom*, Eddie Roux's *Time Longer than Rope*, R. Cope's *Comrade Bill* and H.J. and RE Simons's *Class and Colour in South Africa* that provided more detailed reflections of the nature of radical politics particularly from the vantage point of the Communist Party of South Africa that also emphasised the importance of social class for the period considered.

During this period the social, economic and political organizations were largely regional-based and formed an integral and pivotal part of national formations such as the ANC or South African Indian Congress or forged alliances based on a commonality of national concerns such as segregation and the question of a universal franchise. Here, certain issues such as the segregation of labour market regulation, the provision of social welfare, education and residential development provided the critical areas of engagement and "claims of organic strength" based on relations between civil society and political organizations. Differences as to participation in advisory structures or the boycott thereof or embracing or rejecting segregated recruitment and employment practices, constraints on access to land or segregationist residential areas through acts of passive resistance, formed part of the arsenal of organisational strategies and tactics that facilitated or prohibited alliance formation. It is in this context that regional and local practices were engaged with in the context of national dynamics and perspectives. This is reflected in the records of meetings held between the AAC, NEUM and ANC, pamphlets and correspondence between key leadership figures of these organizations.<sup>16</sup> A perusal of the Minutes of the Cape Town City Council, the personal archives of Native Representative, DB Molteno, the activities and correspondence of Sam Kahn and Cissie

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<sup>16</sup> See Karis, T and Carter, G.M.: *From Protest to Challenge-A Documentary History of African Politics in South Africa 1882-1964 Volume One-Protest and Hope, 1882-1934*; Hoover Institution Press, Stanford University, Stanford, California, 1987. Karis, T and Carter, G.M.: *From Protest to Challenge-A Documentary History of African Politics in South Africa 1882-1964, Volume Two-Hope and Challenge, 1935-1952*; Hoover Institution Press, Stanford University, Stanford, California, 1987.

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Gool, the addresses of Cape African Congress president, Rev. J.A. Calata, the records of the NLL, NEUF and anti-CAD movement provides veritable evidence of this. Relations between national, regional, and local spheres of responsibility as well as relations at a horizontal level are therefore explored using available research methods and data.

## **2. Residues of Collective Memories: Surveys, Commissions of Inquiry and Records of Decisions of Local Legislatures and their Executives and Civil Society**

The literature bearing residues of collective memories is varied. Foremost is the use of primary material in the form of the results of surveys, commissions of inquiry and records of decisions of local legislatures and their executives and civil society. Here, some of the primary sources used takes on the form of the results of statistical surveys conducted by the official census information and Harold Edward Batson's Social Survey to measure the state of development in the form of measuring economic growth trends, income patterns or levels of poverty in the form of PDLs. The use of this information as an integral part of the deliberations and the records of decision of the various commissions of inquiry, local legislatures and executives and reflections provided by civil society, provides a comprehensive overview of the available primary resources that inform this study. While the official libraries and archives of the state and Universities increasingly provide a rich collection of additional material of prominent non-white intellectuals commenting on contemporary life during this period, the uncovering of personal archives together with the increased use of oral history<sup>17</sup> could still reveal more data concerning the nature of public discourse concerning a trajectory of modernization informed by particular development and colonial practices.

### ***(a) Records of decisions of local legislatures and their executives***

Critical decisions pertaining to the discharge of social and economic responsibilities may be gleaned from the records of decision of local legislatures and their executives of the City of Cape Town and the Cape Divisional Council. The respective legislatures and executive apparatus of the state left a residue of the nature of such decisions made.

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<sup>17</sup> See the work of C Saunders, E van Heyningin, H Phillips and others linked to the Cape Town History Project at the Department of History and in association with African Studies at UCT and Sean Field(ed): *Last Communities, Living Memories- Remembering Forced Removals in Cape Town*, the Centre for Popular Memory at the University, David Philip, Cape Town, 2001.

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The Ordinary Minutes of the Council, that is minutes of the full council sitting, as well as minutes of the appropriate sub-committees (such as Native Affairs, Public Health) and the minutes of the Mayoral Committee meetings were viewed for the period 1910 to 1950. The review of the minutes of the other municipalities did, however, not provide material of the same intensity. Here, publications reflecting on their histories<sup>18</sup> were nevertheless useful. Only the relevant minutes used are cited in the appropriate footnotes. Underpinning the minutes used were critical documents informing the Council deliberations. The Reports of Building and Health Inspectors provided particular insights into the settlement conditions and the social welfare of the local population. Departmental Reports in the form of those provided by Inspectors P.G. Cauldwell and C.W. Clarke provide a particular overview of conditions that prevailed throughout the Cape Peninsula pertaining to the movement and settlement of those classified as 'Africans', as prescribed by legislation such as the Urban Areas Act.

Included among other reports submitted by the relevant departments to substantiate the recommendations made were reports, petitions or memoranda submitted by affected parties. The latter ranged from Councillors such as Sam Kahn and Cissie Gool and Members of Parliament such as Donald Molteno, whose constituency was within the jurisdiction of the Municipality, to affected organizations such as the Retreat Vigilance Associations. A wealth of documents could be located within the personalized archives of these individuals at the University of Cape Town where archives also house records of eminent individuals such as Dr Oscar Wolheim, the former Warden of CAFDA .

### ***(b) Civil practises, organisational forms and regulation***

The significance of the activities of non-governmental organizations in informing practice and discourse when dealing with development challenges cannot be ignored. This is aptly captured when the Right Reverend S. W. Lavis, Co-adjutor Bishop of Cape Town responded at a conference facilitating the public release of the preliminary findings of the Social Survey in 1942 "The present scandal must be shamed out of existence. A Committee must be set up at once in each important urban area composed of responsible citizens drawn from the Provincial, Municipal and Divisional Councils,

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<sup>18</sup> See C.J. Scheepers Strydom: *Belville:Wordingjare van n Stad-Growth of a City*, Nationale Boekdrukkery, Goodwood, Kaap, 1981.

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Ratepayers' Associations, the National Council of Women, the Cape Federation of Trades, the Chambers of Commerce and Industry, representatives of Coloured organizations, to determine as an interim measure the rate of unskilled wage in relation to the cost of living, housing, clothing, transport, welfare and comfort conditions. The jurisdiction of the Committee should include trade, industry and employment, and exclude for the time being private casual labour, domestic servants and farm labourers. Till the Commission makes its report the judgment of this committee should override Industrial Awards and Wage Board Determinations. Acute needs calls for emergency action. To many people a national minimum wage below which no man should be employed nor allowed to work seems the goal of wage reform."<sup>19</sup>

While the state has an impressive collection of records of its activity housed in its archives and libraries, the same cannot be said about non-governmental organizations. Those with a history of service provision kept records of their decisions that reflected the form of accountability to their constituents. Minutes of the activities of employer associations such as the Chambers of Commerce and Industry and their sector specific associations and unions and federations such as the Cape Federation of Trades and the ICU were recorded in the annuals of their respective organizations and are reflected in the minutes and publications cited in various footnotes.

Similar observations could be made about the records of local-based organizations where residents formed protection and vigilance committees or associations such as the Retreat Ratepayers' Association, the Retreat Vigilance Committee, the Langa Vigilance Committee and its co-ordinating structures such as the predominantly African Cape Peninsula Vigilance Association. The structures were distinct from the Langa Advisory Board or the Village or Local Management Boards established for areas such as Belville, Pinelands and Milnerton. The latter had limited statutory functions and were an important forerunner to the establishment of municipalities.

The faith-based organizations, such as the Anglican, Moravian, Catholic and Dutch Reform Churches accumulated significant records of their activities in the area of social welfare and related concerns historically. Their prominent role in the establishment of the Cape Flats Distress Association (CAFDA) and the Citizens Housing League Utility Company of Cape Town to provide certain social welfare services, in addition to an

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<sup>19</sup> Official Report of the Social Survey Conference, Cape Town, February, 1942, p73.

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extensive involvement in the provision of education, were a reflection of their critical developmental role. Their decisions and practices can be gleaned from various archives and documents placed with state archives, whether independently or through other personal collections such as that of Dr. Oscar Wolheim.

The South African Institute of Race Relations (SAIRR) that was established in 1929 was critical in galvanizing the establishment of what became commonly known as the council movement “through a process of negotiation and compromise, at the same time conducting investigations into black socio-economic conditions...to educate white opinion towards a more liberal approach to race relations”<sup>20</sup>. This involved the establishment of councils to foster relations between white and coloured and white and African organizations to consider key issues such as poverty and devise interventionist strategies since the late 1920s at the instigation of commissioners sent by the United States’ Phelps-Stokes Foundation. This it effected through the organization of social welfare conferences that attracted considerable support from church, social welfare and educational organizations such as the Cape Malay Association and the TLSA since 1933.

Attempts at non-European unity before and after 1933, involving the APO proceeded apace, as the endeavours by the council movement was regarded as supportative of segregationist trusteeship as Abduraghman’s experiences of the Wilcocks Commission and the establishment of the Coloured Advisory Council were to demonstrate. Discursive practices underpinning the research results of the Social Survey coupled with the resolutions adopted at its social welfare conference were resoundingly criticized as reinforcing Segregationist practices and impeding the pursuit of the unification of non-Europeans around an anti-colonial agenda. It is in this context that the establishment of the NLL and NEUF and later the Anti-Cad Movement became critical to the articulation of alternative approaches towards development in non-European circles. How organizations such as the APO, the ICU, the NLL, and the anti-CAD movement engaged the establishment organizations in addition to the state has been documented, although lightly, due to the lack of access to crucial private archival collections.

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<sup>20</sup> Lewis, G: *Between the Wire and the Wall: A History of South African 'Coloured' Politics*, David Philip Publishers, Cape Town, 1987, p154-155.

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*(c) Reports of Commissions of Inquiry*

A plethora of Commissions of Inquiry was established to inform public discourse and decision making. Here, the work of the Carnegie Commission of Investigation on the Poor White Question in South Africa (1932); Economic and Wage Commission (1925); the Native Affairs Commission (1922); Commission of Inquiry on Unemployment (1922); the Native Economic Commission (1930-32); Commission of Inquiry Regarding the Cape Coloured Population of the Union (Wilcocks-1937) and the Industrial and Agricultural Requirements Commission (1940) provided seminal reflections on the state of development in South Africa. In addition to their findings, the work of the commissions involved the organization of a significant and extensive concentration of submissions received from individuals and organizations.

The most significant investigations for the purpose of this study was the Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly Affected Areas in the Cape Division in 1942<sup>21</sup> and the work conducted by the Social and Economic Planning Council between 1942 and 1948<sup>22</sup>. Their endeavours were to provide significant insights into the relation between various dimensions of poverty and sectoral initiatives and their co-ordination, given the need for an overall thrust towards dealing with the question of social welfare. What was emphasized was the need for appropriate regulation and planned state intervention in the different social and economic spheres. Although both were established by national government, local government in various forms, particularly the responsibilities of the City of Cape Town and the Cape Divisional Council together with the Provincial Administration were considered central to the implementation of recommendations dealing with the development of the region.

These issues were also addressed later by Commissions of Inquiry such as the Fagan (1944), Gluckman (1944) and Tomlinson (1950) Commissions of Inquiry that considered the question of the development of the local economy, social welfare, labour markets and regional planning and development. Although most recommendations were rejected by the Nationalist Party-led government after 1948, critical elements were appropriated and used to aid the formulation of grand Apartheid political strategies and

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<sup>21</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly Affected Areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, 1942.

<sup>22</sup> See all the SEPC Reports.

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tactics. The pursuit of decentralized development through the Border Industrialisation policies and later the RIDP, promulgation of the Physical Planning Act and the establishment of a Department of Physical Planning, for the determination of development regions for specific interventions are a clear illustration of how these recommendations were appropriated in changing circumstances for particular purposes.

***(d) Surveys: census reports and other reflections***

The conduct of censuses of the social and economic activities of the union population constitutes one of the oldest statistical methods of gathering information. Here, particular reference is made to the population, agricultural and industrial censuses conducted since 1910. The information captured reflects earlier demographic and economic trends despite the abandonment of the conduct of these surveys during certain critical years afflicted by depression and wars. Although the information did not capture trends in certain geographical areas or certain types of non-formal economic activities, it remains the only source of statistical information about social and economic performance in the country for the period under examination. Despite these constraints, certain trends could be observed which, together with some qualitative information, assisted with the provision of a particular trajectory of development.

The Social Survey of Cape Town conducted under the auspices of the Department of Social Science of the University of Cape Town under the leadership of Professor Harold Edward Batson between 1936 to 1942 constituted the first attempts at the application of the methods developed by Rowntree<sup>23</sup> to measure the level of poverty in South Africa. Using a grant from the Carnegie Corporation, Batson embarked on a local sociographical survey to describe and measure certain local social phenomena with special emphasis on “the numbers of the people, their geographical and ethnic distribution, their incomes, standards of living, conditions of work, dwellings, diets, leisure occupations, health, criminality, and religions.”<sup>24</sup> The results of the work<sup>25</sup> not only sparked a major public debate, but also set in motion the conduct of similar studies in the larger urban centres throughout South Africa. Public discourse then also

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<sup>23</sup> Rowntree, Seebohm, SM.; *Poverty a Study of Town Life*. 1899, Macmillan, 1901.

<sup>24</sup> Official Report of the Social Survey Conference, Cape Town, February, 1942, p20.

<sup>25</sup> Batson, H.E.: *The Social Survey of Cape Town*, Reports and Studies no's ss3 - ss18 and *Poverty Datum Line in Cape Town in 1938- 1939 and in 1949* in South African Journal of Science No 46, February 1950.

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emphasized the critical role of both state and non-state sectors as reflected by the resolutions adopted by local citizens and their organizations at a conference to consider the preliminary survey results in 1942. The work was drawn on and complimented by that done by P. Rabkin's socio-economic study of Parkwood Estate on the Cape Flats and a study of certain aspects of family allowances in Cape Town by E. Parlo<sup>26</sup>. Studies on child malnutrition by leading academic figures such as Professor J.F. Brock and Dr. J.H. Simons similarly benefited. The Social Survey subsequently collaborated with numerous government departments, including the Union Census Office and research teams from other universities, to develop a national survey of family incomes.

The use of such surveys signalled attempts at ascertaining more precisely the state of impoverishment with particular reference to household income. It provided the basis for more comprehensive measures to deal with instances of household poverty through a plethora of interventions in the area of public housing provision and other indigence alleviation policies, albeit laced with differentials based on the civilized-uncivilised dichotomy and race. In the 1950s, 1960s and 1970s academics<sup>27</sup> were to revisit and consider the development of the methodology applied and the conduct of similar surveys elsewhere in the country. These approaches were to be significantly altered with the surveys of household income in the early 1990s with the introduction of new survey methods through the Project for Statistics on Living Standards and Development (PSLSD) under the leadership of the Southern Africa Labour and Development Research Unit (SALDRU-UCT) and the World Bank to address the paucity of available data. This was eventually incorporated into the annualized October Household Survey and the Labour Force Surveys conducted by Statistics South Africa since 1994.

### **3. Implications for an analysis of Colonialism, the Origins, Nature and Future of Development and Modernity**

Analysis in the form of reflections on contemporary life that has been produced by the dominant establishment, liberal and radical organizations and individuals, illustrates the prevalence of particular approaches towards understanding the nature of transformation

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<sup>26</sup> See Edna Parlo: *A Contribution to the Study of Certain Aspects of Family Allowances with Particular Reference to Cape Town*, M.A., University of Cape Town, 1941 and Phyllis Rabkin: *A Socio-Economic Study of Parkwood Estate, Cape Flats*, M.A., University of Cape Town, 1941.

<sup>27</sup> Consider the work of H.L. Watts, Institute for Social Research at the University of Natal and J.F. Potgieter of the Institute for Planning Research at the University of Port Elizabeth and University of South Africa's Bureau of Market Research.

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that was effected in the period leading up to 1910, the character of the unitary state formed and the practice of segregation before 1948. The range of secondary publications, dissertations and unpublished material that has been produced as a result of contemporary analysis of the period under examination also reflects the different intellectual traditions that have emerged. The integration of and interlinkages between economic and social life remained a critical common focus for this type of examination. The present study argues that how regional planning and development informed the nature of the state and its relations with civil society, as reflected by changes in the modalities of government and changes in economic and social behaviour, is critical to an understanding of modernity in the Western Cape and South Africa. The result is a text that contains 5 chapters each dealing with a particular aspect of development and modernisation in the region. Each of the chapters not only tries to capture a dimension of the immense turmoil and change of the social and economic landscape, but also harbours fundamental lessons about the nature of social change.

The introductory Chapter, *Colonialism, the Genesis of Development and Modernity* signposts the broad parameters of the debate about modernization with particular reference to colonialism and development and its significance to understanding the Western Cape. It provides an overview and contextualisation of planning processes in relation to colonisation and the emergence of development as particular forms of modernity during the Segregationist period between 1910 and 1948. The task is to provide the basis for an assessment of the means and instruments that relate to planning processes and practices and trends with particular reference to the local economy, labour market institutions, and social and identity formation. Here the formation of a culture of citizenry in relation to and distinct from religious and cultural practices was informed by the social, economic and political practices in the context of the formation of the modern South African state.

It is critical to observe that the writings that were to emerge in the 1950s, 1960s and 1970s were essentially influenced not only by the concerns of discourses of the 1920s, 1930s and 1940s, but also by changed global circumstances during the post war years. Here the influences of the anti-colonial struggles coupled with the pursuit of post-war reconstruction and development were guided by the tenets of the Atlantic Charter. The preoccupation with civilization and race was also altered as the distinctions between citizens and those under trusteeship were eliminated and replaced by a conception of

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citizenship underpinned by universal franchise, including equal social and economic rights. Transformation and development became a central theme globally with pursuit of economic collaboration and the improvement of labour standards as critical platforms. Yet the differing conceptions of citizenship and its relation to economic, social and political rights and entitlements and the question of race, class and civilisation remained a key area of contestation in South Africa.

Developmental discourse subsequently gained unprecedented global prominence. This was reflected in the establishment of the Bretton Woods Institutions such as the World Bank and IMF in addition to a strengthened ILO. This was underpinned by neo-Keynesian thinking that shaped state formation and its interventionist activities. This, together with the ascendancy of socialist states dominated by Marxist thinking informed the global environment within which decolonisation was taking place. It is in this context that different conceptions about development started to reshape discursive and planning practices. The development theories that emanated as a product of neo-classical economics, emphasized the macro economy as a unit of analysis where development can only proceed with the infusion of western capital, technology, ideas and cultural values. Its Marxist inspired counterpart emphasized dependencies based on the nature of the integration of national economies in a global system based on relations of unequal exchange. Both concurred on the need for a trajectory of modernisation, albeit capitalist or socialist. Later critics of these positions led to an emphasis on the importance of microeconomics by the neo-classical thinkers. Neo-Marxism was also affected as the various dependency theories were criticised for not addressing the importance of economic, social and political social relations underpinning relations of unequal exchange.

Various debates were mirrored in the plethora of writings produced on South Africa, whether of an anthropological, economic, political, historical, sociological, academic or non-academic nature. H.J. van Eck together with a number of prominent South African business and government leaders such as A.M. van Schoor, J.E. Holloway, F. Meyer, H.T. Andrews and F. de Guingand continued to emphasize a particular trajectory of development and growth albeit it under the auspices of the South African Foundation (see *South Africa in the Sixties-a Socio-Economic Survey-1962*). This was a trend that was reinforced by academics and government officials such as J.A. Lombard, G.W.G. Browne, S.J. Klue and P.S. Rautenbach with their essays on *Economic Policy in*

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*South Africa: Selected Essays-1973*. Hobart Houghton, embracing the thinking of W.W. Rostow, also emphasized the significance of a trajectory of development that can be delineated into stages of economic growth (see *The South African Economy-1964*) while F. Wilson (*Migrant Labour in South Africa-1972*) stressed the dualism of the economy and its impact on the evolving labour market. This, together with the more radical work of B. Magubane (*Political Economy of Race and Class in South Africa-1979*), H. Wolpe, M. Legassick, F.A. Johnstone (*Class, Race and Gold: A study of class relations and racial discrimination in South Africa-1976*) on race and class and the debate about Internal Colonialism or Colonialism of a Special type resonated with global discursive trends. The development of a historiography that increasingly emphasized human agency with reference to localised struggles of workers, share croppers, labour tenants, capitalizing farmers, industrialists and migrant workers revealed very particular patterns and trends of development hitherto concealed by reductionist conceptions of the nature of and relation between class and race. It is at this point that it is important to acknowledge the existence of a body of work by social scientists that examined some of the issues in specific regions, including the Witwatersrand and the Western Cape, Cape Town and surrounds<sup>28</sup> that provided significant insights into an historical legacy concerning a number of issues.

*Chapter One: Colonialism, Development and Governmentality* examines the particular form of colonial governance, earlier forms of planning and the emergence of development as a discourse and practice. The focus is on an analysis of the establishment of a unitary state, colonial reconstruction and segregation, the emergence of a planning regime in the context of forms of agglomeration, reorganised labour market institutions, and social life and identity for the period ending in 1948.

*Chapter Two: Earlier Forms of Clustering, Labour Markets and Regional Economic Development* deals with the development of enterprises in specific sectors, such as food processing and clothing and their relation to the earlier forms of clustering that emerged before 1930, and the local economy. Here, the combination of factors such as raw material sourcing, technology, management and other institutional arrangements based on an analysis of distinct industrial and other sectors of the economy and their relation to local economic strategies and regional economic change were vital in comprehending

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<sup>28</sup> See C van Onselen: *Chibaro: African Mine Labour in Southern Rhodesia-1900-1933*, London, 1976 and *New Nineveh, New Babelon-Studies in the Social and Economic History of the Witwatersrand 1886-1914*, 2001.; C. Bundy: *The Rise and Fall of a South African Peasantry*. University of California Press, Berkeley, 1979; W Beinart: *The Rise of Conservation in South Africa-Settlers, Livestock and the Environment 1770-1950*, Oxford University Press, 2003; B. Nasson, *Abraham Esau's War, A Black South African War in the Cape, 1899-1902*, David Phillip-Cambridge University, 1991.

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economic and geographical considerations where institutions such as business enterprises and labour unions were not passive agents. What, however, is of particular concern is how the ownership patterns, scale of these enterprises and sectoral dynamics partly shaped the formation, capacity and strategic calculations of local employer and labour organisations and their relation to growth policies in which decentralisation was critical.

The trajectory of local economic development is primarily depicted in literature that can be grouped into concerns about the nature of agrarian production, the development of the manufacturing industry and the protection and support services required. The most comprehensive assessment of the plight of manufacturing industry is that of a collection of papers edited by S.P. Cilliers, titled *Wes-Kaapland: 'n Sosio-ekonomiese Studie* published in 1965 and H.J. Laite, *They Built a System: A History of the Cape Chamber of Industries*, a 290 page unpublished manuscript in the UCT Archives, and the work of R. Goode (the food processing industry and union organisation), C. Gifford (the transport industry and unions), M. Nicol and F. Baker (the clothing industry and textiles), D. Kaplan (the engineering industry), P van Duin (the building industry) and H Giliomee (agriculture) which provide seminal insights into the significance of particular sectors in the regional economy, labour processes, clustering and the nature of labour market activity.

In addition to some of the aforementioned reflections, a more comprehensive picture of labour market conditions, including the recruitment of workers, wage levels, their impact on household income and the provision of social services is provided by the work of scholars such as S.T. van der Horst (*Native Labour in South Africa-1942* and *African Workers in Town: A Study of Labour in Cape Town-1964*), A. Mafeje and M. Wilson (*Langa: A Study of Social Groups in an African Township- 1973*), N.J.J. Olivier (*Die Naturel in Wes Kaapland-1953* and *Opname van die Naturele Bevolking van die Paarl en Omgewing* with B.I.C. van Eeden, A. van Schalkwyk and G.M.K. Schler-1948), W.W.M. Eiselen (*The Native in the Western Cape-1955*), R. Humphries (on *the Coloured Labour Preference Policy*), L. le Grange (*Working Class Housing, Cape Town 1890-1947, Segregation and Township formation*), B. Kinkead-Weekes (*Africans in Cape Town: The Origins and Development of State Policy and Popular Resistance to 1936* and *Influx Control and Squatter Control: The solution of Cape Town's Housing Crises during the 1950s*), J Western(*Outcast Cape Town*), and other papers under the auspices of the Cape Town History Project. Apart from M Adhikari's *Let Us Live For Our Children: The Teachers League of South Africa, 1913-1940*, most of the work however focused

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on the post-1948 period of Apartheid. The work of Olivier and Eiselen directly shaped the formulation of the Coloured Labour Preference Policy that was unveiled in 1955.

The emergence of the 'social' in a regional and local context, with particular reference to various facets such as the nature of the evolving property market, housing and its relation to household income, is considered in *Chapter Three: Social Issues and Local Development*. Having addressed sources and the manner in which income is distributed in the preceding chapter, the purpose of this chapter is to examine particular aspects of poverty. The property and housing markets in addition to issues such as food, clothing, energy and transport constitute critical components of household expenditure, and are considered an important contributory factor to impoverishment or alleviation. How social development in relation to poverty was dealt with, with particular reference to the property market and housing, social movements and planning as the means and instruments for the distribution of a social wage, the development of human capital and the unlocking of the value of social capital is examined.

*Chapter Four: Governmentality and the Politics of Development* address the form of governance and the emergence of development as a discourse and related institutional architecture. An examination of planning processes in relation to agglomeration and labour market institutions and poverty and social development unveils an interesting relationship between the formation of a citizenry and customary practices and the nature of its interface with a changing state form. It is in this sense that the evolving form of governmentality and resource allocation strategies took into consideration the pertinence of agglomeration effects, labour market institutions, poverty and income distribution impact albeit impregnated with racial differentiation.

Still not a significant amount of work has been done on changes in the spatial dimensions of development with particular reference to regional economic, social and political relations and planning. D. Pinnock and D. Dewar are some of the few authors to have reflected on aspects of regional planning in the Western Cape when they highlighted the nature of the planning regime and instruments that prevailed since 1910, related to very specific areas of examination. These studies are located within a broader national debate about the nature of economic, physical and social dimensions of spatial development that tended to illustrate diverse liberal, leftwing and nationalist perspectives. The application by J.G. Browett of the work of Rostow follower, J. Friedmann in 1976, the analysis of the urban hierarchy by R.J. Davies and G.P. Cook and F. Hanekom and D

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Lincoln considers the contributions of economic geographers to regional planning and development provided interesting insights into the space economy. Subsequent work sourcing dependency theory and social history by R. Tomlinson, F Molteno, A. Hirsch, D. Dewar, V. Watson, A. Todes and R. Bloch has had limited success.<sup>29</sup>

The work of I. Goldin (*Making Race: The Politics and Economics of Coloured Identity in South Africa*), G. Lewis (*Between the Wire and the Wall: A History of South African 'Coloured' Politics*), R. van der Ross (*The Rise and Decline of Apartheid: A Study of Political Movements among the Coloured People of South Africa-1880-1985*) and B. Nasson (*Abraham Esau's War, A Black South African War in the Cape, 1899-1902*) has provided insightful reflections on the relationship between the economic and social dimensions and political aspects of life among the largest population group in the Western Cape. Analysis of war and political contestations provides significant insights into social identities such as class and race.

More recently, a new body of literature has emerged to deal with development practices in the region, focused on reasonably current issues. The Second Carnegie Inquiry into Poverty and Development in Southern Africa in 1984 produced a series of local studies of urban and rural areas such as Beaufort West (Central Karoo), Calitzdorp and Oudshoorn (Klein Karoo), Crossroads (Cape Town), Melkhoutfontein (South Cape), Stellenbosch and Worcester (Boland) that revealed various dimensions of poverty. The Growing the Cape initiative of the RDAC and Wesgro<sup>30</sup> as well as the Hinterland Studies commissioned by the RDAC led to the production of a variety of research papers reflecting on the nature of what was delineated as region A economy, including the nature of the labour market. This was augmented by initiatives that led to the production of reflections on the hinterland by LAPC and academics from Sussex University.<sup>31</sup>

D. Dewar and other researchers at the Urban Policy Unit at UCT as well as support organizations such as DAG and the Surplus Peoples Project have augmented earlier work with the production of a series of research papers examining housing and planning

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<sup>29</sup> See Tomlinson, R.: *Industrial Decentralisation and Relief of Poverty in South Africa's Homelands*, A Paper presented to the Conference on Development and Dependency: Core and Peripheral Urbanisation in Southern Africa, University of Transkei, 1983; Molteno, F: *The Historical Significance of the Bantustan Strategy* in Social Dynamics, U.C.T., Volume 3 no 2, December 1977; Hirsch, A: *The Study of Industrial Decentralisation Policy in South Africa - Some Comments*, Centre for African Studies, U.C.T. March, 1983, D. Dewar, et al: *Industrial Decentralisation Policy as a Mechanism for Regional Development in South Africa: Its Premises and Record*, UPRU, UCT, July 1984 and Bloch, R: *Remaking the 1991 Regional Industrial Development Programme*, A Paper Prepared for the Conference on the Politics of Economic Reform, 16-18 January 1998 and *Subnational Economic Development in South Africa: Towards a Strategy for the Department of Trade and Industry*, TIPS 1999 Annual Forum.

<sup>30</sup> see Wegro: *South Africa's Leading Edge- A guide to the Western Cape Economy*, March 1992.

<sup>31</sup> see De Klerk, M, Lipton, M, and Lipton, M (eds): *Land, Labour and Livelihoods in Rural South Africa-Volume One: Western Cape*, Indicator Press, December 1996.

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practices throughout the Western Cape. The recent statistical data provided by the PSLSD, the OHS and the Labour Force Survey, although limited, provides an insight into the latest statistical methods used to collect information about development trends in the region. This has been supplemented by the work of scholars such as D. Clark and M. Qizilbash<sup>32</sup> who have concluded surveys in areas such as Murraysburg (Central Karoo) and Wallacedene (Cape Town) to analyse the efficacy of the work of A. Sen and M. Nussbaum.<sup>33</sup>

This work has been augmented by a plethora of publications celebrating or critically appraising the nature of transformation in South Africa. Despite the activities of various spheres of government to construct integrated development plans for municipal areas and provincial growth and development strategies<sup>34</sup> no significant attempt has been made to analyse the implication of their analysis for regional development and planning discourse and practices. N.A. Alexander's *An Ordinary Country-Issues in the Transition from Apartheid to Democracy in South Africa*; H. Maree's *South Africa: Limits to Change-The Political Economy of Transformation*; W.M Gumede's *Thabo Mbeki and the Soul of the ANC*, Bhorat. H, Leibrandt. M, Maziya. M, van der Berg, S and Woolard, I: *Fighting Poverty-Labour Markets and Inequality in South Africa* and Parsons, R., Abedian, I, Kantor, B. et al: *Manuel, Markets and Money-Essays in Appraisal*, among other, tend to reflect on the nature of transformation primarily through an examination of macro economic and social policy shifts while analysis of their local impact remains thin. Only the recent essay of J. Cronin has attempted to incorporate this dimension into an analysis of the nature of transformation. The work of historians, using oral history and archival research methods,<sup>35</sup> tends, however, to provide opportunities for more comprehensive linkages of past development practices with the present.

The lessons which are being learned from this study and their impact on the future of development in a changing national and global environment are reflected on in the concluding *Chapter-Development and Modernity in the 21<sup>st</sup> Century* that completes the suite

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<sup>32</sup> Clarke, D.A.: *Visions of Development: A study of Human Values*, Edward Elgar, Cheltenham, UK, 2002 and Qizilbash, Mozaffar: *A Note on the Measurement of Poverty and Vulnerability in the South African Context*, Journal of International Development, 14, Wiley InterScience, 757-772, 2002.

<sup>33</sup> See Sen, Amartya: *Development as Capability Expansion* in K Griffin and J Knight (eds), *Human Development and the International Development Strategy for the 1990s*, Macmillan, London, 1990; Sen, A. and Nussbaum, M.: *The Quality of Life*, Wider, Clarendon Press, Oxford, 1993 and Sen, A: *Development as Freedom*, Oxford University Press, 1999.

<sup>34</sup> See the work of the Western Cape Provincial Development Council since its establishment in 1996.

<sup>35</sup> See the work being done by the Cape Town History Project and the Oral History Project -the Centre for Popular Memory attached to the Department of History at UCT and that published by KRONOS: A Journal of Cape History-Tydskrif vir Kaaplandse Geskiedenis annually by the UWC Institute for Historical Research.

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of 5 chapters. Reflections on the trajectory of development after 1948 with the intention of ascertaining the nature of change in the operations of government and its relations to social and economic activities, reinforces the argument that economic growth, poverty and development remain critical issues throughout the Segregationist, Apartheid and post-Apartheid periods, although dealt with differently.

Analysing development discourse and changing state forms enables one to describe and interpret changes in the modalities of government and ways of being in the economic, social and political spheres since the formation of the modern state, colonialism and the emergence of development. This can lead not only to the identification of the need for historical analysis but also to the necessity of enhancing strategic debate and action in the region about the nature of transformation in contemplating revolution or reform that can contribute towards dealing with the challenge of broadening the limited lives in which the majority of human beings are imprisoned by force of circumstances. Here, the work of Michel Foucault, Gareth Stedman Jones<sup>36</sup>, Amartya Sen and Karl Polanyi<sup>37</sup> in addition to the legacy of Marx and Weber and their earlier use by scholars such as Arturo Escobar<sup>38</sup>, Paul Tiyambe Zeleza<sup>39</sup>, Mahmood Mamdani<sup>40</sup> and Edward Said has been particularly instructive in providing interesting perspectives on the origins and history of modernity and development.

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<sup>36</sup> Stedman Jones, Gareth: *An End to Poverty?—A Historical Debate*, Profile Books, London, June 2004 and *Outcast London—A Study in the relationship between Classes in Victorian Society*, Penguin Books, 1971.

<sup>37</sup> Polanyi, K: *The Great Transformation*, Beacon Press, 1957.

<sup>38</sup> Escobar, A: *Encountering Development—The Making and Unmaking of the Third World*, Princeton University Press, New Jersey, 1995 and Escobar, A and Alvaraz, S.E.; *The Making of Social Movements in Latin America: Identity, Strategy and Democracy*, Westview Press, San Francisco, 1992.

<sup>39</sup> Zeleza, Paul Tiyambe: *Manufacturing African Studies and Crises*, Codesria, 1977.

<sup>40</sup> Mamdani, M: *Citizen and Subject: Contemporary Africa and the Legacy of Colonialism*, Princeton University Press, 1996.

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# MODERNITY, COLONIALISM AND THE GENESIS OF DEVELOPMENT

*Modern sovereignty is a European concept in the sense that it developed primarily in Europe in co-ordination with the evolution of modernity itself. The concept functioned as the cornerstone of the construction of Eurocentrism. Although modern sovereignty emanated from Europe, however, it was born and developed in large part through Europe's relationship with its outside, and particularly through its colonial project and the resistance of the colonised. Modern sovereignty emerged, then, as the concept of European reaction and European domination both within and outside its borders. They are two coextensive and complementary faces of one development: rule within Europe and European rule over the world. M Hardt and A Negri, 2001.<sup>1</sup>*

**T**he establishment of nation states as a result of anti-colonial struggles in the New World, and the transformation of the dynasties in Europe into nation states that to an extent accommodated transformed traditional institutions, form not only the influential international backdrop but also the structured constraints with which national and local social forces had to contend in their quest to forge an identity through strife. The prevalence of a common notion of international order at the time of the First World War and the establishment of the League of Nations was premised on the development of a nation-state and the development of a particular form of governmentality that centred on the theme of the economy and population. What it amounted to was the “movement that overturns the constants of sovereignty in consequence of the problem of choices of government; the movement that brings about the emergence of population as a datum, as a field of intervention, and as an objective of governmental techniques; the process that isolates the economy as a specific sector of

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<sup>1</sup> M. Hardt and A. Negri: *Empire*, Harvard University Press, 2001, p70.

reality; and political economy as the science and the technique of intervention of the government in that field of reality.”<sup>2</sup>

The movement from direct to indirect colonial rule or independent nation-states provided the impetus for rethinking sovereignty on the basis of the legitimisation of individual states as a result of treaties and pacts. While millions of people, their communities, and civilisations perished in North and South America, Africa, Australia, and other Pacific Rim countries as the dispossession, enslavement and often extermination of native communities by European colonists characterised the emergence of what is frequently referred to as the New World, significant numbers survived in South Africa. It reflects the existence of a special case. Although the British colonial traditions covered significant areas in Africa, the prevalence of fragmented administrative forms impacted on the character and location of the array of productive and social relations especially in the southern African region. Before the discovery and mining of diamonds in 1867 and the emergence of the Witwatersrand as a gold mining area in 1886, what later became South Africa experienced a particular form of colonialism. The process of colonial subjugation of the indigenous population, intermittently by the Portuguese, the Dutch and the British during the period 1652 to 1910, included a process through which the prevalent relations of production and forms of social organisation were radically transformed. Some of the productive and social relations straddling colonial society included: slavery, labour tenancy, traditional methods of agriculture and an independent and black peasantry. The formation and demise of these relations were part of the dynamic of a colonial society dominated by British rule since 1802 and the establishment of South Africa as a British Dominion after 1910.

Various administrative mechanisms were used in the subjugation process. Among these were the field cornets and commando system, the advancing activities of mission societies and their associated assortment of schools and churches, structured around the economic, transport and communication infrastructure and opportunities centred in towns. The post emancipation of slavery period and the presence of European settlements in colonies witnessed the use of a civilised-uncivilised dichotomy informed by Social Darwinism or the development-under-development dichotomy as the basis for the emergence of ‘Native questions’ to designate the ‘other’ in a colonial setting. Such development was not linear and simply a question of the periodisation of state formation.

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<sup>2</sup> M. Foucault: *Power—The Essential Works of Foucault 1954-1984*, Vol 3, The New Press, New York, 2000, p219.

Nor was it solely determined by the capitalist centre or the simple functional dictates of the logic of capitalist development but by a dialectical interaction between the external and internal with local subjective forces playing a pivotal role within a definite socio-economic and political context.

### **Colonialism, regional development and planning**

The delimitation of regions and local areas related largely to settlement patterns, the political system used and the distribution of various competencies among different levels or spheres of government. In the western Cape, the sphere consisted of a wide expanse of space covering approximately 129 918 km<sup>2</sup>, referred to as a region, alternately as a province. Its status as a province or region reflected the form of administration it was subjected to within a specific time period. It constituted a province of the larger Cape Colony that eventually became one of four provinces after the Act of Union of 1910. It was considered a region of the Cape Province during the 1910 to 1994 period.<sup>3</sup> By 1994 it had become one of the nine demarcated provinces of South Africa with the adoption of a new constitution. It is an area that has one of the longest and generally more complex histories of colonisation and development as part of modernisation processes.

Between 1897 and 1994 it consisted of various magisterial districts, the area of operation of the judiciary in its enforcement of both customary and civil law. Greater Cape Town known as the Cape Metropole, consists of Bellville, Cape, Goodwood, Kuilsriver, Simonstown, Somerset-West, Strand and Wynberg. It is bordered by all except the Southern Cape and Karoo regions. Clanwilliam, Hopefield, Malmesbury, Moorreesburg, Piketberg, Vanrhynsdorp, Vredenburg and Vredendal formed what was commonly referred to as the West Coast, Oliphants and Swartland area. Ceres, Montagu, Robertson, Tulbagh and Worcester were referred to respectively as the Breede River or part of the Boland. Paarl, Stellenbosch and Wellington were traditionally considered as part of the Boland or the Winelands area. Together, the two areas constitute the Boland region. The Bredasdorp, Caledon, Hermanus and Swellendam districts are known as the

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<sup>3</sup> The names of places used within the area of study do not necessarily denote that of the governing local authority. An example of this is the place commonly referred to as Cape Town that was subjected to the rule of numerous local authorities at any given time during its extensive history. Local authorities emerged and changed names more frequently over time than places. Similarly reference to local or a regional or provincial economy merely refers to economic activities within a particular geo-political space while the sub-national nature of agglomeration trends is not ignored.

Overberg area. Beaufort-West, Laingsburg, Calitzdorp, Ladismith, Murraysburg, Oudtshoorn, Prince Albert and Uniondale are known as the Karoo or Groot and Klein Karoo respectively. The Klein Karoo together with George, Heidelberg, Knysna, Mossel Bay and Riversdal constitutes the well-known Southern Cape.

Colonial policy, in incorporating a form of a Cape liberalism before the 1870's that denoted 'equality before the eyes of the law', concealed a number of other considerations. How the prevailing institutional configuration informed state capacity to effect the territorial character of multidimensional socio-economic policies in the western Cape since 1910 is considered pivotal to comprehending a social and economic history of development in the region, the nature of its transformation and its relationship with freedom. The nature of and the relation between various levels of government and its spatial implications is critical to the development of an understanding of how local forces shaped, hybridised and transformed the political technologies of colonisation and development. While the boundaries of previous administrations and associated levels of government were virtually left unaltered, it is the new distribution of power relations among the various levels that matter. The powers of the previous administrations were now vested in the newly established national executive and legislative authority of a unitary state. Unification facilitated the establishment and development of a larger fiscal base, essential for enhancing the state's capacity to intervene in associated social and economic matters on a wider scale. The four Provincial Councils were delegated competencies that not only facilitated the implementation of national objectives but also provided a regulatory framework for local governance and emerging development practices. An analysis of the forces which shaped the formation of a larger centralised colonial administration, should therefore consider how it facilitated a particular path of regional development in the context of the demands of a diversity of constituents.

Development practices that emerged in the newly established provinces and regions during Segregation provided the basis for the pursuit of a form of regional planning during the earlier part of the Apartheid era. The history of regional and local policy formation, planning and institutional capacities in the spheres of the economy, labour and property markets, education, health, housing and social welfare were, until then, largely informed by the activities emanating from a mixture of regional offices of national departments, provincial and local administrations and parastatals, the judiciary and the way these institutions relate to civil and other forms of societal organisation. The

latter range from employer and labour organisations to religious and other socio-cultural institutions. These together with the endeavours of social scientists as reflected by the work of Batson on Poverty Datum Lines, the Cape Flats Committee of Enquiry and the Social and Economic Planning Council (SEPC) in the 1930s and 1940s, provided the basis for the emergence of discourses concerning the region as a unit of planning integral to the post-war reconstruction and development process. All were critical in shaping not only the nature of development policies but also attendant planning regimes and their sectoral and spatial dimensions.

The question of citizen and subject was a central factor in defining the nature of the interface between the state, markets and civil practices and the prevailing planning regime. The differing rights and obligations accorded to citizens and subjects during the Segregationist and Apartheid periods informed both the bifurcated nature of state institutions as well as the type of organisations and social movements that emerged. Whereas the Afrikaner nationalist movement was critical in defining the agenda for dealing with poor whiteism, social movements rooted among the largely impoverished black South Africans such as the All African Convention (AAC), Non European Unity Movement (NEUM), the Congress Alliance, and later the Black Consciousness Movement (BCM) and the United Democratic Front (UDF) made the pursuit of political and social and economic freedoms a central part of a development agenda. It is in this context that political organisations, including those to the left and right of the national government and their alliances with various civil and customary formations historically shaped the conditions, constraints and possibilities for transformation. Such social contract formation plays a significant role in defining the nature of political freedom, economic facilities, social opportunities, transparency guarantees and protective security.<sup>4</sup>

While governing institutions were critical in mediating social relations, non-state institutions permeating the organization of these activities were critical in the structuring and transformation of these social identities and relations. Here, the forms of planning regimes and attendant social contracts were underpinned by power relations that traversed and informed local state, market and civil and customary practices and defined freedoms. It is in this sense that the emergence, characterization and rehabilitation of development informed the nature of instrumental freedoms that underpinned access to

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<sup>4</sup> A. Sen: *Development as Freedom*, Oxford University Press, 1999.

economic assets and facilities, participation in the labour market and social opportunities and security. The interface of institutions at a regional level thus provided the context for the emergence and shaping of regional and local development policies that circumscribed the constraints, possibilities, opportunities and challenges of the exercise of whatever freedoms prevailed.

It is in this context that a region can be considered to be “an historically evolved, contiguous territorial society that possesses a physical environment, a socio-economic, political and cultural milieu, and a spatial structure distinct from other regions.”<sup>5</sup> A terrain, in other words, that included relations between sector and spatial dimensions, intergovernmental relations, relations between civil practices and governing structures, and the nature of the planning institutions themselves. Here, the distribution of economic activities is critical in dealing with the challenge of human development in a regional context with its attendant urban and rural dynamics. This institutional architecture was embedded in the markets that evolved. The nature of the capital, land and housing and labour markets all tended to reflect transaction costs impregnated with distortions informed by state intervention and civil practices shaped by social identities such as race, class and gender. The lack of sustainability due to inefficiencies derived from the resulting resource allocative arrangements was compounded by the inequalities in the distribution of income that, together with the denial of human rights (including social and economic rights), were not disposed towards favourable economic outcomes and human development.

The resultant planning regimes that straddled this terrain encompassed not only organs of state, but also various civil practices embedded in the activities of citizens and subjects. They constituted significant instruments to promote localisation and growth and various approaches towards poverty informed by distributive issues. An understanding of the institutional arrangements that evolved necessitates some form of historical analysis as “regional economies are more than just individual behaviours of firms, or even networks of firms, and their employees. They are also constituted by the cultural traditions and institutional structures that facilitate and regulate economic behaviour and social activity.”<sup>6</sup> Although “the economic governance of most

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<sup>5</sup> Malecki, E. J: *Technology and Economic Development: The Dynamics of Local, Regional and National Change*, Longman, London, 1991, p9.

<sup>6</sup> Wolfe, David A: *The Emergence of the Region State*, Department of Political Science, University of Toronto, January 1997, p5.

microregions is shared and executed by a range of authorities-microregional, national and supranational. The exact role of each will vary from macroregion to microregion, country to country, and over time.....It is within this context that the role of microregional clusters needs to be evaluated. To what extent is regional prosperity advanced if the agglomeration of vertically or horizontally related activities is encouraged-or at least, not inhibited-by regional governments? If such spatial networks are to be facilitated, how best might this be accomplished and what form should the cluster take.”<sup>7</sup> Changing scope, density, pattern of activities, growth potential, innovative capacity, and governance structures are critical factors in such an evaluation. It is in this context that the characterisation of South Africa’s locational trends, at times characterised as a national core-periphery pattern, can be examined. The external economies derived from clustering and agglomeration in relation to sectors can illuminate the nature of historically informed locational considerations. This does not however detract from the role of governing institutions in the constitution of a local labour market and its impact on income distribution patterns and poverty. An analysis of the nature of the social as engendered by development strategies and planning process assist in understanding the nature of the relation between the state and these evolving markets.

Limited attention has, however, been given hitherto to the relation between state discursive practices, power and the development of various apparatus and techniques, and resistances in most analysis of these social relations in the western Cape. It is my contention that the ‘creation of an institutional field from which discourses are produced, recorded, stabilized, modified, and put into circulation.’<sup>8</sup> in the western Cape with particular reference to economic and social change and identity formation has not been exhaustively analysed. The intention therefore is to address the local clustering and agglomeration of enterprises, the expansion of the economy and the changing nature of labour markets, the emergence of the social and governance as a vantage point to understanding prevailing power relations. The intention here is not to provide a political programme or manifesto for action, nor a comprehensive plan for the future of the region examined or the instruments at its disposal, but merely an examination of contentious and often misunderstood concepts and processes, particularly modernisation, colonialism and development and their territorial dimension.

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<sup>7</sup> Dunning, John H. (eds): *Regions, Globalisation, and the Knowledge Based Economy*, Oxford University Press, 2000, p22-24.

<sup>8</sup> M. Foucault: op cit., 2000.

## 1 Colonialism, Development and Modernity

The changes in governance that emerged historically involved primarily the meshing of disparate regions and their institutions into the formation of nationally co-ordinated socio economic and political frameworks. The underlying need for direct and indirect colonial rule was largely informed by the occurrence and regional dispersion of a large settler community and the responses of the indigenous population. Social Darwinism inspired racism informed the civilising mission of the colonisers in relation to the indigenous population. The bifurcation of the state administration was informed by legislative provisions that differentiated between its civil and customary nature<sup>9</sup>. It is in this sense that the form of colonisation, perceived as the implantation of settlements on a distant territory, formed part of the imperialist complex aimed at the establishment and maintenance of an empire. An empire in which one state controls the political sovereignty of another political society. This provided the conditions for the birth of the modern state as “in a sense every modern nation is a product of colonisation: it has always been to some degree colonised or colonising, and sometimes both at the same time.”<sup>10</sup>

The preoccupation with development as a discourse emerged in this imperial nexus and its presence in colonial circumstance is clearly related to how the nature of sovereignty was transformed and modernised reflecting changing social relations as an objective of governmental techniques. It is in this context that a colonial form of modernisation emerged as a process intended to preserve ‘civilisation’ among whites while embarking on a civilising mission in relation to the conquered indigenous population. It provided the basis for the bifurcation of the unified colonial administration. The segregationist discourse circulating were characterized by Saul Dubow in the following manner.

The ideology of segregation was ambiguous but it was not vacuous. At the risk of oversimplification, there were two distinctive segregationist traditions, whose distinctive strands coalesced in rough accordance with the fault lines of the major parliamentary parties. They may therefore be loosely associated with Smuts and Hertzog respectively. On the one hand, Hertzogite segregation maintained strong positions on the abolition of the Cape franchise, the white ‘civilised labour’ policy, the industrial colour bar and the

<sup>9</sup> See M. Mamdani, *Citizen and Subject: Contemporary Africa and the Legacy of Colonialism*, Princeton University Press, 1996.

<sup>10</sup> E. Balibar and I. Wallerstein: *Race, Nation and Class-Ambiguous Identities*, Verso, London and New York 1991, p89.

distribution of farm labour. Its tone was strident, it was racist in character and it emphasized the economic and political exclusion of Africans from common society. By contrast, Smutsian segregation drew on the incorporationist and 'protective' elements inherent in liberal segregation and made explicit reference to the paternalist idiom of trusteeship ideology. Unlike the Hertzogite variant, which was often understood as the logical extension of the 'Northern tradition', Smutsian segregation traced its antecedents back to nineteenth-century Cape. The notion of 'parallel institutions' or 'differentiation' was said to derive from the pragmatic legacy of the 1894 Glen Grey Act. Smutsian segregation celebrated the reputed success of the Transkeian Councils and proclaimed the 1920 Native Affairs Act, which sponsored indirect statutory forms of black political representation, as the basis of a moderate segregationist solution.<sup>11</sup>

The planning forms and methodologies that developed and were implemented during this period are closely related to discursive interventions experienced elsewhere<sup>12</sup>. The 'old or classical school'<sup>13</sup> that emerged emphasised the descriptive and utilitarian aspect of planning and was critical to the spatial organisation of social, economic and political strategies linked to the colonial discourse. "The beauty of this mechanical pattern, from the commercial standpoint, should be plain. This plan offers the engineer none of those special problems that irregular parcels and curved boundary lines present. An office boy could figure out the number of square feet involved in a street opening or in a sale of land; even a lawyer's clerk could write a description of the necessary deed of sale, merely by filling in with the proper dimensions the standard document. With a T-square and a triangle, finally, the municipal engineer could, without the slightest training as either an architect or a sociologist, plan a metropolis, with its standard lots, its standard blocks, its standard width streets... The very absence of more specific adaptation to landscape or to human purpose only increased, by its very indefiniteness, its general usefulness for exchange."<sup>14</sup> These intentions and practices with reference to the planning processes and evolving property market in British colonies and developing countries were codified by the British Town Planning Act of 1925, its American counterpart and the British Colonial and Welfare Act of 1929 and the Colonial Development and Welfare Act of 1945 and its associated programmes.<sup>15</sup> While the former emphasised the importance of

<sup>11</sup> W. Beinart and S. Dubow (eds): *Segregation and Apartheid in Twentieth-Century South Africa*, Routledge, London and New York, 1995, p167.

<sup>12</sup> See Pinnock, D: *Some Notes on the Blue Prints of A Garrison City*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986 and Scott, James C: *Seeing Like a State- How Certain Schemes to improve the Human Condition Have Failed*, Yale University Press, New Haven and London, 1998.

<sup>13</sup> See James C Scott; *Seeing Like A State-How Certain Schemes To Improve The Human Condition Have Failed*, Yale University Press, New Haven and London, 1998.

<sup>14</sup> Lewis Mumford: *The City in History: Its Origins, Its Transformations, and Its Prospects*, New York, Harcourt Brace Jovanovich, 1961, p422.

<sup>15</sup> See Paul Tiyambe Zeleza: *Manufacturing African Studies and Crises*, Codesria, 1977.

separating utilitarian functions through land-use planning and its attendant zoning and nuisance control policies intended to rationalise and organise space more efficiently so as to facilitate production, the latter was to provide a framework for, and instruments to deal with, political problems and processes of facilitating economic integration and capital accumulation from the vantage of British imperial interest. Some colonies, pending their status in the imperial nexus, formulated and implemented their own statutes. The colonial political and administrative forms that emerged were thus tempered by the local vicissitudes and imperatives and reflected the malaise of the modern state form of the coloniser in a particular global setting.

It is in this context that certain features of standardisation associated with the development of the modern state were applied to colonial settings. Particular reference can be made to the adoption of methods of surveying, the use of the cadastral mapping technologies and the conduct of censuses as instruments of acquiring and using knowledge of land, livestock, buildings and people with a view to regulating the economic and social activities of the local populace. A significant aspect of the use of these technologies was its capacity to render the political, social and economic landscape more legible, without it having a relation to the preceding and prevailing order of life in areas subjected to colonial rule.<sup>16</sup> The establishment of the office of the Surveyor General in the Cape Colony and the conduct of the census and its' subsequent changing form<sup>17</sup>, were some of the most powerful instruments at the disposal of the colonial administration before 1910. Improved legibility of the social and economic landscape aided both direct and indirect colonial rule. The planning of much of the urban landscape with a T-square and a triangle also rendered the development of the property market more permissible as evidenced in the findings of investigations such as the Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division in 1942. (commonly referred to as the Cape Flats Committee of Inquiry).

An inquiry pursued during a period when globally significant shifts in approaches to planning were occurring, particularly after the first World War, as the experiences and insights of Frederick Taylor, Walther Rathenau, Booth, Rowntree and Le Corbusier impacted on the design of society as a whole. Society had by then become an object of

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<sup>16</sup> See James C. Scott: *Seeing Like a State- How Certain Schemes to improve the Human Condition Have Failed*, Yale University Press, New Haven and London, 1998 and Benedict Anderson: *Imagined Communities*, Verso, London- New York, 1991.

<sup>17</sup> See I. Goldin, *Making Race: The Politics and Economics of Coloured Identity in South Africa*, Maskew Miller Longman, 1987.

more scientific social planning and management in a more prescriptive sense since the 1890s. The relationship between the domain of state intervention and the private/civil society<sup>18</sup> was, however, shaped by particular power relations that traversed it. Analysts such as Karl Polanyi examined the history of the creation of the economy as an autonomous sphere disjoined from the rest of society. The market, as an integral part of the economy, was created and constrained through processes of political, social and moral interventions. "The economic 'laws' of the classical economists were but deductive inventions which transformed the newly observed patterns of social behaviour, adopted with the emergence of economic society, into universal axioms designed to carry on a new political project."<sup>19</sup> 'Homo economicus' was considered to be the being acting rationally on the basis of perfect knowledge when making economic choices in different market forms. The basis was provided for the development of analytical and descriptive methods by people such as Walras to understand behavioural patterns of homo economicus in macro and micro situations and to affect various types of interventions including national accounting processes and procedures, fiscal and monetary policy interventions. It provided some basis for various forms of economic planning that informed decision making pertaining the future "since all transactions take time, and in the course of time some circumstances might have changed, and so plans are frequently unfulfilled, or have results different from the original intention"<sup>20</sup> in both the public and private sectors. Although the laissez-faire economist has an aversion to planning practices as counterproductive to the operation of the markets, various planning forms, whether indicative, commandist, centralised or socialist planning, and its relation to the market, preoccupied many a social scientist particularly since the 1920s and 1930s. It is in this context that various mathematical based approaches were developed by economists such as Leonid Vitalievich Kantorovich, G. Dantzig, F.P. Ramsey and J von Neumann.

Analysis of the history/genealogy of institutions dealing with health, mental illness, sexuality and the emergence of the 'social' in a European setting, provide fairly revealing and instructive insights into the relation between social and economic planning and prevailing power relations<sup>21</sup>. The 'social' can be considered to be '...the set of means

<sup>18</sup> The concepts civil society used are derived from the readings of A. Gramsci.

<sup>19</sup> See Gustavo Esteva on *Development* in *The Development Dictionary: A Guide to Knowledge as Power*, eds W Sachs, Zed Books, 1992.

<sup>20</sup> Alec Nove: *Planned Economy* in *Problems of the Planned Economy*, Eds. L. Eatwell, M. Milgate and P. Newman, Macmillan Press, 1987, p186.

<sup>21</sup> Jacques Donzelot and Michel Foucault, have incisively analysed the power relations traversing the 'social'.

which allow social life to escape material pressures and politico-moral uncertainties; the entire range of methods which make the members of society relatively safe from the effects of economic fluctuations by providing a certain security-which give their existence possibilities of relations that are flexible enough, and internal stakes that are convincing enough to avert the dislocation that divergences of interest and beliefs would entail”<sup>22</sup>. The usage of the ‘social’ as part of the approach to understanding the problem of poverty increasingly became central to understanding the production of a life-style as the showcase of development. The relationship between the social and the economic in the context of labour market institutions elucidates the emergence of the juridical and the medico-psychological discourses pertaining to the problem of work. The former deals extensively with the attribution of rights and the latter the need to increase production and increased returns. Issues such as absenteeism, health and safety and aptitudes became the focus of a new science, biometrics, while workers became the subject of rights as they pursued increased wages and related conditions including leisure. This was a situation that changed after the Second World War as Donzelot observed. “ This state of affairs gave rise to the imperative need, forcibly asserted at the end of the War, to join to the declaration of his social rights, guaranteeing all members of Western Societies protection against the material need which illness, accident, old age and unemployment embody in its most sensitive forms... The objective now was to generalise this protection to cover all members of society and to give it a State administrative organisation. This is what has sometimes been called the birth of the ‘providential State’, a term that is wholly apposite in so far as the operation was made possible by Keynes’ ‘miraculous discovery’ that the attribution of this role to the state was not only a moral duty but an economic remedy.”<sup>23</sup> Some analysts considered this form of intervention in markets as part of the provision of a social wage. The creation of welfare economics as a branch of study with a certain autonomy meant that the study of the institutions was also relegated to that field, not in terms of comparative analysis, but in terms of efficiency. So even the normative reaction against the excessive diffusion of *laissez-faire* was carried out in terms of ‘market failures’ rather than a comparison of different institutions.<sup>24</sup>

Other earlier indications of the use of development by individuals and reports associated with the International Labour Organisation (ILO) and League of Nations-

<sup>22</sup> J. Donzelot: *The Policing of Families*, Hutchinson & Co. (Publishers) Ltd, London, 1979, p xxvi.

<sup>23</sup> J. Donzelot: *Pleasure in Work* in Ideology and Consciousness, Winter, 9, 1981-1982, p11.

<sup>24</sup> see E. Screpanti and S. Zamagini: *An Outline of the History of Economic Thought*, Clarendon Press, Oxford, 1995, p384.

linked organisations before 1949 related to underdeveloped areas and the elaboration of concepts of urban development and welfare policies that were extended to colonies before and immediately after the Second World War. The ILO, founded in 1918 as an autonomous tripartite arm of the League of Nations was responsible globally for the standardisation of members' social and labour policies through social dialogue. The global presence of labour confederations and trade secretariats were critical to the development of discourses in pursuit of the classic aim of "replacing the domination of circumstances and chance over individuals by the domination of individuals over chance and circumstances."<sup>25</sup> Hence, the rights of labour as defined within a historical context became a focal point. It was only in "the eighteenth and nineteenth centuries that work was perceived in a distinctively positive manner. The shift in thinking was marked by paternalistic interpretations of technological progress and the growth of the technical and social divisions of labour, and by the grumbling discontent of the incipient working class and its intellectual representatives. The tensions between work and labour evolved... Many social reformers have been concerned to reduce the need for labour, or to remove the conditions producing it, while fostering conditions for the pursuit of work as creative activity"<sup>26</sup>, thus an activity critical to human development. Issues such as the minimum wage, worker rights and associated freedoms were central to the activities of international labour and the ILO, although their enforceability was confined to members preparedness to adhere to global standards set.

Although the League of Nations protocol accommodated the government of both citizens and subjects, the relation between the evolving nation states and their citizenry and subjects was pivotal to defining a new generation of rights that was also informed by the activities of anti-colonial forces. South Africa enjoyed dominion status in the British Empire that permitted the enactment of its own laws within the confines of the accorded constitutional competencies. An understanding of the nature of the state forms that were to emerge provides interesting insights as to the nature of governmentality and its relation to development and modernisation. Mamdani provided some seminal insights when analysing the nature of the colonial state form in sub-saharan Africa with particular reference to the British experience of direct and indirect rule and the use of civil and customary authority. "The history of civil society in colonial Africa is

<sup>25</sup> K Marx and F. Engels: *The German Ideology*, Amherst, New York, Prometheus Books, 1998.

<sup>26</sup> Guy Standing: *Global Labour Flexibility-Seeking Redistributive Justice*, MacMillan Press, 1999, p5-7.

laced with racism. That is, as it were, its original sin, for civil society was first and foremost the society as colons. Also, it was primarily a creation of the colonial state. The rights of free association and free publicity, and eventually of political representation, were the rights of citizens under direct rule, not of subjects indirectly ruled by a customarily organized tribal authority. Thus, whereas civil society was racialized, Native authority was tribalized. Between the rights-bearing colons and the subject peasantry was a third group: urban based natives, mainly middle and working-class persons, who were exempt from the lash of customary law but not from modern, racially discriminatory civil legislation. Neither subject to custom nor exalted as rights-bearing citizens, they languished in a juridical limbo.<sup>27</sup>

It was this group that provided the bulk of the leadership of various nationalist and social movements concerned with human rights and social and economic development. To subscribe to the simplistic notion that the character of opposition to these political technologies involved a shift from a primary form of resistance based on tribalism to a secondary form based on nationalism, would not be of assistance when addressing the complexity of patterns of resistance during and after the establishment of the colonial state, its provinces and associated discourses. An analysis of the relation between social identities such as race, ethnicity, nationalism and social and economic activity and their territorial and institutional dimensions would provide more insights into how the nature of oppositional forces was shaped by the modalities of governance. Demands for human rights provided the vantage point from which to engage Segregationist and Apartheid policies and practices in a quest for economic and social development, whether at a macro, regional or local level.

The multidimensional, homogenising and irreversible processes that embrace social, institutional and economic processes as key elements and usually referred to as the 'western paradigm of modernity'<sup>28</sup> was nevertheless shared by all dominant theories structured around goals such as the attainment of capitalism or socialism or national liberation. The form development took throughout the segregationist, Apartheid and post-Apartheid periods, however, varied. What are considered here is whether development as a discourse and practice was essentially a post-colonial phenomenon or whether developmental discourse and colonialism co-existed and whether it characterised

<sup>27</sup> M. Mamdani, op cit, p19.

<sup>28</sup> See Zeleza, op cit. and S.C. Dube, *Modernization and Development-The Search for Alternate Paradigms*, The United Nations University and Zed Books Ltd, 1988.

a specific form of colonialism. The 'high modernism' that emerged as a specific form of development during the segregationist and Apartheid periods was characterised by increased state intervention in areas such as industrialisation and labour markets and the social. Despite its support of the Atlantic Charter in 1942 and eventually the United Nations Charter thereafter, the bifurcated nature of the state that emerged was permeated by developmental practices that emphasised race and different perceptions of social identities. Development practices that were technically driven also relied on repressive measures to negate the interests of particularly the 'non-white' parties and associated social movements.

The post second world war global prominence of development was nevertheless clearly related to the emergence of the modern sovereign state as a result of decolonialisation. The post Second World War granting of independence to a number of colonies, including South Africa and the production of the 'Third World' through discourses and practices of development ushered in a new period of modernity. The depiction of the Third World as 'underdeveloped' has been an essential and constitutive element of the globalisation of capital in the post-World War II period; perhaps more importantly, a cultural discourse began that not only placed the Third World in a position of inferiority but that, more clearly and efficiently than ever, subjected it to 'scientific' normalising action of Western cultural-political technologies-in even more devastating ways than its colonial predecessor.<sup>29</sup> An understanding of these colonial and developmental discourses including its attendant variants such as orientalism and africanism as analysed by among others E.W. Said, H Bhaba, S Amin, M Mamdani and P. T. Zeleza, the conditions for its production and various forms of resistance thereto, is critical to any analysis associated with the deconstruction of modernity.<sup>30</sup> It is in this sense that colonialism and development as forms of modernism can be considered to

<sup>29</sup> H. Bhaba sums it up as follows "(Colonial discourse) is an apparatus that turns on the recognition and disavowal of racial\ cultural\ historical differences. Its predominant strategic function is the creation of a space for a 'subject peoples' through the production of knowledges in terms of which surveillance is exercised and a complex form of pleasure \ unpleasure is incited.....The objective of colonial discourse is to construe the colonised as a population of degenerate type on the basis of racial origin, in order to justify conquest and to establish systems of administration and instruction ...I am referring to a form of governmentality that in marking out a 'subject nation', appropriates, directs and dominates its various spheres of activity." in H. K. Bhaba, *The Location of Culture*, Routledge, 1990, p75 and see also commentary on colonial discourse by A. Escobar: *Culture, Economics, and Politics in Latin American Social Movements Theory and Research*, in A. Escobar and S.E. Alvaraz: *The Making of Social Movements in Latin America: Identity, Strategy and Democracy*, Westview Press, San Francisco, 1992.

<sup>30</sup> See E.W. Said: *Orientalism-Western Conceptions of the Orient*, Penguin Books, 1978 and *Culture and Imperialism*, Vintage, 1994 and Paul Tiyambe Zeleza: *Manufacturing African Studies and Crises*, Codesria, 1977.

have traversed both the segregation and apartheid periods, while development shaped apartheid and informed the post 1994 period of transformation.

The rehabilitation of development as characterised by the development of discourses that informed what is commonly referred to as the 'Washington consensus' and other conventions was evident in the neo-Apartheid and even during the post-Apartheid period. This was accompanied by programmes imbued by allocative efficiency arguments that involved the large scale restructuring of state assets through commercialisation and privatisation, adherence to fiscal discipline, labour market restructuring and limited comprehensive social security and other anti-poverty measures. The changing state form however reflected the distinct difference between the one subjected to Apartheid style reform since the 1970s and that informed by thorough restructuring and transformation as demanded by a liberal democracy after 1994. Although a new human rights regime was inaugurated with the adoption of a new constitution and associated legislation including the establishment of planning processes to deal with social and economic issues, social identities such as class, race and ethnicity remained a central feature of reconstruction and development.

## **2** Agglomeration, Labour Markets and the Social

The transformation in economic activities that were experienced was closely related to changes in the conditions and means of producing commodities that accompanied changing social relations. The pursuit of national economic growth based on the promotion of secondary industry through the promotion of industrialisation through investment in certain industrial niches, import substitution provisions, investment in infrastructure such as road, rail and port development, a segmented and repressive labour market system, research and development support, constituted a pivotal platform from which to deal with the challenges of poverty and the social.

The trajectory of South African secondary industrial development pursued before 1948 reflected changes in the character of the labour market and poverty alleviation strategies that were rooted in evolving urban crises, labour market conditions and development strategies. Responses towards the Depression, the insular effect of the tariff and customs regime, processes of capital accumulation in the countryside, including the

mechanisation of agriculture and the expansion of large scale industry within a war economy environment, contributed to characterising the nature of secondary industrial development.

Between 1921 and 1941 it was concluded that "the way in which the population is distributed throughout the Union is a result of the uses to which the land is put, whether agricultural, or industrial, business or residential. On analysis, it is found that the metropolitan areas (Cape Town, East London, Port Elizabeth, Durban, Pietermaritzburg, the Reef-Pretoria complex, Bloemfontein and Kimberley) have outstripped the hundreds of smaller towns, though the urban centres in most areas have grown...The increasing concentration of the Union's population in half a dozen cities is the most significant fact of the Union's population shift. Not only did these cities account for over a fifth of the total in 1936 and for one-half of the Europeans in 1941, but since 1936 concentration appears to have continued without diminution....There can be no question that to a significant extent-witness the pull exerted by the Central Transvaal gold-mining area, by the ports of Cape Town and Durban which also form the centres of the sugar and deciduous fruit industries-this population concentration accords with the underlying economic facts."<sup>31</sup>The growth of most of these cities led to the accretion of privately owned and disjointed townships without regard for their segregation.

The occurrence of poverty after the turn of the century prompted a public outcry particularly in relation to the condition of what came to be referred to as the 'poor white problem' among segments of the population in an urban and rural setting. The Carnegie Commission described it as a "process of impoverishment, with its sequels of moral and spiritual degradation, amongst a section of the population that is mainly of rural origin and Dutch-speaking, more particularly after they have abandoned farm life."<sup>32</sup> It furthermore stated that "the rural poor had in many cases been there for a long time, widely scattered in our thinly populated country. When the exodus in search of something better began, and particularly when they drifted in ever increasing numbers to the cities and towns, then for the first time was the fact seriously brought home to the nation as a whole"<sup>33</sup>. The problem of poverty sparked a process of intervention in areas

<sup>31</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p16.

<sup>32</sup> J.F.W.Grosskopf, *Carnegie Part I-Rural Impoverishment and Rural Exodus*, 1932, p20. and W Wentzel, *Poverty and Development in South Africa (1890-1980) A Bibliography*, SALDRU Working Paper No 46, August 1982, Cape Town, p41.

<sup>33</sup> *ibid*, 1932, p77. and W Wentzel, *Poverty and Development in South Africa (1890-1980) A Bibliography*, SALDRU Working Paper No 46, August 1982, Cape Town, p39.

of public housing provision, sanitation, water supply, health and education through the provision of physical and social infrastructure that entrenched emerging forms of social identity formation through influences in the production of particular life styles. Similar problems among non-whites were invariably dealt with as part of the broader problem referred to as the Native Question and thus subjected to specifically designed measures or interventions earmarked for "the other".

The Hertzog led PACT government, although governing a dominion of the British Empire, proceeded in 1924 to introduce a legislative programme that led to the promulgation of the Industrial Conciliation and Wage Acts in 1924 and 1925 respectively. The Unemployment Insurance Act was only promulgated in 1937. All the legislation was explicitly applicable to whites and to a lesser extent those classified as Coloureds. This was later extended to Africans as the Smuts-led government sought to deal with secondary industrialisation and the influx and presence of large numbers of Africans in urban areas. "Following the publication of an Interdepartmental Committee report on the 'social, health and economic conditions of the urban Natives', the government moved to introduce improvements in the fields of workmen's compensation, pensions, unemployment insurance, health care and education. Although they remained unsystematic and unco-ordinated, these changes suggested that social issues had become as much an object of state policy as economic issues in line with concurrent developments in Britain. The appointment of the Social and Economic Planning Council (SEPC) in 1942 seemed to confirm the shift towards a new role for the state."<sup>34</sup> The effects of the depression and the war coupled with the need for planning focused on post-war reconstruction, led to the Industrial and Agricultural Requirements Commission making a recommendation for the establishment of the Social and Economic and Planning Council (SEPC) in 1942. Its brief was to deal with the need to prepare the country for post-war reconstruction through an examination of economic and social policies, planning instruments and practices and their co-ordination particularly in relation to regional diversity. To this end, its appropriation of the works of J.M. Keynes and analogous use of experiences associated with the Tennessee Valley Authority was instructive of its use of emerging developmental discourse.

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<sup>34</sup> P. Wilkinson: *A Discourse of Modernity: The Social and Economic Planning Council- Fifth Report on Regional and Town Planning, 1944*, African Studies, Vol. 55, No 2, 1996, p148-149.

H.J. Van der Bijl, H. J. van Eck<sup>35</sup> and other government planners identified industrial development as the panacea for most of the local problems surveyed and pursued the development of strategies and local institutional capacities through the establishment of statutory and advisory bodies such as the Iron and Steel Corporation (ISCOR), Electricity Supply Commission (ESCOM), Industrial Development Corporation (IDC) and Social Economic and Planning Council (SEPC) before and particularly after the Second World War. H.J. Van der Bijl was, however, to map the path of industrialisation much earlier as the government expert on science and technology when he said that, "The electrification of the Union's railways....can be made to be one of the most powerful factors in stimulating industrial development. by bringing together two of the most important requirements of most industrial undertakings, namely power and transport facilities,' while iron and steel was 'the foundation of all industries' "<sup>36</sup>. This interest and endeavour also encompassed labour market issues and poverty. "It was not until about 1930 that an attempt was made to measure the precise relationship between primary investment in public works and the resultant secondary employment created in the production of consumer goods. R. F. Khan developed a formula by which to measure this secondary employment. His analysis was carried further, and widely publicised, by J. M. Keynes in 'A Means to Prosperity' and later in his well-known work 'The General Theory of Employment, Interest and Money'. The justification for public works as an anti-depression measure depends not so much on the primary employment afforded by the works themselves (and indirectly in supplying the necessary materials, etc) as on the secondary employment produced by the additional spending on consumption by the workers primarily employed.... Not all of the primary expenditure on public works will represent a net addition to total income within the country. Some will be used to pay for imported materials, etc. Some of those employed on the public works will merely be diverted from other employment. But in time of depression some of the income accruing to those engaged on public works will represent a net increment in total income within the country."<sup>37</sup>

<sup>35</sup> see Van Eck, H.J: *Some Aspects of the South African Industrial Revolution*, Hoernle Memorial Lecture, SAIRR, 1951; *Industriële Ontwikkeling in Suid Afrika*, Raad van die U.K.O.V.S., 1 Mei 1943 and Van Eck, H.J: *South African Industry- Present and Future*, Address to the Witwatersrand University and the South African Institute of Engineers, 1951.

<sup>36</sup> Nance L. Clark: *Manufacturing Apartheid-State Corporations in South Africa*, Yale University Press, 1994, p49.

<sup>37</sup> The South Africa Social and Economic Planning Council: Report No.10: *Public Works Programme and Policy*, U.G. No.37 - 1946, Government Printers, Pretoria, p2.

Whereas it has become generally accepted that markets work to expand wealth and income and other economic opportunities, the rights of people to participate by undertaking transactions and exchange informs the nature of economic freedom as the case of labour markets illustrates. "The importance of freedom of employment and that in working practice is crucial to understanding the valuations involved...In fact, Karl Marx's favourable remarks on capitalism as against the unfreedom of precapitalist labor arrangements related exactly to this question...Indeed this issue of market-based freedom is quite central to the analysis of bonded labor –common in many developing countries- and the transition to free-contract labor arrangements. This, in fact, is one of the cases in which Marxian analysis has tended to have an affinity with libertarian concentration on freedom as opposed to utility."<sup>38</sup> Forms of work other than wage labour, such as informal petty farming, caring for the infirm and children, community and voluntary work is hardly accounted for in this conceptualisation. These sets of markets have nevertheless been classified as primary income distributing mechanisms with the state being involved in secondary distribution.<sup>39</sup> Income derived from the latter form of distribution, particularly that of pensions, welfare grants, housing and other forms of subsidy became embedded in the problematic of the 'social'.

While labour market regulation has always been a national competency, the relation between it and regional economic development remains a relatively unexplored area. The nature of the labour market's effect on locational decisions and particularly its relative importance in relation to the use of civilised labour market policies and related poverty alleviation strategies provided the basis for the development of the Coloured Labour Preference Policy (CLPP) during this period.

Furthermore, the role of the state, including that of provincial and local government, in income distribution particularly its involvement in secondary markets using social policies needs to be clarified. This should include an analysis of issues such as housing, education and health and the question of a social wage and its relation to social development in a rural and urban milieu. Local authorities, however, did not have the competency nor were they at the forefront in regulatory and other activities to shape the local economy. Its involvement in the introduction and expansion of wildlife farming, racialisation of landownership, the determination of areas for agriculture, industrial

<sup>38</sup> A Sen, *Development as Freedom*, Oxford University Press, 1999, p29.

<sup>39</sup> Bromberger, N: *Government Policies Affecting the Distribution of Income, 1940-1980 in South Africa:- Public Policy Perspectives*, (eds) R Schrire, Juta, Cape Town, 1982.

development and other land-uses has also placed the relation between economic and social development and environmental issues firmly on the development agenda as integral to a more holistic approach. Attempts at developing this holistic approach based on an understanding of the relation between physical, economic and social development are reflected in the work of Batson, the Cape Flats Committee of Inquiry and the SEPC and later that of the RSC and RDACs sponsored *Growing the Cape and Hinterland Studies*.

What is central, however, in understanding the efficacy of these approaches to growth is the effect of the activities of sets of markets on inequality, particularly income distribution and poverty and their relation to governing structures and other institutions. The economy incorporated an array of productive and social relations, that reflected a tendency towards the dominance of entrepreneurship and wage employment. Difficulties with comprehending the character of unemployment, involvement in non-capitalist type productive relations and the use of a plethora of survivalist strategies reflected participatory trends that were largely transitional.

#### **(a) Localisation and growth**

The pursuit of development through the use of policies that involved investment in infrastructure, tariff protection and import substitution and labour market measures as an integral part of the economic policies of a modernising state, traversed the Segregationist state form and associated regional and local institutions. With the region developed as a significant area for agrarian production spanning horticulture, grain and animal production, investment in public transport infrastructure such as railways and ports contributed not only to the servicing and development of processing and mining centres in urban areas but also dealt with the demand for such a network in the rural districts. "In this sense, railways epitomized rural modernization. Railways also diminished the need for trekking and ox-wagon transport-identified as major causes of disease."<sup>40</sup> The development of port and rail-linked engineering service and manufacturing enterprises and the clustering of food-processing, clothing, textiles and leather enterprises led to the

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<sup>40</sup> W Beinart: *The Rise of Conservation in South Africa-Settlers, Livestock and the Environment 1770-1950*, Oxford University Press, 2003, p24.

changing urban settlement patterns that informed the development of administrative capacities that contributed to characterising the nature of the evolving planning regimes.

While it is acknowledged that individual enterprises are the wealth creators, the inter- and intra-enterprise linkages together with the availability of infrastructure in the form of industrial and commercial estates and transport and the availability of labour provided the basis for the clustering of firms that were the hallmark of local economic development<sup>41</sup>. The emergence of these local and sub-national economies rooted in resource-based agglomeration trends informed urbanisation processes. This only became evident with the increasing dominance of secondary industry as reflected in its sectoral share of the Western Cape's Gross Geographic Product (GDP). The clothing and food processing industries examined illustrate how the agglomerative effects of these clusters particularly in developing metropolitan area were to form the basis for local and regional economic development. Although clustering trends were informed by the increased importance of secondary industry relative to the mining industry and its backward and forward linkages, the regional policies advocated did not build on comparative advantages.

While it can be agreed that the nature of regional and local economies and social activities are not to be defined by the juridical boundaries of a given local or provincial authority, the relation between the two should not be ignored as the mix of competencies of different levels of government definitely impacted historically on the nature of local economic and social activity. What however was pivotal was the saliency of race in accessibility to participation in resource allocation.<sup>42</sup> A plethora of legislation ranging

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<sup>41</sup> Von Thunen and other theorist analysed aspects of resource allocation with particular reference to land use and land rent in a central market setting. A consideration that was raised by reputed economists such as Isard when he argued for the more explicit factoring of transport and cost associated with the distribution of economic activities in space. These are factors that cannot be accounted for in terms of the general equilibrium model of neoclassical economics. Institutions, redistribution and history with an investigation of land and labour markets at its core were considered important to the development of a general theory of the space-economy. A theme that was elaborated on by economists such as Losch and Alonso in a changed urban environment in the 1950s and 1960s. Furthermore the 'New Economic Geography' and the 'New International Economics' models that emerged in the 1970s and 1980s linked to the 'New Growth Theories', reinforced the importance of location through its analysis of agglomeration, clustering and international trade, competitiveness and growth. Greater synergy between macro and microeconomic approaches resulting in richer insights into the space-economy has however not been attained in most analysis. Although they emphasised the importance of transport and international trade, institutions, redistribution and history are still neglected in their endeavours. More empirically grounded approaches have identified institutions, redistribution and history as being vital to enterprise and local economic development. See the work of M.E. Porter: *Competitive Advantage-Creating and Sustaining Superior Performance*, The Free Press, New York, 1985 and "The Competitive Advantage of Nations" Macmillan Press Ltd, 1990; F. Pyke and W. Sengenberger, *Industrial Districts and Local Economic Regeneration*, International Institute for Labour Studies, Geneva, 1992. and Dunning John H (eds): *Regions, Globalisation, and the Knowledge Based Economy*, Oxford University Press, 2000.

<sup>42</sup> see J.J. McCarthy and D.P. Smit: *South African City: Theory in Analysis and Planning*, South African Geography and Environmental Studies Series, Juta, Cape Town, 1984.

from the Land Act of 1913, the Urban Areas Act of 1945 to the Group Areas Act of 1956 and Physical Planning Act of 1967 were to curtail access to assets and services such as land and housing and restrict the movement and hence participation in the segmented labour market and thus shape the resulting settlement patterns in both an urban and rural milieu. Regional industrial development policy, laced with racism and the use of fiscal incentives, impacted on industrial location considerations including the nature of the labour market. It is in this sense that decentralization as a micro-economic policy instrument took on particular forms throughout the Segregationist and Apartheid periods with the Border Industrialisation, the Regional Industrial Development Programme (RIDP) and Export Processing Zones or Units (EPZs/EPU) being critical to shaping its particular form in later years. Although centrally designed, it promoted the development of racially informed enterprise governance practices, as black entrepreneurs were not permitted to own enterprises outside the bounds of designated areas and income distribution policies emphasised racial inequality in the labour market.

The unlocking of the strategic value of institutions through planning processes that took cognisance of the importance of regional and local imperatives in a national and global context nevertheless increased in importance. The relationship between national trade and industry, labour market policies and regional policies became critical to growth and equity questions. Inequities in the form of income distribution between economic sectors and regions including urban rural dynamics informed the nature of the redistribution and poverty debate. It became central to the emergence of regional development already in the 1930s and 1940s as reflected by debates concerning the Tennessee Valley Authority echoed in the deliberations of the Social and Economic Development and Planning Council. It is in this context that localised instruments of growth and regional development and income distribution measures have featured prominently in the economic and social history of the Western Cape region. The increased emphasis on the role of institutions in informing local economic development, such as labour markets and enterprise governance, meant the development of an approach that emphasised a range of areas requiring intervention.<sup>43</sup> Here, the provision of physical and social infrastructure, including housing and health, specialised skills, the

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<sup>43</sup> See the writings of M. Porter: *The Competitive Advantage of Nations*, Macmillan Press Ltd, 1990; F. Pyke and W. Sengenberger, *Industrial Districts and Local Economic Regeneration*, International Institute for Labour Studies, Geneva, 1992 and R Bloch: *Subnational Economic Development in South Africa: Towards a Strategy for the Department of Trade and Industry*, TIPS 1999 Annual Forum.

institutional complexes and networks underpinning local social relations were some of the areas identified for intervention. As national frameworks were important for the establishment of conditions for the development of local areas and regions, "regional policy should be understood as the territorial dimension of overall policy - the projection on the map of a multi-dimensional socio-economic system. This territorial dimension matters, both for itself and for the functioning of the other dimensions of the system."<sup>44</sup>

### (b) Income distribution and poverty

At the time of the establishment of the SEPC a number of poverty alleviation instruments were nevertheless being used of which the implementation of employment security and training and various public works schemes informed by the civilised labour policy were central. "The Committee indicates the present expenditure on social assistance and social insurance, which amounts to 9,750,000 pounds per annum. This includes poor relief but not grants-in-aid to institutions or war pensions or the cost of free or subsidised education. Of this sum, 8,300,000 pounds is spent on Europeans, 800,000 pounds on Coloureds and Asiatics and 600,000 pounds on Natives. The Central Government bears about one half of this cost, employers one-third and employees one-eighth. The assistance given to Europeans is in the form of old age and blindness pensions, invalidity grants, parents allowances and children's maintenance grants, all subject to a means test. In certain categories of employment Europeans are also eligible, without a means test, for unemployment insurance and compensation for occupational disability and for confinement allowances. Coloureds are included in the abovementioned benefits, except invalidity grants. For assisting old, blind and infirm Asiatics financial provision has been made administratively. As regards Natives, financial assistance is given to the blind, but, like all non-Europeans, they are not eligible for other invalidity grants. Nor do they get old age pensions, while very few Native children receive maintenance grants and Native labourers are excluded from unemployment benefits."<sup>45</sup>

The incidence of poverty signalled by poor whiteism, including sanitation and hygiene, and overcrowding in urban and rural areas marked the rise of the 'social' as a

<sup>44</sup> William Alonso, *Comment on Interaction Between Regional and Industrial Policies: Evidence From Four Countries*, in Proceedings of the World Bank Annual Conference on Development Economics-1994, p302 and see also other writings by A. Markussen, M. Porter and W. Alonso.

<sup>45</sup> Report of the Social Security Committee and Report No.2 of the Social and Economic Planning Council entitled: *Social Security, Social Services and the National Income*, U.G. 14 - 1944, Government Printers, Pretoria, p1.

domain requiring a multitude of interventions informed by changing and differing conceptions of social identities before the Second World War. The rise of the social, particularly its changing relation with the state and the economy, was characteristic of the changes accompanying the movement towards the establishment of a centralised colonial administration in the form of a Dominion that was transformed into a Republic in 1961. By the 1940s, "Unemployment insurance, rural housing, hostels for the low paid workers, assistance to the physically unfit, homes for the aged—all these are adequately provided for Europeans, very occasionally for Coloureds and Asiatics, but not at all for Africans."<sup>46</sup> Some of the responsibilities of local government involved, *inter alia*, the provision of physical and social infrastructure, the regulation of their use and their impact on local economic and social development. Skewed development within and amongst the various provinces and urban centres was perpetuated particularly as local authorities had differing taxation powers corresponding to the capacity of their fiscal base and legislative framework.

The rapid influx of people from the countryside during the war years exacerbated the housing crises specified earlier particularly in urban areas in the Western Cape. A process of urbanisation attributable to employment opportunities developed through both the development of secondary industry and state interventions facilitating the construction of defence installations. The application of local influx control measures never, however, discouraged the urbanisation of 'Africans'. Consequently the 'African' population officially increased from 16 480 in 1936 to 42 980 in 1946 and 60 270 in 1951. It represented a proportional increase in the total Cape Peninsula population from 4,5% in 1936 to 8,5% in 1946 and 9,7% in 1951. These numbers do not reflect the official under-enumeration of "Africans" due to the ineffectivity of influx control and resistance thereto, nor the effect of larger increases of the demographically dominant urbanising "coloured" poor. The increased proliferation of *pondokkie* (shack) settlements throughout the Cape Peninsula in areas such as Retreat, Windermere, Goodwood Acres, Parkwood Estate, Phillipi, Avondale (Parow), Eureka Estate, Grassy Park, Epping Forest and Simonstown registered the increased and changing nature of the prevailing housing crises. Similar developments were to emerge in smaller urban areas outside of greater Cape Town. The experiences in the Paarl-Wellington and Worcester areas were instructive.

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<sup>46</sup> John Burger, *Black Man's Burden*, Victor Gollancz, London, 1943,p143.

Wealthy individual families such as the Graaffs, van der Horsts, Labias and Wileys who came to own large tracks of land in addition to the property owned by local, provincial and national governments, together with certain farmers, alienated sections of their property for the development of residential estates. Erven were developed as part of residential estates and disposed of through the use of hire purchase agreements while some even became engaged in what can be called 'pondokkie farming' as economic opportunities induced by the housing shortage were ruthlessly seized upon. A survey of dependants receiving aid from the Cape Town General Board of Aid in 1936 revealed that "when both the amounts and the proportion of cases in which such debts occur are taken into consideration, this investigation shows that the major item of debt is rent."<sup>47</sup> The Cape Flats Committee of Enquiry of 1942 was particularly critical of the manner in which the planning or lack thereof was rudely exposed by unscrupulous property moguls. The improvement of the legal conditions under which private township development occurred and property transfers effected were considered to be central to the management of the developing urban property market. It also considered issues such as "(c) the general social welfare and health conditions in the area with particular reference to (i) housing, sanitation, water supply, lighting; (ii) roads and transport services, drainage; (iii) medical service including clinics; (iv) educational, child and other welfare services; and (d) any other matters designed to improve conditions in the area."<sup>48</sup>

Although poverty has a shifting meaning, it is largely a descriptive characterisation of a phenomena "embracing a host of characteristic features which readily spring to mind, viz., pot-bellied, ill clad, bare-footed urchins disporting themselves in stark, unscenic, unhygienic neighbourhoods; malnutrition; low income; high unemployment; appalling housing conditions and extremely rudimentary or non-existent recreational facilities."<sup>49</sup> It was these descriptive notions of poverty that nevertheless informed trends described by Burger "Unemployment insurance, rural housing, hostels for the low-paid workers, assistance for the physically unfit, homes for the aged—all these are inadequately provided for Europeans, very occasionally for Coloureds and Asiatics, but not at all for Africans"<sup>50</sup> Most of the investigations until

<sup>47</sup> Wagner, O.J.M.; *Poverty and Dependency in Cape Town: A Sociological Survey of 3 300 Dependents Receiving Assistance from the Cape Town General Board of Aid*, PhD, Stellenbosch University, 1936, p28.

<sup>48</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p1.

<sup>49</sup> W. Wentzel, *Poverty and Development in South Africa (1890-1980) A Bibliography*, SALDRU Working Paper No 46, August 1982, Cape Town, p1.

<sup>50</sup> J Burger: *The Black Man's Burden*, Victor Gollancz Ltd, London, 1943, p148.

1938-9 were largely descriptive in nature despite the prevalence of initial attempts at measuring poverty by the esteemed social observer Rowntree in 1901.<sup>51</sup>

It was, however, the Rowntree-informed Batson Social Survey of Cape Town conducted in 1938-9 and 49 that provided<sup>52</sup> insights into the nature of poverty using the poverty datum line as a measurement. The development of the Poverty Datum Line in 1938-9 survey analyses of poverty by Batson heralded the development and use of the poverty measurement instrument as part of poverty alleviation strategies as reflected in the work of the Social and Economic Planning Council in 1942. The basic assumption underpinning the PDL was that of the rational behaviour of 'homo economicus.'<sup>53</sup> Furthermore, the PDL 'fulfils its purpose of stating the barest minimum upon which subsistence and health can theoretically be attained under Western conditions. But it would not be accepted as providing a civilised standard of living'. Food, clothing, fuel and lighting, washing and cleansing, rent and transport were the six basic essential categories covered by the PDL. It was a method of measurement that encompassed both the employed and unemployed. It established that household income related to wage labour was not always considered to be sufficient for the conduct of a civilised existence. Hence, the prevalence of a working poor was subject to racially informed measurement. It is in this sense that individuals attached to various academic institutions were therefore also critical of the interpretation and dispersal of insights derived from international trends. Individuals and organisations used the Social and Economic Planning Council to inform the policy debate based on influences derived from the USA and UK.<sup>54</sup>

The consideration that being employed did involve being paid income below the poverty datum line as established by the Social Economic and Planning Council in 1944 was reinforced. "Social surveys conducted in the Union have shown that, in cities, incomes are too low to enable the purchase of minimum low-cost diets in the case of at least 10 per cent of European households; 45 to 50 per cent of Indian households; and 50 to 60 per cent of Coloured households. Most urban Natives not fed in compounds or

<sup>51</sup> Rowntree, Seebohm, SM: *Poverty a Study of Town Life*. 1899, Macmillan, 1901.

<sup>52</sup> Batson, H.E.: *The Social Survey of Cape Town*, Reports and Studies no's ss3 - ss18, UCT School of Social Science, Cape Town, 1944-1953.

Batson, H.E.: *Poverty Datum Line in Cape Town in 1938- 1939 and in 1949*, in South African Journal of Science No 46, February 1950.

<sup>53</sup> See D. Budlender, *A Critique of Poverty Datum Lines*, SALDRU Working Paper No. 63, Cape Town, August 1985.

<sup>54</sup> Council Papers and P Wilkinson: *A Discourse of Modernity: The Social and Economic Planning Council- Fifth Report on Regional and Town Planning, 1944* in African Studies, Vol. 55, No. 2, 1996.

in private households are in a similar position.”<sup>55</sup> The measuring instruments used were able to compute all forms of labour but not all forms of work. It excluded certain types of work that contribute to human welfare and development, whereas it included activities that are unproductive or that do not contribute significantly to either.<sup>56</sup>

What followed was the recommendation of a series of comprehensive improvements in this social security scheme based on the need for horizontal and vertical expansion “The Committee states that the scheme does not aim at ‘a general redistribution of income’ but it accepts the need for collective provision against the abovementioned contingencies, i.e., provision against risk of want in the non-productive periods and, assuming that the existing social and economic system will continue, it also accepts that the social security scheme must be framed to fit into that system. It stresses that the extent to which social measures can be introduced is related to, and limited by, the nation’s total earnings. The Union’s national income is low in comparison with many other countries, and while it is important to provide for persons in need of the benefits of the social security scheme, it is imperative that concurrently a direct attack should be made, by constructive measures, against the massive poverty in the Union which has its roots in the inadequate output and earnings of the bulk of the people gainfully occupied. The Committee stresses this aspect lest the Social Security Scheme to be put forward, be later blamed for having failed to eliminate poverty.”

These recommendations together with those provided by Gluckman’s National Health Services Commission and others led to the partial extension of social welfare services to blacks. “This became more marked during the War years under the United Party government (1939-1948) and there were even some signs of a reduction in inequality and of an acceptance of current ‘progressive’ notions about special social responsibility for the security and health of the poor and disadvantaged. Thus, social pensions were extended to blacks and Asians for the first time in 1944: the coverage of unemployment insurance (1937, 1942) was widened across industries and down the wage scale in 1946; and cost of living allowances (1941) had a distinctly progressive character, thereby reducing the wage differential between high- and low-paid work.”<sup>57</sup> This was

<sup>55</sup> The South Africa Social and Economic Planning Council: *Report of the Social Security Committee and Report No.2 of the Social and Economic Planning Council entitled: Social Security, Social Services and the national income*, U.G. 14 – 1944, Government Printers, Pretoria.

<sup>56</sup> see G Standing: *Global Labour Flexibility-Seeking Redistributive Justice*, Macmillan Press Ltd, London, 1999,p10.

<sup>57</sup> N. Bromberger: *Government Policies Affecting the Distribution of Income, 1940-1980*, in *South Africa: Public Policy Perspectives*, (eds) R Schrire, Juta, Cape Town, 1982.

largely linked to circumstances of economic growth, structural changes in the economy with the ascendancy of secondary industry in the major urban centres, the increased involvement of blacks therein and political, social and economic protest by black groups since 1943. This was a situation that was eroded during the post-war period when the National Party government started to systematically reverse these gains after 1948. Social development nevertheless had to be effected in circumstances where municipalities and provincial administrations had significant developmental responsibilities to administer. Health, social welfare and key human resource development sectors consumed the bulk of budgets and formed a significant component of the Gross Geographical Product (GGP) recorded by local areas and regions. Differing planning cycles, including those of integration and sustainability, posed additional challenges.

While the focus on inward industrialisation using detached complexes as sites of decentralised development was prominent, the creation of racially segmented labour and residential property markets were to form the basis of segregationist policies based on a distinction between citizen and subject. Hence, one saw the emergence of development as both an instrument for macro, meso and micro economic management and poverty alleviation. In this context regional and local planning was accorded three main purposes. “(a) Orderly, rapid and diversified regional development; (b) the prevention by that means of excessive local concentration and of excessive permanent and temporary internal migration; (c) the proper provision of amenities and improvement of the appearances of the towns. The task in question is clearly not one that can be executed either by imposing plans from above or by building them up piece meal from below. There are many facets, which must be taken care of at a national level. Their application to the underlying facts again requires a regional approach. In addition, important duties will have to devolve on the local interest-local authorities and the individual citizen undertaking development. The Council (SEPC), therefore, considers it imperative that the organisation to be created under a positive programme for the control of land use should consist of three tiers: national, regional and local.”<sup>58</sup> It is in this context that regional planning and development’s emergence in South Africa and particularly the western part of the Cape Province were defined.

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<sup>58</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p5.

The nature of the distribution of income as effects of market and state activity could in part be discerned, as poverty analysis at the turn of the century was largely incomes-based when Batson pioneered poverty datum lines as a method of measuring poverty in the western Cape in the 1930s. The measurement of poverty based on household income using the determination of Poverty Datum Lines and Effective Levels as an instrument were however present since the conduct of social surveys by Batson in the 1930s and 1940s and thereafter a number of regional based surveys by Watts and Potgieter in the 1960s. Other analysts were to ascertain the effects of inflationary trends on the costs of living and thus changing poverty levels. Although concerted attempts have been made to incorporate other considerations into poverty measurement<sup>59</sup>, social income in its various forms still remains at the core of poverty deliberations. Development practices in the sphere of the social however, considered as a process of planned social change designed to promote human welfare in conjunction with a comprehensive process of economic development, embraced matters that are the subject of inquiry of analysts evoking concepts such as the social wage, social capital and human resource development in analysis of income distribution and poverty.

Developmental discourse and practices that emerged traversed planning practices pertaining to the clustering of enterprises, labour markets and the social in both urban and rural settings. The approaches of oppositional organisations towards development based on the right to choose the form of government and the imperative to improve labour standards, economic advancement and social security for all, were, however, not accommodated. The development agenda pursued by the state were premised on a modernisation informed by the dichotomy between civilised and uncivilised or development and underdevelopment underpinned by changing power relations wrought by colonialism.

### 3

## Citizens and Subjects: the State, Civil Practices and Social Contract Formation

An examination of issues of governance and associated institutions at enterprise level, financial and labour markets, social and civic matters such as education, health and

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<sup>59</sup> See D. Wylie: *Starving on a Full Stomach-Hunger and the Triumph of Cultural Racism in Modern South Africa*, University Press of Virginia, Charlottesville and London, 2001.

housing are considered critical to understanding the nature of transformation required if poverty were to be effectively addressed. Here, the problem of poverty sparked a process of intervention in areas of housing provision, sanitation, water supply and health through the provision of a physical and social infrastructure that entrenched emerging trends of social identity formation through its influences in the production of particular life styles. The defence of civilisation and the development of industry against pauperism, immorality, sedition, disorder and revolt stimulated philanthropic activities that evaded a challenge to the evolving economic order. It focused on the family as the most important component of the social, not as a defender of the old order, but as an institution essential for the defence and improvement of living conditions. Philanthropy became a depoliticized strategy for the provision of public services and facilities and the generalisation of liberal humanitarian mores and values amongst the poor. It seeped into the pores and transformed social practices in the religious and other spheres of society.

The variety of educational, religious, language and cultural activities constituted fields of practices that facilitated an interfacing of the economy and the evolving administration. Various religious denominations were critical of evolving social welfare practices as evidenced by the activities of practising Catholics, Anglicans, Lutherans, Moravians, Protestants and Muslims. These provided techniques for managing conflictual relations and maladjustments in a social setting while focusing on the household and conceptions of what constituted the family. Their impact on economic activities and class formation were significant, while their relation with education and socialisation involved an adaptation to the modernisation trends. This involved, *inter-alia*, the accommodation of secular education. This together with the emerging educational institutions, whether oppositional or establishment, was central to the generalisation of the dominant mores and values.

A history of engagement involving civil society and the state played a crucial role in shaping the nature of enterprise relations in the local economy, the labour market and the social. Here an historical examination of how the demands and campaigns of labour, civic and other issue-based organisations impacted on equity considerations such as income distribution, including the question of a social wage, is important. It is the activities of some of these organisations, including labour unions, that were to provide the basis for the formation of broader social movements in response to the promulgation of the Hertzog Native Bills in 1926, generally perceived as making segregation declared

public policy. Later the 'pound a day' and anti-pass Laws campaigns of the 1950s and 1960s and more recent living wage and worker rights campaigns, and the engagement of the state on macro-economic policies such as taxation, privatisation and restructuring of state enterprises together with the campaigns on health, education, forced removals, housing, rents, rates and other basic services in the 1970s to the early 1990s, shaped approaches towards income distribution and the question of the social wage.

These oppositional approaches were reflected in the articulations and actions of various organisations ranging from the SANNC, AAC to NEUM. While a number of these organisations generally shared liberal humanitarian values enshrined in the Atlantic Charter some infused them with an approach that increasingly emphasised the relation, integral or not, between race and class. Analysts within the CPSA and NEUM who developed these responses, extended their critique to incorporating assessment of the then current discursive approach of studies such as Batson's Social Survey of Cape Town results, the Cape Flats Commission of Inquiry and the Social Economic Planning Council. Such responses were to contribute to providing the basis for the emergence of a more popular mass rooted protest movement during and after the Second World War as attempts were made to develop a more unified extra-parliamentary group. Strike and anti-pass activity as well as the broader political direction of opposition as informed by the precepts of the Freedom Charter (1955) and the Ten Point Programme (1944) epitomised the nature of responses to the changing state form and its development agenda particularly during the 1940s and 1950s.<sup>60</sup> These responses emphasised an array of freedoms. The use of envisaged instruments such as nationalisation of the commanding heights of the economy were critical to the pursuit of the overall objective of national liberation. The use of an array of tactics and strategies such as the strike, boycott and other forms of engagement or dialogue, co-option, legitimisation and contract formation and their circulation and functioning within discourse is part of an old problematic where the relation of the masses with rulers and democracy were considered pivotal.

The question of transformation, whether in the form of reform or revolution in

<sup>60</sup>See T. Karis and G.M. Carter: *From Protest to Challenge-A documentary History of African Politics in South Africa 1882-1964*, Volume One-Protest and Hope, 1882-1934; Volume Two-Hope and Challenge, 1935-1952; and Volume Three-Challenge and Violence, 1953-1964; Hoover Institution Press, Stanford University, Stanford, California, 1987.

South Africa resonated with global trends<sup>61</sup> as the programmes of various nationalists, liberal and socialist movements and tendencies in South Africa were to reflect. Poor whiteism and black poverty and inequality in the form of discrimination in employment, income, provision of basic services such as health, social welfare, education and housing provided the conditions for the formation of social movements that invariably included faith-based organisations, labour unions, cultural organisations, sections of business and non-governmental service providers and political parties. In some instances social movements arose based on a constellation of faith and community based organisations, non-governmental service organisation, labour unions and particular business organisations structured around a particular issue or set of issues. The Afrikaner nationalist movement, NEUM, AAC, BCM, ANC all emerged based on the need to resolve social and economic issues through a contest of social, economic and political rights. Participation in the local economy with particular reference to ownership and control patterns and labour markets and participation in social and political life through forms of control or national democratic transformation were central to characterising the nature of the interface between the state and its citizens and subjects historically. Considerations as to what constitutes freedom and development and the processes essential for their attainment has been a central feature of the debate for decades. The social identities and the nature of the state forged were to inform the nature of the interface between civil and customary practices and the state.

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<sup>61</sup>Through his examination of the philosopher Spinoza, Balibar shows that the formation of the modern state unleashes a range of propositional relations whereby the relations between the rulers and the ruled are ascribed by both those who rule and those who are subject to being ruled. A problematic that resurfaces continually throughout the 20<sup>th</sup> century in spite of the analysis and/or prescriptions of Weber, Marx, Lenin, Mao, Kautsky, Luxemburg, Bentham, Locke, Hobbes, Nkrumah, Nehru, Cabral, Ghandi, Fanon, Althusser or Foucault. Central to their deliberations were the attainment and expansion of freedoms through an examination of transformation conditions, constraints, opportunities and possibilities and their impact on human life. All had their roots in Kantian philosophy of the Enlightenment and pursued its components. Whereas most of their attention was focussed on the question of state or political power, analysts such as Gramsci and Foucault introduced changed approaches towards conceptualising civil and customary practices to understand the nature of the relation between the population and the state. To account for finer more detailed phenomena of power relations as "they are multiple; they have different forms, they can be in play in family relations, or within an institution, or an administration-or between a dominating or dominated class power relations having specific forms of rationality, forms which are common to them, etc. It is a field of analysis and not at all a reference to any unique instance." Hence civil and customary practices here referred to as the activity of non-state associations of society that covered all it's identified spheres, namely the economy, social, cultural and political. Social movements arose periodically based on a commonality of interest structured around a range of issues or a single issue. It can be located in the myriad of economic, cultural, social and political life that provide the terrain for the emergence of social action that shapes the nature of power relations and associated identities and defines democracy. Here "social action is understood as the product of complex social processes in which structure and agency interact in manifold ways and in which actors produce meanings, negotiate, and make decisions" See E. Balibar, *Masses, Classes and Ideas-Studies on Politics and Philosophy Before and After Marx*, Routledge, 1994, p5-6; M. Foucault: *Politics, Philosophy and Culture-Interviews and other writings 1977-1984*, Routledge, New York and London, 1990, p38; A Escobar and S.E. Alvaraz: *The Making of Social Movements in Latin America: Identity, Strategy and Democracy*, Westview Press, San Francisco, 1992, p4.

### (a) Governance and planning regimes

Different planning regimes specific to particular historical periods have been identified based on the relation between sector and spatial dimensions, intergovernmental relations, relations between civil and customary practices and governing structures, and the nature of the planning institutions themselves. The formative years witnessed the emergence of an array of different planning practices within municipal areas in provinces since 1910. Most of the local administrations emphasised land-use and its relation to an evolving property market while neglecting vital economic and social aspects. National government adopted a cautious and almost non-interventionist role in the newly constituted provinces before the Depression years of the 1930s. What, however, became critical, was the need for a regional approach to orientate the sector approaches of the different functional agencies based on the need for co-ordination.

First, questions of policy should no longer be decided independently but jointly, on a national basis and even on an international one. Second, in their detailed formulation and execution there must be co-ordination on the spot. The former would remove inconsistencies in basic outlook. The latter would ensure better adaptation to the circumstances of different regions, closer contact with the local people, and the more effective timing of the State measures. It is also not implied that all administration should suddenly be regionalised. Many administrative tasks have to do with functions, not with regions, or with regions having different boundaries from those which would be chosen for present purposes. Moreover, legislative authority and much of the ensuing administration have to proceed from political entities whose origin is not regional but racial and historical. Most certainly, however much of the administration connected with planning for development and for the control of land use can be made effective and can be better co-ordinated if decentralised on a regional basis, and policy should be moulded accordingly.<sup>62</sup>

Various facets of the approach towards regional development that emerged albeit in the form of the recommendations emanating from the Cape Flats Committee of Inquiry or the SEPC were however only incorporated into official policy during the latter Segregationist and grand-Apartheid periods. Some of the explanations offered by commentators involved the resistance offered to the implementation of the recommendations by provincial administrations and local authorities in some areas. More comprehensive answers might be found in the manner in which the political processes shaped the establishment and use of planning regimes. The nature of the policy and

<sup>62</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p4.

planning regime proposed straddled not only the competencies of national government, but also those of provinces, local authorities as well as various state agencies. Some of these institutions have historically developed different legislative and planning capacities whilst developing different approaches towards segregation. The focus of the evolving regional and local planning practices was on how the control of land use served as a critical instrument of regional and local economic, infrastructure and social planning. The vicissitudes of particularly localised economic and social planning were entrusted to a rapidly emerging profession of urban and regional planners ill-equipped to deal with the tasks at hand. Although “the idea of the economic unit, borrowed from the United States, was introduced into planning as a basis for calculations about how much land and stock would be necessary to meet subsistence requirements and cash needs of a rural family”<sup>63</sup>, the legacy of Von Thunen as well as the insights provided by PDL analysis hardly impacted on the Segregationist sponsored settlement patterns that were established and the regional development practices that emerged.

It was nevertheless evident that development emerged based on a duality of facilitating growth through wealth creation and poverty alleviation. Regional development emerged as a modernising strategy to facilitate the location and clustering of enterprises whether through decentralised activities that supported the provision of infrastructure, incentives, facilitating labour market formation and regulation. It was also critical to interventions in the social through the provision of services and products ranging from social welfare grants, housing and health to education. The regime in the form of post slavery colonialism, based on an ever changing and extending social and territorial division of labour and market relations, facilitated the emergence of these forms of development as an integral part of the trajectory of modernisation. Changes in the modalities of government and social and economic life during the Apartheid and post-Apartheid periods were to reflect a preoccupation with the same issues of growth and poverty, albeit in different circumstances.

The attendant population concentrations in urban centres, a changing rural environment and its social problems, accompanying changes in sources and forms of income and the human condition nevertheless spawned a plethora of approaches towards development that were rooted partly in the activities of non-governmental

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<sup>63</sup> W Beinart: *The Rise of Conservation in South Africa-Settlers, Livestock and the Environment 1770-1950*, Oxford University Press, 2003, p365.

organisations. Here, civic and labour organisations and related social movements were critical organisational forms of the local citizenry and subjects to facilitate engaging the relevant authorities on issues such as housing, landlessness and the provision of basic services such as water, welfare, health, education and energy.

The first regional development strategies contemplated can be considered high modernist largely due to the emphasis on the role of the state not only as a regulator but also as an instrument of direct intervention in local economic and social activities. The Cape Flats Committee of Inquiry, Social and Economic Planning Council (SEPC) and later the Council for the Development of Natural Resources (CDNR) and its appropriation by segregationist and Apartheid planning regimes all advocated more regulation and intervention based on the more effective co-ordination of government programmes. Differential economic and social strategies were reflected in the fragmentation of labour market institutions and housing provision strategies informed by race and ethnicity during the period of segregation. Neo-Apartheid-informed development encompassed the reform of institutions governing local economic and social activities through changing the form of regulation and intervention without reducing the size and complexity of the Apartheid state. Development practices that were technically driven relied on repressive measures to negate the interests of particularly the non-white parties and associated social movements.

What was evident is the extent to which development has been rehabilitated based on the complementary role of the market, the state and civil and customary practices using anti-poverty programmes as platforms after 1994. It has involved the recognition of the importance of the economic and social developmental role of the state pertaining to reconstruction and development. The state and markets are perceived in a more complementary manner based on the notion that markets constitute an effective instrument for the resource allocation in the realm of the provision of basic services. The establishment of service delivery levels, their pricing and impact on employment levels also informed demand side dynamics and policies that include the setting of tariffs. The need to confer human rights, to deal with basic needs and capability enhancement combining both the use of the market and the state and the construction of relations between the state and civil society as the basis of a new social contract shaped developmental priorities in the country. Policy formation and associated planning practices essential to the fulfilment of these identified priorities were critical in the

development of anti-poverty approaches at the time of South Africa's re-entry into world development politics. It had developed practices and processes that mirror the need to focus on both the supply and demand side of matters as essential to the pursuit of human development. These reflections have, however, not yet been encapsulated in a comprehensive analytical framework that deepens our understanding of these matters.

The nature of the state that emerged since 1910 can be characterized as modern and developmental, albeit traversed by racial differentiation during the Segregation and Apartheid period. It designed policies and instruments to promote economic and social development to govern market relations or to exploit new market opportunities. Policies and instruments that were to inform types of freedoms included "political freedoms, economic facilities, social opportunities, transparency guarantees and protective security."<sup>64</sup> What is critical is periodisation with particular reference to its changing relation to markets and its citizenry and subjects in the spheres of economic and social activity. This enables the construction of an understanding of the nature not only of the path of development pursued but also the institutional arrangements required to affect the necessary interventions. Interventions that therefore reflected the changing nature of the instruments used.

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<sup>64</sup> Sen, A: *Development as Freedom*, Oxford University Press, 1999, p10.



## Colonialism, Development and Governmentality

*The scramble for Africa, and the most active period of colonization, lasted less than a century. These events, which involved the greater part of the African continent, occurred between the late nineteenth and the mid-twentieth centuries. Although in African history the colonial experience represents such a brief moment from the perspective of today, this moment is still charged and controversial since, to say the least, it signified a new historical form and the possibility of radically new types of discourses on African traditions and cultures. One might think that this new historical form has meant, from its origins, the negation of two contradictory myths; namely, the 'Hobbesian picture of a pre-European Africa, in which there was no account of Time; no Arts; no Letters; no Society; and which is worse of all, continued fear, and danger of violent death'; and the 'the Rousseauian picture of an African golden age of perfect liberty, equality and fraternity'... Although generalizations are of course dangerous, colonialism and colonization basically mean organization, arrangement. The two words derive from the latin word col'ere, meaning to cultivate or to design. Indeed the historical colonial experience does not and obviously cannot reflect the peaceful connotations of these words. But it can be admitted that the colonists (those settling a region), as well as the colonialists (those exploiting a territory by dominating a local majority) have all tended to organize and transform non-European areas into fundamentally European constructs. -V.Y Mudimbe, 1988.<sup>1</sup>*

Although British colonial traditions covered significant areas in Africa, the prevalence of fragmented administrative forms impacted on the character and location of the array of productive and social relations especially in southern Africa. It was particularly the South African War that was the midwife of the birth of a unified colonial administration in South Africa. The South African War was instrumental in creating of conditions for an amalgam of the differing administrative traditions of the Boer republics and the Cape and Natal Colonies through a unified administration, despite the disruptive influences of the war on different administrations. Although traditional relations and associated forms of governance were subjected to its rule with the incorporation of the various territories of indigenous chiefdoms and kingdoms through

<sup>1</sup> V.Y. Mudimbe: *The Invention of Africa-Civitas, Philosophy and the Order of Knowledge*, James Curry, London, 1988, p1.

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the wars of conquests, the British protectorates of Botswana, Lesotho and Swaziland, areas with no significantly large and recognised settler communities, were not incorporated. The nature of the Vereeniging compromise thus gave birth to a new form of colonial governmentality through which the conflicting interests of the 'south' and 'north' was mediated. The establishment of a degree of centralism facilitated through national policy frameworks and conditions curtailed the powers of the former colonies that now had to operate through the newly established Provincial Councils. It was the new distribution of power relations among the various levels that mattered while the boundaries of previous administrations and associated levels of government were virtually left unaltered. The powers of the previous administration were now vested in the newly established national executive and legislative authority of a new state form.

By 1910 the Cape Colony constituted one of its four Provinces and the western Cape Province one of its regions. The establishment of reserves administered by the colonial administration in collaboration with local chiefdoms was the most common form of governance of the subjugated. In response to this new form of government were "stresses and strains, adjustments and modifications that had to be made to the social and cultural fabric of the indigenous communities" However these communities were able to survive and mount continual resistance.

The characteristic outcome of almost all these conflicts was threefold. Over the decades, Africans gradually lost more and more of their land and capital and a larger number of them were in turn forced into the service of the colonist. Secondly, despite support from their home governments the colonists' forces did not achieve the military victories at once throughout the country. Thus after almost every war Africans still retained some of their lands. Thirdly, the longer the conflicts lasted the stronger the cultural resistance towards what was considered to be the culture of the colonists, viz. capitalist culture. Probably more than all else, it was this cultural alienation of a large number of Africans from bourgeois culture that has had a lasting effect on the capitalist system in South Africa.<sup>2</sup>

The apparent shift in colonial policy, from a form of Cape liberalism before the 1870's that denoted 'equality before the eyes of the law' to a subsequent pre-occupation with the administration of blacks, concealed, however, the prevalence of relatively conservative but nuanced administrative traditions in what became the provinces under both the segregationist Union and the Apartheid Republic. As a British dominion and later a republic in 1960, South Africa was essentially controlled by 'whites' who "in

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<sup>2</sup> See M. Mbeki, *Classes and Class Struggle in South Africa: 1657-1963*, M.A., Warwick University, 1982, p7.

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principle, had readily at hand the political, cultural and military means for successfully asserting themselves.<sup>3</sup> They staffed an evolving administration that was crucial in the functioning of the legislative and executive arms of various levels of government. It was the commonality in their origins and functioning in the context of the British Empire together with their fear of the dominated that shaped the formation of the changed colonial administration in the context of the existence of humanitarian liberalism and imperial economic interest. Attempts at constituting more elaborate forms of indirect rule through the creation of various types of national co-ordinating, consultative and to a lesser extent executive structures for blacks, elicited mixed responses.

Interventions as reflected in the enactment and application of legislation in the spheres of industrial development, agriculture, labour market institutions and social policy, crystallised the prevalent and changing character of alliances between capitalist and landlord classes in an endeavour to organise the conditions of capitalist accumulation whilst organising the rest of society under its hegemony in an unprecedented manner. The resultant institutional forms were fostering and sustaining a particular path of economic change and the processes through which institutional adaptation occurred. The intersection between human agency and structured patterns of social interaction as encoded in legislation and the functioning of various organisations involved the persistent and connected sets of rules that generate and secure adherence to norms intended to define social roles and govern behaviour in social settings.

The features of industrial policies, that affected local economies in various ways, involved inter alia protectionist or import-substitution strategies. During the pre-Second World War era, protectionist policies were not accompanied by effective support structures for infant industry. The establishment of the centrally controlled South African Railways and Harbours, the Electricity Supply Commission (ESKOM) in 1923 and the Iron and Steel Corporation (ISCOR) in 1928 through statute and with the assistance of government funding and involving complex processes that were informed by Afrikaner nationalism, poor whiteism and employment creation strategies and relations with the international market, amply illustrate this proposition.<sup>4</sup> This was only marginally rectified

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<sup>3</sup> Benedict Anderson: *Imagined Communities*, Verso, London New York, 1991 and Bill Nasson, *Abraham Esau's War, A Black South African War in the Cape, 1899-1902*, David Phillip-Cambridge University, 1991.

<sup>4</sup> See N.L. Clark; *Manufacturing Apartheid - State Corporations in South Africa*, Yale University Press, New Haven and London, 1994.

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when the expansion of their capacity and the establishment of the Industrial Development Corporation and the improvement of the harbour infrastructure and military equipment accelerated industrialisation.<sup>5</sup> The provisions for agriculture involved the development of specialised institutions such as the Land and Agricultural Bank of South Africa and the Agricultural Credit Board, agricultural marketing boards, co-operatives, research institutions and privately owned service organisations particularly for the commercial sector. Small scale farming by blacks, resettlement policies and their entrée into commercial farming were largely determined by the Land Acts of 1913, 1916 and 1936 and the Mission Stations and Communal Reserves Act of 1911. These kinds of legislation together with the Masters and Servants Act and the Native Contract Act of 1932 were critical in curtailing access to land and facilitating the provision of labour for commercial farms and mining.

In addition, the central government since 1910 was responsible “for the formulation and implementation of national policy on political, economic, financial, educational, social and cultural matters, including relationships between the population groups and the co-ordination of the activities of the three tiers of government, as well as the public with the private sector...Certain functions of government which can be carried out conveniently at a provincial or regional level, have been transferred to the four provincial authorities, but historical, political and economic factors as well as pragmatic considerations, have all exercised an influence on this division of functions. The functions thus transferred comprise mainly provision of roads, hospital services, White education, advancement of culture, nature conservation, and supervision of local authorities....Functions relating more specifically to local communities, have been transferred to local authorities by provincial ordinances and in certain cases by Central Government legislation.”<sup>6</sup> It is this relationship that has historically structured inter-governmental fiscal relations that has been detailed in numerous reports of which various reports of the SEPC, the Main Report on Urban Authorities of 1967 and the Browne Committee of 1980 are the most important. The capacity of the national government to place at the disposal of various provinces and municipalities financial and other resources in terms of a national framework given the disparities in the distribution of income

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<sup>5</sup> *ibid* and P. Wilkinson: *A Discourse of Modernity: The Social and Economic Planning Council- Fifth Report on Regional and Town Planning, 1944*, African Studies, Vol. 55, No 2, 1996.

<sup>6</sup> *Report of the Committee of Inquiry into the Finances of Local Authorities in South Africa*, Volume 1, 1980, RSA, p141.

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within South Africa amongst and within regions and between the elite and poor and officially classified population groups, impacted on the capability of the state to resolve equity problems. It was largely governed by macro-socio-economic framework conditions informed by monetary and fiscal, industrial and agricultural and social policies, legislative frameworks and available executive capacities. Regional, local, agricultural and industrial policies using funding provided by the central fiscus for their implementation were dependent on the competencies of national, provincial and local authorities as determined by the constitution and other legislation.

Despite having had limited government responsibility by 1872, the national constitution in 1910 now circumscribed the powers of the Cape Colony. It became one of four provinces with delegated competencies. It retained limited jurisdiction, over the same geographical area it controlled before the formation of union. In terms of the constitution, provinces were largely reliant on the central fiscus to fill their coffers through transfer payments, whilst they were required to act as facilitating and co-ordinating agencies with limited executive powers. The capacity of the provincial administration to play an effective role in the provision of infrastructure was constrained by its legislative powers, financial and organisational capacity, budgetary priorities and relation with oppositional social movements.

Local authorities were not in a very dissimilar position as they had a limited tax base that created a reliance on the provincial and central governments to fund capital projects. Although the SEPC recommended in the 1940s that the Cape be relieved of its financial obligations, the prevalence of particularly regional and local arrangements within a broad national framework was not uncommon in other areas of administrative and political activities.

One characteristic of some of the above financial relationships is the anomalous manner in which financial burdens and privileges are found distributed as between the local authorities of one province and another. Instances are:

1. Cape local authorities are compelled to contribute towards the deficits of the general hospitals within their respective areas of jurisdiction. No such obligation is imposed on local authorities in the other provinces.
2. The Cape local authorities are also alone in being obliged to finance certain aspects of poor relief under the Cape Poor Relief and Charitable Institutions Ordinance, 1919.
3. The local authorities in the Transvaal derive considerable financial benefits under the Motor Vehicle Ordinance of 1931. The annual registration fee payable by

owners of motor vehicles to local authorities in Natal is the only other comparable source of revenue of any of the local authorities in the other provinces. The amount of revenue received by the Cape and Free State local authorities from motor vehicles is of little or no significance.

4. Local authorities in the Transvaal are singular in being deprived of any benefit from the Native registration fees payable under the Natives (Urban Areas) Consolidation Act 1945<sup>7</sup>

Larger municipalities with a good economic base were relatively better placed in terms of their capability to intervene. They were, however, still subjected to the supervision of the Provincial Administrations to whom limited competencies were devolved. Divisional Councils were considered specific to the Cape and extensions of its Provincial Administration.<sup>8</sup> "The first aspect of local government to be investigated is obviously whether, as regards area, it is sufficiently comprehensive, i.e. whether all areas, both urban and rural, are covered. Only the Cape Province with its network of local authorities can be said to qualify in this respect. Urban communities in the Cape are governed by three gradations of local authorities, namely, municipal councils, village management boards and local boards. Rural areas, including local areas, are largely under the jurisdiction of divisional councils. Where there are no divisional councils, Native Local Councils have been delegated certain local government functions."<sup>9</sup> The mission stations and tribal authorities<sup>10</sup> were considered local authorities insofar as their functioning was subjected to that of national departments' regional offices, provincial and local administrations. The executive, legislative and administrative powers of the local authorities differed as prescribed by both customary and civil legislative frameworks. While these functions were dispersed among different authorities in the case

<sup>7</sup> The South Africa Social and Economic Planning Council: Report No.8: *The Native Reserves and their place in the economy of the Union of South Africa*, U.G. No. 32 – 1946, Government Printers, Pretoria, p38.

<sup>8</sup> Report of the Committee of Enquiry into the Finances of Local Authorities in South Africa, Volume One, RP 50\1980.

<sup>9</sup> The South Africa Social and Economic Planning Council: Report No.8: *The Native Reserves and their place in the economy of the Union of South Africa*, U.G. No. 32 – 1946, Government Printers, Pretoria.

<sup>10</sup> A large number of reserve settlements were established in the old Cape Province as "Political determinants, wars of dispossession, mission activity, resistance of diverse kinds, shifting alliances all contributed to the construction of the rural landscape of the Cape. This is not the occasion to render justice to the richly textured and nuanced historical processes and battles, which shaped the universe of communities, hosted by the reserve settlements. There are twenty-one such settlements in the Cape Province. Religious institutions, private persons and trust account for an additional 100 or so concentrations of rural 'coloured' communities with access to varying sizes of agricultural land. The most significant mission stations established in the western Cape region of the old Cape Province were Elim, Genadendal, Ebenezer, Mamre and Zoar. Their inhabitants, drawn from former or descendants of slaves, Khoisan were officially considered to be predominantly coloured. Mission stations in the Eastern Cape bore the hallmark of relations between the Xhosa speaking local population and missionaries. The mission station of Genadendal in the Overberg sub-region of the western Cape was considered to be one of the most successful.

of municipalities<sup>11</sup>, the church and tribal authority head were the seat of its concentration. A number of 469 local authorities were established by 1978. The bulk of these authorities, that is 388, could be classified as municipalities followed by smaller village boards (44) and administration boards (22). Two hundred and fifty four (254) of these authorities were established within the boundaries of the Cape Provincial Administration (CPA). They could also be classified by size and economic significance. Two of the five metropolitan core areas were within the CPA, with one, Cape Town being in the Western Cape. There were 37 municipalities and one administration board in Cape Town. This discounts 88 Divisional Councils that functioned more as an extension of the provincial administration.

The magisterial district, however, constituted the area of operation of the judiciary in its enforcement of both customary and civil law. Between 1897 and 1994 the various magisterial districts were subdivided and new ones established. The western Cape constituted a region of the larger Cape Colony that eventually became one of four provinces after the Act of Union of 1910. By 1994 it had become one of the nine demarcated provinces of South Africa with the adoption of a new constitution. It comprised of the following magisterial districts between 1897 and 1994. Greater Cape Town known today as the Cape Metropole, consisting of Bellville, Cape, Goodwood, Kuilsriver, Simonstown, Somerset-West, Strand and Wynberg. It is bordered by all regions except the South Cape and Karoo. Clanwilliam, Hopefield, Malmesbury, Moorreesburg, Piketberg, Vanrhynsdorp, Vredenburg and Vredendal formed what was commonly referred to as the West Coast, Oliphants and Swartland area. Ceres, Montagu, Robertson, Tulbagh and Worcester were referred to as the Breede River or part of the Boland. Paarl, Stellenbosch and Wellington were traditionally considered as part of the Boland or the Winelands area. Together the two areas today constitute the Boland region. The Bredasdorp, Caledon, Hermanus and Swellendam districts are known as the Overberg area. Beaufort-West, Laingsburg, Calitzdorp, Ladismith, Murraysburg, Oudtshoorn, Prince Albert and Uniondale are known as the Karoo or Groot and Klein Karoo respectively. The Klein Karoo together with George, Heidelberg, Knysna, Mossel Bay and Riversdal that constitutes the well-known South Cape.

<sup>11</sup> See also C.J. Scheepers Strydom: *Beville: Wordingsjare van 'n Stad-Growth of a City*, Nasionale Boekdrukkery, Goodwood, Kaap, 1981.

While these districts served as functional areas for the judiciary, the functional units for purposes of particular aspects of socio-economic and political governance were different in that they were established and governed by an array of different statutes. The differences in the functional and territorial jurisdiction of local authorities illustrate this. The demarcation of the geographical areas of operation of local authorities were not guided by the magisterial boundaries established and revised by the Department of Justice, but by processes devised under the jurisdiction of demarcation boards. Interpretations of the information derived from the census data were nevertheless critical in the establishment of socio-economic and political institutions and the determination and organisation of the delivery of services and assets. The introduction and use of various methods of planning to assist with the regulation and management of the economy and welfare before and particularly after the Second World War at a local level were nevertheless informed by the continual use of magisterial districts as statistical units. One or a combination of magisterial districts constituted the statistical region that was essential to the provision of demographic, economic and social information and the construction of racial classifications and their systematic quantification within prescribed delimited territories. The collection of demographic and economic data through the conduct of various censuses remained of vital importance to the administration and its military and socio-economic operations. Although local authorities and the provincial administrations commissioned their own surveys and studies, the establishment of the Central Statistical Services and later the Central Economic Advisory Services and South African Reserve Bank centralised the development of the state capability to execute such a responsibility. The translation of this information into local strategies meant that only limited planning competencies were devolved to provincial and some local administrations while national departments and parastatals developed institutional capacities in local and provincial areas where considered appropriate.

Various Commissions instituted by both the national, provincial and local governments significantly impacted on the process of policy formation as embodied in statutes and codes, resource allocation and development strategies in the provinces and their regions. In addition to the nationally appointed commissions and the Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division in 1942 by the Department of Social Welfare, the

Batson investigation<sup>12</sup> gathered valuable information that led to the production of numerous reports that contain some recommendations that became part of policy frameworks. The establishment of the Social and Economic Planning Council (SEPC) as a non-statutory and advisory body in 1942 was in response to the need for greater economic and social policy support and co-ordination as expressed by a number of parties, particularly the recommendations of the Industrial and Agricultural Requirements Commission of 1941 and the lobbying of the Herenigde National Party since 1935. The establishment of the SEPC was however effected in circumstances of a public debate about the nature of post-war reconstruction. "The Council is charged by its terms of reference with the analysis of social and economic conditions and policies. It is further required to formulate plans for raising production and living standards in the Union. Due to the prior claims of the war, these activities must, of necessity, be directed mainly at the post-war period."<sup>13</sup>

The Council produced numerous reports that were to inform the nature of post-war strategies, including the need for more effective planning and co-ordination at regional and local level. The acceptability of these recommendations related to the extent to which it considered the distribution of the existing national, provincial and local constitutional competencies and the functions of associated administrative arrangements. The deliberations of the Social Economic and Planning Council during the Second World War and its disbandment thereafter provided the first experience that considered and built on local institutional arrangements. It informed the racially exclusive national executive and legislature that had wide ranging powers to collect and allocate revenue resource allocations to provinces in terms of pre-war segregationist and post war apartheid agendas. A process of modernisation and identity formation was led by a white controlled state positioned in an imperialist nexus under the aegis of British dependency that informed the nature of governance. The emergence of poverty as a problematic and the use of a particular approach towards modernisation of both a colonial and developmental character informed the planning processes, strategies and outcomes.

<sup>12</sup> Batson, H.E.: *The Social Survey of Cape Town*, Reports and Studies no's ss3 - ss18, UCT School of Social Science, Cape Town, 1944-1953 and *Poverty datum line in Cape Town in 1938- 1939 and in 1949* in South African Journal of Science No 46, February 1950.

<sup>13</sup> The South Africa Social and Economic Planning Council: Report No. 1, *Re-employment, reconstruction and the Council's status*, U.G. 9 - 1943, Government Printers, Pretoria, 1942, p1.

The common thread running through the policies promulgated was its redistributive character and associated measures. Codified and de facto broad affirmative action and other preferential policies were not simply a response to the plight of the poor whites, but a redistributive measure based on alliances, compromises and concessions involving classes and social identities. The development of an Afrikaner nationalist movement with strong traditions rooted in the South African War and the effects of the Great Depression was instrumental in the development and enforcement of such compromises. The liberation movements were marginalised through compromises that prohibited the expansion of the franchise. Their continual agitation for universal suffrage through the use of lobbying methods such as petitions and demonstrations using regional and ethnically based organisation had minimal impact. The growing labour movement however, that increasingly incorporated blacks, impacted on the extension of worker rights at enterprise level that was soon to be reversed after the Second World War.

The resultant regional institutional configuration and capacity informing the development of the territorial character of these multiple socio-economic policies has been neglected by most of the literature analysing historical development in the Cape Province and particularly the Western Cape region. An assessment of institutions at regional and local level to effect policy development and implementation has not been exhaustively explored. Evaluations of institutional capacities have primarily been associated with analysis of focused themes such as the racism, nationalism, ethnicity and the decision-making processes and results of the national executive and legislative apparatus. Few have provided detailed reflections on the decision-making processes of local and provincial governing structures and their relation with the national structures. Even fewer have commented on the institutional arrangement and impact of civil society orientated institutions and the effect of everyday life practices on policy formation, and social and economic change. The intention here is to consider these matters through reflections on modernization, identity and the formation of a white-controlled dominion, the resultant governance arrangements and poverty in the context of the prevailing power relations.

## Modernisation, Identity and the Formation of a White Controlled Dominion

An official distinction between Coloureds and Bantu occurred for the first time in the 1904 Cape census.<sup>14</sup> There were now three "clearly defined race groups in this colony: White, Bantu and Coloured." with the last category referring to "all intermediate shades between the first two"<sup>15</sup> The category Coloured or alternately Hottentot " included the mix race of Hottentots and the white and coloured inhabitants" in other words Non Europeans.<sup>16</sup> 'Malay', 'Fingo' and 'Kaffir proper' were formerly considered sub-categories. The ethnisation of racism towards the non-europeans was partly a result of the nationalism among the creole population towards the subjugated. When linked to issues such as language and other cultural diversities among the dominated it engendered a fictive ethnicity that contributed to the emergence of nationalism among the subjugated. All legislative provisions subsequently reinforced this redefinition in the context of the development of a uniform 'native policy' for all the four colonies. Natives were specified as "an aboriginal inhabitant of South Africa, south of the equator, and to include half castes and their descendants by Natives." The Dutch Reformed Churches Union Act of 1911, subsequently excluded Coloured families from belonging to white congregations outside of the Cape Province, while the 1912 Union Defense Act restricted military service and conscription to whites only.

The related category of "civilisation" was used invariably by the Administration and political organisations to refer to those amongst the indigenous, who were literate and numerate in terms of European standards, practiced monogamy and had access to property and were enfranchised in the case of the Cape Colony. R.F.A. Hoernle (1939) attributed this practice to the character of Cape Liberalism that "was never, in practice, as completely 'colour-blind' as it was in theory. The most famous example is the introduction of educational and property qualifications for the exercise of the political franchise at the Cape-qualifications defined irrespective of race, but none the less such that all White men satisfied them normally, and, as it were, automatically, whilst they excluded the great majority of Native men who were still 'raw kafirs', and made the

<sup>14</sup> Cape of Good Hope, Census 1904, G19/1905, pxxi.

<sup>15</sup> G. Cory: *The Rise of South Africa*, Longmans, London, 1910, p192.

<sup>16</sup> See South African Native Affairs Commission Report, 1, p.13.

acquisition of the right to vote keep step with the slow process of economic and educational acculturation... it illustrates the acknowledgement of a difference in race. But it must also be emphasised that it was still a 'liberal' policy, and that mere race, as such, was not held to debar a man from rising to the dignity and privileges of a civilised being, as represented by the pattern of a European."<sup>17</sup> The subjugated nevertheless appropriated and embraced these 'civilised' values, which evidently contributed towards the apparent development of patriotic attitudes supportive of British imperialism during the South African War and the First World War.

Although the élites adopted and spoke English as a means of communication as reflected in the print media and instruction in schools, most of the rural and urban workers classified as Coloured used Afrikaans as their home language despite the rejection of it between 1910 and 1912 as "vulgar patios, fit only for the kitchen" by the A.P.O when the Cape Provincial Language Ordinance of 1912 was considered.<sup>18</sup> The use of the facilities such as printing presses and skills acquired for political purposes were largely curtailed by mission societies. The communication of ideas through the use of the spoken vernacular in newspapers established by various political, religious and educational organisations were, however, instrumental in the development of opposition strategies towards colonial racism.

It is evident that the language trends reflected different traditions of colonial domination and responses thereto. They offered a means of transcending actual individual and political relations and constituted a route to, but not sufficient for, the production of ethnicity. It required the institution of a supplement in the form of race in relation to its openness to facilitate a major contribution to the constitution of an ethnic identity. Shared cultural elements and aspirations with whites, for example language and religion, common concerns and interest with African élites, coupled with increased segregationist pressures created the conditions for the adoption of 'Coloured' as an ethnic identity by a large number of subjugated in the Western Cape. The category Coloured could be considered primarily as an administrative imposition by the turn of the century. It was however produced and reproduced within the space constituted by

<sup>17</sup> R. F. Alfred Hoernle: *South African Native Policy and the Liberal Spirit*, Witwatersrand University Press, Johannesburg, 1945, p60-61.

<sup>18</sup> See G. Lewis., op cit.p71 and M. Adhikari; *Let Us Live For Our Children: The Teachers League of South Africa, 1913-1940*, UCT Press-Buchu Books, 1993, p102.

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conquest and colonisation with its concrete structures of administration, housing provision, education and employment practices, land tenure provision and sexual oppression irrespective as to whether private or public concerns were involved.

Although the secession of military hostilities among the 'north' and 'south' regions were achieved by British military dominance enforced by a negotiated settlement, it only succeeded in transforming the military conflict through negotiations into a conflict differently regulated by the new centralised colonial administration. While the black/white, class and other conflicts were not resolved, a fragile unity of white creole interest was achieved. The new state form, a compromise between union and federation, facilitated the establishment of a degree of centralism through policy frameworks and conditions that curtailed the powers of the former colonial administrations that now had to operate through the newly established Provincial Councils. The emerging state form operated within the international ambit of a British colonial imperialist political policy. As a dominion it was essentially controlled by 'whites' or what Benedict Anderson (1991)<sup>19</sup> refers to as 'Creoles' meaning those who were of 'pure' European descent but born anywhere outside Europe.

It is in this sense that the political functionaries of the four colonies armed with a burgeoning nationalism and the parallel growth of racism towards the indigenous played a decisive historical role. The 1910 agreement was therefore intended to reflect a compromise between the intense racism of the Boer republics of the north and Cape Liberalism i.e. the traditions of British Colonial policies informed by the mid-nineteenth century philanthropic humanitarianism. This was a compromise of conservative administration that was more favourable towards accommodating creole nationalisms than the varieties of black nationalisms.

The South African Party (S.A.P.) had to accommodate the compromise governing the union of the provinces by developing an executive, legislative, civil service, judicial, police, army and ideological apparatus operating and seeking to structure relations between government and society and class relations within society. Their task

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<sup>19</sup> This was largely possible because of the position of the 'Creole's in the colonies were imbued with the same characteristics that Benedict Anderson in his *Imagined Communities*, Verso, London New York, 1991 observed elsewhere. "If the indigenous were conquerable by arms and disease, and controllable by the mysteries of Christianity and a completely alien culture (as well as, for those days, an advanced political organisation), the same was not true of the creoles, whom had virtually the same relationship to arms, disease, Christianity and European culture as the metropolitans. In other words, in principle, they had readily at hand the political, cultural and military means for successfully asserting themselves" p58.

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was largely facilitated by the consideration that the administrations of the Boer Republics were destroyed during the South African War. The administration was subsequently reorganised along British lines when British High Commissioner, Lord Milner, appointed the 'Kindergarten' to head the 'anglicisation' of the Transvaal and later the Orange Free State. "Milner nevertheless did much to improve conditions in the Transvaal and the Orange Free State after the war of 1899-1902. He obtained a loan of R140 million rand (One British Pound as against four Rand) from the British Government with which he developed the Transvaal and the Orange Free State. New railroads were built, private railroads were bought out, other public works were undertaken, and land was bought for the new settlers. The Rand Water Board that was to be in control of the water supply to the Witwatersrand, was established in 1904. A customs agreement between Britain, the Transvaal, and other surrounding areas was entered into, a forestry department established, and irrigation improved"<sup>20</sup>

A compromise that attempted to accommodate the few that were considered 'coloured' and/or 'civilised Bantu' who complied with the required property qualifications retained access to the franchise in areas previously administered by the Cape Colonial government. Those 'Non-Europeans' who fought with the British troops were motivated by the promise that their enfranchisement would be secured and extended by a British victory. The extent to which the compromise was to impact on the political arrangements within the Cape Colony was related to the distribution of constituencies within magisterial districts. By 1897 there were 78 magisterial districts throughout the Colony. Twenty-seven or 35% of the districts were located in the western Cape region. The balance was distributed primarily among the eastern Cape, Midlands and northern Cape regions. Although the registered Coloured voters in the Cape in 1904 "numbered only 14 836 or 3,7 per cent of the total Coloured population, as compared with 119 906 white voters, or 20,7 per cent of the total white population, Coloured voters were concentrated in certain constituencies. They formed more than 20 per cent of the electorate, for instance, in Cape Town's District Six (35%), in Paarl (23%), in Stellenbosch (28%), and in Namaqualand (25%)."<sup>21</sup> Those classified as African were mainly concentrated in the Eastern Cape and to a lesser extent the North Eastern and

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<sup>20</sup> See Le May, G: *British Supremacy in South Africa*, Clarendon Press, Oxford, 1965, p154 and Marais, D; op cit.

<sup>21</sup> F. Wilson and D. Perrot; eds. *Outlook on a Century: South Africa, 1870- 1970*, Lovedale and Spro-Cas, 1973, p375.

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Midlands regions.<sup>22</sup> The ability of the "non-Europeans" in this instance the "Bantu" (or "blanket kaffirs") as they were now officially classified by the colonial administration) to impact on the evolving political order from a position of subjugation was significantly curtailed, since being denied access to the franchise and other political rights by the Vereeniging Peace Treaty that formally ended the South African War in 1902.

The basis was laid nevertheless for the development of a more comprehensive policy that significantly contributed to the bifurcation of the newly formed colonial administration along the lines of particular definitions of ethnicity, race and nationalism. The task that awaited the newly and first constituted white male dominated legislature and executive involved the development of a state apparatus that had a national character. The constitution permitted the development of a state form driven by a three-tier government structure, empowered at central, provincial and local levels. Its operations at a local level involved local authorities and various provincial and national departments including apparatuses such as the police force, executing its strategies in a particular geographical area. This required a process of appraising, financing, monitoring and evaluating local state interventions by provincial and national authorities as specified by legislative provisions that could be constitutionally enforced by the judiciary and security apparatus. The evolving administration was crucial in the functioning of the legislative and executive arms of various level of government.

## **1.2. Governance, Development and Poverty Alleviation**

The relation between various levels of government and their spatial implications is critical to the development of an understanding of how local forces shaped, hybridised and transformed the political technologies of development that were deployed. The incorporation of the Cape Colony into the national economy and political life required a recasting or redefinition of the categories of race, nationalism and ethnicity by the administration.

The upper classes of 'Creoles' came to use their access to the administration as a means of strengthening their political and economic base. This was all in the midst of the increased incidence of poverty. The effects of the rinderpest epidemic, South African

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<sup>22</sup> See L.M. Thompson, *The Cape Franchise*, S.A.I.R.R. New Africa pamphlet and the Union Year Book 23,1946 to

War, and the increased presence of the poor in urban areas as a result of industrialisation sparked an 'ethnisation' and 'racialisation' of poverty by the dominant classes. The conditions depicted by the 1893 Cape Colony's Labour Commission were worsened by the destruction of the means of production through the 1891-1902 war coupled with the impact of natural disasters. The post Great War industrialisation exacerbated the problem as the Carnegie Commission's observers noted. The "sons are, however not wanting that this racial barrier is being broken down, especially where the standard of living of some Europeans is approximating more and more that of natives...In this way it has come about that there are whole families who bear the names and surnames of Europeans, but who are coloured. The 'poor white' problem here appears under a different form, because such families may indeed be 'poor' but are no longer white'. Were it not that some of the lower types of Europeans disappear in this manner, problem of the poor whiteism would undoubtedly loom larger than it does today."<sup>23</sup> These circumstances provided fertile ground for the development of Christian nationalism among poor whites. Two broad strands rooted in Afrikaner Nationalism dominated Union politics. Those that espoused the need to unite whites around a common destiny as espoused by the South African Party (SAP) under the leadership of L. Botha and J. Smuts were distinct from the Nationalist Party, led by B. Hertzog, that perceived their future with the development of the Afrikaner Nationalist movement. "The struggle against British imperialism was more than a military one. The war with weapons had been fought and lost -for the moment. The spiritual and cultural struggle had to continue, or begin again and be sustained on other flanks: education and language, welfare and economics"<sup>24</sup>

The DRC and associated churches, while the subject of tensions between evangelical theology and revivalist piety of the Murray brothers and the neo-Calvinists of Kuypertian extraction, eventually became a central vehicle through which Christian nationalism was proclaimed<sup>25</sup>. Although its position as the official church and thus its receipt of government sponsorship was terminated in 1875, it continued to perform the

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ascertain the distribution of voters among racial groups in the Cape Province.

<sup>23</sup> See JR Albertyn: *The Poor White and Society. Report of the Carnegie Commission*, Pro Ecclesia Press, Stellenbosch, 1932, p37-38 and W. Dooling: *The Good Opinion of others: Law, Slavery and Community in the Cape Colony, c.1760-1830* in *Breaking the Chains: Slavery and its Legacy in the Nineteenth-Century Cape*, Eds. N. Worden and C. Crais, Witwatersrand University Press, Johannesburg, 1994.

<sup>24</sup> Maurice collection, Sect.B1, APO organising secretary to A.P.O. Nelspoort, 10.7.1923 as cited in G. Lewis, op cit.p121.

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social responsibilities of an establishment church. It could, however, not remain aloof from the plight of the congregation and associated nationalism. "Many Afrikaners, especially in the cities, were very poor, and the church was their main source of comfort. Some Dutch Reformed ministers left the pulpit and entered politics, while many others supported the struggle through social and cultural organisations."<sup>26</sup> The Anglican and Roman Catholic churches, affected by crusades of its priests in the English slums vigorously pursued social responsibilities among the poor, if informed by paternalism associated with white guardianship in relation to blacks.

All churches responded to the increased impoverishment of their congregations, black and white, in differing ways. The ideological prisms of race and nationalism mediated their actions and impact on official policies as "The Christian missions brought Africans and whites together in new structures of relationship, and under dedication to a universal ethic..."<sup>27</sup>. While Muslims were subjected to these processes while accessing these facilities, they retained effective control over their religious practices. The Islamic world was nevertheless required to respond to the plight of its congregation through the establishment of social welfare agencies such as the South African Muslim Association in 1903 and the Cape Malay Association in 1923. While the various religious organisations developed various social welfare and relief agencies, they never significantly impacted on the general poverty levels. To this end various state-sponsored poverty alleviation strategies were considered necessary.

It was only after the adoption of most of the recommendations of the Unemployment Commission that a significant attempt was made to intervene in various aspects of economic activity with employment creation for poor whites as a central objective. Commissions preceding the Carnegie Commission of Inquiry made similar observations of the levels of poverty and the limited impact of non-governmental relief measures. But its recommendations led to a social policy that stressed the development of administrative methods to implement relief measures initially and later employment creation measures. After the release of the findings of the Unemployment Commission in 1921-1922 the forestry settlements played a significant role in poverty relief amongst

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<sup>25</sup> see J.W. de Gruchy: *The Church Struggle in South Africa*, David Philip-William B. Eerdmans Publishing Company, Claremont, South Africa, 1986.

<sup>26</sup> See J.R. Albertyn: *The Poor White and Society. Report of the Carnegie Commission*, Pro Ecclesia Press, Stellenbosch, 1932, p37-38.

the rural unemployed. "Of all the types of unemployment relief work so far undertaken, afforestation has proved itself the most valuable, both financially for the state and as a means of rehabilitating the workers and their families; this work has the important element of permanency which is absent in other forms of relief work."<sup>28</sup> Other measures involved employment on the railways and irrigation works. Industrial, mining, agricultural, transport, trade, labour and housing market policies all became imbued with poverty alleviation strategies aimed at poor whites. Even 'balanced budget' fiscal policy was not immune from a reorganisation of spending priorities made possible by economic growth between 1921-1929. The surpluses accrued during this period were transferred to the 'loan account' that was partially used to effect substantial capital investment in, "inter alia, Railways and Harbours, Local Works, Telegraphs and Telephones, and Defence."<sup>29</sup>

This marked a difference from the previous British system of administration in the Cape Colony that involved the establishment of a Crown Lands and Public Works Department (split into two departments in 1893), Departments of the Receiver of Revenue, the Paymaster General and Native Affairs. While the Appropriations Budget also marked a change from the previous financial arrangements of the VOC, which were based on commercial interest, only the change in the start of the financial year and the income and expenditure items were the characteristics shifts in the post 1910 period. Provinces retained the right to establish their own administration and associated financial accounting practices in the context of constitutional competencies.

This was also to effect the self-government arrangement of the former Cape Colony, an establishment of two houses and a constituency based electoral system, to overcome strong secessionist tendencies among predominantly white constituents in the Eastern Cape. At the turn of the nineteenth century the colonial administration had mapped the Cape Colony into two provinces, namely the Western Cape and Eastern Cape.<sup>30</sup> This division emerged out of the first investigation into the public service in the Cape. The report of commissioners of inquiry upon the administration of the government at the Cape of Good Hope of 1827 was related to the administration as distinct from the arrangement of executive and legislative powers in the colony.

<sup>27</sup> L. Kuper, *African Nationalism in South Africa, 1910-1964* in *The Oxford History of South Africa, II*, p434.

<sup>28</sup> Annual Report of the Department of Labour, 1922,p12.

<sup>29</sup> I. Abedian and B. Standish, *An Economic Inquiry into the Poor White Saga*, S. A. L. D. R. U. Working Paper No 64,p69

<sup>30</sup> *ibid.* and see G. Lewis, *op cit.*

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Provincial-based secessionist tendencies emerged in 1853 during deliberations about a new constitution when people in the districts of East London, Grahamstown, Port Elizabeth, Cradock and Graaf Reinet argued for the establishment of a centre of government for the Eastern Cape Province at Grahamstown. A property qualification nevertheless had to be fulfilled by the inhabitants of the colony before they could exercise franchise rights.<sup>31</sup>

Modern legislative authority henceforth resided in a Provincial Council led by a premier. However it still had jurisdiction over diverse socio-economic activities and groups within what could now be referred to as its regions and not provinces. The demarcation of areas for the administration of the legal system occurred at the local level. Here, magisterial districts were delimited so that the magistrate's court had jurisdiction in the enforcement of the legal system in a specific area. This system had its origins in the system of 'Landdrost (magistrates) and Heemrade (civil commissioners)' that was established as part of the operations of the VOC.<sup>32</sup> The transformation of the Court of Justice into a Supreme Court staffed by a Chief Justice and three Puisne judges and the institution of the Attorney General as the chief legal officer in terms of a royal charter of the Cape Colony were to significantly change the legal system in 1827. Magisterial districts also functioned as statistical regions with particular reference to the conduct of population and other census's. Before 1910 the Western Cape Province of the Cape Colony consisted of magisterial districts based on the distribution of population and economic activity. Between 1910 and 1948, magisterial districts were demarcated and proclaimed within the area that became known as the western cape region of the Cape Province as new urban forms evolved.

Likewise, the system of local government, which involved the establishment of municipalities and after 1855 divisional councils in areas outside the jurisdiction of the municipal boundaries, facilitated political administration within a particular local area. These local structures differed from the aforementioned administrative structures governing the reserves and mission stations and were informed by separate statutory provisions. The latter bodies' activities, particularly the Cape Town City Council, numerous smaller municipalities and the Cape Town, Stellenbosch, and Paarl Divisional

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<sup>31</sup> See M. Mbeki, *op cit*.

<sup>32</sup> TRH Davenport: *South Africa: A Modern History*, Macmillan South Africa Publishers, 1978.

Councils, focused on the provision and maintenance of social and physical infrastructure such as health, housing, roads and amenities essential for socio-economic development and the control of the black population in their local areas. These operated within the confines of the provincial and national framework. Accessibility to its decision-making structures using the franchise was determined on the basis of a property qualification primarily in the Cape Province.

Tensions between meritocracy and universalism amongst the dominant whites and racism towards dominated blacks in general were starkly demonstrated in the policies of the colonial administration as practised and codified. Policies involving redistributive measures promulgated for poor whites were informed by a redefinition of civilisation that borrowed from Cape Liberalism through the conflation of the categories 'white' with 'civilised' i.e. 'race' with 'culture'. The category of civilised had the dual function of justifying the use of redistributive measures to protect white civilisation and developing the terms of non-white participation in economic and political life where a limited form of accessibility prevailed. Its ability to access state resources was constrained by the post-1910 distribution of competencies among the various levels of government. The category of "civilisation" was also used invariably by the Administration and political organisations to refer to those amongst the indigenous who were literate and numerate in terms of European standards, practiced monogamy and had access to property and were enfranchised. Public resources were consequently redirected to poor whites to alleviate poverty and to retain the perceived standards of civilisation.

Later, the new administration developed erstwhile colonial methods of census and mapping of the terrain, thus ensuring a level of continuity in the operations of old administrative units with those of the new. The conditions in other provinces were different in that these three colonial administrations never afforded their civilised blacks that included 'coloureds' and 'Africans' the opportunity to participate in the affairs of the colony through accessing the franchise.

Between 1909 and 1929 the percentage of the African voters in relation to the total number of voters on the Cape Province Common Voters Roll increased from 4.7% to 7.6% with those classified Coloured comprising 10.1% of the vote in 1909 and 12.2% of the vote in 1929. Although the actual number of black voters increased from 21 031

to 41 398 it only represented an increase of 5%.<sup>33</sup> The concentration of significant numbers in certain constituencies particularly in the Greater Cape Town area gave impetus to attempts by Cape-based branches of white political parties to campaign for the vote amongst Coloureds in the Cape Province and its western Cape region in particular. Whilst various parties confined their interest to electioneering campaigns, a number went so far as to facilitate the formation of competing organisations through the provision of finance and other technical expertise and ideological arsenal. They reinforced and in certain instances elaborated on the 'ethnisation' of the franchise when they lobbied for special provisions for Coloureds in the context of the accommodation of poor whites in their social and economic policies and the requirement for them to subjugate those they defined as 'natives', 'bantus', 'africans' and other. The occasional provision of finances for educational support, and land for limited resettlement by the SAP government by 1930 signaled the entrenchment of segregationist practices aimed at divisions amongst the subjugated at a national level. "In 1923, on the eve of the general elections set for the next year, the SAP government did agree to give the Cape Provincial Administration an ad hoc grant of 12 000 pounds to improve Coloured education facilities. And it also promised to set aside one million morgen for Coloured land settlement. But the land offered was situated in the arid semi-desert of the north western Cape."<sup>34</sup>

The capacity of 'civilised' blacks, including Coloureds and Bantu, as defined by the Administration and responded to by the A.P.O. and the ANC, to retain the position of influence through the use of the franchise was severely eroded and relegated to the sphere of regional politics as the broad agreement amongst white political parties for the need for segregation between black and white came into effect with the new legislation promulgated since 1910. The formation of a union of the four colonies coupled with the policies of the SAP government threatened the removal of Non Europeans (Africans and Coloureds) in the envisaged Cape Province from the voters' role, despite limited protection in the new constitution. This spurred political mobilisation among the subjugated population with the formation of various political organisations. The most

<sup>33</sup> L.M. Thompson, *The Cape Franchise*, S.A.I.R.R. New Africa pamphlet, p55, the Union Year Book 23,1946, chap 2, pp 47-48 and M. Lacey, op cit., 1981, p396.

<sup>34</sup> G. Lewis: *Between the Wire and the Wall: A History of South African 'Coloured' Politics*, David Philip Publishers, Cape Town, 1987, p90.

significant were the revival and/or establishment of the South African Native Congress in the Cape and various other similarly based regional Native Congresses that led to the establishment of the South African National Native Congress (SANNC) in 1912 and the establishment of the Africa Political Organisation (A.P.O.) in 1902. The latter organisation was to be the largest political organisation nationally until its decline in the late 1930's.

Despite frequent contact among these organizations, the lack of effective unity among them worsened the weaknesses that prevailed among the subjugated. Specific conditions of engagement created by continual state interventions premised on the basis of racial differentials amongst the subjugated informed their responses. While it was now desirable to form organisations that were national in character given the common conditions throughout the country, the question of the identity of Coloureds remained primarily an administrative imposition that gained increased currency amongst the political organisations of the elite. This was reinforced by the role of colonial racism, language, religion, schooling and the family. The distribution of powers amongst the realms of government and failure to access the state at a national level meant that limited use could be made of state resources for economic empowerment. Instead the black enfranchised were severely curtailed by a range of legislation that enforced segregation. The A.P.O.'s own attempts at economic empowerment were confined to self-help schemes that involved the establishment of its building and burial societies immediately after the Great War.

The formation of Union regionalised and thus marginalised blacks in national electoral politics as their interests were considered as a problem of the Cape Provincial Administration. Local issues had to be dealt with through the relevant local authority despite attempts at national advisory structures. While the A.P.O. and other political organisations representing sections of these interests continued to contest elections and to lobby politicians at a local and provincial level, its decision at its 1923 conference not to organise amongst the 'Bantu', coupled with the concentration of its constituents in the Cape Province and south western Cape in particular reinforced provincialism. "Our Organisation is primarily a Coloured People's Organisation and if possible we would

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rather let the Native join one of the several Native Organisations with whom we are ready to co-operate on matters affecting all non Europeans."<sup>35</sup>

It sought alliances with other black groups such as the ANC and ICU particularly between 1927 and 1934. Its more conservative traditions tended to seek alliances with the established white political parties and movements such as the Afrikaner Bond when they established the Afrikaanse Nasionale Bond (African National Bond) in 1924 as their former president W.H. le Grange was to reflect in 1940. "The African National Bond was the powerful Coloured wing of the National Party, and Dr Malan himself had a close hand in this. Similarity of purpose at the time created the closest co-operation between the two bodies. As a matter of fact, I attended one Nationalist Congress at Ceres, where I bought greetings over from the African National Bond."<sup>36</sup> The extent of their influence largely depended on their capacity to deliver the votes of their constituents at all levels of government. The more radical groups decided however, to pursue a different path while retaining involvement in municipal and provincial politics. Although a long tradition of leftwing politics existed in the western Cape part of the province, it never developed much public profile until the 1930-40s period. The formation of the anti-CAD movement as a broad based coalition focusing on issues against the balkanisation of institutions providing services particularly to those classified as coloureds, together with attempts to form a broad front provided the basis for the emergence of a new and more radical leadership. The use of new methods of engagement such as the boycott based on mass mobilisation increasingly became common currency.

These political organisations or movements were however traversed by different political traditions with distinctive roots in civil society organisations. The leftwing traditions had links with the labour movement and were largely informed by various Marxist strands of thinking. The nationalist and liberal traditions were linked to faith based, welfare and professional organisations. Although the APO, ANC, the ICU, anti-CAD, NEUM were predominantly black or to use the period term Non-European, links were developed with established white liberal, leftwing and nationalist organisations

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<sup>35</sup> See D. Marais, *South Africa: Constitutional Development-A Multi-disciplinary Approach*, Southern Book Publishers, Halfway House, 1993; J.W. Wessels, *History of the Roman Dutch Law*, Grahamstown, 1908 and H.B. Fine, *The History of the Cape Supreme Court and its role in the Development of Judicial Precedent for the Period 1827-1910*, LLM Thesis, University of Cape Town, 1986.

<sup>36</sup> R.E. van der Ross: *The Rise and Decline of Apartheid: A Study of Political Movements among the Coloured People of South Africa-1880-1985*, Tafelberg, CapeTown, 1986.

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depending upon the ideological orientation and strategies deployed. All shared a common reference point of economic and social liberation as reflected in the various programmes adopted. They differed in the methods and instruments used in their pursuit of these objectives, using approaches that ranged from the need for a gradualist to radical transformation based on the use of differing methods of engagement that involved entryism to the use of boycotts and other forms of mass protest.<sup>37</sup> Both emphasised the importance of the relation between politics and fulfillment of human development using education and social welfare as instruments. It is in this context that rights, collective and individual, and thus the nature of citizenship were historically defined. The limits of democracy in this context were defined by the rights conferred and therefore the nature of access to property. Differential economic and social strategies reflected in the fragmentation of labour market institutions and housing provision strategies were informed by race and ethnicity during the period of segregation. The forms of planning that regulated the property market, housing and the provision of social services pursued were largely shaped by the power relations underpinning these practices.

Various organisations, including unions, played an important role in reducing prevalent income differentials, changing trends in public and private sector investment and their impact on resources for providing basic needs, and for the development and implementation of strategies aimed at generic, vocational and entrepreneurial skill provision for whites engaged in local and regional economies. White labour organisations and the Afrikaner nationalist movement played a particularly central role in the formulation and deployment of redistributive measures and policy frameworks. The repression of black incomes through particular types of institutional interventions were prerequisites for economic and employment growth and uneven development. The results of industrial and labour market policies that were determined by racially exclusive industrial councils, wage boards and a parliament were essential institutional arrangements informing the development of a market economy. Social issues such as the provision of housing and transport and associated physical and social infrastructure were shaped by a differentiated property market and associated regulations. The balancing of

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<sup>37</sup> See Asmal, K; Chidester, D and Lubisi, C: *Legacy of Freedom: The ANC's Human Rights Tradition*, Jonathan Ball Publishers, Johannesburg-Cape Town, 2005. Karis, T and Carter, G.M.: *From Protest to Challenge-A documentary History of African Politics in South Africa 1882-1964 Volume One-Protest and Hope, 1882-1934 and Volume Two-Hope and Challenge, 1935-1952*; Hoover Institution Press, Stanford University, Stanford, California, 1987.

macro policies, particularly housing, labour market and industrial policies with regional policies were therefore central in the shaping of particular agglomeration patterns and associated income differentials and settlement patterns. It is in this context that the social wage accruing towards various sectors of the population took on particular forms.

It is evident that the identities that emerged, although considered a social construct informed invariably by practices involving religion, language, colour, economic and social location, were significantly shaped by the nature of governmentality inextricably linked to processes of modernization. Here the formation of a unified and centralized dominion in 1910 based on an ensemble of "institutions, procedures, analyses, and reflections, calculations and tactics that allow the exercise of this specific albeit complex form of power, which has as its target population, as its principal form of knowledge political economy, and as its essential technical means apparatuses of security...resulting, on the one hand, in the formation of a whole series of specific governmental apparatuses, and, on the other, in the development of a whole complex of knowledges (saviors)"<sup>38</sup> defined the nature of governmentality. Although the identities were multiple, at times imposed and contested, the preeminent ones such as class and colour were to shape resource allocative measures and outcomes.

### 1.3. Early Forms of Planning

The Western Cape continued to play a pivotal role in British imperial ambitions in the new setting. Still, it declined in relative importance as a regional economy in relation to the growth of the Eastern Cape, Natal and especially the Transvaal regional economies as the impact of mining and the consolidation and functioning of the colonial administration were felt. The clothing, food processing, construction, service-based metal and chemical industries and other service industries nevertheless developed and were assisted by the retention of Cape Town as the legislative capital of the dominion.<sup>39</sup> The multiplier effects of the burgeoning gold mining industry in the Transvaal province on the western Cape region were, however, limited. This situation was not assisted by consideration that the region and the country's productive capacity were affected by the

<sup>38</sup> M. Foucault: *Power – The Essential Works of Foucault 1954-1984*, Vol 3, The New Press, New York, 2000, p219-220.

<sup>39</sup> W. G. James, M. Simons (eds.): *Angry Divide: Social and Economic History of the Western Cape*, David Phillip: Cape Town and Johannesburg, 1989.

prevalence of large wars as Britain pursued its imperial interest. While continuities between the wars exist, the contrast and discontinuities according to B. Nasson reveals that "The world wars brought inflation, shortages, intensified industrial class conflict and labour-contingent recruiting drives for service abroad, but they did not bring warring imperial and settler troops marching and counter marching through the countryside. While social tension was present, these wars were essentially distant happenings."<sup>40</sup> While the Dominion had at its disposal a consolidated colonial administration to shape its terms of involvement in the World Wars, the imperial relation was limited and increasingly tenuous and therefore had little in common with the 'consciousness and discourse, which governed popular life in the earlier South African War.'<sup>41</sup>

The Dominion's four provinces played a pivotal role in the execution of the Empire's mission on the African continent. Its evolving structures of government, with towns in its jurisdiction positioning themselves as the local centre of trade, industrial activity and government, were strategic in the realisation of colonial objectives. "Lord Crewe expressed the cabinet's satisfaction in the House of Lords. The unification of South Africa, he said, would place the self-governing British Dominions in something like their final form: 'There is the great American group, the great Pacific group, and the great African group. There may be some re-arrangement and some modification, but it is I think, reasonable to say that for many years to come, longer than the life of any of us here, these great divisions will form the main self-governing parts of the British Empire outside these islands.'"<sup>42</sup> Although a unified South Africa and the granting of dominion status conferred some level of self administration, the plight of blacks including those classified as Coloured and Indian bore the brunt of colonisation as a particular form of modernity. Planning and particularly managing the nature of economic agglomeration, labour market institutions, social development and poverty alleviation were the means and instruments through which it was pursued.

Cape Town in these circumstances had grown by a process of indefinite accretion so that it had become "a fortuitous concourse of atoms held together temporarily by motives of self-seeking and private profit..... Real estate speculators, having no regard for

<sup>40</sup> B. Nasson, op cit, p3.

<sup>41</sup> *ibid*; p3 and A. Grundlingh; *Fighting Their Own War: South African Blacks and the First World War*, Ravan Press, Johannesburg, 1987.

<sup>42</sup> L. Thompson: *The Compromise of Union* in M. Wilson and L. Thompson, op. cit., p364.

human needs or the interests of the community, have planned much of Greater Cape Town armed, as it were, with only T-square and triangle."<sup>43</sup> This mechanical pattern offers the engineer none of those special problems that irregular parcels and curved boundary lines present and facilitated the development of the property market.<sup>44</sup> These intentions and practices with reference to the planning processes and the evolving property market in British colonies and developing countries were codified by the British Town Planning Act of 1925, its American counterpart and the British Colonial and Welfare Act of 1929 and the Colonial Development and Welfare Act of 1945 and its associated programmes.<sup>45</sup> While the former emphasised the importance of separating utilitarian functions through land-use planning and its attendant zoning and nuisance control policies intended to rationalise and organise space more efficiently so as to facilitate production, the latter was to provide a framework for, and instruments to deal with, political problems and processes of facilitating economic integration and capital accumulation from the vantage of British imperial interest. The planning that emerged thus traversed social and economic spheres and embraced interventions in the property, housing and labour markets.

The colonial political and administrative forms that emerged were nevertheless tempered by local vicissitudes and imperatives and reflected the malaise of the modern state form in a particular global setting. The tendency was for the appropriation and application of these broad social scientific intellectual currents in a South African context as the application of W Rostow's approach by Hobart Houghton and E. Batson's use of the work of Rowntree were to reflect. H.J. Van der Bijl was, however, to map the path of industrialisation much earlier as the government expert on science and technology when saying that, "the electrification of the Union's railways....can be made to be one of the most powerful factors in stimulating industrial development ..by bringing together two of the most important requirements of most industrial undertakings, namely power and transport facilities,' while iron and steel was 'the foundation of all industries'."<sup>46</sup> He and

<sup>43</sup> See the report of *A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p8. See also Moser and Scott on the history of planning and James C Scott; *Seeing Like A State-How Certain Schemes To Improve The Human Condition Have Failed*. Yale University Press, New Haven and London, 1998.

<sup>44</sup> *ibid* and Lewis Mumford: *The City in History: Its Origins, Its Transformations, and Its Prospects*, New York, Harcourt Brace Jovanovich, 1961, p422.

<sup>45</sup> See Zeleza, Paul Tiyambe: *Manufacturing African Studies and Crises*, Codesria, 1977.

<sup>46</sup> Nance L. Clark: *Manufacturing Apartheid-State Corporations in South Africa*, Yale University Press, 1994, p49.

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H. J. van Eck and other government planners identified industrial development as the panacea for most local problems and pursued the development of strategies and local institutional capacities through the establishment of statutory and advisory bodies such as the Iron and Steel Corporation (ISCOR), Electricity Supply Commission (ESCOM), Industrial Development Corporation (IDC) and Social Economic and Planning Council (SEPC) before and particularly after the Second World War. Their interest and endeavours also encompassed labour market issues and poverty.

The transition from manufacture to machine based production methods, a major catalytic factor for growth, was, however, uneven in character in secondary industry. Bespoke tailoring, sweat shops, aspects of canning like the preparation process existed side by side with more mechanized aspects of capitalist labour processes in the leading clothing and food industries. Changes in labour processes induced by the use of more mechanized instruments of production altered the occupational structures particularly in secondary industry. The process of deskilling and the large-scale recruitment of un- and semi-skilled workers and particularly white and to a lesser extent coloured women in certain industries changed the nature of the workforce. These shifts in the division of labour and their territorial expression and the income distribution effects of these particular market and social forces provided the basis for unequal development and thus the impoverishment of people involved in various social relations of which wage labour was the dominant form in the Western Cape.

The labour market institutions that evolved in the Western Cape gave expression to a number of underlying changes that informed it. The segmentation of the labour market in accordance with the notion of civilised or uncivilised labour and associated repressive practices informed by race were the hallmark of the pursuit of a low wage growth. The extent to which the civilised labour policy was implemented depended on conditions and forms of class organisation and conflict within each industry and its relation to generalised local and national conditions. A central issue for analysis of industries in the Western Cape therefore, was the regional specificity of the conditions and forms of class engagement and how they informed economic growth and development tendencies and income distribution and poverty trends. The organisational forms such as employer organisations and unions that emerged and the tactics of engagement deployed reflected these issues. The relations between federations of

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employer associations and those of labour concerning labour market policy and related matters were also critical to the prevalent social relations and class identity formation.

Central to these sub-national endeavours were patterns of agglomeration and their relation to regional policies. The development of types of clustering throughout South Africa is subject to a number of factors, some of which are benefits of agglomeration with particular reference to the availability of raw materials, labour, technical support services, infrastructure and relations between trade, the primary and secondary industry, labour market and regional policies. "Only a few cities in South Africa have been industrialised to any great extent. Many of the remaining towns retain to a certain degree the characteristic of district centres. In these, and in the smaller centres, conditions would not be so difficult to rectify, given the vision and the needed financial and technical assistance. The industrial cities, however, show a most unhealthy growth. Far reaching measures, comparable to those adopted overseas, will be needed to correct them by redevelopment. Further, it will be necessary to create new cities and to adapt some smaller towns to a limited form of industrial development. These conclusion follow from an analysis of the Union's population growth, studied by the Planning Council in its Second Report, and of urbanisation trends examined by the Council's staff in their report to the Minister's Housing Committee. It appeared not unlikely, in view of the low productivity of farming, that between 1941 and 1955 the Union's urban population may increase from 3,500,000 to 5,500,00."<sup>47</sup> It is under these circumstances that the development of a regional policy became imperative. "A colossal mistake may be made if steps are not taken in advance to orientate the physical pattern of the economy so that an orderly development of the nation's resources occurs, based on the relative productivity of different regions and occupations. Only then can we prevent the expansion of our cities beyond what is in each instance the feasible limit, promote the urbanisation of Reserve Natives in or near the Native areas to the extent that the relative advantage in production of any such centre permits, and gradually minimise any unnecessary dependence on migrant labour from the Reserves and the farms. The heterogeneous composition of the Union's population and the very impoverished state of large communities make it especially urgent to progress in these directions."<sup>48</sup> The use

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<sup>47</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning* U.G. No. 34 – 1944, Government Printers, Pretoria, p12.

<sup>48</sup> *ibid*, p18.

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of a low wage path of growth and development and the financial incentives to affect decentralised industrial development constituted some of the key policy issues and instruments that subsequently facilitated clustering. The provision of physical infrastructure in the form of industrial estates and transport, together with the development of tariff protection and segmented labour market institutions through the activities of national departments and provincial and local authorities were pivotal to this path of enterprise development.

Most of the investigations into poverty until 1938-9 were largely descriptive in nature. The development of the Poverty Datum Line (PDL) in 1938-9 survey analyses of poverty by Batson heralded the development and use of the poverty measurement instrument as part of poverty alleviation strategies as reflected in the work of the Social and Economic Planning Council in 1942. Batson, however, argued that the PDL represented the barest minimum upon which subsistence and health could theoretically be attained and not a civilised standard of living. It is in this context that it was established that even the employed surveyed attained household incomes below the PDL. The notion of the working poor was thus present in its assessment of various categories of people considered poor.

The establishment of the Social and Economic Planning Council (SEPC) as a non-statutory and advisory body in 1942 was a response to the need for greater economic and social policy co-ordination as expressed by a number of parties, particularly the recommendations of the Industrial and Agricultural Requirements Commission of 1941 and the lobbying of the Herenigde National Party since 1935. The establishment of the SEPC was, however, affected in circumstances of a public debate about the nature of post-war reconstruction: "Although they remained unsystematic and uncoordinated, these changes suggested that social issues had become as much an object of state policy as economic issues, in line with concurrent developments in Britain, and the appointment of the Social and Economic Planning Council (SEPC) in 1942 seemed to confirm the shift towards a new role for the state."<sup>49</sup> General Smuts outlined the sentiments of his cabinet that informed the brief of the council at its launch.

We as a Government in a very young and immature country, are faced with various difficulties. In the first place, we are liable to spread our activities in the development of

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<sup>49</sup> P Wilkinson: *A Discourse of Modernity: The Social and Economic Planning Council- Fifth Report on Regional and Town Planning, 1944* in *African Studies*, Vol. 55, No. 2, 1996, p149.

the country over departments, and the departments again pursue policies, which do not always harmonise with the activities of the other departments. The result is that in our Government effort to develop the country we do not get a co-ordinated plan in a considered long-range scheme... I think a body like you can exercise a most beneficial, stabilising influence, in seeing that the total effort of the country follows a thought-out, co-ordinated scheme, and does not result in sporadic and spasmodic moves, now in this direction, now in that direction, with forces and results pulling apart instead of pulling together... The time has come to plan and think out our projects, so far as it is humanly possible; to survey our future development; to see what this country is fitted for; to see what lines we should push forward and what we should hold back or, rather, curtail in our activities; and so take the wisest steps possible with a view to the best use of the natural resources of this country.<sup>50</sup>

While not discounting the role of the country's population, he also encouraged the development of a Southern African approach.

The use of the emerging labour, property and housing market institutions were not only central to the regulation of capital-labour relations but also critical to the spread of techniques of welfare and administration. The 'social' emerged as an important area of enquiry as it became evident that the level of impoverishment was unsustainable economically as analysis characterised the nature of poverty and isolated the importance of social welfare, public housing and works programmes in its alleviation. The SEPC recommendations together with that provided by Gluckman's National Health Services Commission and others led to the partial extension of social welfare services to blacks. "This became more marked during the War years under the United Party government (1939-1948) and there were even some signs of a reduction in inequality and of an acceptance of current 'progressive' notions about special social responsibility for the security and health of the poor and disadvantaged. Thus, social pensions were extended to blacks and Asians for the first time in 1944: the coverage of unemployment insurance (1937, 1942) was widened across industries and down the wage scale in 1946; and cost of living allowances (1941) had a distinctly progressive character, thereby reducing the wage differential between high- and low-paid work."<sup>51</sup> This was largely linked to circumstances of economic growth, structural changes in the economy with the ascendancy of secondary industry in the major urban centres, the increased involvement of blacks therein and political, social and economic protest by black groups since 1943.

<sup>50</sup> General J. C. Smuts: Address at the inauguration of the SEPC titled *Planning South Africa's Future*, August 1942.

<sup>51</sup> N Bromberger: *Government Policies Affecting the Distribution of Income, 1940-1980*, in *South Africa: Public Policy Perspectives*, (eds) R Schrire, Juta, Cape Town, 1982.

Municipal housing provision encapsulated in township development in the western Cape could not take place devoid of strategies pertaining to continual post-war industrial township development and the related transport network. Through state intervention the trajectory of capitalist development was placed on a more organised footing consistent with some of the recommendations of the 1942 Cape Flats Commission of Inquiry that was supported by the SEPC. Both the Council and the Committee considered previous endeavours non-existent or ineffective as "the whole basis of Government organisation and administration is functional. Of necessity, a regional approach had to supplement the functional one in connection with transport and communication. And necessarily, many other Government activities have also had regional effects; in one way and another they have sharply influenced the distribution of economic activity and population, It is nevertheless correct to say that clearly defined regional objectives seldom exist and that such regional influences as are exerted are often incidental and most sporadic."<sup>52</sup> Cape Town clearly reflected the inadequacies of the current arrangements for town planning and the need to adopt a regional approach to planning. "Furthermore, it will be observed that the city (Cape Town), which is the only unit under existing law that is authorised to enter planning, is entirely inadequate to meet the demands of the case. Only a regional approach to the problems of the Cape Peninsula as a whole-its drainage, its communications, the restoration of agricultural land to its proper use, the preservation of the incomparable natural beauties of the region, the siting of housing for the 82 000 Coloureds, Natives and poor whites who need immediate accommodation-can hope to solve Cape Town's problems. This is also the categorical conclusion of the Cape Flats Committee."<sup>53</sup> The SEPC's recommendations amounted to the design centrally of regional policies. State intervention henceforth ensured and linked township infrastructure development (both residential and industrial) with an expanding transport network, which facilitated the reproduction, distribution and continual circulation and deployment of commodities (including labour).

The regional policy that evolved depended on elements such as controlling the use of land, the provision and use of infrastructure and the effective control of the

<sup>52</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p3.

<sup>53</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p12.

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movement and settlement patterns of Africans with the intent of influencing the location of industries and the negation of over concentration of activity in a few urban areas. "If industrial location is influenced on these lines and if action is taken to foster the development of the latent resources of all regions of the Union, important advantages will result. Employment opportunities will be diversified and economic stability promoted. The wide inter-regional differences in levels of income will tend to diminish. Such internal migration as occurs will be in closer accord with the real economic potentialities of the different areas. The use of migrant labour can gradually be restricted to the cases where it is genuinely the best system."<sup>54</sup>

The prevalence of national frameworks were important for the establishment of conditions for the development of local areas and regions and the development of strategies to deal with questions of equity among and within regions effectively, because local and "regional policy should be understood as the territorial dimension of overall policy - the projection on the map of a multi-dimensional socio-economic system. This territorial dimension matters, both for itself and for the functioning of the other dimensions of the system..."<sup>55</sup> It was the relationship between national trade and industry, labour market policies and regional development policies that have been devolved to provinces that remain critical to equity questions.

The SEPC argued for some form of regional policy approach to deal with equity based on the need for local authorities and other institutions to co-operate and for the establishment of development agencies. This was a position that retained the responsibility of local authorities to pursue and enforce 'town and country' planning practices that focused on land use patterns. While the SEPC argued for some measure of decentralisation based on this regional approach within a national framework, it never clearly spelt out in detail its perceived relation between the execution of national competencies through plans, programmes and projects and those of provincial and local government generally, given the political circumstances. They emphasised that the recommendation was not to replace the functional responsibilities of departments and

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<sup>54</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 - 1944, Government Printers, Pretoria, p3.

<sup>55</sup> William Alonso, *Comment on 'Interaction Between Regional And Industrial Policies: Evidence From Four Countries*, by A. Markussen" in *Proceedings of the World Bank Annual Conference on Development Economics-1994*, p302.

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local authorities but to co-ordinate through the establishment of a National Physical and Regional Development Department and regional authorities.

It is necessary to reiterate that the responsibility for actually preparing detailed town planning schemes must remain with the local authorities; they possess the local knowledge and it is in the interest of the democratic form of government that local interest and responsibility be strengthened. Similarly, it is inconceivable that detailed plans for farming systems and afforestation should be prepared by anybody else than the Department of Agriculture and Forestry, again in close co-operation with the producers. Likewise the specialised agencies concerned must remain responsible for planning and constructing railways, roads, airfields, school, water schemes, local amenities etc....But through consultation with the Department of Physical Planning and Regional Development and its regional offices, the co-ordination-in outline, in detail, and in timing-that is now lacking will be achieved. Experience has shown that consultation between numerous interested agencies cannot be relied upon to ensure the needed co-ordination. It is not merely a matter that consultation is not the rule, for it could be made compulsory. In addition, a special organisation is required to test each project and so to co-ordinate them all that a balanced and diversified economic system will become a reality, that the best functional allocation of land between its alternative uses will occur, and that place of residence and place of work are brought into closer relation without causing racial intermingling.<sup>56</sup>

The SEPC developed very specific recommendations for the development of what it referred to as reserves in its Ninth Report. Attempts at specifying the nature of co-ordination were detailed more in relation to public works programmes and the establishment of regional development authorities. It encountered stiff political opposition in attempts to prescribe to the provinces and local authorities a broader framework for co-ordination even in these areas of work despite attempts to evade or only tacitly endorse dominant political discourse. It argued for the establishment of regional authorities that would champion development in specified areas. It is in this context that its support for the accommodation of segregationist political policies was pursued.

As national institutions became occupied, however, with macro planning issues, local authorities had to engage in physical planning processes without having the competencies to relate their activities to various forms of local economic and social development planning issues. Local and provincial authorities were straight-jacketed into interpreting and implementing national strategies within the confines of their competencies while provincial offices of national departments and parastatals pursued

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<sup>56</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p6.

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narrow departmental agendas within a specified region. This approach had the effect of inducing increased fragmentation in planning practices. This often led to the duplication and wastage of resources with the provision particularly of infrastructure. A situation that was perpetuated with the enforcement of segregation and compounded by the role of civil society organisations.

The relationship that evolved between macro policies, particularly housing, labour market and industrial policies with regional policies was nevertheless central in the shaping of income differentials and settlement patterns. Specific institutional arrangements mediating this relationship and that of civil society and various levels of government to facilitate economic and employment growth through uneven development in the western region of the Cape Province and its local areas, were pivotal in shaping local economies and in informing social identity formation. The Social and Economic Planning Council (SEPC) in 1942 provided the discursive basis for these post war developments. Through the reports that were produced in its ten years of existence it provided comprehensive insights into issues such as statistics, socio-economic development, and their relation to planning. Whereas the SEPC and Cape Flats Commission emphasised the necessity for improved planning before the war, a clear shift started to emerge in planning practices through the increased appropriation of new planning trends as reflected in the increased influences of people such as Walter Rathenau, Le Corbusier, Ebenezer Howard and his Garden City movement, Frederick Taylor and the 'energisers' who reorganised production processes. They were part of a changing planning trend that emphasised more the importance of the rational engineering of social orders or aspects thereof and therefore consistent with global shifts that were occurring in approaches towards planning.

Regional and local institutional capacities and policy formation in the spheres of the economy, labour and property markets, education, health, housing and social welfare, were still, nevertheless, largely informed by the activities of a mixture of regional offices of national departments, provincial and local administrations and parastatals, the judiciary and relations with civil society organisations. The latter ranged from employer and labour organisations to religious and other socio-cultural institutions. The establishment of regional development associations, such as the South Western District Association centred on Mossel Bay in the 1940s, represented some of the attempts at co-ordination

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of interest that traversed both public and private sectors. "The general form of constitution of these associations is that membership is open to public bodies such as municipalities, village management boards, divisional councils, chambers of commerce, farmers' associations, automobile associations, publicity associations, co-operative societies, hospital boards, etc. There is no provision for individual membership. The organization consist of an annual congress, an elected executive, and one or more part-time secretaries....There is as yet no machinery for consultation between various associations, despite the efforts of one or two of the larger associations and of the South African Interest Group to promote this."<sup>57</sup>

The concept of decentration might be most appropriate at capturing both decentralisation processes and the need for local co-ordination given the need for a regional policy. Regional policy development of which the decentralisation debate was a key component, occurred when linked to the emergence of development as an approach towards modernisation. The role of institutions particularly the state nationally, regionally and locally and in civil society, whether in the form of whites or the black elite, were crucial in informing the policy debate in South Africa.

The process of modernisation thus created the conditions for the recasting of identities, particularly in the context of how access to state resources was defined. The incorporation of the Cape Colony into the national economy and political life required a recasting or redefinition of the categories of race, nationalism and ethnicity by the administration. During this period, the tensions between meritocracy and universalism amongst the dominant whites and racism towards the dominated blacks in general were starkly demonstrated. Policies involving redistributive measures promulgated for poor whites were informed by a redefinition of civilisation that borrowed from Cape Liberalism through the conflation of the categories 'white' with 'civilised' i.e. 'race' with 'culture'. Public resources were consequently redirected to poor whites and to a lesser extent Coloureds and Indians to alleviate poverty and to retain the perceived standards of civilisation. Organisation amongst the dominant classes, using the resources of the state and assisted by the print media, provided the framework of a new national consciousness in the context of the threat posed by the dominated classes. To this end, racism was

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<sup>57</sup> Fourie, F.C. v. N.: *Regional Development and Planning in South Africa*, The South African Interest Group, Cape Town, 1947, p45-46.

contributing to the emerging form of nationalism. It, together with the ethnisation of language, contributed to the production of a fictive ethnicity around which nationalism was organised whilst it was simultaneously being used to deal with the threat of the dominated. Schooling, religion and the family became the principle socialising institutions for the production of an ethnic identity.

Although Afrikaner-inspired organisations embarked on activities that attained a level of success to the extent of securing palpable benefits based on coalition politics, their racial exclusivity was the hallmark of this form of social engagement. The value of mass mobilisation techniques was evident historically when the All-African Convention in the 1940s and the Congress Alliance in the 1950s adopted the Ten Point programme and the Freedom Charter respectively. These political programmes provided the platform for these organisations to engage the administration on a series of issues that had a direct bearing on how the transformation of the life of the local population should be affected under a different form of rule. Other campaigns over the years contributed to a rich tapestry of anti-colonial and liberation experiences in the area of social dialogue, albeit with limited success. These endeavours were perpetrated by formations such as the labour movement and the mass democratic movement over a period spanning two decades. It was during this period that the experiences of labour and social movements elsewhere and the use of the ideas of advocates of social dialogue were appropriated and creatively put to use.

Specific institutional arrangements mediating uneven development in the western region of the Cape Province and its local areas were pivotal in shaping local economies and informing social identity formation. It together with the forms and practice of religion, education, philanthropy and the family formed the fabric of the social cultural trends of everyday life that influenced and shaped social subjective factors, particularly ambiguous identities such as race, nation and class. This was particularly the case in relation to the question of a coloured identity that reflected the existence of cultures that were hybrid, extraordinarily differentiated, and heterogeneous, and particularly pronounced in urban centres. The critical question is how these various factors informed and shaped the question of a coloured identity. Was it an ethnic, racial, national group or a transitional feature of a region and what implications does it continue to have for the national debate? It is in this context that people have used it in various ways ranging

from outright rejection as a tool of colonial division and subjugation to appropriation and use as a basis for a form of nationalism. The unlocking of the value of the social through the use of various methods of engagement by various organisations displayed this sensitivity in understanding the nature and complexities of institutional relations and networks and social identity formation.

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## 2

## Earlier Forms of Clustering, Labour Markets and Regional Economic Development

1. Only in large scale industrial plants is it profitable to install labour saving machinery and equipment, which economise on manual labour and make for cheaper and more efficient production. 2. The scale of an industrial plant depends on the demand for its products...4. For all these reasons, large scale plants are viable only in the capital in many branches of industry. But the division of labour is closely connected with the scale of an industrial plant. This explains why, quite regardless of economies of machine-production, the labour product per head is far higher in large than in small factories...7. Since it takes machines to produce machines, and these are themselves the product of many different factories and workshops, machinery is produced efficiently only in a place where factories and workshops are close enough together to help each other work in unison, i.e. in large towns...Economic theory has failed to adequately appreciate this factor. Yet it is this which explains why factories are generally found communally, why, even when in all other respects conditions appear suitable, those set up by themselves, in isolated places, so often come to grief. Technical innovations are continually increasing the complexity of machinery; and the more complicated the machines, the more the factor of association will enter into operation. J.H. von Thunen, 1966<sup>1</sup>

The nature of local involvement in the global economy was largely informed by the nature of colonial trade and investment relations that accompanied South Africa's dominion status as a member of the British Empire. This form of global capitalism commonly referred to as imperialism witnessed enormous capital flows in proportion to GNP in what has at times erroneously been described as a more liberal market<sup>2</sup>. Although unification facilitated the development of a larger fiscal base, essential for enhancing the state's capacity to intervene in associated socio-economic matters on a wider scale, the continual growth of its revenue was curtailed by the lack of diversified economic capability to increase its exports. It was primarily reliant on a mining industry

<sup>1</sup> J.H. von Thunen, *The Isolated State*, Pergamon Press, Oxford, 1966, p287-290.

<sup>2</sup> Jean Wacziarg: *Half a Century of Development Economics: A Review Based on the Handbook of Development Economics*, The World Bank Economic Review, Vol 12, No 2 and Chang, Ha-Joon: *Kicking Away the Ladder: Development Strategy in Historical Perspective*, Anthem Press, London, 2002.

and limited agricultural exports in a depressed international market. The urban centres that emerged reflected the dominance of mining and the relatively weaker position of secondary industry in the local economies throughout South Africa. The local economies of urban centres throughout the western Cape reflected its ability to build on the strength of an older secondary industry based on processing agricultural raw materials and the need for service centres for a strong agricultural sector. This together with the availability of a port linking road, rail and marine transport infrastructure coupled with housing the legislature, enforced Cape Town's status as the dominant urban centre in the region while a number of smaller towns such as Saldanha/ Vredenburg, Vredendal, Paarl, Worcester, Stellenbosch, Beaufort West, Oudshoorn, George, Caledon and Bredasdorp emerged in its hinterland.

Growth generated in mining towns on the Witwatersrand and elsewhere encouraged a particular path of industrialisation and hence urban development as facilitated by national framework conditions since 1910. The Western Cape's economy relatively older and better-organised and an emerging secondary industrial base enabled it to take advantage of the expanding home market. The clothing and food processing industries were able to demonstrate a propensity for growth in output and employment levels thus contributing to secondary industry's ascendancy in the region, especially during the period 1921-1929 when an average growth rate of 5.2% was obtained in circumstances where western economies were experiencing an expansion. Whilst this placed the regional economy - the strongest in the Cape Province in comparison with the eastern Cape, Midlands and north west Cape - in an ideal position, the Witwatersrand region of the Transvaal Province became the fastest regional growth point.

The ownership patterns within sectors of the economy were not significantly different as most of the ownership of industrial and mining enterprises was concentrated among whites in the form of family concerns and a limited form of registered publicly owned companies. The latter depended on questions of scale, the extent of development of the money market and the nature of corporate governance arrangements. The developing co-operative movement and associated financial institutions contributed to the expansion of Afrikaner nationalist informed patterns of ownership and control of commercial agriculture, the food processing sectors and commerce. These endeavours straddled both the spheres of small, medium and larger enterprises where a complex symbiotic relationship between ownership, control and enterprise size prevailed. These

macro and regional (urban and rural) development policies significantly curtailed the development of a layer of black entrepreneurs in all sectors of the economy.

The overall impact of the trajectory of capital accumulation led to the rural-urban movement of especially the rural poor in large numbers as changes in the social and territorial division of labour were effected. The labour-capital relation that evolved was structured by the specific conditions through which proletarianisation took place and its regulation by various state structures. Differing conditions of employment among various economic sectors within the region induced demographic movements culminating in the increased concentration of people in Cape Town and surrounding secondary urban centres. The differing forms of control over entry into the urban labour market that was rigidly structured by various facets of "native policies" and labour legislation were to have telling effects on the character of the labour force and consequent reproduction. Although the employment patterns that emerged reflected the increased incorporation of particularly white women into the labour force, the employment ratio between white, Coloured and Africans in the Western Cape did not reflect the same national trends. Those arbitrarily classified as 'coloured' were extensively employed in agriculture, on the railways and in the emerging food processing industry particularly after the war in semi and unskilled positions. While they were discriminated against by employment, training and preferential civilised labour policies, Africans were also debarred from entering the labour market through more stringent influx control measures.

Whereas whites and to a lesser extent Coloureds, were incorporated into a complex system of industrial relations largely influenced by the state of class organisation and conflict in various economic sectors, the promulgation of wage agreements and determinations as facilitated in terms of the Industrial Conciliation Act of 1924 and Wage Act of 1925 were important instruments for the implementation of labour market policies that discriminated against Africans and to a lesser extent Coloureds in favour of white labour. The incidence of industrial councils as industry-and-area based collective bargaining forums, compared to the non existent minimum conditions in the agricultural sector not only reflected the racist structure of the labour market but also its uneven development. It contributed to the retention and improvement in income distribution among its various constituents while exacerbating wage repression of black workers. White labour and business in this environment contributed to the development of

racially informed redistributive strategies in relation to organising and collective bargaining strategies.

The resultant wage structure and social benefits were reflective of the extent to which the labour market institutions were racialised as blacks were predominantly excluded from accessing these benefits and exercising collective bargaining provisions. They were also excluded from accessing training facilities by the industry training boards that were established after the promulgation of the Apprenticeship Act of 1925. Additional benefits such as pensions were similarly dealt with. The Unemployment Insurance Fund established in 1937 for whites was only amended in 1946 to include blacks. While an abundance of labour informed by processes and patterns of proletarianisation came to exist, its capacities in relation to its uses in the economy and community were related to accessibility to basic needs such as education, health, infrastructure services and housing. These capacities were unevenly developed among population groups and urban and rural areas and reflected the effects of the segregationist nature of the labour and property markets and the provision of a social wage.

The per capita income distribution differentials as shaped by labour market dimensions such as industry, colour, gender, class and skill and skewness in accessing human resource capacity development opportunities were critical in enforcing the uneven regional and local development that served as a constraint for economic development. In an environment where labour market legislation accommodated urban / rural, industrial / sectoral, racial, occupational and inter-regional differentials in conditions of employment, unions organising along national and non-racial lines were best poised to reduce differences in per capita income in comparison with other union formations. The Cape Federation of Labour, a regional federation in the process of being transformed from its earlier traditions of craft unionism to industrial-based unionism, was unable to incorporate and improve the plight of newly proletarianised workers despite its proclaimed policies of non racialism. It was also not part of a national federation type of labour organisation such as the Trades and Labour Council (T.L.C.). The Industrial and Commercial Workers Union (ICU) was the only labour organisation that incorporated the aspirations not only of the urban based poor but also those of rural dwellers.

The alignment and effectiveness of labour organisations in the labour market, officially recognised or not, was critical for obtaining of labour rights that involved, among others, the development of reciprocal obligations, entitlements and trust. As a primary socialising instrument, these provided the link with the household through the distribution of income whether in the form of a wage or social support. Such rights, however, never led to a significant reduction in income differentials between regions, industries and enterprise size. Mechanisms such as Industrial Councils and Wage Boards were instituted or restructured to expedite segmented labour market arrangements that provided for inequalities in income distribution patterns particularly among people of colour. The resultant income differentials were rooted in and impacted on the cost structure of various industrial sectors and had a direct impact on the unequal distribution of household incomes. The acquisition of income derived from the Unemployment Insurance Fund and other social benefits were similarly informed. Although micro and small scale commercial enterprises emerged out of the plethora of credit networks lubricated by these income patterns, they were, however, not the only factors to inform the location of enterprises. Other factors such as backward and forward linkages, the availability of infrastructure such as rail, marine and road transport were more important in circumstances where the supply of particularly semi- and unskilled labour was in abundance.

The occurrence of poverty particularly among the white population also sparked attempts at the development of various job creation and poverty alleviation strategies from the turn of the century. Interventions using public investment in infrastructure such as housing and transport facilitated the implementation of public works programmes and other schemes intended to provide some form of social assistance. The PACT government was to institute a Civilised Labour Policy (CLP) that specified the terms under which employment would be affected in both the private and public components of the economy. These policies also informed the specified target audience and recruitment practices pertaining to public works schemes. Labour market policies, trade and industry policies, and public investment trends, excluded local black inhabitants from accessing the state and its resources at all levels while subjecting them to a differing form of governance. Differential access was based on the use of the notion of "civilised" labour in relation to urbanised blacks, particularly coloureds, while stringent influx control measures were applied to those classified as 'blanket kaffirs', and this signalled

the more nuanced management of the Native Question, particularly in the western Cape. It provided the basis for the development and application of the Coloured Labour Preference Policy (CLPP) in later years. More systematic attempts to impose internal differentiation among the black population related to its cultural diversity, although not absent in the preceding period, was only effected during the apartheid era that commenced in 1948.

The transformation in the social and territorial division of labour and its impact on urbanisation and income distribution trends particularly for the period before the Depression, is the particular focus of this section. Here, the position of agriculture and the trajectory of secondary industrial development and subsequent changes in the character of the labour market and poverty alleviation strategies are considered. The changes in secondary industrial development, labour market conditions and the urban crises experienced during and between the Depression and before the Second World War provide the context for an assessment of the expansion of large scale industry and the processes of capital accumulation in the countryside. An examination of the emergence of clusters of clothing and food processing enterprises in the Western Cape involving ownership patterns, production processes, enterprise size and interlocking labour supply and demand side considerations yield interesting answers to the development of the local economies of the towns and the region.

## 2.1.

### **Transformation in the Social and Territorial Division of Labour, Urbanization and Income Distribution**

The Western Cape is a winter rainfall region of the Cape Province. Its summers are extremely dry. Commercial and subsistence agriculture was limited to those areas which have a combination of adequate rainfall and reasonably fertile soils. "This area is extended and even intensified where subsurface or other perennial water sources are available for summer cropping. Severe restrictions on commercial agriculture, and indeed on extensive human settlement, exist where these conditions are absent in the rest of the region."<sup>3</sup> Agricultural activities and settlements along Western Cape river basin areas such as the Eerste River Valley, the Berg River Valley, the Berg River Banks, Villiersdorp,

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<sup>3</sup> W.Wentzel: *Rural Restructuring Programme: Horticulture in the Western Cape*, World Bank paper, August 1993.

Vyeboom and Rivieronderend Valley were influenced by accessibility to land afforded to the settlers and mission stations by the colonial administration.

Of the various categories of ownership and occupation of land and their dispersion among provinces, European-owned and occupied land comprised 73.7% of total land surface of which 62% was located in the Cape Province. The remaining percentiles were divided among Native Reserves of which 64% of 7.8% were in the Cape Province. Land owned by 'Natives' located in the province was 40% of the 0.7% land surface area share. The remaining 1.1% could be divided among the Mission Reserves with 44% of 0.4% in the Cape Province and Crown lands that were 0.7% of the total land area. Crown land was either land leased to Europeans or in the process of being alienated to Europeans and land occupied by Africans.

Most of the land owned and or occupied by Europeans hitherto was obtained through the colonisation process. "The Land Settlement Act No 12 promulgated in 1912 was the first law in the Union to standardise the practice of the acquisition, exchange, and disposal of Crown lands in the four Provinces. Terms and Conditions of the Act were updated in the Land Settlement Amendment Act of 1917. These Acts and their subsequent Amendments established the procedures by which settlers could apply for Crown and privately owned lands...Land could be acquired under two mechanisms: (1) five year leases renewable with an option of purchase; and (2) farms specially purchased for applicants...Under mechanism (1), the applicant had to be at least 18 years of age; possess qualifications sufficient for utilising the land; intend to occupy, develop, and work the holding; and be of good character ...Under mechanism(2), one fifth of the purchase price had to be paid by the lessee before allotment."<sup>4</sup> Crown land for agricultural and pastoral purposes was, however, still being allotted in terms of the principal pre-union Act No .15 of 1887 in the Cape Province. "Most of the coloured reserves in the Cape Province are situated within these marginal agricultural areas. The lives of these disadvantaged people who inhabit and farm a proportion of this land are severely circumscribed by the following shortcomings: lack of tenure, extension, training, and infrastructure and political representation. This leads to urban drift and further rural impoverishment."<sup>5</sup> Capital penetration and consequent struggles in the countryside

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<sup>4</sup> M. Roth, H. Dolny and K. Wiebe: *Employment, Efficiency and Land Markets in South Africa's Agricultural Sector: Opportunities for Land Policy Reform*, 21 May 1992, p33.

<sup>5</sup> W. Wentzel: op cit, 1993.

contributed significantly to transforming the social and territorial division of labour and rural-urban migration. It led to the continual employment of labourers on farms or alternately, the supply of workers employed in secondary industrial enterprises and the expansion of the western Cape's urban surplus population.

Well before the great transformation brought about by the diamonds and gold, an earlier slow process of transformation had occurred, as the colonisers of the country had, by the use of force, established over at least the southern half of the country the modern agricultural system that was later to be applied further north. As the British Empire annexed various territories, it also incorporated various pastoral regions inhabited by south Nguni speaking people and settlers. This was especially noticeable to the production of wool for export in the Eastern Cape and Midlands. The then Western Cape area nevertheless retained nascent secondary industry and its prowess in the production of food and the export of wine and brandies. Thus its gravitational strength as an economy despite various recessions in the late nineteenth century was clearly established. Those settlements, particularly the mission stations responded to the evolving socio-economic circumstances as the history of Genadendal demonstrates.

The following ranks amongst Genadendal's unsung achievements:

- 1234 inhabitants in 228 houses which made it the second largest residential area in 1806. Only Cape Town was larger while Stellenbosch accommodated 93 houses, Swellendam 18 and Graaff Reinet 20 by comparison.
- Four general dealers by 1850.
- A robust selection of craft activities generating high quality products in demand by colonialists outside of the settlement.
- 3 dams and an irrigation system of canals devised to service an active and thriving agricultural sector in 1826.
- 495 household fruit orchards in 1864.
- A dried fruit sector.<sup>6</sup>

Modern South African agriculture developed out of the pre-industrial relations of production, which were at least quasi-capitalist in the sense that labour was largely alienated from the means of production. This was related to comparatively high levels of commercialisation in the colony's agriculture. Capital accumulation-if by that it is meant the accumulation of power and resources in the hands of one class to the exclusion of others, and with the help of the state-had begun long before then. Moreover, many of the specific forms of late agrarian structures had already developed, notably the harsh

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<sup>6</sup> W. Wentzel, op cit, p24 and Murray, Biesenbach and Badenhorst, *Genadendal: Landboukundige en Ontwikkelingsplan*, Vol 1A., House of Representatives, 1988 and Ballie, I, *Die Geskiedenis van Genadendal: 1738-1988*, Perskor, Cape Town, 1988.

exploitation of a predominantly black labour force and the existence of a broadly based landholding class, as opposed for instance to a small number of very large landowners.<sup>7</sup> By the end of 1870, there was a definite but uneven trend towards the establishment and entrenchment of capitalist relations of production in the countryside in the Cape at large. This situation was encouraged by the mining of diamonds and gold, the related growth of secondary industry and the expansion of the transport and communication network, which contributed to increasing the domestic market for agricultural commodities and labour power. The impact of proletarianisation was evident among blacks in general and particularly those classified as coloureds in the western and northern Cape. As the observation of Sir Harry Smith, the then Governor of the Cape Colony indicated, "except at the Missionary stations very few coloured people own or occupy any property but are principally labourers on the farms of their employers."<sup>8</sup>

In addition to the array of legislation affecting access to land, financial and marketing support, it was the 1841 and especially the 1856 Masters and Servants laws and subsequent amendments which attempted to provide farmers with the support of the state in the provision of wider legal controls and discipline, especially over farm workers, to ensure a supply of labour. "Particularly on farms, relations between employer and employees resembled in important aspects owner slave relations: the payment of workers at a subsistence level, the degree of physical discipline administered by the farmer, and the ambivalent inter dependence between farmer and farm-workers, living on-and off-the same land, jointly experiencing, in tragically opposite ways, the ties of dominance and bondage."<sup>9</sup> More stringent provisions were required to serve the needs of these relatively backward employers. It is through these laws however that the registration of contracts, that detailed the obligations of master and servant and facilitated the monitoring and quantification of the supply of and conditions of farm labour, were effected. Harsh penalties such as fines and imprisonment were applied for breaches of contracts. "Breach of contract by a servant was defined to include insubordination, neglect, insulting behaviour, and desertion."<sup>10</sup>

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<sup>7</sup> R. Ross: *The Origin of the Capitalist Agriculture in the Cape Colony: A Survey, in Putting a Plough to the Ground*. W. Bernart, P. Delius and S. Trapido (Eds); Ravan Press, Johannesburg, 1986. pp 86 –89.

<sup>8</sup> S. Trapido: *White Conflict and non-White Participation in the Politics of the Cape of Good Hope, 1853-1910*, PhD, London University, 1987, p14.

<sup>9</sup> I. Goldin: *Making Race: The Politics and Economics of Coloured Identity in South Africa*, Maskew Miller Longman, Cape Town, 1987.

<sup>10</sup> Bundy, C: *The rise and fall of a South African peasantry*, University of California Press, Berkeley, 1979, 1975, p39.

Most recent threads of evidence indicate that mission stations with access to land, became areas of refuge for a limited number of dispossessed peasants and exploited farm workers.<sup>11</sup> Others sought refuge in the nearby towns, especially under circumstances where better wages and working conditions than those on farms were being offered by the railway authorities and municipalities. This was a situation that was aggravated by the drought in magisterial districts such as Worcester and "other factors, most notably the seasonality of employment and the poor working conditions and inadequate housing on the farms meant that, as they put it, Coloured farm labourers 'led a dog's life on the farms."<sup>12</sup> This process impacted on the population distribution between town and countryside, particularly in the Western Cape where a large number of the Coloured working population were employed on farms. "As a result, the *Worcester Standard* noted, the growing drift of Coloured workers into Worcester was causing an acute labour shortage on the farms. In December 1929 local farmers announced their intention to ask the Government for assistance in recruiting more labour."

The labour shortages were induced by (i) the employment conditions on the farms and (ii) initially the possibility and choice of black workers to farm and (iii) later to relatively higher wages and better working conditions in the secondary and mining industry. "The several commissions appointed to gnaw away at this perennial problem all contained abundant evidence that African farm labour was available where higher wages were paid; but that African peasants preferred to wring a living off their own land, or off white-owned land that they occupied on a quasi-feudal basis, rather than working for low wages. To these farmers, the Act represented the enrolment of the force of the state on their behalf: the controls and discipline which the farmer had hitherto exercised haphazardly, on a private and individual basis, the court-based administrative machinery could now exercise systematically, publicly and on a large scale."<sup>13</sup> By the 1930s all forms of pre-capitalist agrarian relations had almost entirely been superseded by wage labour in the Cape<sup>14</sup>. The aforementioned struggles were to inform the conditions and form of mechanisation in the sphere of agricultural production and the distribution of the workforce among mining, secondary and consequently agrarian economic sectors.

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<sup>11</sup> R. Ross, op cit, 1986.

<sup>12</sup> cited in G. Lewis, op cit., p108.

<sup>13</sup> Ibid.

<sup>14</sup> ibid.,p39.

The emergence of a class of wage labourers within the Cape Colony engaged as builders, bricklayers, masons, carpenters, joiners, cabinet-makers, painters and glaziers, coach builders, wagonmakers, wheelwrights, tailors, general workers and farm workers were primarily drawn from amongst the ranks of the conquered Khoikhoi and San and emancipated slaves and other rural dwellers<sup>15</sup>. The occupational distribution of the emerging class of wage labourers to an extent reflected the limited skills that were acquired before and during the period of slavery as well as the limited wage labour requirements of the local economy. However, the demand for labour on public works such as the Cape Town docks and developing rail network was significant in swelling the ranks of the lowly skilled. Whereas by 1891 immigrating Europeans provided some of the skilled labour, their location within the occupational hierarchy and social attitudes influenced the racial sentiments of various colonial administrations. Although they brought with them working class traditions from their countries of birth, they were unable to effectively accommodate the aspirations of either local people or other people of color<sup>16</sup>. Amongst others, closed shop arrangements and other labour relations provisions increasingly restricted non-Europeans, referred to at times as coloured, from accessing employment and securing apprenticeships. It confined them to "traditional occupations, some of which, such as blacksmith and coach-driver, were being affected by technological change."<sup>17</sup>

Agricultural land use patterns in the immediate vicinity of the Western Cape's urban areas were nevertheless being transformed into becoming part of the urban space. A transformation in both the social and territorial divisions of labour between town and countryside was taking place. Although the return on capital invested in agriculture was profitable given the gradual and consistent increase in land values of both the Land Bank and the commercial market between the period 1912 and 1941<sup>18</sup>, rapid secondary industrialisation and the concomitant influx of people into greater Cape Town, provided possibilities for higher returns to capital on land used for non-agricultural purposes. Land rents accruing from commercial, industrial and residential township development were a most attractive alternative. A transformation of the nature of the property market

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<sup>15</sup> J. Sharp and M. West, *Controls and constraints: Land, labour and mobility in Namaqualand*, Second Carnegie Inquiry into Poverty and Development in Southern Africa, Conference Paper No.71, April 1984.

<sup>16</sup> D. Chidester, *Religions of South Africa*, Routledge, London, 1992,p149.

<sup>17</sup> *ibid*, p14.

<sup>18</sup> *ibid* and M. Morris, *The Development of Capitalism in South African Agriculture: Class Struggle in the Countryside*, in *Economy and Society*, Vol 5, 1976.

and the organisation of urban space was the consequence. This transformation in the organisation of urban space was reinforced as the provision of physical infrastructure for economic development, transport and housing was primarily resourced from all levels of government. Three large land and finance companies emerged by 1920 owning most of the land for residential suburbs in Cape Town. This ownership was effected through the purchase of farms through registered companies. Money capital became available through foreign sources via two Australian immigrants, Messrs. Joyce and McGregor and local sources via the Graaff Brothers.<sup>19</sup> Combrinck and Co. that was controlled by the Graaff Brothers developed linkages between industrial capital and investment in land. The Cape and Transvaal Finance Company (C.T.L.F. Co) founded in 1916 bought the Golf Estate and Montagu's Gift and developed Parkwood, Grassy Park, Lotus River and New Retreat Estate as townships drawing on capital resources amounting to 50 000 pounds from 1919 onwards. The continual transformation of land use patterns from agricultural to urban and the emergence and growth of an urban property market were closely related to the ascendancy of the mining and secondary industrial sectors. Consequently, those who were previously farm labourers became part of a more urban centered labour market. The close proximity of the farms to the newly developed suburbs also created the possibility of casual seasonal wage employment for working class people living in these settlements, and access to resources crucial for the development of certain aspects of the "informal sector" in these areas.

### **2.1.1. The trajectory of secondary industrial development**

"Even today (1998), world capital flows are much smaller in proportion to GNP than before the first World War."<sup>20</sup> The First World War between 1914 and 1918 however was a significant catalyst for economic growth. It severely disrupted international trade, causing a shortage of a whole range of commodities as well as price inflation. South African manufacturers rushed to fill the vacuum created by the shortage. The result was the rapid expansion of the local capitalist manufacturing sector: gross industrial

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<sup>19</sup> see Van Wyk ,B.J., J.P.F.DuDoit, J.Harrison, J.G.M.Visagie, D.J.Mulder, and E.N.C.Whitehead: *Statistical and Graphical Appendices for the Report of the Task Team Appointed to Assess the Economic and Financial Position of the Vegetable Farmers in the Tala Valley*, Department of Agricultural Development, February 1990.

<sup>20</sup> Jean Waelbroeck: *Half a Century of Development Economics: A Review Based on the Handbook of Development Economics*, p24. A revised article was eventually published in the The World Bank Economic Review, Vol 12, No 2, 1998.

production rose by 173% in seven years (from 22 million pounds in 1910-11 to 40 million pounds in 1915-1916, 49 million in 1916-1917 and 60 million in 1917-1918); the number of employees in the sector rose by 126% over the same seven years (from 55 000 to 124 000 of whom 63% were African) and the sector's contribution to National Income rose to 9.6% (compared with 21.6% for agriculture and 20.3% for mining). South Africa thus emerged from the war with the nucleus of an industrial structure whose main pillars were electricity, steel, engineering (mainly maintenance and repair work), chemicals and fertilisers, construction materials, clothing, and the processing of agricultural goods.<sup>21</sup>

Due to a 42% drop in the profitability of the mines between the years 1913 and 1919 the mining industry diversified and increased investment in the secondary industry.<sup>22</sup> The shortages and increased price of foreign-produced commodities during the First World War induced increased investment as these shortages and price inflation increased the cost of production and reproduction. The influx of foreign and cheaply produced commodities in the post war period hampered the competitive ability of the infant South African industry. The post-war availability of mass production techniques in Europe and elsewhere for local use, and state intervention in the form of tariff protection in 1925, partly created conditions for the emergence of machine-based methods of production as a competitive form of capitalist production in secondary industry.

The mining companies saw promotion of industrial development in South Africa, as a means of reducing both costs and dependence on imports. This related especially to industries that produced necessary inputs for the mines, among which iron and steel were foremost. Mining capital was also moving into industry because it offered levels of profitability that were generally no longer available in mining.<sup>23</sup> The Gold Fields Company's industrial interest in South Africa had grown to almost 10% of the total value of its investments by 1920 for example.<sup>24</sup> Certain of these investments were made away from the Rand, often in outlying areas as far afield as the Western Cape region. Under the auspices of the Cape Explosive Works, which was established in 1903, De Beers constructed a new fertiliser factory in Somerset West in 1920. By 1924 two independent

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<sup>21</sup>Innes, D.: *ANGLO: Anglo American Corporation and the rise of Modern South Africa*, Ravan Press. Johannesburg 1984

<sup>22</sup> *ibid.*, p7.

<sup>23</sup> *ibid.*, p1.

<sup>24</sup> *ibid.*, pp 118 – 124.

British-controlled producers, Nobel-Kyn Co. and Cape Explosives merged to form African Explosives and Industries Ltd. (A.E & I).

Other sources of money capital were available from foreign agencies. But this availability was in turn determined by South Africa's position in the international imperialist network. Through their connection with The City in London, the banks ensured South Africa's incorporation into the international gold standard and the system of trade and capital flows in the pre-1914 period, in which Sterling was the currency, London the key center, and English financial capital, the major beneficiary. Banking activities facilitated international trade, but especially the flow of money and commodities to and from the country.<sup>25</sup> By 1920 there were only three substantial banks using London as their financial operations center, namely, Standard Bank, the National Bank, and the Netherlands Bank. Initially these banks provided "primarily circulation credit (as opposed to production credit) in the form of advances and overdraft to importers and exporters."<sup>26</sup>

With the formation of the Industrial Development Company (I.D.C.) by the National Bank and some mining houses in 1917, long term capital was made available to secondary industry. This was to be improved with the establishment of the National Industrial Corporation by the I.D.C. and the National Bank with an initial capital of 1 million pounds in 1919.<sup>27</sup> The South African Reserve Bank was established in 1921 in terms of the Currency and Banking Act (No 31 of 1920). The development of stock exchanges and the establishment of the South African Reserve Bank, which reorganised the monetary system inducing banking confidence and reserve ratios, further loosened up the flow of money from commercial banks to industrial enterprises.

The development of various forms of industrial organisation, such as machine and manufacturing based production methods, was unevenly spread within and between enterprises, industries, and industrial regions. The share distribution of secondary industries among provinces, regions and towns was largely influenced by the location of the market and raw materials, availability of social and physical infrastructure and the prevalent labour market policy framework conditions. The labour market was particularly affected by interventions that reflected co-operation between relatively better-organised

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<sup>25</sup>Gelb, S.: op cit, p.3.

<sup>26</sup> ibid., p.3.

<sup>27</sup> ibid, p.8-9.

business, the state and organised labour which especially after the 1922 white miners' revolt, was predominantly white. While the Factories Act of 1918 circumscribed the length of the working day and associated rest breaks, sanitary provisions and rules for the employment of women and children, the Apprenticeship Act of 1922 afforded greater access to vocational training for whites. Together with the promulgation of the Industrial Conciliation and Wage Acts in 1925 this array of interventions in the labour market proved devastating for black workers as the decline in the ratio of employed blacks to whites in both the private and public sectors in 1925-1934 reflects.<sup>28</sup> Coupled with the eradication of unevenness in monetary, trade and industrial policies, it facilitated a great deal of uniformity in national policy framework conditions among the provinces.<sup>29</sup>

Since the 1920s, secondary industrial development assumed an ever more prominent role in shaping the urban character of the Western Cape as the experiences of the clothing and food processing industries indicate. State interventions, with the objective of securing and expanding the conditions of capital accumulation, were also crucial in developing the infrastructure for secondary industrial development. The establishment of ESCOM in 1922 and ISCOR in 1928 and increased state investment in road construction, harbour and railway development, enhanced imports and exports as well. This gave rise to the improved local circulation of various commodities, including greater mobility in the local labour market.<sup>30</sup> These parastatals, together with the metal, engineering and construction enterprises were major employers during the post-war reconstruction when the civilised policy was applied vigorously. The Customs Tariff and Excise Duty Amendment Act No 30 of 1925 provided local industry with a wide variety of protection against the influx of more cheaper produced foreign commodities. As part of the package, various employer organisations such as the Cape Chamber of Industries, which lobbied for protection, had to deal with the implementation of the white civilised labour policy.<sup>31</sup>

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<sup>28</sup>See I. Abedian and B. Standish: *An Economic Inquiry into the Poor White Saga*, S.A.L.D.R.U. Working Paper No.64.

<sup>29</sup> See the most recent and significant commentaries on the transformation of the labour process in the form of Jon Lewis: *Industrialisation and Trade Union Organisation in South Africa, 1925 - 1955: The Rise and Fall of the South African Trades and Labour Council*, Cambridge University Press, Cambridge, 1984 and Eddie Webster: *Cast in a Racial Mould: Labour Process and Trade Unionism in the Foundaries*, Ravan Press, Johannesburg, 1985 and D. Kaplan: *Industrial Development in the Western Cape, 1930 -1940: Composition, Causes and Consequences*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986.

<sup>30</sup> See D. Hobart-Houghton: *The South African Economy*, Oxford University Press, Cape Town/New York, 1976 and J. Natrass: *The South African Economy-Its Growth and Change*, Oxford University Press, Cape Town, 1981.

<sup>31</sup> See Laite, H.J.: *They Built a System- A History of the Cape Chamber of Industries*, Laite, H.J. *They Built a System: A History of the Cape Chamber of Industries*, BC 848, Manuscripts and Archives, University of Cape Town Libraries.

The main secondary industries established were the clothing, food processing construction, metal and chemical industries supported by a service industry that included transport, communication and commercial infrastructure as well as those services provided by the public sector at municipal, provincial and national levels. This made a significant contribution to the Western Cape's secondary industrial development in terms of employment provision in the years' 1924-30. With only a few exceptions, the proportional share of various industries hardly changed between the period 1924/25 to 1930<sup>32</sup> but it contributed significantly to the drastic increase in urban-based workers. Between 1916/1917 and 1928/1929, secondary industry's workforce increased from 20 985 to 35 450, a 69% increase, whereas the total number of establishments increased by 42% from 854 to 1219. The average number of workers in the Western Cape increased from 24 per factory in 1916/1917 to 29 in 1928/1929.<sup>33</sup> A large number of industries, especially wood and furniture, construction, chemical and metal engineering, although less significant than the food and clothing industries, contributed to this expansion of the rapidly emerging unskilled and semi-skilled workforce.

The transition to machine-based production methods, a major catalytic factor for growth was uneven in character in secondary industry. Bespoke tailoring, sweat shops, aspects of canning like the preparation process existed side by side with more mechanised aspects of capitalist labour processes in the leading clothing and food industries. The relation between federations of employer associations and that of labour concerning labour market policy and related matters was critical to the prevalent social relations and class identity formation. The extent to which the civilised labour policy was implemented depended on conditions and forms of class organisation and conflict within each industry and its relation to generalised local and national conditions. A central issue for analysis of industries in the western Cape, therefore, was the regional specificity of the conditions and forms of engagement and how it informed economic growth and development tendencies. This would involve, among others, a specific focus on international competition at industry and macro level, the implementation of mass

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<sup>32</sup> See F. van den Bogaerde en P.J. Wessels: *Sekondere en Tertiêre Aktiwiteite* in S.P. Cilliers (ed.) *Wes-Kaapland : 'n Sosio-ekonomiese studie*, Kosma-Uitgewery; U.S. 1965, pp 83 - 92 and Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Reports no 2, 1916-1917, U.G. No.51-1918 and Report no 14,1928-1929, U.G. No. 44-1930, Government Printers, Pretoria.*

<sup>33</sup> Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Reports no 2, 1916-1917, U.G. No.51-1918 and Report no 14,1928-1929, U.G. No. 44-1930, Government Printers, Pretoria.*

production methods and labour market conditions and policies within the Western Cape region.

### The clothing industry

For R200 or less the tailor or seamstress can set up a home-based workroom or employ a single sewing machine operator producing to customer order. If he or she is successful, the modest amount of capital required to finance expansion is usually not hard to find.<sup>34</sup> Before the 1920s, clothing production was organised initially along these small scale lines with the employer participating side by side with the employees in the labour process. Since the early 1920s the increasing emergence of enterprise large in scale in Cape Town involved the reorganisation of the labour process. It involved an increased specialisation and subdivision of labour and the use of power-driven machines. Companies such as the British linked M. Bertish and Co. Ltd. and African Clothing Factory (Ensign) Limited initially set the pace.<sup>35</sup> This did not preclude the development of a symbiotic relationship between these types of enterprise and petty commodity producing enterprises. The reason for the location of the clothing factories on Buitenkant, Longmarket and Aspelung Streets is less obvious. There was a clustering of tailors at the eastern ends of Caledon and Longmarket Streets where these entered District Six, where skilled Malay craftsmen produced to individual order and worked close to their market that was mainly in the central business district. The 19th century system of subcontracting or "sweating" was practiced in the clothing industry. In these factories the cloth was cut prior to being farmed out to the tailor who finished the work.<sup>36</sup>

State intervention, in the form of the PACT government's "civilised labour" policy, created conditions for the further growth of machine-based production methods. Part of the packaged policy was protection against foreign competition promulgated in the Customs Tariff and Excise Duty Amendment Act No 30 of 1925.<sup>37</sup> Simultaneously employers covered by the Wage Act had to give preference to the employment of urbanising/proletarianising "white" workers at civilised wage rates. Wage determinations promulgated in terms of the Wage Act of 1926 led to the setting of relatively higher

<sup>34</sup> Financial Mail Supplement: *Tailored Management: A Special Survey of the Western Cape Clothing Industry*, August 2, 1963, p5.

<sup>35</sup> *ibid.* and see E. Berghaus: *Rex Trneform*, B.A. Honours, U.C.T. 1984, and J. Whittingdale: *The Development and Location of Industries in Greater Cape Town, 1652 - 1972*, M.A., U.C.T., 1973.

<sup>36</sup> Whittingdale, J.: *op cit.*, p96.

<sup>37</sup> See D. Innes, *op cit.*, 1984; J. Natrass, *op cit.*, 1981 and D. Hobart Houghton, *op cit.*, 1976.

wages for the clothing industry in the western Cape.<sup>38</sup> This was the first task confronting the newly formed 12-member constituency Cape Wholesale Clothing and Shirt Manufacturers' Association that registered as a member of the Cape Chamber of Industries in 1925.<sup>39</sup> Despite initial protest, its later observation of the Wage Determination involved the rationalisation of the labour process. Job fragmentation or deskilling, opened up avenues for the employment of an increased number of learners at lower wages. These learners could do simpler tasks in shorter periods with more efficiency. More use was made of "juvenile" female workers. In this way, increasing numbers of young women entered the labour market, as the clothing industry became the single largest employer of women. The absence of maternity benefits coupled with legislative restrictions for "learners" in terms of the wage determination led to a high labour turnover in the industry.<sup>40</sup>

The precarious position of clothing workers was compounded further by two factors that made the wage bill become the focus for cost cutting methods. Firstly, raw materials, most of which were imported, although forming more than 50% of the cost structure, never provided an avenue for cost-cutting measures.<sup>41</sup> The textile industry was in its infancy despite the existence of wool and cotton producers particularly in the Eastern Cape and Midlands regions of the Cape Province. The latter tended to produce for export, particularly when it was not affected by the Depression and the ecological crises in the late 1920s and early 1930s that affected agricultural production in these regions. Secondly, a weakly organised Garment Workers' Union of the Cape Peninsula never had a dramatic effect in improving working conditions. The union for garment workers in Cape Town had been created in 1926 by Robert Stuart, the Secretary of the Cape Federation of Labour Unions (C.F.L.U.) and the "union boss" of Cape Town. Stuart had revived the ailing Federation after 1925 by registering trade unions under the new Industrial Conciliation Act and then trying to enter into industrial agreements with the Employers Associations being constructed by W.J. Laite, the Secretary of the

<sup>38</sup>See Barker, H.A.F.: *The Economics of Wholesale Clothing Industry of South Africa 1907 - 1957*, Pallas Publications, Johannesburg, 1962; M.Nicol: *Bosses and Unions in the Cape Clothing Industry 1926 - 1937*, Centre for African Studies, U.C.T., September 1983; M.Nicol: *A History of Garment and Tailoring Workers in Cape Town, 1900 - 1939*, Ph.D., U.C.T., March 1984(a); M. Nicol: *The Transvaal Garment Workers Union's Assault on low wages in the Cape Town Clothing Industry, 1930 - 1937*, Centre for African Studies, U.C.T., June 1984(b) and M.Nicol: *Cape Town Clothing Industry and the Industrial Legislation of the 1920's*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986.

<sup>39</sup> M. Nicol: op cit 1986.

<sup>40</sup> ibid and H.A.F. Barker, op cit 1962.

<sup>41</sup> Financial Mail, op cit, 1963 and H.A.E. Barker, op cit, 1962.

Chamber of Industries.<sup>42</sup> In terms of membership recruitment, they targeted two qualitatively different but linked constituencies, namely, the tailor and the seamstress on the other hand and workshops and large scale factories on the other. Organisationally, they made almost no impression on alleviating working conditions as the increased number of dismissals and new employment practices in large-scale enterprises indicated. By 1928 their paper membership dropped to insignificant levels.<sup>43</sup>

The development of machine-based production in the context of the implementation of the "civilised labour" policy in general contributed to increased employment levels and low wages per worker in the clothing industry. This was also accompanied by gender and racist related discriminatory practices, aimed at maintaining relatively lower regional wages. The implementation of mass production techniques had the objective of enhancing the productivity of workers, while reinforcing management's interest in a low wage bill and higher profitability. By 1929 there were 2 023 workers employed in the Cape Clothing Industry, an increase of over 80% for the preceding three years.<sup>44</sup>

### The food processing industry

Jam making and fruit preserving was a very minor manufacturing activity, not really worthy of being called an industry until the mid-1920s. Canning was used more as a means of disposing of low-grade fruit than as an exacting market for higher quality fruit that farmers geared themselves to supply. Locally produced food processed goods had to compete with well-established American and Australian industries until the First World War. This situation improved for local canneries with the First World War, when a reduction of imports increased the demand for their goods. After the war, farmers started to turn to canning to dispose of their produce on a large scale and by 1925 there were twelve factories in the country processing fruit. In contrast to fruit canning, the pre-Second World War fish canning industry was better developed. This component of the fish industry started with the establishment of crayfish canneries early in the twentieth century. By 1913 fifteen crayfish canneries had been built in Cape Town and along the West Coast. By the end of the First World War most of the major fish factories were

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<sup>42</sup> M. Nicol, op cit. 1984 p5.

<sup>43</sup> M. Nicol, op cit. 1984.

<sup>44</sup> E. Berghaus, op cit p7.

established."<sup>45</sup> The preparation, treatment and preserving of food, drink, condiments, and tobacco were the other major activities of the industry in terms of employment, number of factories, and output. Between 1916\1917, and 1928\1929, the number of establishments in the Western Cape increased from 152 to 246. The total workforce increased from 4 954 to 8 239.<sup>46</sup>

The larger enterprises that emerged in the 1920's were largely responsible for the continual increases in the workforce. The Canning Industry, for example, assisted by tariff protection since 1925, developed slowly before the Great Depression. Twelve factories employed a total workforce of 921 workers in 1928. Most of the enterprises were organised in terms of their common interest, having formed the South African Cannery Council in 1923.<sup>47</sup> Cannery bosses had either come to manage plants in South Africa, as in the case of H. Jones (Pty Ltd.) where management had previous experience in canning practice, or they had worked in canneries and then left to start their own companies. The capital required to start a cannery was not large, requiring the purchase of rudimentary plant equipment and financial backing to secure operating capital.<sup>48</sup>

This was especially possible in the light of the nature of the labour process, the seasonal character of production and the virtual absence or weakness of organized worker resistance. Definite temporal and physical limitations such as the seasonal nature of the supply of raw materials, influenced the trajectory of capital accumulation. These determined periods of high output and employment and periods during which the instruments of production were under-utilised. The canning preparation process and the transport of raw material and finished product within the enterprises reflected the absence of the extensive use of machines. The majority of the workforce required a low

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<sup>45</sup> R. Goode: *A History of the Food and Canning Workers Union: 1941-1974*, MA, UCT 1985 p 25 -26; *Technology and Toil: Labour Process and Organisation in the Canning Industry*, Department of Economic History Seminar, April 1985, and *For A Better Life: The Food and Canning Workers Union 1941 to 1975*, B.A. Hons, UCT, April 1983.

<sup>46</sup> Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 12, 1926-1927*, U.G. No. 51-1928 and *Report no 14, 1928-1929*, U.G. No. 44-1930, Government Printers, Pretoria.

<sup>47</sup> R. Goode, *op cit*.

<sup>48</sup> *ibid*, p32.

technical level of skill. The extent of job fragmentation did not provide the material basis for the emergence, development and deployment of traditionally and officially recognised craft skills. This, coupled with the seasonality of production, gender related practices in the area of working class reproduction and employment, provided some of the conditions for a significant presence of women in the industry.

Nevertheless, the labour processes were being controlled and directed daily by mainly white male supervisors with the owner and/or top management keeping a close watch.<sup>49</sup> The workers' abilities to respond to these conditions of production were curbed by the general character and demise of the ICU as well as the conservative nature of the only known food trade union operating in the larger food industry. The Sweet Workers Union, an affiliate of C.F.L., was established in the context of post war industrialisation. Effective unionisation of the workforce was made more arduous by the seasonal nature of production and employment in the industry. Machine-based production existed in other areas of productive activity such as the making, filling and syrumping of cans. Experimentation to devise new canning methods and improve quality was generally undertaken by individual canneries in the early period. Research work focused on the increased standardisation and sanitation of the canning process and its possible effects on productivity. As each cannery had its own laboratory for quality control there was scope for local innovation. When the industry was first established overseas contact was an important source of technical knowledge and many canneries visited the USA for technical advice. These circumstances determined enterprise overheads necessary to enter the industry and also its competitive character at both national and international levels. The need to overcome barriers to capital accumulation such as the seasonality of production and more importantly the need to cut wage costs through higher productivity levels definitely influenced the tendency towards machine-based production methods.

## 2.1.2.

### Changes in the character of the labour market and poverty alleviation strategies

The overall dynamic of transformation in the countryside coupled with the growth of secondary industry in the Cape produced an increased movement of poor people, intent on improving their fortunes, from the countryside to the urban areas. Statistical evidence

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<sup>49</sup> R. Goode op cit 1985 p31 –32.

shows that the Cape Peninsula's population more than doubled in 25 years when it increased from 246 660 to 509 820 between 1921 and 1946. Since a characteristically large number of Coloured workers had previously lived on farms in the Cape, the migratory pattern involving large numbers of Coloureds significantly affected the particular character of the labour market in Cape Town. Larger numbers of recently proletarianised/urbanised unskilled workers drawn mainly from the demographically dominant Coloured population group, but including White and African workers were compelled to sell their labour in Cape Town. Smaller towns in rural areas were used as stopping points for short but varying periods by workers en route to Cape Town from distant outlying areas. The existence of a market intelligence network among workers and labour tenants greatly facilitated this process. This network involved workers maintaining contact with their families and friends in rural areas through the use of letters and periodic visits.<sup>50</sup> Oral accounts confirmed exchanges of information about employment and accommodation possibilities as well as wage levels. Mobility, however, especially of semi- and unskilled workers within the labour market was impaired by an absence of cheap transport facilities, personal contact required for the obtainment of semi- and unskilled work and the lack of reliable means of obtaining information about employment opportunities elsewhere.

African workers' entry into the Cape Peninsula's labour market and their accommodation possibilities were governed by the 1923 Urban Areas Act. Although the implementation of the Act was optional for local authorities, the municipal area of Cape Town was declared a "proclaimed" area in terms of Section 12 of Act 21 of 1923, in 1926.<sup>51</sup> "All Africans coming into Cape Town were required to report to the registering officer within forty-eight hours of arrival, while all male Africans employed in the municipal area had to obtain a registered contract of service or a casual labourer's permit. Registered parliamentary voters, the owners of certain properties, and certain other specified groups were exempted from these provisions. The local authorities could not refuse registration if accommodation for work-seekers was available and it had to provide

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<sup>50</sup> Interview with M. Cox, M.D. (current), Cape and Transvaal Land and Finance Company Ltd., January 1987; The Deed of Transfer of the Cape and Transvaal Land and Finance Company Propriety Limited, prepared by Walker, Lewis, Goodley and Field - Attornies, Notaries and Conveyancers, T 2870,1918, Memorandum of Association of the Graaff's Trust, Limited, 24 March 1930.

<sup>51</sup> Interviews with residents, Retreat, 2 November 1985 to 10 December 1985 and 25 October to 16 November 1986.

accommodation for work seekers. The right of women to travel to and live in the urban area was not restricted, so that a man could have his family living with him."<sup>52</sup>

These conditions perpetuated the growth and prevalence of an employable surplus population in the Western Cape. They were either employed on "peri-urban" farms as seasonal casual workers in the event of not finding full-time or casual employment within secondary industry and other formal economic sectors or otherwise became the precondition for the growth of "informal sectoral" economic activities. The size of this unemployed pool of skilled, semi- and unskilled workers fluctuated due to the seasonality of production especially within the food processing, building and agricultural sectors.

Urbanisation/proletarianisation was also accompanied by deskilling linked to the growth of machine-based production that rendered some skilled workers redundant. Others had to engage in temporary employment to alleviate poverty as reflected by the increased presence of juvenile and female workers brought up without industrial skills facilitated by training. This was a situation that worsened with the occurrence of a recession during the period 1920-22. The level of demand for workers employed was significantly far less than the number of employable workers available. This placed management in a strong position of power in the labour market and production process. This is reflected by the practice of engaging workers on a casual basis and indiscriminate dismissals. This position was legally reinforced by an array of labour market related legislation.

Another tendency that contributed to the historically constituted, expanded and fragmented labour force was the increased incorporation of women into it and various responses thereto. Between 1916/1917 and 1928/1929 the total number of female workers increased from 4 496 to 8 830. Most of the female workers were white and Coloured employed in semi- and unskilled occupations.<sup>53</sup> African women's involvement was to increase with the influx of Africans from the countryside in later years. During the years' 1924/1925 and 1929/1930, the percentage of white female workers increased from 6,7% to 9,5% of the Western Cape's total workforce employed in privately owned secondary industries. The percentage of Coloured women employed dropped slightly

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<sup>52</sup> A. Mafeje and M. Wilson: *Langa- A study of Social Groups in an African Township*, Oxford University Press, 1973,p182.

<sup>53</sup> *ibid* and Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Reports no 2, 1916-1917, U.G. No.51-1918; Report no 10,1924-1925, U.G. No. 41-1927 and Report no 14,1928-1929, U.G. No. 44-1930, Government Printers, Pretoria.*

from 15,8% in 1924/1925 to 15% in 1929/1930, whereas the overall percentage of female workers employed as part of the total workforce increased from 21% in 1916/1917 to 25% in 1928/1929. The effects of the PACT government's civilised labour policy on female workers were thus evident. The major areas of employment for female workers were in the food and beverage, clothing and textile industries and in domestic service. Within these industries, women's employment was subjected to seasonal fluctuations aimed at the youthful stage of the woman's life cycle. Gender related practices were further used to pay differing wages for different sexes for the same type of work which was related to the conditions and forms of engagement within the specific industry. In domestic service the situation was more nuanced in terms of the nature of the employer/employee relation and its effects on working class recruitment, working conditions, and organisational options.<sup>54</sup>

The non-existent or underfunding of education for non-Europeans and the application of the Apprenticeship Act of 1922 by the state contributed to reinforcing the racial structuring in the labour market as white youth were afforded greater access to opportunities for human resource development. "The first attempt to legislate and regulate apprenticeships in South Africa was contained in the Apprenticeship Act of 1922. Prior to this, apprenticeship training was governed by a host of disparate legislation. Provisions in the Act enabled employers in designated trades to employ minors for an indefinite period, provided they 'did not serve on probation for more than six months with any one employer; at the end of that period, a formal contract had to be entered into.'"<sup>55</sup> Although the provision was abused by employers to avoid payment of higher wages when bound by a contract, it imposed a racial structure when the required level of entry set at standard six prohibited a large number of blacks access as the majority of available schools did not offer education at that level.<sup>56</sup> Mission Society schools never had the capacity to deal with the increased demand for the provision of education and training to non-Europeans throughout the Province.<sup>57</sup>

The weakened position of workers was aggravated by the existence of a surplus employable population and state intervention that legally impaired their bargaining

<sup>54</sup> See F. van den Bogaerde and P.J. Wessels, op cit., 1964, and Industrial Census report no's 2, 10 and 14, op cit.

<sup>55</sup> See E. Boddington: *Class Control and Racism: A proposed health amendment to the Municipal Ordinance, Cape Town, 1914*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986.

<sup>56</sup> P.Lundall, *Apprenticeship Training in South Africa: Recasting the Boundaries*, Unpublished Manuscript, January 1994, p31.

<sup>57</sup> see M.Kooy, *A Survey of the Apprenticeship System in South Africa*, M.A.,U.C.T., 1952, p6 and F.Wilson and M.Ramphela: *Uprooting Poverty-The South African Challenge*, David Phillip, Cape Town and Johannesburg, 1989.

position. State intervention affected these employment possibilities and exacerbated divisions within the ranks of the urban poor in various ways. Although unemployment was a phenomenon and of concern to various administrations late in the nineteenth century, it existed in preceding years and was related to class stratification accompanying capitalist development. Its significance in the 1890s could be ascribed to larger concentrations of the poor in urban areas and importantly, changed perceptions by the colonial administration and dominant classes of it not as 'demoralising pauperism' but as a product of the lack of social and physical infrastructure and socio-economic circumstance. Importantly the 'degradation' of whites through the 'mixing with' coloureds, marrying coloured women, 'assimilating more to the black race' had to be remedied. The search for poverty alleviation strategies by the colonial administration and other agencies such as churches through the establishment of various commissions of inquiry straddled the fields of employment, education, housing and infrastructure, as well as public health and agriculture.

Over and above the work of the Cape Colony' sponsored Commission on the Labour Question in 1893 and the Relief and Grants-in-Aid Commission in 1916, the 1922 Report of the Unemployment Commission focused on solutions to the unemployment problem to augment relief work among poor whites. The latter subsequently developed the following recommendations that became guidelines for agricultural, industrial and transport policies aimed at stimulating economic growth and employment for poor whites.

1. That the Government should take steps to maintain up-to-date information as to (a) the number of unemployed and indigent persons in the Union; (b) the number of feeble-minded, degenerate and permanently invalid persons, especially children; and further to secure (c) an agricultural survey of the Union; (d) a survey of industries with the view to estimating the number of youths and apprentices capable of being absorbed in various occupations.
2. That provision should be made for vocational training of the young on a much more extensive scale than hitherto and the extension of a system of apprenticeships in all industrial undertakings.
3. That every assistance should be given to the gold and coal mining industries to enable them to operate to their fullest possible extent, that taxation levied in respect of them should be upon results rather than upon enterprise and effort, and that hampering and retarding restrictions not vital to the public safety should be removed.
4. That industrial expansion should be encouraged by a readjustment of tariffs and in other ways.
5. That cheap transport and marketing facilities should be provided for the country's products, whereby farmers might be better able to make a living on the land and the unnatural drift from the land to the mines might be avoided.
6. That marriage of the feeble-minded and of males under the age of twenty-one should be as far as possible discouraged.
7. That the system of Government departments, police, railways, and, if

possible, municipal bodies purchasing and supplying material and obtaining tenders in the Union for making the necessary uniforms for their employees should be continued as a means of providing continuous employment for large numbers of workers.<sup>58</sup>

Through the PACT Government's civilised labour policy announced in 1924, white workers were given preference with respect to employment opportunities in both the private and public sectors based on a definition of civilisation. "Civilised labour is to be considered as the labour rendered by persons whose standard of living conforms to the standard generally recognised as tolerable from the usual European standpoint. Uncivilised labour is to be regarded as the labour rendered by persons whose aim is restricted to the bare requirements of the necessities of life as understood among barbarous and undeveloped peoples."<sup>59</sup> Informed by these definitions that stemmed from the deliberations of the 1922 Unemployment Commission and preceding commissions, the government assisted poor whites through employment on government relief schemes and by means of legislation aimed at the substitution of white for black labour. "Government had decided to approach public bodies with a view to special works being opened up on which European labour alone would be engaged at a civilised wage and in the representations made to the Works Committee by the Minister. He sought the Council's co-operation in order that a start may be made in the Cape division in applying the Government policy.....To deal with the unemployment problem in the Cape Division, a special committee has been appointed, representative of the Provincial, the Cape Town Municipality, the Divisional Council and the Labour Department."<sup>60</sup>

The above mentioned state departments, together with the South African Railways and Harbours, and the lesser involved privately owned secondary industrial enterprises, gave preference to absorbing white workers at "civilised" wage rates. In the case of local authorities, workers were employed on the basis that if the final cost exceeded the "estimated cost and the cost of the same work, if done by ordinary coloured labour", the exceeding cost "would be defrayed on a 50-50 basis by the

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<sup>58</sup> see M. Nicol, op cit., 1984 and 1986, C. Gifford: *The Struggle for the Tramway Union 1930 - 1945*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986; R. Goode: *A History of the Food and Canning Workers' Union, 1941-1975*, M.A., UCT, 1986 and P. van Duin: *Trade Unionism and relationship between white and coloured workers in the Cape Town Building Industry 1900 - 1930 and Skilled Labour, Trade Unionism and Racial Attitudes in Cape Town, 1900-1914*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986 indicates the extent to which the issue had been addressed.

<sup>59</sup> Official Year Book of the Union of South Africa, No 5., pp293-294 and also cited in I.Abedian and B.Standish: *An Economic Inquiry into the Poor White Saga*, S.A.L.D.R.U. Working Paper No.64.

<sup>60</sup> Official Year Book of the Union of South Africa, 1927-8,p197.

Government and the Council". Additional perks involved state built accommodation. "White labourers employed by the Railways received two additional benefits: free housing and, in 1929, admittance to the Railways sick fund. The 'free housing' comprised hostels for unmarried men and houses for married men. White labour employed on irrigation works received free food, accommodation and medical attention."<sup>61</sup> It is under these circumstances that Railway houses were built for white Railway workers in areas such as Retreat in 1934. The privately owned enterprises were pressurised to implement the policy that was tied up with industrial protection in the form of the Customs Tariff and Excise Duty Amendment Act.<sup>62</sup>

Although the Government later argued that Coloureds could also be regarded as "civilised labour" in the Cape Province, the resultant implementation of the civilised labour policy involved large numbers of Coloured and African workers being retrenched or denied jobs, especially during the Depression years.<sup>63</sup> Some commentators therefore cautiously concluded that African workers suffered the most while coloured workers never really benefited from this civilised labour policy. The employment of poor whites on government relief schemes was considered a more effective poverty alleviation strategy than the substitution of labour.<sup>64</sup> The employment patterns that emerged reflected the increased incorporation of particularly white women into the labour force. The employment ratio between white, Coloured and Africans did not reflect the same national trends. Those classified as 'coloured' were extensively employed in agriculture, on the railways and in the emerging food processing industry particularly after the war in semi and unskilled positions. Discriminated against by employment and training preferential for civilised labour policies, blacks were also debarred from entering the labour market through more stringent influx control measures.

The Industrial Conciliation Act of 1924, the Wage Act of 1925 and the establishment of the Department of Labour all aimed at incorporating white workers into a complex system of official bargaining and arbitration at the same time as African workers were explicitly excluded from participation in these procedures.<sup>65</sup> Coloured workers were defined as employees and thus had access to these official bargaining

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<sup>61</sup> Divisional Council of the Cape, Minutes, 1926, pp16 -17.

<sup>62</sup> LAbedian and B.Standish, op cit, p49.

<sup>63</sup> see H.J. Laite, op cit.

<sup>64</sup> Interviews with Retreat residents, Retreat, 16, 19, and 23 November 1985.

<sup>65</sup> D. Innes, op cit, 1984, p127.

procedures whereas African workers before 1930 were restricted to make representations to the Wage Board, a body instituted by the Wage Act to promulgate wage determinations. The C.F.L. had a predominant white and Coloured membership whilst the predominantly African and Coloured membership of the ICU were drawn primarily from the ranks of the newly proletarianised semi- and unskilled population during this period.

The extent to which Cape Federation of Labour affiliated unions and other labour movements such as the ICU were able to defend workers from onslaughts like deskilling, declining real wage levels and retrenchments through using these "official" and "unofficial" bargaining procedures has still not been exhaustively researched. The manufacturing industry was dominated by craft unions before the 1920s. The C.F.L. was established in 1913 as a co-ordinating body for the local craft unions. Membership of craft unions was largely regulated by the use of organisational techniques enforcing an adherence to the apprenticeship system, closed shop agreements and a strict code of demarcation, which apart from whites also permitted membership to skilled Coloured workers.<sup>66</sup> It had expanded to include unions in all sectors of Cape industry, representing both skilled and unskilled workers, from stevedores and leather workers to hairdressers and "bioscope" employees. Because of the extent to which Coloured workers were entrenched in many trades, especially building, printing, and furniture, the Federation always espoused non-racial unionism and constantly criticised the racism of the Transvaal unions.

The expanding and changing character of the C.F.L. reflected the growth and unionisation of semi- and unskilled workers in the wake of the transition to the use of machine-based production methods. It enforced this organisational realignment, and resorted to industrial unionism using organisational techniques reliant on the recruitment of unskilled and semi-skilled Coloured and African workers. Despite the C.F.L.'s establishment of the G.W.U.-C.P. as an affiliate in 1926, its organisational character and low membership reflected their insignificant presence in the clothing industry. No headway, however, was made in effectively organising two of Cape Town's leading industries before the Great Depression. Its General Secretary both rubber-stamped and gave expression to the aspirations of a union bureaucracy that was not effective in

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<sup>66</sup> See Cape Federation of Labour documents found among the papers of Dr Oscar D. Wolheim, BC 627 and Papers of Advocate Donald Barkly Moltano, BC 579, Manuscripts and Archives, University of Cape Town Libraries.

relation to the nature of transformation and the character of evolving labour markets. Consequently real wage levels during the 1920s, including even those of organised white workers, showed a marked decline in response to the weak position of workers and deflationary pressures.

## 2.2

### Urban Crises and Secondary Industrial Development between the Depression and the War Years: 1930-1940

The early 1930s marked the climax of an extended period of deep crises of imperialism. Notwithstanding a temporary economic upswing from 1924 to 1929, the long stagnation in the accumulation of capital since 1913 culminated in the Great Depression of 1929 to 1932<sup>67</sup>. The fallibility of capitalism and the consequent need for more state intervention in the area of social and industrial development attained a hitherto unprecedented urgency despite the prevalent fiscal constraints. Due to South Africa's position in the international imperialist network, through trade and especially its links with British finance capital, the effects of the depression marked by a collapse of the international money market were locally evident. "(By 1920)...South Africa's international money was sterling because South Africa was still part of the British monetary system...The physical separation between England and South Africa was bridged by flows of capital and commodities in both directions. The sphere of monetary circulation reflected this."<sup>68</sup> The reorganisation of the South African monetary system since 1920, which partially involved the establishment of the South African Reserve Bank, gave expression to the strengthening of "national" capital and the weakening of "English" finance capital pertaining to credit control. South Africa's position in the chain before the Depression was, however, not significantly altered. It was precisely this link which was to lead to South Africa being engulfed by the international capitalist crises which reigned from the late 1920s to the early/mid 1930s. Capital and commodity flows to and from South Africa were to reflect this.

Cape farmers who were meshed in a nexus of global trade through the production of agricultural commodities such as wool, wine and deciduous fruit for

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<sup>67</sup> Innis, *op cit.*, 1984.

<sup>68</sup> *ibid* and see S. Gelb *op cit.*, 1984.

export were severely affected.<sup>69</sup> By 1932 the value of crops produced for export was barely 36% of the 1928 crop. Overstocking of sheep led to an ecological crisis in sheep farming areas. The increase in unemployment due to frequent bankruptcies in private enterprises reduced the size of the internal market. Farmers with increased loans obtained from Land Banks and other financial institutions became increasingly unable to repay debt<sup>70</sup>. An additional strategy affecting agricultural production outside the reserves involved the application of the Natives Trust and Land Act of 1936 that was to encourage the increased use of wage labour in agricultural production as a method to enhance productivity and hence capital accumulation in agriculture<sup>71</sup>. This caused high levels of impoverishment in the countryside, which led to significant movements of people to the urban areas leading to the expansion of the ranks of the urban unemployed poor, despite barriers such as credit networks indebting farm workers to farmers.<sup>72</sup> Thus, there was an increased urban significance of what was called the 'poor white problem' and the related public concern about the 'native question' as the rural dominated classes, both black and white, experienced the brunt of the depression.

### 2.2.1 The depression and the expansion of large scale industry

A decline was registered in the total number of enterprises from 1219 to 1185 for the period 1928/9 to 1932/3.<sup>73</sup> Smaller enterprises, due to their comparatively limited amount of access to capital resources, were most vulnerable to liquidation and take-overs as a consequence of debt. Consequently, secondary industrial employment in the Western Cape dropped from 35 450 in 1928/29 to 30 455 in 1932/33. The effects of the Pact government's civilised labour policy were now felt with particular reference to preferential employment and retrenchment practices. The proportional share of the employment of whites in the labour force in the western Cape rose from 35% in 1924/25 to 41% in 1928/29 and 44% in 1932/33 whereas the proportional share of blacks (Africans, Coloureds and Indians) dropped from 64% in 1924/25 to 59% in

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<sup>69</sup> R Ross, op cit, 1986.

<sup>70</sup> ibid

<sup>71</sup> ibid

<sup>72</sup> ibid and see D. Welsh, *The Growth of Towns*, in *Oxford History of South Africa, Vol 2*, eds. M. Wilson and L. Thompson, University Press, Oxford, 1975.

<sup>73</sup> Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 2, 1916-1917, U.G. No.51-1918 and Report no 14, 1928-1929, U.G. No. 44-1930 and Report no 16, 1933, U.G. No. 31-1935*, Government Printers, Pretoria.

1928/29 and 56% in 1932/33.<sup>74</sup> These figures do not account for similar practices in state-controlled enterprises and agriculture. The structural limitations of the state, determined by taxation measures and resources and fiscal priorities, restrained, however, the implementation of the civilised labour policy during the Depression. Consequently the 'poor white problem' in urban areas became even more pronounced.

Both the clothing and textile and the food processing industries were affected in various ways by the Depression. In July 1931, the Divisional Inspector of Labour reported that work was 'practically at a standstill' in the clothing factories apart from work on a few government contracts. At African Clothing, for example, sixty workers had already been retrenched and sixty more had been under notice.<sup>75</sup> There are no census statistics available for the years when South Africa was most intensely effected in 1930/31 and 1931/32. However between 1928/29 and 1932/33 the number of clothing and textile enterprises dropped from 200 to 188. Interestingly, the number of people employed showed an increase of 1257 as the total employed of 5089 and 6346 for the years 1928/29 and 1932/33 demonstrates. The downward turn in employment during the height of the depression in the years 1931 to 1932 are, though, concealed.<sup>76</sup>

The increased disappearance of smaller enterprises coupled with the ability of the large-scale enterprises to resist the immediate effects of the Depression can account for the decline in the number of enterprises. The ability of large scale enterprises to sustain themselves was closely related to access to capital resources and the western Cape's lower cost structure which attracted the majority of government contracts to this type of enterprise.<sup>77</sup> This was also to assist clothing enterprises' ability to recover swiftly from the effects of the Depression, especially in the context of clothing's overall low cost structure in comparison with that of other industrial sectors.

This accounted for the immediate increases in employment for the year 1932/33, as there was an upturn in production. The number of white employees increased by 1086, a proportional increase of 10% to 46% whereas 'black' workers increased by only 171, indicating a proportional drop of 10% to 54%. This was largely due to the implementation of the civilised labour policy as a measure to alleviate the effects of the

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<sup>74</sup> *ibid* and Report no 10, 1924-1925, U.G. No. 41-1927.

<sup>75</sup> M. Nicol, *op cit*, 6 June 1984(b), pp15-16.

<sup>76</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 14, 1928-1929, U.G. No. 44-1930 and Report no 16, 1933, U.G. No. 31-1935.

<sup>77</sup> M. Nicol, *op cit*, 1984(a) and 1984(b).

Depression on proletarianising whites.<sup>78</sup> The regional peculiarities of the effects of the Depression were to contribute to the failure of the first attempt of the Communist Party-influenced and Transvaal-based S.A.G.W.U. to gain an organisational foothold in the western Cape's clothing industry. In August 1931 more than 100 of African Clothing's total workforce of 380 were to go on strike for more than a week.<sup>79</sup> The strike was also partially defeated due to its limited financial impact on the company during a period when the enterprise was functioning far below capacity caused by a cut back in production. The employment of scabs and the pro-management protective assistance provided by the police and various state departments were contributory factors

The food processing industry was, however, more adversely affected over a longer period of time by the recession. The experience of the food processing industry, especially the canning sector, was also to reflect the extent to which agriculture was affected by the Depression and its links with international finance capital. The ownership structure of the canning industry, as previously discussed, reflected the extent to which the industry was linked to international finance capital whilst simultaneously trying also to carve out a niche in the international markets through exports. Hence its vulnerability to the importation of the ramifications of the Depression. Secondly, the reliance of the industry on raw materials produced in agriculture meant the subjugation of the industry to the vicissitudes of accumulation in agriculture which was impaired by the harsh effects of the Depression coupled with related ecological crises. It is in this context that the employment trends display the adverse effects of the Depression and consequent barriers to capital accumulation on the industry. The total number of enterprises dropped from 246 to 235. The number of employees dropped from 8239 to 7399 between the years 1928/29 and 1932/33. The number of black workers dropped from 5392 to 4637, a decline in the proportional share of 3% from 65%. On the other hand, the number of white workers dropped from 2847 to 2762 whilst experiencing a proportional share increase of 3% to 38%, demonstrating the effects of the civilised labour policy.<sup>80</sup>

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<sup>78</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 14, 1928-1929, U.G. No. 44-1930 and Report no 16, 1933, U.G. No. 31-1935.

<sup>79</sup> M. Nicol, *op cit*, 1984(a).

<sup>80</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 14, 1928-1929, U.G. No. 44-1930 and Report no 16, 1933, U.G. No. 31-1935.

Apart from the aforementioned strike in the clothing industry, one overt and significant conflict was registered in the western Cape during this period. The Tramway workers strike which lasted more than a week reflected however both the growing influence of Communist Party influence in this period as well as the increased conflict within and changing nature of the C.F.L.U. from a previously craft-based union federation to an industrial-based regional but conservative federation.<sup>81</sup> This is significant because the Tramway Union was being one of the bigger and more important unions affiliated to C.F.L.U. although it was not a craft-based union. It also effectively exposed and ousted the conservative influences and practices of the C.F.L.U. leading bureaucracy under the leadership of Stuart as its secretary.<sup>82</sup>

2.2.2.

### The depression, war and the processes of capital accumulation in the countryside.

The Depression years of the early 1930s had a devastating effect on employment and ownership patterns in agriculture as Cape farmers were embedded in a nexus of imperialist trade through the production and export of agricultural commodities such as wool, wine, and deciduous fruit.<sup>83</sup> The war provided conditions for a rapid concentration and accumulation of agricultural capital and general prosperity for capitalist farmers. These processes had however proceeded under contradictory pressures. Prevailing conditions at both the levels of production and circulation increasingly began to impose limits on and barriers to the further accumulation and concentration of agricultural capital. The restructuring, through mechanisation, of agricultural capital was consequently constrained.<sup>84</sup> The shrinking internal and external market plus the drought of 1933 and high debts affected white farmers unevenly but severely. One strategy adopted by many farmers to combat the turnover of farm property was "an all out effort to reduce their labour cost by decreasing wages and retrenching 'unproductive' workers."<sup>85</sup> Blacks in the reserves without state assistance were in a worse position. The increased differentiation of the peasantry, the ecological crises and population pressures

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<sup>81</sup> See Gifford, C. *The Struggle for the Tramway Union 1930 - 1945*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986.

<sup>82</sup> *ibid* and see M. Nicol, *op cit*, 1984(a) and (b) and R. Good *op cit* 1986.

<sup>83</sup> R.M. Lee (ed.): *50 Years of Cape Chamber of Industries*, Cape Town, 1954, p62.

<sup>84</sup> *ibid* pp. 141 - 142.

<sup>85</sup> *ibid* and Bradford, H., *op cit* 1985.

made it even more difficult for the majority to retain subsistence from agricultural production. It is under these circumstances both inside and outside the reserves, that droves of unemployed people moved to urban centres seeking employment. Many of the men went to work on the diamond mines on the South West African coast or in Cape Town, Johannesburg, and other cities, returning home only once a year.<sup>86</sup> Out of an estimated number of 90 000 migrant workers from the Transkei, the Cape's share was 33%.<sup>87</sup> "...as sharecroppers, "squatters", and labour tenants were thrust ever closer in class terms to hired hands, so the desertion of farm youths to towns came to constitute one of the most important migrational movements of the era."<sup>88</sup>

Another strategy which was increasingly adopted by farmers was to change drastically the land use pattern from agricultural to "urban" especially in agricultural areas in close proximity to Cape Town's city centre. The vineyard estates of the Constantia agricultural area and the vegetable and poultry farms of the Cape flats were intensely affected. Farmers in the immediate vicinity of urban areas producing 'perishable' agricultural commodities were not afforded tariff protection. Their fortunes were reliant on the local market. They were not subjected to price control measures and due to their small scale competitive, labour intensive and specialist character achieved low levels of profitability. They were thus more vulnerable to alternate but more profitable investments leading to the increased presence of non-agricultural land-use patterns. Although farming was small scale, intensive and specialised, the constancies of price and market restraints caused by the depression were to plunge farmers into debt.<sup>89</sup> The increased transformation of land use patterns to non-agricultural spawned by the increased demand for housing became a more viable option.

State intervention for commodities for which there was a local market, and which could also be exported if there was a surplus and imported in cases of local shortages, involved the establishment of quantity and price control as well as export and import control. Commodities such as dairy products, wheat, maize meal and sugar were affected in varying ways. Specific state structures such as the Dairy Industry Control Board and the Meat Board, established in 1930 and 1933 respectively, were erected to supervise intervention in specific agricultural sectors. In most cases, prices were established beyond

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<sup>86</sup> See W. Hofmeyer, *op cit*, 1985.

<sup>87</sup> C. Bundy, *op cit*, 1985

<sup>88</sup> *ibid* p 125.

<sup>89</sup> H. Bradford, *op cit*, p95.

international levels and tariff protection and export incentives were provided. This meant that consumers, especially with low-income levels bore the brunt of the higher prices. Barriers to capital accumulation existing during the Depression years were partially shattered as the market crucial for the realisation of profit expanded. Farmers responded favourably by at least expanding agricultural production. For example, the area under wheat cultivation increased by no less than 66,6 % in the Cape Province. Commodities produced primarily for export, such as wool, mohair, fruit and wattle-bark were subjected to direct state subsidization between 1933 and 1937 to stabilise prices above the international level.

By the end of 1932, the South African government had abandoned the gold standard. The subsequent devaluation of the South African currency together with the rising international price of gold meant unprecedented high levels of profit for the mining industry. It also led to the opening up of an entire gold field known as the West Wits line. The multiplier effect of the increased price of gold meant a general increase in the growth rate of the country's economy.<sup>90</sup>

The state, though now governed by the new United Party, imposed 'surplus profit' taxes at a level previously unheard of in South Africa. It increased its total receipts from gold mining from 4,3 million pounds in 1932 to 14,5 million in 1933. Revenue from gold mining as a percentage of total revenue rose from 8 percent to 33 percent in the same time.<sup>91</sup> Henceforth, the fiscal resource base of the state increased its capacity to facilitate the implementation of government policy, which was intensely interventionist. The resolution of protective provisions and other support mechanisms for agriculture and the secondary industry, the "civilised labour" policy ('poor white' question) and the 'native question' now seemed more attainable.

The industrial base of the Western Cape subsequently expanded during the post depression period as the number of operating enterprises and total employment figures of privately owned enterprises were to demonstrate.<sup>92</sup> By 1937/38 the number of enterprises increased by nearly 30% from 1185 in 1932/33 to 1539. The total number of people employed increased from 30 455 to 48 518, a percentage increase of 59%.

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<sup>90</sup> See Yudelman, D. op cit 1984.

<sup>91</sup> *ibid* p 252

<sup>92</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 16, 1933, U.G. No. 31-1935 and Report no 21, 1937-38, U.G. No 21-1941.

## The Second World War and Secondary Industrial Development

The Second World War found South African industry in a different position to meet the challenge of temporary isolation than it was in 1914, and the rapid expansion to meet wartime demand was proof that it was more broadly based and more mature.<sup>93</sup> The war caused some major disruptions. Throughout industry, many skilled workers were drawn into the army, although attempts were made to keep key workers at their civilian jobs. The shortage of skilled workers was acute and industrial output was enabled to expand only by the increased employment of non-white workers in semi-skilled and skilled jobs. There were also other difficulties on the supply side, because importation of tools, machine parts and semi-processed components was often impossible and great ingenuity was displayed in the engineering industry in overcoming the bottlenecks. Earlier transformations wrought in the labour process were to be the basis for unprecedented wartime economic expansion. This was despite the drop in the importation of machinery in particular. The earlier import-substitution-nurtured secondary industry was thus severely put to the test by the insular effect of the war.

The metal and engineering industry, with ISCOR as a foundation, played a powerfully pivotal role in wartime industrial expansion. This was an industry essential for the supply of raw materials, repair work, and the development of mass production technology geared to meeting war needs. This industry was to produce a wide range of weaponry, ammunition and vehicles.<sup>94</sup> In the process the industry's labour process was subjected to dilution as the character of the war economy necessitated increased mechanisation. Apart from the prominent role of ISCOR, other forms of state intervention were aimed at local industrial development geared to meeting the needs of a war economy. The Prime Minister, General J.C. Smuts, was to motivate for the necessity of this type of intervention in 1940. "It is generally recognised that a great opportunity has arrived for us to push forward industrial development in this country. The great world crisis now upon us may prove a unique opportunity for forwarding our industrial development. The war must inevitably throw us back on our own resources. Much that has been imported will now have to be manufactured locally. Much that has been

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<sup>93</sup> see D. Innis, *op cit*, 1984 and J. Lewis, *op cit*, 1984.

<sup>94</sup> *ibid* and see D. Innis, *op cit*, 1984 and D. O'Meara, *op cit*, 1983.

exported will now, with restricted sea transport, have to be worked up and processed and consumed in this country."<sup>95</sup>

The war need coupled with an expanded market created by increased proletarianisation and urbanisation of blacks and related 51,8% increases in real earnings between 1939 and 1945/46 meant increased opportunities for the realisation of healthy profit margins through the sale of locally produced commodities.<sup>96</sup> Due to the clothing and textile and food processing industries in 1937/38(to 1948/9) laying claim to 15,5% and 16% of the total number of enterprises and 18% and 19% of the total number of people employed in the Western Cape it would be instructive to examine the development of large scale-machine-based production within those two industries.

The strategic significance of supporting increased mechanisation to enable the implementation and development of mass production techniques both in policy and actively through its nationalised industry were spurred on by (a) the shortages of craft skills created by war recruitment, (b) the short time required by new black recruits to learn industrial skills. Mass production techniques and associated deskilling were a key component to the governing strategy aimed at overcoming such impediments. Industrial production was restructured on the basis of increasing mechanisation and a tendency towards larger production units. The emphasis of industrial production moved away from wage goods towards engineering, metal products and transport equipment. The steadily rising technical and organic composition of industrial capital during this period (1940s) led to a rapid transformation of the division of labour within manufacturing as the artisan/unskilled hierarchy was displaced by semi-skilled operatives working machines. The result was a relative reduction of labour costs as the growing numbers of African workers were drawn into semi-skilled operative positions at wage rates considerably lower than those paid to skilled white labour.<sup>97</sup>

The war also provided conditions for a rapid concentration and accumulation of agricultural capital and general prosperity for capitalist farmers. During the war the demand for agricultural commodities increased drastically due to raw material demands of the canning industry and other local and foreign concerns, especially British government preparedness to purchase agricultural sales. Controlled prices set by Control

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<sup>95</sup> D. Innis, op cit, 1984 p 166.

<sup>96</sup> Ibid, p 143.

<sup>97</sup> D. O'Meara, op cit, 1983, pp. 226 - 227.

Boards in terms of the 1937 Marketing Act guaranteed a stable profitability to most farmers. However, these processes had proceeded under contradictory pressures. Prevailing conditions at both the levels of production and circulation increasingly began to impose limits on, and barriers to, the further accumulation and concentration of agricultural capital. The restructuring, through mechanisation, of agricultural capital was consequently constrained.<sup>98</sup>

The operations of the labour market at local level reflected fragmentation, disparities, discrimination and inefficiency related to differential access to employment and human resource development opportunities. Remuneration patterns not only reflected racially informed preferential policies, at times on a regional basis, as was the case in the Western Cape and some reserves, but also income differentials based on industrial affiliation, urban / rural divide, city size as determined by industrial councils and the jurisdiction and capacity of the labour market institutions in the reserves. No national minimum wage, other than those determined by these collective bargaining and wage determination processes, existed. The forms of wage repression that existed especially among blacks were informed by these policies and countered by various labour organisations since the early twentieth-century. Labour market repression was a major factor in the growth experiences of the national economy and its regional and local units. It informed labour market conditions that aided a particular economic and employment growth path while exacerbating income differentials.

### **2.3.1. The clothing industry**

In the clothing industry, entrance was comparatively easy and the optimum scale of production was relatively low. A Board of Trade and Industries report pointed out that in the late 1930s a firm producing men's clothes could be run economically with about 60 machines, which would involve an outlay of about 4,500 pounds for production plant. In Cape Town the industry had moved much further towards large-scale plant, but even here the sums involved were not beyond the capabilities of local capitalists to provide. Furthermore, in the clothing industry at least, the reorganisation of production on the basis of specialisation and increased subdivision of labour was just as important as capital-intensive mechanisation. The advent of factory production in this industry was

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<sup>98</sup> see D. Omeara, *op cit*, 1983.

not marked by any great breakthrough in sewing machine technology, which had also been the basis of production in the tailoring workshop.<sup>99</sup>

The emphasis on the reorganisation of the labour process was more on increased fragmentation and hence deskilling with the application of machinery to more specialised tasks. In 1935 "the Wage Board reported that electric cloth cutting was widely used and that many factories were substituting Hoffman steam presses for the heavy 14 lb. irons then in use. These increased output by a factor of five. African Clothing was the first factory in Cape Town to introduce a conveyer belt. In about 1932 a conveyer belt system was installed which produced sixty pairs of trousers in fifty-five minutes."<sup>100</sup>

African Clothing, being the largest factory in Cape Town, was employing approximately 380 workers.<sup>101</sup> The reorganisation of the labour process, especially the application of new mechanical devices increased output and also affected the size of enterprises. This became apparent as only 60 new enterprises were established since 1932/33 as the number of establishments increased to 248 by 1937/38, an increase of 32%. The size of the workforce increased by 45% from 6346 to 9187 for the same period. The average employment per enterprise increased from 33,8 to 37 for the same period.<sup>102</sup> Some of the newly established enterprises were smaller in scale as the history of Rex Trueform (initially West End Clothing) were to indicate. "Phillip Dibowitz started a factory in Plein Street in 1932 with two machines, 11 pounds capital and one Malay worker. He called his business West End Clothing. It was rather more like a little workshop and he struggled to make ends meet, since there was virtually no capital in the business."<sup>103</sup>

Wages, in terms of their importance in the cost structure of clothing production, were to influence the increased movement towards the implementation of machine based technologies. "Higher wages (and later the Depression), brought a better class of employee into the industry. This factor, coupled with intensive training, greatly improved worker efficiency... the payment of higher wages encouraged the better management of factories, a rationalisation, and the use of more machinery. The subdivision of tasks was first encouraged by the structure of the wage in

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<sup>99</sup> Jon Lewis, op cit, p 49.

<sup>100</sup> M. Nicol, op cit. 1986, p17.

<sup>101</sup> M. Nicol, op cit., June 1984.

<sup>102</sup> Union of South Africa, Office of Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 16, 1933, U.G. No. 31-1935 and Report no 21, 1937-38, U.G. No 21-1941.

<sup>103</sup> E. Berghaus, op cit, 1984, p7.

determinations.<sup>104</sup> Job fragmentation or deskilling opened up avenues for the employment of an increased number of learners at lower wages. These learners could do simpler tasks in shorter periods with more efficiency. "In 1935, Cape Town had the lowest proportion of qualified employees in the country", as more use was made of 'juvenile' women workers.<sup>105</sup> In this way, increasing numbers of young women entered the labour market, as the clothing industry became the single largest employer of women. By 1937/38 the total number of women employed in the industry was 5689 or 62% of the workforce.<sup>106</sup> The absence of maternity benefits coupled with legislative restrictions for 'learners' in terms of wage determinations led to a high labour turnover in the industry.<sup>107</sup>

An ineffective Garment Workers' Union perpetuated this. The revamped Transvaal based S.A.G.W.U. launched a two year long renewed campaign to organise garment workers in the Western Cape, targeting approximately 4000 workers in large scale enterprises in 1935. A year later, it had almost 1 300 members after a strike and related protest meetings affecting I.L. Back and Co. Its defeat was largely due to the establishment of a regional-based industrial council, which excluded the S.A.G.W.U., compounded by the pro-capital role of the police force and department of labour. After the failure of another strategy of wresting control of the union from the bureaucratic leadership, the offensive was called off in July 1937 in favour of 'peaceful negotiation' with the GW-CP's leadership. The overall effect of such an offensive was to weaken Stuart and associates' bureaucratic hold over the C.F.L.U. in the late 1930s. The TLC, which emerged during the 1930s, also embraced a 'non racial' tradition of unionism, encapsulating both craft and industrial unionism and a diversity of political traditions ranging from liberalism to brands of communism. A unified federation or confederation never emerged until after the Second World War, despite attempts to develop working relations between the two bodies.<sup>108</sup>

The impact of war and immediate post-war conditions on the clothing industry was felt mainly in the related spheres of equipment and material supplies, demands for defence and civilian production, and price regulation. Although the Government

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<sup>104</sup> M. Nicol, *op cit*, July 1986, p16.

<sup>105</sup> *Ibid*, p16 and H.A.F. Barker, *op cit*, 1962.

<sup>106</sup> Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 21, 1937-38, U.G. No 21-1941.*

<sup>107</sup> See M. Nicol, *op cit*, 1986 and H.A.F. Barker, *op cit*, 1962.

<sup>108</sup> See M. Nicol, *op cit*, 1984.

assumed very wide powers of control immediately after the outbreak of the war, they were used very sparingly for the first two years.<sup>109</sup> Due to a fairly underdeveloped local textile industry and clothing capital commodity industry, intense state intervention occurred to procure the necessary imported supplies for the clothing industry. The complex state machinery regulating supplies was successful in keeping the industry functioning at an increasing tempo throughout the war. The War Measures Act, No 13 of 1940 provided the legislative framework for state intervention of this nature.

A guaranteed market essential for the realisation of profit developed in two areas. Firstly, the production of army uniforms as required by government contracts claimed not less than 10% of the industry's output. Secondly, the war disrupted the foreign supply of finished products such as women and girl's outerwear and women's and men's underwear. Local factory production responded by increasing production to meet this demand for the expanding market. However, restrictions on the supply of raw materials coupled with the use of substitutes negatively affected the quality of the product. Nor is it likely that military clothing contracts conferred the benefit of markedly higher ratios of profit earned, for these were early brought under control, though the actual quantum of profit would have tended to be higher with larger turnover.<sup>110</sup>

It was expected that the clothing industry would face the full impact of international competition with the cessation of war. Consequently, "the Government took steps to provide interim protection for manufacturing industry, by empowering the Minister of Finance to impose temporary special duties on goods which were, or were likely to be, exported to the Union at prices and in quantities which might lead to the discontinuance of similar local production."<sup>111</sup> High freight rates, overseas shortages of raw materials and intensified post-war class conflict in foreign countries militated against the swift resumption of foreign trade. Hence this saw the continual expansion of clothing production until 1947/48.

It is under these circumstances that the number of enterprises increased from 248 to 273, an increase of 10%. The number of people employed increased from 9 187 to 16 454, an increase of 79,1% for the period 1937/38 to 1947/48. Women workers, especially Coloured workers, simultaneously increased their proportional share of the

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<sup>109</sup> Barker, H.A.F., op cit, 1962, p 34.

<sup>110</sup> *ibid* p 46.

<sup>111</sup> *Ibid*, p. 47.

workforce from 38 percent to 68,8 percent. The average number of workers per enterprise increased from 37 to 60,3. The employment figures reflected more changes in the size of enterprises corresponding to the impact and significance of machine based production methods in the industry. Barker presents more realistic figures when he argued that the average size of the workforce per factory was 101 in 1945 in the western Cape region. Thirty percent of the 76 surveyed factories actually employed more than a hundred workers. Four of the factories employed between 200 and 299 workers, whereas 6 employed 300 workers or more.

In the Western Cape, where even in 1946-47 a leaning towards company rather than personal ownership was apparent, the proportion of firms of the latter type was much lower still, while the percentage of companies climbed higher by 1958. Discernible in this is the trend towards larger scale.<sup>112</sup> At the level of ownership and control of enterprises the above-indicated shift did reflect the necessity to develop the means to amass money capital necessary for expansion and technical advancement, while personal non-company assets of owners or major shareholders of enterprises were protected from the effects of recessions when registering a company. A number of larger enterprises even went so far as to become listed as public companies. Before and during the war only 3 clothing enterprises were listed as public companies. Immediately after the war, in 1946-1947, 21 enterprises in the Western Cape, out of a national total of 56 were listed. The continual transformations wrought in the labour processes as a result of renewed access to capital resources made local enterprises better able to compete with foreign enterprises at the level of technical competence, as consequent increased productivity reflected.

In 1936, a regional industrial council was constituted involving the GWU-CP and CWCMA. The council functioned to police the wages and conditions of work agreed upon within the industry. It was also a mechanism used via the closed shop clause to develop the financial base of the union without the necessity to effectively organise workers.<sup>113</sup> This was a basis from which the leadership could fight for the economic advancement of its members while warding off the GWU-led campaign from the North. Management also used the forum to prevent competition from sweatshops and to maintain Western Cape wage levels below those of other regions especially the

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<sup>112</sup> Ibid, p. 198.

<sup>113</sup> M. Nicol, op cit, 1984(a); 1984(b) and 1986.

Witwatersrand area. It was in these circumstances that the wages of workers increased during the war although still below those of the Witwatersrand. This was notwithstanding the establishment of benefit funds in the form of sick and unemployment funds during the war.

It was this situation the Transvaal-based SAGWU confronted in its endeavour to organise Cape garment workers in a national union in 1944 and 1945 through a publicly intense and expensive campaign. This was a campaign made difficult due to the hostility displayed by GWU-CP union bureaucrats, management and the police. Due to wages forming a large cost component in the industry and the relatively lower Western Cape regional wages, management resisted especially the advances of SAGWU which made use of various types of industrial action. The SAGWU was consequently decisively defeated despite support from the Cape garment workers. This paved the way for the maintenance of industrial peace during a war economy and reconstruction period as the tendency to further mass production techniques reinforced management's interest in reducing the wage bill and enhancing the productivity of workers.

### 2.3.2.

### The food processing industry

Official statistics for the food industry indicate the impact of the application of machine-based technologies on the size of enterprises and related employment levels. Between the years 1932/33 and 1937/38 the number of enterprises increased by only 3 to 238 whereas the number of people employed increased by 25% from 7 399 to 9 253. This represented an increase of the average number of people employed per enterprise from 31,5 to 39 for the same period.<sup>114</sup> The distribution of the workforce among smaller enterprises such as bakeries and larger-scale establishments, especially the canneries, is, however, difficult to discern in the process. This also has a bearing on assessments of the seasonal variations in the number of people employed especially in industries vulnerable to seasonal fluctuations in raw material inputs. For example, well before the war-induced growth, total employment for the industry in 1935/36 was given as 2 523, spread over 18 establishments, yet at a large factory like H. Jones and Co. there were a

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<sup>114</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 16, 1933, U.G. No. 31-1935 and Report no 21, 1937-38, U.G. No 21-1941.

thousand workers in the canning department alone during the season. The preparation department was similar in size.<sup>115</sup>

We are nevertheless in a position to conceptualise precisely what progress had been made with the implementation of machine-based technologies within a sector of the food processing industry, namely the canneries. From the earliest times through to the late 1930s, virtually all production was carried out by hand. The most significant sections of the canning process, preparation, involving cutting and canning, were performed by piece workers using special shield knives and spoons to cut and peel deciduous fruit by hand. Peelers, (caustic soda used to dissolve away the skin) where they operated were fed by hand and manually stirred. Packing followed and here it was particularly important to overcome the problem of the small hole in can tops through which the fruit or jam had to pass. Syrup was cooked in huge kettles and poured in by hand.<sup>116</sup>

Before the war, the tendency to increase the mass production potential of the industry was enhanced by the increased application of quality controls and standardisation. This was made possible through increased investment in machinery, hence the movement towards machine-based production. "In the period prior to the war, the investment that went into plants.....is most likely to have involved the installation of mechanical sorters and pea peelers and brought the first forms of mechanical transport in the factory."<sup>117</sup> Through the establishment of Metal Box in 1932, the production of standardised sanitary cans took place on a large scale.<sup>118</sup> It is in these circumstances that investment from foreign and local sources in machinery, land and buildings more than doubled and conversely increased output. In 1938, the production of jam, canned fruit, vegetables and other fruit products amounted to 1.3 million cartons worth 0.8 million pounds.<sup>119</sup> The development of in-house laboratories in canneries, coupled with Metal Box's own research into improving the cans and canning processes and reducing costs, complemented this whole area of research.<sup>120</sup> This development also reflected the increased separation of the tasks of conception and execution in relation to the reorganisation of the labour process. The net result was the "gradual elimination of hand

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<sup>115</sup> R. Goode op cit 1986, p23.

<sup>116</sup>R. Goode op cit April 1985, pp.7-8.

<sup>117</sup>R. Goode op cit April 1985, p. 9.

<sup>118</sup> ibid and R. Goode, op cit, 1986.

<sup>119</sup> R. Goode, op cit, April 1985, p5.

<sup>120</sup> ibid and R. Goode, op cit, 1986.

preparation of fruit and the introduction of more efficient, faster machinery to perform each of the main tasks more rapidly."<sup>121</sup> Productivity of labour was improved in the process.

The manufacturing of cans, preparation, treatment and preservation of food all initially took place at one single plant under the control of foremen who were mainly white. The movement to machine-based technologies also involved increased job fragmentation. For example, the production of cans on a mass scale involved the development of a whole new array of specialised tasks in a newly developed labour process under the auspices of Metal Box. Workers, becoming extensions of the functions of machines in the labour process, were part of a large group of workers employed as operators. The application of mass production techniques and intensified division of labour created sufficient conditions for the real subsumption of labour to capital. Accessibility to money capital was more crucial for the development of these plants than in the clothing industry. While the precise way in which money capital was raised via the financial institutions such as banks and the facilities provided by the stock exchange are unclear and more research is needed in this direction it is evident that foreign enterprises such as H. Jones and Co. were important in making available capital for the development of local firms.<sup>122</sup>

The Second World War opened up lucrative avenues for continual capital accumulation within the food processing industry. With the war the industry was required to supply a certain amount to the government as support for the troops. "Canners were keen to get allocations of government orders - it was easy money."<sup>123</sup> This trend was facilitated and strengthened by unprecedented state intervention, which guaranteed an expanded and protected market necessary for the realisation of profit. The military contracts tendered to the food industry were both local and foreign. South Africa's position in the imperialist network and its peripheral position in terms of the geographical spread of war activity leaving the local industry still physically intact, determined buoyancy. The general trend was for an increase in exports as South Africa continued to supply large orders from the British Ministry of Food. The industry became export-oriented after the war and emerged on the world market, in particular the

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<sup>121</sup> R. Goode, *op cit*, April 1985, p18.

<sup>122</sup> *ibid* and R. Goode, *op cit*, 1986.

<sup>123</sup> *ibid* and R. Goode, *op cit*, 1986.

English market as a major supplier, where it benefited from Commonwealth trade preferences.<sup>124</sup>

The capability of the food industry to respond to this expanded market was largely dependent on transformations in the labour processes enabling the large-scale supply of standardised commodities. It is in this context that the development of machine-based instruments of production in the canneries sector of the industry enabled this sector to play a more pivotal role in the growth of the industry as a whole. New factories built during the war were unable to import capital goods and this stimulated the local production of the more rudimentary equipment as a result. This 'capital deepening' mostly affected the middle stages of exhausting and closing cans and was expedited in the process of introducing hand-operated closing machines, and later conveyer belts to transport cans. Power was generated by a single source and distributed mechanically by long shafts, running the length of the factory, which drove belts linked to each mechanical device. These belt drives were often unprotected and a constant hazard to unwary workers.<sup>125</sup> Hence mass production techniques were now extended to previous manufacture orientated work processes to meet war economy needs not only in newly established plants but also in existing ones. The extent to which deskilling took place was limited insofar as previous manufacturing work processes never required high levels of skill.

State intervention in the context of a war economy also enhanced the implementation of mass production techniques. The supply of raw material to enterprises was critically affected when shortages in tin-plate occurred in 1942. This was due to overseas demands, restrictions on production and wartime losses. Through the intervention of the I.D.C, in the form of one of its associate companies, African Mono Containers, 1 500 tons of substitutes were imported which averted the crisis.<sup>126</sup> The wartime peculiarities accompanying this process also involved unprecedented levels of employment of unskilled and semi-skilled workers as canneries were working at full capacity. Although productivity and hence output increased with the implementation of machine-based production, it was further reinforced by accompanying intense

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<sup>124</sup>R. Goode op cit 1986, p27.

<sup>125</sup>R. Goode, op cit 1986, pp27-28.

<sup>126</sup> ibid p 45.

supervision of the workforce to curtail waste.<sup>127</sup> "Foremen would say: 'Maak goul Maak goul' They were always charging around. They would walk through the tables every five minutes, every ten minutes to say, 'Opskud! Opskud!' to make the workers work faster."<sup>128</sup> Through the employment of piece workers especially in the preparation and packing departments the payment of piece rates was used by management as an incentive to discipline workers and to increase productivity.

It is in the context of these harsh working conditions that the local branch of the Food and Canning Workers Union made an effective entry into the food processing industry targeting a potential membership of 13 96 in 1941/42.<sup>129</sup> Early in 1941 unresolved grievances drew workers together again.

I was 14 years old when I started working as a seasonal worker. There was no mention of child labour at that time. You could start working at the age of ten. In those days the factory's name was Premium, and it finally changed to Langeberg. My mother had been working there for a while when I started in 1940. At the time that my mother started to work in the factory, the conditions were very, very bad because there was no union yet. My mother was just an ordinary worker and did not bother about things that were happening around her. When my mother came home, she would always tell us how bad the conditions in the factory were, the long hours, she's tired, and she's hungry. I always listened to her, saying that there's no sitting place, no cloakrooms, and that they must eat their lunch out in the fields. I worked at first in the cutting department but it was very tiring, you must stand the whole day. At that time, we didn't have lunch hours, we didn't have breaks; there were no benefits. If they wanted to they could give you lunch-time; they could give you tea-time – but there was no law and no agreement with the workers. When it came to lunch-time you were at their mercy but nowadays lunch-time is compulsory. There were no cloakrooms. There was a big shed where they stored the fruit which workers had to use as a cloakroom. You did not get protective clothing either. There was no transport to take you to work or home. You had to walk home from work and the next morning you must walk from the house to the factory...As a seasonal worker we worked with apricots and when they were finished we would be laid off for two to three weeks. Then, when the peaches came in they hired you again and laid you off again; the same for pears. So, food and canning workers were not covered by the Unemployment Insurance Act because you had to work continuously for thirteen weeks to be covered.<sup>130</sup>

On February 6th 1941, about fifty workers gathered in a house in Bloem Street Cape Town and there it was resolved to form a Cape branch of the Johannesburg based Food, Canning and Allied Workers Union (FC & AWU) and accordingly informed the

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<sup>127</sup> See E. Rosenthal, *Industrial Development Corporation of South Africa Limited: 1940 - 1960, The Story of the First Twenty Years*, Industrial Development Corporation, Johannesburg, 1961, p196.

<sup>128</sup> R. Goode, op cit, 1985 and 1986.

<sup>129</sup> Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 25, 1941-42, U.G. No 20-1945.*

<sup>130</sup> Unpublished interview of Liz Abrahams of the Food and Canning Workers Union by Yusuf Patel, Paard, 1999.

Divisional Inspector of Labour to that effect. Office bearers were elected and membership forms printed and signed.<sup>131</sup> The union moved into organising workers in enterprises owned and controlled by Associated Cannery (ACL), H. Jones and Co, Crosse and Blackwell and others in Cape Town and as far afield as Daljosaphat, Wellington, Worcester, Paarl and Robertson. The first three week long strike at a H. Jones and Co. plant in Paarl in September 1941 was to enhance the union's public recognition among workers in the industry.

While organising workers along non-racial and industrial lines, the union had to take cognizance of the division of labour in terms of skill and gender. It should be noted that between 1937/38 and 1947/48 the workforce increased from 9 253 to 17 286, a percentage increase of 86,8. The number of women workers increased from 3 486 to 5 689, a proportional drop from 37,7% to 32,9%.<sup>132</sup> This decrease can be attributed to the return of male soldiers to industry after the war. The figures also conceal the distribution of women workers among small scale manufacturing concerns and larger mechanised plants. The extent to which seasonal piece rate workers, mainly women, were incorporated within these figures is also unaccounted for. Nevertheless women workers represented a significant section of the workforce. Hence gender related problems had to be addressed. Their articulation within union structures was facilitated by the significant presence of women workers in the union organisation's structures. Official statistics are not available concerning the distribution of skill among workers employed in different types of labour processes. In smaller manufacturing enterprises, the retention of craft skills presented a different set of organisational problems to those prevalent among unskilled and semi-skilled workers in large scale enterprises.

It is in the general context of this pattern of capital accumulation that the number of enterprises dropped from 238 to 234 during the period 1937/1938 to 1947/48, whereas the average number of people employed per enterprise increased from 38,9 to 73,9. Larger enterprises employed a larger workforce, especially when taking into consideration the employment of seasonal workers. With the consequent increases in output and protective and favourable local and international tariff regulation, the local industry, especially the canneries, carved out a niche in the export market alongside their

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<sup>131</sup> R. Goode, *op cit*, 1986 p 15.

<sup>132</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 21, 1937-38, U.G. No 21-1941 and Reports no's 31,32 and 33, 1947-48; 1948-49; 1949-50, U.G. No 30-1954, Government Printers, Pretoria.

competing international counterparts.<sup>133</sup> Although the weakness of a local metal industry certainly affected the pace of expansion, industrial growth nevertheless took place in the context of a war economy demanding increased state intervention.

Worker organisation within the industry, before 1939, was mainly concentrated in small enterprises or larger scale concerns on the fringes of the industry. Here, the food processing and allied industries affected were mainly the sweet, biscuits, baking and tobacco sectors. Some of the workers were organised as operatives within existing craft unions within the C.F.L.U. that was in the process of being transformed into a more progressive regional-based federation. This was a process assisted by increased Communist Party union activity that was to affect the sweet and tobacco workers in the 1930s as a spin-off of the second wave of Transvaal Garment Workers Union activity in the Western Cape. This necessity for a new type of unionism also had to take cognizance of the emerging sexual division of labour with the increased incorporation of women into the workforce. By 1937/38 3486 women, 37% of the total workforce were employed in the industry.<sup>134</sup>

Other industries such as chemical, metal and construction, all experienced growth during and immediately after the war. Large-scale industry thus provided a solid base for the further transformation of the formerly craft-based C.F.L. and its eventual affiliation to the changing TLC. Although SAGWU had not been successful in extending its influence to the Western Cape garment workers, the formation and rapid growth of the Food and Canning Workers union and its affiliation to the C.F.L. meant the strengthening of industrial unionism and the left within the federation. This process, coupled with the Tramway related events, and support from other non-craft unions such as the National Union of Distributive Workers, C.T. Stevedoring and Dock Workers Union and Chemical Workers Industrial Union spelled the end to conservative domination led by Stuart within the C.F.L.<sup>135</sup> Shortly after the war, the majority of Cape Federation unions decided to dissolve the federation and form the local committee of the T & L.C. The minority of the unions, not willing to accept the decision, formed the

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<sup>133</sup> R. Goode, op cit, 1986.

<sup>134</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 21, 1937-38, U.G. No 21-1941 and Reports no's 31,32 and 33, 1947-48; 1948-49; 1949-50, U.G. No 30-1954, Government Printers, Pretoria.

<sup>135</sup> See J. Lewis, op cit, 1984; M. Nicol, op cit, 1984(a); I.L. Walker and B. Weinbren: *2000 CASUALTIES: A History of the South African Labour Movement (SATUC)*, 1961 and, K. Luckhardt and B. Wall: *ORGANISE...or STARVE, The History of the South African Congress of Trade Unions*, Lawrence and Wishart, London, 1980.

Western Province Federation of Labour Unions, with Bob Stuart as secretary and Frank Gallant, of the NULW as chairman.

### 2.3.3. War economy and the mechanisation of agriculture.

The war provided conditions for a rapid concentration and accumulation of agricultural capital and general prosperity for capitalist farmers. During the war, the demand for agricultural commodities increased drastically due to raw material demands of the canning industry and other local and foreign concerns especially British government preparedness to purchase agricultural sales. Controlled prices set by Control Boards in terms of the 1937 Marketing Act meant guaranteed profitability to most farmers. Farmers responded to this expanded market by 1) increasing the land under cultivation by at least 26 percent, 2) increasing the number of 'African' workers employed on farms by 47%, 3) enhancing productivity by increased mechanisation of farms and, 4) the provision of the necessary money capital to increasingly purchase and cultivate land, and machinery, and the processing and marketing of the commodities was facilitated by the organisation of farmers in co-operatives. It was the development of co-operatives that facilitated the increased centralisation and concentration of capital and therefore also the more rapid accumulation of capital.

Regional differences in the extent to which capitalist social relations had come to prevail in the countryside greatly influence the aforementioned distribution of the labour force in agriculture and especially the movement of people to urban areas. The size of the African male labour force on Cape farms more than doubled between 1937 and 1946, rising from 76 681 to 162 027, and reaching 173 770 by 1950. Moreover, Cape farmers also employed Coloured labour, the number rising from 61 667 in 1937 to 80 692 in 1952. Compared with the Cape, Transvaal and OFS farmers were short of labour.

Increases in the employment of African and Coloured farm workers in areas such as the Cape and Natal should be conceived of in the context of the expansion of land under cultivation and changing black/white employment ratios. The non-applicability of the civilised labour policy to white commercial agriculture also meant changes in the black/white farm worker ratio as previously white bywoners and farmworkers moved to

the urban areas and farmers increasingly made use of black farm supervisors.<sup>136</sup> Still, the increase in employment of blacks on farms did not negate the continual existence of labour shortages where capitalist relations of production predominated. "Ondersoek na die somervrugtebedryf in die Westelike Provinsie in 1937/38 en 1949 onderneem, het reeds getoon dat tekorte veral aan permanente arbeiders bestaan het."<sup>137</sup>

In response to the shortages of farm workers, the growth of the organisation of farmers into co-operatives governed by capital accumulation provided a comprehensive but partial solution. Co-operatives provided the necessary apparatus for the organisation of credit facilities and technical services necessary for the increased mechanisation of agricultural production. Mechanisation provided a partial solution to labour shortages and the necessity for increased productivity in the context of the high demand for agricultural commodities. The process of mechanisation was one of the most notable features of change in the agricultural sector between 1937 and 1966. Before the Second World War, relatively few farmers used tractors, combine-harvesters were virtually non-existent and the demand for animal-drawn wagons and trolleys was still rising. But by the end of the war a switch towards tractors had begun.<sup>138</sup> Co-operatives also facilitated the processing and marketing of agricultural produce. Co-operatives therefore organisationally facilitated the centralisation and concentration of capital. Their capital reserves, deposited mainly in Afrikaner controlled credit institutions, rose from 2.2 million pounds in 1937 to 12.2 million pounds in 1949.<sup>139</sup>

State intervention before 1946 was aimed at securing the supply of cheap labour power to farms whilst not discouraging the movement of the rural poor to urban areas. It simultaneously encouraged mechanisation partly to resolve the critical labour shortage and to increase the productivity of agricultural production. The renewed enforcement of the 1936 Land Act was aimed at transforming 'squatters' and labour tenants into wage labourers on white-owned farms thus establishing the conditions for mechanisation. Simultaneously, the provision of credit facilities, encouragement of agricultural research and shows, and tax concessions partly led to increased mechanization of white-owned farms.<sup>140</sup> The Control Boards set up in terms of the 1937 Marketing Act facilitated the

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<sup>136</sup> *ibid* and D. Welsh, *op cit*, 1975

<sup>137</sup> P.R. Morkel, *Die Landboubedryf* in S.P. Cilliers (ed) *op cit*, 1965.

<sup>138</sup> D. O'Meara, *op cit*, 1983 and D. Hobart Houghton, *op cit* 1976.

<sup>139</sup> F. Wilson, *op cit*, 1975, pp. 152 – 153.

<sup>140</sup> D. O'Meara, *op cit*, 1983.

realisation of the profitability of agriculture. The control boards fixed prices based on the production cost of the less efficient producers enabling a stable profitability to all farmers and surplus profits for the more efficient. State intervention was therefore aimed at enabling agriculture to respond to the needs of a war economy through enhanced productivity. During and immediately after the war the Control Boards became a focus of intense conflict as the government via the Food Controller used them as a mechanism to suppress food prices below international price levels. This 'cheap food' policy was informed by post-war food shortages. The Smuts government was caught between the interests of the SAAU and AHI and those of FCI and ASSOCOM. The latter groups also demanded the revision of the application of the Marketing Act with the objective of combating 'artificially' high prices. This was a situation which the government could not resolve in the interest of all the conflicting parties.<sup>141</sup> The farming constituency organised through the South African Agricultural Union (SAAU), and backed by the Afrikaanse Handels Instituut and the reddingsdaad movement, agitated for the tightening of influx control and the revision of the implementation of the Marketing Act. These were issues that the Nationalist Party promised to resolve favourably when rallying support for its election campaign in 1947/48.

Small-scale vegetable, flower and stock farmers in the vicinity of Cape Town were, though, not similarly affected by state intervention linked to Control Boards in terms of the Marketing Act and mechanization strategies. Critical shortages of labour supply were compounded by intense competition due to their closer geographical location to adjacent secondary industrial enterprises. These enterprises were paying relatively higher wages in a situation of economic growth and unprecedented high levels of employment created by a war economy.

Farming on the Flats is on a small scale, intensive and specialised. Average capital investment was found to be less than 2000 pounds per farm. In many cases more than 80 percent of the gross income is derived from the production of vegetables and flowers only. This type of farming does not lend itself to mechanical methods of working. A plentiful supply of human labour is therefore essential. This is scarce at the present time. (The Committee found that these farmers go as far afield as Queenstown to find labour.)....Prices of vegetables on the wholesale market at Cape Town have remained fairly constant within recent years, despite the assumed increased demand during wartime..... The small vegetable farmer still struggles against debt. (The Committee found, incidentally, that it is the combine or company with adequate capital which makes vegetable farming a

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<sup>141</sup>. *ibid* and F. Wilson, *op cit*, 1975.

profitable business.) The Cape Flats and Kuilsriver supply 30 to 40 percent of the Cape's yearly consumption of vegetables and to a great extent determine prices.<sup>142</sup>

With the unprecedented expansion of Cape Town's urban-based population and high demand for land for housing, conversion from agricultural to urban land use patterns became an even more profitable alternative especially for individual farmers. The division of land and the subletting of stands or 'shanty farming' as it was called, became prominent. The development of Cook's Bush in Lotus River and Blaauwvlei in Retreat are good examples.<sup>143</sup>

Some farmers, though, considered the use of farmland for the development of mining and industrial enterprises such as limestone quarries and cement factories, a more viable and profitable alternative. "Some of the quarries are worked by the owner of the farm while in some cases the rights to quarry stone are leased to others, either European or Coloured. The leases in the latter cases employ the Natives. The majority of the Natives do piece work".<sup>144</sup> A minority of farmers still retained their vineyards, vegetables and poultry farms in such areas as Constantia, Tokai and Retreat, indicating an uneven process of changes in land-use patterns. They agitated for, and became reliant, on the use of prison labour. The overall effect of the dominant tendency in land-use was a shift in geographical boundaries of agricultural activity towards an easterly direction in relation to Cape Town as an urban centre. This process effected changes in municipal (both urban and rural) boundaries between the years 1930 and 1948. Consequently, previous farm labourers were now compelled to enter and participate in the urban labour market. The close proximity of the farms to the newly developed suburbs also created the possibility of casual seasonal wage employment of working class people living in nearby settlements. It also opened up resources crucial for the development of certain aspects of the "informal sector" in these settlements.

The state responded to labour shortages by revising its prison labour policy "In 1947, two steps were taken which marked the beginning of a massive increase in the employment of non-white prisoners on white farms. The first concerned the establishment of farm jails that were eventually to house long-term convicts serving sentences of two years or more. The second was the suspension of the sixpenny system

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<sup>142</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, 1942, p37.

<sup>143</sup> *ibid* and see the inspector of urban locations P.G. Cauldwell's, *Natives in the Cape Peninsula*, Department of Native Affairs, 1941, and Cape Town City Council Minutes, September 1936 to September 1948.

<sup>144</sup> Cauldwell, P.G., *op cit* 1941 p 21.

and its replacement by a 'Volunteer Scheme' whereby petty offenders might choose to work, on parole as farm labourers.... But although the Smuts Government built a farm jail at Bellville in the Western Cape, it was not until the National Party came to power that the system became fully established."<sup>145</sup>

With post-depression economic growth, and the continual but more effective implementation of the civilised labour policy, the poor white problem dwindled in significance as more and more urbanising whites were absorbed in newly created areas of employment as semi-skilled, skilled and supervisory personnel. This process was concluded during and after the Second World War,<sup>146</sup> with the defeat of craft unions and the process of deskilling. Labour market policy reinforced the emerging racially organised technical and social division of labour. Urbanising Coloured workers were not similarly privileged as they moved to urban areas in the Western Cape unrestrictedly and without state assistance. Restrictions on the entry of Africans under 18 years of age into Cape Town were imposed through Proclamation 321 of 1932. Through Act 46 of 1937 Central Government was given powers to control the "influx" of Africans into the Cape Peninsula if the respective local authority failed to take action. As a resultant the Government issued Proclamation No 105 of 1939 "...no African, other than an exempted person, could lawfully enter Cape Town unless he came there to take up employment, or on a temporary visit, to seek work with the permission of the City Council."<sup>147</sup> The Proclamation was only applicable within the Cape Town Municipality, because of the municipality being conceived as an urban local authority in terms of the 1923 Urban Areas Act. Its enforcement reflected changes in the local demand for labour power and was a focus of contention between the local authority and those affected. By 1946, influx control was tightened to regulate the distribution of workers among various sectors of the economy. This was despite opposition from the Federated Chambers of Industry (FCI) and contrary to the recommendation of the 1942 Smit Committee for the abolition of the pass system.<sup>148</sup>

While poor rural 'whites' and 'coloureds' encountered no legal and administrative measures of influx control, the position of Africans remained different. Early in 1941,

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<sup>145</sup> F. Wilson, op cit, 1975 p 147.

<sup>146</sup> See D. Yudelman, op cit, 1984 and D. O'Meara, op cit 1983.

<sup>147</sup> See A. Mafeje and M. Wilson, op cit 1973 and B. Kinkhead-Weekes, *Africans in Cape Town: The Origins and Development of State Policy and Popular Resistance to 1936*, M.A. Dissertation, UCT, June 1985.

<sup>148</sup> See D. O'Meara, op cit, 1983, and D. Welsh, op cit 1975.

there was a fifty-fifty chance of an African worker who had incurred the expense of journeying to Cape Town, being admitted to the municipal area. Later in 1941, and through 1942, workers were freely admitted. In 1943 the Proclamation was enforced to the full. "(Therefore) what are the Africans to make of the sudden shift of administrative policy? The African in the rural area is not 'au fait' with the vagaries of the Cape Peninsula labour market."<sup>149</sup> A major obstacle to the Act's enforcement was that the jurisdiction of its enforcement was an urban municipality, hence rendering surrounding local authorities powerless. This was despite the legal consideration that Africans may not reside within a 5 mile belt outside of the municipal area of Cape Town "if they are not in bona fide employment in the land inhabited."<sup>150</sup> African responses to these measures, although difficult to record, is reflected in the migration patterns since 1930. Furthermore, the African population of the Peninsula region as officially calculated increased from 16 840 in 1936 to 42 980 in 1946 and 60 270 in 1951, with some arguing for a more accurate population enumeration of between 130 000 and 140 000 for 1951.<sup>151</sup> The highest influx was during the war years with the increase of economic activity and hence, employment. Employment opportunities were further boosted with enlisted Coloured soldiers having to be replaced.<sup>152</sup>

Due to the dictates of a war economy, a relaxation in the implementation of some influx measures occurred. A two-pronged state strategy informed by economic necessity followed the realisation of the ineffectivity of the Proclamation. Firstly, the City Council of Cape Town extended its boundaries to include areas on the Cape Flats beyond the Municipality's jurisdiction. By 1943 areas such as Windermere, and Factreton, were placed under the jurisdiction of the Municipality through proclamations of the Administrator, which ratified negotiated agreements between the municipality and

<sup>149</sup> Memorandum by the Langa Advisory Board and Vigilance Committee and the Retreat Vigilance Committee on the Report of Mr. Slarke, Inspector of Urban Locations on *Conditions of Natives in the Cape Peninsula*, 19\19\1943 p3.

<sup>150</sup> Cape Divisional Council Minute, 1926, p 29.

<sup>151</sup> See S.P. Cilliers: (ed.): *Wes-Kaapland : 'n Sosio-ekonomiese studie*, Kosma-Uitgewery; U.S. 1965; C. Simkins, *Four Essays on the Past, Present and Possible Future of the Distribution of the Black Population of South Africa*, SALDRU, UCT, 1983; S.T. van der Horst: *African workers in Town: A Study of Labour in Cape Town*, Oxford University Press, Cape Town; R. Humphries: *Coloured Labour Preference*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986.

<sup>152</sup> D. B. Molteno, *Memorandum for Presentation to the Cape Flats Committee of Enquiry*, 1942, p1 and see S.T. van der Horst: *Native Labour in South Africa*, Oxford University Press, Oxford, 1942 and *African Workers in Town: A Study of Labour in Cape Town-1964*; A. Mafeje and M. Wilson: *Langa: A Study of Social Groups in an African Township*, Oxford University Press, Cape Town-London-New York, 1973; N.J.J. Olivier: *Die Naturel in Wes Kaapland*, *Journal of Racial Affairs*, 4,2, 1953 and *Opname van die Naturele Bevolking van die Paarl en Omgewing* with B.I.C. van Eeden, A. van Schalkwyk and G.M.K. Schler, University of Stellenbosch, 1948; W.W.M. Eiselex: *The Native in the Western Cape*, SABRA, University of Stellenbosch, 1955.

surrounding local authorities.<sup>153</sup> The consequent application of the various sections of the Urban Areas Act of 1923, the Housing Act, and the Slums Act, were focal points of conflict in the mid-1940's between the local authority and organised residents in Retreat, Windermere and other areas.<sup>154</sup> Secondly, the Native Affairs Administrators were eventually to move towards a proclamation of the magisterial districts of Cape Town, Wynberg, Simonstown, and Bellville as a single "industrial area" in 1943. One of the chief points suggested by the Government towards this end was the proclamation of the magisterial districts of Cape Town, Wynberg, Simonstown, and Bellville under Section 12 of the Native (Urban Areas) Act with a Reception Depot and a Labour Bureau situated at Bellville and the administration of the system by the Cape Town City Council under conditions agreed upon.<sup>155</sup>

## 2.4. The Local Economy and Development

Economic indicators of sectoral growth strongly registered the significance of secondary industrial growth during the 1939-48 period. The gross value of industrial output rose by 116 percent (from 141 million pounds in 1939 to 304 million pounds in 1945), so that by 1946 the manufacturing sector had comfortably surpassed both mining and agriculture to become the largest single component in the GDP (17% of the total compared with 11,9% and 13% for mining and agriculture respectively).<sup>156</sup> The proportional contribution the Western Cape made to the total economy in terms of general geographical income was 15,6% in 1947/48. The sector that staked the highest claim to the above portion was secondary industry with 20,3%. It was followed by commerce (20,1%), and other which would include the state sector (16,4%) and agriculture (12,6%) respectively. Commerce's high portion is attributable to the traditional and continual importance of Cape Town as a trading center with harbour facilities.<sup>157</sup>

The penetration of large scale industry in agriculture, through mechanisation, was increasingly evident in areas in the Cape Province where capitalist relations of production had become dominant. These trends led to the increased introduction and presence in

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<sup>153</sup> Cape Town City, Ordinary Minute, 1943.

<sup>154</sup> *ibid*, September 1940 to September 1948.

<sup>155</sup> Cape Town City Mayoral Minute, September 1943, p 9.

<sup>156</sup> Innis, D., *op cit*, 1984 p 167.

<sup>157</sup> P. J. Wessels: *Die Aandeel van Wes Kaapland in die Landseconomie* in S. P. Cilliers (ed) *op cit* 1965.

rural areas of a commercial and industrial way of life as larger markets for the hiring of both agricultural and industrial workers were created.<sup>158</sup> The influx of workers into urban areas can also partly be explained in terms of secondary industry's increased comparative sectoral importance not only to G.D.P. but also in terms of higher employment and wage levels in the context of war economy requirements. Hence the state's recognition of this sectoral shift as reflected in its temporary relaxation of influx control in the context of its overall economic strategy for this period and its tactical shift to other related urban policy matters affecting the urban poor.

The increased growth and significance of the metal industry though was not as intensely felt in the Western Cape as on the Witwatersrand. The section of industry geared to the production of commodities for productive consumption consisted of a handful of firms employing mass-production techniques. The sector remained more repair-orientated with marginal movement towards production. Galvanised iron works and plumbing would consist of more repair work, smaller operations which tended to grow less rapidly and even decline over time, and comply with artisanal type labour.<sup>159</sup> The major factors influencing the location of especially the metal and engineering industry in the Transvaal, Natal, and the OFS areas rather than the Western Cape were: 1) cost of raw materials to the factory, 2) railage to markets, and 3) wages. The development of ISCOR in the North-East of the country, placed more enterprises using local inputs whilst located in that region in a far more advantageous position over those using imported inputs on the coast. In terms of their lower cost structure, the metal and engineering industries in localities such as the Witwatersrand were thus better placed in meeting the increased demand for mass-produced capital goods. This Cape disadvantage was to be reinforced by the availability of an extensive supply of cheaper African labour in the other industrial regions. In the Western Cape, the majority of the workforce comprised of slightly more highly remunerated Coloured labour on average. Consequently the weakness of a strong metal and engineering industry in the western Cape affected the pace of expansion in comparison with other industrial localities such as the Witwatersrand. It remained, though, the second biggest industrial centre in the country.

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<sup>158</sup> See O'Meara, D., op cit 1983.

<sup>159</sup> Kaplan, D., op cit, July 1986, p 6.

Although a weak metal industry affected the pace of the region's industrial growth, expansion nevertheless was evident. The industrial base of the western Cape grew as the number of operating enterprises and total employment figures of privately owned enterprises were to demonstrate. For the period 1937/38 to 1947/48 the number of enterprises increased from 1539 to 1780, a 15,7% increase. The number of people employed increased by 83,4%, a total increase from 48 518 to 88 962 people. The average number of people employed increased from 31,5 to 50. The food processing, the clothing and textile and building and construction industries employed more than 51 percent of the Western Cape's workforce.<sup>160</sup>

The second World War found South African industry in a better position to meet the challenge of temporary isolation than it was in 1914, and the rapid expansion to meet wartime demand was proof that it was more broadly based and more mature. Earlier transformations wrought in the labour process were to provide the basis for unprecedented wartime economic expansion, despite the drop in the importation of machinery in particular. There were difficulties on the supply side, as importation of tools, machine parts and semi-processed components was often impossible and great ingenuity was displayed in the engineering industry in overcoming the bottlenecks. The earlier import substitution nurtured secondary industry was thus severely put to the test by the insular effect of the war that caused some major disruptions. Throughout the industry many skilled workers were drawn into the army, although attempts were made to keep key workers in their civilian jobs. The shortage of skilled workers was acute and industrial output was enabled to expand only by the increased employment of non-white workers in semi-skilled and skilled jobs.

The development of machine-based production techniques increasingly led to the concentration and centralisation of capital especially within the food processing, chemical and metal industries. This process, which was assisted by state interventions, was facilitated by the IDC and other apparatus in a war economy situation. There were crucial state precedents in the provision of electricity (ESCOM), a transport network (SAR & H) and metal (ISCOR) which did not militate against the continual strengthening of state intervention in this field. It is in this context that the merged Nobel-Kyn Co. and Cape Explosives moved closer to establishing a complete monopoly over the production of

explosives and fertilisers in South Africa. The new company AE&I with a head office on the Rand owned an enterprise in the Cape employing 1000 workers by 1945. One of the possible stumbling blocks to monopolisation was Ronden Manufacturing Co. Since the war another strategic explosives industry, Ronden Manufacturing Co. (Pty) Ltd, had been established in the Phillippi district and was South Africa's source of supply of pyrotechnics.<sup>161</sup> In this phase of industrialisation, involving the marginalisation and/or demise of small-scale enterprises and the extensive use of mass production methods, the basis was simultaneously being laid for the emergence of monopolistic tendencies within the next two decades in secondary industry.

The urban centres that evolved in the western Cape region and in Greater Cape Town in particular, gave territorial expression to economies of scale, clustering and agglomeration, primarily involving materials-based industries such as clothing and food processing. Their location was influenced by the availability of raw materials and accessibility to the market. While a tendency to export existed across industries, forward and backward linkages were primarily influenced by the local market despite the prevalence of foreign ownership. The territorial impact of the emerging monopolistic tendencies on economies of agglomeration were, however, more evident on the Witwatersrand in relation to mining and the metal industries.

By 1940 no regional economic policy existed but there were elements in the form of infrastructure provision, labour market policies and institutions and support services including finance and fiscal incentives.

To date, we have, however, allowed the basic pattern of the economy to be shaped by private enterprise with but little guidance as to what the social interest demands. Public policy has been based on the erroneous belief that the pattern of land use and population distribution is the inviolable outcome of economic law. Many State measures have, nevertheless, sharply influenced the physical pattern of the economy. There is no point in listing them all. They have been most sporadic and were not exercised in accordance with well-defined objectives. Often the locational effects were very imperfectly foreseen. For instance, many of the fiscal measures designed to benefit specific industries were of such wide sweep, e.g., agricultural price-assistance and industrial tariff protection, that their effects can not be foretold. This is also partly true of the major instrument that the State has consciously employed to influence the physical pattern of the economy, viz., the railway rating system, in pursuance of the provision in Section 127 of the South Africa Act....Finally, in cases where the productive structure was deliberately modified by the

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<sup>160</sup> Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 21, 1937-38, U.G. No 21-1941 and Reports no's 31,32 and 33, 1947-48; 1948-49; 1949-50, U.G. No 30-1954, Government Printers, Pretoria.*

<sup>161</sup>See D. Innis, *op cit*, 1984 and R.M. Lee(ed.): *50 Years of Cape Chamber of Industries, Cape Town, 1954.*

State, it dealt with the matter industry by industry. Thus it simply duplicated the specialised approach of the businessmen, with little heed or knowledge of structural and spatial inter-relationship.<sup>162</sup>

During the war, the state also embarked on an important expansion programme for ISCOR; built and financed annexed factories under the control of private companies; assisted in the organisation and provision of a market for a number of industries; and through a change in the administration of tariff policy effectively increased protection for industry.<sup>163</sup> The development of a state apparatus to make possible the concentration of capital to facilitate such an intervention in secondary industry came with legislation for the establishment of the Industrial Development Corporation of South Africa Limited in 1940.<sup>164</sup> This was a significant development given the demise of the previously constituted National Industrial Corporation (established in 1919) during the Depression, and the retention of surplus generated on the mines for reinvestment in the expanding mining sector. By 1942 the objective of the Corporation was outlined to promote the establishment of new industries, the development of existing industries, as well as to establish and operate any industrial undertaking and other incidental matters. State finance accruing from the profits of ISCOR and the war taxes imposed on the gold mining industry, were an essential condition for the development of state monopoly controlled and owned industries. Increased state ownership and control in the power and metal industries through ESCOM and ISCOR provided the precedential basis in this direction in the context of war and reconstruction-created needs determined by the trajectory of capital accumulation.

The establishment of the state sponsored Council for Scientific and Industrial Research (C.S.I.R.) in 1945 was to assist in the research, organisation, centralisation and dissemination of findings relevant to the improvement of mass production techniques and industrial development.<sup>165</sup> Hence, the existence of state controlled scientific and technical apparatus informing aspects of IDC strategy, vis-a-vis national economic development. ".in order to promote scientific and industrial research effectively, its activities should be directed forward; erecting, equipping and maintaining a limited

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<sup>162</sup>The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p20.

<sup>163</sup> Ibid, p. 166.

<sup>164</sup> E. Rosenthal: *Industrial Development Corporation of South Africa Limited: 1940 - 1960, The Story of the First Twenty Years*.

<sup>165</sup> Council for Scientific and Industrial Research, South African (C.S.I.R.)" in *Standard Encyclopedia of Southern Africa*, vol. 3, Nasau Publishers, Cape Town.

number of national laboratories for fundamental and applied research; encouraging industries to carry out their own research; establishing an extensive liaison and information service, including a central scientific library and liaison offices abroad; and making available research grants and bursaries at universities to ensure the training of an adequate number of research workers and scientists."<sup>166</sup> Here state intervention assisted and reinforced the conception aspect of the increasing division between mental and manual labour accompanying the process of specialization associated with the implementation of mass production techniques.

The application of mass production technologies and rationalisation methods were thus encouraged by the state while the War Measures Act of 1940 made provision for the procurement of the necessary supplies required by industry. Privately owned secondary industrial enterprises increasingly responded to wartime needs, flooding the expanding market for commodities through the development of mass production techniques to effect high levels of capital accumulation. The rapid dissolution of pre-capitalist relations of production in the countryside and the relaxation of influx control measures led to the significant movement of the black rural poor to urban areas, providing a supply of labour power. The increased militancy of workers during the war was to lead to the promulgation of War Measure 145.<sup>167</sup> This measure which outlawed strikes reinforced the developing real subsumption of labour to capital, accompanying machine-based production techniques. The occurrence of numerous illegal strikes prompted the department of labour officially to comment "Natives seem to be ignoring War Measure 145."<sup>168</sup>

The forms of wage repression that existed especially among blacks were essentially informed by labour market policies and countered by various labour organisations since the early twentieth-century. The operations of the labour market at local level nevertheless continued to reflect fragmentation, disparities, discrimination and inefficiency related to differential access to employment and human resource development opportunities. Remuneration patterns not only reflected racially informed preferential policies, at times on a regional basis, as was the case in the Western Cape, but also income differentials based on industrial affiliation, urban / rural divide, city size as

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<sup>166</sup> Ibid, p. 457.

<sup>167</sup> *ibid* and see Innis, D., *op cit* 1984 and Lewis, J. *op cit*, 1984.

<sup>168</sup> O'Meara, D. *op cit*, 1983, p228.

determined by industrial councils and the jurisdiction and capacity of the labour market institutions. No national minimum wage, other than those determined by these collective bargaining and wage determination processes existed.

Whereas the impact of the traditionally white labour unions was not as significant in comparison with the earlier years in relation to changes in labour legislation and remuneration, they played a key role in the perpetuation of discrimination in the operation of labour market institutions through their exclusive manner of organising and bargaining. The CFL remained essentially a regional-based federation focused on organising white and to a lesser extent Coloured workers, while the ICU died. The Council for Non European Trade Unions (CNETU) and the Trades and Labour Council (TLC) never developed a significant presence in the western Cape. Collective bargaining processes were epitomised by the operation of industrial councils that affected not only remuneration in the form of wages, but also accessibility to training possibilities, pension and unemployment benefits. Through the 1937 amendment to the Industrial Conciliation Act the industrial councils were able to determine conditions of employment of blacks i.e. those not defined as employees or civilised labour and therefore party to industrial council agreements. Despite periodic increases in the wages of blacks, labour market repression remained a major factor in the growth experiences of the national economy and its regional and local units. It informed labour market conditions that aided a particular economic and employment growth path while exacerbating income differentials.

The necessity for a stable war economy to facilitate the implementation of state strategy was clearly undermined by the intensification of class conflict on a factory floor level. The number of man days lost through 'non-white' strike action rose by 209.8% between the period 1930-1939 on the one hand and the period 1940 and 1945 on the other (71 078 and 220 205 respectively), while the number of 'non-white' strikers rose from 26 254 to 52 394 over this same time-span.<sup>169</sup> The newly formed Council of Non-European Trade Unions growth clearly reflected this as their claimed total membership demonstrated.<sup>170</sup> The unprecedented 58.1% increase in the real earnings of black workers indicated the extent to which blacks exercised their newfound bargaining strength in a war context. This development, which was a consequence of, and rooted in, the presence

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<sup>169</sup> Innis, *op cit*, 1984, p91.

<sup>170</sup> *ibid* and see D. O' Meara, *op cit*, 1983.

of transformed and more socialised labour process, created new conditions of employment, organisation and engagement.<sup>171</sup> The six-day 1946 Mineworkers strike and CNETU related supportative call for a general strike in the Witwatersrand industrial area involved more than 100 000 workers. Although the most significant thus far, it was to be the last major dispute between labour and capital during this period. Its resolution in capital's favour was achieved primarily with the assistance of armed policeman who brutally repressed the strike and related activity.<sup>172</sup>

The state of all forms of enterprise governance that were permissible, such as co-operatives and public companies largely excluded some form of co-ownership and management with labour organisations of labour controlled co-operatives. Sections of organised labour had recourse to the use of instruments that determined terms of engagement, collective bargaining and other rights conferred. This was reinforced by the prevalence of limited social security in the form of unemployment insurance, pension and other social welfare grants, provided in a discriminatory manner. Although forms of repression achieved economic growth, it was not sustainable given the prevalent levels of protection that concealed inefficiencies. The use of a low wage path of growth and development to affect local industrial development nevertheless constituted the key policy issues and instruments.

Although not all the SEPC recommendations were accepted, the tendency was to provide the first earlier indication of relating problems associated with sector policies to the affairs of provincial and local administrations.

It is naturally not implied that a regional approach should be adopted to the exclusion of other procedures. It should supplement them. For instance, tariff policy would still be decided upon as a national matter. But the effects of tariff changes will be much better understood if they are also viewed from the angle of every economic region. Nor, for example, would transport policy cease to be national. But the transport network will be better adapted to regional potentialities, and so will rating prices if regions are made the conscious subject of study. This is also true of health and educational services and of research activities of all kinds. Furthermore, as far as the reconstruction of farming systems is concerned, it can be claimed as a fact of experience that no approach other than a regional one will lead to measurable success...It is also not intended that all administration should suddenly be regionalised. ...Where however the attainment of overall objectives has to be followed by regional action-in conservation farming, power and transport development, water works, development of resources, the promotion of closer settlement so as to avoid excessive local concentration-a strong case exists for

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<sup>171</sup> D. Innis, *op cit*, 1984, p.143.

<sup>172</sup> *ibid* and see D. O'Meara, *op cit* 1983 and J. Lewis, *op cit*, 1984.

regional decentralisation of administration. Policy formation must always be national, but centralised and unco-ordinated administration has gone too far.<sup>173</sup>

Although H.J. Van der Bijl and H. J. van Eck and other government planners identified industrial development as the panacea for most of the problems and pursued the development of strategies and institutional capacities through the establishment of statutory and advisory bodies, their interest and endeavours also encompassed labour market issues and poverty. Through combining their endeavours in local government financing and the provision of public infrastructure through public works programmes, they were to elaborate on earlier propositions about the requirements for economic development. "many functions of a national character, notably the responsibility for health and housing, with their concomitant financial burdens, have over a period of time devolved upon local authorities; this has given rise to many questions calling for urgent solutions. ....if a public works programme is to be planned to exercise the most beneficial effect upon the economy, there will have to be a very much greater degree of integration between the capital-construction activities of the central, provincial and local governments; the measure of control needed over the timing and magnitude of all public works at once raises questions of finance."<sup>174</sup> The preoccupation was with an anti-depression strategy.

The development of what became known as border industries and eventually the Regional Industrial Development Policy as part of a post-war reconstruction and regional development strategy under the auspices of a regional authority formed a central component of the SEPC recommendations. The functions of local and provincial administrations were not to be usurped. Decentralised industrialisation and public works programmes under the aegis of a regional development were essential entry points to the co-ordination of the activities of local and regional institutions as the absorption of war veterans into the formal economy became a priority together with other focuses such as economic diversity. "It simply will be impossible for a co-ordinating agency to grasp the inter-relationship of affairs that will be its main concern unless the mass of relevant information is broken down on a regional basis. By this method, potentialities for development can be contrasted and assessed; whole plans formed; the limits of urban

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<sup>173</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p20.

<sup>174</sup> The South Africa Social and Economic Planning Council: Report No. 8: *Local Government Functions and Finances*, U.G. No. 40 – 1945, p3.

expansion approximately determined; and the effect of State measures seen in the environment where they are applied.”<sup>175</sup>

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<sup>175</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p20.



## The Social and Local Development

*Keynes theorized about the characteristic ways in which Western societies combined the social and economic. He indicated the means by which they could be functionally adjusted, showing how the distribution of subsidies could be organized in such a way that renewed consumption would ensue, production would be stimulated, and economic crises as well as the social ills they engendered would be averted... In short, he made it possible to integrate the social sphere into the general regulation of the market, providing Western societies with the means of avoiding the alternative of anarchic liberalism or authoritarian centralism....He constituted the provisional point of completion of a search that had started with industrialization and the beginnings of philanthropy...Could we not say that Freudianism made a similar operation possible by offering a flexible mechanism of adjustment of the juridical sphere and the medical sphere? There too, it was a matter of escaping a dangerous alternative between, on the one hand, a statist consecration of privileges through the power of juridical assets, particularly those contained in the family, and on the other hand, the setting of a central mechanism of coercion, shoring up acquired positions and obstructing initiatives undertaken in the name of health norms. This question of joining the social and the economic was an old debate, and an old search as well: the nineteenth century never gave up trying to find a principle of balance between the necessity of imposing social norms of health and education and that of maintaining the autonomy of individuals and the ambitions of families as a principle of free enterprise. Now what did Freudianism contribute, if not the means of injecting the need for norms into the family, leaving the latter always 'justified' in theory and always suspect in practice, suspected of pressing too heavily on its members, of frustrating them with the very thing it tried to offer them?]-. Donzelot,1979.*

**B**efore 1930 secondary industrial development provided the context for the emergence of an increasingly differentiated property market as reflected by the existence of privately owned high density housing in the Dock-Observatory railway axis, municipal housing and pondokkie settlements alongside agricultural, commercial and industrial property in Greater Cape Town. Investments in land, informed by the demand for housing and other construction needs contributed to the transformation of agricultural land to urban land use patterns and the differential character of the housing market that emerged in urban areas in the Western Cape. Public investment in areas of transport infrastructure such as roads, water and rail was essential for the development of the commercial and residential property market by various financial institutions such as

the insurance and banking, land and financial companies. Most non-whites lived in high-density working class housing close to the industrial areas developing along the Docks-Observatory railway axis. The older working class tracts were multi-racial. Here, the socio-economic status of whites, Coloureds, Indians, and a few Chinese, and even sometimes black Africans, were similar.<sup>1</sup> To ensure occupancy, tenants would sublet sections of the house to single individuals or families who could contribute to the payment of inflated rent bills or bond repayments. A tendency towards overcrowding developed giving impetus to diseases such as Bubonic fever, TB and spinal fever.<sup>2</sup> The endeavour of private developers along the Docks-Observatory railway axis was however insufficient to satisfy the vast appetite for housing on the part of local working class people.

This ineptitude was glaringly exposed by the increased influx of people from the countryside before 1930. This influx, which was rooted in struggles in the countryside and the imperatives of capitalist development in urban areas in the western Cape region, compounded the existing demand for housing and amplified the related health hazards. It underpinned a process of urbanisation that was attributable to employment opportunities created through both secondary industry and state interventions facilitating the construction of defence installations. The application of local influx control measures did not discourage the urbanisation of Africans in the context of the demand for labour, the ineffectivity of influx control and resistance to it, nor the effect of larger increases of the demographically dominant urbanising Coloured poor. Nevertheless, the increased proliferation of pondokkie(shanty) settlements throughout the Cape Peninsula in areas such as Retreat, Windermere, Goodwood Acres, Parkwood Estate, Phillipi, Avondale (Parow), Eureka Estate, Grassy Park, Epping Forest and Simonstown registered the increased prevalence of a housing crisis<sup>3</sup>. Similar developments were to emerge in smaller urban areas outside of greater Cape Town. The experiences in the Paarl-Wellington and Worcester areas, although different in scale, were instructive.

The effects of 'unruly' growth and the occurrences of overcrowding and poverty-

<sup>1</sup> Memorandum of Association of the Graaff's Trust, Limited, 24 March 1930.

<sup>2</sup> *ibid* and The Deed of Transfer of the Cape and Transvaal Land and Finance Company Propriety Limited, prepared by Walker, Lewis, Goodley and Field - Attornies, Notaries and conveyancers, T2870, 1918.

<sup>3</sup> See Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942, Department of Social Welfare, U.G. No 18 - 1943; P.G. Cauldwell's, Natives in the Cape Peninsula, Department of Native Affairs, 1941; C.W. Clarke, inspector of Urban Locations report on 'Africans' in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943, pp 845 - 858.

related diseases contributed to the rising tide of class tensions, defiance and militancy, organised or spontaneous, that placed the question of ideological and political domination and control more firmly on the agenda.<sup>4</sup> These became critical public problems as agitation and organisation among a broad spectrum of organizations, including those of whites, was to reflect. In Cape Town alone, the establishment of the Cape Peninsula Welfare Society in May 1922, the activities of the Fairhaven Work Party, the Women's' Enfranchisement League, the Women's' Municipal Association and supportive residents' associations within primarily white constituencies were symptomatic of the cross-class need to resolve housing and related problems.<sup>5</sup> The ideological prisms through which the problem was posed in these aforementioned organisations were diverse. One commonly shared sentiment was the necessity for racial separation, discrimination and control in the social sphere.<sup>6</sup> The various discursive practices reflected in the TB Commission (1914), Influenza Epidemic Commission (1918), Native Affairs Commission (1904/1905), Native Affairs Commission (1910), Native Affairs Commission (1921), whose intersection and unity were facilitated by the centralisation of institutions required through the Act of Union, gave impetus to the need for the formulation of a nationally unified housing policy<sup>7</sup>. In this context Cape Town had grown by a process of indefinite accretion so that it had become, in the words of a town planning critic, "a fortuitous concourse of atoms held together temporarily by motives of self-seeking and private profit..... Real estate speculators, having no regard for human needs or the interests of the community, have planned much of Greater Cape Town armed, as it were, with only T-square and triangle."<sup>8</sup> The tendency of the landlord guided by the aspiration to accumulate was to purchase tracts of land near major industries in and near the city and to construct high-density housing in these areas. Private developers who either let the houses or sold them to workers undertook such projects. The endeavours of the property developers in areas such as District Six, Woodstock, Salt River, Castle Street and Observatory gave rise to the high density housing in these areas.

<sup>4</sup> See John Western: *Outcast Cape Town*, Human and Rousseau Publishers, Cape Town 1981.

<sup>5</sup> Sayers, A.: *The Political Economy of Housing in the Western Cape- 1920 - 1960*, B. Soc Sc. Honours, February 1984.

<sup>6</sup> Kinkead-Weekes, B.: *Africans in Cape Town: The Origins and Development of State Policy and Popular Resistance to 1936*, M.A., UCT, June 1985.

<sup>7</sup> *ibid* pp 124 - 128, Sayers, A. *op cit* p30 and see Yudelman, D.: *The Emergence of Modern South Africa: State, Capital and the Incorporation of Organised Labour on the South African Gold Fields, 1902 - 1939*, David Philip, Cape Town, 1984.

<sup>8</sup> See the *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p8.

Ability to occupy the houses depended on ability to pay rent, and where necessary, bond repayments.<sup>9</sup>

The defence of civilization and the development of industry against pauperism, immorality, sedition, disorder and revolt ignited philanthropic activities that purportedly evaded a challenge to the evolving economic order. These focused on the family as the most important component of the social, as an institution essential for the defense and improvement of living conditions. Philanthropy became a depolitized strategy for the provision of public services and facilities and thus the generalisation of liberal humanitarian mores and values amongst the poor. It seeped into the pores and transformed social practices in the religious and other spheres of colonial society. The engendered institutional arrangements were critical in effecting interventions in the sphere of the social that became the *raison d'être* of development. The variety of educational, religious, language and cultural forms constituted fields of practices that facilitated an interfacing of the economy and the evolving administration.

### 3.1 Urban Land Ownership, Settlement Patterns and the Emergence the Social before 1930

The First World War and the pre-1930 period of industrial development increased housing demand with the expansion of the urban population. The activities of private property developers in housing areas with a relatively higher density were, however, insufficient to satisfy the prevalent housing demand, thus opening up possibilities for the adjacent agricultural holdings to be transformed into residential estates as a profitable venture. In this instance it occurred to a significant extent in Greater Cape Town that had a larger concentration of population and economic activity than its hinterland towns. Although the landowners cannot be accurately described as a peasantry, Britten (1943) aptly summed up their dilemma in his historical survey when he said that: "Land within easy reach of the city is becoming too valuable to be left to indifferent exploitation by an impoverished peasantry, and what is a great desideratum, these peri-urban dwellers must look to non-agricultural occupations for their economic development."<sup>10</sup> Vast tracts of farmland on the Cape Flats, were purchased by companies and earmarked for residential

<sup>9</sup> See John Western: *Outcast Cape Town*, Human and Rousseau Publishers, Cape Town 1981.

<sup>10</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p5.

development. They clearly realised that the land rent accrued through township development was more profitable than revenue accruing from agricultural land uses. Property investments were at times closely tied up with the fortunes of secondary industry. The Combrinck Cold Storage, which had a monopoly of Cape Town's cold storage capacity, was owned by the Graaff Trust Limited, which was one of the largest landowning companies in the Cape Peninsula.<sup>11</sup> The two Graaff brothers owned audited assets valued at 682,387.12.11 pounds in June 1927.<sup>12</sup> By 1930 the Graaffs, together with Messrs. Joyce and McGregor, through two parent companies, Joyce and McGregor Pty Ltd. and the Cape and Transvaal Land and Finance Company Pty Ltd., were the three largest landowners in the Cape Peninsula.<sup>13</sup> Their investments in land, influenced by the demand for housing related to secondary industrial development and other construction needs, contributed to the transformation of agricultural land to urban use patterns.

The housing strategy that eventually emerged informed the enactment and varying implementation of an array of legislation such as the Health Act (1919), the Housing Act (1920), the Slums Act (1934) and the Urban Areas Act (1923).<sup>14</sup> The legislation was aimed at regulating the policy of the health, social economic and political problems of "heterogeneous settlements which have sprung up in the towns where there exists no organised state or society, nor recognised code of public morals."<sup>15</sup> It was in this context of the changing national housing framework that local government in the form of the City Council of Cape Town, other smaller municipalities, and various Divisional Councils had to deal with the regional and local peculiarities of housing related problems. Municipal housing, as a residential pattern, was a product of specific types of state intervention in the form of the City Council and other institutions in the domain of reproduction. In terms of the provisions of the Municipal (Provision of Homes) Ordinance, No 23 of 1919 and more importantly, the Housing Act No 35 of 1920, local authorities within the western Cape were empowered to develop housing schemes for lower income groups. The City Council of Cape Town has for many years been concerned about the shortage of housing for the Coloured people. As far back as 1929 it started building flats in District Six, where 484 units were eventually completed.<sup>16</sup> From

<sup>11</sup> see Memorandum of Association of the Graaff's Trust, Limited, 24 March 1930 and Vivian Bickford-Smith: *The Economic and Demographic Growth of Cape Town: 1880 - 1910*, History Department, UCT, 1985.

<sup>12</sup> Ibid.

<sup>13</sup> Memorandum of Association of the Graaff's Trust, Limited, 24 March 1930.

<sup>14</sup> Sayers, A. op. cit, p30.

<sup>15</sup> D. Welsh: *The Growth of Towns in Oxford History of South Africa Vol 2*, eds. M. Wilson and L. Thompson, University Press, Oxford, 1975.

<sup>16</sup> Cape Town City Council's Engineers Department: *Council Housing in Cape Town*, 1977, p3.

1929 the City Council started to construct high-density housing along the Docks-Observatory railway axis for working class people officially classified as low-income groups. After the demise of Ndabeni, constructed in 1901 by the Cape colonial government's Native Administration Department, Langa was built by the City Council in 1927 exclusively for Africans. The scheme's dwellings did reflect a new form of township planning and architectural design and the tendency to move away from the earlier emphasis on multi-storey high-density construction to housing covering a larger space for health reasons. It reflected the increased influence of certain basic principles that underpinned the then internationally recognized Garden City Movement that was keenly studied by Councillors and national housing officials. The implementation of the Langa scheme and similar municipal schemes' depended on the availability of vast tracts of land on the outskirts of town for construction because it encapsulated low-density housing. The "belt of green" concept also harbored the idea of separate residential areas with no stringent criteria other than colour necessarily accompanying the method of differentiation. All municipal township planning and house provision, with the exception of minor city reconstruction, followed this pattern before 1948. The garden city concept that emphasized the importance of home ownership was, however, more extensively applied by welfare organisations, municipal home ownership schemes and private housing institutions, as the cases of Pinelands and Maitland Garden Villages demonstrate.<sup>17</sup>

The accent of discourses influencing housing and town planning pertaining to Langa was also on linking the question of influx control to house provision as part of the overall emphasis on control. "The Council sought by the establishment of its new location to 'confine the number of natives within the Municipality to that necessary for the economic requirement of the city."<sup>18</sup> These mechanisms of control, coupled with high rentals in the location caused by construction, which used relatively more costly unionised white labour, made Langa an unpopular housing alternative to potential residents. This was reinforced by the payment of low wages to African workers and increased transport cost incurred through Langa's distance from places of work. The Joint European and Native Council, the Bantu Union and the combined Civic Associations of the Cape Flats maintained that prospective residents "could not afford

<sup>17</sup>L. le Grange: *Working Class Housing, Cape Town 1890-1947, Segregation and Township formation*, Centre for African Studies, UCT, November 1985 and Kinkhead-Weekes, B. op cit 1985 and A. Mafeje and M. Wilson: *Langa - A study of Social Groups in an African Township*, Oxford University Press, 1973.

<sup>18</sup> Kinkhead-Weekes, B., op cit, 1985, pp 137 - 138.

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to live at Langa with the consequence that they are being forced to squat in the Cape Flats or on the mountain side."<sup>19</sup>

The effective implementation of the segregationist housing strategy was severely curtailed by a) the continual influx of Whites, Coloureds and Africans from the countryside causing an increase in the demand for housing; and b) the inadequacy of existing housing stock both of which were closely tied up with state fiscal priorities. Apart from the bureaucratic administrative methods of house provision, the weak and limited resource base of state finance and the changing political strategy informing fiscal policy priorities placed severe restraints on the state's ability to resolve the housing problem within a segregationist framework. "Whatever demand there be for land in these roadless, sandy wastes, comes from the poverty-stricken moraine of Greater Cape Town seeking a place of sojourn away from high rent districts of the city. It is this demand which land companies seized upon to provide an excuse for their profit-working activities."<sup>20</sup> Even before 1920, the Cape and Transvaal Land and Finance Company and Joyce and McGregor Pty Ltd. and their smaller competitors noted the potential gap in the market created by the demand for housing and thus through their activities contributed to the nature of settlement patterns as the Retreat case demonstrates.

What, however, was evident, is that differing patterns of residential settlement emerged. High-density housing consisted of both private and public housing activities. Townships were also developed by both the public and private sectors in a fairly problematic regulatory environment as the case of Langa and the New Retreat Estate were to demonstrate. While ownership and rental and associated sub-letting practices traversed all these aforementioned settlement patterns, 'pondokkie' farming became the predominate form of housing on the Cape Flats where squatting was also a phenomenon. "The word 'pondokkie' is doubtless a diminutive form of the Afrikaans word 'pondok', meaning a hut or hovel... The pondokkie is the lowest standard of human habitation, and the term is not used to describe houses which, though producing similar insanitary conditions, at least conform to elementary standards of architectural design."<sup>21</sup> While it is a pattern that traversed the building practices associated with the subletting activities of landowners as well as squatting, its regulation through the implementation of building regulations and licensing provisions formed an integral part

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<sup>19</sup> *ibid*, pp133 – 134.

<sup>20</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943,p11.

<sup>21</sup> *ibid*, p14.

of the evolving housing and urbanizing strategies. It thus formed a critical focus area of contest between the state and local organizations on the issues of poverty, property and settlement rights that also had a symbiotic relation with the evolving labour market.

### 3.1.1. The case of Retreat

The demand for fresh farm produce, expanding with the growing population, made potential farm land near the town too valuable to be left idle, "Farms extended over most of the lower and flatter lands of the Cape Peninsula avoiding only barren soils, ill-drained hollows, and areas exposed to strong winds. A zone of peri-urban farming of smallholdings dependent upon dairying, poultry raising, and vegetable- and flower farming, began to develop. The light sandy soils of the flats, once stabilised by the acacias, proved easy to cultivate as excellent vegetable land if heavily fertilised. By instituting hand work and dogged perseverance a community of German farmers, settled at Phillipi in 1885, showed how even the apparently sterile soil of the flats could be made productive. Hollows between the dunes, more humid and less exposed to wind were gradually changed into market gardens and dairy pastures."<sup>22</sup> By the turn of the nineteenth century Retreat was occupied by a number of farmers who had acquired smallholdings through colonial government grants.

Pondokkie settlements emerged on the Cape Flats as a particular residential pattern due to changes in land-use pattern from agriculture when land companies acquired land, subdivided it and sold plots of land on a hire purchase basis. Land repayments and rents were at times lower than those in high density housing districts. Retreat, an integral part of the Cape Peninsula was affected by this residential pattern when the Cape and Transvaal Land and Finance Company Pty Ltd. bought the farm Montagu's Gift in 1917. A portion of Montagu's Gift was developed into a township called the "New Retreat Estate".<sup>23</sup> This township, coupled with the sub-division and sales of formerly peri-urban farms (formerly Crown land), constitute the object of the case study referred to as Retreat.

<sup>22</sup> W.J. Talbot: *Town and Country, Past and Present*, in *The Cape Peninsula*, eds., J.A. Mabbutt, Maskew Miller, Cape Town, 1952, p168-169.

<sup>23</sup> The Deed of Transfer of the Cape and Transvaal Land and Finance Company Propriety Limited, prepared by Walker, Lewis, Goodley and Field - Attorneys, Notaries and Conveyancers, T287, 1918.

The Cape and Transvaal Land and Financial Company, also involved in the printing industry, purchased a total of 73,2926 hectares from J.R. Wiley in 1917.<sup>24</sup> A portion of the land, approximately 6,8523 ha was subdivided into plots of at least one acre in size and developed and sold on a hire purchase basis to a predominantly working class clientele.<sup>25</sup> Some farmers and landowners also sold off some of their property in the form of plots varying in size for residential purposes. J.R. Wiley, J.S. Merrington, M. Bersin and C.S. Powerie pursued this strategy through the subdivision of their land and the development of hire purchase agreements through enlisting professional legal support where it was required. Only a small part of their landholdings was however sold in this manner. A large number of plots sold were not necessarily intended for commercial township development. This was because of the piecemeal manner in which land, varying in size, was sold over a long period of time prior to, and after, the First World War and the absence of an overall development plan.<sup>26</sup> Landowners still retained the bulk of their land for non-residential uses. The general thrust of transformation in land-use patterns in the area was, however, from agricultural to the more profitable residential land-use pattern spearheaded by the Cape and Transvaal Land and Financial Company's township development aims.

Purchase of the plots was determined by household income relying on wage levels. Those people who committed themselves were employed either within various privately owned enterprises or state departments within the Cape Peninsula.<sup>27</sup> "(working for...) the council involved mostly road building, cleaning, and later the electricity department. My father worked at the cemetery in Muizenberg. For the railways it was the same thing. They worked on the lines, attended to the tracks and that sort of thing, and some of them worked at Salt River Works. When the Depression took place, many of the Coloured people were retrenched and then later re-employed elsewhere in Tokai, in the forestry department."<sup>28</sup> On the other hand, farms within Retreat and adjacent areas on the Cape Flats, Tokai and Constantia provided employment for those unable to obtain employment in the abovementioned relatively higher remunerated sectors. "Die mense wat op die plase gewerk het, bly op die plase, Die Constantia se wingerde het

<sup>24</sup>Ibid.

<sup>25</sup>ibid.

<sup>26</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943.

<sup>27</sup> Ibid.

<sup>28</sup> Interview with Mr. P. Lewin, Retreat, 16, 19, and 23 November 1985.

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wonings gehad vir hulle. Op som plase het almal uitgeslaap. Som het in Retreat gebly en som in Diep Rivier."<sup>29</sup>

Farmers' profit margins were low and consequently highly sensitive to the effects of seasonal fluctuations in output, something especially evident among grape farmers. Farmers consequently retained a core workforce throughout the year reinforced by a complement of casual workers drawn from the surplus population when required.<sup>30</sup> These were primarily people who were unable to obtain employment in formal secondary and public sectors and forced to succumb to harsh conditions of employment to escape the ravages of unemployment. These employment patterns were symptomatic of the general state of the labour market. They also reflected the expanded and changing character of the workforce with the transition to machine-based methods of production during the 1920s in the western Cape. The measures of control that craft workers could exercise over the labour process were being eroded with the increased use of mass-production techniques.

The position of black workers worsened with the application of the Industrial Conciliation Act of 1924, the Wage Act of 1925 and the establishment of the Department of Labour which were all aimed at facilitating state regulation of class conflict through an ideological prism of race. This legislation formed part of the post-1924 "civilised labour" policy through which workers were differentially subjected to the rule of the state and capital. It is under these circumstances that the wage levels and working conditions of black workers deteriorated as the prevalence of discriminatory gender and racial employment practices reflect. African and female workers had to bear the brunt of such conditions. The existence of an employable surplus population induced a high level of competition especially within the unskilled sector of the labour market due to the low level of skill and manual dexterity required. Its negative effect on the length of employment and wage levels was evident despite the existence of labour organisations. Workers' involvement in the "informal sector", which was highly sensitive to fluctuations in trade and more prone to a lower income return than that obtained through wage labour, did not blunt their engagement in wage labour in the formal sector when opportunities occurred.<sup>31</sup> The capacity to purchase plots in newly developed estates was

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<sup>29</sup> *ibid.*

<sup>30</sup> *ibid.* It is a practice that still exist today.

<sup>31</sup> The category informal sector is a descriptive category used here to refer to a myriad of low income generating economic activity that is usually referred to as illegal, small scale and often unable to provide full-time employment.

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thus affected by fluctuations in household income that was dependent predominantly on wage labour and an array of survival strategies.

Prospective plot owners were mainly coloured semi- and skilled male workers. They could sustain the payment of hire purchase instalments more effectively than unskilled and casual workers. The payment of instalments or rents on housing, inclusive of a housing structure, in the high density areas along the Docks-Observatory railway axis was considered more costly than the payment of instalments for ownership of a plot in Retreat. The location of developing industries in high density housing areas such as Salt River and Woodstock and the poorly developed transport network to outlying areas such as Retreat intensified demand for and cost of housing in the immediate vicinity of the workplace. Being financially incapable of fulfilling hire purchase agreements for the purchase of their own plots made them prone to become tenants of plot owners and large landowners or even squatters. "The outlying regions and the flats especially in spite of their deficiencies, have permitted the mitigation of the human severity of poverty. This is because higher standards of shelter than are just, given their meagre earnings, are not there forced upon them. Migration to the flats enables the poor to choose the lesser evil, namely, shelter in shacks built of wood and corrugated iron, with the most primitive sanitary arrangements and poor cooking facilities. The acceptance of such conditions permits better nutrition or other benefits... the extra transport costs from the outskirts of town to employment centers are more than counterbalanced by lower rentals."<sup>32</sup> Plots averaging one acre in size were purchased under suspensive conditions as stipulated by the hire purchase agreement. "They overlook however, the insecurity which their agreements impose on these humble purchases and more important still, the excessive total prices at which land is sold."<sup>33</sup> Through exercising this historically determined option, people increasingly populated Retreat throughout this period despite the possibility of never actually acquiring ownership of such a plot.

The insecurity of tenure that prevailed in Retreat encouraged those who had purchased a plot to actually obtain de facto ownership by paying in full and having the land transferred to the purchaser. The forfeiture clause in a number of contracts permitted landowners to repossess land if the purchaser was in arrears even by one instalment. Oral testimony from three respondents revealed that residents frequently had

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<sup>32</sup> Evidence provided by Professor W.H. Hutt at the *Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p5.

<sup>33</sup> *ibid*, p11.

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to re-purchase property and that property changed hands frequently<sup>34</sup> Before 1926, the Insolvency Act gave purchasers who paid part of the agreed price no protection if faced with the prospect or fact of the seller's insolvency. The Act of 1926 entitled purchasers to demand transfer of the land if 50% or more of the purchase had been paid on condition that a mortgage bond was passed to secure payment of the balance. Conditions financial institutions imposed for granting a bond in the event of insolvency of the seller could have meant a measure of legal protection for the purchaser but not necessarily the reduction or removal of required bond instalment repayments.

Although legislation dealing with the sale of property under suspensive conditions had been almost wholly concerned with the contingencies of insolvency, legislative measures regulating the relation between buyer and seller in the housing and property market could not resolve the prevailing insecurity of tenure. This situation was bureaucratically ensnared in the prevalence of racially discriminatory practices limiting the legal choice of prospective purchasers. The provisions in Proclamation 60 of 1926 prohibited Africans from residing outside locations unless they had been granted specific permission to reside elsewhere. Some Africans acquired access to property in Retreat when requests to purchase property and provide officially sanctioned accommodation were acceded to by the Council.<sup>35</sup> Movement towards security of tenure involved primarily the fulfilment of hire purchase agreements under suspensive conditions that depended legally on the purchaser's ability to pay the required instalments. This was determined by the size of the household budget and the nature of budgetary allocation for an ensemble of requirements of which housing was one. Wages, being the household's primary source of income were in most cases inadequate to cover household expenditure.

In the context of the occurrence of recessionary periods, with workers being subjected to dismissal, retrenchment and other causes of fluctuation in employment and income, the very condition for obtaining security of tenure in terms of the legal and other regulations governing the functioning of the housing and property market was threatened. This was a position worsened by the distinct lack of a state-supported social security system and the opposing profiteering interest and endeavours of large landowners and land finance companies. The magnitude of demand for housing placed

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<sup>34</sup> *ibid* and Interviews with residents, Retreat, 2 November to 18 December 1985.

<sup>35</sup> see P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Native Affairs, 1941 and Cape Town City Council Ordinary Minutes-1933 to 1948.

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landowners and land companies in a strong position to obtain new purchasers to sustain their interest in a weak property market especially during recessionary periods.

Insecurity of tenure prevalent among working class people who purchased property gave impetus to several strategies. "Because of the fact that people were earning so little they had to provide for themselves on the side. Look, you couldn't possibly buy all your needs with a 2 or 4 a week so you had to have your own garden, because there was enough ground then, your own animals and poultry and eggs and your pigs. Every home practically had a pig in the yard so we were able to slaughter our own pigs. (Could people survive just by cultivating their gardens?) There were people who did that but most people had a job and in the evening when they came from work they would go into the garden and till the land so that there was additional income... that when the end of the month came we would be able to pay Mr. Langton (the Cape and Transvaal Land Finance Company's instalment collector)."<sup>36</sup>

It was the disparity between income received and expenditure that was the immediate cause for survival strategies informed by skills, knowledge and resources at the disposal of the household. The working class plot owner, tenant and squatter households had to devise survival strategies to augment household budgets to secure the food, clothing and shelter required to reproduce the household and in particular labour. It was in this context that "informal sector" activities were developed. Access to the plot opened up avenues for the development of activities to augment household income and/or reduce expenditure thus enabling the payment of instalments. Subletting of stands to relatives and friends in accordance with kinship networks and upon request was a way to increase household income as the structures on one owner's plot reflected "Road passes through both plots and part of the garden ground. Also through one tin house (two rooms and kitchen) one tin and reed house (one room and kitchen) and tin shed."<sup>37</sup>

Subletting, through hiring out a stand and the possible erection of a legally acceptable structure thereon, was possible due to the housing demand and the existence of a section of the workforce unable to obtain access to housing without resorting to squatting. Semi- and unskilled workers employed especially in a casual capacity, and farm workers paid below the relatively higher secondary industry wage rates were likely

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<sup>36</sup> Interview with Mr. P. Lewin, Retreat, 16, 19, and 23 November 1985.

<sup>37</sup> Reflections on Lots Nos 592 and 593 in the lower Retreat area, the property of S Appolis in an Extract from the minutes of Property Committee at a meeting held on 25 September 1931, City of Cape Town.

tenants, especially if they could not afford regular higher purchase instalments needed to purchase a plot. Some small farmers also engaged in subletting activities to provide accommodation for their workers and others on a minimal scale. Absentee landlordism also facilitated squatting on a small-scale.<sup>38</sup> Some plot occupants and tenants, if the size of the land permitted, cultivated a piece of the land and kept the livestock such as cows, pigs and chickens to supplement consumption of foodstuffs such as vegetables, fruit, milk, butter, eggs and meat whilst being dependent on wage labour.<sup>39</sup> "...there was no evidence to prove the existence anywhere on the Cape Flats of any noticeable number of persons, whether European or non-European apart from the established European community, who through choice or by predilection could claim to be independent agricultural peasants."<sup>40</sup> The practices of subletting and squatting were still not the predominant pattern of housing in the area during this period hence the impression of it being a sparsely populated landscape covered with bush and sand.

The cultivation of flowers and the above mentioned sources of food nevertheless opened up the possibilities for "informal sector" economic activities as evidenced by the occurrence of hawking. Produce not consumed by the household was sold on the streets. Income received was restricted by the seasonality of the produce sold and was too erratic to become a reliable source of income for small plot owners. Discriminatory employment practices towards women within private industry and state enterprises coupled with existing sexual divisions of labour led women to play a pivotal role in the cultivation of crops, maintenance of livestock and hawking of produce. Similarly, the extension of the household activity to the production and sale of cooked food and home-brewed beer primarily involved women.<sup>41</sup>

Generally, it can be said that the use of labour of the household towards the production and the sale of goods in this manner depended on the availability of labour in relation to the demand within the labour market, the length of the working day, household needs and financial priorities, kinship and other cultural practices. Domestic outwork, the furnishing and assembling work, especially for clothing and footwear industries and petty trading, reflected a different form of women's involvement in

<sup>38</sup> Interviews with residents, Retreat, 2 November to 18 December 1985.

<sup>39</sup> *ibid* and *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p6.

<sup>40</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p5.

<sup>41</sup> Interviews with residents, Retreat, 2 November to 18 December 1985 and see A. Sayers: *Aspects of the Economic and Social History of Retreat, 1930-1950*, the Western Cape Roots and Realities Conference, Centre for African Studies, UCT, July 1986.

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industry. With the possible exception of domestic outwork, the distances between industrial areas and place of work and of residence and the lack of a suitable transport network limited the growth of this type of activity on the outskirts of Cape Town during this period. The performance of outwork through assembling, finishing, sale and service of commodities for the leather, wood, clothing, construction, food, service and commercial industries and sectors by males of the surplus population was similarly affected. Their tasks were not necessarily performed on the premises of the employer and therefore avoided being continually subjected to forms of control specific to the larger permanently employed workforce. This created the impression to outside observers that they were engaged in independent work not linked to an industry or a service sector. Their dependency on the suppliers of work, the conditions under which work should be completed, such as the time period and recognition of the ownership of the supplier of the finished product and wage form of payment, all reflected the "hybrid" character of their incorporation into capitalist employment relations and distribution mechanisms. It was this peripheral, insecure and low-income existence in relation to the labour market that made the fortunes of those involved highly sensitive to "formal sector" economic fluctuations. "Informal sector" activities nevertheless also had the potential of providing the conditions for class mobility, depending upon the individual's access to resources such as land, skill, knowledge and labour whose combination could be informed and shaped by political, economic, kinship and other cultural practices. This provided the possibilities and parameters for the establishment of formal and informal enterprises particularly in the commercial sphere.

The various types of residential patterns that emerged differed insofar as discernible variations in the conditions of reproduction viewed not only in its narrow biological and economic sense, but also in a socio-political and historical manner can be identified. High-density housing, public housing and the nature of purchase and letting of property for residential purposes illustrated the paucity in municipal regulation. "...it has seemed to me everywhere I have been that the lay-out of townships and the sub-division of estates for the purposes of building development have in the great majority of cases taken place on the unregulated initiative of private interest, and that these have been allowed a free hand to operate without any regard whatever for such matters as the best setting or layout for a town or suburb. Development has grown up without any proper zoning; with no consideration for amenity, and particularly without any architectural control exercised on behalf of the public over the external appearance of buildings with a

view to producing pleasing and harmonious elevations and good street vistas and pictures.....The same tragedy has been happening in Cape Town and is going on today all around that city, so that the exquisite and unrivalled beauty of its environs in their mountain or wood setting, is in hourly danger of being spoilt forever."<sup>42</sup> Building standards and health and social welfare provisions reflected the emergence of a new dimension of the housing problem.

### 3.2 The Depression, the Housing Crises and Social Development

Rural impoverishment caused by the Depression significantly contributed to unprecedented movements of people to urban areas during the slump years. The consequent swelling of the ranks of the urban-based unemployed, magnified the range of what were officially termed the 'poor white problem' and the 'native question'. The consequent state strategies continued to mete out differential treatment to various sectors of the western Cape's urban poor. A strategy emerged addressing the question of housing and health in a broader urban context in an attempt to resolve the impoverishing effects of the Depression. By launching a massive housing provision programme, avenues of greater magnitude for the employment of the unemployed white electorate were created in construction.

The Special Unemployment Committee in submitting for you on the 31st March 1932, its second report, presented for your consideration the report of a sub-committee which had been appointed to consider schemes for the pulling down and re-building of slum property, together with suggestions for the financing thereof, as a means of providing work for the unemployed. A sum of 500 000 was made available since 1930 to the Central Housing Board to assist local authorities to provide housing for "the very poor and improvement of unhealthy areas."<sup>43</sup>

Some of the strategies affecting poor white workers were directly tied to the implementation by para-statal enterprises of the "civilised" labour policy such as when the S.A.R.H. developed housing schemes exclusively occupied by its white employees. Railway housing schemes such as the one at Retreat station, established in 1934, were constructed. Local governments such as the City Council were to follow suit with construction of houses predominantly for their white employees in areas such as

<sup>42</sup> Lord Justice Scott as cited in *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p34.

<sup>43</sup> City of Cape Town Ordinary Minute, 31 March 1932 and P. Morris: *A History of Black Housing in South Africa*, South African Foundation, Johannesburg, 1981.

Maitland. The provision of housing for parastatal employees was used as an administrative mechanism to address the 'poor white' problem based on the pursuit of the "civilised" labour policy. This was crucial for the realisation of state legitimization imperatives among the white electorate.

It was under these circumstances that the Medical Officer of Health's department became involved in a limited survey to ascertain housing needs.

In connection with the survey of the housing conditions in the central portion of the City, an interim report in regard to which covering Wards 2 to 6 inclusive was laid before you at your meeting held on the 31st August, 1932, the Joint Health and Housing Committee on the 27th April, 1933, submitted for your consideration the second interim report dated 13th April, 1933, in which the Medical Officer of Health advised that with the completion of the survey of Ward VII, figures were available for the working class parts of all six wards (II to VII) comprising Central Cape Town.<sup>44</sup>

Although the acquisition of property and the provision of municipal housing in areas such as Stirling Street, Wells Square and Bokmakierie were in progress, the above report laid the basis for the development of a policy aimed at eradication of slums in a systematic manner. This was done in terms of the Housing Act No 35 of 1920, which before 1934 did not affect the African urban poor, as they were not covered by the Act. Local authorities before 1934 were empowered in terms of the 1923 Natives (Urban Areas) Act "to set aside land for blacks in separate areas known as locations, and to house blacks employed in town or require their employers to provide housing for them."<sup>45</sup> These legislative measures were predated by the Native Reserve Location Act of 1902 and its amending Act of 1905, which made provision for freehold rights.<sup>46</sup>

Nevertheless, segregationist administrative mechanisms of house provision did not preclude the use of local state apparatus as an area for the creation of employment of impoverished whites as the construction of Langa demonstrated. Simultaneously the tendering of contracts to private construction companies in the absence of a municipal controlled para-statal construction unit alleviated barriers to capital accumulation in the building industry. This partly accounted for the overall and proportional increase of the construction industry's contribution to the Western Cape's secondary industry in terms of employment between 1932/33 and 1937/38. The total number of people employed

<sup>44</sup> Cape Town City Council Minutes.

<sup>45</sup> P. Morris: *A History of Black Housing in South Africa*, South African Foundation, Johannesburg, 1981.

<sup>46</sup> *ibid* and B. Kinkead-Weekes, *op cit*, 1985.

increased from 2264 to 7232, a proportional increase from 7,4% to 14,9%.<sup>47</sup> The municipality was also in a position to enforce the employment provision scheme imbued with the "civilised labour" policy through conditions attached to the award of tender, thus partially influencing employment patterns in the industry. Although the total number of people employed dropped, the proportional share of white employees increased from 29% in 1928/29 to 39% in 1932/33. As the 'resolution' of the "poor white problem" became evident and the construction industry absorbed increasing number of black workers during a period of economic growth, the proportional share of white employees dropped to 23% by 1937/38. The overall governing strategy however involved more the resolution of poverty related health and housing questions with the objective of exercising political control over the expanding working class in urban areas.

### 3.2.1

#### Black municipal housing and 'pondokkie' settlements.

"The position at March 1930, was stated to be that whilst the Ndabeni Location was full, Langa Township which had been designed to accommodate 5 000 natives including women and children, had a population of approximately 1 000 only.....This unsatisfactory state of affairs was attributed chiefly to the fact that natives are able to live for the greater part of the year in the bush on the Cape Flats beyond the limits of the jurisdiction of the Council."<sup>48</sup> Here local authorities, faced with the above dilemma compounded by the influx of 'Africans' into urban areas, increasingly emphasized the importance of housing provision as a mechanism of influx control. A strategy was developed aimed at making locations more habitable and acceptable to prospective residents and hence the creation of the infrastructure for the exercise of control. This simultaneously meant the control and eventual eradication of "pondokkie" settlements on the Cape Flats, which according to local authorities, were posing an ungovernable health and socio-political threat to the urban population at large, and an obstacle to the implementation of influx control measures. This situation was made administratively possible through the extension of municipal boundaries to effect the incorporation of "pondokkie" settlements under their jurisdiction. The control of "pondokkie" settlements

<sup>47</sup> Union of South Africa, Office or Bureau of Census and Statistics: Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report no 16, 1933, U.G. No. 31-1935 and Report no 21, 1937-38, U.G. No 21-1941.

<sup>48</sup> Cape Town City Council Mayoral Minutes, September 1930, p55, Correspondence between Capt. F.A.L. Davidson and the Cape Town City Council's Engineering Department, August and September 1936 and see A. Mafeje and M. Wilson, op cit, 1975.

now made legislatively possible involved the implementation of municipal by-laws pertaining to building regulations where it was difficult to effect immediate removal to the Langa location and other coloured municipal housing schemes.

Before 1936, the City Council focused its energies on the demise of Ndabeni and consequent population of Langa. Unexempted Africans living outside Langa in "pondokkie" settlements were not as yet to be forcefully removed to Langa. Simultaneously the unprecedented large-scale housing provision project affecting the white and coloured urban poor started during the Depression years was inadequate in accommodating coloured pondokkie settlement residents. The housing was largely intended to accommodate those affected by removals from high-density residential areas along the Docks-Observatory rail axis that was overcrowded and officially classified as a slum in terms of the MOH's survey of Wards II - VII. By 1934 the Council had built the Bokmakierie housing scheme at Athlone consisting of 448 dwellings at a cost of 354 774 pounds, followed in 1939 by the construction of Alicedale also in Athlone, at a cost of 278 720 pounds. Alicedale comprised 258 dwellings, of such a high standard that 40 years later it still stands out as a model form of development.<sup>49</sup>

The City Council's initial focus on the closure of Ndabeni and the removal of its population to Langa<sup>50</sup> as part of its strategy was considered and already motivated for in 1921 by three senior central government health officials after their inspection of Ndabeni. "The whole location is unkept, dilapidated, dirty and unsanitary. There is no evidence on every hand of efficient control and supervision."<sup>51</sup> By 1932, Langa's population exceeded Ndabeni due to forced removals amidst protests by residents. Eviction notices and the use of the police force and increased housing provision, and the now decreased rentals of Langa were used to forcefully remove people from Ndabeni. Government Notice No 695 of 1936 was to confirm the final demise of Ndabeni. By 1939/40 Langa's population had risen to 6 038 comprising of 3 655 males, 874 females and 1509 children under 16 years of age. There were about 25 whites involved in direct administration and control of functions of the location.<sup>52</sup> Governing the township was effected by legislative provisions and procedures. Procedures for consulting local inhabitants were enshrined in the advisory councils that were catered for in terms of the

<sup>49</sup> The Rand value at 1977 prices is derived from the conversion from Pounds as contained in the 1977 publication of the Cape Town City Councils' Engineers' Department, *Council Housing in Cape Town*.

<sup>50</sup> B. Kinkead-Weekes, op. cit, 1985.

<sup>51</sup> *ibid*, p 95 - 96.

<sup>52</sup> A. Mafeje and M. Wilson, op. cit, 1973.

Native Urban Areas Act. Local authorities had to formerly consult the advisory board about decisions affecting location inhabitants. It had a white nominated chairperson, who at times was the location superintendent. Local authorities and their local location representatives such as the superintendent and his assistants and the location police force were accountable only to their seniors occupying positions in the relevant national state departments for their activities. This was a situation crucial for the exercise of control in the context of police having been given the power to enter, search and arrest without warrant any African contravening the law of December 1932 in terms of Proclamation No 231 facilitated by amendments to the Native's Urban Areas Act section 3 and 5 in 1930.<sup>53</sup>

Amendments to the Native (Urban Areas) Act in 1937 involved procedures whereby the locations should provide revenue for the development and maintenance of their own physical infrastructure and structures of control. The opening of a Native Revenue Account with the resource base being fines, service fees and rents generated within the locations, was to be the fiscal mechanism in the control of local authorities to facilitate the execution of their tasks. The legal municipal monopolisation of the supply of beer meant however that the profits generated were to contribute to the revenue account. The major source of funds for house construction affecting Africans from 1934 was in the control of the Central Housing Board which would channel it to respective local authorities in terms of the Housing Act of 1934. Lower cost housing drawing on sub-economic loans from the Housing Board were now possible.

The significant role of Langa, and therefore the extent of success of municipal strategy in resolving the 'Native Question' in terms of housing provision and influx control into Cape Town was indicated by the presence of at least 18 500 Africans officially in Cape Town in 1939, of which 6 038 or 32,64% resided in Langa.<sup>54</sup> With the aid of forced removals and a high demand for housing, it became filled to its capacity.<sup>55</sup> Local location residents' decisions and aspirations were considered by the advisory board but had no bearing on local state strategies if they conflicted with the outlined and enforceable legislative and administrative provisions.<sup>56</sup> The history and impact of

<sup>53</sup> B. Kinkead-Weekes, op. cit, 1985.

<sup>54</sup> A. Mafeje and M. Wilson, op cit 1973 and B. Kinkead-Weekes op cit 1985.

<sup>55</sup> P. Morris op cit 1981 and T.R.H. Davenport, *The Beginnings of Urban Segregation in South Africa: The Natives (Urban Areas) Act of 1923 and its Background*, Institute of Social and Economic Research, Rhodes University, Grahamstown, 1971.

<sup>56</sup> *ibid* and Cape Town City Council Mayoral Minutes from September 1930 onwards.

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Advisory Board activity clearly reflected this, especially in the context of campaigns against the Hertzog Bills before 1935.

In terms of Proclamation 60 of 1926, facilitated by Section 5 of the Urban Areas Act, Africans had to reside in a proclaimed location unless they had been granted specific permission to reside elsewhere by the city council. Before 1937, Africans, if it was economically possible, could also exercise the legal right to purchase property outside the location. The right to reside outside the location was usually coupled with accessibility to officially sanctioned decent accommodation. Hence the above rights were usually conferred on a small proportion of people residing in most cases outside the expanding "pondokkie" settlements. The remainder resided illegally in 'pondokkie settlements'.

Between 1930 and 1950 the municipal boundary was extended to effect the exercise of state control over accommodation developments in various areas, but not facilitating the provision of alternative municipal housing.<sup>57</sup> The limitations of municipal by-laws, especially those related to township planning affecting "pondokkie" settlements were glaringly exposed. The large land companies intensely involved in township development and hence "pondokkie" settlements on the Cape Flats could not be legislatively controlled and dictated to by municipal authorities due to antiquated by-laws before 1927. The first ordinance dealing with town planning and designed to curb irregular urbanisation in the Cape Province was promulgated in 1927. It was then replaced by Ordinance No 33 of 1927. In a few of the larger towns, named in the first schedule to the latter, the preparation of town-planning schemes for submission to the Administrator was now compulsory.<sup>58</sup> This ordinance was to determine the scope, nature and process of development control of urban planning for the next two decades. It was within the legislative confines of this ordinance that municipalities' urban planning practices were approved and executed. The previously perceived "laissez faire" practices involving property exchanges and industrial and residential township development hence referred to as 'unruly' urban development were increasingly brought under control and policed through regulation. It was at this particular point that the influences of especially the Garden City Movement and later the le Corbier and American urban planners were more prominently felt at a legislative level.

Consistent with the provisions of the Ordinance, Municipal sub-committees were

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<sup>57</sup> *ibid* and Rabkin, P.: *A Socio-Economic Study of Parkwood Estate*. M.A. Thesis, UCT, 1941.

<sup>58</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p8.

delegated the powers to prepare a Town Planning Scheme from 28 March 1935. The scheme involved the development of industrial and residential townships serviced by a planned transport network crucial for the circulation of commodities including labour power as the City Engineers' report reflects. "(a) The reservation of sites for future industrial expansion; (b) Proposals to dispose of the Ndabeni site formerly used as a native location, for industrial purposes. (c) The request of the Trustees of the Pinelands Garden City to be given an additional entrance to the estate and to be separated by a barrier from the proposed industrial area at Ndabeni. (d) The proposals to construct an arterial pad from Maitland to Muizenberg joining the Prince George Drive at Southfield; (e) The necessity for planning suitable routes to link up the City and the industrial areas with the municipal lands near Athlone that have been and are proposed to be developed for housing; and (f) The proposal of the Railway Administration to deviate the Cape Flats line between Ndabeni and Pinelands Station....."<sup>59</sup>

It was only in 1938 that more personnel, involving a Chief Architect, four Assistant Architects, one Quantity Surveyor and Clerk of Works, were engaged by the City Engineer to plan for additional housing provision. Clarity was also sought from the central government on the cost of employing additional personnel and the provision of services crucial for the townships' infrastructure development. "That steps be taken immediately to ascertain from the Government whether the cost of the additional staff set out in the previous paragraph, as well as the expenditure entailed in the employment of caretakers, housing supervisors, clerical administration and the cost of the schemes for which loans under the Housing Act of 1920 at 3/4 per cent interest will be available."<sup>60</sup> The capability of the City Council to implement the scheme partly depended on the extent to which officially uncontrolled settlements outside the municipal boundaries were incorporated within the municipality's jurisdiction. This was a necessary procedure in the light of the rural-based Cape Divisional Councils' lack of the legislative mechanism needed to control township planning in their own jurisdiction.<sup>61</sup>

Importantly, some of the commercial townships were developed before 1927 within areas such as Parkwood and Retreat. The local authority's inability to resolve the evolving housing crises through increasing the housing stock meant that those "pondokkie" settlements in areas such as Retreat within municipal boundaries were still

<sup>59</sup> *ibid* and Cape Town City Council Minute, September 1930 to September 1945.

<sup>60</sup> Cape Town City Council's Engineers Department: "Council Housing in Cape Town". 1977, p 3.

<sup>61</sup> Cape Town City Council Minutes September 1930 to September 1945.

subjected to by-laws controlling commercial township development, and the erection and demolition of dwellings. Such activity was policed by the City Council's City Engineering, Waterworks and Surveyors' department in terms of Regulations No's 826, 836 and 967 promulgated under Government Notice No 255 of 1920.<sup>62</sup> It was in these circumstances that landowner F.A.L. Davidson of Davidson's Farm, 11th Avenue Retreat, was served with notices to demolish a number of tenant dwellings between August and September 1936. The owner faced the payment of fines for legal contraventions and possible obligatory demolition expenses. Reprieve for the tenants was possible due to the inability of the Council to provide alternative accommodation in November 1936.<sup>63</sup> Council officials were, however, to simultaneously decide to investigate the erection of alternative accommodation in the vicinity. This was a decision which led to the idea and eventual municipal plan to erect two separate housing schemes for coloureds and Africans in Retreat during the Second World War.<sup>64</sup>

### 3.2.2 'Pondokkie' settlements in Retreat

"When the Depression took place, many of the Coloured people were retrenched and then later re-employed somewhere in Tokai, in the Forestry Department..... Retreat Road was just one sand track with two hills, one at Ninth Avenue and one at Seventh Avenue. When the Depression came, they decided to build Retreat Road. They got all this Afrikaners here the poor whites,.... some of the poor whites that worked on the Railways were housed at the Retreat station. The government pursued a civilised labour policy and had to retrench Coloureds to make way for the whites. There was a scarcity of money so the most vulnerable sector of the labour force was the Coloured people, so they were in the first line of attack. So they dismissed and retrenched the Coloured labourers first. To offset the suffering which was a result of this retrenchment, they were employed later in the forestry department."<sup>65</sup> It is evident that black para-statal employees suffered the effect of the Depression akin to that experienced by workers employed by privately owned secondary industrial enterprises as the example of a Retreat resident employed in a highly sensitive and vulnerable building industry demonstrated. "My broer was 'n messelaar gewees en het die huis gehad daar naby Daisy Hill Road. Hy het 1.10 'n

<sup>62</sup> Cape Town City Council Minutes, September 1939.

<sup>63</sup> Interview with Dr Oscar Wolheim, former warden of CAFDA, Rondebosch, 2 November 1985.

<sup>64</sup> S. P. Cilliers, op cit, 1965; S.T. van der Horst op cit, 1965, A. Mafeje and M. Wilson, op cit, 1973, R. Humphries, op cit, 1986.

<sup>65</sup> Interview with Mr. P. Lewin, Retreat, 16, 19 and 23 November 1985.

week verdien. Hy moes sy huis verkoop want daar was nie werk vir die mans nie..."<sup>66</sup> Capital and the state through its discriminatory wage repression methods together with the existence of a weak labour movement held sway as downward pressure was furthermore exerted on real wages and consequently household income. This was exacerbated by the continual existence of a casual labour market and an expanding urban based surplus population.

The relentless pressure that was exerted on household income by increased unemployment meant that people had difficulties in fulfilling hire purchase agreements and hence had reduced access to legal ownership and control of plots of land. Evictions, the sub-letting of stands and squatting increasingly became common practice. Increased limitations were consequently placed on the expansion of "informal sectoral" activities, with decreased access to land and other resources crucial for the production of local commodities. Within the confines of these structural limitations, the implementation of survival strategies increased as the use of available resources and skills expanded and intensified with the continued practice of cultivating a piece of land where possible, the sale of surplus produce, the sale of home cooked food, brewed beer and other commodities (e.g. wood) and busking.<sup>67</sup> "There was tremendous retrenchments. It was common to see people standing on the corners of streets with their guitar or a violin begging for money ...groups of people sometimes begging for money and making music...."<sup>68</sup> Despite the use of the "book system" to stretch available income in attempts to maintain access to food and clothing there was an evident drop in consumption levels or what is generally referred to as standard of living as the son of a relatively better-off plot owner reflected.<sup>69</sup> "It had a tremendous effect on the way of life of the 'coloured' people. I remember how we used to, where formerly it was chops and legs of mutton, now it was afval. So often we had to buy a beeskop and eat that and so on.... People had to change their diet and so on... People bought on the book. You know they had a kind of shoe, which came from Japan, a black rubber shoe which people wore. People wore sandshoes and those black rubber shoes, which looked like a leather shoe. It was an imitation of the original leather article. People wore straw hats because of the shortage of money and sandshoes which was 1/11 and these rubber shoes."<sup>70</sup>

<sup>66</sup> Interviews with residents, Retreat, 2 November to 18 December 1985.

<sup>67</sup> Interview with Mr. P. Lewin, Retreat, 16, 19 and 23 November 1985.

<sup>68</sup> Interviews with residents, Retreat, 2 November to 18 December 1985.

<sup>69</sup> Interview with Mr. P. Lewin, Retreat, 16, 19 and 23 November 1985.

<sup>70</sup> Interview with Mr. P. Lewin, Retreat, 16, 19 and 23 November 1985.

The abandonment of the gold standard by the government in 1932, the consequent high levels of profitability prevalent within the mining industry and its multiplier effect on other sectors of the economy led to the expansion of the state's revenue resource base. The implementation of progressive taxation measures consequently placed at the state's disposal the required revenue crucial for the partial materialisation of evolving state strategies aimed at stimulating economic growth. The resultant expansion of secondary industry in the Western Cape and other related economic activity contributed effectively to the absorption of sections of the surplus population in Retreat and the Western Cape at large. Increased employment led to increased household income and hence increased access to plots in terms of suspensive hire purchase agreements. While this meant that the demand for plots sold by Cape and Transvaal Land and Finance Company increased, the possibility of transforming farms into residential townships became a more realistic option.

The increased pressure on land required for housing was induced by the expanding urban population and related higher employment levels. The Cape and Transvaal Land and Finance Company's activities which spearheaded the development of residential townships before the Depression were now complemented by farmers who followed suit by engaging in township development of a particular sort as a report of the City Engineer's Building Survey Branch Inspector on developments in 11 and 12 Avenues, Retreat would reflect in July 1936. "The land referred to in the letter and petition recurred via Mr. F.A.L. Davidson is a farm owned by Mr. Davidson now subdivided (have not seen plan) into acre plots with certain conditions of sale imposed by Mr. Davidson. The petition is in regard to these conditions and I have referred the complainants to him.... The land is not yet transferred to the complainant and one named Malan has commenced the erection of an unauthorised wood and iron house approximately 24' x 24'. Mr. Davidson should be called upon to demolish this."<sup>71</sup>

While having concentrated on the demolition of Ndabeni and the related population of and development of Langa as well as the construction of Bokmakierie and Alicedale, the nature of municipal intervention, the skills and experience acquired led to the establishment of the town planning and housing provision apparatus from 1935 under the auspices of the City Engineer's and Surveyor's Department. The effective implementation by the Cape Town Municipality of Ordinance No.33 of 1934, a by-law

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<sup>71</sup> Report from the Building Survey Branch Inspector to the City Engineer, 27 July 1936.

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promulgated to regulate township development in urban areas in the Cape Province, hinged on the magnitude of the housing crises and private enterprise, households and the state's ability to resolve it. The City Engineer's Department, delegated the development of Town Planning schemes, became effectively involved in the regulation of township development by exercising control over further subdivision and house construction on the plots in Retreat. Attempts, with a measurable success, were made to increase the geographical space within which the judicial powers of the City Engineer's Department could be active through the extension of the boundaries of Retreat in the late 1920's and early 1930's. By September 1931 the Mayor of Cape Town keenly reflected on the extent of this development.

In my previous Minute a brief reference is made to an agreement reached with the Divisional Council for the extension of the City boundaries to include the following areas: (a) Zeekoe Vlei, Ronde Vlei, Grassy Park and Lotus River Estates; (b) Portion of Rompe Vallei, Yorkshire and Turf Hall Estates; (c) The Catchment Areas situated on the top of Table Mountain; (d) "Paradys", situate at Papenboom or Brewery Estate; (e) That portion of the rural area adjoining the main road between Lakeside and the boundary of Wynberg Road. .A petition was duly lodged with the Provincial Administration for the issue of the necessary proclamations, but in the course of an interview with the Administrator, Mr. Conradie suggested that these extensions should be made by means of a special Ordinance in which provision would be made that the areas to be incorporated should be subject to the relief in regard to rates, provided under section eight of Ordinance No.14 of 1927.....You accepted this proposal on the 30th July on the understanding however, that a special clause would be inserted in the Ordinance to provide for re-evaluation of all properties within the areas inasmuch as it appeared that for various reasons no interim valuations had been made in the purely rural areas of the Cape Division within the past few years.<sup>72</sup>

Consequently, township development proceeded within the confines of the condition that the land should be retained for agricultural use. The size of "officially" classified one-acre agricultural smallholdings was however no different from that sold by the Cape Transvaal Land and Financial Company. The City Engineer's Department, through the use of building inspectors, vigorously attempted to control the use of the one acre plots in accordance with the provisions of Regulations No.826, 836 and 967 as promulgated under Government Notice No.255 of 1920 as the case of F.A.L. Davidson reflects.<sup>73</sup> Where transfer of ownership was not concluded and thus registered, the seller was legally held liable for all contraventions of the said regulations on property of which he/she still

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<sup>72</sup> Cape Town City Council Mayoral Minute, September 1931, p47.

<sup>73</sup> Correspondence between Capt. F.A.L. Davidson and the Cape Town City Council's Engineering Department, August and September 1936.

had legal ownership. Landlords obligingly took the necessary steps and enlisted state support to implement the provisions, especially in instances where it did not affect rent accrued to them as the case of F.A.L Davidson showed.

Further, with reference to your letters No.B2405 of 18.8.36 and No.B2405/36 of 19.8.36, I would be glad if the inspector would call on the following persons: (1) 11th Avenue, Mrs. Lynbam, who has a house on one of her son's 2 acres, with some outbuildings as stables, store rooms etc. I don't know whether such scattered structures are permitted?; (2) 12th Avenue, Mr. Baron's 1 acre, with a wood and reed structure on 12th Avenue occupied by his tenants. It is not his land yet. I don't know of any permission or plan. Most of my people seem to think that no plan or permission is, at all, necessary for a temporary structure.; (3) 12th Avenue, Mr. Zutphen, a hot head, who has apparently consulted some agent and outsider, (but not the S. Jone's office of the City Hall) and they say no plan is necessary for any temporary structure nor permission, whereas the Surveyor General (Mr. Bowden) wrote on the back of my plans, that amongst other things, only one house is to be built on 1 acre. This was ruled because my farm is divided into 22 agricultural one-acre lots. It is not a Township. He has also a stable at the back which looks very like an ancient house, and a small room where an old relative lives, which might have been built onto his own house.; and (4) 12th Avenue, Mr. Malan, another hot head who won't pull down his condemned structure, apparently till all the others have been pulled down.<sup>74</sup>

State intervention in this instance was clearly aimed at curbing mushrooming pondokkie settlements through limiting sub-letting activities that formed part of working class survival strategies on one-acre plots. In circumstances where the landlords imposed their own hire purchase agreements, state intervention aimed at curbing mushrooming pondokkie settlements and the support rendered to it by profiteering landlords. Landlords such as F.A.L. Davidson went so far as to sow division by enlisting the alleged support of plot occupants in the form of a petition which he formulated and presented in attempting to make a case against one of the plot occupants described as a "hot head" on the "moral" grounds of erecting an illegal structure to house the plot occupant's second wife, whereas the central issue was the right of plot occupants to erect structures of their own choice and purpose.<sup>75</sup> He perceived himself as the representative of aspiring plot owners on the township he owned whilst regarding those who sought "outside" legal consultation disdainfully as "hot heads". He kept his representation within the confines of sworn allegiance to authority as reflected in a letter to the City Engineer "... the persons concerned have been instructed to comply with your instructions at once..... I personally beg to thank you for the Ruling given."<sup>76</sup> Other farmers such as G.T. Kock

<sup>74</sup> Letter from FAL Davidson to The City Engineer, 10 September 1936.

<sup>75</sup> see Correspondence between Capt. F.A.L. Davidson and the Cape Town City Council's Engineering Department, August and September 1936.

<sup>76</sup> Letter from FAL Davidson to The City Engineer, 26 August 1936.

also engaged in sub-division practices similar to those of F.A.L. Davidson. G.T. Kock who acquired 8,5653 ha from A. Dearham in July 1928, 8,5654 ha from H.A. Solomon (who had purchased then it from Mr. Bersin in 1917) in August 1928 and 3,8004 ha from M. Bersin in September 1934, sold 4,0597 ha to A. Levy in 1929, 3949m 2,2503m<sup>2</sup>, 841m<sup>2</sup> and 916m<sup>2</sup> to the Cape Town City Council in 1931 and 1938 respectively and consolidated and developed the remainder into Rondevlei Township by 1940 as reflected in the register of deeds of transfer.<sup>77</sup>

The state's ability to effectively intervene and subject plot occupants to more stringent measures of control was thwarted by a housing crisis which it was unable to resolve given its bureaucratic methods, fiscal constraints and its support for big landowners. This was despite the massive housing construction program and the eventual capacity occupation of townships such as Bokmakierie, Alicedale and Langa.

Your Committee and the Health and Building Regulations Committee have conducted joint deliberations upon the question of 'pondokkies' erected on land bordering on the Prince George Drive. It appears that this matter has engaged the attention of the Health Committee for a considerable number of years, but repeated efforts to remedy the unsatisfactory state of affairs have been stultified mainly because of the fact that should the demolition of the 'pondokkies' be enforced, the persons occupying the structures would be deprived of the only shelter over their heads, and furthermore the Council was not in a position to offer alternative accommodation for the people concerned.....With the object of endeavouring to arrive at a solution of the difficult problem, a joint Committee of three representatives of the Health Committee, of one representative of the Finance Committee and three representatives of your Committee were appointed to discuss the matter in detail. Concurrently herewith meetings held by representatives of the Divisional Council of the Cape, the Citizens' Housing League and Council who had similar objects in view...It has, however been pointed out that there is need that steps be taken as soon as possible, particularly to assist the occupiers of some 113 structures off Prince George Drive who were given notice to quit the structures occupied by them. In this connection your Committee has considered the question of erecting 150 cottages for the persons concerned, and has adjourned consideration of the details of the scheme, in order that reports might be subdivided in regard to land on which the cottages might suitably be erected, and the type, layout and cost of the cottages to be erected...In the meantime the principle of erecting the cottages is recommended to Council for approval.<sup>78</sup>

The adoption of this principle paved the way for preparations for more comprehensive state intervention affecting particularly the coloured urban poor in the area in the immediate future. Meanwhile, the state's poor capacity to effectively intervene in this matter and existing legal loopholes only permitted the uninterrupted flourishing of

<sup>77</sup> see Registry presently kept in terms of the Deeds Registries Act No 47 of 1937.

<sup>78</sup> City of Cape Town, Ordinary Minute, 29 April 1936.

pondokkie settlements through the emergence and involvement of property companies in the subletting of stands and the subletting activities of workers in the area. These subletting activities were also not reduced by legislative provisions promulgated in the Provincial Gazette of 25 September 1931. These required landlords to apply for the costly licensing of the premises if they were to sublet to Africans.<sup>79</sup> The legislative provision was, however, not enforced. Housing practices in Retreat which involved township development and subletting in proximity to the nearby railway stations made it a more favourable area than Langa and other municipal housing schemes for residential settlement for workers, especially Africans, and to a lesser extent coloureds employed in the Southern Suburbs initially. Simonstown location's overcrowded conditions and Defence and municipal legislative provisions governing its administration added to Retreat's significance with regard to African workers.<sup>80</sup> A market for subletting activities comprising of working class clientele in need of housing was further developed by the prohibition of the right of those officially classified as "africans" from purchasing plots in terms of amendments to the Urban Areas Act of 1923 in 1937. Housing came to be used not solely as a method of controlling workers already occupying plots and other forms of housing in the urban centre but also as a mechanism to facilitate the racially informed mechanism of influx control applicable to Africans.<sup>81</sup> It was hoped that the control of the growth of the existing housing crises would consequently lead to more effective influx control.

Those africans who were able to enter into hire purchase agreements before 1937 were afforded a measure of leniency as the case of a Mr. Mpahlwa aptly demonstrated.

The Sub-Committee considered communication from the Assistant Native Commissioner, Cape Town dated 21 September 1939, in which the views of the Council are requested in terms of section 4 bis of the Natives (Urban Areas) Act of 1923, as amended, upon an application by Alex Mpahlwa for the consent of the Governor-General to the acquisition of certain land by the applicant..... It appears from the correspondence submitted by the Assistant Native Commissioner that on the 8th May, 1933 Mpahlwa purchased from Vdlam Singh, Lot No.463 situated in 8th Avenue, Retreat, for the sum of 120 pounds, and that subsequently in terms of an agreement of that date between the parties concerned Singh erected a small dwelling which Mpahlwa has to pay monthly installments until the

<sup>79</sup> The Provincial Gazette of 25 September 1931.

<sup>80</sup> see P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Native Affairs, 1941 and the *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division*, 1942, Department of Social Welfare, U.G. No 18 - 1943.

<sup>81</sup> Ibid.

cost of the building, amounting to approximately, 100 pounds, is paid.... Singh has since died insolvent and there are no other assets whatsoever in his estate except the property in question, which it appears, was purchased by Singh under hire purchase agreement dated 30th April, 1929, from J.J. Kroukamp.... Kroukamp now desires to cancel the said sale to Singh and is willing to substitute Mpahlwa in his place in a new agreement giving credit for the amount paid.... The Assistant Native Commissioner points out that the transaction between Mpahlwa and the late Singh was entered into before the Natives (Urban Areas) Act was amended by the addition of Section 4 bis (i.e. prior to the 1st January 1939) but that as the substitution of Mpahlwa for Singh as the purchaser from the owner J.J. Kroukamp is a subsequent transaction it would appear necessary for it to be dealt with under the provisions of the said section 4 bis.... Resolved that in view of the special circumstances as revealed in the communication now before the Chair, the Assistant Native Commissioner, Cape Town, be advised that the application is one which in the opinion of the Council should be approved.<sup>82</sup>

Whereas Africans were now legislatively compelled to reside in a township such as Langa, the state's lack of control of the developing pondokkie settlements and consequently influx control, reinforced especially the large landowners' opportunity to profiteer effectively through the subletting of stands whilst retaining ownership of the land leased despite legal licensing provisions. African Residential Sites (Pty) Ltd, a property developing and house construction company with majority shares controlled by a builder, solicitor and two merchants, concluded the purchase of 18,6490 ha previously owned by J.R. Wiley in 1940.<sup>83</sup>

The capital of the company is 25 000 (Twenty Five Thousand Pounds) sterling divided into 100,000 (One Hundred Thousand) shares of 5/- (Five Shillings) each... The objects for which the Company is established are:- (a) To adopt, ratify and confirm with or without modification the contract of sale entered into at St. James on the 12th day of February, 1940, by and between John Robert Wiley of the one part and Salie Nathan acting for and on behalf of this Company of the other part whereby the said Salie Nathan purchased for and on behalf of this Company certain land situate on Prince George Drive and Military Road near Steenberg Station, being; (i) (Certain piece of land situate at Retreat Cape Division being Lot A of certain Crown Land Field Cornetcy Downs No.1, measuring 10 morgen; (ii) Certain piece of land situated as above being Lot B of certain Crown Land Field Cornetcy Downs No.1, measuring 10 morgen; (iii) Certain pieces of land situate as above being Lot C of certain Crown Land Field Cornetcy Downs No.1 measuring 34 morgen 11 square roods, less 7 morgen 29,956 square feet transferred; and, (iv) Certain piece of land situate near Retreat in the City of Cape Town, Cape Division, called Lot D.B. being portion of Lot D granted to D Ferguson under Act 15 of 1887 and Act 40 of 1895 on 24th March 1902 (Cape Quitrents Vol. 40, No.32) more fully described in and held by the said Johan Robert Wiley under four deeds of grant dated 30th September, 1902, and Deed of Transfer No. 6936, dated 10th August, 1934.<sup>84</sup>

<sup>82</sup> City of Cape Town, Ordinary Minute, 31 October 1939.

<sup>83</sup> See City of Cape Town, Ordinary Minute, 31 August 1943 and see Registry presently kept in terms of the Deeds Registries Act No 47 of 1937.

<sup>84</sup> Ibid.

The company, which had interests in areas such as the Kenilworth Extension Township and Bantry Bay Estate, together with other property development and finance companies, methodically developed townships through the subdivision of stands especially during the war period and thereafter.

The practice of subletting by working class households should be seen as the antithesis to that of the landlords while it formed part of survival strategies aimed at augmenting household income. Given the dubious nature of the hire purchase agreements, working class households perceived rent obtained from tenants as being crucial for the legal retention of access to a plot and therefore housing. A considerable number of tenants were acquired through making effective use of kinship and culturally informed networks. Equally, pending the size of the plot that workers had access to, and the successful implementation of survival strategies, the nature of the resources at the disposal of the household provided a basis for class mobility through the realisation of middle class aspirations of some plot owners. The case of J.J. Solomons, who concluded the purchase of only 4 064m<sup>2</sup> from Cape and Transvaal Land and Finance Company in 1931, and M. Pool aptly demonstrate what the acquisition of more land meant, especially in circumstances of an increase in housing demand. While they started with the cultivation of produce such as vegetables, increased subletting contributed significantly to the conclusion of the purchase of 3,7744 ha from a J.E. Elliot in March 1935, a vital step in this direction, as we will demonstrate later.<sup>85</sup> Meanwhile, increased township development and the subletting activities of companies, farmers and individual large plot owners obviously contributed significantly to the development of clusters of pondokkie settlements. The Blaauvlei settlement was largely developed on land owned by J.J. Solomons, M. Pool, Merrington and K. Woolf. Those marginalised and impoverished households who could ill afford the payment of rent sought refuge in areas aptly known as "Vrygrond" where absentee landlords were unable to collect rent.

The alleviation of the urban problems posed by the existence of pondokkie settlements through tighter influx control in the Cape Peninsula became a crucial area of state activity as the municipality sought to control the size of the urban surplus population. The implementation of the Native (Urban Areas) Act by the local authorities

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<sup>85</sup> see Registry presently kept in terms of the Deeds Registries Act No 47 of 1937; Interviews with residents: 2 November to 18 December 1985; Cape Town City Council Ordinary Minutes-1943 to 1950; C.W. Clarke, inspector of Urban Locations report on 'africans' in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943; Memorandum by the Langa Advisory Board and Vigilance Committee and the Retreat Vigilance Committee on the Report of Mr. Clarke, Inspector of Urban Locations and the *Report of A Committee of Enquiry Appointed to Enquire into*

was considered a measure to alleviate the pressures that an expanding urban population was exerting on the existing housing, stock, health and political conditions. Proclamation No.105 of June 1939 made the implementation of section five of the Native (Urban Areas) Act effective in the municipality of Cape Town. It thus established new legislative provisions for tighter influx control, especially after the municipality was legally compelled to implement the Act from 1937.<sup>86</sup> In terms of this proclamation, all Natives were prohibited from entering the City of Cape Town "for the purpose of seeking or taking up employment or residing therein unless one or other of the following conditions has been fulfilled: (a) (Such Native has been engaged for employment in the area under control of the City Council and is proceeding to take up such employment; (b) Such Native satisfies an officer, appointed by the City Council for the purpose, that he is on a bona fide temporary visit; or (c) The City Council is prepared, in view of the labour conditions then existing in the area under its control to allow such Native to seek work in such area."<sup>87</sup>

This, together with section twelve of the Native (Urban Areas) Act, which led to the City Council administering the registration of service contracts, made it legally possible for the emergence of a more effective system controlling the distribution of African workers among various industries and enterprises.<sup>88</sup> It enabled the assessment of labour requirements and the channeling of workers to particular enterprises and industries where the use of other wage repression methods relegated and kept them in the lower rungs of the labour market in the Western Cape.

...they must consider the local labour requirements - It is not possible merely to avoid the issue by deciding that all Natives are to be removed from any particular area, for the Native is deeply entrenched in the labour market in the Cape. I think that the position is clear that there is a steadily increasing demand for such labour in certain avenues of employment particularly where consistent physical effort is necessary e.g. quarrying and brickmaking and handling of heavy loads. Dairies too, seem to have developed into a special preserve for Natives who have shown a greater readiness than the coloured man to work in the small hours of the morning for the wages which are offered viz., 1.4.0. pounds per week. For certain types of work in factories Natives are preferred. The fact is therefore that in the Cape Peninsula the Native now forms a part of the economic life of the community and he has come to stay.<sup>89</sup>

*Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943.

<sup>86</sup> Mafeje and M. Wilson: *Langa: A Study of Social Groups in an African Township*, Oxford University Press, 1973.

<sup>87</sup> City of Cape Town, Ordinary Minute, 28 September 1939.

<sup>88</sup> Budow, M: *Urban Squatting in Greater Cape Town, 1839 -1948*, History Honours Dissertation, UCT, 1976.

<sup>89</sup> P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Native Affairs, 1941, p36.

The provision and control of municipal housing and attempts to control the development of pondokkie settlements including the use of the municipal and national police force also facilitated the implementation of influx control methods. In addition, section two of the Act made it compulsory for local authorities to provide "adequate and suitable accommodation for the Natives ordinarily employed within their respective areas for normal requirements." Tighter influx control in this context provided the municipality with the legal powers to limit the expansion of the urban population and thus reduce the pressure on the Western Cape's housing stock, its related health problems and especially the municipalities' resources to provide public housing for the low-income groups. "...it is necessary to limit the number of Natives coming into Cape Town will, I think, support this view and to allow an unlimited number to enter the area will assuredly aggravate an already unsatisfactory situation."<sup>90</sup> The extent to which it was effective depended on the nature of resistance which occurred and the capacity of the state to contain it and enforce segregationist regulations. The regular policing of African residents was, however, also impaired by the existence of pondokkie settlements. When "illegal" inhabitants were found their arrest and prosecution were usually considered as degrading, unjust and therefore injurious to the individual welfare and consequently resisted.<sup>91</sup> "At first Natives who entered the urban area were prosecuted but it was found that the Courts would give only suspended sentences on condition that the Native left the area within a specified period. The procedure was then adopted of giving warnings to Natives to leave the area within three days. This however, did not have the desired effect, for Natives kept away from the Council's offices and remained hidden in the area, some apparently obtaining work in the Cape Divisional area and others remaining unemployed. If they obtained work in the urban area they would in due course be traced through the registration system."<sup>92</sup>

The proletarianisation/urbanising process however had effects beyond the boundaries of the municipality of Cape Town within which the Urban Areas Act was applicable. Despite the 5 mile beyond boundary applicability of the Act, the lack of powers of especially rural municipalities further threatened to render the application of the Act less effectual. "It will be appreciated in this connection that the Native has no stake in the place where he resides, so that if pressure of some kind is applied to him in

<sup>90</sup> *ibid*, p.15.

<sup>91</sup> Mafeje and M. Wilson: *Langa: A Study of Social Groups in an African Township*, Oxford University Press, 1973.

<sup>92</sup> P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Native Affairs, 1941, p14.

one place he will naturally move to another. It has been seen that this has actually happened in the Cape. It is not contended for a moment that this is the only reason for the congregation of Natives such as those at Windermere and Phillippi. There are certainly other factors that have led to these growths. Among them is for example the lack of accommodation in the towns. In the case of Cape Town the closing of the area under Section five bis of the act has undoubtedly been a contributing factor during the past couple of years towards the development in the situation on the borders of the municipal areas." <sup>93</sup>

The increased extension of municipal boundaries to include areas such as Windermere was raised and acted upon as a possibility aimed at bringing some pondokkie settlements into the orbit of the municipality of Cape Town jurisdiction and thus tighten control. With regard to the areas surrounding Retreat, the effect became evident in the late 1930s.

Grassy Park is a large rural township under the control of the Cape Divisional Council and lies to the east of Prince George Drive between Retreat and Diep River. This township is occupied mainly by Coloureds and there are said to be only a few Europeans in the area. The Sergeant in charge of the local South African Police informed me that he had been in the area for six years. When he first arrived there were very few Natives in the area, but during the past two years or so there has been a distinct influx. More recently he states that he has constantly seen strange Natives in the area. These appear to come and go. He has found Natives living in the bush to the north of Klip Road, which traverses the area from Prince George Drive to Strangate Road. There is a condition of title against Natives living in Grassy Park, but apparently the owners of property do not observe this condition and actually lease premises to Natives. The Natives are mostly in the area between 5th and 8th Avenues. ...Control of the area is made difficult because of the fact that apart from the couple of tarred roads traversing and running alongside the township the roads are merely sandy tracks. I found the going particularly hard owing to the thick sand.<sup>94</sup>

It is the abovementioned developments that posed key obstacles to the implementation of the Natives (Urban Areas) Act as a strategy aimed towards resolving the shortage of housing and other problems experienced by the urban poor. It is in this context that the planned native housing schemes for Retreat became a crucial component of a strategy aimed at resolving a housing shortage through the eradication of pondokkie settlements and the more effective implementation of the Act through the policing of the African population in the area. The significant presence of Africans especially among the ranks of the semi-skilled and unskilled, who formed the largest section of tenants,

<sup>93</sup> *ibid*, p37.

<sup>94</sup> P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Native Affairs, 1941, p31-32.

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induced effective state responses in the late 1930s. The changing, officially observed racial composition of the population of Retreat was primarily influenced by urbanising/proletarianising trends informed by information received, kinship-orientated social cultural networks, and relations developed at the place of work. Hence the settling of people from a particular socio-economic and cultural background and geographical area within the vicinity of one another. Due to the racially exclusive character of state housing provision departments, the presence of Africans in the area also meant the involvement of the Native Affairs Department in addition to that of the Municipality's City Engineer's Department in township development in the area by June 1939 as the activities of the Native Affairs Sub-Committee reflected.

The question of establishing a location for the southern suburbs has been mooted for many years but no action has been taken. It seems to me that the present is an opportune moment to embark on such policy, firstly, because it is overdue; secondly, because the Native Affairs Sub-Committee has been asked to frame a five year plan; thirdly, because the complaints both from Europeans and Coloured people against Natives squatting in their midst are becoming more insistent each day; and lastly, but not least, because it is beyond doubt unreasonable to expect Natives working at distant points to make the long journey to and from Langa each day.... The Superintendent of Natives has prepared tables showing the number of unexempted Natives under service contracts working in various zones within the municipality. This table is incorporated in his report dated 8th May, 1939..... After careful collaboration with the Superintendent of Natives I have come to the conclusion that the interests of both ratepayers and the Natives themselves would best be served by establishing a hostel somewhere in the vicinity of District Six for Natives employed in the Camps Bay - Portsworld Road, Green Point zone, and another in the vicinity of, say, Retreat for Natives employed in the San Souci Road, Newlands - Kalk Bay zone. Natives employed in the City would be required to live at Langa. In my opinion it is very necessary that the two new points suggested above should be situated in easily accessible spots: the southern suburbs location, for instance, should be near the Cape Town - Simonstown Railway.<sup>95</sup>

The Native Affairs Sub-Committee, whilst part of municipal structures, became responsible for the assessment of the housing needs of Africans and the formulation of recommendations and their implementation in accordance with the policy of the Department of Native Affairs. These tasks it was delegated to perform after its emergence as a permanent sub-committee after its supervision of the demise of Ndabeni and the establishment of Langa. "Native Affairs. Since the evacuation of Ndabeni and the concentration of the native population at Langa, the work of this committee has been materially curtailed, and it is considered that the work of carrying out policies of the

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<sup>95</sup> Report of the Native Affairs Sub-Committee to the Council of the City of Cape Town, Ordinary Minute, 29 June 1939.

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council might well be done with as great expedition and efficiency by a permanent sub-committee as by a full standing committee and it is recommended accordingly."<sup>96</sup> Due to the sub-committee being part of the structures of the municipality, it had to forward its position procedurally through the structures of the municipality that were largely responsible for the construction and administration of such townships within the urban area. The municipality had to execute its tasks pertaining to Africans under the central state department of Native Affairs especially in terms of amendments to the Natives (Urban Areas) Act in 1937 where it was specified that revenue accrued from fines, service fees and rents, organised in a separate Native Revenue Account, were to provide the necessary finance for the development and maintenance of the townships own physical infrastructure and administration.<sup>97</sup> It is in this context that the sub-committee formulated its proposal. "Having regard to the facts and information contained in the reports dated 23rd November, 1938, by the Town Clerk, dated 8th May, 1939, by the Superintendent of Natives and dated 30th May, 1939, by the Chairman, respectively, and in order that it may proceed with the consideration of the reference from the Finance Committee referred to, your sub-committee, submits for adoption, the principle of the provision of suitably situated accommodation for Natives working in the Southern Suburbs and a hostel within the City itself to cater mainly for Natives employed in say the Green Point - Camps Bay area of the municipality, in addition to the extension of Langa Location as might be necessary."<sup>98</sup>

In conclusion, it can be said that the planned construction of municipal housing in Retreat epitomized a particular form of state intervention in response to the prevalent conditions of working class reproduction on the Cape Flats, as reflected by the existence of pondokkie settlements. The development of this type of residential settlement took place in conditions where the effect of secondary industry contributed to the emergence of a newly proletarianised/urbanised semi-skilled and unskilled workforce and expanding surplus population operating within a labour market informed by racial and gender discriminatory employment practices. The incidence of an expanded casual labour market largely involved skilled, semi- and unskilled workers partly drawn from the surplus population and those temporarily or seasonally employed with no attendant benefits accompanying "permanent" employment. This was largely due to the seasonal and

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<sup>96</sup> Ibid.

<sup>97</sup> P. Morris: *A history of Black Housing in South Africa*, South African Foundation, Johannesburg, 1981.

<sup>98</sup> Report of the Native Affairs Sub-Committee to the Council of the City of Cape Town, Ordinary Minute, 29 June 1939.

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organisational structure of the industry within which they were employed (for example the construction and food industries) and the weak level of unionisation of workers within the industry. Statutory intervention in the form of, for example, the Native (Urban Areas) Act perpetuated these conditions of employment. The consequent increased urban population, shortfall of the existing housing stock, low income levels and resultant demand for housing and other aforementioned considerations such as the low profitability of agricultural production, elicited a response which led to increased township development on the part of farmers and property companies and increased subletting practices by working class plot owners. Whereas the involvement of farmers and property companies within this housing market was profit motivated, working class plot owners engaged in subletting practices rooted in the development of survival strategies. Whilst a large proportion of plot owners and tenants were officially classified as Coloured, Africans increasingly became a significant part of the tenant and squatter population in Retreat. This type of settlement pattern emerged therefore largely as a consequence of housing demand, the endeavours of property capital in the area of township development, the effect of the implementation of aspects of working class survival strategies and state intervention aimed at controlling the mushrooming of pondokkie settlements. The existence of such settlements raised the spectre of the occurrence and existence of related problems involving health, housing and socio-political control of Retreat and the Cape Flats' population in general. Its resolution through the provision of municipal housing schemes was limited.

The nature of intervention led to the provision of racially segregated municipal controlled townships for different officially classified racial groups in the low income section of the working class in need of housing assistance. It was in this context that the planned provision of two townships for Coloureds and Africans adjacent to the earlier constructed Railway housing scheme for poor whites was considered. Retreat's inhabitants in the late 1930's were confronted by the local municipality of Cape Town whose housing apparatus in the form of the City Treasurer, Medical Officer of Health, the City Engineers' Departments and Native Affairs section which had developed considerably since the First World War. The presence of an estimated 50 000 black people residing in "pondokkie" settlements was, however, reflective of the magnitude of the pre-1939 influx and the incapability of the local state apparatus to resolve the housing question.

The local authority's pre-occupation with the eradication of slum dwellings in Wards 1-6, the demise of Ndabeni and involvement in low income housing in Langa, Alicedale and Bokmakierie in accordance with the overall municipal town planning scheme, led to the expansion and development of the housing provision apparatus in accordance with certain organisational priorities. Whereas the Garden City movement influenced the house and township design, the appropriation of internationally acclaimed Octavia Hill housing management practices aimed at rehabilitating the poor was to orientate the administration of estates.

The Secretary for Public Health has advised that, while in the United Kingdom last year, he spent several weeks looking into housing questions in that country and found that the most marked differences were to be noted there in the management of sub-economic housing schemes, some of the best managed being unquestionably those where Octavia Hill Trained Women Managers are employed. On his return to South Africa he received numerous enquiries as to the possibility of making some provision for the training of such managers in this country, and the question as to how such training should be conducted was discussed recently at an informal conference between Professor Botha, Miss Hurst, the Housing Supervisor of the Council, and himself, at which conference it was generally agreed: (a) That a suitable training should be given in South Africa, if possible at two large centres by imported Octavia Hill Managers; (b) That a few suitably qualified University graduates should be selected for training, each student to spend approximately one year at each centre and during the period of training, to take the Sanitary Inspectors examination..... These suggestions, it is stated, have been accepted by the Government, and the Treasury has approved of the sum of 660 pounds being placed on the Supplementary Estimates of the Department of Public Health for the purpose, which will allow for four pupil assistants and the finishing off of the training of a fifth who has some experience of the system overseas where she was sent on a Government bursary. .... Your Committee recommends that Cape Town be such a centre, and that the Secretary for Public Health be advised that the Council is prepared to take two selected pupils and to finish off the training of a third as requested, subject to the Government contributing the amount of the expenditure involved."<sup>99</sup>

### **3.3. The Proliferation of Pondokkie Settlements during the War Years**

“During the war years 1939-1945, there developed in Cape Town a tremendous shortage of labour because most of the younger able bodied men, both white and not white joined up with the forces to go and fight in East Africa and in the north. At the same time there was an enormous demand for labour. An increased demand for labour especially with the installation of defence works like the radar station at Karbonkelberg, the development of Simonstown docks and also the building of the Duncan Docks. The

<sup>99</sup> City of Cape Town, Ordinary Minute, 29 April 1937.

building of the Duncan docks took place in 1942. It required something like 30-40 000 workers. Many of these workmen were recruited from the Transkei and the Ciskei....Now with all this influx of people from the African territories in the Eastern Cape and Transkei and also from the North Western Cape and the southwestern areas of the Boland into Cape Town there was no building of any houses whatsoever. So these people went into open areas, which has not yet been inhabited by other people, occupied land, which has been unoccupied. For instance Windermere is just outside Kensington and Elsies River and the areas in Retreat between the Railway line and what later on became Prince George Drive."<sup>100</sup> The rapid influx of people from the countryside exacerbated the housing crises in the western Cape. The application of local influx control measures clearly never discouraged the urbanisation of Africans in the context of the demand for labour. Consequently, the African population officially increased from 16 480 in 1936 to 42 980 in 1946 and 60 270 in 1951. Their proportional increase in the total Cape Peninsula's population rose from 4,5% in 1936 to 8,5% in 1946 and 9,7% in 1951.<sup>101</sup> These figures do not take into account the problem of official under-enumeration of Africans due to the ineffectivity of influx control and resistance to it nor the effect of larger increases in the demographically dominant urbanising Coloured poor. Nevertheless, the increased proliferation of pondokkie settlements throughout the Cape Peninsula in areas such as Retreat, Windermere, Goodwood Acres, Parkwood Estate, Phillippi, Avondale (Parow), Eureka Estate, Grassy Park, Epping Forest and Simonstown do indicate the prevalence of a housing crisis which was becoming more aggravated.<sup>102</sup>

This crisis was further aggravated by the interruption in further house construction involving the extension of Langa, the completion of the Kewtown project and the shelving of the Retreat housing schemes for Coloureds and Africans with the deteriorating war situation.<sup>103</sup> The absence of enlisted artisans affected construction due to their being difficult to replace given the skill intensive nature of the labour process of

<sup>100</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, P.G. Cauldwell, op cit, 1941 and C.W. Clarke, inspector of Urban Locations report on 'africans' in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943. pp845- 858 that confirms the sentiment expressed by Dr O Wolheim, former warden of CAFDA, 2 November 1985.

<sup>101</sup> Cape Town City Council, Ordinary Minute, September 1948 –1962.

<sup>102</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, P.G. Cauldwell, op cit, 1941 and C.W. Clarke, inspector of Urban Locations report on Africans in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943. pp845 – 858 and Batson, H.E.: "Poverty datum line in Cape Town in 1938- 1939 and in 1949" in South African Journal of Science No 46, February 1950, and Batson, H.E.: *The Social Survey of Cape Town, Reports and Studies no's ss3 - ss18, UCT School of Social Science, Cape Town, 1944-1953.*

<sup>103</sup> *ibid.*

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housing construction. The house construction part of the construction industry was one of the few industries not entirely affected by the application of mechanised mass production techniques. The artisan, although with further diluted skills due to job fragmentation, still exercised a large measure of control over the labour process of house construction. This was despite the standardisation of the raw materials involving cement, bricks, wood, corrugated iron and nails and tools produced and the separation of manual and mental labour facilitating uniform architectural design. Furthermore, the channelling of prevailing energies and skills into construction work for war defence purposes imposed more limitations on the availability of skills. The drain on state financial resources due to the war effort also meant a shortage of funds for housing construction given the new set of fiscal priorities. In 1941 construction of the Kewtown housing complex nevertheless commenced. "This was a very ambitious project, especially considering the fact that the country was at war and conditions in the building industry were becoming increasingly difficult....Kewtown was hailed as the beginning of a new chapter in the history of the development of Cape Town. It was intended to be the first stage in the building of a satellite balanced town the size of Bloemfontein. Eventually deteriorating war conditions brought development to a standstill."<sup>104</sup>

It was in this context that a Committee of Enquiry into conditions existing on the Cape Flats and similarly affected areas was appointed in terms of Government Notice No364 of February 1942 (hereafter referred to as the Cape Flats Committee of Enquiry). The Committee partly relied upon and reinforced earlier findings made by the Inspector of Urban Locations, P.G. Cauldwells' report entitled *Natives in the Cape Peninsula*.<sup>105</sup> They were both appalled at the conditions that confronted them as reflected in their description. "The pondokkies of the Cape Flats, in its design, owes nought to any school of architecture, European or Asiatic, ancient or modern. Its conception is determined entirely by scraps of material which go into its structure, pieces of corrugated iron, old tins and rough boughs, sacking, anything which can possibly offer protection against weather. Piece by piece scrap material is bought, begged or filched and added to make room for a growing family. There are no windows, ceilings and very often no door..."

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<sup>104</sup> Cape Town City Councils' Engineers' Department, *Council Housing in Cape Town*, 1977 p 3.

<sup>105</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p15.

## 3.3.1

**Blackspots: Retreat's Case during the war.**

"The war, with its sudden expansion of industry towards the end, led to an influx of workers from rural areas. It had not occurred to those who needed them and their output in factories that they, in their turn, needed a roof over their heads in return for their labours, in addition to the wages that were inadequate even for food and clothes. 'Sufficient unto the day.....' They usually arrived for work, and as the war had to be won, and then the peace, that was all the average citizen was concerned with - except when they didn't turn up for work through sickness or other 'excuses'. Then the job went to someone else anyway."<sup>106</sup> CAFDA's observation of the general state of industry in the Western Cape indicates the extent to which capital and parastatals had seized on accumulation opportunities created by a war economy. An expanded market, due to war economy needs and increasing total real earnings, increased possibilities for profiteering. Accompanying this pattern of economic growth was an urbanising unskilled and casually employed workforce in increasingly significant numbers whose relationship with management was regulated by the War Measure Act. The legislation attempted to severely weaken the bargaining strength of the industrial based incipient labour movement over working conditions, wages and political matters through the imposition of legal restraints.

Employment patterns among Retreat residents were to reflect the extent to which the area was incorporated into, and affected by, such a pattern of capital accumulation as J. Ntloko the Chairperson of Retreat Vigilance Committee observed in 1942. "Most of us living on the estate were doing essential war work, in one form or another, and it is essential for us to live as near as possible to our places of work." A large number of the residents were employed in privately owned industrial enterprises, peri-urban farms, parastatals and other state departments. Some of the urbanising and proletarianising workers were employed as unskilled casual workers, especially on state-financed construction projects and peri-urban farms.<sup>107</sup> "Arising from the War there is at present an added demand for labour, mostly for temporary work, and it is estimated that between 80 and 100 Natives enter Simonstown daily and return to their homes at night. The majority of these Natives are said to be living in the Retreat and Muizenberg area. On

<sup>106</sup> Interview with Dr Oscar Wolheim, former Warden of CAFDA, Rondebosch, 2 November 1985.

<sup>107</sup> Letter to the Town Clerk of the City of Cape Town by J. Ntloko the Chairperson of Retreat Vigilance Committee dated November 1942.

the other hand about 20 of the Natives living in Simonstown Location are working in Fish Hoek, Kalk Bay and Muizenberg...."<sup>108</sup>

The increased enlistment of 'coloured' and 'white' workers for the war effort and war economy needs fuelled the increased employment of black workers, as the Cape Flats Committee of Enquiry established. "The Government, in its own right, is an employer of considerable Native Labour in the Cape division but makes little or no provision for housing other than that at the Docks Compound for approximately 600 Natives employed as casual labourers at the harbour. According to a municipal report, there were, on the 23rd July, 1942, some 935 Native males registered in the service of Government departments in Cape Town alone. There are in addition, undetermined numbers employed by the Admiralty at Simonstown and by contractors engaged on the construction of defence works. Many Natives from these last-mentioned groups are congregating in the vicinity of Retreat where they are creating a nuisance."<sup>109</sup> On the 27th May 1943, the Inspector of Urban Locations, Mr. C.W. Clarke, tabled a report at a Municipal Native Affairs Committee meeting, which claimed, "between 450 and 500 Natives enter the prohibited area each day for labour in the Dockyard and contractor works. These reside for the most part at Blaauwvlei, Retreat."<sup>110</sup> A significant number of residents also worked in privately owned enterprises in industrial pockets situated in or nearby what is commonly known as southern suburbs stretching along the Simonstown-Cape Town railway line. One social welfare agency informs us of the employment of "400 Native workers at the General Box Co."<sup>111</sup> which was situated adjacent to Retreat Station.

The movement of workers within the Western Cape's unskilled and semi-skilled segments of the labour market tended to be very fluid and tilted in favour of state projects and secondary industrial enterprises due to higher wage rates approximating 8s 3d per diem for unskilled labour. The expansion of Cape Town's urban employed workforce and the changing proportional distribution of the population between local urban areas and rural areas reflected this trend. This induced labour shortages, which forced farmers to go to greater lengths to recruit workers. "It is a matter for the record that notwithstanding this congregation of Natives, the Cape Flats Farmers' Association in

<sup>108</sup> P.G. Cauldwell's, *Natives in the Cape Peninsula*, Department of Affairs, 1941, p33.

<sup>109</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p22.

<sup>110</sup> C.W. Slarke, Inspector of Urban Locations report on 'Africans' in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943.

<sup>111</sup> Cape Town City Council Ordinary Minute, 27 May 1943.

1941 were obliged to recruit 150 Natives from the Queenstown district through Hansen's Labour Organisation at a cost of 4 pounds each. Seven of these Natives went to Jacobs Dairy and all deserted after a week's service. The contracts were for 80 months at 3s.6d per diem. About half the original number of Natives is still in Cape Town."<sup>112</sup>

Small-scale intensive vegetable, flower, stock farmers and to a lesser extent vineyards within and outside the boundaries of Retreat could not effectively compete against other sectors in the labour market because of debt and low profit margins. They were either forced to combine and/or form a company and continue to struggle against heavy odds, sell or become involved in the housing market. A number of farmers within Retreat's boundaries exercised one or a mixture of the latter three options as reflected by the activities of G.T. Kock, J.R. Wiley, J.J. Solomon, and M. Pool.<sup>113</sup> The housing market proved to be a more profitable option especially during this period, due to the high demand for housing stimulated by the urbanisation process, the relative scarcity and price of labour and the absence of a jail making possible the provision of cheaper prison labour power in terms of the new state prison labour policy. Meanwhile, farmers relied on the unemployed and thus recruited and casually employed workers.

The area between Tokai and the main road at Retreat is under Divisional Council control and contains several poultry farmers and dairies employing in all about 100 Natives. At Pollsmoor Camp as at the 28th February 1943, the number of casual Native labourers was 402, with a tendency to decrease. In July last over 2 000 Natives were employed and in January last the figure had dropped to 763. Military hygiene and other units employed about another 100. Practically all of the casual labourers live in insanitary shacks at Blaauwvlei. It is learned that in the current financial year there is a possibility of additional contracts being entered into for this area. These will not be on the cost-plus system. Should they contemplate employment of Native labour, however, it is urged that provision be made therein for the compulsory housing on the works and the control of all Natives so engaged.<sup>114</sup>

A number of residents were also employed by small legally recognized, controlled and owned service and commercial enterprises established in the boundaries of Retreat where the owner was also actively involved in trading or servicing side by side with employees. What is broadly known as "informal sector" activities also absorbed part of the surplus population as activities surrounding the distribution of milk demonstrated.

So it was that in April 1945 the Warden of CAFDA made a contract with one of the big dairies for a regular daily supply of milk to be sent to Retreat Station for collection by CAFDA. Dora (Tamana) then undertook to fetch and sell such quantities as were

<sup>112</sup> Ibid.

<sup>113</sup> Cape Town City Council Ordinary Minutes-1943 to 1950.

<sup>114</sup> Cape Town City Council Ordinary Minute, 27 May 1943.

required at Blaauwvlei. The scheme has grown and now, with the help of her uncle, Mr. Jeffrey Ntloko, she brings the money, exactly correct and carefully accounted for, to the Community Centre. It is never a penny out and Dora has never been known to fail in any of her undertakings for CAFDA.....Every morning Jeffrey treks to the station with his little cart drawn by a team of four donkeys to pick up the 20 gallons of milk for Blaauwvlei. His only reward is a profit of 1/2d. per pint, for he pays CAFDA 4 1/2d. per pint and then sells at 5d..... Well over 200 people benefit by the scheme and Dora says she can see 'a very good improvement in the children since CAFDA got us milk'.<sup>115</sup>

Other areas described as "informal sectoral" activities, namely, the production and/or sale of home-cooked food, beverages such as beer, vegetables, flowers and other commodities were still being pursued despite increased employment levels.<sup>116</sup>

The continual existence of a sizeable surplus population was a consequence of unemployment being influenced by gender and race related discriminatory employment practices and structural limits to expansion, which inhibited the complete absorption of the surplus population. The impoverishment of Retreat's population induced by the abovementioned factors and the payment of low wages partly formed the basis for the informal sectors' continual existence pending their accessibility to resources. This, together with an assessment of the Social Survey of Cape Town's sociological survey conducted under the leadership of Batson in 1938-1939 informed an observation of the Cape Flats Committee of Enquiry. "What has deeply concerned the Committee is the low level of wages paid for unskilled labour in relation to the prevailing cost of living in the Cape Peninsula, wages so meek that thousands of families cannot but live below the poverty line.... Households in the Flats districts are on average poorer than households in the Central Districts, and would be even poorer if they were unable to receive the financial advantages of relatively cheap shelter, regardless of the extra cost of transport.... Socio-economic conditions on the Cape Flats are an integral part of the conditions prevailing in greater Cape Town as a whole; for example, the inhabitants of the Flats are not an isolated class of 'flat dwellers', but rather a kind of social class belonging to Cape Town, whose social state is reflected in rather than caused by, local conditions on the Flats."<sup>117</sup>

Survival strategies aimed at redistributing household income to assist the impoverished within the vicinity were inadequate to stave off the health hazards accompanying inadequate food consumption and shelter. "It appeared that we were in

<sup>115</sup> Cape Flats Distress Association (CAFDA), Annual Report.

<sup>116</sup> Interviews with residents: Retreat, 2 November to 18 December 1985.

<sup>117</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p39.

the area known as the 'Free Lands' or 'Vrygrond' inhabited by the most unsuccessful part of Non-European society. Many of them were Natives from Basutoland and the Free State, who had come to the Cape to find work. In winter the entire area was at times flooded, families would be isolated without food or firewood, and when the water subsided some more shallow graves would be dug in the sand. These people help one another to an extent that is seldom realised, and it is not uncommon to find one wage earner trying to support his own family and that of a friend who cannot find work, all on seven pounds ten or so per month. Needless to say malnutrition and disease is commonplace."<sup>118</sup>

The continual use of survival strategies was, however, frustrated by limits imposed on accessibility to resources by the war effort. Food and other rationing methods and a decrease in the amount of land used for agricultural purposes as a result of residential development could not significantly put a damper on informal sector development among the newly proletarianised as the situation at "Vrygrond" showed. "Here abide a dissolute and lawless conglomeration of Coloured and Native persons, some of whose habitations are primitive in the extreme.... These people have been classified as the 'desperately poor'. It would be more correct to regard them as being in the lowest cultural, rather than economic, category. Though many have no stable employment, very few are dependent on poor-relief agencies. Shebeening, or the illicit manufacture and sale of adulterated liquor, is their most lucrative occupation. No more ideal locality can be found anywhere in the Cape for this traffic. It is near a good market, but sufficiently cut off by loose sand and bush to make police raids difficult."<sup>119</sup>

The brewing of beer was subjected to additional stringent regulations after the promulgation of the Native Urban Areas Act of 1937, which prohibited beer brewing by people other than the municipal beer brewing establishments and those authorised by the municipality and Department of Native Affairs. But these provisions were not effective in curtailing the illicit brewing and selling of beer as a commentator observed. "The blacks themselves submitted that Kaffir beer was a traditional beverage and was inextricably connected with their social and religious life. The cost of municipal beer was far higher than that brewed domestically and that instead of acting as a deterrent to illicit brewing actually encouraged the brewing of more harmful liquors."<sup>120</sup> "Informal sectoral"

<sup>118</sup> Interview with Dr Oscar Wolheim, former warden of CAFDA, 2 November 1985.

<sup>119</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p5-6.

<sup>120</sup> *Ibid.*

activities such as beer brewing took place in a context where workers, given their economic position within a developing region's urban economic process, were obliged to adopt survival strategies informed by historically acquired traditional cultural practices. The existence and popularity of "shebeen queens" clearly reflected the extent and significance of women's involvement in "informal sector" activity.

Interest in the sale and subletting of property reached unprecedented levels during this period in Retreat. Apart from the general economic demand for labour, the relaxation of influx control accompanying increased war economy needs which increased the supply of labour, was a contributory factor. The relaxation of influx control should, however, not conceal its perceived ineffectivity as a measure of control. As attempts to control the influx of African workers into the Cape Municipal Area represented by the promulgation of Proclamation No. 105 of 1939 has proved entirely ineffectual, apart from perpetrating many cases of individual injustice.<sup>121</sup> This ineffectuality was dramatically exposed as reflected upon by the presence of illegal Africans within the Western Cape by the Inspector of Urban Location, P.C. Cauldwell. "...judging from my observations and from information which I have gathered there are at present many hundreds of Natives both in Cape Town and in the surrounding areas roaming around seeking work.... Apart from the question of unemployment, however, I feel that it is necessary to limit the number of Natives coming into Cape Town for the reason that there is insufficient accommodation for them.... and to allow an unlimited number to enter the area will assuredly aggravate an already unsatisfactory situation."<sup>122</sup>

The lack of effective administrative control over the influx of Africans was further compounded by a rapidly developing war economy which was shaping the urbanisation process and the absorption in employment of part of the western Cape's surplus population as C.W. Slarke, Inspector of Urban Locations was to indicate in 1943.

Military and naval labour requirements and those of complementary war industries have complicated the position to such an extent as to make any figure for any particular area at any one time almost valueless as an index to present labour requirements or those of the immediate future. Moreover, the absence of census statistical data renders estimation of population in the densely settled and overcrowded slum areas, whose temporary residents switch disconcertingly from urban to rural areas, with the changing demand for labour, a matter of extreme difficulty. In the years following the outbreak of war, however, industrial and military demands have increased so rapidly as to necessitate almost

<sup>121</sup> C.W. Slarke, Inspector of Urban Locations report on 'Africans' in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943; Memorandum by the Langa Advisory Board and Vigilance Committee and the Retreat Vigilance Committee on the Report of Mr. Slarke, Inspector of Urban Locations and Mafeje, A and Wilson, M: *Langa: A Study of Social Groups in an African Township*, Oxford University Press, 1973.

<sup>122</sup> P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Affairs, 1941.

unrestricted admission of Natives and relaxation of carefully built-up safeguards against undue influx.... During the latter half of 1942 the demand for labour exceeded the supply and uncoordinated efforts by naval, military and civil employers and contractors to remedy this position have materially contributed to the present state of congestion in the Peninsula.<sup>123</sup>

The operation of a system of registration of service contracts within the Cape Town Municipality was consequently critically appraised in the context of the unemployment and housing problem.

The system does not claim to have achieved a hundred per cent, registration efficiency. Allowing for a 12,5 percent defaulter element in addition to the labour mentioned above and the voters, we arrive at the figure 19,375. To this total must be added the unemployed labour reserves for replacement of aged, sick and injured Natives, and the substitutes for those periodically returning home. Some 2 000 Natives leave the area each month by rail. Allowing for a further 5 per cent of wastage each month, a stand-by or reserve of 3 000 Natives would be necessary to maintain a labour force of 20 000. The majority of these Natives would require to be housed. This suggests a grand total of 23 000 male workers to serve the present normal needs of the Cape Town municipal area. .... These figures take no cognizance of the Native females in domestic and other employ whose number cannot be determined. This number is stated, however, to be on the increase as large numbers of coloured domestics supported by allotments of military pay no longer seek work.<sup>124</sup>

It is in this context that C.W. Slarke's report made a number of recommendations to improve the influx control measures in accordance with criteria involving: "(a) rapid recruitment and distribution; (b) the provision of proper accommodation and housing by the employer irrespective of the urban or rural character of work; (c) proper supervision and control of working hours; and (d) repatriation to the home district on termination of the contract."<sup>125</sup> He encouraged the declaration of a large area of the western Cape, governed by various local authorities as an area to be affected by the Urban Areas Act to ensure the operation of a more appropriate and effective influx control apparatus. He similarly endorsed the provision of public housing in Langa and Retreat for Africans to assist with regulating the reproduction, supply and distribution of African workers. Where public housing was not available, the licensing of privately owned accommodation for occupation by Africans by landlords was perceived to be an important control mechanism not used since 1931. Its enforcement was regarded as of increased administrative significance.<sup>126</sup> It is in these circumstances that the demand for

<sup>123</sup> C.W. Slarke, Inspector of Urban Locations report on '*Africans' in the Cape Peninsula* in Cape Town City Council Ordinary Minute, 27 May 1943.

<sup>124</sup> City of Cape Town, Ordinary Minute, 27 May 1943.

<sup>125</sup> Ibid.

<sup>126</sup> Ibid.

accommodation in Retreat increased considerably given the area's history of sub-division and letting practices and its favourable geographical location in relation to that of major employers in the Simonstown area. Municipal and Defence employment and accommodation regulations made the overnight presence of Africans in the vicinity of Simonstown illegal. With the over than 50 year old "Twenty-steps" ("Location on the hill") compound in Simonstown being filled to its capacity, Retreat remained one of the only options, given the transport facilities, if they had no success in the predominantly Coloured residential areas of Red Hill and Kalk Bay.<sup>127</sup>

The provision of section five of the Act have been applied to the area by proclamation and Natives desiring to seek work within the Municipal areas must first obtain permission from the Council. It is stated that very few of these permits are actually issued. Being a prohibited area the Native must also obtain a permit from the Defence Authorities. The Council stipulates in its permit that the holder is allowed to seek work in the area but cannot remain in it even for one night. This means that if the Native permit holder cannot work within daylight hours on one day he must go into some other area. The nearest place available for him seems to be in the Cape Town Municipal area at Muizenberg, Vrygrond or Retreat. If he succeeds in obtaining employment he must obtain a permit to enter the location and such a permit is only given if he can induce some householder in the location to give him lodging....<sup>128</sup>

Attempts at more stringent enforcement of the Native (Urban Areas) Act of 1939, represented by official perception and the proclamation of magisterial districts of Cape Town, Wynberg, Bellville and Simonstown as a single industrial area with a system of influx control to be administered by Cape Town City Council was aimed at increasing effectivity in stemming and controlling the urbanisation of Africans.

Arrangement to introduce the Native Registration Scheme which the Council in June, 1944, agreed at the request of the Government and with the concurrence of the local authorities concerned, to administer throughout the four magisterial districts of the Cape, Wynberg, Simonstown and Bellville, have proceeded steadily during the year. The object of the scheme is, of course, to control the movements of Natives entering the area in search of employment and to ensure as far as possible their presence under decent orderly conditions.....To meet the requirements of the Native Affairs Department for some form of Reception Depot, the Council, with substantial Government assistance, purchased twenty-two military huts, which have been erected at Langa as a temporary depot until the permanent depot buildings - which will be extensive and costly - are provided.....The only outstanding but most important item requiring settlement to enable the scheme to be inaugurated is now apparently the regulations to be administered. In this connection the Secretary for Native Affairs has suggested a comprehensive code, which is already in

<sup>127</sup> P.G. Cauldwell's, op cit., 1941; C.W. Clarke, Inspector of Urban Locations report on 'Africans' in the Cape Peninsula in Cape Town City Council Ordinary Minute, 27 May 1943.

<sup>128</sup> P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Native Affairs, 1941, p33.

operation in the nearby urban areas of Stellenbosch and Worcester. These regulations are still under consideration.<sup>129</sup>

Although the proclamation facilitated activity towards the development of the apparatus required to administer influx control of Africans, its probing character and resistance to its various acts of perceived injustice contributed to its ineffectivity in successfully controlling the urbanisation process during this period.

By 1940, most of Retreat was carved up between approximately ten large owners who owned more than 238,4 hectares in total. The Cape and Transvaal Financial Company and the African Residential Sites (Pty) Ltd owned 196 hectares or more than 82% of the specified amount of land. These two companies largely influenced Retreat's development through the sale and/or letting of plots to prospective working class owners and tenants. The former company was at this stage primarily still intensely involved in the selling of plots on a hire purchase basis and thus responsible for the New Retreat Estate's existence. In addition, former and present farmers such as S.J. Merrington: part of Ilfracombe Estate, Captain F.A.L. Davidson: part of what was then known as Grassy Park Estate, incorporated into the municipality of Cape Town, and G.T. Kock: Rondevlei Township engaged in similar practices involving large portions of the land of the respective estates.<sup>130</sup>

"The purchase and occupation of plots in sub-divided estates represents the most common form of settlement on the Cape Flats Farms and waste land bought up cheaply by land companies have been sub-divided into small building lots and resold at an enhanced aggregate profit, though still at a price which the low-wage earner can, or believes he can, afford."<sup>131</sup> The high demand for accommodation during this period and related higher profitable prospects than agriculture led to increased sales of plots under suspensive higher purchase conditions to the extent that this practice of sub-division and township development and the consequent land-use pattern came to dominate the socio-economic landscape of the Cape Flats and in particular that of Retreat. "They overlook however, the insecurity of tenure which their agreements impose on these humble purchasers and more important still, the excessive total prices at which land is sold."<sup>132</sup> The insecurity of tenure that prevailed in Retreat involved the consideration that land

<sup>129</sup> Cape Town City Council Ordinary Minute.

<sup>130</sup> See Registry presently kept in terms of the Deeds Registries Act No 47 of 1937 and City of Cape Town Ordinary Minutes.

<sup>131</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943.

<sup>132</sup> *Ibid.*

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was only totally owned by the purchaser if the property had been paid for in full and the land transferred to the purchaser.

Where activity was intense among landlords whose land was in close proximity to clusters of pondokkie settlements, areas popularly known as Blaauwvlei, Hardevlei/Vrygrond, Zwelitsha and Donkieskraal emerged and expanded. It was in this context that the Cape Flats Committee of Enquiry made the following observation in 1942. "Already there is being built up a vested interest in pondokkies. There is, firstly, the land company, which sells plots on the hire purchases system to coloured people. Then the coloured people erect huts, which they in turn let to other coloured people more penurious than themselves, or to casual native workers. If the system is allowed to continue for another five or ten years there will have been built up such a complicated financial interest in pondokkies that the cost in compensation for destroying the whole insanitary business will be extremely expensive to the ratepayers."<sup>133</sup>

The observation conceals the divergent class interest of those who were involved in subletting practices. Whereas working class people became involved in subletting as a consequence of implementing survival strategies, middle class elements whose existence was nourished by "market gardening", construction and commercial activity, increasingly purchased plots and engaged in subletting with the objective of profiteering. Merchants and aspiring merchants such as E.A. Loghday concluded purchase of at least 13 174 square metres between 1943 and 1946 from various plot owners who purchased plots from the Cape and Transvaal Land and Financial Company. Similarly I.E. Pophlonker concluded purchase of 10 475 square metres from various plot owners between 1939 and 1948. O.M. Allie was to conclude the largest purchase of 67 167 square metres between 1942 and 1948. He purchased 50 126 square metres from L.F. Rule (Ferguson) in 1948. The Solomons family, through J.W. Solomon, son of "market gardener" J.J. Solomon purchased 23 251 square metres from J.E. Elliot in 1943. These purchases reflected a tendency to use property as a source of and/or as capital with the intention of securing a position among the middle class or upward mobility through commercial and other enterprises. Some went to the extent of becoming involved in the formation of a company to muster sufficient capital to engage in such an exercise on a large scale, as reflected by the establishment of African Residential Sites (Pty) Ltd. M. Rose, a solicitor,

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<sup>133</sup> see the Cape Times, 28 August 1942 and the *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p15.

E. Ross and H. Daitsh, merchants and Salie Nathan, a builder purchased two thousand shares each at the value of 5/- per share to become the company's first and permanent directors with controlling interest<sup>134</sup>.

The MOH report number 545 aptly reflects upon a specimen of the type of structure commonly erected in the clusters of pondokkie settlements.

Pursuant to sub-section two of section one of the Slums Act 1934, I the undersigned, Tom Shadick Higgins, being Medical Officer of Health in and for the said City, do hereby report that certain premises on land at Ilfracombe Estate, Retreat, comprising, a three-roomed hut, built and occupied by John Martin, a native, are of such construction and in such a state and so used and so kept as to be injurious or dangerous to health for the following reasons inter-alia:- (1) The hut is of pondok type and is roughly built of wood and iron without any foundations; (2) The partition walls are of wood and sacks, and are in a dirty condition; (3) The roof is roughly built of corrugated iron over wooden spars; (4) There are no ceilings, except one made of sacks in the kitchen; (5) The floor is roughly built of wood laid on the sand without ventilation; (6) The rooms are inadequately lighted; (7) There is no water supply, sink, bathroom, drains, sanitary convenience, or house-refuse receptacle; (8) The yard is not fenced off or paved; (9) The structure is built in contravention of municipal building regulations, and was completed about April 1942. The hut is occupied by John Martin, his wife and two children, all natives, who sleep in one room, and three native male adults who sleep in another room and pay Martin for his accommodation... The registered owners of the said premises are Martin Poole and Johannes J. Solomon, both Cape Coloured, of Sixth Avenue, Retreat Estate, Retreat. John Martin pays rent for the premises to the owners.<sup>135</sup>

The housing structure described above reflects the circumstances in which subletting took place in an area such as Blaauwvlei (Ilfracombe Estate). Plots were subdivided into stands and a site rental was charged. In most cases occupants were required to construct their own structures as dictated by available resources such as raw material and money. No legislatively informed planned township development took place as reflected in the absence of infrastructure such as hard roads and water supply, drainage and sanitation systems. Landowners only supplied a few communal taps where residents were charged a certain amount for water according to the local residents organisation.<sup>136</sup>

The conditions prevailing at Blaauwvlei are, no doubt, well known to the Committee through the reports of the health inspectors. The most outstanding features of the situation are the following:- (a) There is no proper water supply. A few houses in the neighbourhood, occupied by Coloured persons, are provided with taps, but water from this source is only available to the African residents if fetched in paraffin tins by way of a

<sup>134</sup> see Registry presently kept in terms of the Deeds Registries Act No 47 of 1937.

<sup>135</sup> The Medical Officer of Health Report numbered 545 that were considered at the Public Health Committee of the City of Cape Town dated 2 November and 7 December 1942 the MOH report number 545.

<sup>136</sup> See Memorandum Presented on behalf of the African Residents of Blaauwvlei, Retreat, to the Public Health Committee of the City Council of Cape Town and correspondence submitted by the Wynberg Branch of the Communist Party of South Africa, dated 25 November 1942.

long tramp across the sands and on payment of a fee of 1/2d. or 1d. per tin - an exorbitant charge in comparison to the municipal water rate. Drinking water is thus mostly obtained from open holes dug in the sand, which results in stomach complaints among the people; (b) The locality is quite undrained and the people suffer severely from dampness and floods in winter; (c) There are no sanitary facilities of any kind, the sandhills being used as latrines; (d) There is no hard road leading to Blaauwvlei; (e) The stands upon which the houses are built are so small that the houses are crowded together one on top of the other; and (f) For these small stands and no facilities, the people are charged rents of 10/- and 7/6d per month.<sup>137</sup>

The insecurity of tenure that prevailed among pondokkie settlement dwellers related to the payment of high stand rentals not subjected to state rent control measures and the imposition of licences required by landowners for the housing of Africans.

Recently, however, application forms have been served on the Africans in that area for licences in terms of Act no.25 of 1945's 9(4) authorising their residence. This provision has not been enforced in the area before, presumably because the residents there were regarded as temporary, pending the execution of the African housing scheme that the Council contemplates. At all events, the services of these forms at this stage have caused widespread consternation among the African residents. They fear eviction by their landlords, or, at least, the addition of the licence fees (which in law are payable by the landlord) to their rents. Most of them are unprotected by the Rents Act since the dwellings were erected by the tenants on rented sites.<sup>138</sup>

The Native Affairs Departmental report by Inspector of Urban Locations, P.G. Cauldwell and the Municipal Medical Officer of Health report in 1942 were to strongly and officially recommend the declaration of these settlements as black spots or clusters of slums in terms of the Slums Act and undesirable in terms of other related legislation such as the Urban Areas Act for various reasons.

It is found that Natives are living in premises owned by non-Natives in many parts of the urban area. In some the circumstances favour larger congregations than other. For example, in the area between the railway line from Retreat Station to False Bay Station and the eastern boundary of the Municipal area there are many hundreds of dwellings, mostly shacks and hovels, in which Natives live. That no one knows the exact number of such dwellings or how many persons are housed in them is not surprising, for this portion of the urban area is covered with sand dunes and thick bush. Three areas were actually visited, viz. Blaauwvlei, Hardevlei and Muizenberg/Vrygrond. Blaauwvlei lies between the railway line at Retreat and Prince George Drive. It is nearer to the former. There are 13 so-called avenues but the majority of Natives appear to be in 6th and 7th Avenues. Hardevlei is on the Cape Flats side of Prince George Drive in a line almost east of Steenberg Station while the Muizenberg Vrygrond is east of the Coloured cemetery at Muizenberg. Similar conditions exist in all these areas. The owners of ground lease portions of their holdings at from 7/- to 10/- per month. The Native usually has to erect his own dwelling, the quality of which depends on his earnings, but to a great extent on his

<sup>137</sup> Memorandum Presented on behalf of the African Residents of Blaauwvlei, Retreat, to the Public Health Committee of the City Council of Cape Town in November 1942.

<sup>138</sup> Adv D.B. Molteno, Native Representative in Parliament, correspondence with the Town Clerk, City of Cape Town, dated 11 April 1946.

ingenuity. Some landlords have put up shacks, mostly in tenement form and they lease these to numbers of Native families. Sanitation throughout these areas is non-existent for the residents use the bush and dunes. For water the people dig holes and water is consequently subject to gross pollution. Pigsties are frequent accessories and the most evil smelling places they are.... The number of Natives are quite evidently increasing because there were many shacks still in the course of construction.<sup>139</sup>

The planned African and Non-European housing schemes for the area indicated the extent to which cognizance had been taken of the recommendations contained in their reports. Cauldwell in particular was to stress the difficulty of effectively policing the inhabitants of Retreat under these housing conditions that were recognised to be more widespread than Blaauwvlei within the Retreat Area. "The nature of the terrain in these areas affords an excellent opportunity for Natives to hide away from the Police and Municipal officials whose task in this sandy country is an unenviable one. It is a comparatively easy matter for Natives, who have, for example, been refused permission to enter the urban area, to seek refuge here and to remain undetected for a time at any rate....The areas described above are not occupied exclusively by Natives for a great many Coloured also live there in conditions which do not differ in any way from those described above as applying to Natives."<sup>140</sup> In particular areas there were absentee landlords for whom the terrain made it difficult to collect rent. The squatting tenants were also considered as temporary and therefore subject to removal.

The chief offenders, as squatters, are Natives.... There are however, numbers of Coloured families to be found living in certain as yet inaccessible areas with sufficient bush cover to offer an ideal sanctuary for squatting. A notable example is an undeveloped tract of bush-covered sand dunes bordering the coast of False Bay eastward of Retreat and Muizenberg. Those intimately acquainted with this wilderness speak of it as the 'Vrygrond', a descriptive name indeed for, though the land is in fact not provided free, its isolation makes the collection of rents ranging from 2s 6d. to 6s. a month a futile task. Sandy tracks over the hills are the only means of access. Here abide a dissolute and lawless conglomeration of Coloured and Native persons.<sup>141</sup>

While the construction of housing in the western Cape was largely halted for the duration of the war, the housing scheme in Retreat was still in its planning stages. The effect of the war on house construction plus the pressure that the expanding urban population was placing on existing housing stock, compounded the existing housing crises in the Western Cape and in particular on the Cape Flats as reflected in the existence of "black spots" in areas such as Brooklyn, Rugby, Swartdam, Belgravia,

<sup>139</sup> P.G. Cauldwell's: *Natives in the Cape Peninsula*, Department of Affairs, 1941, p8.

<sup>140</sup> *ibid*, p9.

<sup>141</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p5-6.

Prospect, Forbes, Glenview, Doornhoogte, Rylands, Welcome, Kromboom, Meadows, Hampton, Surrey, Parkwood, "Lot 8", Rondevlei, Blaauwvlei, Ilfracombe and the Vrygrond within the municipality of Cape Town's boundaries. In Divisional Council jurisdiction, areas such as Grassy Park, Elsies River, Goodwood Acres, Bellville Flats and Windermere can also be mentioned. Conditions in those areas impacted on the state to the extent that a high powered investigation, under the auspices of the National Department of Social Welfare, into the urban related problems on the Cape Flats was inaugurated with the constitution of the Committee of Enquiry into Conditions Existing on the Cape Flats and similarly affected areas in the Cape Division. The Committee consisted of officials appointed by the Departments of Lands, Labour, Health and Social Welfare with H. Britten, as chairman.

The Committee's terms of reference were to enquire into, report upon and make recommendations in connection with:- (a) terms and conditions under which land is or has in the past been sold with special reference to the buying of property on the hire purchase system or subject to a condition suspending the passing of ownership until certain payments have been made; (b) the Bill prepared by the Council of the City of Cape Town in 1938, and submitted to the Government dealing with the sale of land on the hire-purchase and suspensive conditions; (c) the general social welfare and health conditions in the area with particular reference to -(i) housing sanitation, water supply, lighting; (ii) roads and transport services, drainage; (iii) medical services, including clinics; (iv) educational, child and other welfare services; and (d) any other matters designed to improve conditions in the area.<sup>142</sup>

The terms of reference officially authorised it to address the economic, health and social welfare of the Cape Flat's population.

Practically every known national problem associated with urban development is present on the Cape Flats and the comparatively small compass of the region detracts in no way from the complexity of the difficulties which faced the committee in its work where in this report, the Committee appears to shrink from being forthright in its recommendations, it does so recognising that the solution of some problems must perforce await the accumulation of knowledge which only surveys of national scope can provide on the other hand, when it was convinced that the public interest of the local region would be served thereby, the Committee did not hesitate to outrange its terms of reference by suggesting changes in the national structure, e.g. the establishment of a national development board to control planning.<sup>143</sup>

The appointment of the Cape Flats Committee of Enquiry thus signalled an impending shift in strategy to deal with problems surrounding the reproduction of a section of the working class on the Cape Flats and in particular the reproductive activity

<sup>142</sup> *ibid*, p1.

<sup>143</sup> *ibid*, p1.

of workers in Retreat as reflected in its commentary on its findings. It hinged on an acknowledgement of the limitations of markets in income distribution and the provision of basic services and thus the development of human capability, and recommended increased state intervention in a broad spectrum of areas with the household as a focus.

The effort expended to reach work on the usual meagre breakfast of these people leaves the worker tired out when he reaches work. Children, for the same reason, show fatigue at school. Doctors, nurses, clergymen, social workers and others cannot, except under trying conditions, reach a class of person that is most in need of their ministrations. Commercial distribution services seldom embrace these homes. Police patrolling is made particularly difficult and hazardous withal, with the result that crime flourishes in these backwash communities. The establishment of community centres for cultural, health and social services would be futile without the radiating network of roads and streets to bring the centre within easy reach of a large body of the population.<sup>144</sup>

The Committee's recommendations in this context were directed at developing the necessary township infrastructure such as drainage, sanitation, water supply, accommodation and transport facilities in addition to the regulation of the sale and rental of land and housing. These recommendations would facilitate the provision of state health, educational, recreational and social welfare services and the policing of the population. Retreat was regarded as one of the areas earmarked for such intervention due to the existence of pondokkie settlements and the state's inability to effectively execute measures of influx control. "There is a large Native Population, estimated at 1 000 families, living largely as illegal squatters in the Cape Town municipal area around Blaauwvlei, Hardevlei and on the 'Vrygrond'. The area of the Cape Division has also received a heavy influx, estimated at some thousands at Windermere and perceptible increase at Grassy Park and Phillippi. The Native population of the Cape Division is estimated now to be 30 000 persons, of whom approximately one-third reside on the Cape Flats outside the municipality of Cape Town."<sup>145</sup>

### **3.4. Defining the Social through Planning and Local Development**

The overcrowded nature and high rentals of housing provided along the privately owned high density area along the Docks-Observatory railway axis coupled with inadequate Municipal housing stock led to a high demand for housing. This led the Social Survey to

<sup>144</sup> *ibid*, p24.

<sup>145</sup> *ibid*, p6.

conclude that "Judging by a very simple and tolerant standard of occupancy, one Coloured household in three was overcrowded and one European household in thirty. The application of a somewhat stricter standard, which was however still only an average occupancy standard, left the Europeans' figure practically undisturbed but raised the Coloured figure to 43 per cent."<sup>146</sup> The post-war, urban-based industrial expansion and accompanying large concentration of population, especially unskilled, semi-skilled and unemployed workers, led to the presence of large clusters of 'pondokkie' settlements or 'shanty' towns in various areas. This development on the periphery of the urban areas did not preclude the intensification of overcrowding even in working class high-density residential areas as well as in municipal housing areas.

It provided an opportunity for the intervention in the housing market of land companies and large landowners with an interest in making profits from land sales. These land companies having developed most of the townships legally before 1927, had no regard for human needs as reflected in their township planning practices.<sup>147</sup> The increased sub-division of land and the selling of approximately one-acre plots on the basis of fraudulent but legal hire purchase agreement to various people including workers took place. It appeared as if the sellers were selling plots off at relatively lower installments than in the Dock-Observatory railway axis area to a large number of workers who could afford it.<sup>148</sup> Apart from the large numbers of coloured poor who purchased land under these conditions some Africans who were exempted from residing in locations in terms of sections of the Urban (Native) Areas Act due to their being on the voters roll were afforded accessibility to property ownership. "Up to the 1st January 1938, everyone enjoyed the right freely to purchase land within the municipal area of Cape Town and within the area of smaller local authorities in the Western Cape Province. Thereafter restrictions were placed on those classified Africans despite the existence of a considerable number of African landowners in the neighbourhood of Cape Town. Within the area of the City Council land thus owned is to be found predominantly in the following localities: - Athlone, Crawford, Kensington, Welcome Estate, Rylands Estate, Retreat and Hazendal."<sup>149</sup> The right of Africans to freely purchase land before 1938 was subject to municipal sanction as provided for in Proclamation No 60 of 1926.

<sup>146</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p39.

<sup>147</sup> *ibid* p 18.

<sup>148</sup> Cape Town City Council Ordinary Minutes, September 1938 to September 1952.

<sup>149</sup> Memorandum of Langa Advisory Board and Langa Vigilance Committee for submission to the Inter-Departmental Urban Areas Committee, 1941.

This insecurity of tenure in urban areas was further compounded by racially discriminatory constraints placed on Africans pertaining to accessibility to land after 1938.

### 3.4.1 Housing, the property market and social planning

The necessity for tightening up and developing spatial and social planning methods became a key component of strategies aimed at overcoming some of the causes and consequences of unruly development which affected squatters, tenants and plot owners living on the Cape Flats particularly in Retreat. "Unless radical and immediate planning measures are applied, the spread of irregular urbanisation may forever destroy the opportunity for making Cape Town a great city in the fuller sense of greatness. The Union Government should accept as national responsibility the control of all development which has for its aim the use of land and land surface and the prevention of its misuse, and thereupon to appoint a national development board to control national planning in the manner indicated."<sup>150</sup>

It is in the context of the above recommendation, which structured economic and socio-political strategic calculations and administrative organisation, that the Cape Flats Committee endorsed some of the prevalent social welfare health, educational, housing and recreational policies, which were being developed. "A first requirement in any planned scheme for housing Natives should be an expansion of the existing location at Langa. Of similar necessity is the establishment of a location in the Retreat area to house the increasing number of Natives employed in the southern half of the Peninsula. It is understood that the City Council of Cape Town has made plans to satisfy both requirements but development has been suspended for the duration of the war. Because the war has actually been responsible for a serious aggravation of the unwholesome condition under which Natives are living in the Cape Division, the Government should, if required, come to the assistance of the City Council of Cape Town, so that the extension of locations at Langa and to Retreat can be undertaken without further delay."<sup>151</sup> The Committee also supported a similar plan for the establishment of a non-European housing scheme. Moreover, the reorganisation of infrastructure for industrial development in the area to absorb surplus population in Retreat was not ignored.

<sup>150</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942, Department of Social Welfare, U.G. No 18 – 1943, p53.*

<sup>151</sup> *ibid*, p22.

These recommendations also opened up the space for interventions addressed specifically at the composition and functioning of the household as a unit of reproduction and gave it a specificity of its own. Its significance as a point of intersection of different social practices increased as more attempts were made to make it perform a diverse range of social functions and in the process transform the social fabric. The recommendation that was to lead to the establishment of a social welfare department within the municipality to deal with the personal and psychological was a significant step in this direction. Policies and recommendations dealing with building regulations, municipal house design and provision, health, recreational and education were to reflect this. Where housing was seen "as an instrument of social control - the most convenient means available for accomplishing this purpose is provided in state housing schemes. With the control implicit in state-owned housing at the disposal of a social welfare authority it becomes easier to redirect the lives of those whose maintenance would otherwise be a drag on the community. It is possible in conjunction with a housing scheme to satisfy a family's other human needs, work, health, education and play."<sup>152</sup>

Where the state was unable to function effectively, "private" welfare agencies such as CAFDA operating within Retreat and surrounding areas, were established and developed with similar objectives. "We must not be satisfied to bring a little relief at Christmas time; we must see to it that no effort is spared until the Government implements the long neglected recommendations of the Report of the Committee of Enquiry into Conditions existing on the Cape Flats 1942, and sets up a responsible Authority to plan and put into effect a comprehensive scheme for the complete cleansing and rehabilitation of the whole area. Let that be the steadfast aim and goal of all friends of CAFDA for the New Year, and may 1947 be a year of great progress in the struggle for decent living conditions for the poor people of the Cape Flats."<sup>153</sup> CAFDA's comments were indicative of the extent to which the Committee of Enquiry's recommendations and those of organisations' enquiries and general public comments in other urban centres were taken into consideration and acted upon by various national state departments and local government. While the Committee of Enquiry's recommendations were considered by the Departments of Irrigation, Health, Justice and Social Welfare; the municipality of Cape Town pushed ahead with the planning and

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<sup>152</sup> Ibid, p 46.

<sup>153</sup> Cape Flats Distress Association (CAFDA), Annual Report.

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execution of township development in Retreat consistent with earlier plans endorsed by the committee's recommendations.

At the meeting on 27th August, 1942, the Council agreed, subject to a belt being established alongside Prince George Drive sufficiently wide to screen the location or township from view, that the area bounded by Prince George Drive, Military Road, Flora Road, and the extension of Boundary Road to Prince George Drive should be reserved for the purposes of non-Europeans and Natives and, at the meeting on 31st August, 1943, the Council resolved that the Native township be sited on Lots 13, 14, 15 and 16 and the Forest Reserve as indicated on Plan No.R4.... The question of the acquisition for the purposes of a non-European sub-economic housing scheme of the area of land on the northern side of Retreat Road, being the area bound by Princes Road, Langa Vlei, Boundary Road and Eleventh Avenue, was submitted to the Council at the meeting on 29th June, 1943.<sup>154</sup>

At this stage, the City Engineer tabled two alternative plans involving a scheme which occupied 113 acres housing 1 000 single men and 500 families or a scheme accommodating 1 000 bachelors and 436 families on a site 122 acres in extent. Either one of the plans if approved and implemented was to be the "Native Township", whereas a third plan was presented for the development of a non-European housing scheme on an area of 483 acres in extent. The latter scheme was to accommodate 1 235 family dwellings of which "77 have been planned as a small farm village".<sup>155</sup> Despite opposition to the plans as reflected by representations made by various civic organisations and the Coloured Advisory Council, Council approval of the plans and set in motion municipal attempts to purchase the required property under conditions where it was also empowered to expropriate the required land. The affected property and associated estates housed a significant number of people as a sample of 150 acres bounded by Seventh Avenue, Princess Road, Eleventh Avenue and Boundary Road was to show. "In this area of 150 acres the development is predominantly of the pondokkie type. The City Engineer reports that a survey recently completed discloses the following position:- Vacant plots...(18); Cultivated vacant plots (2); Pondokkies (with no cultivation) (360); Houses (with no cultivation) (18); Houses (with cultivation) (17); and Shops (5)."<sup>156</sup>

The nature and intensity of the resistance offered by affected people varied depending upon the orientation of the owner/occupier. African Residential Sites (Pty) Ltd willingly sold their property to the municipality in August 1945. It was recorded

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<sup>154</sup> Cape Town City Council Ordinary Minute, 29 June 1944.

<sup>155</sup> Ibid.

<sup>156</sup> Ibid.

"That the Council whilst retaining part of the land pays the sum of 9 000 pounds to the African Residential Sites (Pty) Ltd for the area measuring 57 morgen 592 sq. roods 57 sq. ft. in extent, situated at the corner of Military Road and Prince George Drive, Retreat as shown on plan No.Z.759/38..... That the company pays to the Council the sum of 850 pounds for the area measuring approximately 8,5 morgen in extent, abutting Prince George Drive as shewn on plan No. J.Z.1248.... that the Council retains the right to dispose of refuse on the area to be transferred to the Company until the whole of this area has been reclaimed."<sup>157</sup> Similarly the Cape and Transvaal Land and Financial Company and big landowners such as the executors of J.S. Merrington's estate sold certain property, including that which was subjected to hire purchase conditions of sale to Council. It was in those circumstances where the property's occupants, both tenants prospective and actual owners conducted varying battles to retain access to property and contribute to its development.<sup>158</sup> The delays caused by the duration of the war, the intensity of resistance and to a lesser extent procedural problems encountered between the municipality and national state departments prevented the aforementioned plans from being implemented.

Meanwhile, the housing crises worsened to the extent that the government deemed it necessary to amend legislation affecting housing provision, twice within two years near the end of the war, to permit more effective state intervention to overcome the accumulating backlog caused by the stalling of house construction during the war years. "The 1944 Act had implied dissatisfaction with the part that the Central Housing Board and the Provincial Administration had played in sub-economic housing policy, and had proposed to inaugurate a more flourishing period of 'national housing' in which the local authorities, freed from financial and other fetters, would, with the direct encouragement and support of the new commission, at once proceed to decimate the housing shortage. In 1945 the Minister voiced his disappointment that the local authorities had not responded as well as he hoped... 'if 4 000 of the 12 000 national houses anticipated are available for occupation, we shall be fortunate'... and asked for a Parliamentary 'blank cheque' to pave a yet further road, this time for the Housing and Planning Commission itself to tread."<sup>159</sup>

<sup>157</sup> City of Cape Town Ordinary Minute, 30 August 1945.

<sup>158</sup> *ibid* and City of Cape Town, Ordinary Minute for the preceding period of 1943 and 1944 and the remainder of 1945.

<sup>159</sup> Notes on the 1945 Housing (Emergency Powers) Act No 45 of 1945 that was enclosed in the correspondence from Mr Henry Gluckman to Mrs VLM Ballinger date 9 May 1946.

To alleviate ineffectual state intervention in the domain of housing and health, the Government promulgated the Housing (Emergency Powers) Act No.45 of 1945. "The chief weight of the Act lies in the power it confers on the Government to control twenty-five specified aspects of the process of house building, from surveys and land-purchase to labour and materials. Regulations in seven chapters have now appeared, assigning to the Government the following powers: (a) to make surveys and enforce the letting of vacant accommodation; (b) to expropriate land by summary process; (c) to regulate builder's profits; (d) to plan, construct, and finance building schemes; (e) to use and dispose of materials used in house-building; and (g) to train and control building labour."<sup>160</sup> The Act intended to reduce the cost of housing provision and to increase the finance at the disposal of the Ministry of Health through budgetary allocation. This was largely influenced by the Government's perception of the urgency of the need to resolve the urban crises and in particular housing as reflected by the Minister's comments when the Act was introduced. "The Government is giving expression to its conviction that the housing problem in South Africa constitutes a national emergency, and that it is prepared to accept full responsibility for attempting to solve it."<sup>161</sup> It was in these circumstances that the Government took cognizance of, and acted upon, housing conditions in urban centres nation-wide. With regard to the western Cape, the Cape Flats Committee of Enquiry's recommendations were partly encapsulated in the regional character of the national strategy which emerged. Vital supportive elements of the evolving strategy involved the recommendations in regard to drainage of the Cape Flats by the Department of Irrigation, the Installment Sales of Land Bill by the Department of Social Welfare and Liquor Control by the Department of Justice.<sup>162</sup> The municipality of Cape Town which organised and co-ordinated the local implementation of this strategy, consequently pushed ahead with the detailed planning and establishment of the Retreat townships.

Both the African and non-European housing schemes to be constructed in Retreat were, however, still in the planning stages in the immediate aftermath of the war. Their implementation, in circumstances where the plans had been finalised, were, however, delayed by financial considerations due to continuing negotiations between the local authority, the Government and the National Housing Commission. "Retreat Native

<sup>160</sup> Ibid.

<sup>161</sup> *ibid* and Minister of Housing, Mr Lawrence when introducing the 1945 Housing (Emergency Powers) Bill.

<sup>162</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943.

Township - Layout plans have been completed and a portion of the main approach road have been partly constructed. Representations will be made very shortly to the National Housing Commission for funds to construct road and services within the township. The erection of dwellings is held up pending the settlement with the Government of questions relating to the ceiling costs of construction...Retreat Non-European Housing Scheme - Owing to the high cost of services the layout plan of the township has been drastically revised and drawings are being prepared for the new layout as rapidly as possible.<sup>163</sup>

The acquisition of property upon which to erect the townships by Council through negotiation or the use of more forceful methods of expropriation was not particularly successful. Resistance by residents, which involved lengthy court sessions, was also a key obstacle to the implementation of state strategy in 1948. The state's intransigence, together with economic growth in large urban centres, the related urbanisation process and the return of demobilised soldiers contributed to deepening urban crises before 1948. No significant amount of mass housing was provided by the state during this period to alleviate the crises as indicated by the situation in Retreat, Windermere, Langa and other areas. The municipality more vigorously and stringently applied temporary measures in an attempt to control the development of pondokkie settlements and related health, education and social welfare matters in areas classified as "undeveloped". Emphasis was placed on the provision of infrastructure and related services such as hard roads, water supply through mains and selling taps subject to communal use, slabs and sterco pails and related removal services especially in areas popularly known as Blaauwvlei, Vrygrond, Donkieskraal and Hardevlei.<sup>164</sup> Housing development in these areas was restricted and subjected to intense control.

A building survey of all shacks and properties on Hardevlei, an area of undeveloped ground bounded on the west by Prince George Drive, on the south by Military Road, and on the east by the Divisional Council boundary has been carried out. The majority of lots at Hardevlei are owned by owner/occupiers, who have already taken transfer or have bought their ground on the hire purchase system. Except for two new permanent dwellings under construction, four permanent dwellings and several authorised wood and iron houses, the remainder of the structures is unauthorised, being constructed of wood and iron or of slap wood offcuts. In a large number of cases more than one shack dwelling has been erected on the subdivided lots. The following recommendations has been made to improve the conditions in the Hardevlei area:- (a) 11th and 12th Avenues to be converted into hard roads so as to facilitate the work of the Cleansing Branch; (b) A

<sup>163</sup> See City of Cape Town Ordinary Minute, 1940-48.

<sup>164</sup> See City of Cape Town Ordinary Minute, 1940-48.

water main to be laid in 11th Avenue from Prince George Drive to Military Road extension; (c) Owners of lots to be advised that not more than one structure on each lot is to be erected, and an endeavour is being made to assist such owners in erecting authorised and permanent buildings; (d) Advice is being sought from the City Engineer regarding the possibility of diminishing the likelihood of flooding, which occurs during the winter months; (e) That the inhabitants of the area, which is at present unsubdivided, be given priority in the projected Municipal non-European housing scheme on the west side of Prince George Drive; and (f) A selling tap to be installed in 11th Avenue when the water main is laid.<sup>165</sup>

The inhabitants of areas earmarked for expropriation in alleged unsubdivided areas and occupants of unauthorised structures were consequently targeted, in circumstances permitted by temporary infrastructural development, for the application of more stringent control measures in terms of regulations 826, 827, 828, 835, 967 (bis) and other regulations of the Municipal ordinances. Mounted building inspectors played an instrumental role in the policing of these regulations. They prohibited or deterred especially the erection of "unauthorised structures" during this period.<sup>166</sup>

At Ilfracombe Estate at Retreat a large number of Africans have hired sites from the private owners of the land and have erected structures thereon. Although this procedure is technically illegal, your Council has quite rightly decided not to interfere with these structures pending the time when it may be possible to offer the African families concerned alternative accommodation..... Comparatively recently, however, your Council's inspectors have commenced insisting that the owners shall take out licences for the 'accommodation' of the Africans concerned in terms of the Regulations promulgated by Provincial Notice No.395 of 24/9/31. In terms of these Regulations fees are payable by the owners of premises who 'accommodate' Africans. In the case of the settlement referred to above, some land owners have intimated that they are not prepared to retain the tenants of the sites if they have to pay the fees, since site rents only are paid and the fees, if paid would make a considerable inroad into these.<sup>167</sup>

The recommendations of C.W. Slarke, Inspector of Urban Locations in 1943, consistent with that of the Committee of Enquiry, were endorsed and acted upon by Council officials:

So far as concerns Mr. Slarke's recommendation that increasing use should be made of the provisions of the Natives (Urban Areas) Act relating to the licensing of premises for Native occupation, pending the provision by the Council of more housing for Natives, your Committee invites attention to the remarks of the Manager of Native Administrators in this matter..... As will be seen there from the position is complicated but it is the policy of your Committee gradually to bring about the measure of control afforded by the licensing provisions where the premises concerned have some semblance of decency, but

<sup>165</sup> Cape Town City Council, Ordinary Minute, 29 June 1944.

<sup>166</sup> See letters from Native Representative in Parliament, Adv. DB Molteno to the Town Clerk in 1947 and replies thereto. Various deputations under the leadership of the Vigilance Associations and the Communist Party Wynberg Branch.

<sup>167</sup> Adv. D.B. Molteno: Correspondence with the Town clerk, 4 September, 1947.

it is obviously undesirable to embark upon the wholesale and indiscriminate issue of licences. The problem is inextricably bound up with the application of all the other housing provisions of the Act, each in a just and balanced proportion, and in this regard the Council - responsible for the major housing needs - lags far behind.<sup>168</sup>

It was in these circumstances that people such as Dr B. Krikler (off Prince George Drive - 50), I.E. Pohplonker (7th Avenue Retreat - 25), J.W. Solomon (8th Avenue Retreat - 20), J.J. Solomon (8th Avenue Retreat - 20), M. Pool (8th Avenue Retreat - 20), K. Woolf (Blaauwvlei - 33), A. Jaffer (11th Avenue Retreat - 20) and G. Jones (Consort Road Retreat - 40) applied for licences to house Africans. Although some of the applications were to reflect on ownership of large tracts of land, a large number of the applicants were tenants also permitted to apply on behalf of the landowner.<sup>169</sup> The license's life span once granted depended to a certain extent on the preparedness of the applicant to pay. The consideration as to who was to pay for the licence added another dimension to prevailing tensions between tenant, landowner and the local authority. Although it was now incumbent upon the landowner to apply for a licence, the lack of rent control measures exposed tenants to the burden of bearing the brunt of additional financial costs.<sup>170</sup> Only site rental was charged in areas where a housing structure was not provided.

The temporary measures mentioned above became a key method in keeping the mushrooming of pondokkie settlements under tight control. They also assisted the municipality with the necessary information required to engage in strategic calculations with regard to house provision. Whereas aspects of the influx control measures such as the registration system were partly aimed at reducing the pressure on the municipal housing stock, the information gathered assisted a co-ordinated response toward the position of African workers in the urban centre. "A system of regulating and co-ordinating Native labour requirements should be evolved with due regard to: (a) rapid recruitment and distribution; (b) the provision of proper accommodation and housing by the employer (to the satisfaction of the District Surgeon) irrespective of the urban or rural character of the work; (c) proper supervision and control out of working hours; and (d) repatriation to the home district on termination of the contract."<sup>171</sup> Housing thus became a key component of influx control measures that was part of the state's overall

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<sup>168</sup> *ibid.*

<sup>169</sup> See City of Cape Town, Ordinary Minute, 1946-48.

<sup>170</sup> *ibid.*

<sup>171</sup> C.W. Slarke, Inspector of Urban Locations: Report on *Africans' in the Cape Peninsula*, Cape Town City Council Ordinary Minute, 27 May 1943.

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strategy towards resolving the urban crises and re-establishing its hegemony over particular sections of the urban poor. The relationship between labour and property market dynamics and the particular path of proletarianisation informed the provision of shelter and the distinct settlement patterns that evolved.

### 3.4.2 The social and local planning

The recommendations of the Cape Flats Committee of Enquiry emphasized the importance of social and economic planning which also involved the conduct of surveys to assess needs as a necessary measure to combat poverty. It re-emphasised the problems associated with the limitations of prevalent administrative measures particularly the Ordinance 33 of 1927 that dealt with urban and rural dimensions of planning and its relation with the commercial property market. "Planning involves the co-ordination of human activities in time and space, on the basis of known facts about place, work and people. It involves the modification and relocation of various elements in the total environment for the purpose of increasing their service to the community; and it calls for the building of appropriate structures - dwellings, industrial plants, markets, water works, dams, bridges, villages, cities - to house the activities of a community and to assist the performance of all its needful functions in a timely and orderly fashion."<sup>172</sup> In this definition of planning, the central concept of community concealed the conflicting interest of contending social forces and how they were formed by and articulated through conflicting organisational (both political and economic) forms and ideological-cultural practices. The social and economic implications of weak planning or the absence of planning as an instrument for the regulation of the residential and commercial property market became a focus of philanthropic and administrative activity, particularly in the large urban centres throughout the country since the 1930s and especially during and after the war years. Through evoking the experiences of the Garden city movement, Le Corbusier and USA based urban planners, the Cape Flats Committee of Enquiry made various discursive interventions in that debate.

Ordinance no 33 of 1927 was to determine the scope, nature and process of development control of urban planning and the judicial power of the Provincial Administrator who was advised by the Townships Board. Nevertheless, it was within the legislative confines of this ordinance that municipalities' urban planning practices were

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<sup>172</sup> P.G. Cauldwell, op cit, 1941, p18.

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approved and executed. The intention was to bring the perceived "laissez faire" practices involving property exchanges and industrial and residential township development hence referred to as 'unruly' urban development under control and policed through regulation.

What should carefully be conceptualised is how planning recommended by the Cape Flats Committee of Enquiry facilitated the structuring of relations between government and society and classes and other social forces within society. Here, various non-state support organizations, associated with particular faith-based organizations such as the Anglican or Catholic church or mosques, CAFDA and the Citizens Housing League Utility Company articulated concerns of the poor through emphasizing a more planned approach to the provision of basic services. "Evidently impressed by this lack of co-ordination in community planning and development, the Citizens Housing League Utility Company of Cape Town approached the government during April, 1941, with a resolution that 'the Government be requested to appoint immediately to enquire into the advisability of provincial and national planning and, taking into account the existing machinery, to suggest machinery most suited to the conditions of the Union for such planning.'<sup>173</sup> Other voices, organized on the basis of a particular settlement pattern and issue, engaged the relevant committee in the respective municipality or the relevant national department or political representative to make submissions that had a direct bearing on their well-being. This were reflected in memorandums from the predominantly African Peninsula Vigilance Association and deputations from predominantly Coloured organizations which preoccupied themselves with the effect on their property and expropriation issues. Although common demands concerning property rights infused both sets of interest, it provided also the anvil for the forging of particular social identities. The relation between racial categorization and religious practice and the labour and property markets and responses towards poverty and the need to transform the planning regime were its crucible.

The manner of implementation of some of the recommendations of the Cape Flats Committee of Enquiry by the City Council of Cape Town and the opposition encountered, reflected this process. This, coupled with the lack of accessibility of various state apparatus were to influence the political alignment of various sections of the black petty bourgeoisie. Their involvement with local working class based organisations and the class nature of political programs that emerged reflected this. Yet, the Cape Flats

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<sup>173</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p35.

Committee of Enquiry supported the development of a new municipal strategy involving the planned organisation of industrial and adjacent residential townships supported by infrastructure such as the rail and road transport network and health and other services. Legislation had to be revised accordingly.

The joint town planning scheme now being undertaken by the several local authorities is reserving a strip of territory, comprising several thousand acres south of the main railway line to Bellville and lying between Hazendal and Epping Garden Village, for industrial expansion. The hope has also been expressed that it will become the principal industrial centre of Cape Town. It is also proposed by the City Engineer that the areas of Windermere and Facreton, when incorporated in the municipality, should be acquired by the City Council for future disposal to industrialists....it will be seen that the territory intervening between Maitland and Goodwood, save for the Maitland Road Cemetery, which cuts through its centre, may eventually become one vast industrial region. A suggestion has also been made that a tract of land situated eastward of and running parallel to the railway between Retreat and Steenberg stations should be set apart for industrial purposes.... Both would be well served by road and rail traffic. When a new network of roads is built the Windermere-Hazendal Epping area will be easily accessible to workers from a number of workers' suburbs, including the model villages of Good Hope, Zorgvliet and Epping Garden and including Langa location. Open space to the north and south offers scope for more workers' villages.<sup>174</sup>

By 1946 sales for industrial sites in the Ndabeni Industrial township were taking place. By 1948 plans for the development of the Epping Industrial Township were well advanced.<sup>175</sup> Despite the election of the National Party to govern in 1948, the plans for future industrial townships specified here materialised.

The adjacently planned residential townships were, though, affected by the change in government after 1948. This was largely due to the inability of local authorities to increase the housing stock crucial for the realisation of projected plans and the emergence of a changed policy towards residential segregation. The post-war years saw little progress in public housing due to shortages of materials and unrealistically high tender prices for low-cost housing construction. In Cape Town by 1952 the housing stock had only increased by a further 1658 units to 4138 units and the housing shortage was worsening.<sup>176</sup> Plans for the development of the Retreat native Housing scheme were shelved. Meanwhile, construction continued on the Kewtown project, the Schotsche Kloof and Langa extensions. Plans for the Retreat Coloured housing scheme were completed in 1948.<sup>177</sup> The slow pace of house construction precluded the municipality

<sup>174</sup> *ibid*, p37.

<sup>175</sup> Cape Town City Council Engineers Department: "Council Housing in Cape Town", 1977, p 3 and Cape Town City Council Ordinary minute, Sept. 1946 to Sept. 1948.

<sup>176</sup> Cape Town City Council Ordinary Minutes, Sept 1948 to Sept 1952.

<sup>177</sup> *Ibid*.

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from using housing as a means of influx control, although through the incorporation of Windermere into municipal boundaries in 1943, the Cape Town City Council was fairly advanced in its programme to bring all major pondokkie settlements under its jurisdiction. Consequently it embarked on a strategy of controlling the growth of pondokkie settlement through the enforcement of by-laws prohibiting further erection of pondokkies. "The mounted inspectors appointed as a result of the recommendations of the Special Committee are performing a vital service in the underdeveloped areas preventing the erection of further structures of the pondokkie type. The deterrent effect of these patrols cannot, of course, be estimated in figures but it has no doubt been considerable."<sup>178</sup>

The demand for freehold tenure in urban areas for Africans by extra-parliamentary organisations attained greater meaning in this context.<sup>179</sup> The activities of the police and building inspectors were to be a key point of conflict between the municipality and civic organisations and local individual tenants in various areas. "The Police, who occasionally carry out raids in the area, inform me that it is a virtual impossibility to say how many Natives live on an erf. During the daytime so many of the rooms and shacks are locked and neighbours are unable or unwilling to give information about others. Then again, when a raid is on, the inhabitants literally ooze out into the streets so that, if anything is found wrong in a room it is most difficult to say who the owner is."<sup>180</sup> This was an issue which informed political conflict between local authorities, central government and civic and extra-parliamentary political organizations as it led to the local population displaying scant or no respect for, and therefore resistance to, state interventions. As a consequence, the aspirations and interests of those affected on the Cape Flats were to be dealt with without attempts to obtain local knowledge and considerations through involving those individuals and organisations affected who were then considered only as objects of state policy. The organisations and individual tenant representations supported by sympathetic councillors such as Cissie Gool and Sam Kahn and Members of the National Assembly in the form of Native Representative Advocate DB Molteno, played a key role in preventing the demolition of pondokkies until alternative accommodation had been provided and an airing of the

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<sup>178</sup> *ibid.*

<sup>179</sup> see Memorandum Presented on behalf of the African Residents of Blaauwvlei, Retreat, to the Public Health Committee of the City Council of Cape Town in November 1942 and the Memorandum of Langa Advisory Board and Langa Vigilance Committee for submission to the Inter-Departmental Urban Areas Committee, 1941.

<sup>180</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 - 1943, p37.

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demand for freehold tenure. The council also responded by providing the necessary sanitation services such as water supply, stercus pails and sanitary removals and stormwater drainage. Road construction was also embarked upon to facilitate the servicing and policing of the areas.<sup>181</sup> To prevent the continual influx of Africans the Native Registration scheme was implemented from 1944. "This scheme was facilitated by Section 12 of the Urban Areas Act involving the co-operation of local authorities in the establishment of a Reception Depot and Labour Bureau to be administered by the Cape Town City Council. Arrangements to introduce the Native Registration Scheme which the Council in June 1944, agreed, at the request of the Government and with the concurrence of the local authorities concerned to administer throughout the four magisterial districts of the Cape, Wynberg, Simonstown and Bellville have proceeded steadily during the year. The object of the scheme is, of course, to control the movements of natives entering the area in search of employment and to ensure as far as possible their presence under decent, orderly conditions."<sup>182</sup>

It was in this sense that the emergence and nature of the social with particular reference to the labour, housing and property markets and poverty was defined. The planning pursued locally and regionally did not involve effecting interventions in all facets of the social. It remained located in questions of land-use, zoning and building regulation, housing and security of tenure, the provision of infrastructure such as roads and drainage, health and education that centered on the household. Local Authorities as well as the Provincial Administration had no or only limited control over economic and social functions other than issues concerning a very segmented labour market, the provision of road infrastructure and some basic services. Effective co-ordination involving the activities of national, provincial and local authorities, including parastatals was virtually non-existent. Interventions, although disparate, to enforce some form of regional development based on segregationist practices were to exacerbate the modalities of the problems encountered. Hence any form of regional planning, incorporating attempts to address the urban-rural relationship, as envisaged by both the Cape Flats Committee of Enquiry as well as the SEPC were hamstrung by the very nature of the process of modernization that gave birth to this particular form of development.

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<sup>181</sup> Cape Town City Council Mayoral Minutes, September 1946 p 16.

<sup>182</sup> Cape Town City Council Ordinary Minute, September 1939 to Sept. 1948.



## Governmentality and the Politics of Development

*The time has come to plan and think out our projects, so far as it is humanly possible; to survey our future development; to see what this country is fitted for; to see what lines we should push forward and what we should hold back or rather, curtail in our activities; and so take the wisest steps possible with a view to the best use of our natural resources of this country. I need to tell you of the mistakes we have already made, how we have moved in directions which have turned out to be blind alleys, how we have banked on schemes which, in the long run, have not produced the expected results...Now we have reached the stage when we can no longer continue in this haphazard and slapdash manner, when serious thinking, based on accurate information and on scientific principles, has become necessary.* General J. C. Smuts, August 1942.<sup>1</sup>

**T**he forms of pluralism underlying the South African constitution that was eventually adopted in 1909 and amended in 1961, involved the recognition of race, ethnicity, class and nationalism as essential features of the country's social landscape. The question of difference among the local populace was informed by and contributed to the emergence and development of social identities in the context of common economic activities, cultural diversity and the effects of the evolving administration. Language was not only a transmission mechanism but a central issue to social identity formation. It, together with the forms and practice of economic activity, religion, education, philanthropy and the family formed the fabric of the social cultural trends of everyday life that influenced and shaped particularly access to resources.

The common thread running through the policies pursued by the racially exclusive national executive and legislature was its redistributive character and associated measures. Wide ranging powers to collect and allocate revenue enabled it to effect resource allocations to provinces consistent with its segregationist agenda. Codified and de facto broad affirmative action and other preferential policies were, however, not simply a response to the plight of the poor whites, but redistributive measures based on compromises and concessions involving classes and other social identities. The development of an Afrikaner nationalist movement was instrumental in the development

<sup>1</sup> General J. C. Smuts: Address at the inauguration of the SEPC titled, *Planning South Africa's Future*, August 1942.

of the conditions for, and the enforcement of, such compromises. The strategic calculations and capacity of the Afrikaner nationalist movement to influence and direct large numbers of whites coupled with its accessibility to the executive and legislative power affirmed its capability to access state resources essential for the empowerment of whites in a number of spheres.

The development of the state's regional and local institutional capacities and policy formation in the spheres of the economy, labour and property markets, education, health, housing and social welfare were largely informed by a mixture of regional offices of national departments, provincial and local administrations and parastatals, the judiciary and relations with civil and customary practices. The latter ranged from employer and labour organisations to religious and other socio-cultural institutions. It also provided the required framework conditions for implementing agencies such as local authorities which were constitutionally and legislatively empowered under the auspices of the Administrator of the Province as advised by their Provincial Councils. The various authorities that were established pertaining to the various reserves were to deflect political aspirations from the central political concerns whilst providing the mechanism for some form of consultation with the local black population as the various provinces were treated as separate entities.

The urban drift of the poor emanating from poor conditions of work on the farms coupled with the transformation effects of rural struggles severely tested the resources and capacity of local administrations. The increased concentration of the population in the urban areas in the Western Cape and throughout the country, as reflected by the presence of various impoverished working class residential areas, were partly influenced by limited accessibility to land and relatively poorer working conditions amongst farm workers. The lack of employment opportunities, social and physical infrastructure, particularly sewerage and drainage systems, a housing shortage and associated health problems were severely exposed with increases in rural-urban migration. Attendant social problems that emanated from the transformed social and territorial division of labour and urban-rural migration informed the nature of poverty, its description and measurement. It threatened to undermine the fabric of civilisation as defined by the administration, necessitating unprecedented levels of state intervention based on a planning regime central to resource allocation but seeped in segregation.

The introduction and use of various methods of planning to assist with the regulation and management of the economy and welfare were informed by the continual

use of magisterial districts as statistical units to gather information to make the social landscape intelligible. Allocative efficiency issues linked to the need for improved co-ordination and sustainability in planning practices sparked the development of more comprehensive planning strategies as illustrated by the work of the Cape Flats Committee of Enquiry and the Social and Economic Planning Council (SEPC) during the Second World War. Although its briefs were wide ranging in the pursuit of modernisation and development in particular, its recommendations encompassed significant and far-reaching insights into the nature of planning at local and regional level that affected most disciplines. This dealt with issues such as the nature and capacity of local government, and additional institutional requirements to the need for more effective inter-governmental co-operation at local and regional level if developmental initiatives were to be expedited. The notion and importance of regional planning was accepted as critical to increased inter-governmental and intra departmental co-operation based on the need to improve co-ordination in policy formation and implementation to improve the capacity and efficacy of the state in local areas. The various activities informing agglomeration trends, labour market formation and the emergence of the social, also reflected the development of planning instruments and procedures, the allocation of resources in the context of public urban and rural management processes subject to the vicissitudes of the power relations traversing them. It incorporated the need to address the urban and rural dimensions of regional development as the basis for a new generation of urban and rural policies. These include the relations between the state, civil society and customary practices in policy development and planning and social identity formation.

The character of governmentality reflected evolving power relations that were to define the politics of modernity, including development, although the policy formulation and implementation endeavours of the state did not necessarily reflect an unquestioned acceptance of the recommendations of the SEPC or the Cape Flats Committee of Inquiry. Here was an imperial dominion within which commissions or committees of enquiry instituted by both the national, provincial and local governments significantly informed discourse on the process of policy formation as embodied in statutes and codes, resource allocation and colonial and development strategies in the provinces and its regions. These shared a number of commonalities in terms of the assumptions underlying an approach towards defining civilisation and poverty that covered arguments for state intervention, as reflected on by local commentator, RFA Hoernle. "At first,

charity, i.e., the voluntary contributions of the more prosperous and fortunate, was relied on to supply a remedy and blunt the worst edge of poverty. But, from the middle of the 19<sup>th</sup> century onwards, an awakening social conscience has increasingly perceived that the problem is too large for charity, and that if it is to be solved at all we must either shift over to another type of organisation, or else make good deficiencies of the traditional system by State action. The result has been the so called 'Social Welfare State'- the State which, turning its back on the traditional laissez faire principle, is more and more 'interfering' in the working of the individualistic economic system, in order to secure a higher standing of living for its less privileged members. The Social Welfare State undertakes to provide a large number of 'free' services for the poor; services which they are unable to pay for and which, if indeed their earnings constituted the total economic value of their labour to the community, would be literally 'unearned', and thus 'uneconomic'; in fact, 'waste'. And yet, when we reflect that the community does after all bear the burden of this 'unearned' expenditure, it becomes clear that an inadequate individualistic concept of what is 'economic' is being corrected by a more adequate socialistic one; that we are, in truth, employing two different, but supplementary, methods of distributing the national income, viz., one by wages, and one by free, or nearly free, social services. Moreover, in the Social Welfare State, these latter are no longer looked on as 'charity', habitual dependence on which still counts as 'failure' and as a cause of shame, but as a 'right' which the community owes its members in return for the work they do in accordance with opportunity and ability."<sup>2</sup>

## 4.1 Poverty and Urban and Rural Resource Allocation

The nature of agglomeration, the labour, housing and property markets and the emergence of the social constituted some of the axes for the shaping of identities, the form of governmentality and the politics of development that evolved. It is in this context that the relation between urban and rural resource allocative arrangements with particular reference to localised economic activities, income distribution, poverty and the social wage were reviewed not only by the Cape Flats Committee of Enquiry but also by the SEPC. After having evaluated the shortcomings of localized and short-term planning practices as embodied in the Townships Ordinance, No 33 of 1934, the Cape Flats

<sup>2</sup> R.F.A. Hoernle: *South African Native Policy and the Liberal Spirit*, Witwatersrand University Press, Johannesburg, 1945, p90-91.

Committee of Enquiry offered a more comprehensive approach to planning to overcome the constraints of current town planning practices. "Something more than an ad hoc technical committee with limited powers is required if the Peninsula is to be planned and developed as an organic whole. The problem in the past has been not so much the lack of powers to take varied action but a woeful lack of statutory co-ordination of these powers. More important still, has been the failure on the part of the central Government to recognize fully that national and regional planning, as distinct from the narrower concept of town-planning, is a matter of over-riding importance for the country as a whole and therefore, one of responsibility for the central Government. National planning in South Africa has so far been characterized by positive talk and negative action."<sup>3</sup>

The Cape Flats Committee of Enquiry informed by conceptions offered by Lewis Mumford was to offer a new approach towards planning that emphasized the relation between national and local planning with the introduction of regional planning.

National planning presupposes regional planning and ... the Cape Peninsula, including the Cape Flats, is undeniably a region possessing organic unity. .... Planning..... is the rational ordering of human affairs upon the basis of knowledge. Regional planning is the conscious direction of and collective integration of all those activities which rest upon the use of the earth as site, as resource, as structure, as theatre. To the extent that such activities are focused within definite regions, consciously delimited and utilized, the opportunities for effective co-ordination are increased. Hence regional planning is a further stage in the more specialized or isolated processes of agricultural planning, industrial planning or city planning. Planning involves the co-ordination of human activities in time and space, on the basis of known facts about place, work and people. It involves the modification and relocation of various elements in the total environment for the purpose of increasing their service to the community; and it calls for the building of appropriate structures-dwellings, industrial plants, markets, water works, dams, bridges, villages, cities-to house the activities of a community and to assist the performance of all its needful functions in a timely and orderly fashion.... Planning, then, must be rooted in a holistic conception of human living. It is concerned not only with the physical lay-out of towns but also with the scientific use of agricultural land, disposition of industries in relation to raw materials, labour and consumption, the disposition of dwellings in relation to climate, work, recreation and a score of other human needs.<sup>4</sup>

<sup>3</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p34.

<sup>4</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p35.

#### 4.1.1. Localised economic activities and growth

Concerns about the local economy were underpinned by the spatial concentration of secondary industry in four significant urban areas and surrounding towns and an increased urban population consisting mainly of lowly paid semi- and unskilled workers living in overcrowded housing settlements. The Western Cape economy's relatively older and better-organised emerging secondary industrial base enabled it to take advantage of the expanding home market informed by a particular path of industrialisation and hence urban development underpinned by the growth generated in mining towns on the Witwatersrand and elsewhere. Growth in the food and clothing industries in the Western Cape increasingly dominated secondary industrial scene followed closely by the construction industry, commerce and other service sectors. The clothing and food processing industries were in these circumstances able to demonstrate a propensity for growth in output and employment levels, thus contributing to the secondary industry's ascendancy in the region especially during the period 1921-1929 when an average growth rate of 5.2% was obtained.

The transformation of the labour process through the application of machinery enhanced the economic significance of secondary industry in relation to other sectors such as mining, agriculture and commerce. The racial and cultural composition of the workforce related to various paths of proletarianisation, exhibited a regional peculiarity that reflected a proportionately and demographically larger concentration of workers officially classified as Coloured in the Cape Peninsula and some outlying towns. They, together with workers officially classified as African were subjected to differently and discriminatory state policies. The nature of their absorption into the workforce and reproductive activity coupled with the emergence of a new socio-cultural network and the incapacity of the state to resolve 'urban crises', formed the basis for the emergence of non-racial industrial unionism and popular social and political movements particularly before and during the second World War. Together with the effects of the Second World War, these developments accelerated the demise of the craft unions especially when large numbers of craft workers engaged in the war effort, and the employment of large sections of newly proletarianised and urbanised unskilled and semi-skilled workers.

Without rendering insignificant other legislation aimed at securing particular conditions for capital accumulation, the Civilised Labour Policy as a poverty alleviation strategy shaped the Apprenticeship Act, Wage Act and the Industrial Conciliation Act,

measures which impeded the development of labour's potential bargaining strength and ensured consequent low real wages and limited access to land and housing. It also informed the establishment of labour bureaux to control the influx and distribution of semi-skilled and unskilled African labour.

Investment in land, influenced by the demand for housing and other construction needs and informed by secondary industrial development, contributed to the transformation of agricultural land to urban-use patterns and led to the expansion of urban centres like Cape Town in particular. Public investment in areas of transport infrastructure provision such as roads, water and rail essential for the development of the commercial and residential property market, provided additional development and employment opportunities. Investments in property, provided for the emergence of privately owned high density housing along the Docks-Observatory railway axis, municipal housing and pondokkie settlements particularly in the Greater Cape Town area between 1890 and 1930. Smaller towns evolved outside Greater Cape Town providing support for surrounding agrarian activities.

The geo-political nature of the public institutional arrangements that emerged buttressed social relations impregnated by race while not enhancing benefits associated with clustering and agglomeration based on efficient allocative arrangements. Macro socio-economic policy, particularly fiscal, industrial, mining and land reform, agriculture and regional development policies that developed, did not provide the national framework conditions for the development of the economy based on the equitable incorporation of poorer regions and local economies and their people. The pursuit of the devolution of economic support capacities as an integral component of strategies dealing with labour supply and other support services essential to local economic activity tended to be provided in a fragmented and unco-ordinated fashion by various levels of government. While the growth in local economic activities was evident under these circumstances, its impact on income distribution and poverty consequently exacerbated inequalities between and within regions and local economies.

#### **4.1.2. Income distribution, poverty and the social wage**

The incidence of poverty signaled by poor whiteism, sanitation and hygiene, overcrowding in urban areas and the housing problem also marked the rise of the 'social' as a domain requiring a multitude of interventions informed by changing and differing

conceptions of social identities before the Second World War. The social policies that evolved reflected a shift from a position informed by a laissez-faire approach that perceived poverty as pauperism, to one where an administrative response that initially emphasised relief and eventually employment and income opportunities for those it considered 'civilised', came into being. Urban planning, housing and infrastructure provision practices stressed spatial segregation between Africans, whites and others and the employment of civilised labour on these projects despite the cost implications.<sup>5</sup> This was further reinforced when white state employees benefited from social wage policies. "Over a twenty-year period the State supported a significant majority of the poor whites through State employment; assisted them with free housing and free medical services; educated those who lacked the education to enter the bureaucracy; introduced labour legislation to effect the substitution of black labour by white and through increased expenditure on schools, educated and trained children of poor whites out of the poverty cycle. Over a two-decade period State employment assisted by sustained economic growth alleviated and then eradicated the poor white problem."<sup>6</sup>

The war and post-war, urban-based industrial expansion and its accompanying large concentration of population led to the presence of large clusters of 'pondokkie' settlements or 'shanty' towns primarily populated by blacks officially classified as Coloured and African. This development on the periphery of the urban areas did not preclude the intensification of overcrowding in working class high-density residential areas as well as in municipal housing areas. This gave rise to residential patterns that also mirrored the occurrence of poverty as a form of social existence. "On the whole, it appears that the more densely populated and overcrowded areas (e.g. District 6, Woodstock, and Salt River) are also those in which the clustering of dependent units, European and Coloured, is the heaviest, the housing and sanitary conditions the worst, and the intermingling of European and Coloured within the same vicinity and buildings the most frequent. . . In the Maitland and Brooklyn areas there are approximately just as many dependent Coloured cases. They are distributed just as densely as in Wynberg, but not nearly so densely as in the Woodstock Salt River areas."<sup>7</sup> The bulk of the rental stock was privately owned in areas such as District Six and other relatively high density housing

<sup>5</sup> See Report of the Central Housing Board, constituted in terms of section 18 of the Housing Act, No. 35 of 1920, for the Calendar Year ended 31<sup>st</sup> December, 1938, Union Of South Africa.

<sup>6</sup> I. Abedian and B. Standish: *An Economic Inquiry into the Poor White Saga*, S.A.L.D.R.U. Working Paper No.64, p50.

<sup>7</sup> Wagner, O.J.M.; *Poverty and Dependency in Cape Town: A Sociological Survey of 3 300 Dependents Receiving Assistance from the Cape Town General Board of Aid*, PhD Thesis, Stellenbosch University, 1936, p36.

areas along the Docks-Observatory railway axis. It was these types of conditions that hitherto for a number of years appalled whites as they questioned the very notion of civilised beings. Insecurity of tenure further compounded racial discriminatory constraints placed on Africans pertaining to accessibility to land and housing after 1938.

The Cape Flats Committee of Inquiry was to re-emphasise the problems associated with the limitations of prevalent administrative measures, particularly the Township Ordinances 33 of 1927 and 1934 that dealt with urban planning and its relation to the commercial property market. "The outlying regions and the Flats especially, in spite of all their deficiencies, have permitted the mitigation of the human severity of poverty. This is because higher standards of shelter than are just, given their meager earnings, are not there forced upon them. In other words, the high cost of building, leading to high property values and to high rents, tends to drive the poorest of the poor to where costly standards of shelter can be avoided. The extra transport costs from the outskirts of town to employment centres are more than counterbalanced by lower rents."<sup>8</sup> This was an opinion that the SEPC concurred with when it issued a report based on a national investigation. "For 987 African families in Johannesburg it was found in 1940 that the average income per household of 5 was \$5. 6s.8d per month. The cost of a low cost minimum diet for such a family was then estimated at \$4.8s. The 1938-9 Social Survey by the Cape Town University established that, of every ten Coloured households in Cape Town, five to six were living below a purely 'physical' standard of health and decency. Of the 384 households investigated, 2 per cent were in destitution; 17 per cent in acute poverty; 33 per cent in need. This survey also covered 1, 017 European households in Cape Town. 1 per cent were found to be destitute; 2 per cent were in acute poverty; 9 per cent in need. There is reason to suspect that in many country towns the position is worse, for Europeans and non-Europeans alike."<sup>9</sup> The Social Survey also observed particular spatial patterns in the distribution of the incidences of poverty. "Households in the Flats districts are on the average poorer than households in the Central districts, and would be even poorer if they were unable to receive the financial advantages of relatively cheap shelter, regardless of the extra cost of transport....Socio-economic conditions on the Cape Flats are an integral part of conditions prevailing in

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<sup>8</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p5.

<sup>9</sup> The South Africa Social and Economic Planning Council: *Report of the Social Security Committee and Report No.2 of the Social and Economic Planning Council entitled: Social Security, Social Services and the national income*, U.G. 14 – 1944, Government Printers, Pretoria, p188.

Greater Cape Town as a whole; for example the inhabitants of the Flats are not an isolated class of 'flat dwellers' but rather a kind of social moraine belonging to Cape Town, whose social state is reflected in rather than caused by, local conditions on the Flats."<sup>10</sup>

This all reaffirmed what the Medical Officer of Health established as reflected in the report of the Central Housing Board in 1938. "In a housing survey carried out by the Medical Officer of Health, Cape Town, he found that the average rental per letting (excluding rooms occupied by owners) was \$28.6s.9d. per annum, or 10s.10d. per week. The average income of the breadwinner in all households was \$111.18s. p.a., and of the whole household \$130.3s....if we look at the history of South Africa we shall see that hard facts have continually proved that the income of the unskilled labourer, whether European or non-European, even when in regular work, has never been enough in our urban areas to enable him to bring up a family satisfactorily."<sup>11</sup> The provision of old age pensions since 1928 as part of social welfare policies was not significantly to impact on the situation other than affording white and to a lesser extent Coloured and Asiatic households other forms of income that informed accessibility to housing and other services. "The Old Age Pension Act of (1928) makes provision for European and Coloured aged and destitute persons. In both cases the lowest pension is 6 pounds a year, while for Europeans the highest is 42 pounds and for Coloured 21 pounds. Natives and Asiatics are excluded from the Act, though Asiatics are cared for administratively. In 1927 the Natives Representative Council asked the Government to include Natives in the provisions of the Act, but the request was refused."<sup>12</sup>

Attempts were made to control pondokkie settlements officially referred to as black spots through the use of various anti-squatting laws. The emphasis was on extending the boundaries, policing capacity, changing the nature of property transactions and improved zoning provisions. Only some municipalities were in a position to pursue the provision of public housing as an integral part of their approach towards poverty alleviation.<sup>13</sup>

The discursive practices informing approaches towards poverty tended to emphasise the significance of the use of public housing and associated social welfare and

<sup>10</sup> *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p39.

<sup>11</sup> Report of the Central Housing Board, Department of Health, Union of South Africa, 13/12/38. P4-5.

<sup>12</sup> John Burger, *Black Man's Burden*, Victor Gollancz, London, 1943, p146.

<sup>13</sup> Cape Town City Council's Engineers Department: *Council Housing in Cape Town*, 1977, p3.

health measures as poverty alleviation instruments based on an analysis of household income as informed by the PDL and other cost of living deliberations in an evolving market economy. Although the wage relation straddled both the formal and informal sectors of the economy with the construction and agricultural sectors being dominated by an evolving casual labour market, participation in the labour market did not however represent the only form of generating income. What was critical was the distinction between formal and informal as well as the differing and changing productive relations and social and territorial division of labour underpinning such changes. Here, data collection and poverty measurement methods did not succeed in reflecting influences on the nature and level of household income in pursuit of understanding income-based poverty and the development of strategies for its amelioration.

**4.2**

## **State and civil relations, social identity formation and development**

The nature of state intervention at a provincial, regional or local level must be understood in the context of the balance of contending classes that informed and shaped its ability to resource a particular path of development. Identities constructed socially and historically through the confluence of social and economic and cultural trends and circumstances, and embedded in customary and civil practices, were critical in informing rights and access to resources. While the state was central in the imposition of identities, the importance of comprehending how religious, educational and social welfare institutions facilitated the generalization of mores and values that led to the construction of multiple identities that informed rights and access to resources cannot be underestimated.

The interface between racialised civil society formations and the state form reflected the increased incorporation of whites into the realm of the state as 'poor whiteism' became a core issue informing the nature of rights and planning process and strategies. Although the resolution of the "Native Question" and the related position of the black urban poor were on the political agenda, blacks remained the object of policies and were not conferred adequate political, social and economic rights to enable them to inform and shape such policies. As colonial subjects of state policy, blacks nevertheless impacted on production, reproduction levels of the economy and the executive, legislative and other levels of the state as the effect of campaigns surrounding the

Industrial Conciliation Act, Housing Act and the Hertzog Bills were to demonstrate. The lack of accessibility of blacks to crucial state apparatus and state revenue at both regional and national levels coupled with organised extra-parliamentary opposition, were to limit support for the state's implementation of its housing and social welfare strategy affecting the social reproduction of black workers. The politicisation of social reproduction through differential state intervention shaped by segregationist practices nevertheless informed the response of civic organisations and political tendencies, parties and fronts, giving a segmented, regional and national character to local struggles.

#### 4.2.1. Urban and rural development and the planning regime

The legislative powers, financial and organisational capacity and budgetary priorities of the provincial and municipal administrations to facilitate the provision of social and physical infrastructure became the focus of urban and rural planning-orientated discursive practices that partly informed the emergence of regional development.

The onus of town-planning was, in the Provincial Ordinances, laid on the local authorities. In the Cape, the Ordinance specified that the Municipalities of Cape Town, Port Elizabeth and East London must submit town plans for the approval of the Townships Board and the Administrator within three years. The assumption that a town plan for Cape Town alone, exclusive of the neighbouring municipalities and the Cape Flats area, could be valid shows the misconception of the whole problem under which the Ordinance was drafted... It must be clearly understood that had the three Provincial Boards not been in existence during the recent period of phenomenal urban growth, conditions would have been much worse to-day. At the same time, the question arises why these ordinances, from which so much was hoped, have failed to bring about any major improvement in our city pattern, the difficulties under which the boards labour are very great. They are part-time bodies and their composition are such as to lay stress on accurate survey, and registration of land, rather than on the planning of land use to meet the sociological needs of the people. Nor did they have adequate technical staffs...Further the industrial, social and agricultural surveys on which the Boards should have been able to base their plans were completely lacking. This doubtless has much to do with the fact in the years 1928-38, only ten applications for townships out of 662 made to the four provincial boards were refused.<sup>14</sup>

The intention was always to bring the previously perceived "laissez faire" practices of property exchanges and industrial and residential township development under regular control and for the strengthening of institutional capacity to make more effective determinations.

<sup>14</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p14.

The capacity of the national government to place at the disposal of various provinces and municipalities resources in terms of a national framework given the disparities in the distribution of income within South Africa amongst and within regions and between the elite and poor and officially classified population groups, impacted on the capability of the state to resolve equity problems. Regional, local, agricultural and industrial policies using funding availed by the central fiscus for its implementation were dependent on the competencies of national, provincial and local authorities as determined by the constitution and various departments as determined by various pieces of legislation. "The Province was not given the powers to direct or co-ordinate the actions of the many agencies whose decisions have physical repercussions on given areas... Planning on the local level, because it is confined to the negative and permissive, succeeds in doing little more than crystallising the existing and too often unsatisfactory pattern... The machinery for planning on a co-operative basis either at the local or regional level was not created."<sup>15</sup> Some of the responsibilities of local government involved, among others, the provision of physical and social infrastructure, the regulation of its use and its impact on local economic development.

Provinces, while acting as a co-ordinating agency with limited executive powers, were largely reliant on the central fiscus to fill their coffers through transfers. Local authorities were in a not much dissimilar position as they had a limited tax base that created a reliance on the provincial and central governments to fund capital projects. Larger municipalities with a good economic base were relatively better placed in terms of their capability to intervene. The Department of Mines, the Department of Lands, Department of Public Health, the Department of Native Affairs and South African Railways and Harbours administered legislation critical to the envisaged township development such as the Municipal Building Ordinances, the Natives (Urban Areas) Act No 21 of 1923 and the Slums Act, No 53 of 1934.

A limited level of co-ordination through inter-governmental co-operation did exist in the Cape Peninsula. Municipalities entered into agreement with national departments to facilitate some level of co-ordination as the establishment of labour bureaus reflected. By 1940, a Joint Township Establishment Committee<sup>16</sup> had been instituted to co-ordinate town planning comprising residents of the Cape, Goodwood

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<sup>15</sup> The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria, p15.

<sup>16</sup> The Committee, that was renamed the Cape Metropolitan Planning Committee (METPLAN) in 1974, later included representatives of Bellville and Pinelands and the Stellenbosch Divisional Council.

and Parow Municipalities and the Cape Divisional Council. The differences between town planning, regional planning and urban versus rural and sectoral dimensions were not incorporated into its planning practices. A critical consideration was whether the nature of co-ordination involved issues and departments other than the physical aspects of town planning such as township lay-out and the provision of transport infrastructure. The Cape Flats Committee of Enquiry not only recognized the limitations of the Townships Ordinance No 33 of 1934 in terms of which a Joint Township Establishment Committee was instituted. The SEPC, taking into consideration the findings of the Cape Flats Committee of Enquiry,<sup>17</sup> argued for the demarcation of the country into a number of development regions for planning purposes and the establishment of a department of physical and regional planning based on the lack of co-ordinating issues such as the public works programme.

The Cape Flats Committee of Enquiry recommendations did not however question the fundamental political and ideological tenets of the existing segregationist state. Its recommendations were aimed at ameliorating harsh development through the enforcement of more effective state intervention in the area of access to property, land-use regulation, poverty and planning. This was reinforced by the recommendations of the SEPC. "(a) The way in which cities grow in South Africa is by the accretion of privately-owned and disjointed townships. The unsatisfactory results of this system, despite control, are so evident that the Council recommends that the private laying out and sale of townships should cease and that land be developed by local authorities be purchased by them for the purpose and where necessary by the Department of Physical Planning and Regional Development proposed."<sup>18</sup> This was to be done on a regional basis as "A great deal of administration has to do with functions, not with regions, or with regions that must possess different boundaries. Moreover, legislative and political authority has to be based on political entities whose origin is racial and historical rather than regional. Where, however, the attainment of over-all objectives objectives has to be followed by regional action....a strong case exists for regional decentralisation of administration. Policy formation must always be national, but centralised and unco-ordinated administration has gone much too far."<sup>19</sup> Although the Cape Flats Committee of Enquiry advocated an holistic approach towards planning, its recommendations did not provide

<sup>17</sup> See The South Africa Social and Economic Planning Council: Report No.5: *Regional and Town Planning*, U.G. No. 34 – 1944, Government Printers, Pretoria.

<sup>18</sup> *Ibid*, p4.

<sup>19</sup> *Ibid*, p20.

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guidance on the nature of sectoral planning and its integration into regional development and planning.

No space was provided by the Cape Flats Committee of Enquiry for a level of interface between the local citizens and subjects to shape the nature of the planning process when dealing with the application of planning methodologies. "In its application to a particular region, national planning must progress in at least four stages: (a) The Survey, which includes a study of the region's topography, geology, climate, demography, essential services and ethnic and social groupings. (The Social Survey of Cape Town under the direction of Prof Batson pioneered in this field with its study of social problems). (b) Evaluation of the region's potentialities, needs and activities in terms of social ideals and purposes. (c) The drafting of the Plan, in other words, a translation of the conceptual plan into a visual plan. (d) The Execution of the Plan through the appropriate governmental and private agencies."<sup>20</sup> This was consistent with the underlying assumption that relegated the nature of planning to it being a technical concern, pre-occupying a burgeoning bureaucracy staffed by technocrats, while the legislative and executive powers of the state shaped the rights regime and access to resources. It is however the relationship between the instrumental freedoms related to clustering and agglomeration trends, labour and property markets and associated civil practices and poverty that informed the nature of access to resources and regional development and the planning regime. Here the relation between the state and civil and customary practices formed the crucible for defining the social, traversing power relations and the contests registered and also the constraints and possibilities for human development during this period of colonialism and modernization.

#### 4.2.2. Civil practices, rights and development

The category civilized had the dual function of justifying the use of redistributive measures to protect white civilization and developing the terms of non-white participation in economic and political life where a limited form of accessibility prevailed. The category of "civilization" was also used invariably by the administration and political organisations to refer to those amongst the indigenous that were literate and numerate in terms of European standards, practiced monogamy and had access to property and were

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<sup>20</sup> See *Report of A Committee of Enquiry Appointed to Enquire into Conditions Existing at the Cape Flats and Similarly affected areas in the Cape Division, 1942*, Department of Social Welfare, U.G. No 18 – 1943, p35.

historically enfranchised in the case of the Cape Colony. "Actually, Cape Liberalism was never, in practice, as completely 'colour blind' as it was in theory. For whilst it could insist that differences of race and colour are, in principle, irrelevant as determinants of a man's legal status in the community, in practice culture differences had to be recognised, even if the recognition was intended to be only temporary and the need for it expected to disappear with the acculturation of the non-European population. The principle of equal rights for all civilized men,' did not mean equal rights for the civilized and for primitive men, though, by implication, it laid upon the civilized the task of civilizing the uncivilized as rapidly and effectively as possible. Meanwhile pending the acculturation of the primitives, more particularly of the Bantu, we can note in the legislation and policy of the Cape during the 19<sup>th</sup> century an undercurrent of discrimination on the grounds of differences of culture which, in fact, happened to coincide with differences of race. The most famous example is the introduction of educational and property qualifications for the exercise of the political franchise at the Cape-qualifications defined irrespective of race, but none the less such that all White men satisfied them normally, and, as it were, automatically, whilst they excluded the great majority of Native men who were still 'raw Kaffirs', and made the acquisition of the right to vote keep step with the slow process of economic and educational acculturation."<sup>21</sup>

The notions civilized and race permeated the policies and legislation and the functioning of institutions including planning practices. Access to state resources was constrained by the post-1910 distribution of competencies among the various levels of government and the social policies pursued. A former TLISA president expressed resentment when he reflected on the impact of this. "The progressive development of any nation or people is retarded and its vitality sapped by dire attacks of immorality, drunkenness, hooliganism, gambling and extravagance...While the Coloured people of South Africa have an aristocracy of their own they also have a large mass of uneducated, underdeveloped individuals without ambition, who far outnumber the handful who have been blessed and privileged to develop a taste for the better and higher things of this life... For many more years to come the coloured people are to be judged according to the number of its weaker members, and that salvation lies only in the general uplift of the masses...weaker brothers and sisters should be schooled into virtue, and this can be

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<sup>21</sup> R.F.A.Hoernle, *South African Native Policy and the Liberal Spirit*, Witwatersrand University Press, Johannesburg, 1945, p60-61.

done by no other method than by educational development."<sup>22</sup> This position had a lot of support amongst the black elite as noted by A.B. Xuma in 1930. "Boers and Britons, you cannot solve the so-called 'Native Question' as long as you leave your fellow citizen, the Bantu, outside His demands are moderate He says to his European fellow citizens, 'Do not lower your standards for my sake; raise them as high as you will: but leave the doors of opportunity wide open for all who enter and provide the ladder to success for all who could climb'. The African must be trained to master and conquer his environment. He must enter into partnership and co-operate with the European for the welfare of our common country. The educated African is our hope, our bridge. He should be brought into close contact with and co-operation with the thinking European. He must be consulted in all matters affecting the African community. It is he, and he alone who can best interpret the European to the African and the African to the European"<sup>23</sup> Through the translation of these ideals into demands and resolutions at branch and conference level coupled with the use of the print media and various lobbying methods including the use of petitions, it focussed public attention and awareness on the plight of the blacks.

This perception of development as social mobility was reflective of local attitudes as expressed by various organizational activities in different areas in the Western Cape. A group of Retreat ratepayers and property owners under the auspices of the Kalkbay-Muizenberg Ratepayers Association also emphasised the importance of property rights in relation to social development when making a submission on the construction of a non-European and Native Township in Retreat<sup>24</sup> based on the protection of property values informed by class assumptions. "The proposal of the City Engineer that the City Council of Cape Town acquire the Retreat area for the purposes of a Sub-economic Housing scheme, a Native Location and a model village, is viewed with grave concern by the Coloured property owners and residents, especially in view of the fact that the scheme in question does not make provision for the present occupiers to acquire ownership under sub-economic conditions. Approximately 500 Coloured residents are affected, many of whom have at considerable sacrifices acquired their own property in the area, and have been residents for many years. The land in question has been cleared and developed by the present owners and occupiers who would be rendered homeless and unable to purchase property elsewhere. Many of the occupiers augment their small weekly income

<sup>22</sup> Teachers League of South Africa, *Education Journal*, March 1929.

<sup>23</sup> A.B. Xuma: *Bridging the Gap between Black and White in South Africa*, Lovedale, 1930, pp17-19.

<sup>24</sup> City Council of Cape Town, Ordinary Minute, 29 June 1944.

by cultivating flower and vegetable gardens, thus improving their economic status without being a burden on the State. Private ownership is an important factor in the social well-being of the individual citizen, and to this may be ascribed the lack of serious anti-social acts at Retreat, especially among the Coloured community. While the Association realizes the need for a Sub-economic scheme for the pondokkie dwellers in the area, it is felt that there are other sites available for the scheme, which can be acquired by the authorities without causing hardship on our section of the community."<sup>25</sup> This was an opinion shared by the Coloured Advisory Committee.

An examination of the activities of the Retreat<sup>26</sup> and Langa Vigilance Associations clearly reflected the embrace of, and demand for, certain rights and their importance to the resolution of issues such as the movement and engagement of labour and the provision of public housing. The commonality of issues dealt with by settlements in Langa, Retreat and Windermere led to the formation of the Vigilance Association in the Cape Peninsula in 1946,<sup>27</sup> an association that had relations with Native Representative MP, Adv DB Molteno and the CPSA as reflected in the correspondence of S Kahn on behalf of its Wynberg Branch. Mafeje and Wilson remark interestingly on the conservative character of their political orientation by noting, that, "it has repeatedly appealed to the administration against increased rents, police raids, poor sanitation and other street lighting, the admission of girls to the zones at night, and other matters of public concern. .... The younger and more radical people refer to it contemptuously as X's (Superintendent's) Association and regard it, like the Advisory Board, as a 'collaborationist organization'. It has no statutory functions as the Advisory Board has."<sup>28</sup> While the City Council of Cape Town resolved to address the concerns of the ratepayers and plot owners on a case-by-case basis, coloured pondokkie dwellers aligned themselves with the Vigilance Association in the area based on a diversity of shared interest. "Members of our party (Communist Party of South Africa-Wynberg Branch) were invited to attend a meeting of a large number of African and Coloured residents at Blouville, Retreat, to protest against the threatened eviction in whatever shape or form, from the place they presently occupy. They have formed a Vigilance Committee to

<sup>25</sup> Memorandum submitted by the Retreat Ratepayers' Association in respect of the Proposed Sub-economic Scheme of the City Council of Cape Town at Retreat in Ordinary Minute of the City Council of Cape Town, 29th June 1944.

<sup>26</sup> The Retreat Vigilance Association was formed in 1942 at a meeting of African and Coloured residents.

<sup>27</sup> City of Cape Town Ordinary Minute, 1940-48 and attached submissions.

<sup>28</sup> Mafeje, A and Wilson, M: *Langa: A Study of Social Groups in an African Township*, Oxford University Press, 1973, p8-9.

protect their interests and have in addition asked us to assist them to retain their present residence, on the ground that they have nowhere else to go.”<sup>29</sup>

Although Van der Ross<sup>30</sup> speculated that the question of property ownership formed a central reason why radical groups could not gain significant influence among those classified as coloureds, he could not convincingly discount the support the radicals garnered when dealing with specific issues. In fact, these struggles reflected forms of engagement concerning issues on which ownership or non-ownership of property would have had very little bearing. While property was critical to obtaining the franchise, the nature of poverty necessitated the development of solutions that also emphasized the provision of public housing based on increasing and managing the rental stock.

The paternalism associated with whites performing the role of patrons of non-European settlements was also prevalent in areas such as Langa. “The outsider as a leader is to be distinguished from the outsider who is sought as a patron because he is useful. The extent of white patronage in South Africa today is a measure of how far privilege depends upon colour. Not only are there financial advantages in links with the more wealthy white community—advantages which often accrue to sports and music and other social clubs as well as to churches—but a white patron, personally interested in you, is extremely useful in many practical situations from securing a job, a railway ticket, accommodation, and a pass to live and move in South Africa, or rescue from prison, to obtaining a scholarship, or a place in a school or training hospital, or a passport to travel abroad.”<sup>31</sup> These approaches were underpinned by conceptions of segregation based on notions of civilization and race that “drew on the incorporationist and ‘protective’ elements inherent in liberal segregation and made explicit reference to the paternalist idiom of trusteeship ideology.”<sup>32</sup> It nevertheless played a critical role in shaping social identities crucial to determining access to resources essential for human development.

Education and socialisation involved an adaptation to the modernisation trends that involved inter-alia the accommodation of the secular as the variety of educational, religious, language and cultural fields of practices facilitated an interfacing of the economy and the evolving administration. Paternalism provided techniques for managing

<sup>29</sup> Letter from Sam Khan for the Communist Party –Wynberg Branch—to the Town Clerk dated 25 November 1942.

<sup>30</sup> R.E. van der Ross: *The Rise and Decline of Apartheid: A Study of Political Movements among the Coloured People of South Africa-1880-1985*, Tafelberg, Cape Town, 1986.

<sup>31</sup> Mafeje, A and Wilson, M: *Langa: A Study of Social Groups in an African Township*, Oxford University Press, 1973, p151.

<sup>32</sup> W. Beinart and S. Dubow (eds): *Segregation and Apartheid in Twentieth-Century South Africa*, Routledge, London and New York, 1995, p167.

conflictual relations and maladjustment pertaining to an array of social issues in a colonial setting involving the household and perceptions of familial relations. It is in this sense that the civil and customary practices that evolved were impregnated by contested social identities that formed part of the larger social struggle for fair access to resources equality and freedom. The individual and collective rights conferred and used were informed by notions of civilisation, race and ethnicity that informed an array of identities. Identities that were imposed and intensely contested. This was particularly the case in relation to the question of the formation of a 'coloured' identity that reflected the existence of cultures that were hybrid, heterogeneous, extraordinarily differentiated unmonolithic and particularly pronounced in urban centers and similarly to that commonly referred to as 'bantu'. These identities and the confluence of economic and social activities of the household defined not only the nature of civil practices and the nature of their interface with the state but the manner in which resources were allocated and managed in an urban and rural environment shaped by a planning regime that informed regional development.

Various discourses concerning race and civility partly informed the process of constituting such an evolving form of a dominion and provided its rationality. For Hoernle, "...the race factor gave the unusual and inevitable twist to the development. The dominant White community, whose State after all it is, thinks, first, and often exclusively, of its own welfare. It feels the rescue of the 'Poor Whites' to be the special responsibility of the White State; and the fact that the Poor Whites have votes assists this preferential emphasis. But at the bottom,....the decisive thought is that the existence of Poor Whites is a threat to the privileged and dominant position of the White community. The Poor White have to be saved, not merely because they are poor, but because they are also white. By comparison the problem of the poor non-White-the poor Coloured, the poor Indian, the poor Bantu above all-lies for most Whites on the outermost edge of the horizon of their consciences, if not beyond that edge where it is no longer seen or felt. So far as help has come to them at all from the White side, it has been very largely due to the charity of Whites moved by compassion or conscientious scruples. In the main the non-European poor have had to rely on the help, which all poor render each other, not least the Natives with their extended system of family relationships and their tradition of members of the same sib aiding each other. The principle of the Social Welfare State, by which Whites claim to benefit as of right, has touched only the fringes of non-European poverty-at best, the non-European has been the beneficiary of a diluted pity, not of that anxious concern which is bestowed on the Poor White, and which is motivated, not

merely by compassion for his poverty, but also by fear for the solidarity and dominance of the White group, threatened by his degradation, and by his own political power as a voter.<sup>33</sup> It is the examination of these edges that gave the associated discourses a particular character in the evolving power relations between the state and the plethora of organisations, customary or civil in nature, a particular significance in understanding the nature of opposition.

It was in this context that particular organisations largely pursued social development in the context of segregationist planning practices that informed both rights and their realisation vis-à-vis income distribution and poverty, even as poverty measuring instruments assumed different standards of living. Racial differentiation informed the development of the housing funding formula that was based on affordability. Social welfare organisations facilitating house provision such as CAFDA, the Garden City Movement and the initiatives of Bishop Lavis also applied similar formulas. Faith-based organizations, such as the Anglican, Moravian, Catholic and Dutch Reformed Churches played a prominent role in the establishment of the Cape Flats Distress Association (CAFDA) and the Citizens Housing League Utility Company of Cape Town to provide certain social welfare services in addition to extensive involvement in the provision of education. Organisations such as the Retreat Ratepayers' Association, the Retreat Vigilance Committee, the Langa Vigilance Committee and its co-ordinating structures such as the predominantly African Cape Peninsula Vigilance Association were structures distinct from the Langa Advisory Board or the Village or Local Management Boards established for areas such as Belville, Pinelands and Milnerton. The latter had statutory functions albeit limited and were an important forerunner to the establishment of municipalities if deemed feasible. They were to engage not only the Wilcox Commission of April 1934, The Native Affairs Commission and the Cape Flats Committee of Enquiry, but also developed particular relations with the legislatures of the affected municipalities, the Provincial Administrator and representatives in National Parliament.

The South African Institute of Race Relations (SAIRR) was critical in galvanizing the establishment of what became commonly known as the council movement, "through a process of negotiation and compromise, at the same time conducting investigations into black socio-economic conditions...to educate white opinion towards a more liberal

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<sup>33</sup>R.F.A.Hoernle, *South African Native Policy and the Liberal Spirit*, Witwatersrand University Press, Johannesburg, 1945, p91-92.

approach to race relations”<sup>34</sup>. This involved the establishment of councils to foster relations between white and coloured and white and African organizations to consider key issues such as poverty, and devising interventionist strategies from the late 1920s at the instigation of commissioners sent by the United States’ Phelps-Stokes Foundation. This it effected through the organization of social welfare conferences that attracted considerable support from church, social welfare and educational organizations such as the Cape Malay Association and the TLSA since 1933. These were also important in public discourse that emphasized the critical role of both state and non-state sectors in social and economic development. They supported in this manner the resolutions adopted by local citizens and their organizations at the Social Survey Conference held in February 1942 to consider the preliminary survey results of Batson as it “strengthened the link between surveying and planning.”<sup>35</sup> The Social Survey subsequently collaborated with numerous government departments, including the Union Census Office and research teams from other universities, to develop a national survey of family incomes.

From the left, discursive practices underpinning the research results of the Social Survey coupled with the resolutions adopted at its social welfare conference were resoundingly criticized as reinforcing Segregationist practices and impeding the pursuit of the unification of non-Europeans around an anti-colonial agenda. It was in this context that the establishment of the National Liberation League (NLL) and NEUF and later the Anti-Cad Movement became critical to the articulation of alternative approaches towards development in non-European circles.

The various left wing and nationalist political traditions that evolved were grounded in socio economic circumstances that contained a diversity of constituents that determined the possibilities and parameters of its actions. The constituents of the ANC and A.P.O. were primarily the elite of the indigenous population drawn from the peasantry and the urban middle class of teachers, doctors, lawyers, journalists, traders and other professionals who shared the values of Cape Liberalism and the need to defend it. This was reflected in their policies and lobbying methods. The Industrial Commercial Workers Union (ICU) and the Independent African National Congress (IANC) were engaged in activities that gave the nationalisms articulated by the ANC and APO a more radical orientation. Distinctly left-wing approaches were promoted by Communist Party

<sup>34</sup> Lewis, G: *Between the Wire and the Wall: A History of South African 'Coloured' Politics*, David Philip Publishers, Cape Town, 1987, p154-155.

<sup>35</sup> Rose-Innis, C: *A Note by the Chairman in Official Report of the Social Survey Conference*, Cape Town, February, 1942.

of South Africa (CPSA) and the fledgling National Liberation League (NLL). While the A.P.O. and other political organisations continued to contest elections and to lobby politicians at a local and provincial level, its decision at its 1923 conference not to organise amongst the 'Bantu', coupled with the concentration of its constituents in the Cape Province and south western Cape in particular, reinforced Cape provincialism. It also sought alliances with other black groups such as the ANC, ICU particularly between 1927 and 1934. More conservative traditions tended to seek alliances with the established white political parties and movements such as the Afrikaner Bond when they established the Afrikaanse Nasionale Bond (African National Bond) in 1924 as their former president W.H. le Grange were to reflect in 1940. "the African National Bond was the powerful Coloured wing of the National Party, and Dr Malan himself had a close hand in this. Similarity of purpose at the time created the closest co-operation between the two bodies. As a matter of fact, I attended one Nationalist Congress at Ceres, where I bought greetings over from the African National Bond."<sup>36</sup> The extent of their influence largely depended on their capacity to deliver the votes of their constituents at all levels of government.

More radical groups decided to pursue a different path while retaining an involvement in municipal and provincial politics. Although a long tradition of leftwing politics existed in the western Cape part of the province, it never developed a major public profile until the 1930-40s period. The formation of the anti-CAD movement as a broad based coalition focusing on issues against the balkanisation of institutions providing services particularly to those classified as coloureds, together with attempts to form a broad front involving organisations in constituencies classified as African provided the basis for the emergence of a new and more radical leadership. The use of new methods of engagement such as the boycott based on mass mobilisation became increasingly common currency. These political organisations were traversed by different political traditions with attendant roots in civil and customary practices. The leftwing traditions had links with the labour movement and were largely informed by various Marxist strands of thinking. The nationalist and liberal traditions were linked to faith based, welfare and professional organisations. Although the APO, ANC, the ICU, anti-CAD, NEUM were predominantly black or to use the period term Non-European, links were developed with established white liberal, leftwing and nationalist organisations

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<sup>36</sup> R.E. van der Ross: *The Rise and Decline of Apartheid: A Study of Political Movements among the Coloured People of South Africa-1880-1985*, Tafelberg, Cape Town, 1986.

pending the ideological orientation and strategies deployed. All shared a common reference point of property informed social relations. Adherence to the sentiment underlying the Atlantic Charter as reflected in documents such as the 1944 Ten Point Programme of the AAC or later the Freedom Charter of the Congress Alliance that was adopted in 1956, provided ample testimony of this.

These programmes reflected the incorporation of approaches towards the resolution of key rights and substantive issues faced by the local population. The limits of democracy in this context were defined by the rights conferred and therefore the nature of access to property. Relations between the pursuit of rights, civil practices and social and economic spheres of development were to shape the nature of the social as a terrain of engagement. It was in this context that the rights of the local population, collective and individual and thus the nature of the citizenry were historically defined and a new regime of governmentality was argued for. Emerging development and planning practices were central to the translation of political policies into effective strategies that included the establishment of public institutions critical to their realisation. The development of planning practices were influenced not only by the need to facilitate the regulation of a property market linked to the provision of infrastructure but also the social, economic and political planning processes that informed the allocation of resources and service provision.

These state legitimacy imperatives became crucial as South Africa's qualified sovereignty informed by the 1930 Statute of Westminster and the 1934 Status Act was questioned by the republicanism of the emerging Afrikaner nationalist movement in its quest to strengthen local control over the evolving national state in an attempt to resolve the question of self determination, and thus the constitution of a republic, from "above".

The inability of the Smut's Government to resolve satisfactorily especially the poor white phenomenon and the distribution of African workers among the various economic sectors, or the housing question within urban areas, contributed to the decrease in governments' support among its electorate in 1948.

# DEVELOPMENT AND MODERNITY IN THE 21<sup>ST</sup> CENTURY

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*The basic purpose of development is to enlarge people's choices. In principle, these choices can be infinite and can change over time. People often value achievements that do not show up at all, or not immediately, in income or growth figures: greater access to knowledge, better nutrition and health services, more secure livelihoods, security against crime and physical violence, satisfying leisure hours, political and cultural freedoms and sense of participation in community activities. The objective of development is to create an enabling environment for people to enjoy long and healthy and creative lives. Mabhub ul Haq, 2003<sup>1</sup>.*

**D**evelopment emerged in South Africa premised on a duality of wealth creation and poverty eradication. The former focused on the performance of certain sectors of the economy in a colonially informed macro economic environment intended to improve the lifestyles of certain layers of society, while the latter concentrated on addressing the condition of human beings below certain levels of income essential to sustain a racially differentiated level of existence. This provided the rationale and advocacy for the state's interventionist character that shaped the circumstances in which market and social relations functioned albeit in a civil or customary context. Interventions in the spheres of the social and economic with particular emphasis on clustering and agglomeration trends, the changing nature of the labour market, its relation to income distribution that informed access to the property market and housing and basic needs such as water, transport and electricity, shaped the form of development during the segregation and apartheid periods up to the present-day. The pursuit of wealth through economic growth and its distribution and relation to institutions, particularly

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<sup>1</sup> Mabhub ul Haq: *What is Human Development?*, <http://hdr.undp.org/hd/>, Human Development Reports of the United Nations Development Programme, 2003.

those championing the emergence of development as a discourse and practice, were critical to characterizing the differing planning regimes that prevailed historically.

## **1** Growth, Income Distribution and Poverty

The establishment of poverty as a development problematic based on the emergence of powerful local descriptions and the first innovations at policy and planning, came on the back of the formation of the Union of South Africa and the development of various methods of quantifying demographic, economic and social phenomena. The activities of the population in the various provinces, including their assets such as agricultural and industrial property and participation in the labour market as demonstrated by employment and wage statistics, were already being computed. Economic growth and its relation to income distribution and poverty was self-evidently one of the central features of the developmental debate. Earlier concerns with the rate of economic expansion neglected an assessment of its implications through an examination of the patterns of growth and its relation to income distribution. It is the measurement of household income distribution by Batson and its usage in policy prescriptions by institutions such as Cape Flats Committee of Inquiry and the Social and Economic Planning Council that were to establish and quantify the nature of constraints and challenges faced in the pursuit of policy and planning processes that emphasised segregationist poverty alleviation type service delivery.

The evolution of regional and town planning as a torch bearer of high modernity in the provinces, henceforth placed it on a path that was to shape responses towards household income trends, the property market and housing, health and education and poverty. The provision of basic services such as housing was effected using legislative frameworks such as the Housing Act and Urban Areas Act as guides for the determination of the conditions under which the provision of these services would be effected and administered, particularly in urban areas. The agencies responsible for development and implementation ranged from local government of a particular form to provincial administrations and provincial offices of national departments or parastatals or the private sector if the project was outsourced.

The distribution of income and the incidence of poverty and perceptions thereof were not only affected by the trajectory of growth, but also by the power relations that

underpinned the development policies pursued. Conceptions of race, ethnicity, civilisation and the customary traversed the spectrum of discourse formation, strategies and tactics. Here, the relations between individual entrepreneurs, employer associations and organized labour, the local authorities and community-based, service- and faith-based organizations were critical interfaces between the citizens and subjects and governance arrangements. Although debates today tend to reflect a perception that the significance of this earlier history has been cast aside after 1994, the historical impact on discourse formation and existing power relations cannot be ignored. It exists with us in various forms reflected in the existence of an entire tradition of planning in both the economic and social spheres that are actively informing current practices. Although fractured, it is informed by professionals and institutions that adhere to discursive practices not fundamentally different, exemplified by discussions concerning growth and distribution that are essentially rooted in the traditions of the Enlightenment and modernity. Whether it is a conflict concerning labour rights, income distribution through the use of instruments such as social security measures, or HIV/Aids treatment programmes, the central concern with human development strengthened and shaped the forces and processes of transformation before and particularly during the post-1994 period. A transformation process that has as its quest the altering of growth and income distribution and poverty patterns in a more egalitarian environment requires a changed planning regime. Apartheid built on foundations of segregation through the appropriation of the emerging developmental discourse and its adaptation to the rigorous entrenchment of racially informed resource allocative arrangements.

### **(a) The local economy, markets and state intervention**

Official figures<sup>2</sup> reflected the consistent growth of various sectors of the local economy barring the Depression years of the late twenties and early thirties and less significant periods where contractions were experienced. Secondary industry became in the process the most significant contributor to the rate of expansion and the largest sector. By 1948 it had overtaken the primary sector as the largest contributor to growth. The development of the clothing and textile and food processing industries as well as the

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<sup>2</sup> See Union of South Africa, Office or Bureau of Census and Statistics: *Statistics of Factories and Productive Industries or Census of Industrial Establishments: Report No's 2 to 34*, Government Printers, Pretoria and F. van den Bogaerde en P.J. Wessels: *Sekondere en Tersiëre Aktiviteite* in S.P. Cilliers (ed.) *Wes-Kaapland : 'n Sosio-ekonomiese Studie*. Kosma-Uitgewery, U.S. 1965.

engineering industry, was critical to secondary industrial development in the Western Cape<sup>3</sup>. Agricultural production in the form of livestock production, viticulture and horticulture and the harvesting of marine resources underpinned the emergence of food processing and packaging. The predominant trend was for it to play a leading role not only in secondary industrial development but also in shaping the face of the clustering of enterprises that contributed to the emergence of key towns as well as industrial areas in greater Cape Town. The clustering of these enterprises not only significantly influenced the transformed technical and territorial division of labour, but also shaped the development of instruments essential to the provision of support to develop local capability.

The forms of spatial concentration of enterprises manifest in various incidences of clustering and agglomeration particularly evident in Cape Town and its towns, were influenced by a number of factors such as the location of raw materials, the cost and availability of labour, the availability of suitable infrastructure such as transport and other essential features of the built environment. Here the trade-off between increasing returns in production and transport costs was central to understanding the geography of economic activities.

High labour intensity placed the clothing, textiles and food processing industries together with agriculture among the segments of the economy with the highest multiplier effects in not only their contribution to the rate of growth and a proportional share of the regional economy, but also in their impact on income distribution. Labour income became the main source of earning for an increasing number of households. Labour costs and their regulation as reflected in the methods and results of wage determination, Civilised Labour Policies and the declaration of the Western Cape as a Coloured Labour preference area led to a racial division of labour and a wage structure that exacerbated inequalities in the distribution of household income.

The Civilised Labour Policies and related poverty alleviation strategies provided the basis for the later development of the Coloured Labour Preference Policy (CLPP) that entrenched a very specific regionally-based labour market arrangement. The enforcement of the notorious Native Urban Areas Act (1952 and 1955) together with the provisions of the Group Areas Act (1950), the prevention of Illegal Squatting Act (1951),

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<sup>3</sup> Financial Mail Supplement: *Tailored Management: A Special Survey of the Western Cape Clothing Industry*, August 2, 1963; Food Industries in South Africa, October 1969; The Manufacturer, September, 1962; Federated Chamber of Industries' Viewpoint, February 1971.

the Native Building Workers Act (1951), the Native Services Levy Act (1951), the Population Registration Act (1950), and the amended Housing Act of 1957 contributed to altering household income patterns, as well as access rights to assets and basic services. By 1955, it was announced that Africans would have no rights of existence and should gradually be removed from the region "which comprised the area south of the Orange River and west of the magisterial districts of Gordonia, Hope Town, De Aar, Hanover, Richmond, Murraysburg, Aberdeen, Willowmore, Uniondale, and Knysna"<sup>4</sup> as determined by what became known as the Eiselen Line. Some of the areas that formed the subject of social intervention such as housing, health, and social welfare were also altered as the gains attained before 1948 were reversed. Instruments such as public works programmes specifically targeting poor whites formed a key component of poverty alleviation strategies until well into the 1960s.

In addition to beneficiation and other import substitution strategies, the use of a low wage path of growth and development and the financial incentives to affect decentralised industrial development constituted key policy issues and instruments that were pursued during the period before 1994. The pursuit of a particular labour market and decentralised industrialisation strategy were to shape the particular character of development in the Western Cape. The overall trajectory of capital accumulation in the context of the state's import-substitution strategy involved the further development of large-scale industry that facilitated the increased concentration of capital. The emergence of monopoly tendencies within the various industries certainly also assisted this process through the availability of the necessary expanded capital resources. Despite strategies to control and cut the cost of labour through mechanisation, labour market repression facilitated by gender and racially differential control of the workforce played a critical role in the location of companies, agglomeration and hence expansion in secondary industry. A process which engulfed most industries in the Western Cape as reflected in the increased average size of enterprises and output levels and clustering trends and the expansion and changing character of the workforce. This provided an expanded material base for the emergence of industrial unionism and the transformation or demise of pseudo craft unionism. It thus also provided the basis for the emergence of a transformed labour movement that was to provide a telling response to these strategies

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<sup>4</sup> David Welsh: *The Growth of Towns* in Wilson, M and L. Thompson (eds): *The Oxford History of South Africa Vol. 2*, University Press, Oxford, 1975, p193 and Humphries, R: *Coloured Labour Preference*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986.

in later years in the major urban centers.

Whereas the intention of the Border Industrial Development combined with the Coloured Labour Preference Policy (CLPP)<sup>5</sup> was to curtail African participation in the local economy, particularly in the ownership and control of enterprises and participation in the labour market in the western Cape, the implementation of the Regional Industrial Development Programme (RIDP) in the 1980s created employment opportunities particularly for coloureds in areas such as Atlantis on the edge of its metropole. It was also informed by the activities of the Council for the Development of Natural Resources (CNDR) that was established in 1947 to bring “about the more efficient co-ordination of the exploitation of natural resources. One of the tasks of this council was to investigate areas outside the then existing metropolitan areas that had the potential to serve as counterweights to the migration to the larger urban areas. Control over industrial establishments was also entrusted to the Council... During the period from the forties to the early sixties, however, the CNDR was involved mainly in ad hoc urban and regional planning projects such as investigations into industrial distribution in the PWV complex, the establishment of Sasolburg and the orderly development of the OFS Goldfields, which were identified as problem areas.”<sup>6</sup> Although it was envisaged as playing an important role in encouraging the teaching and studying of regional and town planning, the CNDR was, however, regarded as having performed a critical function in the dispersal of planning practices to a number of departments shaping the nature and implementation of economic and social policies. “With its exploring, testing and researching in every direction and feeding its findings to the decisionmakers, who were themselves as yet unable to clearly define the road ahead, the NRDC not only survived, but proved itself to have been the right planning instrument at the right time and did an excellent job of work.”<sup>7</sup> It together with the Permanent Committee for the Location of Industry and Development of the Border Areas established in 1960 contributed to the

<sup>5</sup> see Humphries, R: *Coloured Labour Preference*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986; Posel, D: *Coloured Labour Preference Policy during the 1950's in the context of national policy on African Urbanisation*, the Western Cape Roots and Realities Conference, Centre for African Studies, U.C.T., July 1986; Hirsch, A: *The Study of Industrial Decentralisation Policy in South Africa - Some Comments*, Centre for African Studies, U.C.T. March, 1983 and Commission for the Socio-Economic Development of the Bantu Areas within the Union of S.A., summarized report; Government Printer, Pretoria, U.G, 61/1955. Tomlinson, R: *Industrial Decentralisation and Relief of Poverty in South Africa's Homelands*, A Paper presented to the Conference on Development and Dependency: Core and Peripheral Urbanisation in Southern Africa, University of Transkei, 1983; Molteno, F: *The Historical Significance of the Bantustan Strategy* in Social Dynamics, U.C.T., Volume 3 no 2, December 1977 and D Dewar, et al: *Industrial Decentralisation Policy as a Mechanism for Regional Development in South Africa: Its Premises and Record*, UPRU, UCT, July 1984.

<sup>6</sup> The National Regional Development Programme: General Overview-Volume 1, Office for Regional Development and Regional Advisory Committees, June 1991.

<sup>7</sup> see Rautenbach, P. S.: *The Development of Regional Planning in South Africa* in JA Lombard (ed): *Economic Policy in South Africa-Selected Essays*, HAUM, Cape Town, 1973, 207.

formulation of strategies and institutional arrangements to deal with conceived development problems such as investment and employment creation in the Bantustans and other designated areas.

These initiatives was complemented by the establishment of the Coloured Development Corporation (CDC) in 1960 that had a mandate to facilitate the establishment of coloured owned enterprises in Coloured Group Areas. This it did through financing arrangements as well as by establishing its own enterprises and through entering into partnerships.

It also widened the scope of its activities to include assisting in the overall development of townships and of businesses (town planning, business training, and the strengthening of coloured interest groups). The initially all white-board of the CDC was broadened in 1973 to include coloured directors and through its subsidiaries a sizeable managerial group has been attracted to the corporation..Because of legal restrictions the CDC operated on a strictly segregated basis in declared coloured group areas exclusively until the mid-1970s. Gradually the futility of this strategy within an increasingly integrated coloured-white economy in the Western Cape became clear and attempts by organised business as well as individuals to adopt a pragmatic strategy of re-opening both coloured and white business districts to the other groups (though without swamping coloured townships with white entrepreneurs) starting to bear fruit, culminating in the reconstruction of the CDC into the Corporation for Development and Finance.<sup>8</sup>

This was later transformed and renamed the Small Business Development Corporation. These nationally driven decentralisation strategies thus met with limited success as the benefits of agglomeration trends concerning economic development in the major urban centres attracted increased levels of economic activity.

An urban growth bias illustrated the pivotal role of the secondary industrial sector that was more susceptible to economies of scale than other sectors. Increased investment in production processes by local and foreign owned capital and by the state controlled Industrial Development Corporation during the 1960s, involved *inter alia* the expansion of large scale industry in a milieu informed by an import substitution policy. Some of the features of such a policy were embedded in state measures aimed at developing import and exchange controls and a new monetary policy. The intervention intended controlling the balance of payments, curbing inflation and increasing the

<sup>8</sup> W. Thomas, *The Coloured People and the Limits of Separation in The Coloured People and the Limits of Separation in South Africa: Public Policy Perspectives*, (eds) R Schrire, Juta, Cape Town, 1982, p154-5. In terms of a recent evaluation by A Wilsenach and A A Ligthelm: A Preliminary evaluation of the new RIDP and its impact on regional development in South Africa in *Development Southern Africa*, vol10, No 3, August 1993, p363, the "preoccupation with the political objective of creating 'sovereign states' prevented the industrial decentralisation policy in force before 1982 from achieving significant results. The policy failed to generate enough employment in decentralised areas and growth points to absorb the unemployed, let alone reverse the flow of population to the metropolitan centres. Not enough jobs were created and those that were created turned out to be enormously expensive and were not sustainable over the long term."

availability of money capital for local investment. These macro economic framework conditions did not however, detract from the pursuit of nationally driven decentralised strategies that embodied the development of labour markets and other forms of economic participation that had a specific regional character.

The economic costs of the social and particularly social security consequently became an area of intense political activity as the social costs of reorganising production processes became subjected to new interventions in the 1950s and thereafter as issues such as safety, as well as alcoholism and absenteeism became the object of new management sciences. The disciplines of psychology and psychiatry, through the psychopathology of work were mobilised in the interest of ensuring efficient organisation and management of resources with the objective of reducing costs and increasing returns. Extensive interventions were affected towards the household not only through the place of work but also through attempts to reshape settlement patterns. The demarcation of urban and rural spaces into enclaves of different and officially classified racial groups using the Group Areas and Native (Urban Areas) Amendment Acts of 1950 and 1955, respectively, opened up avenues for interventions in the household using instruments such as the dispensation of all forms of social welfare grants such as pensions and support maintenance grants for those designated white and to a lesser extent Coloured and Indian households. The limited gains in social welfare that were to emerge after the Second World War were reversed as African households were denied access to these benefits. This, together with the decline in real wages of black secondary industrial workers and the control of mobility and employment of blacks contributed significantly to increased impoverishment.

### **(b) Governance and local planning**

The evolving forms of provincial and local government, although critical in the implementation of various aspects of regional development such as the determination of land use, were, however, not entrusted with overall regional and local social and economic planning and co-ordination responsibilities. At one level the Cape Provincial Administration played a pivotal role in preparing the legislative environment for the functioning of various forms of local government. Its promulgation and enforcement of the Townships Ordinance of 1934 meant that municipalities including Divisional Councils throughout the province were required to manage land use essential for

economic, social and infrastructure development consistent with the requirements of Segregationist and Apartheid legislation. The development of industrial estates such as Paarden Eiland, Epping Industria, Montague, and Flora Industrial Park<sup>9</sup> in greater Cape Town reflected the structuring of private and public initiatives in accordance with the prevailing land-use regulatory framework. Initiatives by private property developers, including philanthropically orientated organisations such as the Garden City Movement had to comply with the general provisions established for township development. Here, land-use planning regulation also facilitated the establishment of townships such as Langa, Gugulethu and Nyanga as well as Steenberg, Bokmakierie, Kewtown, Bridgetown, Silvertown, Facreton and Manenberg<sup>10</sup>. Attempts to co-ordinate a uniform approach towards land-use planning were facilitated by the Joint Township Establishment Committee that was established in 1940 and renamed the Metropolitan Planning Committee (METPLAN) in 1974.

The promulgation of the Physical Planning Act of 1967 and establishment of the Department for Physical Planning to prepare a national physical development plan reflected efforts to develop a more coherent approach towards urban and regional planning based on the need for the development of guide or structure plans for the demarcated planning regions within which the township schemes had to be located. The development of the Regional Industrial Development Programme (RIDP) to fuel an approach towards decentralised industrialisation was built partly on a legacy of the industrial estate model that formed an integral part of segregationist local economic development and the Border Industrial Programme that was introduced in 1956. While the latter was intended to stem the flow of black workers to urban areas outside the designated bantustans, later revisions extended its application to major urban areas based on an evaluation of its failures. National structures such as the Native Affairs Department established local offices to manage African Townships including the associated Labour Bureaux that were designated to control labour mobility. The Coloured Affairs Department was to manage the provision of education and social welfare to those residing in the newly established areas designated for those classified as

<sup>9</sup> Financial Mail Supplement. *Milnerton*, May 13, 1966; Financial Mail Supplement: *Tailored Management: A Special Survey of the Western Cape Clothing Industry*, August 2, 1963 and Financial Mail Supplement: *1961 - 1966: The Fabulous Years, the story of the Republic that investors built*. July 14, 1967.

<sup>10</sup> See Cape Town City Council Engineers' Department: *Council Housing in Cape Town*, 1977; *Summary of the Group Areas Act, 1950*, Government Printer, Pretoria, 1950; M. Doxey: *Group Areas in the Cape Peninsula: A general survey with particular reference to the proposals for the Southern Suburbs and the recent public enquiry*, SAIRR, 31 August, 1956 and M Horrel: *Group Areas in Cape Town*, SAIRR, Johannesburg, April 1958.

Coloureds. The basic planning methods used to pursue the implementation of these policies were all underpinned by land-use issues and the instruments essential for social and economic development were evolving in complexity as wage labour and dependant households were subjected to differential treatment that had its foundation in racial segregation. This impacted on income distribution and conceptions of poverty as household resources spent on housing and other basic services such as water, energy, transport and education were significantly skewed towards those who had access to state-informed allocative arrangements.

It was in this context that a revision of the nationally driven regional development policy was being pursued. "Prior to the sixties there was, with the exception of the establishment of a few parastatal enterprises such as Iscor and Sasol, virtually no conscious economic policy for the promotion of regional development. It was only at the beginning of the sixties that a real effort was made, through deliberate policy measures, with the emphasis on the industrial decentralisation programme, to stimulate the establishment of industries near, and later in, the Black areas. In general the regional development momentum of these efforts was limited and in 1975 an effort was made by means of the National Physical Development Plan to create an effective structure in the country within the framework of which regional development could flourish. Towards the end of the seventies it was considered that this policy was not sufficient to bring about self-sustaining growth in decentralised areas. The Government launched new initiatives, the Carlton (1979) and Good Hope (1981) Conferences being the most important. Because the emphasis was, to a large extent, on industrial decentralisation, a need arose for a National Regional Development Programme which would focus far more comprehensively on development on a regional basis."<sup>11</sup>

Apartheid in this setting can be characterised as the order of a racially informed and repressive developmental state, where economic and social instrumental freedoms, and rights and benefits derived thereby, were mostly the exclusive privilege of whites. The newly elected National Party's consolidation of its political control through a changed and more racialised political dispensation, the control of African urbanisation through the racial zoning of residential and business areas, the resettlement of blacks in bantustans and the regulation of the mobility and employment of black labour provided the foundation for radically extending racial segregation in the 1950s and 1960s. The

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<sup>11</sup> Office of Regional Development and Regional Development Advisory Committees: *National Regional Development Programme-General Overview*, Volume One, June 1991, p1.

Broederbond-created South African Bureau for Racial Affairs-SABRA and the inherited planning institutions linked to the emergence of development discourse in the 1940s were harnessed to serve this cause. “The myriad SABRA studies, congresses and other interventions played a key, but complex and contested role in the transformation of what *Die Transvaler* had called ‘the apartheid principle’ from a generalised impulse for radical racial separation into a fully fledged ideology of independent ‘national states’.”<sup>12</sup> Although there were other strands of thinking within the Afrikaner nationalist circles, it was this trend that prevailed in policy pursuits.

Apartheid itself also borrowed extensively from global development discourse when it set out to elaborate on “state control of black people; over the organisation and occupation of urban and rural space; over labour; and over land.”<sup>13</sup> The appropriation and local application of the rapidly globalising developmental discourse henceforth informed the nature of statism that emerged under the rubric of Apartheid. This was possible because the emergence of development as a discourse globally was closely linked not only to the Great Depression, post-War reconstruction, decolonisation and the establishment of the Breton Woods institutions but importantly also to the appropriation of the more detailed prescriptive knowledge and planning methodologies necessary for intrusive experiments in social engineering.<sup>14</sup> State intervention informed by the tenets of the Keynesian pact<sup>15</sup> played a crucial role in the establishment of development as pivotal to the codification of changing power relations and the functioning of the state itself. Its

<sup>12</sup> D. O’Meara: *Forty Lost Years-The Apartheid State and the Politics of the National Party, 1948-1994*, Ravan Press and Ohio Press, 1996, pp66-67 and see D. Posel: *The Making of Apartheid-1948-1961-Conflict and Compromise*, Clarendon Press, Oxford, 1997; and Alan Mabin: *Reconstruction and the making of urban planning in the 20<sup>th</sup>- century South Africa in blank: Architecture, apartheid and after*, (eds.) Hilton Judin and Ivan Vladislavic, David Philip and Nai Publishers, Cape Town and Rotterdam, 1998.

<sup>13</sup> D. O’Meara: *Forty Lost Years-The Apartheid State and the Politics of the National Party, 1948-1994*, Ravan Press and Ohio Press, 1996, p68.

<sup>14</sup> The ascendancy of the United States of America as a formidable global force after the Second World War facilitated the propagation of a new approach towards development in a changing global environment as reflected by the famed H.Truman presidential inaugural speech in 1949. “We must embark on a bold new program for making the benefits of our scientific advances and industrial progress available for the improvement and growth of underdeveloped areas. The old imperialism-exploitation for foreign profit-has no place in our plans. What we envisage is a program of development based on the concepts of democratic fair dealing.” This observation does not however preclude the consideration that the anti-colonial forces and decolonised and developing countries were also developing their approaches, although “high modernist”, towards development matters during the second world war based on particular local conditions as the example of Nehru and India reflect. “‘The Indian Congress consensus’ (involving a large group of businessmen, trade unionist, and officials of provincial governments) defined the program of government that Nehru later implemented: these policies seemed so obviously right at the time that the leaders of the independent developing countries, many of whom must have had no chance to study Nehru’s book, made them into cornerstones of their policies” and see Jean Waelbroeck: *Half a Century of Development Economics: A Review Based on the Handbook of Development Economics*, The World Bank Economic Review, Vol 12. No 2.

<sup>15</sup> British economist, JM Keynes nevertheless provided the foundation for some level of theoretical elaboration of this intention when in works dealing with the General Theory of Employment, Interest and Money he argued for state intervention to establish full employment at a domestic and global level in relation to the mobilisation, distribution of savings and investment decisions. A position that held considerable sway in negotiations to establish the Bretton Woods Institutions such as the International Monetary Fund and the World Bank (properly known as the International

interventions impacted on income distribution patterns and opportunities for wealth creation as it shaped the trajectory of accumulation through the ownership and control of enterprises. Access to poverty alleviation measures was similarly affected. The result was inequalities due to deliberate racially informed policies that were considered inhumane if referenced to the Atlantic or United Nations Charter.

The overall thrust of the policies was the segregation of people who were subjected to a myriad of interventions based on race in all spheres of life, that led to increases in the size and complexity of the state. Whereas the nature of resistance to the implementation of policies such as the Urban Areas Act and later the Group Areas Act was structured around specific issues such as labour mobility and housing and forms of tenure, it gave rise to social movements involving organisations operative in different development sectors, local areas and regions. Regional development practices reflected particular approaches towards the provision of infrastructure, labour costs, trade and tariff arrangements, financing, research and development, human resource and social development and governance arrangements. These facets of regional economic policies formed an integral part of the prevailing regional development policies that were of both a regulatory and a direct interventionist nature and emphasized the pivotal role of secondary industry in economic development.

### **(c) The reform of Apartheid, transformation, development and changing planning regimes**

The oil-induced recession of the 1970s together with changing patterns of capital accumulation, changes in the strategies of the ANC at its 1969 Morogoro conference and the emergence of the Black Conscious Movement and an independent labour movement in the 1970s that articulated various forms of resistance to apartheid forms of social engineering, exposed the constraints of the growth strategy pursued. This heralded the enforced revision of its import substitution and labour repressive dimensions, particularly

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Bank for Reconstruction and Development-IBRD). Throughout the 1950s and 1960s, various development economist and theorists such as W. A. Lewis, A Hirschman, G. Myrdal, R. Rodan, W. Rostow, M. Dobbs, P. Baran equated economic growth with development. The concept of GNP, as an indicator of national wealth produced, became an object of intense debate. Both W.A. Lewis' structural change model and W Rostow's stages of growth model emphasised the need for industrial investment, increased output and employment growth as a critical component of moving from a situation where 'backward' agrarian economies predominate to a modern economy. Whereas Baran and his neo-Marxist associates Sweezy, Magdoff, Amin argued that the relation between developed (centre) and underdeveloped (periphery) is exploitative in character. Their prominence were related to the domination of Keynesian economics and other neo-Marxian informed perspectives as they pursued the strategic themes of "1. industrialisation, 2. rapid capital accumulation, 3. mobilisation of under-employed manpower, and 4. planning an economically active state" while criticising traditional neo-classical models.

as secondary industry was not an adequate foreign exchange earner due to its lack of exports. "Here lies the structural difference between the apartheid economy and that of Asian countries which managed to industrialise during the 1960s. Unlike these newly industrialised economies, South Africa has failed to emerge as a significant exporter of manufactured goods. For over seventy years, its role in international trade has essentially been that of an exporter of gold and other strategic minerals to the developed market economies, and an importer of capital and intermediate goods, of oil and of arms from them. South Africa's trade profile is not that of a 'newly industrialising country' such as South Korea, but rather of an exceptionally well developed exporter of primary products."<sup>16</sup>

Harry Openheimer was to highlight the plight of the black working poor and its relation with economic stability at a conference in 1973 when he said "everyone in South Africa was now beginning to appreciate that there was something wrong in the wage situation in South Africa. He emphasised that prosperity was indivisible and no-one gained from the ignorance and poverty of others, and went on to say that three of the important issues which had to be faced were education, the phasing out of migrant labour and the rate for the job."<sup>17</sup> The relation between wealth creation and poverty was also the subject matter of a wide range of activities that witnessed the use of the Poverty Datum Lines (PDL) and Cost of Living indices in living wage campaigns and wage negotiations and representations at statutory instruments of wage determination. Prevailing perceptions of poverty and methods of measurement had largely a regional dimension until the production of the first PDL surveys of a national character, by the Bureau of Market Research (UNISA) in 1973. Although the resurgence of the poverty datum line movement in the 1960s added a different dimension to poverty analysis, its revision in the 1970s by the UPE and UNISAs BMR and the cost of living analysis added another dimension to poverty analysis as the impact of inflationary activity on the price of commodities and real wages was computed. The BMR and UPE surveys attempted to refine the PDL used through the introduction of two rigorous measures of minimum living standards, namely the Minimum Subsistence Level (MSL) and Household Subsistence Level (HSL). Together with the cost of living analysis<sup>18</sup>, this informed a

<sup>16</sup> D. O'Meara: *Forty Last Years-The Apartheid State and the Politics of the National Party, 1948-1994*, Ravan Press and Ohio Press, 1996, p172-173.

<sup>17</sup> SAIRR: *A Survey of Race Relations*, 1973, p206.

<sup>18</sup> See the Cost of Living Analysis using the consumer price indexes released by the SA Reserve Bank and other government departments that was conducted by people such as Ethel Wix (1950), Olive Gibson (1955), Joy De Gruchy (1960) and Sheila Suttner (1966).

public debate about the relation between minimum wages, wage differentials popularly referred to as the wage gap, the cost of living, household income and poverty. It is here that decreases in real wages and related conditions of employment, including the social and economic rights of workers were registered. The notion of the working poor based on the establishment of minimums in the form of PDLs, was already common currency.

The question of reforming the array of development strategies central to neo-Apartheid only materialized, however, when a number of commissions of inquiry such as the Wiehann (1979)<sup>19</sup>, Riekert (1979)<sup>20</sup>, Brown (1980)<sup>21</sup>, and Theron Commissions (1976) were appointed to examine issues ranging from labour mobility and labour market transformation, local government financing and local economic development to identities such as the social, economic and political plight of Coloureds and Africans. The (Theron) Commission on Matters Affecting the Coloured People “forcefully argued that some 40% of the group designated ‘coloured’ lived in a ‘culture of poverty’, and were locked-in by environment and structures. Only a massive effort by state agencies and state-supported agencies, involving the heavy commitment of funds and resources to breach the self-reinforcing ‘vicious circles’ of poverty, might improve things.”<sup>22</sup> The Theron Commission of Inquiry into the state of impoverishment of coloureds made a series of recommendations ranging from the need to change the political dispensation to strategies to alleviate poverty. Most of these were not accepted<sup>23</sup>. By 1977 the Wiehann Commission was established to examine the processes for determining the conditions of employment of labour as regulated by the Departments of Labour and Mines, while the Riekert Commission had to examine questions of labour mobility and settlement. The latter provided the platform for the development of the notorious Koornhof Bills that incorporated revisions not only in terms of the settlement of Africans in urban areas, but also the form of local government with the promotion of the establishment of Black Local Authorities (BLAs) in 1982.

The 1980 Brown Commission that was to reflect on the role of local authorities in economic and social development and the most appropriate and sustainable financial

<sup>19</sup> Report of the Commission of Enquiry into Labour Legislation, RP 47/1979, government Printer, Pretoria.

<sup>20</sup> Report of the Commission of Enquiry into Legislation affecting the Utilisation of Manpower, RP 32/1979, government Printer, Pretoria.

<sup>21</sup> Report of the Committee of Inquiry into the Finances of Local Authorities in South Africa, Volume One, RP 50\1980.

<sup>22</sup> N Bromberger, *op cit.*, p187.

<sup>23</sup> see the Theron Commission: *Report on the Commission of Inquiry into matters relating to the Coloured Population Group*, RP 38/1976, Government Printer, Pretoria. and R.E. van der Ross: *The Rise and Decline of Apartheid: A Study of Political Movements among the Coloured People of South Africa-1880-1985*, Tafelberg, Cape Town, 1986.

arrangements, was to suffer a similar fate to the Theron Commission. The later recommendations of the Croezer Committee (1985) were to inform local government transformation, particularly in black areas with the BLAs incorporation into newly established Regional Service Councils (RSC)<sup>24</sup> that replaced the old Divisional Councils in the Cape. This enabled the BLAs and Coloured Management Committees to have increased access to finances attained by levying businesses operating in the area in 1987. Together with attempts to reform the nature of political representation nationally through a Tri-cameral parliamentary system, these shifts mirrored an envisaged reform process entrenched in the ideology of separate development that would preserve white domination. The promulgation of the Labour Relations Act in 1979, Black Communities Development Act of 1984, the Physical Planning Act of 1981 and the Land Use Planning Ordinance in 1986, were to entrench racial segregation despite changes in the terms of participation in the labour market and tenure arrangements in urban and rural settlements outside of bantustans.

Pressures from social movements, global political pressure in the form of sanctions and the decolonisation of Southern African countries such as Zimbabwe, Mozambique and Angola opened up the possible rehabilitation of development through a re-examination of various aspects of poverty and inequality and their social and economic implications. The responses of government were also informed by a changed approach towards governance as prescribed by the Total Strategy it launched in 1980 that characterised neo-Apartheid. "The writings of General Andre Beaufre (French strategist) and Samuel P. Huntington (an American political scientist and theoretician of modernisation) both emphasised that the successful implementation of reform was partially dependent on fashioning government machinery capable of fulfilling two essential functions. On the one hand, the state administration would have to be responsive to the managerialism of the total strategy, and implement its reforms swiftly and efficiently. On the other hand, this machinery needed to be of a kind, which would limit damaging internal political struggles, and marginalise the opponents of reform within the state. These prescriptions confirmed the reformist analysis that the disorganised structures of decision making inherited from the B.J. Vorster era made it 'difficult for the central executive machinery to act swiftly to solve problems and crises'.

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<sup>24</sup> See the Regional Services Councils Act of 1987.

A 1980 White Paper on the public service pleaded for 'a more manageable machinery of government.'<sup>25</sup>

*(i) Revisiting development versus growth and planning*

The overall planning process and regime that evolved manifested a number of problems ranging from differing approaches towards the development process and political transformation, the technical orientation involved in the determination of development priorities, objectives and strategies to the lack of involvement of a range of civil society stakeholders in determining the developmental agenda. It was in this very environment that anti-Apartheid protests and movements flourished as the South African government continuously perpetrated human rights offences while attempting to reform Apartheid using neo-liberal methods. Efforts to understand and act on the development challenges in the context of the evolving problematic of impoverishment were informed by the much-vaunted debate about development versus growth among organisations and individuals associated with the liberation movements. Characteristic of this was an analysis of the plight of workers, the rural poor and the land issue and accessibility to educational opportunities in attempts to give meaning to the understanding of the national question and political emancipation.<sup>26</sup>

The burgeoning activity around university-based wage commissions and particularly labour advice bureaux was to bring into sharp focus the relation between the measurement of poverty and wage determination processes as existing labour legislation was used as an avenue to alleviate black poverty. These were, however, primarily constructed in the form of wage histories contained in bargaining records that were primarily sector and enterprise specific. The development of these wage histories based on an analysis of the consumer and producer indexes coupled with an assessment of the MSL or MLL and HSL or SLL together with the cost of living analysis formed an integral

<sup>25</sup> O'Meara Dan: *Forty Last Years-the Apartheid State and the Politics of the National Party, 1948-1994*, Ravan Press and Ohio University Press, 1996, p278.

<sup>26</sup> See the debates involving N. Mandela, I.B. Tabata and B. Kies and other oppositional figures as documented in the volumes produced by T Karis and G.M. Carter: *From Protest to Challenge-A documentary History of African Politics in South Africa 1882-1964*, Volume One-Protest and Hope, 1882-1934; *Volume Two-Hope and Challenge, 1935-1952*; and *Volume Three-Challenge and Violence, 1953-1964*; Hoover Institution Press, Stanford University, Stanford, California, 1987 and Sol Plaatjie: *Native Life in S.A Before and since the European War and the Boer Rebellion*, Ravan Press, Braamfontein, S.A., 1982; Kies, B: *Background to Segregation and The Contribution of the Non-European Peoples to World Civilisation*; Willie van Schoor: *The Origin and Development of Segregation in South Africa*; I.B. Tabata *The Awakening of a People and Education for Barbarism..*

part of wage bargaining reports of union and service organizations' submissions in most spheres of bargaining and wage determination.<sup>27</sup>

The conduct of the Second Carnegie Inquiry into Poverty and Development in Southern Africa in 1984 involving a number of leading academics, activists and intellectuals drawn from all sectors of society dealt with a number of dimensions of poverty through the use of a combination of both qualitative and quantitative methods. Poverty was redefined and diagnosed as affecting primarily black inhabitants. The areas covered involved various symptoms and causes ranging from work and wages and other sources of income, unemployment and health, to Apartheid's assault on the poor and macro-economic policy.

There are... three interlocking factors which, taken together, justify the assertion that poverty in South Africa is unique. First is the width of the gulf between rich and poor, the degree of inequality. Second ...is the extent to which the poverty that exists is the consequence of deliberate policy. The third aspect has to do with the way in which material poverty in South Africa is reinforced by racist policies that are an assault on people's humanity.....Uprooting poverty implies not only a transformation of agriculture including redistribution of land, but also a restructuring of relations between capital and labour. Questions of power and ownership are crucial. So, too, is ideology. Renewal of South Africa is not possible without the defeat of the racist ideology, which sustains the current ruling elite. Apartheid cannot be reformed. It is a way of thinking about human beings and their social relations, which like Nazism, has to be rooted out of both individual and collective consciousness so that the society can grow along very different lines. Underlying all strategies against poverty must be the clear recognition of the necessity for a fundamental redistribution of power.<sup>28</sup>

Significant in informing this analysis were the micro studies informing this multi-dimensional approach towards poverty. Studies of poverty in secondary cities such as Worcester and George and towns such as Calitzdorp and Beaufort West together with analyses of enclaves of poverty within the greater Cape Town area provided a rich texture of qualitative information shedding light on the relation between the sectoral and urban and rural dimensions of inequality and poverty.<sup>29</sup> An examination of the dispersal of enterprises linked to economic sectors such as agriculture, food processing and clothing and textiles and their impact on household income distribution and access to basic needs such as housing, water, energy, basic health and education services, provided

<sup>27</sup> The records of SALDRU and Labour Research Service bear ample testimony to these developments.

<sup>28</sup> F Wilson and M Ramphela, *Uprooting Poverty-The South African Challenge*, David Philip, Cape Town, 1998, p4-5.

<sup>29</sup> see the collection of papers produced for the Second Carnegie of Inquiry into Poverty and Development in Southern Africa dealing with poverty in different settlements in the Western Cape. The book by F Wilson and M Ramphela, *Uprooting Poverty-The South African Challenge* was produced based on the outcomes of the research processes.

interesting insights into the nature of local and regional economic and social development and deprivation.

Although no solution was in offing until 1994, it nevertheless focussed public attention on the nature of the problem. The Living Wage Campaigns of the 1980s and 1990s underpinned the approach of the labour movement towards collective bargaining processes, poverty and income distribution.<sup>30</sup> These, equally, should not be considered in isolation from campaigns dealing with the rights of labour, informed also by equity considerations, as well as campaigns dealing with poverty and the standard of living as reflected by the alliances forged during campaigns dealing with issues such as VAT, and emphasis on the importance of Public Works Programmes as a poverty alleviation measure. Community based organisations also rendered support for striking workers as evidenced by the experiences of the General Workers Union's meat strike and boycott and the National Automobile and Allied Workers' Union's strike at Leyland in the Western Cape in the 1980s. Other campaigns under the auspices of community- and faith-based organisations concerning housing, rents, forced removals and transport were to refocus attention on poverty and the provision of basic needs and social and economic rights during the same period. Mention should also be made of the activities of black students concerning the language of instruction, poor education facilities and the basic rights of students to organise. Social movements such as the BCM and later the UDF and CAL constituted critical instruments for galvanising disparate protest concerning social and economic issues into a more cohesive organisational form.<sup>31</sup>

While the social movements that emerged were cemented by anti-Apartheid interest, their strength was rooted in the nooks and crannies of economic and social life. These activities provided the basis for dealing with black poverty through re-imagining development practice and discourse. The universality or the scientific nature of the propositions made by the political philosophy of the Enlightenment informed the political practice of both the evolving state forms and oppositional movements. Similarly, the radical political philosophy of Marx, Lenin, Mao, Gramsci and others also informed programmes, tactics and strategies of the activities of oppositional movements. The experiences and influences of the anti-colonial struggles, post-colonial governments and

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<sup>30</sup> See Sayers, A: *The Labour Movement in South Africa: Undercurrents, Trends, and Possibilities*. in *Reform and Revolution: South Africa in the Nineties* (eds.) G. Naidoo, CODESRIA Book Series, Skotaville, Johannesburg, 1991 and various editions of the South African Labour Bulletin (SALB).

<sup>31</sup> *ibid* and see T. Lodge and B. Nasson: *All, Here, and Now: Black Politics in South Africa in the 1980's*, Ford Foundation-David Philip, Cape Town, 1991 and Z. Jaffer: *Our Generation*, Kwela Books, Cape Town, 2003.

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communist-inspired transformations influenced the complexity of the transformation and reconstruction debates and positions that evolved within the broad liberation movements. While theories such as Internal Colonialism or Colonialism of a Special Type<sup>32</sup> developed as an integral part of the official policy approaches of the South African Communist Party, variants of dependency theory were intensely debated particularly in academic circles and elsewhere. Dependency theorists tended to focus on the nature of industrialisation and proletarianisation and its implications. All sought explanations and solutions for poverty and inequality not only in the nature of colonialism and the trajectory of economic development but also in the social identities related to interpretations of race, ethnicity and class. Liberation and oppositional movements provided fertile ground for the appropriation and development of discourses related not only to the attainment of transformation but also reconstruction. Their interpretation and appropriation by local forces shaped the nature of citizenship, the state form and their interface through civil society. By 1994 a situation was reached where a comprehensive programme for reconstruction and development had been formulated that galvanised the disparate interest and activities of civil society formations in the direction of transforming the nature of the state and associated planning practices.

It was in this sense that the reform of Apartheid and its mass opposition were critical to the processes that informed the rehabilitation of development. For the reform process nevertheless led to the expansion of civil liberties such as reflected in the recognition of Africans as employees and the removal of restrictions on labour mobility and settlement while impacting on income distribution and poverty alleviation strategies. Yet, while household income particularly among unionised members subsequently increased, it generally left unanswered the question as to the overall impact of labour market reform on labour cost and global competitiveness. The establishment of more inclusive consultative mechanisms such as the NEF and the WCEDE, that were a result of the *Growing the Cape* multi-stakeholder conference, brought to the fore an array of discourses and practices that underpinned the functioning of civil society organizations, whether establishment or pro-poor in character. It became clear that the political structure essential to development had to be transformed if capacity to ensure that more effective anti-poverty measures were to be agreed to, established and implemented. A new human rights regime had to be established to negate the dominant influence of the

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<sup>32</sup> See H. Wolpe: *The Theory of Internal Colonialism: The South African Case*, in I Oxaal, T Barnett and D. Booth (eds): *Beyond the Sociology of a Development: Economy and Society in Latin America and Africa*, London, 1975.

security apparatus and to redefine the relation between the state, markets and civil practices based on new governance arrangements. It was in this context that conceptions of poverty and development were redefined when the question of black poverty attained greater significance.

*(ii) New forms of governance, the rehabilitation of development and planning*

Debates that raged about the strategic thrust of growth and redistribution were to be partly settled with the publication of the Reconstruction and Development Programme (RDP)<sup>33</sup> by the Government of National Unity (GNU) in 1994 and resultant processes of recodification that provided the opportunities for transforming some of the power relations that prevailed. Here the emergence of new forms of governance impacted on the nature of the planning regime as the relations between sector and spatial dimensions, intergovernmental relations, relations between civil practices and governing structures, and the nature of the planning institutions itself were radically transformed. The restructuring of national, provincial and local government and associated public entities and the promotion of mechanisms to facilitate intergovernmental relations and relations with civil and customary practices together with the introduction of local integrated planning and national and provincial growth and development processes, heralded the establishment of new governance arrangements and a changed regional planning regime after 1994. The optimal use of public and private resources as directed by these increasingly perceived seamless planning processes premised on a human rights regime, inaugurated the establishment of new planning instruments essential to dealing with poverty and human development in a new comprehensive manner.

The establishment of a liberal democracy where the need for equality and freedom has been universally accepted allowed for the promulgation of a number of human rights, the pursuit of development through wealth creation and poverty eradication policies and strategies and the development of instrumental of freedoms.<sup>34</sup> The process of transformation during the post 1994 period opened up possibilities for developing an approach that could address most of the requisites of a multi-dimensional approach towards poverty. Political negotiations that led to elections in 1994 and the

<sup>33</sup> Republic of South Africa, Office of the President: *The RDP White Paper-Government's Strategy for Fundamental Transformation*, CTP Bookprinters, Cape, September 1994.

<sup>34</sup> Republic of South Africa, *The Constitution of the Republic of South Africa*, Act No. 108 of 1996, Pretoria: Government Printer.

constitution of a new liberal democracy were to add a different complexion to the strategies to be advanced with the development of a post-Apartheid reconstruction and development programme from 1994. The policies enacted mirrored the second generation of reforms emphasising the importance of institutions and demand side approaches towards public policy that were evolving globally. The development of a legislative environment with the restructuring of all spheres of government and public entities and the design of an integrated planning process provided key pillars. The nature of city and regional planning, including the spatial dimensions of economic and social activity had to be re-examined and transformed to accommodate these changing dynamics. The emphasis on the provision of basic needs in an integrated manner as informed by local multi-stakeholder developmental prioritisation processes provided an ideal platform for its actualisation. The forging of a social contract based on the conclusion and implementation of the results of social dialogue and other methods of public participation on a number of fronts whether economic or social are perceived as central to the character of democracy and associated freedoms and the attainment of human development.

At the same time, certain aspects of macro economic strategies had to contend with a changing global trade regime. The rapid reduction in tariffs and shifts in market trends negatively affected certain industries' exposure to global competitiveness. Furthermore, the increased importance of the service sector coupled with changed business technologies with the increased use of information and communication technologies, posed unprecedented challenges in the charting of a new growth development path. It is in this context that the history of the clothing and textile<sup>35</sup> and food processing<sup>36</sup> industries are of particular value in providing insights into the relation between micro, meso and macro. While it is important to develop these mature industries focused on certain niche markets, job losses incurred partly accounted for prevailing high levels of unemployment and impoverishment. As the increased significance of a changing local environment to attract investment has led to the retention of a focus on local economic development, the development of instruments such as Spatial Development Initiatives (SDIs) and Industrial Development Zones

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<sup>35</sup>See Barker, H.A.F.: *The Economics of Wholesale Clothing Industry of South Africa 1907 – 1957*, Pallas Publications, Johannesburg, 1962; L October: *Sector, Clusters and Regions: A Study of the Cape Clothing Industry*, Working Paper No 2, Cape Town: University of Cape Town, DPRU, 1996 and D McCormick: *Enterprise Clusters in Africa: On the Way to Industrialisation?*, Institute of Development Studies, 1998.

<sup>36</sup> See the magazine *Food Industries of South Africa*, 1960-1969.

(IDZs) signalled the arrival of attempts to stimulate local economic development on an unprecedented scale. Emphasis was placed on the benefits derived from the clustering of enterprises as central to a successful local economic development strategy. Human resource capacity was accepted as being critical to enhancing competitiveness, growth and an improved quality of life.

The broadening of the scope of poverty analysis that emphasised issues such as human resource development and the importance of institutions in shaping transaction costs, led to a re-examination of the nature of economic and social activity after 1994. The relation between labour market, household income and poverty enjoyed significant attention of analysts that used rich data sets<sup>37</sup> that were to spawn a plethora of quantitative analysis about labour market issues and poverty, albeit largely incomes based. The lack of access to decent employment for blacks, low levels of investment and rapid liberalisation associated with Apartheid reform were facets of macroeconomic policies that played a critical role in the deepening of unemployment.

The various programmes launched by national and provincial government that included the public works programmes, free basic health services and expanded public education nevertheless reflected the use of baseline indicators for contextualising and analysing the nature of the problem to be addressed as well as setting targets and developing monitoring and evaluation methods. This approach was supported by the results of the Project for Statistics of Living Standards and Development (PSLSD) survey that quantified the nature of poverty using multi-variate indicator survey methods and statistical analysis,<sup>38</sup> a Presidential survey of perceptions of poverty that was commissioned and completed in 1996 and other sector-related research activities. A plethora of data users, aided by the development of modern computer and analytical technologies, emerged to focus on macro labour market, growth and poverty trends.<sup>39</sup> Further attempts have been made to measure poverty through the construction of composite indices such as the household infrastructure index and the household

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<sup>37</sup>A major and significant attempt at the surveying of poverty at a national scale was made in the early 1990s when the Project for Statistics on Living Standards and Development (PSLSD) under the leadership of Southern Africa Labour and Development Research Unit (SALDRU-UCT) and the World Bank to address the paucity of available data was launched.

<sup>38</sup> It was incorporated into the relaunched Statistics South Africa's workprogramme and became known as the October Household Survey.

<sup>39</sup> See for example the work of H. Bhorat, M. Leibrandt, M. Maziya, S. van der Berg and I. Woolard: *Fighting Poverty-Labour Markets and Inequality in South Africa*, UCT Press, 2001 and other papers by the authors as well H Bhorat, P. Lundall, and S. Rospabe: *The South African Labour Market in a Globalising World: Economic and Legislative Considerations*, DPRU Working Paper, 2001 and the work of economists associated with financial institutions in both the commercial and public sector.

circumstances index.<sup>40</sup> Eleven indices such as formal housing, the level of education of the head of household, average monthly household expenditure, unemployment rate and average household size and tap water inside the dwelling were used in the development of the composite indices.

Certain problems can however be identified with these approaches. Although they were useful in turning the spotlight on the importance of multi-variate quantitative and qualitative dimensions of poverty analysis through the production of richer official data sets, they were, however, significantly limited in use in the policy development and implementation process. Their relation to policy analysis is questionable because of the emphasis on income based anti-poverty strategies.<sup>41</sup>

First, we can say unambiguously that the picture we get from looking at household expenditures alone can be highly misleading. This also serves as a caveat for those who focus on livelihoods, inasmuch as there tends to be a focus on income in the livelihood approach. Secondly, the inclusion of a category of people who are 'extremely vulnerable' enriches the picture of poverty considerably. Those who are extremely vulnerable are very relevant to anti-poverty policy, even if policy towards such groups has the flavour of a 'poverty prevention', rather than a 'poverty eradication', policy. The extent to which poverty focuses on extreme vulnerability as against those who are definitely poor ought itself to be a central policy issue... Finally, the multidimensional nature of poverty means that a barrage of different policies relating to housing, water, education and so on are needed. The government has developed a range of such policies with different degrees of success. It would be strange, nonetheless, to allocate funds to the various provinces entirely on the basis of a formula. Formulae for fund allocations must be viewed as part of the process of policy formation, while noting their limitations.<sup>42</sup>

While problems have been identified with the criteria used in the national allocation of funds to provinces, inter-regional and local comparisons in a province linked to the development of a more localised anti-poverty approach poses an even bigger problem. The measurement constraints demonstrated by Qizilbash substantiate an argument for the revision of the approach towards the allocation of funds towards provinces based on improved quality of data and a more comprehensive understanding of prevailing social relations. More analytical work is also required on understanding the spatial patterns of resource allocation at local and regional level.

It is in this sense that analyses of regional and local dynamics to inform the policy

<sup>40</sup> Statistics South Africa (SSA): *Measuring Poverty in South Africa*, SSA, 2000, Pretoria.

<sup>41</sup> See Mozaffar. Qizilbash: *A Note on the Measurement of Poverty and Vulnerability in the South African Context*, Journal of International Development, 14, Wiley InterScience, 757-772, 2002.

<sup>42</sup> Mozaffar. Qizilbash: *A Note on the Measurement of Poverty and Vulnerability in the South African Context*, Journal of International Development, 14, Wiley InterScience, pp757-772, 2002, p768-770 and S. Klasen: *Measuring Poverty and Deprivation in South Africa* in Review of Income and Wealth, 2000, 46(1): 33-58.

debate are distinctly lacking. DA. Clark has, in a recent study, attempted to quantify local trends through the conduct of two surveys in the Western Cape namely, a rural village, Murraysburg and Wallacedene, an urban township in Cape Town. The intention was to evaluate the abstract concepts of human wellbeing and development as advocated by AK Sen and M.C. Nussbaum with limited success.<sup>43</sup> It reflected on a list of functional capabilities and their shortcomings. Although its intention was to contribute to the development of ethics critical to informing policy processes, its silence on issues such as the power relations traversing policy formulation and implementation processes imposes serious constraints to understanding the nature of capability constraints and the role of the state and, civil and customary practices.

The ascendancy of different approaches towards development raised not only the importance of the multi-dimensionality of poverty but also the need for a multi-pronged but integrated approach. The critical issue is therefore to develop an understanding of the policy formation and planning processes informing the development agenda of a local area, available resources and prevailing allocative arrangements. Development planning processes that provided the environment for the rethinking of conceptions of poverty and developments' rehabilitation. What is, however, absent in most analysis is the way it is defined by the nooks, crannies and crevasses of power relations shaping specific issues albeit health, social welfare, transport or employment. Here the pivotal role of the state and the resource mobilisation possibilities provided through forging partnerships is central to understanding the trajectory of development and nature of and usage of instrumental freedoms essential to its attainment. What is critical however is the importance of strategic leadership in the application of competencies and capacities in the development of state apparatus locally based on inter-governmental relationships. It is these political practices and tendencies that defined the nature of development politics.

## **2** Governance, Transformation and Development

Throughout the process of modernization since the establishment of the unified state in 1910, development has featured as critical in dealing not only with the trajectory of growth, but also its relation to income distribution and poverty. Market dynamics were not considered the only and most effective means to address this challenge by all regimes

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<sup>43</sup> Clarke, D.A.: *Visions of Development: A Study of Human Values*, Edward Elgar, Cheltenham, UK, 2002.

since 1910. The state contributed to informing the evolving social and economic activities, policies, tactics and strategies that created and shaped market relations. As it is evident that institutions, and the state in particular, cannot be ignored in assessing the establishment and functioning of markets and their impact on economic and social outcomes. It played a critical role in defining and securing forms of property, facilitate the formulation and enforcement of contracts and access to information. An understanding of the cultural traditions and institutional structures that evolved also necessitates some form of historical analysis as “ History matters. It matters not just because we can learn from the past, but because the present and the future are connected to the past by the continuity of a society’s institutions. Today and tomorrow’s choices are shaped by the past. And the past can only be made intelligible as a story of institutional evolution.”<sup>44</sup> The evolution of institutions, whether characterized as market or non-market, regressive, reformist or revolutionary in character, thus contributed to understanding the importance of history in shaping the nature of modernisation and the future of development. What is critical was its importance in growth and income distribution where the state still remains the dominant force. This is consistent with changing global trends that tend to reflect rather the changing nature of the relation between public and private and not the diminishing importance of the state.<sup>45</sup>

What however is evident is that the changing power relations and its codification clearly provided the basis for the functionality of the state, whether national, provincial or local. Administrations governing the Western Cape, whether as a region or province shaped the functioning of various markets, thus amplified the importance of sub-national government. It gave meaning to certain constitutional competencies accorded that spanned the development domain. Attempts at regional development processes to effect a particular trajectory of localized growth and distribution of income is what distinguished the differing planning regimes. Their successes and failures relate to their ability to address the central issue of the equitable access to, and distribution of, resources.

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<sup>44</sup> North D. C: *Institutions, Institutional Change and Economic Performance*, Cambridge University Press, 1990, p- vii.

<sup>45</sup> see B Hibou (ed): *Privatising the State*, Hurst and Company in association with CERI, Paris, 2004.

**(a) The State, Citizenry, Participation and Social Dialogue**

The nature of participation of a citizenry historically in the process of modernisation, and development in particular, has been largely informed, structured, mediated and transformed through particular institutional arrangements. The institutions that have evolved provided the constraints and opportunities essential for dealing with the specific challenges. It is such institutions that have shaped not only whether allocative arrangements were efficient but also the distribution of income and access to opportunities for capability enhancement. Participation in its various forms, whether in economic, social or political life, has invariably been contested, analysed and measured in diverse ways historically. It is the level of participation that defined the character of citizenship and the nature of instrumental freedoms that prevailed.

The establishment of various institutions to facilitate the origination of macro policies including fiscal and monetary, trade and industry, and the basis for state intervention in the social, based on the need to attend to a plethora of social issues under the rubric of the social wage, epitomized the developmental role of the state. Although large amounts of money flows from the state annually, as informed by public policy based on conceptions of the social wage, it has not and cannot by itself shape the nature of the social. Nor does additional activity in the form of social responsibility or social investment. While its relations with particularly the corporate sector were mediated by the nature of the regulatory environment required, increased emphasis on corporate social investment reflected the changing role of corporate business in relation to social and political stability and economic development and growth. It increasingly articulated the need to initiate social projects to deal with market imperfections in areas such as small business development, education, health, housing recreation and sport.

Debates concerning the nature of civil society and its relation with governing institutions were highlighted when national, provincial and local government was restructured and mechanisms were established to facilitate public participation and particularly social dialogue on a range of issues, including those of a social and environmental nature. Developing an understanding of the relationship between the state and its citizenry in all its facets is critical in comprehending the nature of the interface that civil society provides. Here, the relation between civil society and the restructured state through the use of these forums for social dialogue together with recourse to the use of a variety of lobbying and protest methods including litigation, illustrated differing

understandings as to the how the interface should be structured and managed. The establishment of the National Economic Forum (NEF) and the Western Cape Economic Development Forum (WCEDF) before 1994 and their subsequent transformation into the National Economic Development and Labour Council (NEDLAC) in 1994 and the Western Cape Provincial Development Council (PDC) in 1996<sup>46</sup> as mechanisms facilitating social dialogue, is considered critical in comprehending state-civil society relations and social contract formation. Yet, while the conduct of social dialogue at a national level had clearly outlined procedures and structure, the same could not be said for deliberations at provincial and local level. Here, the existence of different spheres of government with diverse but interlocking competencies made the identification of affected parties difficult when dealing with both issues of a sectoral and transversal nature. Only some departments have developed the mechanisms to facilitate sectoral dialogue, which such as the national departments dealing with water affairs and forestry and labour markets have established forums of an advisory nature. The provincial departments of social development and health followed the same path with the establishment of district transformation forums and health forums.

The various attempts to compile and attain consensus among stakeholders about provincial growth and development strategy and local integrated development plans were, however, elusive until well into 2002. A number of factors can be ascribed to this. Firstly, there was a lack of political will to make decisive decisions, which was related to the frequency with which government has changed particularly in the Western Cape. Secondly, there was the need to understand distinct roles in the planning process in the context of a rapidly transforming situation.

Some of the key problems that have affected the development and strengthening of these activities has been the lack of support from municipalities, limited stakeholder involvement, funding and a sustainable strategic direction that links the public participation processes with delivery through the initiation of projects. Regional Development Councils and various Municipal Development Forums in the respective districts or planning regions and local areas in the province<sup>47</sup> have been attempting to co-ordinate civil society's involvement in a number of activities with a limited success. These

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<sup>46</sup> The National Economic Development and Labour Council (NEDLAC) was launched in February 1995 in terms of the National Economic Development and Labour Council Act No 35 of 1994. The Western Cape Provincial Development Council (PDC) was launched in November 1996 in terms of the PDC Law of No 5 of 1996.

<sup>47</sup> The Western Cape Provincial Development Council Law were promulgated in 1996 to facilitate the establishment of mechanisms to facilitate social dialogue and amended in 2004.

issues were compounded by the consideration that local government legislation had not been finalised by the time these forums were established. The Western Cape Provincial Development Council Law, which facilitated the establishment of these forums, was promulgated at a time that the local authorities went through an interim phase after elections were held in May 1996 that involved the production of a White Paper and the enactment of a suite of local government legislation that included the Municipal Structures Act No 117 of 1998, the Municipal Demarcation Act, No 27 of 1998 and the Municipal Systems Act No.32 of 2000. The seven local authorities in the Cape Metropolitan Area (CMA) were restructured into a single municipality initially under the auspices of a Metropolitan Uni-city Commission and now a newly elected city council. Only five districts, as the geo-political space for the functioning of new District Councils, were demarcated. Their functions were, however, different to that of the City of Cape Town due to different urban rural dynamics and the diverse functions of the municipalities established within set boundaries. How the new authorities related to civil society was uneven and unclear pending the circumstances.

It is in this context that we are engaged in redefining the nature of the relation between the state and its citizenry with the construction of a new social contract involving civil society. The question is the nature thereof. The debate has traversed the entire political spectrum ranging from the left to the right tendencies in various political parties. Since the 1980s the left has considered engagement in processes of social contract formation as part of a co-option process under the leadership of the right. Whereas the right has reduced the role of social contract construction to be subordinate to the establishment and functioning of legislatures and market forces in particular. The labour unions, faith and community based organisations, NGOs, consumer groups and other organisations have increasingly sought the formation of alliances structured around an array of issues ranging from Aids, crime, poverty and debt relief and conditions of employment to enhance the nature of their engagement with governing structures.

Central to this process of social construction is the need of an integrated \ balanced approach between urban \rural and regional \ national development with regard for the need to accommodate diversity in social identities. The nature of state intervention at a provincial, regional or local realm must therefore be understood in the context of the balance of contending classes that informed and shaped its ability to resource its particular path of development. This is being informed increasingly by an evolving planning process that emphasises the need to integrate various spheres of development

based on social partnership formation. Although the government will continue to play a leading role in policy formulation, the involvement of the key role-players is critical to its success. The emphasis on social partnership as an integral part of the planning and implementation processes is consistent with global policies of social dialogue and public participation advocated by UN-related institutions such as UNDP.

To define, characterise and quantify the value derived from this multitude of activity as social capital is rather arduous. Here “social capital is an instantiated informal norm that promotes co-operation between two or more individuals. The norms that constitute social capital can range from a norm of reciprocity between friends, all the way up to complex and elaborately articulated doctrines like Christianity or Confucianism. They must be instantiated in an actual human relationship: the norm of reciprocity exists in potentia in my dealings with my friends. By this definition, trust, networks, civil society, and the like which have been associated with social capital but not constituting social capital itself.”<sup>48</sup> Although there is no denying that the concept of social capital is a relatively recent invention (coined by Hirschman), it has emerged primarily in an economic context. Equally, economists prefer to make reference to the value of human capital and institutions as resource allocation mechanisms as “the idea of social capital sits awkwardly in contemporary economic thinking. Even though it has a powerful, intuitive appeal, it is fiendishly difficult to measure....because we do not quite know what we should be measuring. The concepts of social capital are many, varied and, in many instances, intangible-as they consist of different types of relationships and engagements.”<sup>49</sup> Social capital however emphasises the value derived from social networks and has, however, not been incorporated into economic analysis when dealing with the formulation of economic and social strategies until recently.

The wave of restructuring to produce a more efficient state form through the use of various allocative arrangements, including markets, together with the need to incorporate more effectively the involvement of the citizenry in development processes has led to a re-examination of the nature of transformation and the methods to effect it. The relation between the state and its citizenry remained central as the terms of the debate shifted to emphasising the collaborative arrangement between state and markets through an emphasis on forms of partnerships. Understanding its functioning in development

<sup>48</sup> J. Fukuyama: *Social Capital and Civil Society*, IMF Conference on Second Generation Reforms, 1 October, 1999.

<sup>49</sup> Partha Dasgupta: *Economic Progress and the Idea of Social Capital* in *Social Capital a Multifaceted Perspective*, Eds P Dasgupta and I Seregeldin, The World Bank, September 1999, p326.

discourse formation, particularly in relation to that of the social, social wage, corporate social investment, human capital and social movements could provide a better grasp of various dimensions of regional development. Integration at the level of sector and scale in the context of the differing regional institutional interests and competencies opens up a Pandora's box of possibilities within which the conceptualization of social capital and capability approaches could play a key role.

It is in this sense that the notion of the South African developmental state is assuredly not a recent growth but an integral part of the process of modernization and the trajectory of development despite varying contestations concerning the extent and nature of intervention. Here, the human rights regimes were pivotal in not only according or denying rights, but in determining access to resources and the nature of the allocative arrangements supported by the state as the principal development agent. What it amounts to is a redefinition of what constitutes private-public and the nature of this transformed relationship between citizens, subjects and the state.

The measurement of its success can only be ascertained with a combination of social, economic and environmental devices and qualitative instruments. Comparisons using the same methods for districts and metropolitan areas within provinces and areas within districts and metropolitan areas is not possible unless the sample size of existing surveys is increased or customised surveys in defined provinces, regions and local areas are commissioned. Recent attempts at these localised surveys yield interesting but limited results.<sup>50</sup> Hence, the preoccupation here was therefore not with methods of measurement and quantification of the problem but primarily with how they infuse and inform social and economic means and instruments that either enhance or deprive human capability. The regulatory environment not only defines the relation between the state and market and non-market forces but also the nature of instrumental freedoms, freedoms that are considered critical to fostering human capabilities and substantive freedoms in general. Can we therefore in this context consider development as freedom, particularly when these instrumental freedoms are critical to the pursuit of development while development enhances these freedoms? What are the implications for a majority ruled South Africa as a whole, and the Western Cape in particular?

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<sup>50</sup> See Clarke, D.A.: *Visions of Development: A study of Human Values*, Edward Elgar, Cheltenham, UK, 2002. and the recent SALDRU Survey of Khayelitsha and Mitchell Plain, 2000.

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## 6. NEWSPAPER AND MAGAZINE ARTICLES

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the wars of conquests, the British protectorates of Botswana, Lesotho and Swaziland, areas with no significantly large and recognised settler communities, were not incorporated. The nature of the Vereeniging compromise thus gave birth to a new form of colonial governmentality through which the conflicting interests of the 'south' and 'north' was mediated. The establishment of a degree of centralism facilitated through national policy frameworks and conditions curtailed the powers of the former colonies that now had to operate through the newly established Provincial Councils. It was the new distribution of power relations among the various levels that mattered while the boundaries of previous administrations and associated levels of government were virtually left unaltered. The powers of the previous administration were now vested in the newly established national executive and legislative authority of a new state form.

By 1910 the Cape Colony constituted one of its four Provinces and the western Cape Province one of its regions. The establishment of reserves administered by the colonial administration in collaboration with local chiefdoms was the most common form of governance of the subjugated. In response to this new form of government were "stresses and strains, adjustments and modifications that had to be made to the social and cultural fabric of the indigenous communities" However these communities were able to survive and mount continual resistance.

The characteristic outcome of almost all these conflicts was threefold. Over the decades, Africans gradually lost more and more of their land and capital and a larger number of them were in turn forced into the service of the colonist. Secondly, despite support from their home governments the colonists' forces did not achieve the military victories at once throughout the country. Thus after almost every war Africans still retained some of their lands. Thirdly, the longer the conflicts lasted the stronger the cultural resistance towards what was considered to be the culture of the colonists, viz. capitalist culture. Probably more than all else, it was this cultural alienation of a large number of Africans from bourgeois culture that has had a lasting effect on the capitalist system in South Africa.<sup>2</sup>

The apparent shift in colonial policy, from a form of Cape liberalism before the 1870's that denoted 'equality before the eyes of the law' to a subsequent pre-occupation with the administration of blacks, concealed, however, the prevalence of relatively conservative but nuanced administrative traditions in what became the provinces under both the segregationist Union and the Apartheid Republic. As a British dominion and later a republic in 1960, South Africa was essentially controlled by 'whites' who "in

<sup>2</sup> See M. Mbeki, *Class and Class Struggle in South Africa: 1657-1963*, M.A., Warwick University, 1982, p7.

and limited agricultural exports in a depressed international market. The urban centres that emerged reflected the dominance of mining and the relatively weaker position of secondary industry in the local economies throughout South Africa. The local economies of urban centres throughout the western Cape reflected its ability to build on the strength of an older secondary industry based on processing agricultural raw materials and the need for service centres for a strong agricultural sector. This together with the availability of a port linking road, rail and marine transport infrastructure coupled with housing the legislature, enforced Cape Town's status as the dominant urban centre in the region while a number of smaller towns such as Saldanha/ Vredenburg, Vredendal, Paarl, Worcester, Stellenbosch, Beaufort West, Oudshoorn, George, Caledon and Bredasdorp emerged in its hinterland.

Growth generated in mining towns on the Witwatersrand and elsewhere encouraged a particular path of industrialisation and hence urban development as facilitated by national framework conditions since 1910. The Western Cape's economy relatively older and better-organised and an emerging secondary industrial base enabled it to take advantage of the expanding home market. The clothing and food processing industries were able to demonstrate a propensity for growth in output and employment levels thus contributing to secondary industry's ascendancy in the region, especially during the period 1921-1929 when an average growth rate of 5.2% was obtained in circumstances where western economies were experiencing an expansion. Whilst this placed the regional economy - the strongest in the Cape Province in comparison with the eastern Cape, Midlands and north west Cape - in an ideal position, the Witwatersrand region of the Transvaal Province became the fastest regional growth point.

The ownership patterns within sectors of the economy were not significantly different as most of the ownership of industrial and mining enterprises was concentrated among whites in the form of family concerns and a limited form of registered publicly owned companies. The latter depended on questions of scale, the extent of development of the money market and the nature of corporate governance arrangements. The developing co-operative movement and associated financial institutions contributed to the expansion of Afrikaner nationalist informed patterns of ownership and control of commercial agriculture, the food processing sectors and commerce. These endeavours straddled both the spheres of small, medium and larger enterprises where a complex symbiotic relationship between ownership, control and enterprise size prevailed. These