

LOOKING FORWARD

**SACTU's view of the political situation,
and the tasks facing the workers' movement
in South Africa**

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POLITICAL REPORT

of the General Secretary to
the National Executive Committee of SACTU,
January 1978

*(This document was discussed and adopted by the
National Executive Committee, on 8th January
1978, as a statement of its policy.)*

1. OUR STANDPOINT

Our organisation is a *workers'* organisation. We stand for, and we fight for, the genuine interests of the *whole working class*. That is our starting point.

In South Africa the working class is deeply divided. While *all* workers are exploited and oppressed under capitalism, the overwhelming majority of workers in our country (the *black workers*, in particular the African workers) are held in chains and most savagely exploited; the small minority of workers (the white workers) have, for the sake of privileges and for a degree of security, been drawn into collaboration with the bosses and the apartheid regime against the black workers and people.

Apartheid has meant the oppression of *all* black people, but its principal victims have been the black workers. Apartheid is a system built on capitalist exploitation. To extend and intensify exploitation has been the central purpose in its development. In South Africa today, the struggle of the most oppressed and most exploited mass of the workers, the black workers, for liberation from racial oppression and capitalist exploitation, not only serves the interests of the black people but of the *whole* working class and indeed the whole society.

Accordingly we, as a workers' organisation, fighting for the interests of the whole working class, support whole-heartedly the struggle for national liberation in South Africa, for the overthrow of apartheid, and against all racial oppression and all racial privilege. Indeed, we have always stood in the *front rank* of this struggle.

In this struggle we do battle with the ruling class, its state machinery, and all its allies—including unfortunately those workers who stand against us. But we do not *direct* our struggle against other workers, against the white workers, nor indeed ever against whites as such. Our aim is to *unite* the whole working class in the course of the struggle against oppression and exploitation, and so bring that struggle to victory.

We have always recognised that the real unity of all the workers can only be achieved *on the basis of the true interests of the working class as a whole*. It cannot be achieved on the basis of compromises with sections of the workers who wish to retain their privileges and separate position against the interests and at the expense of the liberation of the majority.

Consequently we recognise that the *prerequisite* for workers' unity is a powerfully organised, class-conscious movement of the oppressed mass of the workers—the black workers. Only when the black workers are so organised, and only when they put forward clearly the aim and prospect of emancipating the whole working class, and with it the whole of society, from *all* oppression and *all* exploitation, will any basis exist for hitherto privileged sections of the workers to break with collaboration and join the struggle.

Therefore our most important task as an organisation is to build the power of the black workers' movement; but always on a non-racial basis, and always stating clearly to the white workers the necessity of workers' unity. And in doing this, it is our task furthermore to advance the class-consciousness of the workers and put forward the clear aims of the workers' movement for all society to see.

This is the central meaning of the principles stated in the preamble to our Constitution—principles which remain as strikingly true today as on the day when they were first written down:

"The future of the people of South Africa is in the hands of its workers. Only the working class, in alliance with other progressive-minded sections of the community, can build a happy life for all South Africans, a life free from unemployment, insecurity and poverty, free from racial hatred and oppression, a life of vast opportunity for all people.

But the working class can only succeed in this great and noble endeavour if it is united and strong, if it is conscious of its inspiring responsibility. The workers of South Africa need a united trade union movement in which all sections of the working class can play their part unhindered by prejudice or racial discrimination. Only such a truly united movement can serve effectively the interests of the workers, both the immediate interests of higher wages and better conditions of life and work as well as the ultimate objective of complete emancipation for which our forefathers have fought."

It is on the firm foundation of these principles, and with the tasks outlined above clearly in mind, that we must set about the planning of our work for the year ahead.

As an organisation whose task is to mobilise and lead the workers in their everyday struggles, linking the economic and political sides of

the struggle together, we must try to foresee the most important developments that will confront us in the future, so that we can be prepared to turn events to the advantage of the revolution.

Our planning should be *based* on a political analysis. Digging under the confusing surface of politics, we must correctly identify the changing forces underneath. We must be able to pick out the tendencies at work and explain them; assess where they are going and what their limits are. On that basis we will be able to set ourselves clear aims for the immediate future, and *plan* our work properly for the year ahead.

The purpose of this political report is to suggest the main lines that our analysis of the current situation in South Africa should take.

2. THE STRUGGLE IN SOUTH AFRICA HAS ENTERED A NEW PERIOD

The most important feature of the past two years has been the tremendous upsurge in the mass struggle of the oppressed people.

In the events of Soweto and all the developments since, the youth have played a vitally important role. It has been mainly the sons and daughters of the black workers who have been in the forefront of the demonstrations, the school strikes, the attacks on government buildings and institutions, the measures taken against collaborators etc. And while the working-class youth have initiated these actions and fired the black community with their militancy and courage, they have been increasingly supported by the older generation of the workers themselves.

The political general strikes of the past eighteen months stand out as the highest points reached in the mass struggle to date. Not only have they given our people a greater sense of strength; not only have they taught important lessons to all who are involved in the practical struggle; but they have also provided the basis in action for the greatest demonstration of workers' unity, of the developing solidarity between all black workers, which has so far appeared.

In a number of our publications during the past year we have examined these events and explained the conclusions which should be drawn from them. We have emphasised the role of the black working class in the uprising and its indispensable position as the leading force in the whole liberation struggle. We have explained why the struggle against oppression cannot be separated from—and in practice has proved to be thoroughly bound together with—the struggle of the workers against the system of exploitation in South Africa.

Because we have already concentrated on these aspects of the South African situation, and on the worsening conditions of life and work

that our people face, we want to turn in this report to look in some detail at another aspect; the changes that are taking place in the camp of our rulers; how the base of the ruling class is changing; and what this will mean for the struggle that lies ahead.

The significance of the economic crisis

In an *appendix* to this report some details about the economic crisis in South Africa and its effects on the working class have been set out. Here we want only to outline the broad changes in the political situation which flow from the economic crisis, and to characterise the period that our struggle is passing through.

It is extremely important to understand that the changed conditions of the economic base of our society are resulting politically in a *fundamental change in the character of the period*.

Stated broadly, from the mid-1930s until the early 1970s, the South African economy developed through a period of *sustained boom* (interrupted from time to time by relatively short downswings). During that long period of rapid economic growth, the social and political relations of oppression in South Africa became firmly consolidated and entrenched.

But, from the early 1970s onward, the economy has been passing through a period of deepening and *sustained recession*. The prospect is of the continuation of this crisis *for the foreseeable future* (interrupted from time to time by relatively short economic upswings).

This change in the character of the period—or rather the character of this essentially *new period*—is of the utmost importance in the development of our struggle. Under the heavy weight of the crisis, the old alliances and relationships are breaking up, or coming under increasing strain. We have entered a time of violent eruptions, in which sudden shifts in the political situation are likely to occur.

Political relations of the previous period

Politically, the previous period was characterised by the fact that the ruling class—the private owners of our country's mines, land, industries and financial wealth; the joint exploiters of the whole working class—succeeded in consolidating their rule *on the basis of collaboration by a section of the working class* (the white workers) *against the mass of the working people* (the blacks). Of course the *possibility* of this collaboration, and its specifically *racial character*, was the product of social relations which originated in the colonial period. Those relations had developed further, and extended themselves into the emerging working

class, during the whole period in which the mining industry sprang up and led to the growth of manufacturing.

Wherever it develops, capitalism inevitably engenders *competition* within the working class for a *relative scarcity of jobs*. Whether as a result of the forcible seizure of the land and the dispossession of the rural population; or through the mechanisation of industry and agriculture; or—as is usually the case—as a result of a combination of these causes, the capitalist system produces a reserve army of labour, the army of the unemployed. Unemployment in turn places intolerable burdens on the shoulders of employed workers. It threatens them constantly with undercutting and replacement; it enables the employers to drive down wages, worsen working conditions, and increase the exploitation of the workers.

To limit and combat the competition of many workers for relatively few jobs, the workers themselves *combine*, for example in trade unions. But this combination by no means invariably—indeed rarely—embraces the whole working class spontaneously in a common struggle.

This economic system engenders not only competition among workers but also *divisions* within the working class. Historically, these are rooted in the different ways in which different sections of the population have been cast into the proletariat—cast, that is, into desperate competition with other workers. The labour history of the United States of America, for example, is full of instances of established workers organising themselves on an exclusive racial basis to protect their position against undercutting by newly-arrived immigrant workers, emancipated slaves, and so forth. In such conditions, and especially where growing proletarianisation coincides with a steep increase in unemployment, the racism, religious bigotry etc., of the capitalist classes easily poisons also the ranks of the working class.

The racism of sections of the workers takes root in the struggle to defend the workers concerned against the ravages of capitalism. Yet the victim of that racism is always the working class itself. The employers rapidly turn the racism and exclusiveness of privileged sections of the working class to their own advantage. They know how to *use* and *encourage* divisions among workers in order to weaken and defeat the whole class. Racism can become, in a capitalist society, a system for maintaining and intensifying the exploitation of the mass of the workers. That is the crux of the racial system of *apartheid* in South Africa.

Let us now look in more detail at how the white workers were drawn into the camp of our enemy as a means of maintaining our oppression and of stepping up our exploitation.

The collaboration of the white workers

The relationship between the capitalist ruling class in South Africa and the white workers has never been one of mutual friendship and peaceful co-operation. The first two decades of this century witnessed a mounting attack by the organised mine-owners on the organisations, job security and wage levels of the white mine-workers, and thus indirectly on white workers as a whole.

It is worthy of note that at the time large numbers of Afrikaans-speaking white peasants were flowing into the urban areas, largely Johannesburg, and were competing in the labour market against established English-speaking artisans, mainly building workers, with detrimental effects on their wage standards.

Yet the main conflict of this period centred round the employers' attempts to undercut white workers with cheap *black* labour recruited for a pittance from the poverty of the rural areas. The conflict culminated in the Rand Revolt of 1922, in which the military power of the state was used to crush the white workers' rebellion.

By the 1920s, the patterns of South Africa's social development had already been sketched out. The white workers, chiefly organised in craft unions to protect the exclusiveness of their skills, were becoming mesmerised by the "peril" of black proletarianisation, seeing black workers not as a force for liberation but merely as a battering ram for the employers to use against them. Tendencies among the white workers towards racial exclusivism were thus powerfully reinforced. The big employers, for their part, were becoming conscious that the development of their capitalist system was bringing into existence a new and potentially revolutionary social force—the black workers—against whom a political counterweight was urgently required.

Having defeated the rebellion of the white workers, the ruling class became all the more amenable to accommodate them.

The form that this accommodation took, resulted from the rise of the Afrikaner nationalist movement based on the Afrikaans-speaking land-owners and middle class, aspiring for wealth and power. The conflict between their interests and the interests of the imperialist bourgeoisie provided the basis for an alliance between the Nationalists and the white workers' Labour Party, which came to power in the 1924 Pact.

While a great deal of wrestling and manoeuvring between these classes and sections of classes still lay ahead, by the mid-1920s the political stage had been set in all its essentials. The white workers, on the basis of guarantees of job security, rising wage levels and access to political power, had become the political instrument by which the rule of capital in South Africa was to be maintained. They provided for the employers—

and the employers' state—the social force needed to maintain the oppression of the black masses, and hence the exploitation on which the social system is based. They provided, also, the vehicle on which the Afrikaner land-owners and middle class, in due course after a long struggle, accomplished their ride to power.

Control of the black workers

Since at least the 1920s it has been the existence and the forceful presence of the African masses, the working poor of town and countryside, which has provided the constant factor upon which all the political calculations of the ruling class have been based. A constant factor, yet a *constantly expanding factor*.

The accommodation of the white workers into the ruling system occurred in a period when the employers were facing the need for a social and political counterweight to the rising black working class.

In the older capitalist countries where slow development has extended over centuries, the broad layers of the middle classes provide the ruling class with a buffer against the workers. In the imperialist countries, moreover, where the wealth flowing to the capitalists has permitted it, a labour aristocracy has been cultivated as a first defence line against the aspirations of the mass of the workers—and out of this has crystallised the labour and trade union bureaucracies that now mislead and discipline the workers on behalf of a ruling class which lacks the power to do the job itself.

In South Africa, however, as a consequence of colonialism and because the economy bloomed so quickly upon the soil of the gold mines, the employers were confronted in the early part of this century by the need for a social force to discipline the rising black workers—*without* having on hand a black middle class of sufficient weight to perform this role. Consequently, faced with the political mobilisation of the white workers and their growing alliance with Afrikaner nationalism, the employers had no alternative but to accept the accommodation of this section of the working class as the basis of its social organisation and control.

Needless to say, however, the incorporation of the white workers was not arrived at without struggle, without a constant manoeuvring within and between the various camps which has never ceased. To the big capitalists (who in any case squeal loudly whenever they have to pay out even a fraction of their ill-gotten gains), the expense of accommodating the white workers represented a necessary evil which should be minimised as far as possible and, if the opportunity arose, dispensed with altogether. Through their own agencies, political parties and

pressure groups they have always looked for alternative means of achieving the necessary political base for securing the oppression and exploitation of the masses.

The big capitalists in particular have always cast longing eyes in the direction of the tiny black middle class, wishing to cultivate it and use it to control the black workers, so rendering the deal with the white workers superfluous. But the path of South Africa's social and political development has led further and further away from all possibility of realising this in practice. Not only has the long boom allowed the relationship between capital and the white workers to be consolidated, but the growth of the black middle class itself has been increasingly stifled.

Paying for white privileges

Rapid development of South Africa's industrial economy originated in the mid-1920s when, under the hand of the Pact government, the necessary infrastructure for the growth of manufacturing began to be created in a concerted way. Gold-mining had provided the economic basis for this development. It was gold-mining, too, which enabled South Africa's capitalist economy to withstand the depression of the 1930s, which plunged the economies of the imperialist countries into revolutionary or near-revolutionary crisis.

But it was from the mid-1940s onward that the South African economy experienced particularly rapid and sustained growth. The long post-war boom was, of course, not peculiar to South Africa, but common to all capitalist countries. During this period, the South African economy became thoroughly integrated with world capitalism, and thus all the more thoroughly subject to the world market and dominated by the economies of the major imperialist powers.

Industrial expansion provided the means by which white workers could move up quickly into supervisory positions. It also financed the growth of white employment in the state bureaucracy, the army and police. While the mechanisation associated with the growth of capitalism always undermines the position of skilled workers, white skilled workers in South Africa were able, for the reasons we have outlined, to secure the maintenance of the industrial colour bar and the reservation of skilled work.

The wealth which flowed to the employers and their state through the boom period—that is to say, the profits drawn mainly from the superexploitation of the black workers, kept prisoner under the system of pass laws, reserves, “contract” labour, master and servant laws, security laws and police powers etc.—*enabled* the ruling class to pay to the white workers the price on which their reliability as collaborators

depended; high wages, trade union power, job reservation, social security and health services, public amenities, and significant political influence through the franchise.

Occurring at such speed and during the epoch of imperialism, the growth of capitalism in South Africa has promoted massive accumulation in the hands of monopolies controlled by the big capitalists—and by the same token it has narrowed the field for the development of the independent middle classes—the petty producers, small employers and owners of small enterprises.

The more the African proletariat grew in size and strength, and the more the development of industry squeezed the middle classes—the more anxious became the white workers over the protection of their privileges, and the more virulent became the nationalist movement of the Afrikaner petty bourgeoisie. This provided the basis for an ever closer alliance between white workers and the National Party, for the electoral victory of the Nationalists in 1948, and so for the ever more systematic discrimination against the black middle class and the more brutal oppression of the black population as a whole.

The contradictions of the boom period

While the development of capitalism in South Africa has brought about an extremely rapid concentration of wealth in the hands of a small number of capitalists and capitalist concerns, it has simultaneously resulted in the dispossession and rapid impoverishment of the masses of the people.

The ruthless attacks on African land-holding which were first carried out in the early period of Boer and British colonial conquest, have been repeated in a new form in the recent period through the rapid growth of capitalist agriculture. Since 1964, more than 1½ million Africans, having some degree of independent access to land and agricultural production (either as “squatters” or “labour tenants” on white-owned farms) have been forcibly removed to the reserves. The land-owners now farm their land capitalistically, replacing human labour with machinery and using all the available soil from which the Africans have been removed. Contract labour is rapidly replacing settled labour in the rural areas, and farm-owners are today complaining about a “labour surplus” on the farms.

These processes have been at work, fuelled by the economic boom, for many years. Their consequence has been to cast many hundreds of thousands of dispossessed Africans into the proletariat. The millions of African workers and their families, though to a large degree physically confined within the reserves, have practically no independent subsistence from the land and depend entirely on wage labour.

At the same time as the mass removals and the mechanisation of agriculture have been swelling the ranks of the black working class, the mechanisation of industry in South Africa has likewise been proceeding at a fast rate. Here of course, too, the result has been that relatively less human labour has been employed, the more the economy has grown. Statistics on unemployment show that, from the early 1960s onward, unemployment among Africans was already reaching serious proportions. By 1970 there were an estimated 1 million Africans un- or underemployed. It was only the continuing expansion of actual numbers employed at that stage which prevented the much earlier outbreak of social crisis.

Growing structural unemployment was not the only problem produced by the economic boom. Capitalist development rendered the South African economy vulnerable to balance of payments crises because of South Africa’s reliance on the import of machinery from abroad, paid for by the export of primary goods such as agricultural produce, minerals etc. While the boom persisted and profits soared, South Africa’s growing balance of payments problems did not manifest themselves as a serious danger. With the onset of recession, however, this problem has served to multiply the others.

Furthermore, the increase of proletarianisation, and the increase of manufacturing production, led to an expansion of the domestic market and the closer integration of the South African economy with the world capitalist economy, its oil, its credit and its trade. The point was reached when the large-scale export of *manufactured* goods became a vital necessity, both to maintain the profitability of industry (the capacity of which was outstripping the limits of the necessarily impoverished black consumer market), and in order to maintain healthy balance of payments.

But hardly was this point reached when: the fall-off in world trade made South African manufactures more difficult to export; the price of gold (always fluctuating in response to the financial upheavals of the world capitalist system) fell sharply; and the mushrooming expansion of the agricultural product also met the limitations of the world market (thereby preventing agricultural exports from off-setting the increasingly unfavourable balance of payments).

While the boom period had showered blessings on the heads of the ruling class, the onset of economic crisis now brought down one hail-storm after another.

Revolutionary consciousness of the black working-class

Apartheid, as we have said, is fundamentally a system for the control of black labour. Important elements of it undoubtedly trace back to

the early colonial period, before significant capitalist development. But these elements have, over the years, been drawn out, developed, refined and systematised to become an efficient instrument for providing cheap labour power at the beck and call of the capitalists.

The long-standing hatred of the oppressed masses for white supremacy in South Africa and for all the institutions of apartheid, has itself become sharpened and refined over the years as the system has developed. With the enormous growth of the black proletariat and its harsh experience of township life, and of mine, farm and factory labour, its political and class-consciousness too has advanced enormously. The connection between apartheid and capitalism is part of the living experience of the majority of our people. This is being demonstrated to us every day, not only in the older black workers, but also in the youth, their actions and their statements. No distinction can be drawn in the struggle, and no distinction is drawn by those in the thick of it, between the system of racial oppression and the system of economic exploitation.

This consciousness, hardened in the heat of battle over the last eighteen months, has in fact been the product of whole decades of the rapid development of capitalism in apartheid South Africa.

Thus all the while, for the ruling class, the wonderful fruits of their economic boom were already rotting at the core. And thus again, the boom itself was laying the basis for revolutionary upheaval at the first appearance of economic decay.

Having been in large part the product of the economic crisis, the revolt of the black masses became in turn its contributory cause. The action of the youth and workers at once threatened to induce the flight of foreign capital from South Africa, and it made the vitally needed foreign loans and credits that much harder to obtain. And the deeper the crisis ran, the more it exposed the utter incapacity of the system in South Africa to satisfy even the most basic demands of the people.

Attacks on the position of the workers

The continuation of the economic crisis will force the ruling class to mount greater and greater attacks on the position of the workers, their jobs and their living standards.

Competition for the sale of manufactured goods at a profit on a contracting world market makes it all the more necessary for the capitalists in South Africa to find means of cheapening the product. This they can do by further mechanisation of industry (thereby worsening further the present balance of payments problem), and by driving down real wages, lengthening the working day, speeding up machinery, etc.

Therefore their prescription for the workers is: *further unemployment* (as jobs are increasingly taken by machines), and *a further lowering of living standards and working conditions*.

Unfortunately for the ruling class, these measures have become necessary not at a time when the black workers are suffering defeat and demoralisation, but at a time of unprecedented strength and militancy.

Moreover, the crisis of capitalism necessitates also an attack by the ruling class in South Africa on the privileged position and living standards of the white workers. This necessity arises at a moment when, through growing unemployment and inflation, the fall in white living standards (though very slight when contrasted with the hardship experienced by the blacks) has been sufficient already to produce threatening discontent within the white unions. It has become imperative for the employers to carry through substantial reductions in the real wage levels of white workers, and to secure the replacement of expensive white workers with cheaper black workers. This process will seriously strain the whole relationship of collaboration between white workers and the ruling class, and so threaten the political base of the ruling system with a dangerous instability.

3. POLITICAL DEVELOPMENTS IN THE NEW PERIOD

The consequence of the crisis in South Africa is that our rulers will be forced to maintain and even increase the intensity of the repression against the masses of our people. No concessions or reforms of any real significance can be offered to ease the burden on the black workers and their families.

At the same time, the power of the liberation forces and the pressures for change will continue to grow enormously—especially through the movement of the masses within South Africa, but also through the revolutionary developments in Southern Africa as a whole and the growing isolation of South Africa internationally.

In these conditions the strategic dilemma of the ruling class becomes a thousand times more acute than ever before. These are the questions which now preoccupy them, and which they are beginning to debate among themselves ever more openly and frantically:

Can the black working class be held back from revolution—from the overthrow of capitalism in South Africa—if a black middle class is not cultivated as a social buffer against them? *But* (they go on to ask), firstly, can the black middle class be cultivated and incorporated into the structure of wealth and power at sufficient speed and in sufficient

numbers, without provoking the white workers and the lower levels of the white middle class to revolt? Secondly, will not major concessions to *some* blacks at this stage lead directly to greater demands and greater militancy on the part of the oppressed masses?

The fact that the ruling class has no clear answers to these questions is one of the surest signs that South Africa is passing through the early stages of a really revolutionary period in its history.

One of the paradoxes of the crisis situation in South Africa is that, should there be a temporary upswing in the economy and a sudden growth in new employment, the problems facing the ruling class will most likely be made all the more acute. The white workers will at once present their account for payment, while among black workers the probability will be of an outbreak of wage-strikes comparable to those in Natal in 1973.

The government's Bantustan policies

The political strategy of the regime for containing the power of the African workers will continue to be centred on the Bantustan scheme. The Bantustans are bound up with South Africa's whole structure of divide-and-rule; of division not only between whites and blacks, but also between blacks and blacks.

The aim of the government is to divide African workers into rigid "tribal" compartments, and to enlist the aid of a new black elite within the reserves in order to discipline and control the workers more effectively.

As we have said, capitalist development in South Africa over the decades resulted in the middle classes as a whole being squeezed in their development. Particularly frustrated has been the African middle class. Nevertheless, before 1948 a certain growth of the middle class in the African community was taking place, especially in the urban areas. Black property-owners were able to get financial assistance from the Building Societies, and so forth, in order to build businesses anywhere in South Africa.

After the Nationalists came into power in 1948, the systematic implementation of apartheid and the development of the Bantustan policy meant not only greater hardship and harsh oppression for the black working people, but also severe restrictions on the black middle class. Theoretically, the government promised African traders, doctors, etc., an avenue for development in the Bantustans, but provided no real economic basis for such development to take place. Many African small producers and traders were forced to join the workers in the queue for permits to seek work.

The Bantustan policy has led to the growth of a new African elite within the reserves, and even to the emergence there of a handful of big land-owners and capitalists. But these layers will prove to be very narrow-based, very bureaucratic, very corrupt and very unpopular.

Despite the clear rejection of the Bantustans by the masses of the people, it is important for us to analyse carefully the full implications of this scheme as far as the struggle of the workers is concerned, and deal with it in our propaganda. A particularly dangerous stage in the development of the Bantustan scheme has now been reached—that of formal "independence" for some of the Bantustans and of compulsory "citizenship" of these areas for Africans.

This compulsory "citizenship" and the consequent loss of South African citizenship, will affect the workers very severely. This amounts to an *intensification* of the migrant labour system and the pass laws. *Workers'* rights to remain in the urban areas (where they still have such rights) will probably be stripped away and these workers turned into migrants.

Workers will be removed to the Bantustans as soon as they are sick, old or unemployed, and the responsibility of providing social welfare will be said to rest on the Bantustan governments. Of course they will be completely unable to provide this.

Trade unions will almost certainly continue to be prohibited in the Bantustans, and the forms of worker representation which are permitted for Africans in the urban areas will increasingly be subjected to the control of employers and the government.

As the separation of the workers on the basis of Bantustan "citizenship" takes effect, we will probably also find that factories will be allocated workers from one particular Bantustan only. Segregation of living quarters on these lines will also be stepped up. *Thus our enemies will try to undermine the unity even of the African workers.*

Wages will fall even further behind prices; wage-strikes will be ruthlessly dealt with by mass dismissals. Families of workers will be even more restricted to the Bantustans than before. Poverty, malnutrition and diseases among the children will increase—for which, of course, the South African government and the employers will deny their own responsibility. These will be described as "problems of underdevelopment" in the "independent African states" of Transkei, Bophutha-Tswana, etc.

At the same time the racist ideologists will exploit the inevitable bankruptcy of the Bantustans, caused by the racists' deliberate policies, to bolster up their theories of the "inferiority" of the black people.

We must understand clearly that only the power of the workers' movement can successfully prevent this Bantustan scheme from achieving

its aims. Every effort must be made to raise the consciousness of black workers so that they clearly identify the *real enemy*; so that they clearly grasp the need for the unity of *all* workers against the employers and the government, and do not allow the new “tribal” segregation to divide them. Only the growth of our underground forces, of effective but hidden links between the workers in many factories, can provide the working basis for real solidarity among workers through all the difficult times ahead.

But while the Bantustan scheme confronts the workers’ movement with serious obstacles, it will not provide a *solution* to the problems facing the regime.

Whatever efforts the government may make to shift the African population physically and politically to the Bantustans, the fact will remain that the most powerful and potentially revolutionary masses—the black workers themselves—will continue to be concentrated in the urban industrial areas. It is there that their strength will be most directly felt; and it is there that their struggle will prove decisive.

It is in the cities that the ruling class must confront face to face the contradictions of its system. It is there that the regime will continue to encounter the most insistent demands for concessions and reforms.

Concessions to the middle class

The system in South Africa, plunged as it is into deepening crisis, can provide nothing but greater hardship for the masses of the working people. But, by the same token, it has now become unavoidable for the ruling class to make urgent moves in the direction of winning the collaboration of the black middle class against the power of the workers.

While the past thirty years of apartheid have forced the majority of the black middle class closer and closer to the workers (so that, for instance, groups like African teachers, nurses and clerks have become barely separable in salary, social position and social outlook from the proletariat itself), today the regime is making a deliberate effort to drive a wedge between them.

Paradoxically, the Bantustan system is providing the excuse which the government needs to make some concessions to the African middle class in the urban areas, without attracting fire from the right wing of the ruling party. Thus African doctors, traders, and so forth who take out Bantustan “citizenship” will be granted licences to do business in the urban locations; and under a similar cover some very limited rights of homeownership are to be permitted (etc.).

Such restricted concessions, however, are proving pathetically inadequate to win over the majority of the African middle class to the

side of the government (although we should, perhaps, expect the scale of collaboration among the upper layers of the middle class to increase somewhat during the period ahead). Fundamentally, these concessions are too little and too late. They come at a time when the mass movement of the black working class is acting as a powerful magnet to the middle class, as well as a deterrent against collaboration.

The same applies to Vorster’s “constitutional proposals” offering separate ethnic “parliaments” and “cabinets” to the Indian and Coloured population. This scheme is designed to attract the Coloured and Indian middle classes to the side of the ruling system by giving them the *appearance* of status and influence in the power-structure. The aim is through them to confuse the Coloured and Indian workers and youth, and entice them away from their growing unity in a common struggle with their African brothers and sisters.

So transparent is this “constitutional” scheme that even the regime’s own supporters in the existing Indian Council and the Coloured Representative Council have so far seen fit to oppose it. Despite this opposition, it seems certain that Vorster will press ahead with these fraudulent institutions.

But the longer the crisis drags on, and the longer the mass movement remains undefeated, the more urgent it will become for the ruling class and the regime (for the sake of the survival of their system) to effect a drastic improvement in the position of middle class blacks. They have to find a way of putting this section of the middle class on the road to partnership with the ruling class. Tied up with this is the need (which we have explained) for the ruling class to attack the position of the white workers.

Our rulers face, of course, formidable obstacles in carrying through such a change of course. One of the main stumbling-blocks which bars their way is the political power of the white workers, organised through the right-wing of the National Party.

The changing character of the National Party

The National Party achieved power in 1948 as a movement of the Afrikaner middle class and land-owners, allied with the major section of the white workers. While it gave guarantees to these workers for the protection of their jobs, wages and privileges, the essential social purpose of Afrikaner nationalism had nothing to do with the workers. Its aims were bourgeois aims, and the long decades of Nationalist rule have brought those aims to fulfilment. That is to say: it has brought into being a class of Afrikaans-speaking industrialists, financiers and mine-owners as partners with the imperialist and English-speaking capitalists who are the masters of South African economic life.

Today the interests of the big capitalists are directly represented in the National Party; despite its weakness in numbers the Afrikaner bourgeoisie is the predominant influence in the hierarchy of the Party and the Cabinet. Increasingly, too, the upper echelons of the state bureaucracy, the army and the police forces are becoming self-consciously orientated towards the service of big business.

These changes in the social composition of the NP have brought about an intensification of class struggle within the ranks of the party itself. The influential big-business faction—commonly known as the “verligtes”—has become as conscious as the rest of the capitalist class of the economic necessity in the present crisis of bringing about a lowering of the living standards of white workers, and their displacement from the monopoly of skilled work. The verligtes are equally conscious that the preservation of capitalism in South Africa (if it is to be possible at all) is coming to depend more and more on the incorporation of a black middle class of substantial proportions into the ruling system.

But while the verligtes in the National Party are pushing in the direction of reforms, they are held back by the pull of the “verkrampste” or reactionary faction, representing the Party’s white worker and middle-class base. Within its own ranks, therefore, the NP has come to reflect the basic conflict *in the white community as a whole* over the future course of South Africa’s development; over the *strategy* for maintaining and increasing the exploitation of the masses.

The secret of Vorster’s political success is that, while serving as the pre-eminent agent of big capital in South Africa, he has mastered the art of balancing between the social forces and the factions which make up the ruling party, and for that matter the white community as a whole.

The more the white workers have rallied behind the National Party in pursuit of their own particular interests, and the more in contradiction with them the forces of big business have achieved influence within the Party—the more difficult and spectacular has become the balancing act of its leader. By the same token, also, the more his power has taken on the appearance of personal power.

The changing character of the dictatorship

Hitherto, the apartheid system has provided the basis on which the rule of capital has taken a *parliamentary form* in relation to the white workers and middle class, and the form of outright police repression, of *unvarnished dictatorship*, in relation to the blacks.

It was the hope of liberals that the growth of the economy would lead to a gradual extension of parliamentary rule to include the whole society. That was not to be. The period into which we have now passed

will see not only the intensification of naked dictatorship over the black masses, but also the extension of dictatorship (although of a comparatively mild form) over the white population as well.

Already, by a conjurer’s trick, some of the old parliamentary power is being slipped quietly out of the hands of white voters and fuller power concentrated in the hands of the executive. Vorster’s “constitutional proposals” have as part of their purpose the relegation of *all* parliamentary power, not only that of the “parliaments” offered to Coloureds and Indians, to an entirely subordinate role. The deeper the social crisis runs, the more this change in the concentration of power will become apparent.

The main reason Vorster called the white elections for November last year, *eighteen months before his term expired*, was because he wished to have not only an endorsement of his leadership but also of his new constitutional scheme *before the real implications of it could become apparent to the white workers*. Clearly the regime envisages that the continuation of the economic slump will lead of necessity to further and drastic reductions in the living standards of white wage-earners, and thus to a mounting revolt within the ruling party.

The election was called at a time when Vorster’s standing with every social class in the white community was at its height—and this despite (*indeed because of!*) the increasing conflict between these very classes. Even in the lead-up to the elections, he displayed his capacity to lean now one way, now the other, to satisfy each section of the white population that he was indeed the one to whom they could entrust their most precious interests.

In time, however, (perhaps sooner, perhaps later) it will become clear that Vorster has been obliged to dishonour a good many of the confidences placed in him.

The declared intention of the regime to assume the power to legalise strikes, including strikes by white workers, in any industry which it chooses to proclaim “essential”; the signs that the Anglo American Corporation may be preparing plans to smash the white Mine Workers’ Union—these are but early indications of what the future holds in store for the white workers.

The more that black resistance grows, and the more the contradictions between the capitalist class and the white workers deepen in the period ahead—the more the dictatorial powers of the regime over the whole of society will be seen to grow.

In the immediate future, Vorster’s balancing act—the sudden shifts in his public position between promising “reforms” and carrying out an ever more brutal repression—will become even more pronounced.

But it is *possible* that at some stage the point may be reached when Vorster or his successor will be compelled to take drastic measures to destroy the power of the right-wing of his party, draw away from the regime's base in the white workers and middle class, and seek allies among the liberal capitalists and their political representatives. This would be the opening of a major move, no doubt backed and financed to the hilt by the imperialist powers, towards the incorporation of the reformist wing of the black middle class.

However, so acute a social crisis would be needed to produce such a development, that it would probably signal also the opening phase of revolution itself. In such a situation the organised workers' movement will demonstrate more clearly than ever before that it is the backbone of the liberation struggle.

The developments sketched out above may seem at present to lie in the realm of speculation. No doubt there are many other possibilities also. But it is important that, within the ranks of the workers' movement, we should think through all the possibilities boldly, so that we are not caught off our guard if sudden changes occur.

Conditions in South Africa make it *possible* that the heads of the military and police forces may at some point be drawn more directly into the uppermost councils of the state, raised to ministerial office and so on, thereby lending weight to the civilian dictatorship. A greater role for the military would be determined not only by the emergence of a permanent state of civil war directed against the black working people; not only by the revolutionary changes on South Africa's borders; but also by the need to discipline the white workers and contain any threat of a right-wing rebellion. The *militarisation* of the whole white population may prove necessary in the not too distant future if the internal stability of the apartheid regime is to be secured.

But the fact that any revolt of the white workers would, in the first instance, take on a right-wing character should not confuse us—any more than we should be confused by Vorster's electoral gains into thinking that he is therefore the more secure in power. A revolt of white workers will at root be a revolt against the consequences of capitalist crisis upon their living standards and job security. No doubt, because of their ingrained racism, because of their traditions of exclusivism, and because they will be encouraged to blame their falling standards on "concessions" given to blacks, as well as on the black workers' militancy, the white workers will at first be led even further to the right, exhausting every avenue of defending their privileges at the expense of the blacks.

But there is no independent way forward for the white workers in South Africa, and no future whatsoever in a movement to the right. Where, then, does their future lie?

Only if the militancy and power of the black workers grows and remains undefeated; only if we, in the leadership of the workers' movement, stick steadfastly to our *workers'* standpoint and our clear principles, to our call through thick and thin for the unity in struggle of *all* workers; and only when the attacks by the ruling class on the position of white workers have reached an intolerable pitch—only then will the politics of the white workers *begin* to swing over to the left, bringing any significant numbers of them into the revolutionary camp.

Developments of this kind, if they are to unfold at all, no doubt lie well in the future. But we must begin even now to prepare ourselves and our fellow workers for such events. When we maintain and proclaim our standpoint of *workers' unity* towards the white workers, we are reflecting no naivety on our part about their revolutionary potential—rather we are laying down the stepping stones on which white workers can more easily cross to our side, deserting our enemy, *when events have turned in our favour*.

The fight for independent unions

But undoubtedly our most essential task, the one to which all the others must give precedence, is that of building and helping to build the organised forces of the black workers within the mines and factories, and on the farms. To build, build and build again our forces and cadres within the country! It is to this task that our *main energies* must be devoted.

The period ahead is one of immense difficulty for the black workers' movement. The repression will increase. Further attacks on the workers' living standards, further attacks on their ability to organise, are on the order of the day. At all costs the regime and the employers will attempt to inflict a major defeat on the black workers. If they fail (as they have hitherto failed) to achieve this by brute force, they will try all the harder to achieve it by deception. That is why it has become one of the main strategic aims of our enemies to prevent the growth of a truly *independent* workers' movement in South Africa.

This aim of the enemy is being promoted not only by the security police, the labour department, Bantu administration, black collaborators, and the bosses themselves. It is being promoted (wittingly or unwittingly) within the ranks of the black workers by reformist and opportunist currents in the trade unions. These currents seek either to tie the black workers' unions to the tail of the white workers through the registered unions (e.g. the pro-TUCSA "parallel" union strategy) or to convert the black unions directly into a tool and adjunct of the liberal employers (e.g. the UTP "strategy" of collaboration with Anglo American through the Institute of Industrial Relations).

Often these tendencies are more subtle, appearing in the guise of “common sense” and “pragmatism”—of taking *the path of least resistance* in the face of pressure from the bosses and the state. Attempts are made in some unions to cloud the workers’ minds and dilute their class consciousness with capitalist social and economic theories imported from the universities. Against all these tendencies it is our duty as a *revolutionary* trade union organisation to exercise permanent vigilance. In our publications, as far as the security of our comrades within the country will allow, we must take up the issues of reformism and opportunism wherever they appear, and help make the workers alive to the dangers. And we must be equally vigilant against any attempts by middle class elements or careerists in the black community to capture the leadership of the trade unions for their own purposes.

As far as the black youth are concerned, we have special responsibilities. Here is a politically active, militant, talented and conscious section of the working people. It is vitally important that their heroic revolt should be encouraged and sustained. As we have pointed out in “Workers’ Unity” recently, it is imperative that the revolutionary youth should root themselves in the organised workers’ movement, helping to build the trade unions and advance the struggle in the factories. However, it must also be noted that the vast majority of the high school students are facing a bleak future of permanent unemployment and destitution. We must give special attention to promoting *the organisation of the unemployed, young and old alike, into the trade union movement.*

We must give greater attention to the detailed *development* of our policies, applying our time-tested basic principles to the enormous number of practical issues which are constantly arising in the workers’ struggle. To name but two current examples: We must put forward, with reasons clearly stated, our standpoint on the new attempts to form a trade union federation to the left of TUCSA; we must prepare the workers for the legislation which will follow the Wiehahn Commission, so that they will be the more ready to resist any attacks on the independent unions.

Our political standpoint is well understood by the employers and the government to be extremely dangerous to them. It is not accidental that, with the new legislation allowing the regime to ban automatically, in advance, all publications coming from a particular publisher, SACTU’s name has at once appeared on the list.

But of course, the political standpoint expressed in our publications can only be carried effectively into practice through growing and living links with the daily struggles of the workers in every part of the country. *Our efforts must be doubled and redoubled to build up the*

organisation which we need in order to co-ordinate and lead the workers’ struggle IN THE PLACES WHERE THE WORKERS ARE.

The South African struggle has entered a period of tumult in which every organisation—trade union and political—will be put to the severest test. Events will fall like a sledgehammer on those which fail to measure up.

We in SACTU have enormous tasks, an enormous responsibility ahead of us. Only with the full commitment and dedication of every one of us to those tasks, to the development of the workers’ struggle in South Africa, can we possibly fulfil our responsibilities.

John Gaetsewe
General Secretary

APPENDIX

to the General Secretary's Political Report*

Crisis in South Africa

For nearly a half a century, from the mid-1920's onwards, South Africa experienced almost continuous growth. The country was even spared the worst effects of the crises that occurred between the two imperialist wars, thanks to the special position which gold occupied in the international markets. The mining industry enabled South Africa to pay, both in periods of boom and in periods of slump, for the capital goods it needed to expand manufacturing industry. Even as late as 1974, a year in which the world capitalist system was plunged into its first international recession since the 1930's, the South African economy was experiencing an unprecedented boom. During that year, South Africa's real gross national product showed an increase of 10 per cent, compared with low or even negative growth rates recorded in most industrialised countries. In the same period, South Africa's merchandise imports rose by 46 per cent to an amount of R4,473 million, exports by 14 per cent to R2,796 million and net gold output by 55 per cent to R2,215 million. Had it not been for this massive increase in gold-mining revenue, the South African economy would have been in serious trouble.

The gold mining industry also formed an important source of State revenue, making it possible for the Government to establish basic infra-structural industries. From the mid-1920's, when South Africa's industrialisation programme first got underway, the State poured large sums of money into the development of the country's productive capacity. By the early 1970's, the State had emerged as the largest investor in the economy, having inaugurated some \$20 billion worth of capital intensive projects. These projects acted as growth points around which manufacturing enterprise continued to flourish.

While gold provided the vital source of funds for South Africa's industrialisation programme, the rapid expansion of the economy was rooted in the super-exploitation of the masses, enabling South Africa to boast a rate of return on capital investment that ranked among the highest in the world. In 1974, the average American company enjoyed a return of 19.4 per cent on its investment in South Africa, compared with a return of only 6 per cent on its investment in Britain. Little wonder that international investors should have turned to South Africa on a massive scale.

The ability to attract large investments from abroad has always been an important factor in the development of South African industry. Without these investments South Africa would not have achieved the economic growth rates needed to sustain the apartheid economy. Between 1973 and 1974, for example, direct foreign investments in the country rose by R1,078 million to R6,694 million, an increase of nearly 20 per cent.

In the meantime, notwithstanding the boom that South Africa was experiencing, the position of the black workers was worsening. Unemployment was climbing to record levels (brought on largely by the high rate of mechanisation in agriculture and the shift to capital-intensive investment in industry) while real incomes, already pitifully low, were declining rapidly. For the oppressed masses, South Africa's capitalist economy has been in a state of permanent crisis since its inception.

Early in 1975, the price of gold fell, and South Africa was faced with a massive deficit in its trade account. The government imposed strict monetary and fiscal discipline on the economy in an attempt to solve the balance of payments problem, thus slowing down the rate of growth of the economy. The result was that unemployment, particularly among black South Africans, worsened. Then, in June 1976, against a background of rising prices and mass unemployment, unarmed insurrections swept the country. A new generation of black South Africans, infused with the spirit of past struggles, emerged on the political scene. The instability that followed, together with the down-turn of the economy, caused foreign investors to have second thoughts about investing in apartheid. In the third quarter of 1976 there was a net outflow of capital and government officials scurried around the world in a bid to secure sufficient funds to shore up the bruised and battered economy.

The effect of the decline in gold-mining revenue, coupled with the difficulties in attracting money from abroad, meant that the government had to cut public spending and slash subsidies, particularly on food. As a result, conditions in the economy deteriorated, with a deeper slide into recession. At the same time, partly in response to events at home, and to the situation in Southern Africa as a whole, the government massively increased military spending, placing an added burden on the country's strained resources. By the end of the year, a *negative* growth rate in the real gross national product of approximately 1 per cent was recorded—the economy had actually shrunk in size. The world recession, held for so long at bay, had finally come to South Africa.

South Africa is now in the grip of a severe economic recession. Manufacturing output is declining and bankruptcies are at record levels. The use of productive capacity has fallen from 82 per cent at the end of 1976 to 77 per cent at the end of March 1977. African work-seekers are *conservatively* estimated to be in excess of 1.2 million, and rising at 27,000 a month. Real fixed investment in the public sector has been reduced, and in the private sector, it has declined uninterruptedly from about the middle of 1975.

The returns on investment—that star attraction of the apartheid economy—are no longer among the highest, having fallen from more than 19 per cent to just over 10 per cent.

Lack of foreign confidence in the apartheid economy is reflected in the fall-off in capital flowing into the country. Between 1975 and 1976, the inflow of long-term capital into South Africa fell by R633 million to R1,113 million. Over the same period, a net outflow of short-term capital of R634 million was recorded. The result of the large deficit on the current account,

* This is based on evidence submitted by the General Secretary to a Hearing by a Committee of Experts in Oslo, 12th October 1977.

together with the smaller net outflow of short-term capital, was to induce a severe crisis in the balance of payments.

Having outlined the nature of the crisis on South Africa, it is necessary to look at the specific effects it has had on the working people of South Africa, most particularly, the black workers.

Unemployment

The South African regime has only recently decided that official statistics on African unemployment should be prepared. Various estimates of African un- and under-employment have been made, which, together with the official statistics for white, Coloured and Indian unemployment, put the figure for *total* un- and under-employment in South Africa between 1.4 and 2 million (14 per cent and 20 per cent respectively of the total potentially economically active population). Professor P J van der Merwe, a conservative academic from the University of Pretoria, has made the following breakdown of estimated un- and under-employment in South Africa as at December 1976:

253,000 unemployed African workers in the urban areas
 402,000 unemployed Africans on white farms
 462,000 un- and under-employed Africans in the reserves
 144,000 un- and under-employed Coloured workers
 30,000 un- and under-employed Indian workers
 133,000 un- and under-employed white workers

This gives a total of 1,424,000 un- and under-employed people as at the end of December 1976.

Van der Merwe claims that 27,000 Africans lost their jobs *each month* over the first six months of 1977, and that as at July 1977, total unemployment of all workers was in the region of 1,586,000. Those workers in building, shipbuilding, textiles and vehicle manufacturing and sales have been hardest hit by the redundancies.

Despite the acute problems of unemployment at the present time, it would be wrong to assume that this is simply the result of the present crisis. In fact, in spite of the rapid rate of capital accumulation during the period 1960-1974, black unemployment did not fall below 19 per cent of the total number of potentially economically active workers. This proves what we have been arguing for a long time; that economic growth on a capitalist basis, fuelled by foreign investment, does not benefit the black workers and people of South Africa. Economic growth has led to greater unemployment, to an increase in the industrial reserve army. In South Africa, since the Second World War, and particularly since the early 1960's, economic growth has meant mechanisation. This has meant the destruction of jobs as well as their creation, and, over time, a relative decline in employment opportunities. For example, a recent investment by Metal Box in Johannesburg, of some R1.5 million, provided jobs for only 10 workers.

The fact that economic growth has meant the *decline* in the number of workers employed is important to emphasise, because foreign investors argue that they are increasing employment by investing in South Africa, and the apartheid government blames rising birthrates and not the capitalist system for rising unemployment.

The following table gives estimates for unemployment, and indicates the relationship between economic growth and growing unemployment:

GROWTH RATE AND RISING UNEMPLOYMENT

Year	GDP Increase (1970 prices)	Unemployment (000) (Estimated)
1970	9.6	1,019
1971	4.2	1,127
1972	3.3	1,315
1973	3.5	1,405
1974	7.0	1,484
1975	2.1	1,723
1976	1.4	1,995
1977	not available	2,099 (projected)

Sources: Statistical New Release, GDP, 24/3/77. Unemployment statistics from Charles Simkins: "Employment, unemployment and growth in South Africa 1961-1979" SALDRU Working Paper No. 4 June 1976. (It will be noticed that Simkin's estimates for unemployment are much higher than those cited above from van der Merwe, but Simkins has subsequently revised his figure downwards from those given above).

The plight of the unemployed

The South African regime has a well-developed mechanism for dealing with African unemployment—the *pass laws*. In the face of the deepening crisis, the regime has tightened up on the application of the pass laws, forcing thousands of unemployed African workers to return to the poverty-stricken reserves, where there are no jobs, and where the over-worked soil has long-since proved inadequate to sustain the population living there.

For the unemployed migrant workers, as well as unemployed African workers in the urban areas, there is little relief provided through Unemployment Insurance. Far from extending benefits to contend with increasing unemployment, the regime has actually made it more difficult for workers to secure benefits. The Rand Daily Mail reported earlier this year that the Unemployment Insurance Fund is paying out only a tiny percentage of the people who should be drawing from it—only about 11,000 a month.

A great many unemployed workers are not getting the benefits to which they are entitled. A recent study conducted in South Africa reveals the fraudulent nature of the UIF in the country. This study related the following incidents:

- ★ A worker, referred to as "Mr E. M." was dismissed on February 28th 1977. Only then did his employer bother to apply for his UIF card. It was finally given to him on June 3rd, but he was then refused benefits on the grounds that the time limit allowed for making application for benefits had expired.
- ★ In the Umzinto and Umbumbulu areas, migrant workers are reporting that they are frequently prevented from applying for UIF benefits or pensions on the excuse that "there are no forms". In Hammarsdale, over

200 people had been signing for benefits—some from February 1976—without receiving any money. *Then the completed forms were found on a rubbish heap outside the offices.*

- ★ Of some 350 cases of UIF investigated in Durban, 300 were complaints against employers. Of these, 121 had not applied for UIF cards by the time the workers were dismissed. (By law, it is mandatory for an employer to ensure that his workers have been registered with the UIF).
- ★ The Durban Corporation excludes workers employed in the Kwa Zulu townships from the UIF altogether, despite the fact that many have been contributing for ages. More than 1,000 workers have in this way been deprived of rights to which they are entitled.
- ★ Africans living in BophuthaTswana (including commuters), like those in the Transkei, are to be removed from the Fund as soon as the reserve becomes “independent”.

Through their contributions, the black workers in South Africa helped to boost the UIF to the level of approximately R200 million by the end of 1975. And yet as we can see, for most African workers these contributions are little more than a tax, to be used to the benefit of the organised workers. In addition, the colossal sums accumulated are being used by the Public Debt Commissioners to invest in industries in the Bantustans, where appalling wages are paid; and for providing cash for armaments.

Wages and living conditions

Not only are the black workers suffering the effects of the crisis through increasing unemployment, but also through deteriorating living standards. The government has recently slashed subsidies on food products most essential to the diet of the black workers—maize, bread, sugar and milk. These price increases have been accompanied by increases in fuel costs—coal and paraffin. The Natal Mercury estimated that with these increases, the cost of living of the poorest people in South Africa would go up by as much as 20 per cent (NM 14/4/77).

In Soweto alone, it has been estimated that the cost of living is now rising at an annual average rate of almost 30 per cent, considerably higher than the official cost of living statistics.

Recent figures show that the average annual salary of Africans has increased from R475 in 1970 to R1,250 in 1977. Salaries for whites increased over this same period from R3,244 to R5,800; Coloureds from R931 to R1,900 and Indians from R1,044 to R2,300. (These figures exclude domestic and agricultural workers, who are the lowest paid of all.) Given the fact that according to *official* statistics the consumer price index increased from 100 in April 1970 to 197.9 in August 1977, and also given the fact that the consumer price index is calculated on the basis of consumption by an average white family, and does not adequately reflect the real impact of inflation on the black community, we can see that African wages have grown slowly in real terms.

The Johannesburg Chamber of Commerce estimated recently that a Soweto household of six required R152 per month to subsist. This subsistence

level provides only for the very barest essentials, and can in no way be regarded as providing the basis for a decent standard of life. But given the fact that average African wages are R83 per month in the retail trade; R123 per month in manufacturing and R52 in the hotel trade, we can get some indication of the severe deprivation suffered by African workers and their families in South Africa.

With growing poverty and unemployment, reports have been made of the deterioration in the physical condition of children whose parents have lost their jobs. Desperation is forcing some to steal, as two recent cases in South Africa show. In Bloemfontein, a man was sentenced to 6 months imprisonment for stealing a cake. In another case, a man was sentenced to three years imprisonment for stealing two cakes because he was hungry.

Table showing average wages per week (Averages for 1976)

	White	Coloured	Asian	African
Mining/Quarrying	R164.50	R43.01	R63.48	R20.36
Manufacturing	R131.75	R35.70	R42.28	R28.78
Construction	R128.62	R50.05	R68.53	R25.88
Retail trade	R 58.94	R25.47	R35.36	R18.93
Hotels/Transport (Estimate)	R 60.33	R18.56	R32.79	R12.36

Homelessness

For a number of years there has been debate within the South African ruling class as to whether black workers should be allowed to make their homes in the industrial areas, and whether the migratory labour system, which has benefited particularly mining and agriculture, should be extended or phased out. The present intention of the regime is to force African workers to establish their homes in the Bantustans despite the fact that they work in the cities. A tremendous housing shortage has developed, which has been described as worse than the housing problems of the Second World War.

The housing crisis is associated with the economic crisis, as hundreds of workers move to the towns, often without permission, to seek jobs. Also, the government is not prepared to allocate funds at this stage to the building of more homes, because of the cuts in public expenditure.

In the Durban area, 45,000 families are waiting for housing, *according to official application lists*. Estimates of the total number of homeless people there range up to 350,000. In the Cape Peninsula, there are approximately 200,000 African squatters, living in 30 to 40 camps. The number of Coloured homeless is not known, but press reports put the total number of squatters in the Western Cape as high as 500,000.

Within these squatter camps, people are forced to find shelter for themselves under scrap wood and corrugated iron. The conditions are deplorable. In most, not even the most basic facilities such as lavatories and fresh water are available.

Many of the squatters are migrant workers who have lost their jobs. They know that the only chance of getting a job is to search in the towns. They live in constant fear of being endorsed out to the reserves where they know there are no jobs and not enough land to support their families.

The so-called "independence" of the Transkei has also caused a big increase in the number of squatters. Both employed and unemployed Xhosa-speaking workers have gone "underground" in the squatter camps, so as to avoid contact with Bantu Administration officials. They fear that they will be forced to take out Transkei "citizenship" documents and to leave the urban areas.

It is not only unemployed contract workers who are forced to squat. There is a drastic shortage of housing in the townships even for the employed "legal" town dwellers.

Lack of housing has led to terrible overcrowding in the small rooms and shacks in the townships. A survey has shown that in African townships all over the country there is an average of *17 people per home*. The vast majority of the working class live in slum conditions.

The government's response to the housing crisis is typical. It would have to spend at least R100 million to provide even basic housing for those Africans officially allowed to live in the townships. A Stellenbosch professor has said it will cost a lot more than that, and he has also calculated that it would cost R500 million to solve the Coloured housing shortage in the Cape Peninsula.

Yet State spending has been minimal. In the African townships of Langa, Nyanga and Guguletu in Cape Town, for example, not a single additional family dwelling has been built in the past two years. At the massive Mitchell's Plain project for Coloured housing, only 1,500 houses (out of a planned 40,000) have been built and only 6,000 more will be completed under existing and new contracts. Although the government has increased its budget allocation for housing by 39 per cent, to R153 million, this will not relieve the housing shortage and is intended mainly as a stimulation for the building industry.

The State, not interested in increasing housing in the middle of an economic crisis, is using force to get rid of unemployed workers and their families, by bulldozing the squatter camps and sending the people to the overpopulated and poverty-stricken reserves.

At Werkgenot, a squatter camp in the Cape, the authorities simply burned and bulldozed squatters homes without warning in the middle of the night. At Crossroads and elsewhere they have acted with similar callousness and brutality. Impatient with even the minor legal obstacles which have been raised against this, the government has changed the law so as to permit "illegal" homes to be demolished without notice.

As more and more workers defy the pass system, and more and more illegal squatter camps grow, the more determined the workers become to fight for the right to stay in the urban areas and to live with their families. At Modderdam, Kraaifontein and Kliptown, squatters are organising to defend their homes from demolition. Coloured and African families are acting in solidarity together.

Strike action

The resistance of the African workers to intensified exploitation and deteriorating living conditions was manifested in the mass strikes, involving 100,000 workers, in 1973. Again, in 1976, in two political general strikes, black workers demonstrated their hostility to apartheid.

The State has attempted to contain the growing militancy of the African workers by two means. On the one hand, they have enforced the Bantu Labour Relations (Settlement of Disputes) Act of 1973, which limits legally recognised organisation of African workers to the factory floor, and attempts to impose on them liaison committees which are under the control of management. On the other hand, the State has acted viciously against trade union leaders (24 were banned in 1976) and against striking workers. Examples of industrial action involving black workers in 1977 were:

- ★ Earlier this year, six African workers at Kelloggs (SA) who were members of the Sweet, Food and Allied Workers Union, were sacked for fighting for a registered works committee in the factory, which the workers wanted to use as the basis for their union.
- ★ In July 1977, armed police and dogs were sent to a municipal depot in Pretoria after workers had downed tools in a pay dispute.
- ★ Thirty labourers of the Witbank Coal Agency were each fined R100 or 3 months after being found guilty of striking. The Court found that they had stayed away from work on a public holiday when they were supposed to work.
- ★ About 800 black miners who refused to return to work at the Cornelia Colliery near Vereeniging after a strike over wages in June were sent back to the reserves.
- ★ 186 workers of Scottford Mills in Pietermaritzburg appeared in court, after refusing to start work during a wage dispute. The workers—156 of whom were women (several of them were pregnant)—were charged with striking and remanded in custody for 10 days after bail had been refused by the magistrate.

Reaction from white workers

While the main burden of the economic crisis is falling upon the black workers, the living standards of white workers have also come under attack. Reaction to this attack has been muted, but it is an indication of the difficulties the regime will face if white living standards continue to deteriorate.

- ★ In April, Jimmy Zurich, President of the Artisan Staff Association of the SAR & H said: "We shall lodge wage demands for increases of at least 20 per cent with the Minister of Transport in June, and if the answer is negative, there's going to be trouble". (It was estimated at that time that railway salaries were trailing behind the consumer price index by about 25 per cent).
- ★ Van der Linde, of the Posts and Telegraphs Association, whose members have been suffering similar attacks on their living standards, stated: "We

have decided to be patriotic and instead of demanding 25 per cent we will cut this to 18 per cent”.

- ★ In April, labour leaders representing more than 400,000 white workers rejected any form of wage or salary control as a means of correcting the economic crisis.
- ★ In May, white building workers in Durban, Johannesburg and Pietermaritzburg rejected pressure from employers to waive automatic increases due to them.
- ★ In May, white railway workers urged the SAR & H Artisans Staffs Association to demand across-the-board increases of R100 per month from the government. Six hundred railway workers of the Durban branch made this call after being asked by the Chairman of the Durban branch “to show that you are militant”. He said they had the right to bring up their children properly. Earlier, the Uitenhage and Port Elizabeth branches had taken votes of no confidence in the Minister of Transport.

In anticipation of increasing pressure from white workers, particularly from the public sector unions, the government is arming itself with new legislation which empowers it to declare any industry an “essential industry”, which makes strike action in such an industry a criminal offence.