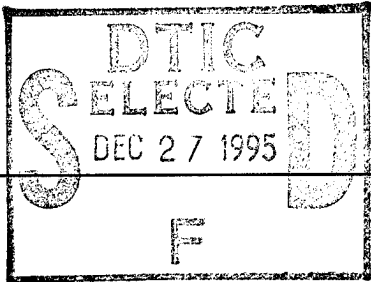


REPORT DOCUMENTATION PAGE

Form Approved
OMB No. 0704-0188

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington Headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188), Washington, DC 20503.

1. AGENCY USE ONLY (<i>Leave Blank</i>)	2. REPORT DATE April 1990	3. REPORT TYPE AND DATES COVERED Final	
4. TITLE AND SUBTITLE South Africa: Black Economic Empowerment — Annotated Bibliography		5. FUNDING NUMBERS	
6. AUTHOR(S) Rachel Warner		8. PERFORMING ORGANIZATION REPORT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Federal Research Division Library of Congress Washington, DC 20540-5220			
9. SPONSORING/MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A		10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES Prepared under an Interagency Agreement			
12a. DISTRIBUTION/AVAILABILITY STATEMENT Approved for public release; distribution unlimited.		12b. DISTRIBUTION CODE	
13. ABSTRACT (<i>Maximum 200 words</i>) This annotated bibliography surveys United States and foreign literature that analyzes or reports on black economic empowerment in South Africa. The items included were published between April 1985 and 1990.			
14. SUBJECT TERMS South Africa Empowerment Economics		15. NUMBER OF PAGES 87	
17. SECURITY CLASSIFICATION OF REPORT UNCLASSIFIED		16. PRICE CODE	
		20. LIMITATION OF ABSTRACT SAR	
18. SECURITY CLASSIFICATION OF THIS PAGE UNCLASSIFIED	19. SECURITY CLASSIFICATION OF ABSTRACT UNCLASSIFIED	21. LIMITATION OF ABSTRACT	





SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT

ANNOTATED BIBLIOGRAPHY

Accession For		
NTIS	ORARI	<input checked="" type="checkbox"/>
DTIC	TIG	<input type="checkbox"/>
Unannounced		<input type="checkbox"/>
Justification		
By _____		
Distribution		
Availability Codes		
Dist	Availability or Special	
A-1		

Prepared by:
 Federal Research Division
 Library of Congress
 Washington, DC 20540
 April 1990
 Analyst: Rachel Warner


19951222 029

Dear Reader:

This product was prepared by the staff of the *Federal Research Division* of the *Library of Congress* under an interagency agreement with the sponsoring United States Government agency.

The Federal Research Division is the Library of Congress's primary fee-for-service research unit. At the request of Executive and Judicial branch agencies of the United States Government and on a cost-recovery basis, the Division prepares studies and reports, chronologies, bibliographies, foreign-language abstracts, and other tailored products in hard-copy and electronic media. The subjects researched include the broad spectrum of social sciences, physical sciences, and the humanities.

For additional information on obtaining the research and analytical services of the Federal Research Division, please call 202/707-9905, fax 202/707-9920, via Internet frd@mail.loc.gov, or write to *Marketing Coordinator, Federal Research Division, Library of Congress, Washington, DC 20540-5220*.



Louis R. Mortimer

Chief

Federal Research Division

Library of Congress

Washington, DC 20540-5220

PREFACE

This annotated bibliography surveys U. S. and foreign literature that analyzes or reports on black economic empowerment in South Africa. The items included were published between April 1985 and January 1990.

"A Channel to Blacks." Financial Mail, 20 May 1988, p. 55.

The Canadian government, through its local embassy in South Africa, is funding a number of educational and community projects for the black population. In the education field, over 60 organizations, ranging from preschool education to teacher upgrading, are receiving support. The Canadian Association for Black Business in South Africa (Cabbsa), formed to work with aspiring black businessmen, was the brainchild of the Canadian Export Association, a nonprofit organization made up of more than 1,000 Canadian companies interested in developing business abroad. Cabbsa does not intend to provide investment capital, but rather offers training (provided by retired Canadian businessmen) in practical business skills. Cabbsa admits that its motives include the desire to keep open future market options with blacks.

Adler, Glenn. "What's Good for General Motors?: Black Workers' Response to Disinvestment, October-November 1986." Journal of Southern African Studies, vol. 15, no. 3 (April 1989), pp. 415-39.

In late 1986, American companies disinvested from South Africa, thereby threatening the livelihood of thousands of black workers. Virtually the entire black work force of nearly 1,900 at General Motors in Port Elizabeth began a sit-in after management rejected workers' demands for financial security drawn up in the wake of the company's decision to disinvest. Incensed by the company's failure to notify or consult them about the impending sale of the company to local management, workers feared the plan masked the company's true intentions to close a highly unprofitable factory and escape from financial obligations to workers. In reality, this particular company's disinvestment caused neither unemployment nor economic privation for blacks. It did, in fact, strengthen the company when it was restructured by its new management. The strike by black workers, some of whom were fired, represented the first effort by black workers in South Africa to contest the terms of a corporate withdrawal and to find ways in which to challenge managerial prerogatives over investment and employment.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 2

"AIESEC. A Survey--Empowered to Produce." Financial Mail Supplement, 22 September 1989, p. 28.

Lawrence Mavundla, president of the African Council of Hawkers and Informal Businesses (ACHIB), believes that black economic empowerment--ownership of the means of production--is impossible in the formal sector of present-day South Africa. ACHIB, which was formed in 1986 to represent hawkers--sidewalk vendors-- and others operating informal businesses, now has over 14,000 members. The informal sector provides employment opportunities absent in the formal sector. ACHIB supplies individuals with up to 500 rands to start a business (as compared to the 30,000 to 50,000 rands required in the formal sector). Moreover, ACHIB also provides legal aid for more than 10,000 traders and has paved the way of some 16,000 hawkers countrywide to obtain licenses which are generally issued only in Johannesburg.

"Aiming Higher." Financial Mail, 22 September 1989, p. 86.

The New Economy Trust was formed in September 1989 to develop small- and medium-sized black-owned formal companies. Those in the top echelons of the white business world acknowledge that the survival of South African business depends upon the success of the New Economy Trust, which receives support from the trust development arm of the First National Bank, First Persam. First Persam provides the opportunity for people, including disinvestors, former disinvestors, and sanctioneers, looking to invest in what is known as conscience money--money to promote black economic empowerment through the development of a strong free-market system. The trust offers venture capital to black entrepreneurs in return for up to a 50 percent share in the operation.

Akhalwaya, Ameen. "The Red Herring Factor." Africa Report, January/February 1989, pp. 13-15.

The author claims that black leaders viewed with skepticism former President P. W. Botha's diplomatic initiatives, including the release of political prisoners and a Namibian and Angolan settlement, because they believed that the government has been motivated more by

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 3

economic factors than by the desire to abolish apartheid. The government's failure to make a commitment to desegregation while giving lip service to its reform package is evident in all aspects of life. In the education sector, for example, the National Party expects blacks to applaud the amount of money it pours into overcrowded black classrooms when superior white schools close for lack of students. The same applies to the health sector. This "red herring factor" was especially evident when the government announced a subsidy for first time homebuyers, but then proclaimed that the land would be developed by private contractors who priced new houses out of the range of most blacks.

Ault, D.E., and Rutman, G.L. "The Effect of Increases in Real Goldmining Wages on the Expenditure Patterns of Rural African Mineworkers." The South African Journal of Economics, vol. 55, no. 4 (December 1987), pp. 381-94.

In the 1970s, political events in southern Africa, including the installation of Marxist governments in Angola and Mozambique and political instability in Zimbabwe, led to increased efforts by the South African Chamber of Mines to recruit mineworkers from within South Africa. As part of this effort, the industry by 1980 had increased wages by over 500 percent. The authors examine the effects of this substantial increase in income from goldmining on the consumption and asset accumulation patterns of mineworkers living in the rural areas of South Africa. The article contains two tables--one that details the characteristics of those mineworkers surveyed and one that lists intended expenditures of the sample group. The authors had expected to find that the rural populations would spend their wage income on items within the categories of farming and animal husbandry, but found instead that they spent more money on capital goods and services. They also found that money was used more frequently to settle debts and traditional obligations, such as payment by a groom to the family of the bride and ceremonial gifts designed to maintain social status. The authors conclude that rural South Africans employed by the goldmining industry use the market economy to such an extent that they should not be characterized as being part of a non-market economy, as are most rural residents who are engaged primarily in small-scale agricultural activities.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 4

Baker, Pauline H. "The Myth of Middle Class Moderation: African Lessons for South Africa." Issue, vol. 16, no. 2, 1988, pp. 45-8.

Beginning with the generally accepted assumption that economic growth is either a precondition or a correlate of democracy and political stability, Baker studies the role of the middle class in Africa. She differentiates between Western and African middle class values, stating that the former encompasses individual achievement while the latter is linked to group welfare. Thus African wage earners, expected to invest considerable resources in their extended families, think in ethnic terms rather than in a national framework. Baker uses for an example Nigeria, where the country's most educated people, the Ibo, fought a civil war in 1967 in which superior economic status did not overcome ethnic nationalism. She contends that contrary to the popular South African belief that the growth of a black middle class would extinguish the revolutionary tide, this middle class moderation would instead fail to solve the fundamental problem of power concentration as long as political rights are defined by color.

"Banking on Nafcoc." Financial Mail, 19 February 1988, p. 73.

Nafcoc executive Sam Molebatsi is one of the few South African blacks with a successful career in financial institutions. He set up the first Standard Bank branch in a black urban area--Soweto--in 1976 and worked for more than two years at First Industrial Bank as a business and marketing consultant. Nafcoc functions as a public relations tool for black business, and Molebatsi wants to expand the organization's role by encouraging the economic liberation of the black population. He believes that such progressive black organizations as trade unions and Informal Businessmen can create a blueprint for successful black businesses. Molebatsi admits that the quality of black management in South Africa leaves much to be desired, noting that too many black managers work in such fields as personnel or marketing, and that there is a desperate need for more black financial managers. He claims, however, that financial institutions are reluctant to help develop black enterprises because they tend to view new, small black businesses as too risky.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 5

Battersby, John D. "Liberal Universities Battle for Survival in South Africa." New York Times, 18 October 1987. Reprinted in AF Press Clips, vol. 22, no. 42 (22 October 1987), pp. 4, 15.

South Africa's English-language universities are caught between trying to promote a society open to all and government policies that threaten the schools with the loss of subsidies if they do not crack down on antiapartheid groups and activities. The open schools have been freed from enrollment quotas since 1983 and since then, the percentage of black students has risen sharply. A black student organization, the National Union of South African Students, has called on whites to question the consequences of participating in a white election and contributed to the partial boycott of white elections in 1987. The English-speaking schools, which have an enrollment of 36,000 white and 9,000 nonwhite students, have defended their black students, even amid criticism from some parents that the needs of black students coming from inferior educational facilities are taking their toll on the university.

Battersby, John D. "On South Africa Right, Life is Black and White." New York Times, 4 April 1987, p. A6.

The right-wing Conservative Party led by Andries P. Treurnicht has been critical of the ruling National Party because of the latter's reform policies regarding the black population. Two such policies are the abolition of restrictions on the movement of blacks in the labor force and plans to provide housing for blacks in urban areas. Treurnicht is also distressed by the significant flow of wealth from whites to blacks in the last fifteen years as blacks increasingly receive equal pay for equal work.

Battersby, John D. "Triumph for Blacks' Bakery." New York Times, 20 July 1987. Reprinted in AF Press Clips, vol. 22, no. 29 (24 July 1987), p. 5.

Lebowa Bakeries Ltd. is the first black-controlled company to be listed on the Johannesburg Stock Exchange. The company is based in Lebowa, a homeland located in northeastern Transvaal. The company has an interracial staff of 690 people, with blacks holding many of the

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 6

senior production and administrative positions, and serves 60 percent of the market in Lebowa.

Battersby, John D. "In South African 'Showcase,' Reports of Brutality and Arrests." Washington Post, 23 May 1987. Reprinted in AF Press Clips, vol. 22, no. 21 (29 May 1987), pp. 2-3.

There is overwhelming evidence that the KwaNdebele homeland is a hotbed of official repression and torture. The most recent reports come from Johannesburg journalist, who was detained in Kwaggafontein after investigating reports of civil unrest and violence. KwaNdebele, in the province of Transvaal, is the smallest, most dependent, and least viable of South Africa's five homelands. It was created when the South African government bought up white farms, but there are virtually no employment opportunities for the homeland's 465,000 inhabitants, forcing most to commute to urban areas or to become migrant laborers. Only 16 of the 79 members of the Assembly are elected; the rest are appointed by the chief minister of KwaNdebele.

Battersby, John. "South Africa's Modest Momentum." Christian Science Monitor, 2 January 1990, pp. 4-5.

Battersby writes that there are outward signs in South Africa that apartheid is crumbling. Unlike the events in Eastern Europe, where the ideological landscape changed overnight, change in South Africa appears to be a protracted civil rights struggle. Nominally white downtown Johannesburg has already taken on a post-apartheid air--hotels, movie theatres, and public amenities are fully integrated, and in parts of the city, blacks outnumber whites by ten to one. Black consumers fill the shops and hotels, and a proliferation of black vendors is changing the face of the city. A black middle class is emerging--in Soweto, for example, the massive black residential district southwest of Johannesburg is sprouting with middle-class housing projects and improvements to the tiny government-built houses. Black trade unions have played a major role in getting the influential business lobby to pressure the government to change its policies, and white businessmen and government officials are finally acknowledging the considerable damage caused by sanctions. Most importantly, whites have

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 7

finally come to realize that economic and demographic realities are now forcing an end to the economic suppression of 30 million blacks--progress in turning about the situation includes legalization of black trade unions and the abolition of some economic restrictions on blacks, both of which have begun a process of black economic empowerment.

"Beach Apartheid Ended." Africa Research Bulletin, vol. 26, no. 11 (15 December 1989), p. 9485.

The South African government announced plans to repeal the Separate Amenities Act, which allows local authorities to segregate facilities such as parks, libraries, and town halls. In the meantime, all beaches are to be desegregated immediately, an action that will have only a limited impact since most of the country's beaches are already desegregated. The repeal of the Separate Amenities Act, however, will be more significant because it could signal the end of petty apartheid. Residential segregation and segregation of schools and hospitals will be unaffected by the repeal of the Separate Amenities Act.

Benatar, S. R. "Medicine and Health Care in South Africa." New England Journal of Medicine, vol. 315, no. 8 (21 August 1986), pp. 527-32.

In this special report, the author identifies inadequacies of the present South African health care system, some of which are clearly caused by apartheid; others not obviously so. Benatar furnishes an array of statistical data, including government expenditures in the health sector, enrollment and tuition fees of medical schools, hospital costs, and percentages of racial groups trained in nursing and paramedical services. A section entitled "Access to Health Care Facilities" discusses the unequal distribution of health care facilities--medical services are concentrated in urban areas and those few facilities available in rural areas are often inaccessible to most blacks. The article contains a table entitled "Profile of Health and Disease in South Africa, According to Population Group."

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 8

Beresford, David. "Black Patients Enter Hospitals for Whites." Guardian, 3 August 1989. Reprinted in Facts and Reports, 11 August 1989, p. 1.

For the first time, hospital authorities all over the country abandoned segregation to admit black patients demanding treatment. There remain, however, numerous obstacles to significant progress. Predominantly white Johannesburg General, for example, has 1,000 empty beds while the black Baragwanath Hospital in nearby Soweto is overcrowded; Johannesburg General officials claim that there is an insufficient number of nurses to care for the overflow from Baragwanath. Ironically, most of the nurses at Johannesburg General are black, although only white nurses can train there. Nursing is popular among young black women who are limited by the small number of training facilities for blacks in the medical profession.

Bernstein, Ann. "Focus on the Cities-Toward a New National Agenda." Africa Insight, vol. 19, no. 2 (1989), pp. 65-71.

The process of black urbanization in South Africa is of great significance and, the author claims, will have profound political, social, economic, and cultural implications which will transform South African society. Until recently, government discriminatory policies prevented large-scale black urbanization, allowing blacks only temporary living quarters in the cities with their permanent home in rural reserves. The realities of the 1980s, however, include the permanence of blacks in the urban economy and the interdependence of blacks and whites, which has led to a change in official rhetoric and the assimilation of blacks into the urban environment. The author suggests that the development of a new urbanization strategy is vital and that the implications of new policies, including the acceptance of black citizenship, are immense. The remainder of this comprehensive and provocative article discusses the variety of ways in which the South African government could develop a new urbanization strategy to make maximum use of the black workforce.

"Black Masks, White Faces." Economist, 10 June 1989, pp. 38-41.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 9

South Africa once limited the size, number, and scope of businesses in the black townships, and denied black entrepreneurs the right to trade in white areas. The lifting of those rules in the last decade has given some blacks a chance to gain wealth. Those who advocate black empowerment point to the success of black taxi owners--South Africa has as many as 100,000 private black taxis and minibuses that serve both white and black cities. (Intense competition in the taxi business, however, has led to feuding between drivers and rival taxi associations over territorial rights.) There is a gap between the theory and practice of black empowerment: many of the taxis are owned by whites--the Southern African Black Taxi Association estimates that a third of the minibus taxis are owned by whites, who lease them to blacks. The same situation exists in other areas, where there has been an apparent growth of black economic power--mobile food stands have proliferated in most South African cities; although they are staffed by blacks, four fifths of them belong to whites. Black economic power, however, is growing--in the towns, black consumers may spend more than whites although few have enough savings to enable them to start a business.

"Black Taxi Owners Gain Financing to Buy South African Bus Firm." Wall Street Journal, 5 August 1987. Reprinted in AF Press Clips, vol. 22, no. 31 (7 August 1987), p. 4.

The Southern Africa Bus and Taxi Association, or Sabta, a national organization of 45,000 black taxi owners and drivers, announced plans to purchase a 52.5 percent stake in South Africa's largest bus company, Putco. Sabta approached two leading black business organizations, the African Bank and the National African Chambers of Commerce, to become partners in the purchase.

"Black Taxis: Impossible Dream." Financial Mail, 11 August 1989, p. 84.

With a grant from the Anglo American Chairman's fund, the Southern African Black Taxi Association (Sabta)'s training and development company, Project Spear, is considering two projects. The first would establish 300 taxi centers around the country to sell training courses and to operate as trading and profit centers. The second project would

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 10

have Sabta operate transport systems if they are privatized. Project Spear would provide services for the entire population and provide "new business opportunities for large numbers of independent transport subcontractors and franchisees as part of black economic empowerment." Project Spear is jointly owned by Sabta and Associated Training Resources, and its shareholders see no problems in attracting local and overseas investors to finance the projects. The largest problem would be to persuade Johannesburg residents, many of whom have expressed fears of allegedly reckless drivers of black-owned taxis, to ride in black-run buses.

Black, Philip. "Boycott Strategies in the Eastern Cape." South Africa International, vol. 17, no. 1 (July 1986), pp. 32-37.

Polarization between blacks and non-blacks has produced among the black community a well-organized and well-mobilized opposition to the white-controlled power structure in South Africa. In the economic sphere, black resistance has taken the form of strikes, stayaways, school and consumer boycotts, and the formation of strong trade unions. Popular resistance, in all its forms, has become a way of life in the black townships of South Africa. The author examines the recent school and consumer boycotts in the eastern Cape, which form part of a broader political strategy of peaceful resistance. The consumer boycott represents an attempt to initiate a process of negotiation at the grassroots level between blacks and the white business sector. Proponents of school boycotts argue that the present system of black education represents a highly discriminatory means of securing the dominant position of the capitalist class in South Africa.

Thus, the primary aim of the school boycotts is to prepare black students socially and economically for an alternative society based on egalitarian principles. The author suggests that consumer boycotts may provide an incentive to blacks to start their own businesses or expand existing ones, both in the formal and informal sectors of the economy. The increased demand among black consumers for the goods and services provided by black businesses should increase the incomes of blacks as a whole, and should also encourage the growth of wholesalers and manufacturing activities in the black townships. Perhaps, Black concludes, consumer boycotts could become

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 11

an important vehicle for redistributing income from the white business community to black townships.

Blacquiere, Arie. "Reading for Survival: Text and the Second Language Student." South African Journal of Higher Education, vol. 3, no. 1 (1989), pp. 73-82.

Tests conducted over the past six years with first-year students entering the Pietermaritzburg campus of the University of Natal find that black students, who have been educated in inadequately supplied and understaffed education systems, are unable to read as efficiently as their white peers. The researchers used a series of tests, including a ten-part series which attempted to measure reading speed and comprehension, as well as to evaluate a variety of academic skills. Blacquiere suggests that since black students are initially at a marked disadvantage in this area, educators should pay primary attention to reading improvement at the level of text analysis (as opposed to aspects which merely contribute to speed, such as word recognition) to give underprepared students the best chance of survival in their first crucial year in what is for them a largely alien environment.

Bot, Monica. "Black Education and the Role of the Private Sector." South Africa International, vol. 19, no. 4 (April 1989), pp. 181-87.

Since 1976, South Africa's private sector has become more actively involved in black education, primarily because of concerns about the shortage of skilled labor during a time of rapid growth and increasing economic complexity. The Urban Foundation was set up by the private sector in order to assume greater responsibility within the areas of black education and training. Private companies now support every field of black education, including the so-called non-formal education programs. Although it is difficult to assess the impact of this support, businessmen agree that it has resulted in increased physical facilities and equipment; that there has been an improvement in informal and supplementary education; that certain highly targeted programs, such as the Science Education Programme, have improved; that because the private sector supports different approaches and innovative projects, some

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 12

influence policy change; that through scholarships to black students and the financing of private schools, there has been an increase in racially mixed education; and that teacher training programs have contributed to the drop in the percentage of inadequately educated black teachers.

Brimelow, Peter. "Why South Africa Shrugs at Sanctions." Forbes, 9 March 1987, pp. 101-4.

International economic sanctions are not, on the surface, making much of a dent in the South African economy. In fact, Brimelow writes, they are forcing the South African economy, which has a sophisticated industrial base and tremendous resources, to become self-sufficient and to demonstrate its technical ability to build practically anything. The problem, however, lies in the repercussions of the sanctions on blacks. For example, white fruit growers employ 220,000 nonwhites, many of whom are blacks bussed in from the homelands. The loss of the lucrative North American and Scandinavian export markets could seriously undermine the industry and leave thousands of blacks unemployed. In a discussion on the adaptability of South Africa's economy, Brimelow uses as an example the proliferation of black-owned minibuses to the extent that an estimated 40,000 black-owned cabs exist in the country--an industry that is booming regardless of sanctions.

"Broken-Down Model." Financial Mail, 16 September 1988, p. 58.

The private school for blacks in Phambili, established by the newly formed Natal Education Organisation and the Institute for Black Research with funding from the United States Agency for International Development, was meant to meet the growing crisis in education for South Africa's blacks. But the school became a target of student riots amid allegations of mismanagement, lack of resources, and financial irregularities. Although most of the problems appear to be caused by mismanagement by the school's director, Fatima Meer, and not by the concept, this alternative model for black education will probably not survive.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 13

Browne, Robert. "South Africa: Assistance and Aid Programmes." Third World Quarterly, vol. 9, no. 2 (April 1987), pp. 493-514.

This article explores the most appropriate role of foreign assistance in aiding a post-apartheid South African government to build an economy that meets the needs of its people. The installation of a democratic government in South Africa will mean that the black majority, most of whom have been denied education and the training and experience of running a modern economy, will have the opportunity to assume control of a highly sophisticated and technologically advanced society. While examining the types of aid programs available, Browne discusses the current state of affairs in the country's economic sectors. In one section, Browne discusses education and training, stating that some black South Africans have received education and training programs from foreign governments both within and outside South Africa. South African private industry has also sent some of its black employees abroad for training in preparation for middle management slots in the corporate world, a practice viewed with disfavor by some prominent black antiapartheid leaders, who fear that these individuals could become complacent and ultimately traitors to the struggle. At the same time, the African National Congress recognizes the importance of having adequate numbers of blacks capable of assuming the controls in all sectors of the society.

Browning, Paul. "Black Empowerment and Taxis." Financial Mail, 18 August 1989, p. 90.

The goal of black economic empowerment is to assist, but not replace, the political process of dismantling apartheid and creating a nonracial representative government in South Africa. Browning writes that this can occur only with the support of both the public and private sectors. Thus, the government must pass appropriate legislation and be prepared to manage the process of change, and the private sector must help develop black business, even to the extent of aiding potential competitors. A first step would be the creation of an intermediate level in the semiformal sector through which the private sector could assist successful informal sector entrepreneurs make the transition to the formal sector.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 14

Recently, the South African Black Taxi Association (Sabta) joined with a Western company to form a joint development company, Project Spear (Pty) Limited. Project Spear will educate and train drivers in residential training units and taxi centers will be sold as independent franchises. Project Spear will also develop new business opportunities so that taxi drivers can become transportation sub-contractors or franchisers. New business opportunities will include parcel and freight operations, tourism, and the privatization of municipal public transportation.

"Buddy, Can You Spare a Dime?" Financial Mail, 30 September 1988, pp. 32-33.

In South Africa's black townships, there has arisen a thriving network of informal, self-help credit mechanisms answering the needs of thousands of black businesses which are neglected by mainstream financial institutions. Mashonisas, informal moneylenders, can be found in almost every office (including banks and building societies) and factory in the country. They are often senior persons in a firm and charge enormous interest rates--typically about 20 percent a week. They have organized an informal credit bureau, usually lending only to fellow employees, and defaulters never again have the opportunity to borrow. While these moneylenders are largely limited to the workplace, other credit-granting networks, including loan sharks, interpersonal networks between families and friends, savings clubs, investment syndicates, and burial schemes, operate within the townships. Stokvels, a catchall phrase for savings clubs, are the biggest generators of informal funds because their members are acquaintances and the clubs operate on trust. They are more than money-making ventures--a whole subculture revolves around the clubs, which have become especially popular with young, upper income blacks. Enormous amounts of money raised from stokvels help to finance construction work through investment in home improvements. But stokvels, while sometimes providing start-up capital for small businesses, do not provide additional running costs if the businesses fail to prosper immediately. Because formal financial institutions have not filled this gap, mashonisas attempt to do so; however, they do not have access to large amounts and are often forced to operate illegally, even though it is generally recognized that

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 15

they provide a needed service to poor blacks who have no access to other forms of credit. A number of other semi-formal funds have developed to try to fill the credit gap, including the Small Business Development Corporation's Mini Loan scheme and the Get Up scheme which works with community coordinators who allocate funds with minimal paperwork. One of the most successful financing schemes has been the Sabta Foundation (for taxi owners), which is similar to a stokvel in that it also involves collective responsibility. Members pay into a fund, but can borrow well above what they put in. Taxis are obtained on a suspense of sale agreement. Given the amount of money being raised by stokvels, it now remains to be seen whether they can become a kind of indigenous bank. There is some evidence that some well-established stokvels are now lending out their capital.

Burton, Sandra. "The New Black Middle Class." Time, vol. 131 (29 February 1988), pp. 56-57.

A newly affluent black class is emerging in South Africa as increasing numbers of blacks are working in middle-class professions as lawyers, doctors, psychiatrists, engineers, tax consultants, and stockbrokers. Large and small black businesses are opening in huge numbers. The rise in black purchasing power is making an impact on the national economy--more and more companies are boosting their sales figures by catering to black consumers, who now buy almost half of all items sold at retail. Black-owned shopping centers are replacing corner groceries and market stalls. The author writes that the government was not exactly motivated by altruism when it relaxed the apartheid laws restricting black businesses and property rights. The government hoped that a black elite, who now own palatial homes and are burdened with heavy mortgages, would refuse to support the black nationalist movement, whose success could cost them their new found wealth. Instead, the material success of a growing number of blacks has reinforced demands for economic and political freedom by contributing to a sense of pride and rising expectations. The black business class contributes generously to antiapartheid organizations, and many militants now recognize the value of a new form of confrontation with whites that is taking place in the boardroom.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 16

"Can't Pay, Won't Pay." Economist, 6 September 1986, pp. 35-36.

South Africa's largest black local authority was set up in 1983 to run the affairs of Soweto, the black township outside of Johannesburg. There was trouble from the beginning--the township's 28 black councillors were perceived by Soweto residents as collaborators and black opposition organizations declared the council an unacceptable substitute for black participation in central government. Soweto residents began a rent boycott in June 1986 in protest in which two-thirds of the townships householders participated. Seemingly, Botha's hope that "self-governing" townships would foster a new breed of black leaders to cooperate with the central government was not to materialize.

Claiborne, William. "'Petty Apartheid' Cases Seen on Rise in S. Africa." Washington Post, 3 March 1987. Reprinted in AF Press Clips, vol. 22, no. 9 (6 March 1987), p. 3.

Despite strict apartheid laws on racial segregation, South African public schools frequently waive the race barrier for children of black diplomats and other temporary foreign residents. The school dispute in Parliament has focused national attention on an increase in the application of "petty apartheid" practices by local and state officials. A Pretoria suburban school board banned a black Natal Province track star from participating in an athletic meet; the transportation minister vowed to retain "whites only" signs on railway cars and inter-city and commuter trains; President Botha stubbornly retained the Group Areas Act; the city council of Pietersburg closed the city's only movie theatre rather than open it to all races; and the minister of education and culture refused to permit the Cape Town Teachers' College to accept all races to fill empty classrooms. There have been changes--central business districts in some cities have been integrated, as well as municipal service counters in Johannesburg's public buildings. Nonetheless, the Urban Foundation's executive director maintains that while reform is aimed at implementing far-reaching changes in a society, it does not imply changes to an undesirable structure, leaving the very nature of the structure intact.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 17

Claiborne, William. "'Whites Only' Signs Reappearing in South Africa." Washington Post, 10 November 1988, pp. A1, A32-33.

The ultraright Conservative Party, having won the municipal elections in the majority of Transvaal Province's towns and cities, is taking steps to reverse the modest reforms undertaken by former National Party officials. In Boksburg, for example, the new council decided to close the commercial area to non-white businesses and declared its intention of closing a small integrated private school, although the provincial Supreme Court ruled against the closure of an integrated private school in Vereeniging. The targeted school, opened in 1987 in a white residential area, has a total of 136 pupils of whom more than 50 are black. Growing Conservative Party strength is a threat to the National Party and its implementation of reform policies. As a result, the National Party may be reluctant to confront the Transvaal municipalities on such sensitive issues as school integration and multiracial business districts, thereby preventing opportunities for black upward mobility.

Claiborne, William. "New Race Laws Hurt Business in S. Africa." Washington Post, 11 December 1988. Reprinted in AF Press Clips, vol. 23, no. 50 (16 December 1988), p. 7.

Boksburg's black consumer boycott, called to protest the recent reintroduction of rigid segregation of all public facilities by the newly elected Conservative Party city council, has gradually turned the city's shopping district into a ghost town. Some businesses, particularly small shops that cater primarily to black or mixed-race customers, have reported up to an 80 percent drop in sales. Other, more powerful, forces have joined the blacks in their protest. A major employer, the Colgate-Palmolive Company, has applied for rezoning outside of the city's jurisdiction, thereby reducing the city's tax base. Other corporations that do business in the city have announced plans to move their accounts from Boksburg banks. The boycott in South Africa has demonstrated the reality of increased black economic power.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 18

Claiborne, William. "S. Africa Proposes Major Reform to End School Sports Segregation." Washington Post, 4 November 1987. Reprinted in AF Press Clips, vol. 22, no. 44 (6 November 1987), p. 16.

Segregation of school sports became an issue of national debate in February 1987 when a high school track team in Natal withdrew from a national sports competition at a school in Pretoria because a black youth participated. The dispute triggered a wave of protests by liberal Parliament members and sports administrators, prompting the government to reverse its segregation policy for public school sports events. Instead of teams with black members being required to withdraw from athletic events if any objections were raised, schools that do not want to compete against teams with blacks must now withdraw from the athletic events themselves.

Claiborne, William. "S. Africa, Black Leaders to Resolve Rent Strike." Washington Post, 3 October 1989. Reprinted in AF Press Clips, vol. 24, no. 40 (6 October 1989), p. 3.

South African provincial authorities met with a people's delegation from Soweto and agreed to negotiate an end to a three-year rent boycott in the black township. The meeting gave official recognition to several well-known black nationalists belonging to the Soweto People's Delegation, including Desmond Tutu, Cyril Ramaphosa, and Albertina Sisulu, even though the nationalists are not members of the elected Soweto township council. The meeting is significant in that it suggests that the government recognizes black leaders (apart from the councilmen) with whom the de Klerk regime may be willing to negotiate some form of power sharing. It also signals a shift in South African black politics toward a power seeking strategy based largely on trade union tactics of grassroots organization instead of protest politics. During the meeting, government officials also discussed the possibility of a common tax base for the city of Johannesburg and the township of Soweto, a development which Soweto residents would welcome in light of the fact that they contribute to Johannesburg's wealth by spending money in the city's stores and work in its factories while their taxes are spent on services for the white city only.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 19

Claiborne, William. "South Africa Signals a Crackdown Under Housing Segregation Law." Washington Post, 23 May 1987. Reprinted in AF Press Clips, vol. 22, no. 21 (29 May 1987), p. 7.

The government warned that it will take tough measures against violators of the 1950 Group Areas Act, which segregates the country's residential areas. Property owners in so-called "gray areas" of Johannesburg have been issued warnings to evict blacks and other nonwhites. This action comes in the wake of dramatic gains by the Conservative Party in the May 1987 elections, which compelled President Botha to reaffirm his commitment to the apartheid cornerstones of segregated residential areas and education. It also comes during a period of de facto integration of a few urban areas--about 24 percent of the population of Johannesburg's three most densely populated white neighborhoods is nonwhite. Not only have authorities looked the other way as nonwhites moved into these "gray areas," but some multinational companies have purchased homes in Johannesburg's exclusive northern suburbs for occupancy by black executives. If the government follows through on its threat to enforce segregated housing, thousands of blacks will be forced to return to black townships that are already overcrowded.

Claiborne, William. "Violence Returns to Soweto's Schools." Washington Post, 21 January 1989. Reprinted in AF Press Clips, vol. 14, no. 4 (27 January 1989), pp. 2, 15.

Claiborne writes primarily about the violence in the black township of Soweto that has spread to the schools, but he also includes a discussion of black education in general. Many young blacks who previously embraced a liberation strategy of making white-run South Africa ungovernable have reordered their priorities and are now seeking the education needed to prepare them for jobs. But school boycotts that began with the 1976 riots created a generation of undereducated black children, some of whom are failing to catch up. South Africa's public education system standardizes matriculation examinations for white students; if a student fails one or more exams out of six, he or she must take all six again. But the segregated black school system has a different policy--students who fail an examination can get credit for those they passed if they go to an adult education school or "finishing"

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 20

center and retake the failed exam. The latest violence was caused by students who refused to go to adult education centers and demanded readmittance to their high schools. The students and some teachers claim that the refusal to readmit failed students in their old schools is an attempt to force them into the cheap labor market.

Cobbett, M. "The Land Question in South Africa: A Preliminary Assessment." The South African Journal of Economics, vol. 55, no. 1 (1987), pp. 63-77.

Cobbett explores the nature and dimensions of the future demand for land redistribution in post-apartheid South Africa. Specifically, he explores the possible need to expropriate white-owned land to alleviate overcrowding and poverty in the black homelands. The author examines the existing patterns of development primarily in the homelands, but with reference to agricultural trends in white rural South Africa as well. The first part of the article explores the land question in a historical context and includes assumptions about a post-apartheid government. The second part analyzes data pertaining to recent development trends in the homelands and in white rural areas, and the last part assesses how the land question might be addressed by a post-apartheid government. In a subsection entitled "Urbanization Within the Homelands," it is generally assumed that the homelands are rural, but in reality, 40 percent of the total homeland population live in an urban environment; 85 percent of those living in Kangwane, KwaNdebele, and QwaQwa reside in urban areas. Thus, while there will be a demand for access to white agricultural land, it will probably focus on additional residential land within and outside of the homelands. The author concludes that attention will be centered on production in the homelands rather than on land redistribution outside of the homelands. Development programs initiated by a post-apartheid government in the homelands are likely to address basic needs and will thus emphasize welfare considerations.

"Conflict or Compromise?" Financial Mail, 20 December 1985, pp. 19-21.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 21

Job reservation, or the practice of barring blacks from obtaining certificates of competency to perform skilled work, was a feature of many South African industries. In the last decade, however, it has been scrapped in all industries with the exception of the mining industry because mine management fears a confrontation with politically conservative white miners. In the mining industry, those who qualify for certificates to perform skilled work are called "scheduled persons"--in the mining industry, there are 16,000 scheduled persons, or 2.8 percent of the workforce, ranging from mine manager down to locomotive driver. Efforts to abolish the practice have been vigorously opposed by the rightwing Mineworkers' Union.

Cowell, Alan. "1.5 Million Black Workers Stage Biggest Strike Ever in South Africa." New York Times, 2 May 1986. Reprinted in AF Press Clips, 2 May 1986, pp. 1, 15.

The economic power of black workers in South Africa was demonstrated when 1.5 million blacks participated in a country-wide one-day strike that resulted in an almost total work stoppage in both Port Elizabeth and Johannesburg. The increasing dependence of the economy on black labor, particularly in menial jobs, was clear as white supervisors attempted, most unsuccessfully, to perform such tasks as cooking in restaurants and operating supermarket cash registers.

Cowell, Alan. "The Struggle: Power and Politics in South Africa's Black Trade Unions." New York Times Magazine, 15 June 1986, pp. 14-27.

Legalization of black labor unions was, according to Cowell, possibly the most significant step taken by the South African government in its program of political change. But the government strategy of rule by reform has backfired--far from being tamed, the 500,000-member Congress of South African Trade Unions (Cosatu) and other black labor groups have joined the young and violent radicals of the townships in the struggle against white rule. The black unions pose a considerable threat to the South African economy that is increasingly dependent on black skills and could suffer enormous damage in the event of a large scale withdrawal of labor. The homelands,

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 22

where more than half the country's black population live, represent the labor movement's weak spot for two reasons--hundreds of thousands of unemployed homeland residents await jobs in the mines and none of the ten homelands permit unionization on the same scale as does the South African government. Consequently, homeland blacks provide employers with a source of cheap labor in staggering numbers. Nonetheless, black union officials believe that the rise of black worker power has broken the authority of white supervisors. Numerous problems remain, however, and Cowell discusses them in great depth.

Crush, Jonathan. "Migrancy and Militance: The Case of the National Union of Mineworkers of South Africa." African Affairs, vol. 88, no. 350 (January 1989), pp. 5-23.

Crush bases his article on an earlier study conducted by Roger Southall which concluded that the migrant labor system constituted a major obstacle to black working class unity and its organization by the independent unions. The National Union of Mineworkers (NUM), however, has been the fastest growing union in South Africa, a phenomenon which Crush explains as the result of three factors: the mining industry recognized the black miners' unions; union organizers responded to grassroots concerns; and mine management changed the migrant labor system. Crush presents a detailed discussion of NUM membership, providing several tables and graphs containing regional and grade level breakdowns. One of the most important issues pursued by the NUM has been the abolition of job reservation on the mines. This was an issue of considerable importance to many senior black miners, who by the 1980s were performing many of the jobs reserved for whites but often without formal training or appropriate remuneration.

Daniels, Rudolph. "The Nature of the Agrarian Land Question in the Republic of South Africa." American Journal of Economics and Sociology, vol. 46, no. 1 (January 1987), pp. 1-16.

The author examines the agricultural distribution of land between blacks and whites. In 1980, about 85 percent of the land resources in South Africa was devoted to agricultural purposes. Daniels identifies several

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 23

features of agricultural land distribution: first, only a small proportion--less than 15 percent of the land in South Africa--is arable, in large measure because of poor soils and also because marginally cultivable lands are used for pasturage; second, arable land, as with all land, is allocated according to race with whites having rights to 85 percent with the remainder distributed among residents of the black homelands; and third, among whites, farmland is distributed unevenly. A relatively small number of whites have expanded and consolidated their land holdings, forming one of the wealthiest occupational groups. They also pay among the lowest wages earned by blacks in any employment sector. Furthermore, South Africa has two agricultural sectors--one dominated by whites and the other by blacks in the homelands. The former is endowed with modern methods and equipment and the latter is subsistence-oriented. The author concludes that the inequality in land distribution was designed to guarantee a white-controlled economy and foster economic development by assuring an abundant supply of cheap black labor.

Davies, John. "Politics, Sport and Education in South Africa." African Affairs, vol. 85, no. 340 (July 1986), pp. 351-63.

This article deals primarily with the issue of racial discrimination in South African sport. Davies introduces the subject as an example of a major area of potential government reform which reflects on education in general since sporting talent needs to be cultivated through the formative school years. This requires access to adequate facilities and coaching and encouragement to engage in full and equal competition. There is evidence, Davies claims, that the racial barriers which have been denied black children basic sporting opportunities are being systematically dismantled. Davies also addresses the issue of health care, pointing out that to participate fully in sport, children must be healthy, an area in which black children are at a disadvantage given the poverty in which the majority of blacks live. (One Carnegie Corporation study indicates that the forced removal of millions of people to the rural reserves has resulted in increasing health problems). Davies also discusses the efforts made by blacks in developing an alternative to establishment sport. The South African Council on Sport, staffed by whites as well as blacks, has striven to promote the

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 24

evolution of independent black sport. Davies concludes that recent reforms have not changed the racist nature of school sport and that South African sport has become intensely politicized both internally and internationally.

De Montille, Sandra. "Informal Trading in Soweto." Development Southern Africa, vol. 4, no. 4 (November 1987), pp. 656-64.

A large, informal trading sector has developed in Johannesburg's southwestern townships (Soweto), which collectively comprise the largest black urban residential area in South Africa. Until recently, trading in the townships had been legally constrained because of the policy of separate development and the resulting lack of development of formal retail outlets. Consequently, trading in the informal sector flourished to serve the needs of over a million residents of Soweto. The author conducted a survey to identify the types of informal sector activities and the reasons for their existence. He found that most of the goods sold in the informal sector are in the category of food and liquor, and that most of those who participate lack formal job opportunities. He concludes that informal trading in Soweto has endured and expanded despite government assistance to small business development in the 1980s, and that the large number of women who participate in it indicates their resistance to exploitation in domestic service.

de Villiers, Riaan. "Blowing Hot, Catching Cold." Leadership South Africa, 1989, pp. 64-71.

The author introduces this article with the statement that the Congress of South African Trade Unions (COSATU), South Africa's trade union coordinating body that represents some 750,000 mostly black workers, supports measures that could cripple the economy in which it operates. He presents the findings of six major surveys conducted over the past few years. One survey, conducted by Orkin in 1987, found three attitudes toward sanctions on the part of both urban and rural blacks--strong opposition to all economic sanctions; support for conditional sanctions aimed at forcing the government to move away from apartheid; and support for unconditional sanctions designed to force the government to accept majority rule.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 25

The majority of those surveyed responded that they would not support sanctions that would result in the loss of their jobs. Much of the article reviews the evolution of union policy over the last few years and the relationship of COSATU with the workers.

Deacon, John. "Business Safari." South African Panorama, October 1989, pp. 36-37.

Ninety-six black South African businessmen, representing eighteen black business organizations, traveled to Malawi to meet with Malawian businessmen and discuss an amendment to the South Africa-Malawi trade agreement. The week-long meeting was organized by Willie Ramashaba, the head of the Johannesburg business consultancy. The purpose of the meeting was two-fold--to respond to the desire of the South African black business community and the Malawian government to acquire the input of small businessmen, and to urge the South African government to encourage small businessmen of both countries to export their products. The meeting was sponsored by top South African companies, including Anglo American, Barlow Rand, and the South African Foreign Trade Organization, reflecting the sentiment of much of South Africa's white business community that South African financial institutions should be approached to put together specific packages to aid small businesses. The meeting was also meant to encourage import-export activities and the integration of small business owners into South Africa's economic mainstream.

Dean, James W. "Myths About South Africa Sanctions." International Perspectives, vol. 18, no. 4 (July/August 1989), pp. 23-26.

Although the primary concern of this article is the effect on South Africa of international economic sanctions, which most often take the form of divestment and boycott, there are references sprinkled throughout the text to the black business community. For example, Dean points out that the leading winner from sanctions and divestment has been big business and that in theory, black businessmen could also compete for the spoils with the aid of the Small Business Development Corporation. In reality, however, black losers greatly outnumber black winners, reducing both employment and the quality of remaining employment. The

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 26

heaviest costs are among the two million black migrant workers from neighboring countries. In a paragraph devoted to the key role of education, Dean points out that the only way that the black/white income gap will be narrowed is through education; while the black school population is growing dramatically, most public black schools are both segregated and inferior. At the same time, Dean claims, black universities maintain higher academic standards than at many universities in the United States and all "white" universities are now open without restriction.

Doerner, William R. and Nelan, Bruce W. "The 'Graying' of a Nation." Time, vol. 130 (30 November 1987), p. 38.

With gathering speed, another of apartheid's pillars--the mandatory residential separation of the races--is crumbling. In most of the large cities, and particularly Johannesburg, neighborhoods that were once entirely white are now inhabited by blacks as well as other non-whites. Although the government insists that the Group Areas Act that defines the law on residential separation remains on the books, the authorities do virtually nothing to enforce it. Severe overcrowding prevails in most nonwhite areas, which contain 73 percent of the country's total population but cover only 13 percent of its land. As increasing numbers of whites have moved to the suburbs, urban areas have experienced a housing glut. As a result, whites have begun renting to nonwhites; in Johannesburg, the largest concentrations of nonwhites are located in the downtown business area and the midtown neighborhood of Hillbrow, which now has a 40 percent black population.

Eckert, Jerry B. "Economics Can Defeat Apartheid." Christian Science Monitor, 28 March 1989. Reprinted in AF Press Clips, vol. 24, no. 13 (31 March 1989), p. 9.

In South Africa, as in all of Africa, the cutting edge of change must be economic reform. The economic challenge in South Africa is enormous, given that the black population is constrained more by economic than political factors. These factors include the fact that 40 percent of blacks live in poverty because of very low incomes; income disparities are growing, creating social distances; unemployment is severe, especially among young blacks, and

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 27

black workers remain concentrated in unskilled or semiskilled occupations at the same time that experience in management and administration is desperately needed if they are to share in governing. Educational parity is the basis for social and political parity but is a long way from reality. Eckert suggests that there is little serious opposition to erasing racial inequality through black economic development because the process will raise the income of all South Africans. raise the incomes for all South Africans. Increased black incomes are also essential, Eckert writes, to expand the tax base because social services must be upgraded and millions must be trained and educated, tasks which the largely white tax base cannot support.

Eckert, Jerry B. "Rethinking South Africa." Christian Science Monitor, 21 April 1989. Reprinted in AF Press Clips, vol. 14, no. 16 (21 April 1989), pp. 6, 15.

Eckert suggests that Americans, usually quick to discount recent reforms in South Africa, are not taking into account that the many actual reform decisions that have been made since Botha became prime minister in 1978 have required considerable thought and political cost. Furthermore, Eckert writes, given where they started from, the pace of change could not have been much faster. In fact, South Africa has made a commitment to power sharing with blacks and to an equally distributed economic system. Eckert reviews the reforms which have become part of life in South Africa, including the integration of sports and universities, the abolition of job reservations for whites (which gives blacks upward mobility in employment), legalization of black unions, and the abolition of influx control. Educational parity has topped the agenda since the mid-1980s, with the government investing heavily in black schooling such that this expenditure is now the largest item in the national budget.

Fair, T.J.D. "The Urbanization Process in South Africa." RSA 2000, vol. 7, no. 1 (1985), pp. 1-6.

In this article on the urbanization process in South Africa, the author includes an urban spectrum as it relates to blacks. The spectrum is divided into metropolitan areas, country towns, and homeland towns.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 28

Following this, Fair discusses the various ways in which the government could relax constraints on blacks coming to urban areas, living and working in them, and becoming "urban" men and women. (Influx control, a government policy in effect when this article was published, has since been abolished.) Fair suggests that housing needs could be met in part by blacks themselves, through self-help housing. This refers to the upgrading of informal black housing in the homelands adjacent to Pretoria and Durban with massive assistance from and planning by government and private enterprise.

"Fast-Changing Tastes." Financial Mail Supplement: Franchising--A Survey, 17 October 1986, pp. 10-11.

Blacks are becoming increasingly involved in franchising. One black franchise, Chicken Upeu, is owned by a black who started his business in 1983 with a loan from the Small Business Development Corporation. Since that time, the franchise has received inquiries from 30 businessmen who want to set up their own franchises to expand Chicken Upeu. Meanwhile, the Small Business Development Corporation has started its own chicken franchise operation, confirming the potential for black entrepreneurs. The black market is huge and largely untapped, opening opportunities for blacks in food franchising. The removal by the government of racial barriers in restaurants and deregulation have also expanded franchising opportunities for blacks.

Fenyés, T.I., van Zyl, J., and Vink, N. "Structural Imbalances in South African Agriculture." The South African Journal of Economics, vol. 56, nos. 2 and 3 (June/September 1988), pp. 181-95.

The authors argue that imbalances within the South African agricultural economy, resulting in inefficiency and inequality, are caused by a lack of fair or equitable access to resources and markets. A primary cause of inequitable access to resources is the existing distribution of rights to land in accordance with the Black Land Act and the Development Trust and Land Act, both of which restrict access to land to members of some races. Not only is access to land distributed unevenly among farmers, but the physical infrastructure which

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 29

serves farmers is not evenly distributed. Although this article does not address directly the deficiencies in resource allocation which blacks face in the homelands, it does discuss in a general way the problems blacks face in the agricultural sphere.

"Food for Thought." Financial Mail Supplement: Operation Hunger, 7 October 1988, pp. 3-5.

Government statistics pertaining to the health problems of South Africa's black population are sparse because entire categories of information are neither readily available, reliable, nor collected at all. According to the little data that exist, the residents of Soweto are the healthiest among the black population. It is a well-established fact that Sowetans are the most affluent of South Africa's blacks. Generally, the infant mortality rate is the best indication of the state of a society's health. The main causes of black infantile deaths in South Africa are infectious diseases, but it is well known that malnutrition contributes to infectious diseases such as diarrhoea and pneumonia. The effects of malnutrition on children can be permanent and severe, including deficiencies in intellectual functioning. Nutrition experts advise that the problem of malnutrition among South Africa's black population, although alleviated by food subsidies, health and welfare services, agricultural development, education programs, and the like, can only be solved through changes in the political, economic, and socio-cultural conditions which prevail in the country.

Garbers, Johan G. "The Education Crisis in South Africa." Business and Society Review, no. 59 (Fall 1986), pp. 51-55.

Blacks have the highest growth rate of all the South African population groups and the increase in the black school-going population is so great that more than 10 percent of black 1979 matriculants would have had to qualify as teachers just to cope with the additional number of pupils. The financial implications are enormous--in recent years, the South African government has steadily increased the educational budget to about 16 percent of total annual expenditure, but, it is estimated, it would have to increase to an unrealistic 29.2 percent

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 30

of the total budget by 1990 to provide one teacher for every thirty students. The South African government has committed itself to the establishment of equal educational opportunities for all races, recognizing that the economy is becoming increasingly dependent on a skilled black elite. The author examines ways in which the government can provide quality education to the black population through "nonformal" education channels. These include distance education (correspondence courses), upgrading black teachers using such advanced technology as interactive video techniques, and expanding vocational education.

Getler, Michael. "South Africa: Is Time Running Out?" Washington Post, 11 February 1987. Reprinted in AF Press Clips, vol. 22, no. 7 (20 February 1987), pp. 5-6, 15.

In this article, the second of two, Getler describes life in Johannesburg and Soweto, the black township of more than two million people outside Johannesburg. He writes that in Soweto, despite the prevailing poverty, an observer can sense the growth of a black elite, whose proximity to Johannesburg and jobs provides them with the opportunity to gain skills and secure professional jobs. But these black professionals can not live outside of this ghetto or share a voice in the South African government, which, states one Soweto civic leader, makes it impossible for the government to coopt them. Getler also describes, among other things, the conditions in the township of Botshabelo, about 35 miles from the farming center of Bloemfontein. The township looks better than most black settlements in the countryside, the author writes, and therefore attracts many black families who, if they can afford it, are allowed to buy land. The government gives subsidies to nonunion factories built near the townships, so near Botshabelo is a large Taiwanese plastic shoe manufacturing firm which, residents claim, is highly subsidized and pays very low wages. The nicer homes along the highway from Bloemfontein belong to black employees of the state who can get loans.

Goosen, Helena. "Young Designers in Practice." South African Panorama, July 1989, pp. 10-13.

This article describes the design school in Mamelodi, a black township near Pretoria. The school trains blacks to

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 31

become building designers. The school was established in 1984 following the initiative of an architectural firm in Pretoria which, after extensive research on building design and drafting services offered to black communities, identified a need for black designers. The primary aim of the school is to train efficient building designers who can utilize their skills to the benefit of their communities. It also offers intelligent and ambitious youths the opportunity for employment in an architectural firm or in his or her own business. The school is also a conduit into further studies at a university.

Government of the Republic of South Africa, Bureau for Information. South Africa 1985: Official Yearbook of the Republic of South Africa (also South Africa 1986, South Africa 1987, and South Africa 1988). Cape Town, Republic of South Africa: CTP Book Printers, 1062 pp.

This annual publication represents the government's official policies and data. It is divided into 52 chapters that are entitled almost identically from year to year with few exceptions. For example, the 1985 volume's Chapter 11 is entitled "Multinational Development," but the same chapter in the 1986 volume is entitled "The National States." Other chapters of interest (as they are labeled in the 1985 volume) are entitled "Blacks Outside South Africa's Black National States," "Economics and Finance of the Six National States," "Community Development," "Living Standards," "Welfare," "Health and Hospital Services," and "Education."

Gutteridge, William. "South Africa: Evolution or Revolution?" Conflict Studies, no. 171 (nd), 38 pp.

The inauguration of South Africa's first executive state president in September 1974 was accompanied by a new Constitution. This lengthy article covers every subject from relations with neighboring states to violence in the townships, but the most interesting sections come under the titles of "economic crisis," "education and unrest," and "the homelands-recipe for instability." The government has chosen to believe that a black middle class would be an effective bulwark against revolution. It has also recognized that it would be necessary to promote a black middle class for the economic survival of the

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 32

country. As a result, with the aid of the banks, the government has begun to encourage black business with the hope of creating a substantial black bourgeoisie. In the education sector, the government takes seriously the deficiencies in education provided especially to blacks, not only because education is the key to building a black bourgeoisie, but also because an inferior education breeds unrest. Thus, the Department of Education and Training budget, which copes with black education outside the homelands, was increased by 25 percent and there has been an expansion of black technical education. The section on the homelands discusses primarily the problem of black unemployment.

Gwala, Nkoshinathi. "Political Violence and the Struggle for Control in Pietermaritzburg." Journal of Southern African Studies, vol. 15, no. 3 (April 1989), pp. 506-24.

The violence in Pietermaritzburg townships in 1988 was the result of a confrontation between Inkatha, on the one hand, and the United Democratic Front and the Congress of South African Trade Unions on the other hand. The focus of this article is Edendale, the second largest township. Gwala first examines the social and economic conditions in the townships, and their administration. He then looks at the political interests vying for control in Edendale, and in particular the basis of Inkatha's political claims there. Although the focus of the paper is political in nature, the section entitled "The Social and Economic Profile of PMB Townships" is of interest because of its description of conditions in which the black population lives. The townships have a very high rate of unemployment, with about 80 percent of those unemployed under 35 years of age. Those hardest hit by unemployment--black youths--are also receiving increasingly higher levels of education, which adds to their frustration in job searching. More than 70 percent of the black population in the townships lives in mud houses without electricity, water, or a sewerage system. Blacks in Edendale have full ownership of the land with freehold titles, but the landowning group is dominated by a few families who own large tracts. The rest are tenants, many of whom sublet rooms to other people, mainly migrant workers. The article contains a great deal more about living conditions and patterns of ownership.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 33

Hindson, Doug. "Alternative Urbanisation Strategies in South Africa: A Critical Evaluation." Third World Quarterly, vol. 9, no. 2 (April 1987), pp. 583-600.

This article evaluates the South African government's official strategy of orderly urbanization--the restriction and eventual reversal of the flow of blacks into the designated white urban areas by means of influx control, removal, and resettlement-- which has promoted the development of quasi-urban forms of settlement in the countryside. The author presents an overview of the history of urbanization policy, stating that it has resulted in dispersed urban and industrial growth, especially in places where parts of Bantustans lie on the fringes of the metropolitan areas. Hindson also believes that urbanization is the root cause of unemployment, poverty, and inequality. He presents an extensive examination of orderly urbanisation and then discusses an alternative policy suggested by the Urban Foundation, an organization among the most critical of government policies. The concept of positive urbanisation suggested by the Urban Foundation concentrates on residential development and construction in African townships that incorporates an ideology of individual initiative and upgrading. Hindson argues that in circumstances of widespread unemployment and poverty, this approach is unrealistic and that a massive rehaul of production methods, redistribution of work, and the development of a democratically formulated and implemented national urban and regional plan are needed to resolve the country's racial, regional, and social inequalities.

Honey, Peter. "Multiracial Council Formed in KwaZulu-Natal Gets Botha's Guarded Blessing." Baltimore Sun, 4 November 1987. Reprinted in AF Press Clips, vol. 22, no. 44 (6 November 1987), pp. 3, 15.

The Natal-KwaZulu Joint Executive Authority (JEA), a new multiracial council that will administer jointly the affairs of the black KwaZulu homeland and the predominantly white province of Natal, was approved by the South African government. The JEA, an appointed body, consists of five black members of the KwaZulu Cabinet and two whites, two Indians, and one mixed race member of the Natal provincial committee, and is the first body to include blacks in an equal role with other races. Although the JEA has no legislative function, officials in

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 34

the KwaZulu government, including Chief Minister Buthelezi, plan to use the body as a lever to hasten the establishment of an elected, fully multiracial government for the region.

Honey, Peter. "South African Inner Cities Are All-White in Name Only." Baltimore Sun, 20 March 1989. Reprinted in AF Press Clips, vol. 14, no. 12 (24 March 1989), pp. 4, 15.

Thousands of nonwhites are defying the law openly each day to live in urban areas still theoretically reserved for whites because in the homelands there are no jobs and in the townships there is no space. Civil rights groups claim that more than half of the estimated 110,000 people now living in the high-rise center of Johannesburg are black, while similar trends are reported in other population centers. Those with enough money have bought homes in the white suburbs, registering their properties in the names of whites or companies that act as fronts for the real owners. Because of their illegal status, black tenants in the cities are charged far steeper rents than whites and suffer from inadequate services and maintenance.

Husemeyer, Libby. "Home Ownership: Investing in the Future." Mining Survey, no. 2, 1989, pp. 2-10.

Two political reforms enacted by the South African government in 1986--the abolition of influx control regulation and the extension of freehold title rights to blacks--made it possible for employers in the mining industry to offer their black employees a home ownership scheme. Previously, blacks were considered citizens of ethnic homelands and were forbidden to live in white areas except as temporary migrant workers. The small number of blacks who were legal, permanent residents in white areas could not purchase a house. But with the abolishment of these restrictions, black mineworkers are permitted to purchase their own homes with their families and receive financial terms that make it all possible. The impetus for these changes came from the mining industry which, as it grows more and more sophisticated, requires a better educated and highly skilled workforce. Under the migrant labor system, the high turnover rate had resulted in high training costs and low productivity. Under the new

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 35

system, mining companies are more likely to invest extensive training in black workers.

Innes, Duncan and Gelb, Stephen. "Towards a Democratic Economy in South Africa." Third World Quarterly, vol. 9, no. 2 (April 1987), pp. 545-82.

The authors argue that the South African economy is now experiencing a short-term recession as well as a long-term decline. The only way in which the crisis can be broken is for the state to address the fundamental issues of disparities in wealth and income and mass poverty. Any attempt to resolve the crisis without addressing these issues must rely on direct repression. Meanwhile, a vibrant economy is necessary to finance such repression. The government's failure to extricate itself from this vicious circle lies behind its inept attempts to create a black middle class through reform on the one hand and its increasingly desperate and vicious responses to township opposition, trade union militancy, and foreign pressure on the other. The gist of the article is a lengthy section containing a section on the structure of a democratic economy in which the authors attempt to conceptualize an economic framework which would satisfy the demands raised in the Freedom Charter.

Jardine, Andrea F. "Low-Income Housing in South Africa." RSA 2000, vol. 7, no. 1 (1985), pp. 74-79.

Jardine examines the problem of low-income housing in South Africa. The South African government has introduced two new housing policies. The first provided scheme houses (contractor-built to a certain plan) for all urban blacks, relying on private sector rather than public sector involvement in black housing. The second policy was self-help housing in response to the slow rate of construction of scheme houses and the increasing number of squatter settlements. Jardine includes a detailed discussion of perspectives on low-income housing, in which she identifies four possible housing schemes which embody the self-help principle as their central aspect. They include the upgrading of existing squatter settlements, controlled site and service systems which are continually upgraded, controlled self-help projects with higher minimum standards; and core-housing projects which provide

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 36

a rudimentary core of a house with full services that can be extended as finances permit.

Jeffery, David. "Pioneers in Their Own Land." National Geographic, vol. 169 (February 1986), pp. 260-82.

This article describes everyday life and conditions in the homeland of KwaNdebele, located to the northeast of Pretoria in the Transvaal, South Africa's northernmost province. KwaNdebele was not organized until the late 1970s and was formed from parts of other homelands and by the appropriation of land owned by white farmers. The article is filled with personal accounts of both white farmers and black laborers, painting a picture of disruption in lifestyles and livelihoods.

Kaslow, Amy. "Apartheid System Takes Its Toll." Christian Science Monitor, 11 January 1990, p. 8.

Economist Stephen Lewis writes that South Africa's recent relaxation in apartheid policy is due primarily to internal economic needs rather than external pressures. Lewis points out a number of factors that have forced the government to consider integration (including a \$20 billion external debt and the economy's erratic growth rate during the past fifteen years) that Lewis blames on the dual apartheid system that erodes investment and productive capacity. By imposing separation and a lower status on blacks, the government must also invest large amounts in the national security force. The dual system, Lewis writes, stunts economic growth because the country's majority black population is largely prohibited from any participation beyond that of menial work. Without well-paying jobs, the country's majority population is unable to purchase domestically produced goods and services. Furthermore, the government, by preventing blacks from gaining skills and knowledge, is directly causing the shortage in skilled labor. The problem is compounded with the import of foreign skilled labor, including engineers, computer scientists, technicians, accountants, doctors, geologists, metallurgists, and artisans.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 37

Knight, J.B. "A Comparative Analysis of South Africa as a Semi-Industrialized Developing Country." The Journal of Modern African Studies, vol. 26, no. 3 (1988), pp. 473-93.

South Africa has neither a developed nor a typical underdeveloped economy. Knight examines South Africa's basic problems, comparing its economy to those of other countries with similar economies. He uses as his criteria growth of real per capita income, rates of employment and reduction of unemployment, urbanization, human capital formation by means of education and training, distribution of income, and extent of poverty. While much of the article deals with economic problems that are not related to the government's apartheid policies, within the above subheadings Knight identifies those problems that have arisen because of those policies. For example, the shortage of skilled workers came about because of the inferior education and training available to blacks. The author speculates throughout the article about what kind of impact the removal of apartheid policies would make on South Africa's economy, acknowledging that it is difficult to do so without knowing the way in which it will be removed and the political framework within which the economy will have to operate. Thus, in comparing South Africa with Zimbabwe and Malaysia, the author points out that both these countries have a socio-political formation in common with post-apartheid South Africa--political power in the hands of a majority and economic power in the hands of a minority ethnic group. And although South Africa lacks a traditional peasant sector, post-independence land reforms in Zimbabwe and Kenya should be models for a post-apartheid government.

Knox, Margaret L.. "Turning Right." Africa Report, March/April 1989, pp. 41-42.

The "Battle of Boksburg" is raging over what the government terms "petty apartheid"--rules reserving certain public facilities for whites. When the right-wing Conservative Party won the municipal election in Boksburg in October 1988, it banned blacks from formerly desegregated public facilities. But this action caused a financial catastrophe for local merchants when the black residents of Bosloorus, the township adjoining Boksburg, launched an illegal boycott of businesses. The National Party government, hoping to discredit the Conservative

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 38

Party, instructed Boksburg's police to take no action against the strikers. The damaging consumer boycott of Boksburg is demonstrative of black economic power and the long-term possibility that blacks will only gain political power through buying power.

Koch, Eddie. "New Removals Feared." Africa News, vol. 30, no. 11 (28 November 1988), pp. 3, 11.

The South African government appears determined to pass a set of new laws that will dramatically increase its ability to arbitrarily evict black slum dwellers and squatters who have flocked into the country's urban areas in recent years. The Group Areas Amendment Bill would increase fines on landowners who illegally rent accommodations to blacks in white suburbs, and the Amendment to the Prevention of Squatting Bill would double the maximum penalty for breaking the squatter law. Black peasants have owned land in the area around Ladysmith in Natal Province for over 100 years and, as a result, large squatter settlements, or "black spots," have developed, making the region a prime target for the government's relocation efforts. One family that suffered forced evictions ten years ago was the Shabalala family, four of whom form the core of the singing group, Ladysmith Black Mambazo. The National Committee Against Removals (NCAR) estimates that over three million people are threatened with removal in the short term, including more than one million of the four million squatters who live around Johannesburg, Cape Town, Durban, and Port Elizabeth; one million laborer/tenants living on white-owned farms and in "black spots" in Natal and Orange Free State Provinces; more than half a million people who live in rural townships that could be incorporated into nominally independent black homelands; and large numbers of blacks who could be evicted from urban areas that now house both blacks and whites.

Kraak, Andre. "Uneven Capitalist Development: A Case Study of Deskilling and Reskilling in South Africa's Metal Industry." Social Dynamics, vol. 13, no. 2 (1987), pp. 14-31.

Kraak identifies certain key features, processes, and trends relating to industrial skills within the South

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 39

African metal industry. These features include the marked unevenness of capitalist development in the metal industry and the consequent coexistence of varied labor processes within this economic sector; the occurrence of both "deskilling" and "reskilling" tendencies; the varying educational and skill requirements of workers in production; and the complex character of skills employed in production. Although the article does not pertain only to black metal workers, it does provide considerable data about them. In his survey of the six firms employing most of South Africa's metal workers, among many other things, Kraak found that black workers occupy most of the semi-skilled positions that were filled mostly by whites in the 1970s, indicating a process of upgrading of skills in the black work force.

Kraft, Scott. "S. Africa Blacks' Strike Comes Unhinged." Los Angeles Times, 3 July 1988. Reprinted in AF Press Clips, vol. 23, no. 27 (8 July 1988), pp. 6-7.

The two-year-old rent boycott in Soweto and several other black townships has been among the most successful antiapartheid protest in the country's history. About 90 percent of the renters have refused to pay, costing the government an estimated \$350 million. But township officials were finally making progress in breaking the strike--one effective method was removing doors because it makes the house a prime target for burglars. As a result, rent receipts began to increase. The local council tried to head off a major confrontation over rent by selling houses to tenants. Of Soweto's 78,000 houses, 30,000 were privately owned in July 1988 while the waiting list for houses in Soweto contained 26,000 names.

KwaZulu Finance and Investment Corporation. "Corporate Report." Financial Mail Supplement, 8 September 1989, 28 pp.

This special report is the product of the KwaZulu Finance and Investment Corporation (KFC). The KFC is the economic arm of the KwaZulu government that is responsible for developing the KwaZulu-Natal region, rich in resources but complex geographically and politically. KFC's nine-member board of directors includes four blacks. The report is divided into ten sections--one section, entitled "In Training We Trust," describes the work of the KFC's

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 40

independent training wing, the KwaZulu Training Trust (KTT). Since 1983, the KTT has provided about 20,000 people with training in skills required for farming, retailing, home crafts, and technical services, but can reach only a fraction of those who could profit from the training program. An investigation initiated by the KTT found that between 1985 and 2020, the black work force of KwaZulu-Natal is expected to more than double; to meet employment demands between 1980 and 2000, nearly two million jobs will have to be created. The investigation also found that 70 percent of the black population in the region (with blacks comprising more than 77 percent of the total population) had only an elementary school education.

The KTT's training strategy will focus on the informal sector and establishing more black businesses. The KTT also pinpointed the need for market courses designed for the development of an emergent black middle class, while promoting and obtaining support for educational programs from the private sector. Another section, entitled "A Roof Over Their Heads," focused on housing as a KFC priority. An estimated two million blacks in Kwa-Zulu-Natal live in shacks. KFC is involved in a number of housing projects around the major urban areas and next to industrial complexes, including the Small Builder's Finance Scheme that loans to small builders, thus providing inexpensive housing as well as jobs. Other sections discuss conditions in rural areas and the informal sector, which offers an important source of jobs in the future.

"KwaZulu-Natal: Putting It Together." Euromoney: Supplement, September 1989, 48 pp.

This entire issue is devoted to the economies and development of KwaZulu and Natal. KwaZulu, one of the four independent black homelands, consists of ten "islands" scattered throughout the white province of Natal. Although Natal and KwaZulu are separate political entities--each has its own governing authority and its own capital city, it is unrealistic to separate the economies of the two. Natal and KwaZulu are interdependent because railway networks, rivers, and roads run through both territories, and workers from KwaZulu are employed throughout Natal. KwaZulu and Natal are estimated to be the second fastest growing regions in South Africa because of their proximity to the

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 41

Pretoria-Witwatersrand-Vereeniging triangle and their sophisticated roads, railroads, and harbor facilities. Every major sector of South African industry (except tobacco) is represented in Natal; industry in KwaZulu is on a smaller scale and is mainly located on the industrial estates controlled by the KwaZulu government. This issue is divided into nine major categories, all of which address economic and development issues in the region.

Laurence, Patrick. "Black-Consciousness Force Fights to Sustain Recognition in S. Africa." Christian Science Monitor, 15 July 1987. Reprinted in AF Press Clips, vol. 22, no. 28 (17 July 1987), p. 3.

Nkosi Molala, president of the black consciousness Azanian People's Organization (AZAPO), disputes the view that his movement is taking a back seat to black political movements. Molala claims that AZAPO has 86 branches with about 110,000 enrolled members. The emphasis of black consciousness, Molala claims, has changed from the need to overcome psychological oppression to building economic structures because even if apartheid is abolished, blacks will still have to contend with the problems of staff reductions, rising prices, and falling wages if socialism does not replace capitalism. Molala explains that race determines class and that blacks represent the working class--white workers and the black middle class are therefore anomalies. The black middle class, he says, is in a state of flux.

Laurence, Patrick. "An Old White Custom: Black Bossing Black." Weekly Mail, 26 September 1986. Reprinted in Facts and Reports, vol. 16, no. T (8 October 1986), p. 7.

The decision of the South African government to recruit a 6,000-strong force of special black constables is the latest attempt to place one group of blacks against another, claims the author. The deployment of the special constables goes hand-in-hand with the emergence of the council police whose purpose is to bolster the authority of the black town councils. These 6,000 council policemen, of whom 900 serve in Soweto, undergo a three-month training program while the special constables will receive only three weeks of training. Although much of the article is concerned with the country's police

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 42

force, it does provide some insight into areas in which the government is willing to promote training and employment opportunities for blacks.

Lear, Elizabeth. "Training South African Blacks." Africa Insight, vol. 16, no. 1 (1986), pp. 21-27.

South Africa's apartheid policies have enabled poor whites to move out of unskilled jobs into skilled and semiskilled positions. White population growth, however, cannot keep pace with the growth of the South African economy. Consequently, the country now faces an acute shortage of skilled and semiskilled labor and an abundance of unskilled workers. To achieve future economic growth, the government must train the nonwhite workforce to fill the gaps. Lear presents the statistics on the black work force and discusses the reasons why most blacks lack an adequate education to perform skilled jobs. She also describes attempts by the private sector to train blacks--a survey carried out by the Career Information Centre found that most companies believe blacks do not possess the right skills or confidence to maintain skilled jobs and that they are generally unfamiliar with the office environment. Under these conditions, even multinational firms have not had much success in advancing blacks, who lack adequate education and experience. The Urban Foundation, established by the private sector after the 1976 Soweto riots to improve the lives of all South Africans, undertook hundreds of projects to improve education, housing, and community facilities, and has encouraged other smaller organizations to aid blacks in education. For example, the South African Institute of Race Relations has instituted enrichment classes for black students. These programs, however, cannot change the official black school syllabi or raise the level of black wages. Thus, the author suggests alternative methods and programs. First, she suggests, private firms could put pressure on the government to upgrade the educational facilities of nonwhites and can offer adult education and training/development (AET) programs. The author contends that adult education will be attractive to the black worker and that if blacks perceive a link between the AET program and job satisfaction, they will be motivated to participate in the program. The real problem, however, may be reluctance on the part of private firms to embark on AET programs because of their potential loss of newly

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 43

educated, trained personnel to firms that can offer higher wages and incentives, and because of continuing poor attitudes of whites toward black advancement.

Legassick, Martin. "South Africa in Crisis: What Route to Democracy?" African Affairs, vol. 84, no. 337 (October 1985), pp. 587-603.

Third World capitalist economies, Legassick believes, advance the living standards of the majority of their people only marginally and then only rarely. In South Africa, the economic crisis exists under particular conditions--industrialization has created a massive black working class that carries a weight in society comparable with the major Latin American countries, but the rigid nature of the state machine, characterized by a technical armor of repression and a privileged white population, makes the situation unique. Ironically, Legassick points out, the black working class has created economic growth that has the demonstrated potential to undermine apartheid, but only through organization and struggle. Though impoverished and oppressed, the black working class is concentrated in South Africa's factories and mines and has developed into a huge mass movement in the townships, the schools, and rural and urban areas.

"Long Way to Go." Financial Mail, 14 March 1986, pp. 59-60.

The government and businessmen of South Africa agree on the urgent need for more black housing, although the emphasis so far has largely been on building prestige houses for relatively affluent blacks. Very little has been done to assist the poor. The problem, claims black local authorities, lies in building companies' reluctance to finance small loans for the neediest. The government has made available for sale 346,921 rented houses in all black areas, but the lack of financing has prevented most blacks from purchasing them. Employers are now being urged to help employees, and discounts of up to 40 percent are being offered, but only a small number of blacks benefit from company-sponsored housing schemes.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 44

Machethe, C. L. "Enrolment for Degrees in Agriculture and Implications for Agricultural Development." Development Southern Africa, vol. 5, no. 1 (January 1988), pp. 14-22.

The proportion of black students who enroll for agricultural degrees at black universities is low, indicating future deficiencies in agricultural development in the less developed areas of the country. Machethe identifies factors which may be responsible for the low enrollment: first, salaries of qualified black agriculturalists are generally low compared to salaries of other professionals; second, the majority of the black community does not have a positive image of agriculture, viewing it as a career meant for uneducated men; and third, a black agricultural graduate has a limited choice of jobs outside the homeland government departments and the present land tenure system in South Africa makes it difficult for blacks to farm commercially. The author recommends that the government educate the population about the importance of agriculture in economic development, improve salaries of agriculturalists, offer a wider range of jobs to graduates, offer vocational guidance at schools, improve the quality of agricultural teachers, and increase the availability of scholarships for agricultural students.

Malan, Theo. "Migrant Labour in Southern Africa." Africa Insight, vol. 15, no. 2 (1985), pp. 103-14.

The use of foreign workers in South Africa dates back to the seventeenth century, although the system of migratory labor really came into being after the abolition of slavery in the Cape in 1834. A serious shortage of labor in South Africa's mines after the Anglo Boer War necessitated recruitment of labor on an organized basis. The significance for South African blacks is that the diversification of the South African economy after World War II resulted in the availability of an enormous number of jobs in the manufacturing sector as well as in the public and private construction sectors with the concomitant rise in black wages and discrepancies in wage rates between mining and industry. Thus, a large number of South African blacks abandoned mining employment--between 1936 and 1973 the number of South African blacks in the mining industry declined from 52 to 20 percent of the total work force employed. The

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 45

recruitment of large numbers of foreign workers continued until the mid-1970s when events in other southern African countries made them unreliable sources of labor for the South African government, which introduced new inducements for South African black mine workers. Several tables in the chapter illustrate the rapid increase in the number of South African blacks employed by various mines after 1976.

Malveaux, Julianne. "You Have Struck a Rock: A Note on the Status of Black Women in South Africa." The Review of Black Political Economy, vol. 14, nos. 2-3 (Fall/Winter 1985/86), pp. 277-84.

South African policymakers portray South Africa as the rival of any industrialized country, but the World Bank lists the country as a "middle-income developing country." Part of the reason for this gap may be that there are two, perhaps three, distinct economies in South Africa. There is a white economy, a black urban economy, and a black rural economy, which have disparate average income and education levels, occupations, and infant mortality rates. Black South African women complete school less frequently than men do, meaning that they have limited employment opportunities, and are frequently denied the opportunity to rise above menial and/or manual labor. Among the ten million black women in South Africa, fewer than 1.5 million work in paid employment and the majority--almost 800,000--work as low-paid domestics. Others are employed in factories and receive no benefits. A few black women are employed in professional jobs (teachers, nurses, and social workers); most of these women have university educations but were constrained by apartheid in their choice of university. By law, they work only in black schools, hospitals, or social service agencies and are paid between 20 and 30 percent of the salaries of their white counterparts. Very few black women work as lawyers or doctors, and those who do are confined to the black community. Most black women living in the barren homelands do not work for pay.

Manga, Amrit. "Flexing Labor's Muscle." Africa Report, November/December 1987, pp. 67-69.

The Congress of South African Trade Unions (Cosatu), formed in 1985, has discovered the effectiveness of labor

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 46

unrest as a tool to force change in South Africa. The economic cost of strikes, which have been numerous during Cosatu's lifetime, has run into hundreds of millions of dollars. The government has reacted to this pressure by discussing in Parliament new legislation aimed at curbing the unions. But any attempt to restrict trade unions could spark off a militant reaction, delay economic recovery, and draw employers into the frontline of the struggle against apartheid. Cosatu has also made clear its intention of spreading strike activity into the agricultural sector.

Mariechild, Jenna. "Fighting With Bare Hands." Commonwealth, vol. 113 (28 February 1986), pp. 104-7.

Mariechild writes about the plight of the people of Moutsie, a town located 60 miles north of Pretoria that the government wants to incorporate into the homeland of KwaNdebele. But the 120,000 people of Moutsie, members of the baPedi ethnic group, reject incorporation and object to the potential loss of their South African citizenship and to governance under the Ndebele, whom the baPedi consider their subjects. The government has responded to their objections by threatening to remove the population to an area fifty miles away, which would mean the loss of land accumulated over many years in some cases. This situation is only one of many that has existed since the South African government devised the homeland policy in 1959. By introducing a homeland for each major black ethnic group, Pretoria could claim that while blacks had no vote in South Africa, they could exercise their political rights in their own homelands. The homelands essentially serve as labor reserves for white industry. The men, working as migrant laborers and forced to live away from their families, leave behind women and children who often go hungry. A high infant mortality rate and levels of malnutrition are common in the homelands where few jobs are available. (Although the pass laws which prohibited families from joining the wage earner near his or her place of employment have been abolished since this article was published, the high levels of unemployment continue to threaten the well-being of homeland residents.)

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 47

"Matching Colours." Financial Mail, 19 May 1989, p. 74.

The American-sponsored Matchmaker initiative is a program aimed at bringing black and white businesses together in South Africa. The Matchmaker concept is fairly new and will take time to find broad acceptance, but it has succeeded in creating an awareness in South Africa's business sector of the need to give practical support to small black enterprises. Moss Leoka, the black director of a multiracial Johannesburg public relations consulting firm, owns a business in partnership with whites. He believes that service-oriented firms will initially have the best chance of success in the area of joint ventures, and that franchising is another avenue for cooperation.

May, Julian. "Differentiation and Inequality in the Bantustans: Evidence From KwaZulu." Social Dynamics, vol. 13, no. 2 (1987), pp. 1-13.

The extent of social and economic differentiation in the homelands, and the specific form it takes, has not been examined quantitatively. May conducted a survey in KwaZulu, gathering data on the distribution and composition of household income, and access of individuals to the subsistence factors of production. May argues that there is considerable inequality among rural households based on the data from KwaZulu, and that this inequality is related to the participation of rural households in the wage economy of South Africa. He provides a number of tables to support his argument, including those entitled "The Distribution of Land, Livestock, Labour and Household Cash Income," "Land, Livestock and Labour by Cash Income Group," and "Composition of Total Annual Household Income by Income Group." He concludes that the most important factor determining the total income of households in all groups is access to wage employment; that peasant production allows a minority of households to increase their income and to save; and that households excluded from the wage economy had lower incomes and were less likely to have any kind of savings. In general, capitalist production in white-controlled South Africa is the dominant force operating among the rural population, and that even those who are productive farmers are fully integrated into this system.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 48

McAllister, P. A. "Resistance to 'Betterment' in the Transkei: A Case Study From Willowvale District." Journal of Southern African Studies, vol. 15, no. 2 (January 1989), pp. 346-68.

Agricultural "betterment" schemes were introduced in South Africa's black homelands in the 1930s. The plans were designed to transform the pattern of land use in the homelands by dividing rural locations into residential, arable, and grazing units. "Betterment" policy underwent various changes over the years and was applied differently in different parts of South Africa. For the most part, the government encountered resistance from those affected by the changes because they were associated with loss of livestock, restrictions on the use of grazing, and reductions in the availability of arable land. In general, the "betterment" policy was perceived by homeland inhabitants as unnecessary interference in their lives and the cause of economic hardship and deprivation.

McAllister studies the particular case of Shixini Administrative Area, Willowvale district in Transkei and attempts to analyze the causes of resistance to "betterment" by looking at the economic and social life of the people involved. The Shixini, conservative and traditionally oriented, rely heavily on kinship, neighborhood, and territory to cope with their precarious economic and political situation. The "betterment" scheme undermines their way of life by forcing them to move from their traditional lands and change their settlement pattern. Recently, officials in the Transkei have finally recognized that the "betterment" scheme is not particularly successful and are studying an alternative development project.

McWilliams, Rita. "Capitalism Apart From Apartheid." Insight, vol. 3 (27 April 1987), pp. 36-37.

While many blacks have embraced socialism as the solution to their problems, others argue that to the extent reform has taken place, it has often been the result of the market forces operating in the country. According to the director of the South African Institute of Race Relations, reform in South Africa dates back to the early 1970s when white businesses, faced with too few whites to fill skilled jobs, began to train blacks for the jobs. As the white business community became more dependent on black

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 49

skilled labor and black consumer dollars, it became more reformist. At present, some blacks have reached managerial positions in white-owned corporations. Some think that the increasing number of blacks in managerial positions can influence further change because black managers are more likely to monitor enforcement of fair labor standards than are whites. But they pay a price--their white coworkers often see them as unwanted competition or as tokens promoted beyond their capabilities. Radical black leaders regard them as traitors, buttressing apartheid while they cross its color bar.

"Menace in the Forest Winds." Africa News, vol. 30, no. 5 (5 September 1988), p. 7.

Like all agricultural workers, those who work in South Africa's forests are not covered by the laws governing minimum wages, hours of work, and collective bargaining. The result is a daily regime of hard labor that leaves little time for inquiry into the dangers of herbicides or safety measures in this dangerous line of work. In the sawmill town of Richmond in the Natal Midlands, 500 forest workers live on the Saligna Forestry Estate. Each gang of ten workers must cut and clean 250 trees in order to qualify for wages of between US\$2.50 and \$4.00 a shift, sometimes working for three days to complete a single shift. This piecework system is called itoho. The pressures of the system make it impossible for the workers to spend time safeguarding against accidents. Furthermore, the widespread use of Agent Orange-type defoliants is common and its proven dangers are unpublicized among the mostly black workers.

Moller, Valerie. "Rural Blacks' Perceptions of Basic Need Fulfilment." RSA 2000, vol. 8, no. 1 (1986), pp. 9-26.

This article is based on a study conducted by the Centre for Applied Social Sciences at the University of Natal in conjunction with the Human Sciences Research Council to ascertain perceptions on the quality of life in 1983. The researchers used as their central theme the basic needs approach to development, defined as the minimum amount of goods and services required for a basic existence. Basic needs satisfaction is considered a necessary but not

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 50

sufficient condition for economic development. Moller identifies rural blacks in South Africa as the sector of the population most neglected by conventional development strategies, and suggests that a basic needs strategy for the rural areas is required to offset the urban bias of conventional development programs. In all, interviewers reached a sample of over 5,500 South Africans. This article addresses only the black sub-sample which was divided into five major groups--urban township blacks, peri-urban blacks (or those living in shacks to the north and south of Durban), blacks living in rural areas, rural blacks living and working on white farms, and blacks living in hostels in Durban. The survey found that most rural blacks feel that they lack provisions for basic existence, and that the lack of employment opportunities and low incomes trap them into a cycle of poverty. The article contains numerous tables outlining the survey results.

"More Than Bricks and Mortar." Financial Mail, 5 December 1986, pp. 30-31.

The government would have to spend R4 billion to alleviate the black housing backlog. But even if the money is made available, questions remain as to what land would be allocated to blacks and where blacks want to live now and in a few years, if and when they find jobs. The government has attempted to address these questions by creating the South African Housing Trust, which will inject 1.2 billion rand into low-cost housing over two to three years. It is concentrating on the established townships, where there are future job opportunities. The trust funds core houses, which can be added to and developed when owners are able to afford it.

"Mulder's Plural Neighbours." Financial Mail, 9 December 1988, p. 35.

In an attempt to relieve overcrowding in Soweto, the government has identified land adjacent to the township on the West Rand as an area for black development. The government also announced provisions in the area for agricultural and industrial development. The expansion of Soweto's urban sprawl to the fringes of the white Conservative strongholds of Randfontein and Westonaris is

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 51

the latest in a series of moves recommended by the White Paper on urbanization accepted by the government in 1985. Financing of the acquisition and development of the land remains unclear, but one plan would designate officials of the province of Transvaal as intermediaries between developers and the relevant black local authority--the first task facing the province is to create this black local authority, either by extending Soweto's local authority or by creating a new one.

Muller, N. "The Future of Constrained Urbanization and African Rural Welfare." RSA 2000, vol. 7, no. 1 (1985), pp. 54-61.

Muller begins his discussion with the statement that South Africa's 1980 urbanization level was low by international standards because of the government's constrained urbanization strategy that has forced large populations to live in the homelands. The article examines the different types of settlement found in the homelands, how they are being affected by present policies, and evaluates proposed urbanization strategies. Muller identifies several characteristics of homeland urbanization: first, it has been relatively recent and rapidly growing phenomenon; second, the homeland population living in urban areas is still in the minority; third, the homeland populations live in an artificial world--a high number of homeland residents commute outside the homeland or work as labor migrants; and finally, there are a variety of settlement types that account for different patterns within and between homelands. These include settlements that are developing an economic infrastructure of their own, commuter towns, squatter dormitories, peri-urban areas, rural areas, and those living in areas that lack even a minimum infrastructure. Muller identifies four urbanization strategies--crude white supremacism, controlled reformism, laissez-faire, and social reformism.

He concludes that the homeland non-urban areas have been the major victims of polarized development, and that planners must decide whether to increase demographic pressures on these areas or shift those pressures instead to the economically more powerful metropolitan areas. Although this article is somewhat dated, it contains a wealth of demographic data and a number of interesting ideas.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 52

Murray, Colin. "Displaced Urbanization: South Africa's Rural Slums." African Affairs, vol. 86, no. 344 (July 1987), pp. 311-29.

The pass laws, formally repealed in July 1986, were replaced by a strategy of orderly urbanization that includes influx control. Confusion over the strategy arises for several reasons--influx control is to be regulated by the 'local state' and the 'market' rather than by the central government, although what is meant by 'local state' remains obscure; because influx control is administered by different regions, there is little continuity from one region to another, leading to disparities in pressure on the black population to live in designated residential zones at greater or lesser distances from urban centers; and those identified as citizens of the four 'independent' Bantustans remain aliens and have no right to jobs and housing in 'white' South Africa. Murray suggests that a new term, displaced urbanization, best describes the concentration of black South Africans concentrated in huge rural slums which are politically in the Bantustans and economically on the peripheries of established urban labor markets. He uses as examples Onverwacht/Botshabelo in the Orange Free State and KwaNdebele in the Transvaal. Generally speaking, Murray concludes, there has been a trend of rapid urbanization in the Bantustans associated with an increase in the number of people who live in a Bantustan and commute to work in a 'white' area. Significantly, the result is that the black labor force is no longer separate from the white one, but the state's refusal to accommodate blacks residentially within 'white' South Africa has led the government to adopt a strategy aimed at decentralizing industry, dispersing it to the urban fringes, away from the established industrial cores. The author observes that residents of the Bantustans depend for their livelihood on access to urban labor markets, but are most vulnerable to exclusion from it related to the shortage of housing, the competition for jobs, and the loss of citizenship.

"Not Beaten Yet." Economist, 11 June 1988, p. 44.

Less than four months after the South African government banned 17 antiapartheid groups, the Congress of South African Trade Unions (COSATU) called for a three-day

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 53

general strike. The strike attracted overwhelming support when about two million workers, many of them in the industrial and urban heartland in the Witwatersrand, stayed at home. Even the ubiquitous taxis that normally carry people from Soweto to Johannesburg stopped operating, and the usually crowded commuter trains were near empty. The stated goal of the strike was to block proposed changes in South African industrial relations laws, but clearly the real intention was to coerce the government to effect political change. Most employers docked the wages of workers who stayed away, but white employers, deep in negotiations over pay increases, seemed eager to appease the unions.

"Not Tapping Blacks." Financial Mail, 26 February 1988, p. 62.

The South African National Manpower Commission (NMC), a National Party government department, charges that white managers are not doing all they could to advance blacks into top positions in the economy. The recent NMC report offers several reasons for the notable lack of progress in the advancement of black, mixed race, and Asian residents into management and other professional positions. These reasons include a lack of education and experience and the attitude of white management personnel. Although the majority of white management personnel voice positive attitudes, there is an unwillingness or inability to put these views into practice. The report finds that there has been some progress with the advancement of black, mixed race, and Asian residents into middle-level positions, but that South Africa will not succeed in realizing its development potential and offer all its people an acceptable standard of living if the country persists in trying to recruit its high-level manpower mainly from the white population group.

O'Meara, Patrick. "Politics in South Africa." Current History, vol. 88, no. 538 (May 1989), pp. 217-20, 248.

Black opposition to the South African government has taken several forms, some of them violent but some peaceful, such as the nationwide strike by more than one million black workers in March 1988. But there are indications that some black opposition groups may be attempting to operate within the system by working through

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 54

municipal-level organizations. In Soweto, the new mayor, Samuel Mkhwanazi, met with antiapartheid leaders to find a solution to a longterm rent crisis, testing the autonomy extended to local black authorities. The government, faced with increasing criticism from its expanding rightwing opposition, has reacted by proposing legislation that would more strictly enforce residential segregation by evicting blacks who have moved into areas reserved for whites. Although most of this article deals with political issues, including signs of whites moving to the right, there are tidbits of information pertaining to black mobility.

Olivier, Johan Louis. "Collective Violence in South Africa: A Study of Ethnic Collective Action in the Pretoria-Witwatersrand-Vaaltriangle Area, 1970-1984." Dissertation Abstracts International, vol. 50, no. 3 (September 1989), p. 798-A.

Olivier studies how economic and labor market competition and state repression influence levels of collective action in South Africa. He uses as an example the Pretoria-Witwatersrand-Vaaltriangle area, South Africa's industrial heart, recording the total number of events of black collective action from 1970 to 1984, dividing events into protests and conflicts. Olivier found that increased levels of competition in the labor market and better access to resources was accompanied by an increased rate of collective action. He concludes that state repression is a catalyst for collective action, contrary to earlier research suggesting that repression has negative effects on the rate of collective action.

"On Botha's Back." Economist, 22 October 1988, pp. 15-16.

Most white South Africans, including many liberals, believe that South Africa needs time to grow towards racial equality and that black impatience with the slow pace of government reform should be appeased with better jobs paying wages with which to purchase popular luxury items such as cars and televisions. But black opposition is growing as the economy, hit by the falling price of gold, cannot deliver many luxury items and services for blacks. The government is building thousands of houses in the townships; the past two budgets have increased

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 55

spending on black education by a third; and large amounts of money are being printed to keep black consumers happy. These measures, however, have further damaged the economy and have not succeeded in appeasing the black population. Some blacks have grown prosperous and resent the call of the radicals for the world to impose sanctions on South Africa. But this black middle class is tiny by comparison with the black underclass. In many townships, school boycotts have prevented children from passing their exams so that they will not easily get comfortable jobs. At least a quarter of the black work force is unemployed or underemployed; and still the growth of the black workforce continues to outpace the ability of the economy to absorb it.

"Only One Way Out." Financial Mail, 14 March 1986, p. 36.

The unrest in South Africa's black townships in the mid-1980s dealt a death blow to local black government with the execution of numerous councillors and the resignation of many more. The system of black local government suffered from a lack of legitimacy among large sections of the communities they were supposed to represent. The article suggests that white towns and cities, and their adjacent black, mixed-race, and Indian townships be administered as single entities, with town and city councillors from all these residential areas sitting on the same municipal council. The integrated municipality, the article goes on to say, is the only form of local government in which credible black community leaders can participate if they are to retain the support of their constituents.

"Paradise Lost." Financial Mail, 4 March 1988, pp. 36-38.

South Africa's open, English-speaking universities face the dilemma of being liberal institutions in a profoundly aliberal climate. These universities are founded largely by the government and therefore have a constituency in the form of parents, former students, and corporate benefactors, who are all becoming increasingly influential. It is therefore necessary that the universities become less elitist and more willing to communicate with the public, especially working people. One important reason for this lies in the unequal

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 56

education system which provides vastly inferior schooling to black children. The university community recognizes that admission requirements should be based not only on academic and scholastic performance, but also on the candidate's potential and abilities. This is especially so with black students--it will be a generation or more before the quality of black schools approaches those of white schools, but the need for well-educated, professional blacks in the economy is urgent.

Parks, Michael. "Segregation Walls Slowly Tumbling in South Africa." Los Angeles Times, 17 February 1987. Reprinted in AF Press Clips, vol. 22, no. 8 (27 February 1987), pp. 1, 12-13.

Although still very much a divided society, South Africa is slowly dismantling many of the barriers that have long separated the races. Owners of restaurants, bars, and hotels were permitted to desegregate their facilities in 1986 and black businessmen are now allowed to open stores and offices in most of the country's central business districts. People are more apt to accept blacks everywhere in the cities than in the countryside, as several people interviewed in the article point out. Recent opinion pools among urban whites show a growing readiness for faster and wider desegregation, even in the controversial areas of residential neighborhoods and schools.

Pickard-Cambridge. "A Tale of Three Cities." Financial Mail, 26 August 1988, p. 62.

Pickard-Cambridge conducted a 1987 research study of three cities--Windhoek (Namibia), Harare (Zimbabwe), and Mafikeng (Bophuthatswana)--to discover whether their experience in residential segregation held any lessons for South Africa. The repeal of residential segregation in Windhoek in July 1979 sparked demonstrations by conservative whites who claimed property values would plunge and blacks would inundate their suburbs. None of this has happened. In Harare, blacks moved into the former white suburbs in large numbers only after the independent government came into power in 1980 and opened jobs in the upper echelons of the civil service. In South Africa, there are different factors than in any of the

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 57

three cities studied--the economies of South Africa's major cities are more developed and there is greater black access to better paying jobs. Even so, those blacks who can afford to move to the white suburbs remain a minority.

"Place of Melodies" South African Panorama, vol. 34, no. 8 (September 1989), pp. 2-9.

The black township of Mamelodi ("place of melodies"), located northeast of Pretoria and the scene of serious unrest in 1985, has become a symbol of progress. Emphasis has been placed on education and teaching--there are 16 preprimary schools, 36 primary schools, 11 secondary schools, and two technical schools. Ninety-seven percent of the township's children attend primary school, and the attendance in secondary school is more than 95 percent. The Tutu Mathlala Technical College provides training for between 800 and 1,000 students in motor mechanics, electrical engineering, and commercial subjects. The town council regards housing as a priority, and do-it-yourself building projects are popular--people can erect a squatter's house on a plot they have purchased while they build a permanent residence on condition that the house is completed in six months. The town council is tackling the problem of unemployment, a serious problem since disinvestment by foreign companies, by establishing job creation programs funded in cooperation with the Transvaal Provincial Administration and the department of manpower. Projects providing employment include the paving of dirt roads and the bricking of sidewalks. The informal commercial sector is encouraged and booming, and the formal sector has 318 businesses. Mamelodi Hospital and two other health clinics provide good, low-cost services; there are 12 private medical practitioners in the township as well.

"Private Parts." Financial Mail, 20 February 1987, p. 56.

Black medical students at Wits University's teaching hospital, Johannesburg General, were given permission by the Transvaal local government to work in all wards of the hospital except obstetrics and gynecology. Some black students felt that the controversial decision by Transvaal officials was a breakthrough and that despite the exclusion of black students from obstetrics and

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 58

gynecology, the offer should be accepted. Up to this point, black doctors had to apply for permission to work at Johannesburg General and were evaluated on an individual basis. Very few applied, however, insisting that they would not work in a segregated hospital. A white professor of community health commented that although many people would regard obstetric and gynecological examinations as more personal than other clinical examinations, the hospital made the ruling on behalf of the community without conducting any kind of public survey. The response of the Dean of Wits Medical School, Clive Rosendorff, was that the hospital faculty felt strongly that all hospitals should be completely desegregated with respect to both patients and staff.

"Raising the Standard." Financial Mail, 20 May 1988, p. 69.

The formation in May 1988 of the Transvaal African Builders Association (Taba) signals the intention of a group of black businessmen to gain a coherent voice in their dealings with government, financial institutions, suppliers, and white businessmen in the province. Similar organizations already exist in Natal and the Orange Free State, and efforts are being made in the Cape to unite various township builders' associations into a provincial body. Once this has been done, negotiations will begin to establish a national black builders' organization. Black builders, like most South African black businessmen, suffer from a common problem of self-image--they perceive themselves not so much as businessmen but as people struggling to make a living. Before they can achieve parity with white businessmen, they must realize their achievements and take a higher profile in the overall business community. Black builders, specifically, will have to raise standards, not only of workmanship but of business management.

Reid, Nelson and Lowe, Gary. "Ethnic Utopianism and Market Reality in South Africa." Cato Journal, vol. 6, no. 3 (Winter 1987), pp. 869-88.

The authors explore the South African system of apartheid from what they consider an angle rarely considered--that apartheid is a distinctly political creation that has caused an adversarial relationship between the government

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 59

and the business sector. The apartheid system of social development, they write, is conceptually based on a national model of group relations in which each "people" of South Africa is presumed to be a "nation" in search of a geographical, cultural, and political base. But the South African economy offers no divisions that would support such a political vision of separate nations. Although much of the article is outside of the scope of the subject of black economic empowerment, it contains several tables of interest, including "The Urban Rural Distribution of South African Population, 1980," "Average Monthly Earnings and Household Incomes, Selected Years," and "Wages and Salaries of Public Employees by Race Group, Selected Years." One chapter of considerable interest, entitled "Reform and the Business Sector," discusses the trend in recent years of business firms supporting reform efforts and the rather extensive and well-organized business groups that have little interest in apartheid or centralized government authority.

Republic of South Africa Department of Co-operation and Development. Report of the Department of Co-operation and Development for the Period 1 April 1984 to 31 August 1985. Pretoria: Cape and Transvaal Printers, Ltd, 1985, 56 pp.

This final report on the activities of the Department of Co-operation and Development, which was dissolved at the end of August 1985, covers a number of key areas, divided into sections entitled "Housing," "Agricultural Development," "Development Projects," "Self-Governing National States," "Community Development," and "Financial Administration." The Department was mainly concerned with "the transition of a rural people accustomed to a subsistence economy to the circumstances of a modern industrialised society." The report claims that the most significant progress made was the intensification and acceleration of the process which enables blacks living in and outside the self-governing national states to assume responsibility for decisionmaking.

Republic of South Africa National Manpower Commission. National Manpower Commission Annual Report 1986. Pretoria: Cape and Transvaal Printers, Ltd. for the Government Printer, 9 March 1987, 97 pp.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 60

The first section of the report presents an overview of the South African manpower field in 1986. The report concludes that education for blacks is improving and cites the development of a ten-year plan for black education, improvements in teaching skills and education in rural areas, and increased support for vocational education. The report also finds that blacks have not advanced into management and other professional positions because of a lack of education and experience coupled with an unwillingness (or inability) on the part of white managers to accept black advancement. The report also found that black workers are increasingly aware of the power they exert through their labor in the economy. Consequently, certain trade unions are resorting to strikes (prematurely, according to the government) to achieve political as well as economic goals. This extensive report is divided into five chapters with numerous subsections covering every aspect of management, training, education, labor relations, and productivity. (The report is also available for 1985 and 1987.)

Rotberg, Robert I. "Double-Speak, South African-Style." Christian Science Monitor, 27 July 1987. Reprinted in AF Press Clips, vol. 22, no. 30 (31 July 1987), p. 6.

President Botha's announcement that the South African government intended to elect, not appoint, blacks to a new national advisory council was meant as a concession. But the advisory council, which will exist to negotiate with whites to invent a constitutional formula to end conflict between blacks and whites, will separate the majority black population from the real power they want. In essence, elections to an advisory council that has no power and is not representative are no better than appointments. Clearly, Rotberg implies, black South Africans have no real power, even at the local government level. The urban townships have forms of local rule, but these bodies have no taxing power and therefore no real control over their municipalities.

Rudolphe, Barbara. "Cutting Ties to a Troubled Land." Time, 29 June 1987. Reprinted in AF Press Clips, vol. 22, no. 25 (26 June 1987), pp. 3, 5.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 61

More than 100 American firms have left South Africa since 1985. Early opponents of divestiture were concerned that the departures of American firms would mean a significant loss of jobs for black workers, but this has not occurred. Ford, in the process of divestiture, hoped to donate most of its holdings to its predominantly black work force although most holdings by American firms have been sold to local, white-controlled firms. There are rare occurrences of sales to blacks; Cola-Cola sold one-third of its South African subsidiary to its wholesalers and retailers, 60 percent of whom are nonwhite. Some American firms tried to ease the impact of divestiture by making investments on a one-time basis in social programs. IBM, for example, left \$10 million for a literacy program to aid 37,000 black schoolchildren.

Sack, Steven. "Some Thoughts on Black Art Education." Africa Insight, vol. 15, no. 2 (1985), pp. 115-18.

Sack addresses two issues--to what extent is art taught in South Africa's black communities and should black art education take on some particular form as distinct from white art education? In the 1970s, only two institutions provided opportunities for black students to study for a degree in fine arts, and by 1983 a total of twenty-two blacks had graduated with the degree. In recent years, the Department of Education and Training has established a special one-year art course for practicing teachers, which represents an important development in the introduction of art into black schools. Further developments include the establishment of a department of art education at the University of Bophuthatswana and the establishment of a committee to investigate school art curricula. In answer to the second question, the implementation of separate art departments for blacks and whites would seem to require separate educational departments in every field. While black cultural history has certain distinct features, the author argues that all cultural history should be part of the content of any course for all South African art students. One widespread problem is that some black art students lack reading, writing, and studying skills. This has led the universities to develop a number of academic support programs which attempt to accommodate disadvantaged students.

Savage, Michael. "The Cost of Apartheid." Third World Quarterly, vol. 9, no. 2 (April 1987), pp. 601-21.

Savage presents an overview of the size and complexity of problems in the welfare arena in which he classifies five areas: poverty, migrant labor, unemployment, housing, and nutrition. His purpose is not to document the inequalities that would be inherited by a post-apartheid government, but to highlight their extent and emphasize that their solutions will be complicated. Perhaps the section most useful to the subject of black economic empowerment is that concerned with unemployment. The economy is already characterized by widespread and growing unemployment among the black population. Projections of future employment are even bleaker, suggesting that by the year 2000 some 55 percent of the population of working age will be unemployed or underemployed. Those most hard hit by unemployment are young people just leaving school, women, and those living in rural areas. Another significant area of interest is the housing shortage in black urban areas, a crisis which extends into a deeper problem involving a lack of elementary community facilities, the existence of hostile physical surroundings, and the absence of choice and control by the inhabitants over the environment in which they live.

Schlemmer, L. "South Africa's Urban Situation: Avoiding the Crisis." ISSUP Strategic Review, October 1985, pp. 1-7.

The process of legislative reform on behalf of the urban black population is underway. While the reforms referred to in the article--the abolition of influx control, full freehold rights for those urban blacks who qualified for the 99-year leasehold rights, and the strengthening of black local government--have already occurred since the publication of this article, Schlemmer identifies the advantages and disadvantages of urbanization in general. He does so in the form of an urbanization matrix, presented as an urbanization process incorporating interrelationships with other significant variables. One interrelationship is especially relevant to black economic empowerment--urbanization is universally associated with development and change, and highly urbanized societies have, over the long-term, the most stable political systems. Schlemmer then goes on to discuss black local level leadership, which he claims has been undermined by

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 63

several factors. These include inadequate funding of local government in black areas, the fact that formal black local leadership has become too closely associated with black small businessmen among whom some members have used their economic clout to influence political decisions, and finally inadequate training for those new politicians who have had to deal with the tough white bureaucracy of the Development Boards. The framework of local government, according to Schlemmer, has blocked the real aspirations of the rising black middle class.

"Scholarly Soweto." Economist, 24 June 1989, p. 44.

Overcrowding in Soweto's schools is causing chaos, a situation of concern to both black parents and South Africa's white rulers, who remember the riots of 1976 and the school boycott of the mid-1980s. Black students all over the country are having difficulty passing the matriculation exams at the end of their school careers, and in Soweto the standards are particularly low. The pass rate for all of South Africa in 1988 was 57 percent, but in Soweto it was only 38 percent, despite the presence in the township of some of the best qualified teachers in the country and some of the newest and best equipped schools. Part of the problem is violence--recently, one teacher and three students were shot in or near schools and schoolgirls have been abducted from school premises and raped. Overcrowding comes partly from population growth and partly from vandalism and theft, especially since schools are popular targets of young people who cannot get into them. Teachers become targets of crime because they are often portrayed as government stooges, applying unpopular regulations to keep "street children" out of their schools.

Schuster, Lynda. "The Struggle for South Africa's Cities." Christian Science Monitor, 13 July 1988. Reprinted in AF Press Clips, vol. 23, no. 28 (15 July 1988), p. 6.

The government recently proposed new laws that critics claim will give it sweeping powers to evict the nearly 4 million blacks--almost one-seventh of the total black population--living in squatter conditions. The new legislation would allow the government to determine the number and location of blacks in cities. The government

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 64

defends itself by asserting that the new laws will allow the government to impose order on currently chaotic conditions by providing blacks with permanent places to live. But in reality, many political analysts argue, only about 18,000 of the 50,000 acres of land set aside for blacks is usable and few commercial builders are involved in low income housing. One analyst believes that the new legislation will create a sort of middle class influx control. Only those blacks with high paying jobs will be able to live in urban areas so that bands of poor dependent black communities will form around the cities and will be likely to cooperate with the government.

Sidler, Peter. "Power Struggles in Durban's Slums." Swiss Review of World Affairs, vol. 39, no. 6 (September 1989), pp. 31-32.

This article outlines the living conditions in the slums of the South African port city of Durban, where approximately three million blacks live, most in "informal housing" (shacks, huts, and lean-tos). There are some neighborhoods of small but decent houses where the government, in collaboration with the Urban Foundation, has provided running water to some properties. But most residents lack electricity, only attain a low level of education, and experience high levels of unemployment. One slum, Inanda, suffers from wretched hygienic conditions; the area was hit by a cholera epidemic in 1983 and in 1987, floods swept away thousands of hovels and killed dozens of blacks. Tension among Inanda's inhabitants are most common where the slums border on better neighborhoods in which the residents have attained a modest level of prosperity--the better neighborhoods, which have running water and electricity, bus stops, schools, and small clinics, charge fees and taxes for these services so that their residents are loathe to share them with their poverty-stricken neighbors. "Squatter kings," successful black businessmen who are allied with Inkatha, distribute parcels of land to newcomers in their territories for a fee and then collect rents that supposedly finance various building projects. They also demand payments for the maintenance of private armies for the safety of their "subjects". While most of these "squatter kings" operate with standard gangster methods, some really do try to improve the material conditions of their territories.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 65

Simon, Alan. "Black Students' Perceptions of Factors Related to Academic Performance in a Rural Area of Natal Province, South Africa." Journal of Negro Education, vol. 55, no. 4 (1986), pp. 535-47.

The Bantu Education Act of 1953 provided only the first four years of schooling for black children. This was considered sufficient for employment requirements in factories and on farms. The policy was put into practice by grossly disproportionate expenditure on black education and the inadequate provision of facilities including schools and teachers, laboratories, libraries, and textbooks. There have been two major reactions to the Act--the Soweto riots in 1976 and the mixed-race school boycott in 1980. The provision of education for blacks in Natal Province is particularly disproportionate to that afforded whites and is mirrored by the poor academic performance in the province's black schools. The author conducted a study to ascertain the perceptions of students in their final year of secondary schooling. Her findings were surprising in that the students in the study did not articulate that the apartheid system is the overall reason for the high failure rates. They did cite financial problems, the language difficulty, and a lack of textbooks. The students were basically uninformed about the range of career opportunities and availability of further study. The author writes that although there have been widespread disruptions in black education since the study, it has been confined mainly to the more articulate urban areas. He adds that the conflict will soon spread to the rural areas if the government does not introduce drastic changes in the black education system.

Simpson, John. "Real Life in South Africa." World Monitor, July 1989, pp. 46-53.

The author, a journalist who spent two years in Johannesburg in the late 1970s, returned in 1989 and wrote this article in which he notes what appear to him to be drastic changes in the way blacks live in South Africa. And yet, he writes, although the government has relaxed the old laws of petty apartheid to a remarkable extent, thereby making the daily lives of individual black people a great deal easier, government repression has not been reduced. The government now has a settled policy of picking out those who show signs of political leadership in the black community and imprisoning them for as long as

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 66

the law allows to remove from action those whose political influence is felt to be pernicious. Simpson also notes that the government is now coming up against its own contradictions so that a black businessman who pays 40 percent of his income in taxes still has no vote. This same businessman will purchase an expensive home in an affluent white suburb of Johannesburg through a third party; although his white neighbors may object, the police refuse to take any action because the government has recognized that the black businessman has become a valuable economic asset and a majority consumer. Now it is clear that the economy can no longer do without black people in positions of management, especially as increasing numbers of white professionals are leaving the country. In the education sector, eleven years ago blacks had no choice but to send their children to poorly staffed and equipped segregated public schools for which they had to pay. Now, blacks can send their children to mixed private schools if they can afford the fees, but those who cannot still face underfunded and inferior education.

Sithole, Masipula. "Prospects for Change in South Africa: Lessons from Rhodesia." Issue, vol. 15 (1987), pp. 30-34.

The author, a Zimbabwean political scientist, examines prospects for positive change in South Africa. He suggests that while an all-out race war is unlikely to occur, regional tensions are a necessary prerequisite for a settlement of South Africa's internal crisis. While much of the article deals with political matters, the author briefly addressed economic issues, using for a comparison conditions in former Rhodesia, where Ian Smith delayed a settlement with black nationalists with the impression that white Rhodesians could go to South Africa. White South Africans, however, have nowhere to go and are therefore more likely to fight tenaciously for their position of dominance. Sithole then disputes the common argument that the South African economy, unlike that of landlocked Rhodesia, is robust and self-sufficient and could therefore survive economic sanctions from the international community. He warns that the imposition of internal economic sanctions by the black population, having already been imposed numerous times, could cause severe civil strife.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 67

Smiley, Xan. "A Black South Africa?" Economist, vol. 298 (1 February 1986), pp. 33-40.

Smiley examines the South African government's claim that apartheid is basically dead. It is true, Smiley writes, that the humiliations of petty apartheid, characterized by segregation of public facilities, are rapidly being reduced, but the economic and social obstacles confronting blacks remain huge. The end of apartheid, he continues, is not just the end of segregation and a fairer share of the economic cake. It must also mean the end of white political power. Blacks, he writes, are not materially as badly off as before. Working conditions and real wages of urban black labor, especially skilled labor, have improved sharply in the last decade. Blacks are also far better educated--middle class black South Africans are among the most sophisticated in Africa and there has even developed an attitudinal as well as economic gap between skilled and upward mobilized blacks in the urban centers and blacks in the ten rural homelands, which are often described by both whites and blacks as "third world" bits tacked on to "first world" South Africa. In reality, Smiley writes, the overwhelming majority of blacks are unaffected by reforms and continue to live in grinding poverty. In addition, the new black middle class and skilled workers may have the money to soften the edges of apartheid, but still have to live under such lingering laws as the Group Areas Act and the Reservation of Separate Amenities Act. The article makes many other salient observations about the continuing realities of apartheid.

"South Africa (6): Trade Unions." Africa Confidential, 4 March 1987, pp. 5-7.

This article describes South Africa's major trade unions, which have become the only vehicle not only for improving the workplace but also for achieving political aspirations. It is estimated that 19 percent of the economically active population--including that of the four homelands--belongs to about 200 unions. Most are independent of any federation. The three major union federations which have arisen are the Congress of South African Trade Unions (Cosatu), the Council of Unions of South Africa-Azanian Confederation of Trade Unions (Cusa-Azactu), and the rightwing South African Confederation of Labour (Sacol), whose affiliates are all

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 68

white. The unions with the greatest potential for growth are those which recruit black workers.

"South Africa's Economy: Into the Red--Into the Black."
Economist, 5 November 1988, pp. 76-77.

The Institute of Futures Research at Stellenbosch University estimates that 4.5 million South Africans will be seeking jobs between 1988 and 2000. Added to that will be a further 10 million blacks who are expected to migrate from the homelands in search of work. The formal economy's ability to provide jobs is limited--6.5 million South Africans are already unemployed and the number of jobs in the mines, among the largest employers, will probably decrease because of increased mechanization. Faced with the hard task of finding a job in the formal white economy, many black South Africans have created their own jobs. Richard Maponya, one of the richest blacks in South Africa, made his fortune from supermarkets, liquor shops, and car dealerships and is the head of the Kilimanjaro Consortium, a group of ten black businessmen who bought Coca-Cola's bottling plant in the Eastern Cape when the firm disinvested. He is one of an increasingly visible and successful group of blacks running formal businesses in South Africa. The informal sector, however, is the far larger black economy, accounting for an estimated 40 percent of the officially recorded gross domestic product; a large part of South Africa's economic activity is unrecorded, unlicensed, and untaxed. Nearly half the activity in the informal sector is accounted by street hawkers and spaza shops that are often little more than women selling a handful of vegetables. Nonetheless, the spaza shops account for five times the turnover of that of their legal competitors. Although the spaza shops are more expensive than legal retailers because they cannot buy in bulk, black consumers prefer to use them because they are local, open longer, and sometimes offer credit. The other traditional mainstay of the informal sector is the shebeen, or illegal drinking club. Other businesses in the informal sector include taxis (there is now a fleet of about 100,000 black-owned minibuses) and small black-owned manufacturing industries.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 69

"South Africa: What Future for the Homelands?" Africa Confidential, 22 January 1988, pp. 1-2.

At the same time that the government is encouraging and supporting the emergence of a black middle class in the townships as part of its reform program, those who are unemployed in the townships are resettled in impoverished rural homelands, out of sight of white South Africans and the international community. The aim of Pretoria's reform strategy is to minimize conditions under which government opposition could flourish. Thus, township residents have received better housing, the right to purchase a home, more jobs, and a better standard of living. Meanwhile the majority of blacks live in the homelands under repressive and corrupt administrators who encourage large agricultural enterprises to take over the land from small farmers, condone deplorable factory conditions, and levy taxes arbitrarily. As a result, most black homeland residents have no possibility of economic advancement.

Southall, Roger. "A Note on Inkatha Membership." African Affairs, vol. 85, no. 341 (October 1986), pp. 573-88.

The Inkatha movement, led by Chief Gatsha Buthelezi, is perceived by many as one of the foremost agents of reform in South Africa not only because of its moderate and responsible approach, but also because it possesses necessary minimum degree of legitimacy as a black nationalist movement. Although Southall devotes a large section of the article to criticism of an earlier article by John Brewer on the same subject, he includes a number of interesting statistics on Inkatha's membership and the resulting implications. For example, Brewer concluded in his article that the organization appeals to all socio-economic class and age groups and that Inkatha members tend to be younger and more working class. Brewer also had pointed out that a majority of Inkatha members felt that membership in the organization was necessary for advancement in their careers and employment and that there exists a high level of commitment to nonviolence among members. Southall refutes Brewer's somewhat benevolent view of Inkatha, concluding that there is mounting evidence that the movement is actually involved in violent activities and that its announced intention of establishing a new labor federation as a rival to the Congress of South African Trade Unions (Cosatu) can only

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 70

divide workers and benefit employers. Southall also warns that Inkatha's verbal attacks on the African National Congress and the United Democratic Front contest the legitimacy of popular movements pressing for fundamental change.

Sparks, Allister. "Press Curbs Aimed at Black Groups." Washington Post, 15 December 1986. Reprinted in AF Press Clips, vol. 21, no. 49 (19 December 1986), pp. 3-4.

This article is mostly concerned with government attempts to suppress black nationalist group activities by severing their means of communicating with the black community through a drastic clampdown on the press. It also discusses the methods by which black community leaders gain credibility among the black population. The press crackdown is thought to be aimed at the extensive network of community organizations, including action committees, student associations, street committees, and peoples' courts that have sprung up in South Africa's black townships. These organizations all have ties with the United Democratic Front and the Azanian People's Organization and have challenged the civil and legal authority of the state. As the administrative structures began to crumble in many townships, the "alternative" community organizations sought to take over effective control. Through a press blackout, the government can stop black activists from communicating about plans for economic sanctions and the detention of their colleagues, as well as numerous other occurrences.

"Special Report: Housing." Financial Mail, 7 July 1989, pp. 55-76.

South Africa's housing shortage is one of the country's major sociological, economic, and logistical problems. It is estimated that 250,000 houses will have to be built each year until 2010 to house those who are now living in substandard conditions and to keep up with the population increase. Although whites in the lower income groups are finding it increasingly difficult to own their own homes, the chief victims of the shortage are blacks. The Group Areas Act and influx control are mostly to blame for the problem. The latter, finally abolished in 1986, restricted most of the country's blacks from moving freely

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 71

and the former, which is still in force, has prevented normal market forces from operating in the housing field. Consequently, homes in white areas stand empty while families of other races who could afford to live in them continue to live in squalid conditions. The abolition of influx control brought a surge of blacks to the cities, giving South Africa the highest rate of urbanization in Africa. It is estimated that between 45 and 50 percent of the black population is urbanized, and many of them lack adequate housing. Many of those involved in South Africa's housing industry believe that the problem is not a housing shortage, but the fact that affordable housing is not being made available to blacks. One of the problems, they suggest, is marketing. Until recently, blacks were not permitted to buy their own homes and as a result, there exists no network of real estate agents working in black areas. They also suggest that employers have an important role to play by providing collateral to prospective home buyers and assisting in administration of loans.

Spiro, Peter J. "Better Late Than Never: Economic and Social Reforms in South Africa." USA Today, vol. 116 (7 January 1988), pp. 66-71.

Spiro believes that there are two reasons why many are optimistic about the prospects of successful negotiations leading to a settlement based on compromise between whites and blacks in South Africa. First, Spiro observes, there appears to be a surprising amount of personal goodwill and understanding among the races and a recognition by all except the more extreme elements of the necessity for racial accommodation. And second, the government has instituted sweeping reforms that will allow blacks to assert their right to basic economic opportunity. Spiro includes an historical overview of black economic repression, listing those laws designed to thwart economic advancement by blacks. The seeds of a black middle class, he writes, were sown for the first time in the private sector. Only then did the government facilitate this trend by tolerating greater social integration. The result has been the creation of a black elite with a stake in the status quo which, the government hopes, will stave off the threat of racial conflict.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 72

Stoneman, Colin and Suckling, John. "From Apartheid to Neocolonialism." Third World Quarterly, vol. 9, no. 2 (April 1987), pp. 515-44.

This article probes the domestic and foreign social forces, including the installation of a black majority government, that may develop in the transition from apartheid to a liberated society in South Africa. Although the authors address subjects which are not of relevance to black economic empowerment, there are several sections which are of interest. One section, entitled "Urbanization," contains some interesting statistics and projections. Immediately following is a section on redistribution, which discusses several interesting topics. For instance, the ratio between black and white incomes in 1984 demonstrates the true division of income and the scale of current poverty. Whites receive fringe benefits from their employment that supplement their incomes, but few blacks benefit from this. Black women, in particular, form the lowest paid category of formal employment and dominate among the low-income people in the informal sector in urban areas. In the health sector, blacks receive inferior care compared to that received by all other racial groups because poorer public health facilities are concentrated in urban rather than rural areas. A major area of potential redistribution is that of land. In rural areas, land distribution is uneven--in black areas, there is a much higher population density than in white areas and white South Africans have far more arable land and much better access to agricultural inputs (technical advice, transportation, etc.). In the employment section, the authors point out that the major problem in redistribution is the result of the state having engineered an economy in which a large proportion of the population is regarded as surplus. Thus, a majority rule government will be under strong pressure to generate wider production opportunities.

Swilling, Mark. "Living in the Interregnum: Crisis, Reform and the Socialist Alternative in South Africa." Third World Quarterly, vol. 9, no. 2 (April 1987), pp. 408-36.

Swilling analyzes the major social processes that have shaped South African society over the last decade. The Freedom Charter of the African National Congress (ANC) and the May Day demands drawn up by various political

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 73

organizations and trade unions in 1985 contain four sets of demands, including the reorganization of the provision of the means of collective consumption (transportation, housing, social services, and food) and the substantial redistribution of land and wealth. Following the 1976 Soweto uprisings, which brought an end to black political quiescence and reflected mass rejection of apartheid, the government recognized the need to modify its policies toward the black population. When P.W. Botha became Prime Minister in 1978, he introduced his reform package, labeled "total strategy" which contained four basic dimensions. The first, a modification of urban policy, involved the abolition of influx control. The second recognized blacks as bona fide employees with the right to join trade unions. The other two dealt with issues outside of the scope of black mobility. This long and detailed article discusses the many complex issues, including a socialist alternative, that the government faces to bring about social and economic changes.

Temko, Ned. "Pretoria's Plan to End Rent Boycott Seen As Risky." Christian Science Monitor, 15 June 1986, p. 12.

Although this article is dated, it raises issues relevant to the subject of black economic empowerment. The widespread refusal of residents in South Africa's black townships to pay rent or government services charges began in late 1984 and proved to be a potent political protest. The government introduced legislation in Parliament to get employers to dock the paychecks of those involved in the boycott by the amounts owed for rent and service charges. Businessmen, however, were fearful that such legislation will lead to worker walkouts and the beginning of a war between employers and employees. Although the government can rein in the activities of opposition groups, it runs the risk of creating chaos in the marketplace. Among those participating in the rent boycott were Winnie Mandela and Archbishop Desmond Tutu, both residents of Soweto, the country's largest black urban area.

Temko, Ned. "Why Many S. African Blacks Keeping Quiet." Christian Science Monitor, 1 April 1987. Reprinted in AF Press Clips, vol. 22, no. 13 (3 April 1987), pp. 6, 14.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 74

This unique article examines the reasons why South Africa's disadvantaged black majority seems to remain in many ways a cautious, conservative, peaceable population. Even during the most intense of the current unrest, Temko writes, black violence has almost never spilled into the major cities, and the great majority of those killed by black insurgents have been nonwhite. There are several reasons for the genuine conservatism, compromise, and goodwill toward whites that most blacks continue to display. Fear is one element, according to Tom Lodge, the country's foremost historian of black politics. There is an enormous disparity in force and strength between the state and those who oppose it. Economics is another element--the poor blacks who live in urban townships are engrossed in their struggle to find work and survive, and those who have jobs must defend them, believing that working within the system--through union membership--is the surest way to increase their earnings. Urban blacks who have achieved middle class status have a greater stake in defending the status quo. Temko also discusses other reasons for the failure of the black population to translate unrest into revolution, including psychological indoctrination which has created a "learned helplessness" and deep-seated Christian ethics, especially among older blacks. Many blacks are also pleased with government reform--millions of dollars are financing black home-owning plans; the government is encouraging the Small Business Development Corporation to help black workers, artisans, or employed blacks to start their own businesses; and some townships, such as Alexandra, are receiving extensive facelifts.

"The Ghost of Apartheid Past." Financial Times, 9 December 1988, pp. 22-24.

This article, while focusing primarily on the ruling National Party's dim view of Conservative Party politics, addresses the use of a boycott as an economic tool. The subject of the article is the town of Boksburg, where the Conservative Party, having won 12 of the town's 20 council wards in the 1988 municipal elections, enforced many of apartheid's most stringent restrictions. The result was a devastating boycott of the town's business district by the black and mixed race residents, who possess half of Boksburg's spending power, demonstrating the growing importance of black consumer power in South Africa.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 75

"The Long Haul." Financial Mail, 25 November 1988, pp. 72-73.

Black long distance taxi and truck drivers want to follow the lead of urban taxi operators and become part of the formal business sector. The South African Long-Distance Transport Association (Saldta), formed in 1987 with 300 members, now has a membership of 10,500 with 48 affiliate long-distance taxi associations throughout southern Africa. Taxi operators have moved into the long-distance transportation business to cater to rural inhabitants who buy goods like furniture in the cities and need to transport it home. Saldta hopes to find big corporations that could use the association's resources to transport workers and goods over long distances. Saldta already offers its trucking and taxi services to big business, particular mining concerns, but it needs to expand its fleet. (Some mine workers need transportation as far away as Mozambique.) Saldta officials maintain that the black association can organize the transport of goods to a client's doorstep--and at a lower price than the white-owned South African Transport Services.

"The Quest for Power." Financial Mail, 5 August 1988, pp. 53-54.

The national conference of the Black Management Forum (BMF) was held in Cape Town in summer 1988. Although the topic was "South African Corporate Culture in the 21st Century," most delegates were more interested in discussing their lack of economic and political power, perhaps because most had already come to terms with the corporate culture they were discussing. Some participants suggested the formation of a corporate culture to consist of a mixture of Western and indigenous business practices, although no one elaborated on this. One speaker observed that white corporate leaders and the black community do not interact and pointed to the very low attendance by whites at the conference. Estimates suggest that by the year 2000, blacks will fill 62 percent of managerial, administrative, and executive posts in the country.

"The Scarecrow Flaps." Economist, 1 October 1988, p. 48.

New legislation placed before parliament in September 1988 was intended to put an end to the practice of squatting, whereby blacks find places to live in areas specified for whites only. The government believes this new legislation

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 76

is justified in the aftermath of the abolition two years ago of the pass laws, which restricted the movement of blacks into and within white-designated areas. Most black squatters are not new arrivals in the cities; most probably lived unlawfully in urban areas until the abolition of influx control in mid-1986. About 7 million squatters live in South Africa's urban areas, among whom between 1.6 million and 2.4 million live in the triangular industrial heartland that stretches from Pretoria through the Witwatersrand to Vereeniging. The majority of squatters live in backyard shacks while the rest live in shanty cities because there is a shortage of real houses. The Urban Foundation believes that 400,000 extra houses are needed each year, when only 40,000 are now being built annually. Even if more houses are built, however, few blacks could afford the rent.

"The Stick Versus the Bomb." Economist, 9 July 1988, pp. 47-48.

In July 1988, South Africa published three bills aimed at halting the flow of blacks into white residential areas. The first bill amends the Group Areas Act, which makes residential segregation compulsory, imposing heavier punishment for anyone who rents or sells housing to blacks in white areas. The bill also threatens the resumption of forced evictions for the first time since 1982, when the courts declared it unlawful to evict black residents from white areas in cases where alternative housing was not available in black areas. The second bill, the Free Settlement of Areas, would empower the president to declare any area open to all races, and the third bill sets down rules concerning voting for local governments in the promised open zones. But however large the local black electorate, blacks would be prevented from taking control of a local government body with jurisdiction over white areas.

"The Tinderbox and the Match." Financial Mail, 22 August 1986. Reprinted in Facts and Reports, vol. 15, no. R (12 September 1986), p. 6.

KwaNdebele's decision to reject "independence" was momentous in that it was the first victory of antiapartheid groups against the homeland system. Interestingly enough, white farmers, most of whom are

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 77

Afrikaners who support apartheid in theory, were equally against an independent KwaNdebele because their farms would have been incorporated within the redrawn borders of the homeland and handed over to experienced Ndebele farmers in particular. While the training and development of a black farming class would be welcomed, only a tiny minority would benefit from the farms' assets.

Thurow, Roger. "Color Line: South Africa Moves to Right, and Blacks Move Down the Road." Wall Street Journal, 30 March 1988, pp. 1, 8.

In South Africa's rural and blue collar areas, right-wing zealots rallying to the pro-apartheid call of the Conservative Party are demanding strict segregation. In some places, that demand translates into relocation of blacks. Until the Conservative Party began to gain momentum a few years ago, the strict separation of blacks and whites of the 1950s was beginning to blur. Shifting population and labor patterns eroded some aspects of apartheid, particularly the segregation of residential areas. But this was more widespread in urban areas; in rural areas, social engineers developed living arrangements so that every town had at least one hill or some other geographical boundary separating the races. Now, those towns that were not so clearly segregated have become the targets of the right-wing. In one town, Koster, located 90 miles northwest of Johannesburg, blacks lived right next to whites until the town's 1,200 white residents, influenced by Conservative Party politics, demanded that the blacks, many of whom have owned their houses for decades, move a bit farther down the road.

Thurow, Roger. "The Dispossessed: Far From the Unrest, South African Blacks in Rural Areas Suffer." Wall Street Journal, 21 January 1988, pp. 1, 25.

Thurow writes that the international focus has been on South Africa's black urban areas--the crowded townships that are the breeding grounds of political discontent. But as difficult as conditions in the townships may be, those of rural black communities are far worse. Rural residents have been uprooted, dumped far from home, and more or less abandoned by the South African government. Subsistence farming supports some of the black rural

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 78

population, but most households depend on husbands or sons who travel long distances to work in factories or mines. When the men fail to return home, as the do in ever increasing numbers, rural black families perforce rely solely on handouts.

Torchia, Andrew. "The Business of Business: An Analysis of the Political Behaviour of the South African Manufacturing Sector Under the Nationalists." Journal of Southern African Studies, vol. 14, no. 3 (April 1988), pp. 421-45.

In recent years the South African local business community has emerged as a vocal and persistent force for political reform. The private sector was not always pro-reform, but a fundamental change of mind seemed to have occurred in thousands of South African industrialists for a large number of reasons. These include the implications of foreign economic sanctions; the social and economic costs of political unrest; the possibility that blacks, who would eventually gain power, would reject capitalism; the desire to tap potential black skill and entrepreneurial ability; the need to improve the productivity of the workforce by giving blacks better incentives and living conditions; a need to enlarge domestic markets by expanding black purchasing power; and fears of black labor unrest and consumer boycotts. The author studies two models that explain the political behavior of South African businessmen through an investigation of the link between economic development and the shift towards reform in the South African manufacturing sector since 1948. He then identifies the pattern that emerged out of the discussion--apartheid has caused serious obstacles to the process of modern, capital intensive industrial growth, including a skill shortage, the low efficiency of labor, and the small size of black purchasing power, even in the absence of political unrest. The author concludes, however, that without political unrest, the private business sector would probably not have pressed for political reform and that if political unrest were to subside, manufacturers and the government would probably agree on a course of action that would not involve the transfer of political power to blacks. The outcome would be the rationalization of apartheid--a surgical removal of the system's anti-economic features, combined with the retention of white political dominance and control.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 79

Totemeyer, Gerhard. "Education and Economic Development in South African 'Homelands'." South African Journal of Higher Education, vol. 3, no. 1 (1989), pp. 18-23.

In underdeveloped societies such as the South African homelands, many education specialists consider formal education to be the fundamental key to economic development and political stability. Totemeyer presents the points of view, sometimes conflicting, of several different education specialists and places them in the context of South Africa's homelands. One educator argues that although education can help to promote economic development, it is not a necessary precondition for economic growth and a higher living standard. In fact, education can generate unemployment if it is unaccompanied by capital investment. Totemeyer tests this point of view in Transkei, where a predominantly rural population is involved in subsistence agriculture and periodic labor migration. There, the inherited educational system based on Western norms and values has failed to meet the needs of the underdeveloped societies in the homelands. Other educators believe that in countries where the majority of the population is engaged in agricultural activities, literacy spreads when the society begins to change its occupational structure and parents find a strong incentive to send their children to school to acquire an education that they believe is the only path leading out of the subsistence level. The proliferation of economic activity and economic diversification and economic activity in Transkei, as in all the homelands, is an example of such a society and the educational system must cope with increasing numbers of students. One other educator states that the educational systems of Transkei are unable to meet economic expectations because they produce people with the wrong kind of skills, and that the rapid population growth is producing too large a potential labor force. Totemeyer agrees that these arguments are valid in the Transkei situation. Totemeyer concludes, among other things, that the governments of South Africa's independent homelands must serve both formal and informal economic sectors; that they should recruit across all strata of society; that they should consider education as the right of all citizens; and that they should link areas of instruction with socio-economic needs.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 80

"Twin Savers." Financial Mail, 13 May 1988, p. 50.

Baragwanath Hospital, the only public hospital in Soweto, has been the target of bad publicity because of the facility's squalid conditions. And yet the separation of Siamese twins is evidence that the hospital has the scientific and technical expertise to perform advanced surgery and provide high-quality care. Conditions at Baragwanath were highlighted in 1987 when 101 doctors attached to the department of medicine signed a letter detailing overcrowding in the medical wards. Another letter from the executive committee of the board of the faculty of medicine at the University of the Witwatersrand supported the doctors and pointed out that while more than 300 patients in Baragwanath's medical wards are without beds at any one time, there are more than 1,000 empty beds at the white Johannesburg Hospital.

University of South Africa, Bureau of Market Research. Income and Expenditure Patterns of Households in Venda, 1986. Pretoria: University of South Africa, 1987, 75 pp.

This report studies income and expenditure patterns in Venda, one of the four black "independent" homelands. The information in the report is organized under seven headings: "Size and Demographic Characteristics of the Household," "Income and Demographic Characteristics of the Earners and Other Recipients of Income in the Household," "Household Income," "Household Expenditure on Consumer Goods and Services, Classified According to Expenditure In or Outside Venda," "Particulars About Family Members Temporarily Living Elsewhere," "Particulars About Male Non-Workers," and "Particulars About Economic Activities in the Agricultural Sector." Questionnaires were sent to each household and were completed during September and October 1986. The report contains numerous useful tables and figures, including "Distribution of Household Members by Level of Education and Sex" and "Distribution of Earners and All Recipients of Income by Level of Education."

van der Berg, Servaas. "Long Term Economic Trends and Development Prospects in South Africa." African Affairs, vol. 88, no. 351 (April 1989), pp. 187-203.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 81

The author identifies three types of forces that have created structural changes in the South African economy since the early 1970s--economic growth and job creation slowed; the balance of power, and economic power in particular, shifted; and a crisis gripped domestic politics. The danger for the future is slow economic growth, which is particularly detrimental to black economic prospects. Despite rapid advances in black education and wage levels, the impact of fewer jobs would fall on blacks. Moreover, the author argues, not all sectors of the black community would be equally affected by slow growth. While wage increases would improve the situation of employed blacks, the increasing number of unemployed blacks would result in greater disparities and frustration in the black community. The article also addresses urbanization and spatial distribution of economic activity. While economic activity is highly concentrated in five metropolitan regions, the population is not equally concentrated. Thus the metropolitan areas generated about 61 percent of economic activity in 1978 but housed only about 30 percent of the population in 1980. Meanwhile the homelands generated only 4.3 percent of economic activity while housing almost 38 percent of the population. By recognizing the need to change settlement patterns in order to foster economic growth, the government also implicitly accepts the permanence of blacks outside the homelands, home ownership for such blacks, the abolition of influx control, and other reform policies leading toward black urbanization.

van der Berg, S. "On Interracial Income Distribution in South Africa to the End of the Century." The South African Journal of Economics, vol. 57, no. 1 (March 1989), pp. 35-51.

The author provides estimates of historical distribution of personal incomes per capita according to race, and sets out to investigate the likelihood of interracial income redistribution during the last two decades of this century under various growth scenarios. He states in the introduction that he does not agree with optimistic assessments that market forces would cause a shift in distribution toward blacks that would fundamentally alter the racial composition of the South African consumer market. In the section entitled "Employment," a detailed table contains a breakdown of the labor force and formal

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 82

employment by race, including projections to the year 2000. The author concludes that because the long-term prospects for economic growth remain poor, prospects for redistribution of income are limited, and that unless economic growth rates return to the levels of the 1960s and the early 1970s, market forces within the formal economy would not be able to satisfy the rising economic aspirations of the urban black work force.

van Wyk, Chris. "Facing the Nineties: Business Amidst Sanctions and Disinvestment." South Africa International, vol. 19 (July 1988), pp. 38-46.

International sanctions and disinvestment have hurt the poorest South Africans, mostly blacks, more than any other population group. Many have lost and are still losing jobs and the new owners of erstwhile foreign-owned businesses are less inclined to invest in social programs. The sanctions campaign has, however, propelled both businessmen and economic policymakers into action. One significant development has been the receptiveness of the authorities to the idea of encouraging the process of inward industrialization, which could significantly involve blacks.

van Zyl, J.C. "Business Bears Down." Africa Report, March/April 1986, pp. 65-68.

An unstoppable process of transformation is occurring in South Africa, driven mainly by black aspiration and discontent which are generating powerful internal pressures for reform. This demand for change is supported by the South African business community both for reasons of enlightened self-interest and broader social responsibility. Many in the business community believe that if effective channels of political expression for blacks are not developed, they will increasingly voice their grievances with strikes and boycotts, which could only hurt business. The business community also has come to realize that the South African economy has become too large to be managed by blacks alone and therefore business must provide opportunities for black advancement to promote the rapid development of black skills and managerial expertise. Economic forces have promoted the process of black advancement, the rapid growth of black

spending power, the emergence of black trade unions, and the development of a black business class.

Wallace, Belle, and Adams, Harvey B. "Assessment and Development of the Potential of High School Pupils in the Third-World Context of KwaZulu/Natal." South African Journal of Higher Education, vol. 3, no. 1 (1989), pp. 83-97.

The authors have established a Curriculum Development Unit at the University of Natal and are engaged in research in KwaZulu/Natal, a region comprising underdeveloped rural, subsistence farms and low socio-economic urban communities. Their research is concerned with the development of assessment procedures to identify pupils with high potential. The focus of the program, for which the authors are preparing a curriculum, is a shift away from high achievers in an advantaged school system toward relatively high achievers in a disadvantaged school system. To identify those who have a high capacity for learning, the authors use a method of "test-teach-test" which they describe in great detail in the article. One component of the method is complex figure drawing which ascertains the pupils' capacities to analyze, organize, and reproduce a complex geometric figure. As a result of this research, the Curriculum Development Unit has introduced several courses, one of which was specifically for high achievers in a black high school. These pupils, like their white peers, exhibited rapid learning, high motivation, improvements in self image, and lasting improvements in performance on specified cognitive tasks. The researchers also found that students not already achieving highly because of inadequate English, learning disabilities, or underdeveloped cognitive functioning due to environmental and social effects would need a foundation course in basic thinking and assistance in achieving oral fluency in English.

Weissman, Stephen. "Dateline South Africa: The Opposition Speaks." Foreign Policy, no. 58 (Spring 1985), pp. 151-70.

Weissman discusses resistance by blacks to attempts by the South African government to remove the country's black population from urban centers into black homelands, Weissman discusses black resistance in the context of economic and political community action. Black trade

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 84

union leaders, for example, are confident that a powerful independent black trade union movement is taking root and that the workers will one day have the capacity to "bring the government to its knees." Eighty percent of the 500,000 unionists belong to independent black trade unions, reflecting South Africa's increasing dependence on semiskilled and skilled black labor and the resulting rise in black leverage within the work place. Later on, Weissman quotes a number of statistics on black wages and salaries as well as government expenditures in the education sector. The author also includes a rather lengthy section on disinvestment.

"Whites Only-Except, Please, in Shops." Economist, 11 March 1989, p. 46.

As their spending power grows, black South African consumers are learning to use this power. Their latest target is the Transvaal mining town of Carltonville, where the newly elected town council, under new Conservative Party rule, tried to ban blacks from three of the city's public parks. The city's black population, consisting of about 70,000 black mineworkers, responded by boycotting white shops. The boycott was effective, imposing significant losses on the businesses and causing a sharp decline among the city's white population in support for the Conservative Party.

Wilson, Francis and Ramphela, Mamphela. "Uprooting Poverty: The South African Challenge." Carnegie Quarterly, vol. 33, nos. 3 and 4 (Summer/Fall 1988), pp. 2-8.

This publication is actually an encapsulated version of an overview report for the Second Carnegie Inquiry Into Poverty and Development in Southern Africa. The authors examine not only economic deprivation among South Africa's black population, but the effects of that deprivation on health, education, employment, and housing. In the 1980s, an estimated 50 percent of the population lived below the subsistence level; for all blacks, that figure approached 67 percent; for blacks in the homelands, 81 percent. Inequalities between blacks widened between 1960 and 1980, as wealth trickled down to a small, emerging middle class. The authors go beyond an examination of causes and effects, suggesting that uprooting poverty will require a

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 85

redistribution of land and a restructuring of relations between capital and labor. As a consequence of demography (the black urban population is growing more rapidly than that of whites) and the liberation struggle, change is taking place, particularly in urban settlement patterns, black education, and unionization. They point to the emergence of a wide range of independent organizations in many different fields that are opening up areas for action. These include trade unions, credit unions that at the grass roots level mobilize the resources of a community for mutual lending and borrowing, the cooperative movement that bears directly on production, and health projects. One health project in the northern Transvaal serves a rural population of some 100,000 people and has also become an educational resource.

Wiseman, Mark. "Recent South African Labor Legislation: Assessing the New Rights of Black Workers." Boston College International and Comparative Law Review, vol. 9, no. 1 (Winter 1986), pp. 163-97.

In 1984, 800,000 South African black workers joined in a two-day political strike to protest rent increases and poor educational opportunities and succeeded in shutting down much of the industry in parts of the country. The strike illustrates the difficulties faced by the black union movement--although recently enacted legislation gave black labor unions more legal rights than ever before, it still prescribes areas in which the movement may operate. Nevertheless, instead of controlling the black labor force, the legislation has proved to be a springboard from which blacks can gain even greater power. Wiseman presents an overview of the history of black labor, examines current black labor conditions as affected by international policies, and discusses the recent legislative changes affecting the black labor unions. He concludes that the black labor movement has gained leverage because, for the first time, black unionization has been accepted by both business and government. The government has recognized that the workplace functions far more efficiently when businesses can negotiate with organized unions rather than with violent mobs.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 86

Witulski, Udo. "Black Commuters in South Africa." Africa Insight, vol. 16, no. 1 (1986), pp. 10-20.

With the phasing out of influx control, the South African government planned black townships that would be an "adequate" distance away from the city cores and separated from white areas by industrial buffer zones. Furthermore, these townships were planned to adjoin each other in order to minimize the number of demarcated black areas. The location of the townships reduced accessibility by blacks to their work places. They spend more hours traveling because of the increased distances, while places of employment are more difficult to reach by bus because the townships are placed far from major roads. Where original black living areas were closer than thirty-two miles from any homeland, their expansion was prevented. Instead, black residents were resettled within that particular homeland to prevent black urbanization in white areas. Consequently, some of these new towns are situated as far as fifty miles from the business centers in white cities. These combined factors, as well as many others, have contributed to a commuting nightmare for the majority of South Africa's black workforce. This article outlines in detail the kinds of commutes blacks face every day and the impact of long-distance daily traveling on the personal lives of blacks all over the country.

Wren, Christopher S. "Johannesburg Moves to Ease Segregation." New York Times, 28 September 1989. Reprinted in AF Press Clips, vol. 24, no. 39 (29 September 1989), p. 1.

The City Council of Johannesburg eliminated the final remnants of petty apartheid, opening swimming pools and recreational centers to all races and proceeding with plans to desegregate buses. Johannesburg follows the example of Cape Town, which desegregated its public accommodations throughout the 1980s and which petitioned the government in March 1989 for exemption from the Group Areas Act. Although Cape Town, Johannesburg, and the country's other cities are still bound by the Group Areas Act, some of Johannesburg's downtown neighborhoods have had an influx of blacks from the overcrowded townships. The government has agreed in principle to designate such integrated areas "free settlement areas" open to all races.

SOUTH AFRICA: BLACK ECONOMIC EMPOWERMENT
ANNOTATED BIBLIOGRAPHY
09/07/90

PAGE: 87

Wren, Christopher. "Apartheid Frays at the Edges, But Its Core is Unchanged." New York Times, 12 March 1989. Reprinted in AF Press Clips, vol. 14, no. 11 (16 March 1989), pp. 3, 15.

More and more chips are being chiseled off the legal monolith of apartheid in South Africa. But critics say that merely scrapping legal discrimination is not enough. In a short section, Wren gives a cursory description of the things that blacks may and may not do. For example, although the government repealed laws that required blacks to carry an identity pass proving their right to be in a white area, this freedom of movement has been circumscribed though laws that prohibit squatting. In the housing sector, as whites have left the cities for the suburbs, black and mixed-race South Africans have filled the void. In the black townships, 100,000 residents are taking advantage of a government offer and are buying homes they could only rent before. But the greatest progress toward integration has been made in the workplace where there is a critical shortage of skilled labor. But black workers still earn much less than their white colleagues and the educational system spends five and a half times as much on a white child as on a black one.