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by

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ABBREVIATIONS

ACPC  Anti-Constitutional Proposals Committee
ANC  African National Congress
APO  African People's Organisation
APDUSA  African People's Democratic Union of South Africa
ASC  Anti-Segregation Council
AZAPO  Azanian People's Organisation
AZASO  Azanian Students' Organisation
CAL  Cape Action League
COSATU  Congress of South African Trade Unions
CPSA  Communist Party of South Africa
CRC  Coloured Persons' Representative Council
DP  Democratic Party
FVB  Federale Volksbeleggings Korporasie Beperk
ICC  Inter Cabinet Council
ICU  Industrial and Commercial Workers' Union
IDC  Industrial Development Corporation
IIDC  Indian Industrial Development Corporation
JMC  Joint Management Centres
NACOS  National Council on Sport
NEUM  Non-European Unity Movement
NF  National Forum
NIA  Natal Indian Association
NIC  Natal Indian Congress
NIO  Natal Indian Organisation
NRC  Native's Representative Council
NPP  National People's Party
NSMS  National Security Management System
PAC  Pan-Africanist Congress
PC  President's Council
PFP  Progressive Federal Party
RP  Reform Party
SACOD  South African Congress of Democrats
SACOS  South African Council on Sport
<table>
<thead>
<tr>
<th>Acronym</th>
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<tbody>
<tr>
<td>SACP</td>
<td>South African Communist Party</td>
</tr>
<tr>
<td>SACPO</td>
<td>South African Coloured People's Organisation</td>
</tr>
<tr>
<td>SACTU</td>
<td>South African Congress of Trade Unions</td>
</tr>
<tr>
<td>SAIC</td>
<td>South African Indian Council</td>
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<tr>
<td>SAIO</td>
<td>South African Indian Organisation</td>
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<tr>
<td>SSC</td>
<td>State Security Council</td>
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<tr>
<td>TASA</td>
<td>Teachers Association of South Africa</td>
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<tr>
<td>TASC</td>
<td>Transvaal Anti-SAIC Committee</td>
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<tr>
<td>TIC</td>
<td>Transvaal Indian Congress</td>
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<tr>
<td>UDF</td>
<td>United Democratic Front</td>
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<td>UN</td>
<td>United Nations</td>
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OBJECT OF STUDY

It was the actions of the Congress Alliance that dominated the political activity of the dominated classes in the 1950s. Mobilising across class and colour lines, the actions of the Congress Alliance had witnessed a growing unity between the leading political organisations of the Indian, African and Coloured dominated classes. However just as quickly as it appeared, the Congress Alliance disappeared from the political scene, crushed by the state's repressive apparatus.

The state, in order to ensure that the extra-parliamentary opposition characteristic of the 1950s did not once again re-emerge, sought to divide the dominated classes more systematically along ethnic and racial lines by creating mechanisms for the implementation of the policy of separate development. It is within this context that the Promotion of Bantu-Self-Government Act of 1959 was passed and the Coloured Persons' Representative Council (CRC) and the South African Indian Council (SAIC) were established.

Whilst the history of Indian political organisations in the pre-1960 period has been extensively researched, no in-depth study of the SAIC has been made. Probably the main reason for this area being under-researched, has
been the inability of researchers to gain access to information on the SAIC, especially of the period covering the early years of the organisation's existence. This study aims to fill this vacuum by utilising in the main previously unused minutes of the SAIC from 1964 to 1977 together with numerous documents and memoranda presented to the South African government by SAIC delegations in the aforementioned period.

The central aim of this study is to analyse the changing strategies of the state with regard to the South African Council, established in 1964, in the context of the changing relationship between the economy, class conflict and the state and to examine some of the factors which have shaped the policies and interventions of the state to restructure both the SAIC and the state apparatus itself.

As indicated, the importance of this thesis lies in my access to previously unused minutes of the SAIC from 1964 to 1977, as well as to numerous documents and memoranda presented to the South African government by SAIC delegations. For the period after 1977, extensive use was made of the Hansard recordings of the SAIC meetings. The minutes of SAIC meetings are indispensable for understanding the relationship between the SAIC and the state, as they indicated the issues the SAIC raised
and the state's response. In addition, the minutes and memoranda reveal the history of the implementation of the policy of separate development with regard to the Indian community and the latter's response. The large Indian townships of Chatsworth and Phoenix in Durban and Lenasia in Johannesburg for example were not a result of the natural migration of Indians to these areas. Their racially exclusive character was also not a natural phenomenon nor was it determined by the Indian community itself. The creation of these areas were the result of deliberate government policy. The Indian community's response to these developments in the 1960s and 1970s was in the main limited organisationally to the South African Indian Council, given the fact that all other forms of extra-parliamentary opposition within the Indian community were either neutralised by the formation of the SAIC or crushed by the repressive apparatus of the state. Despite the historical importance of these developments, they have neither been documented nor analysed in any depth.

Lengthy interviews over a three-month period were conducted with Mr. J.B. Patel and Mr. A. Rajbansi, both influential members within the SAIC and founders of the Democratic Party and National People's Party respectively. A single interview was also conducted with Mr. Y.S. Chinsamy, a founder member of both the SAIC and the
Reform Party.

The Fiat Lux, despite the obvious limitations caused by it being an overtly pro-government publication, provided vital details of Indian participation in the armed forces and civil service as well as publicising official government policy on various issues affecting the Indian population. The annual Institute of Race Relations' surveys were invaluable in providing information on the activities of political groupings opposed to the SAIC and comparative data on the amount the state allocated to the different population groups for things like housing and education. In addition, its coverage of the effects of the Group Areas Act on the Indian population was heavily relied upon. The following newspapers were consulted: Daily News, Natal Mercury, Natal Post, Graphic, Sunday Tribune, Natal Witness and Leader.
CHAPTER ONE

REVIEW OF EXISTING LITERATURE ON THE SOUTH AFRICAN INDIAN COUNCIL AND SOUTH AFRICAN STATE THEORY

1.1. INTRODUCTION

In this chapter, the existing literature on the South African Indian Council will be reviewed. The second part of the chapter will be devoted to developing theoretical principles and conceptual guidelines for the subsequent empirical research.

1.2. REVIEW ON EXISTING LITERATURE ON THE SAIC

The only known work on the South African Indian Council (SAIC) is Cindy Postlethwayt's honours thesis, entitled *What if they gave a puppet show and nobody came? The SAIC 1964-1982*. Postlethwayt traces both the development of the SAIC, as well as examining the response of the dominated classes to the SAIC by focussing on the anti-SAIC campaign of 1981. In her conclusion she attempts to assess the implications that reform strategies developed by the state in the early 1980s have for strategies of resistance.

The main area in which my study differs from Postlethwayt's is my use of previously unused
minutes of the SAIC from 1964-1967. These minutes are indispensable for an understanding of the relationship between the SAIC and the state. Access to these minutes has enabled me to reach vastly different conclusions to those of Postlethwayt.

Thus Postlethwayt argues....

that the SAIC has to be seen as an attempt to form a supportative class for the bourgeoisie...(which)... entails making substantial concessions to these classes... 1

Postlethwayt uses examples like the state's agreement in 1965 to allow Indian and Coloured industrialists the opportunity to develop border industries in areas where unemployment existed to argue that this served....

to underline how the state, in its attempts to disorganise the black population, encouraged the development of petit-bourgeois interests. In making concessions to the

petit-bourgeois and bourgeois elements of the Indian community, including those members of the SAIC, it provided for, and built upon an existing material foundation in order to deepen divisions between sectors of the popular classes.²

Firstly, Postlethwayt neglects to tell us how economically viable the border industry concessions were and how many Indian industrialists took advantage of this opportunity. More importantly, especially in the context of the above assertions, because Postlethwayt did not have access to the minutes of the SAIC meetings between 1964 and 1977, and also failed to utilise the Hansard recordings of SAIC meetings which began in 1978, her study fails to reveal how the state utilised the SAIC to consolidate its policies of separate development. A close reading of the minutes illustrates conclusively that the state was prepared to forego opportunities for co-optation if this meant a breach of the policy of separate development. In the chapters where the development of the SAIC is looked at, specific examples will be utilised to illustrate this

2. Ibid., 24.
contention.

Postlethwayt's work also has major theoretical shortcomings. To her credit she does admit that one of the problems of her study includes...

a loose definition, or none at all, of some of the terms used in this paper.³

Postlethwayt's failure to define her concepts makes it difficult for the reader to fully comprehend her arguments. For example, throughout her thesis, she uses the terms 'popular classes', 'dominated classes' and 'working class' interchangeably, as is witnessed by the following quote:

The state is qualified by a constantly changing relation of political forces, providing an ever-changing terrain for the intervention of the popular classes...If the working class does not seize this opportunity, the dominance of the bourgeoisie can be reconstituted in new forms...⁴

Postlethwayt's argument is, that as the state

3. Ibid., 83,
4. Ibid., 75.
embarks on a formative strategy it may become important and tactical for the popular classes to utilise the contradictions that open up within the state. However, because Postlethwayt does not clarify whether 'popular classes' and the 'working class' are the same thing, or whether she is, in fact, talking about the Indian working class exclusively, or the working class in general, it is difficult to fully comprehend her arguments, and more importantly, to evaluate them.

A major part of Postlethwayt's thesis is spent discussing the response of extra-parliamentary opposition to the SAIC. She focuses on the debate prior to the SAIC elections by members of the Natal Indian Congress (NIC) on whether they should participate in the elections. She states that the pro-participation group consisted mainly of a younger group of activists rather than the old established leadership. The main reason for activists propagating a participation position was that:

Contesting the SAIC elections could facilitate extensive support and participation. The campaign itself would allow for public political discussions and a spreading of ideas which are otherwise difficult given the
repressive nature of the state in South Africa. In the current political climate, an anti-election campaign could be effectively crushed by the state and participation in the SAIC could lend a certain amount of protection for that repression.⁵

Postlethwayt presents the pro-participation issue as a new issue that was suddenly thrust upon the Indian community in the hurly-burly of the announcement of the election. However, this is historically inaccurate and indicates an inadequate knowledge of the history of the NIC throughout the seventies. In 1974 the Acting President of the NIC, M.J. Naidoo, made a public statement that the NIC executive took a decision

"that when there are true elections with popular participation, when you and I and the 600,000 in Natal can nominate and vote then Congress will participate."⁶

Interestingly, Naidoo after arguing that the failure of the SAIC were not due to its

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⁵. Ibid., 71/72.
personnel alone but by the fact that it was created a powerless body, defended participation on the basis that it would prevent state harrassment. He emphasized that Congress policy had not changed, the only change is the method of reaching the goal. 7

In 1973 the NIC also agreed to its members serving on government instituted local affairs committees. 8 Thus the question of participation was no new issue within the circles of Indian extra-parliamentary politics as Postlethwayt leads us to believe. It is only with a thorough understanding of the vacillating position adopted by the NIC on the question of participation in the SAIC in the 1970s that one can understand the debate revolving around the pro-participation position.

The debates that have arisen over participation/non-participation in the SAIC cannot simply be seen as Postlethwayt deems:

Increasingly the dominated classes have been forced to take cognisance of the state's attempts to co-opt certain of its elements.

7. Ibid.

Struggle can no longer be conducted purely outside the state. Contradictions have arisen opening the way for the dominated class to insert itself and make use of them and so advance the course of a war of position. 9

Nowhere in the thesis does Postlethwayt tell us how the allowance of a fully elected Council created the conditions for the dominated classes to advance their struggle for the capture of state power. After all, is this not what the war of position is all about?

Postlethwayt argues that

For the working class to establish an alternative hegemony in opposition to the historical bloc, it entails the formation of a broad popular front. 10

She does not clearly indicate the consequences of Indian participation in state structures (even if it is to advance the war position) for the consolidation of a broad popular front. Given her line of argument this surely must be the question she has to confront.

10. Ibid., 61, 62.
Postlethwayt's thesis also contains historical inaccuracies albeit of a less significant nature. Thus she argues that:

Black groups, particularly those associated with the ideology of Black Consciousness, completely rejected involvement in SAIC. These included the Solidarity Front, the Soweto Civic Association and SACOS. 11

SACOS was never in the Black Consciousness camp and at the ideological level clearly espoused a non-racial position. Ironically at the time of the anti-SAIC campaign the President of NACOS, a SACOS affiliate, Mr. Paul David, was a leading member of the NIC, a body rejected by the Black Consciousness camp.

Postlethwayt's lack of theoretical rigour is once again illustrated when she argues ...

that the capitalist social formation is composed of a contradictory unity of various instances - the political, ideological and economic, the former two of which are, in

11. Ibid., 73.
terms of their place and function, ultimately determined by the economic. Yet each instance is characterised by relative autonomy from the economy. Each instance experiences its own history, one which is relatively autonomous from the others albeit one in relation to other instances. Each of these instances is a site of contradiction and hence a site of class struggle. 12

As can be noted above, Postlethwayt uncritically accepts the Althusserian framework without evaluating the burgeoning literature on the shortcomings of Althusserian structuralism. 13 The main criticism of Althusser is his neglect of class struggle and emphasis on the nature of the structure and its relations. This leads Althusser to argue that "history is a process without subjects", human agency being perceived as mere supports/effects of the system. Postlethwayt does not tell us how she manages to utilise the Althusserian framework and

12. Ibid., 6.
still retain the notion of the centrality of the class struggle. 14

Given the shortcomings in Postlethwayt's work at the level of the theoretical, the rest of this chapter will be devoted to developing theoretical principles and conceptual guidelines for the subsequent empirical research. Accordingly the existing literature on the state will be explored to see to what extent it can be used to provide an explanatory framework for studying its role in South Africa.

1.3. **LIBERAL AND MARXIST PERSPECTIVES ON THE STATE**

According to the liberal and pluralist position on the state, diverse groups like corporations, business associations, trade unions and youth organisations influence state policy. The balance between the various conflicting claims on the state is represented by state policy. State policy is thus not predominantly a result of a particular interest group but rather is a compromise among all such interest or pressure groups. The state

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14. It must also be stated that Postlethwayt's use of "instance" as a real object rather than a conceptual tool is incorrect. Whilst one can talk about apparatuses as sites of class struggle, one cannot talk about instances as sites of class struggle.
then is seen as a neutral arbiter of social conflict. 15

A strong Marxist tradition has seen the state simply as a tool of the ruling class. This theoretical approach is epitomised by Marx and Engels' axiom in *The Communist Manifesto*:

"... the executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie." 16

This view argues then that the state is an instrument which can be used to further the interest of an economically dominant class, that is, the class which owns and controls the means of production.

Despite the divergent views of the Marxists and liberals there is also a significant congruence. Thus

... whereas the Marxist view attributes the


main constraints upon the state to capital or capitalists or both, the 'democratic pluralist' one attributes them to the various pressures exercised upon a basically democratic state by a plurality of competing groups, interests and parties in society. In both perspectives, the state does not originate action but responds to external forces: it may appear to be the 'historical subject' but it is in fact the object of processes and forces at work in society. 17

The above instrumentalist view of the state which sees the state as not originating action but simply as responding to external forces has come under attack in many recent Marxist works on the state.

As Holloway and Picciotto point out:

In the past, Marxist theory, in so far as it dealt with the state at all, has too often confined itself to showing that the state acts in the interests of capital and to analysing the correspondence between the content of

state activity and the interests of the ruling class. 18

Nicos Poulantzas argues that the instrumentalist view of the state which has a long Marxist tradition, has resulted in the "economism" which considers that other levels of social reality, including the State, are simple epiphenomena reducible to the economic 'base'. Thereby a specific study of the State becomes superfluous. Parallel with this, economism considers that every change in the social system happens first of all in the economy and that political action should have the economy as its principal objective. Once again, a specific study of the State is redundant. 19

The problems of instrumentality and reductionism have also plagued the works of writers who have attempted to analyse the nature of the South African state.


Whilst little theoretical analysis of the state has been attempted by the liberal school of thought in South Africa, the neo-Marxists have made strenuous efforts to deal with the South African state.

1.4. WRITINGS ON THE NATURE OF THE SOUTH AFRICAN STATE

The specific project of the early neo-Marxist writings on South Africa by Harold Wolpe, Martin Legassick and Frederick Johnstone was to challenge liberal economists who argued that apartheid was an irrational and dysfunctional political structure imposed upon the capitalist economy.

Wolpe et. al., on the other hand, emphasised the functional compatibility and dependency between South Africa's political and economic systems. As Legassick argues, the neo-Marxist approach seeks to show that the specific structures of labour control which have been developed in post-war South Africa are increasingly functional to capital: though the particular combination of class forces which instituted them and have maintained them may be debated, nevertheless they serve the interests of capitalist growth in the South African situa-
Wolpe, Legassick and Johnstone did not attempt to specifically conceptualise the state. However, according to them the state as a central political actor contains no interests of its own, or if it does contain any interests of its own, those interests are subordinate to the interests of the dominant classes.

Posel points out that

... the price paid for this approach is a foreclosing of inquiry into other sorts of questions concerning the tensions and contradictions in the relationship between racial

policy and capitalism on the one hand, and the irreducible importance of political and ideological factors on the other. 25

Although Wolpe et. al. see politics as important and having crucial consequences, the causality of politics and thus the state, is reducible to the imperative of capital accumulation. It is for this reason that James refers to them as the capital accumulation theorists.

The fact that the state has any 'space' within the limits imposed by capitalist relations is denied by Wolpe, Johnstone and Legassick because for them

.... the state is a monolithic reactive apparatus successfully reproducing South African capitalist relations. 26

Later neo-Marxist writing on the nature of the South African state attempted to move away from the instrumentalist approach of Wolpe, Legassick and Johnstone. This school of thought has come to be known as the "Poulantzians" or the "frac-


26. James, W. op. cit.
Before looking at the work of the South African "Poulantzians", I want to briefly outline the concepts "power bloc", "hegemony" and "relative autonomy" as used by Poulantzas in order to analyse the nature of the state in capitalist societies. 28.

Poulantzas argues that there are a number of fractions within the capitalist mode of production - commercial, industrial and financial. The various fractions of the bourgeoisie within the capitalist mode, ground rent landlords and the dominant classes of other non-dominant modes come together to exercise their political domination of the whole formation.

The power bloc then

27. Their work has been based on two of Poulantzas' works: Political Power and Social Classes, New Left Books (NLB), London, (1973) and Classes in Contemporary Capitalism, New Left Books (NLB), London, (1975).

28. I have relied on D.Kaplan for an exposition of these concepts: "The State: A summary of Poulantzas and a critique of Miliband, Alavi and Saul" in Ideology and the State, Department of Journalism and Media Studies, Rhodes University, Grahamstown, (1983).
indicates the particular contradictory unity of the politically dominant classes or fractions of classes as related to a particular form of the capitalist state. 29

But the power bloc itself, in no way represents a sharing of power amongst equivalent elements, it is constituted only under the hegemony of fractions within that power bloc.

This hegemonic class or fraction is in fact the dominant element of the contradictory unity of politically dominant classes or fractions forming part of the power bloc. 30

Since the power bloc constitutes a "contradictory unity", there is a constant rivalry within the power bloc and the hegemonic class or fraction acts so as to polarise these different interests in the power bloc by making its own economic interests into political interests and by representing the general common interests of the classes or fractions in the power bloc. 31

29. Ibid., 32.
30. Ibid.
31. Ibid., 33.
By relative autonomy is meant

... the state's relations to the field of the class struggle, in particular, its relative autonomy vis-a-vis the classes and fractions of the power bloc, and by extension vis-a-vis its allies or supports. 32

Relative autonomy refers then to the ability of the state to organise the capitalist class as a whole and simultaneously respond to the particular interests of particular fractions of capital.

The most influential work of the Poulantzian school is a joint article by Davies, Kaplan, Morris and O'Meara titled "Class Struggle and the Periodisation of the State in South Africa." 33 In this article Davies et al. explicitly attempt to relate apartheid to a struggle between fractions of capital rather than to the struggle between capital and labour as the pioneering work of Legassick and Wolpe attempted to do. Note Davies et al.

32. Ibid.
This article ... examines ... not the principal contradiction of the social formation (the relationship between the dominant and dominated classes) but the secondary contradictions between the different fractions of the dominant class. 34.

Davies et. al. are not concerned with the primary contradiction in capitalist societies, but rather with the contradictions between fractions of capital. They refer to the latter contradictions as being political class struggle through which they attempt to periodise the South African state. They maintain that the resolution of such contradictions

was to have an important effect upon the whole trajectory of capitalist development in South Africa. 35

Since the resolution of such contradictions occur at the level of the state, the state is given primacy in the class struggle and thus in capitalist development. Changes in the form of the South African state are determined primarily by a change in hegemony, as defined in Poulantzian

34. Ibid., 4.
35. Ibid.
terms as well as by changes in the composition of the power bloc and its supportive and allied classes.

A further feature of the Poulantzian approach is that the economic and political instances are defined independently. Note Kaplan here ...

In developed capitalist society, the autonomy of the political and economic instances, allows the state to pose as the people's champion .... 36

It has been pointed out that the concept "relative autonomy" is a means by which Poulantzians can never be wrong.

If for example it can be shown that the state does not respond favourably to the class demands of say mining capital, it is not because the interests of the state and the interests of mining capital are at odds but because the state is relatively autonomous from any one fraction of capital. If on the other hand, the state responds favourably to the class demand of mining capital, it is not

because the interests of the state are compatible with the interests of mining capital but because the state does this to keep the overall unification of the capitalist class intact. Relative autonomy proves a means of explaining anything and everything, which then of course means, that it does not explain very much at all. 37

David Yudelman has argued that the work of the Poulantzians has resulted in

a heavy emphasis on the struggles of "fractions" for "hegemony" which, though the terminology is different, is basically indistinguishable from bourgeois party-political and interest analysis. 38

By reducing the state to class fractions of capital, the Poulantzian analysis also reduces politics to conflicts within the capitalist class. Politics thus becomes identified with parliamentary lobbies and parties. In so far as the working class does enter the picture, it is in the capacity of an object to be fought about by the fractions of capital.

Perhaps the most damning criticism of the Poulantzians comes from James. One of the methodological implications of their approach he argues, is that the histories that emerge from this approach are

... top-down histories, histories of dominant classes, and since South Africa's dominant classes happened to be white, the histories also become white histories. I am not suggesting that these authors are racist by intention, that would be outrageous, but they are racist by methodological default. 39

The Poulantzians have also been challenged by academics primarily influenced by a debate emanating out of the Federal Republic of Germany. This debate came to be known as the "state derivationist" debate. It was argued that Poulantzians by insisting on the "relative autonomy" of the political, denied the need for theorists of the political to pay close attention to the conditions of capital accumulation. This tendency they termed "politicist".

Holloway and Picciotto, in their introduction to a book that consists of a collection of articles on the "state derivation" debate, argued that

Poulantzians used the political concepts of Poulantzas "power bloc", "hegemony", "governing class", etc. ...

like pigeon holes which can be filled with the relevant contents from a political analysis of the class structure of any given state. 40

Whereas Poulantzas argued that Marx's concepts, such as "surplus value", "accumulation" etc. are economic concepts, not historical materialist concepts, and thus a Marxist theory of the capitalist state requires the formulation of political concepts such as "hegemony" and "power bloc", the state derivationists argue that such economic concepts are in fact historical materialist categories developed by Marx so as to elucidate the social class relations, from which the separation of the economic from the political is to be derived. The state-derivationists, whilst accepting the separation of the economic and political in capitalist social formations, attempt to explain both historically and logically, the foundation of that separation in terms of capitalist relations of production. They do so as an

initial step in developing a materialist theory of the state.

This is precisely what academics like Clarke, Innes and Bienefeld writing on South Africa attempted to do. They sought to systematically "derive" the state as a political form from the nature of the capitalist relations of production, as a first step towards constructing a materialist theory of the bourgeois state and its development.

However, while the state-derivationists contributed greatly to the understanding of phases of capital accumulation in South Africa, they found it difficult within their framework to allow for the space which political and state action has in practice and seemingly could not escape the noose of economic reductionism. Thus, within their


framework

.... the state merely becomes an adjunct to capitalism and class domination and no autonomy, no independence, no real substantive efficacy is granted to the state. 44

Jessop also illustrates how the state-derivationists treat the functionality of the state as an ideal-collective capitalist as broadly unproblematic. They also see all state measures as being derived from an objectively necessary "logic of capital" and do not allow for the fact that the class struggle can restrict the state's room for manoeuvre. 45

While the state derivationists have made valid criticisms of the Poulantzians, the work of the Poulantzians remains the most sophisticated attempt at a Marxist analysis of the South African state.

It must also be noted that Poulantzas' later work, State, Power, Socialism (1978) differs from his earlier works. In this work he attempts to derive

44. James, W. op. cit., 15.
the state from the relations of production, thus rejecting his earlier acceptance of fetish-like forms of capitalist social relations. Poulantzas thus moves close to the position adopted by Holloway and Picciotto. Like the latter writers, Poulantzas states that ....

our investigation must take as its guiding thread the tendency of the rate of profits to fall: state intervention in the economy should essentially be understood as the introduction of counter-tendencies to this tendency. 46

The redistribution of surplus value between fractions of capital through the mechanism of profit as a means to raise the average rate or profit is regarded as a secondary counter-tendency by Poulantzas. This is, however, precisely the level that the Poulantzian accounts of the South African state remain - at the level of distribution. In State, Power, Socialism, Poulantzas argues that the crucial counter-tendency is state intervention in increasing relative surplus value. It follows that it is this that must be looked at in trying to construct a materialist theory of the South African state for as Poulantzas argues:

changes in the fundamental periodisation of the State ..... refer to changes in the class struggle focusing on exploitation. 47

It is crucial to overcome an instrumentalist and reductionist conception of the state because it tends to lead to a neglect of the study of the state per se, obscures the way in which the class struggle motivates political changes, and preclude an analysis of the possibilities and limits of reform. 48

1.5. TOWARDS AN EXPLANATORY FRAMEWORK FOR STUDYING THE STATE IN SOUTH AFRICA

In place of the instrumentalist version of the state, it is contended that it is preferable to use Miliband's concept of partnership to describe the relationship between the dominant class and the state in capitalist society. This partnership is between two different, separate forces, linked

47. Ibid., 123.
to each other by many threads, yet each having its own separate sphere of concerns. The terms of the partnership are not fixed, but constantly shifting, and affected by many different circumstances and notably by the state of the class struggle. It is not at any rate a partnership in which the state may be taken necessarily to be the junior partner. On the contrary, the contradictions and shortcomings of capitalism, and the class pressures and social tensions this produces, require the state to assume an evermore pronounced role in the defence of the social order .... it makes for a steady inflation of state power within the framework of a capitalist-democratic order whose democratic features are under permanent threat from the partnership of state and capital. 49

Miliband's concept of partnership avoids the pitfalls of "class reductionism" or being politician ....

the notion makes allowance for all the space which political and state action obviously has in practice; but it also acknowledges capitalist-
list context which profoundly affects everything the state does, particularly in economic matters, where capitalist interests are directly involved. 50

According to Miliband, the space or autonomy which the state has, in relation to social forces in capitalist society is related to the intensity of the class struggle.

Where a dominant class is truly hegemonic in economic, social, political and cultural terms, and therefore free from any major and effective challenge from below, the chances are that the state itself will also be subject to its hegemony, and that it will be greatly constrained by various forms of class power which the dominant class has at its disposal. Where, on the other hand, the hegemony of a dominant class is persistently and strongly challenged, the autonomy of the state is likely to be substantial, to the point where, in conditions of intense class struggle and political instability, it may assume "bonapartist" and authoritarian forms, and emancipate itself from constraining constitutional

50. Ibid., 73.
checks and controls. 51

Whilst Miliband provides us with the theoretical justification for making a study of the state per se, it is to Gramsci that we must turn in order to provide us with a theoretical framework for understanding the way in which the state maintains its hegemony over the dominated classes.

Gramsci52 argues that there are two ways in which a class can become hegemonic and maintain its hegemony - transformism and expansive hegemony. Gramsci's use of the concept hegemony is linked to his argument that one cannot link every contradiction to a class contradiction and therefore one needs to articulate the level of the struggle between antagonistic classes to that of other sections of the nation. Hegemony for Gramsci then becomes the political, intellectual and moral leadership over allied groups - the ability of a class to present itself as representing the people. This involves ethics, political leadership, morality and the ability to present a particular way of life in the general interest.

51. Ibid., 67-68.
Gramsci's wanting to show that civil society, which in liberal thought is presented as an independent area not linked to class interests, is in fact the place where the hegemony of the bourgeoisie is exercised. This conception plays a role which is doubly critical of the instrumentalist conception of the state and politics which reduces them to a single dimension of the expression of class interests, and of the liberal conception which presents them as completely independent of those interests. 53

Expansive hegemony consists in the actual articulation of the interests of the popular classes by the hegemonic class resulting in the development of an active, direct consensus - the creation of a genuine "national popular will". Transformism, on the other hand, consists of the continuous absorption of the active elements produced by allied groups and even those which come from antagonistic groups .... Gramsci terms this a "passive revolution" and suggested that this was the strategy of the bourgeoisie in conditions where its hegemony was threatened to the extent

53. Ibid. 10.
that it demanded of them a process of extensive reorganisation.

Gramsci used the term "passive revolution"

since the masses were integrated through a system of absorption and neutralisation of their interests in such a way as to prevent them from opposing those of the hegemonic class. 54

Thus, whereas the "passive revolution" excludes large sectors of the popular classes (read dominated classes) from the hegemonic system

in an expansive hegemony the whole society must advance. 55

In a passive revolution the state is at the centre of changes in the country's social and economic structure, and the active participation of the masses is excluded.

Every passive revolution develops a "conser-

55. Ibid., 183.
vatism or moderate reformism" which breaks up the free political dialectic of class contradiction and neutralises and channels popular initiative in its extremely partial attempts to satisfy some of the latter's demand "by small doses, legally, in a reformist manner"; so equally there is the extent to which passive revolution tends to resolve the problems of transformation and leadership (hegemony) in favour of the state domination, its administrative and police apparatus. 56

Gramsci's concept of "passive revolution" enables us to move beyond the formulation that the South African state is solely repressive, and enables us to illustrate its divisive and co-optive functions. This gels with Miliband's theoretical framework which allows us to move away from the argument that the state simply responds mechanistically to the exigencies of capital accumulation and as argued, enables us to make a study of the state per se. Thus the concept of "passive revolution" is a useful interpretative device in measuring the adequacy of a political strategy and

in helping to explain the durability of bourgeois rule despite economic and political crises. This concept, together with Miliband's formulation of the centrality of the class struggle in stimulating political changes and the form the state assumes, provides the theoretical framework within which the factors which have shaped the policies and interventions of the state to restructure both the SAIC and the state apparatus itself, will be analysed.
CHAPTER TWO

FROM THE POLITICS OF ACCOMMODATION TO THE POLITICS OF CONFRONTATION

2.1. INTRODUCTION

In this chapter, background information is provided on the nature of Indian political organisations between the 1920s and 1940s. The transition of Indian political organisations from the politics of accommodation to the politics of confrontation and the subsequent entrance of the South African Indian Congress into the Congress Alliance is then briefly discussed. The final part of the chapter is devoted to the state's crushing of the Congress Alliance and its attempts to destabilise the country.

2.2. POLITICAL RESPONSE IN THE POST-GANDHI PERIOD

The Indian trader classes had seen no advantage from Gandhi's "confrontationist" stance in the

1. The use of the terms "accommodationist" and "confrontationist" are borrowed from:
first part of the twentieth century. 2

In fact, Gandhi's stance and the state's response had highlighted their weak structural position—the state could easily withdraw their existing trading rights in one assault without endangering the state's own position or the process of capital accumulation. 3

2. Indian political response in the Gandhian period are extensively covered in the following works:
   Ginwala, F. : "Class Consciousness and Control of Indian South Africans, 1860-1946":
   D. Phil. thesis, Oxford (1974), (Unpub. thesis); and
   Swan, M. : Gandhi: The South African Experience,
   These works also provide an adequate account of the arrival of Indians in South Africa.

3. An example of this was the struggle against a registration bill passed by the first Transvaal parliament under responsible government in March, 1907. Despite the fact that by the extended deadline of 30 November, 1907 only 545 applications out of a possible 7000 were received, by 1909, 97% of the Transvaal Asians had taken out registration certificates. This happened because the government issued a notice that failure to comply with the law would be a punishable offence and that trading licences for the following year would not be issued to anyone who failed to produce a registration certificate. Thus, the petty traders and merchants faced both a jail sentence and loss of a trade licence.
Thus, in the 1920s, the trader class fought a defensive battle to maintain its position and ward off any further attacks by the state. It was this kind of thinking that predominated in the South African Indian Congress which was formed in 1919. Protests to the Government were confined to appeals by means of memoranda, deputations, letters, petitions and anxious arguments. 4

Pahad argues that throughout the 1920s the South African Indian Congress remained an amorphous organisation of the richer and more educated sections who were cut off from their own people and other non-white political organisations. 5

In the 1930s the merchant class's domination of Indian political organisations 6 was increasingly


6. Two Indian political organisations existed in Natal in the late 1930s, the Natal Indian Association and NIC. Both organisations united to form a reconstituted NIC on 19 August 1943. The reconstituted NIC fell under the leadership of the two accommodationist leaders, A.I.Kajee and P.R.Pather.
challenged by militants, consisting mainly of university trained professional people and trade union leaders. It was the merchant class's policy of compromise and conciliation, designed to protect their vested interests, that came under attack from the radicals. The history of Indian political activity in the 1930s and 1940s is the fight between the "accommodationists" and the "confrontationists" for dominance of the two main political organisations, the Natal Indian Congress and the Transvaal Indian Congress.

By the mid-1940s, the confrontationists had gained dominance of both NIC and TIC. The confrontationists immediately sought to forge a closer working relationship with the ANC. In 1947 the leadership of NIC, TIC and the ANC signed the "Doctor's Pact", that laid the basis for joint action.

The "Pact" was a forerunner to the Congress Alliance consisting of the ANC, South African Indian Congress, SACOD, SACPO and SACTU which came to dominate the politics of the 1950s. A combination of factors contributed to making co-operation with the ANC possible for the TIC and NIC leadership:

First of all, like the ANC, the Indian
Congresses in Natal and Transvaal became more popularly orientated during the 1940s. This reflected the increase in the size of the Indian industrial working class and its corollary, the spread of Indian trade unionism; the development of a professional non-commercial middle class; the spreading influence within these groups of the South African Communist Party, and especially in the Transvaal, the growing vulnerability of small retailers threatened by both legislation and Afrikaner nationalist trading boycotts. 7

The ascendency of the confrontationists must be seen in the context of the accommodationists failure to win any major concessions from the United Party government. The failure of the South African ruling class to adopt a progressive policy on the issue of Indian political rights, in the face of the trend established after the Second World War, towards the granting of political rights to the colonial peoples must be understood within the context of the objective social relations that existed in South Africa in the 1940s. Smuts, the leader of the United Party, cogently captures the dilemma faced by the ruling

"The whole basis of our particular system in South Africa rests on inequality... it is the bedrock of our constitution ... You cannot deal with Indians apart from the whole position in South Africa, you cannot give political rights to the Indians, which you deny to the rest of the Coloured citizens in South Africa."\(^8\)

It was this kind of thinking that provided "fertile ground" for the radicals to mobilise the Indian petit-bourgeoisie and working class. It was the Communist Party of South Africa which took the lead in organising Indian workers into trade unions and these workers soon came to play an increasing role in politics, siding with the radicals who were organised around the Anti-Segregation Council.\(^9\)

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9. The confrontationists formed the Anti-Segregation Council (ASC) in 1944. The ASC remained within NIC but resolved "to build the congress up until it became truly representative of 'the Indian people.'" Daily News, 29 April 1944.
Largely through the efforts of the ASC, NIC membership increased from 17 000 in 1943 to 35 000 in 1945. Using this support base the ASC captured the executive positions of the NIC at an election meeting held on the 20 October, 1945.
With the NIC and TIC openly flirting with the ANC, the accommodationists led by Kajee and Pather re-emerged and formed the Natal Indian Organisation (NIO) on 4 May 1947. Thus Indian politics had come the full circle. Once more two political groupings had emerged: the "accommodationists" and the "confrontationists" - the split was to continue into the 1980s.

2.3. **THE NATIONAL PARTY, APARTHEID AND THE RISE OF THE CONGRESS ALLIANCE**

Smuts' United Party was defeated by the National Party in 1948. The National Party's election manifesto stated.

> The Party will strive to repatriate or move elsewhere as many Indians as possible; the present ban of Indian immigration, inter-provincial movement and penetration will remain and be more stringently maintained. 10

Whilst the Smuts government had adopted an ambivalent policy towards the Indian population, the National Party promised a vigorous enforcement of the existing discriminatory measures. Davies,

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Kaplan et al., (1976) have argued that in 1948 the state came under the control of the agricultural fraction of capital, which used its dominance to enhance its own interests against those of the manufacturing "fraction". However, their position slips into a reductionist position which denies the space political action has in practice. Saul and Gelb correctly argue that it would be a bold observer indeed who suggested that racism and Afrikaner nationalism did not have some autonomous resonance of their own beyond the economic-cum-class determinations which shape and structure their impact. 11

This autonomy attributed to racial and ethnic factors in the genesis of apartheid is consistent with Gramsci's concept of ideology as "an objective and operative reality, as real as the economy itself" - a view that challenges the "reductionist conception which made ideology a function of the class position of the subjects." 12


However, the fact that autonomy can be attributed to racial and ethnic factors, does not explain why South Africa opted for geographic fragmentation by initiating the Bantustan policy or created channels of communication with the Indian and Coloured population in the early 1960s. In order to understand these developments, we need to turn firstly to the struggles between the dominant and dominated classes in the 1950s.

The Indian population immediately began to feel the effects of apartheid. In June 1949, the Asiatic Land Tenure Amendment Bill was introduced. It was designed to further tighten the land tenure provisions of Part 1 of the 1946 Act. The NIC and TIC which initially adopted a conciliatory policy towards the new government soon saw the futility of this policy. Thus, at a South African Indian Congress conference held in Durban on 17 September 1948, it resolved to

... call upon the Nationalist organisations of the African and Coloured people to co-operate with the South African Indian Congress in convening as soon as possible, a National

13. The first part of the 1946 Act set aside areas for the purpose of Indian residence and property acquisition. These areas were demarcated by a special board which was called the Asiatic Land Tenure Board. Indians were prevented from buying or occupying land outside these areas without a permit from the Board.
Assembly of the South African people at which European Democrats and the non-European people can join together to plan the speedy defeat of the monster of Apartheid 14

The accommodationists in the NIO also found that negotiation was an impossible task. The accommodationists consistently turned to the United Nations to seek redress for their grievances. However, the Malan government was prepared to defend apartheid at the UN thus removing their only real avenue to bargain. White notes that they were reduced to ineffectually pleading to the government. This stance is evidenced in the following statement sent to the government:

We are aware that it is within the power of the Union Legislature to annihilate our people by a process of attrition but we would appeal to you in the name of justice and fairplay and in the name of humanity that the Indian people, having no say in legislature, should not be sacrificed to the altar of political expediency. 15

15. Ibid., 27.
Unable to use the UN as a weapon and with "the end of the favoured tactic of the wealthy, lobbying" brought about by the withdrawal of the Indian High Commissioner in South Africa in 1946, the accommodationists were rendered impotent in the 1950s.

Their decline was also hastened by the emerging dominance of Afrikaner nationalism manifested in the National Party. Within five years of the National Party coming to power it passed a number of apartheid laws, for example, The Prohibition of Mixed Marriages Act; Immorality Amendment Act; Suppression of Communism Act; Population Registration Act; Separate Representation of Voters Act; Prevention of Illegal Squatting Act; Native Laws Amendment Act; Group Areas Act; Bantu Authorities Act. These Acts represented a hardening of racial divisions depriving the black population of whatever voting rights they had and restricting their place of abode and occupations. Faced with this intransigence, the accommodationists found it increasingly difficult to defend their position publicly. The rise of Afrikaner Nationalism also served to radicalise large sections of the Indian petit-bourgeoisie, for an integral component of Afrikaner Nationalism

was the development of Afrikaner capital whilst at the same time obstacles to the development of Black capital were promoted by the state.

Thus Rob Davies has shown how in the early Apartheid period, through complex struggles within various apparatuses of the state and elsewhere certain categories of the Afrikaner traditional petty bourgeoisie, as well as of course then existing Afrikaner capital, were able to secure various economic advantages for themselves which in the case of the petty bourgeoisie concerned enabled some of them to transform themselves into a bourgeoisie. These included such things as technical assistance, soft loans and credit from government agencies and government contracts from state departments looking unofficially if not officially with more favour on Afrikaner than non-Afrikaner applicants. Also of particular importance in respect of the petty bourgeoisie were a number of measures introduced during the early years of the Apartheid period which restricted competition from the Coloured and Asian petty bourgeoisie by preventing the
latter from operating in "white" areas. 17

With their chances of accumulating capital increasingly curtailed, the Indian petit-bourgeoisie in the 1950s began in large numbers to identify with the militancy of the South African Indian Congress. Thus in the 1950s, it was the politics of confrontation that came to dominate Indian political activity.

The ANC had also begun to change its orientation in the mid 1940s. The ANC had through the 1930s been prepared to participate in the NRC and was generally willing to negotiate with the government of the day. However, O'Meara had shown how the 1946 African mineworkers' strike precipitated the radicalisation of the ANC leading to the effective takeover by the Youth League and the forging of links between black trade unions, the ANC, the Communist Party and the Natal and Transvaal Indian Congresses. 18 With their adoption of the Programme of Action in 1949, strategy shifted from

constitutional protest to the task of galvanising the African population into various forms of direct action to force concessions from the apartheid state. National strike campaigns were launched, boycotts initiated, certain laws defied and pass books burned.

Coloured political organisations were also increasingly radicalised. The APO's policy of isolating the Coloured people's struggle from the struggles of the rest of the Black population was effectively challenged by radicals, led by the professionals. In 1943, the radicals had gained complete ascendancy and were instrumental in forming the Non-European Unity Movement (NEUM). Although the NEUM stood apart from the Congress Alliance, the South African Coloured People's Organisation (SACPO) formed in 1953, joined the Alliance.

Thus, the fifties saw the development of broad-based movement consisting of both Black workers and petit-bourgeoisie and a small radical section of the White petit-bourgeoisie. While the defeat of 1946 had led to the temporary demise of African trade unions, the liberal promise of slow African advance within the system had come to look increasingly hollow for the petit-bourgeois
leadership in the ANC and other nationalist organisations. The stage had thus been set, especially when the rate of economic growth slowed down, for the merging of most elements of the African opposition (petit-bourgeois and proletarian) into a movement articulating a much more radical nationalist ideology. 19

Whereas agitation by the SAIC and even the radical ASC centered around gaining for Indians "a place in the sun" the South African Indian Congress was now firmly committed to fighting all discriminatory legislation as well as agitating for the franchise for all South Africans. Its adoption of the Freedom Charter meant it saw freedom as inextricably bound up with Black majority rule.


20. The actual role of the South African Indian Congress in the Congress Alliance is beyond the scope of this study.
Lodge comments that the authors of the Freedom Charter seem to have taken care to respond to a broad range of interests. 21 It definitely catered for the interests of the Black trader as the following comment by Nelson Mandela indicates:

It is true that in demanding the nationalisation of the banks, the gold mines and the land the Charter strikes a fatal blow at the financial and gold-mining monopolies and farming interests .... But such a step is absolutely imperative and necessary because the realisation of the Charter is inconceivable .... until the monopolies are first smashed up and the national wealth of the country turned over to the people. The breaking up ... of these monopolies will open up fresh fields for the development of a non-European bourgeois class. For the first time in the history of this country the non-European bourgeois class will have the opportunity to own in their own name and right mills and factories and trade and private enterprise will boom and flourish as never before .... The workers are the principal force upon which the democratic movement should rely but to repel the savage onslaught

of the Nationalist Government and to develop the fight for democratic rights it is necessary that the other classes and groupings be joined. Non-European traders and businessmen are also potential allies .... 22

Thus the charter states that:

All other industry and trade which is not monopolistic shall be allowed with controls to assist the well-being of the people.

In a further demand that had obvious appeal to the Black petit-bourgeoisie the Charter promised that:

All restrictions on the right of the people to trade, to manufacture, to enter all trades, crafts and professions, shall be ended.

The most significant events in the 1950s prior to the formation of the Congress Alliance for the Indian community was the passing of the Group

Areas Act in 1950 and the 1952 Defiance Campaign. The NIC, TIC and the South African Indian Congress strongly opposed the Act. The 1952 Defiance Campaign was the first time Africans and Indians united in a national political movement. The campaign called for the repeal of all discriminatory laws, in the main the Group Areas Act, The Separate Representation of Voters Act, the Suppression of Communism Act and the Bantu Authorities Act. The Defiance Campaign laid the basis for the Congress alliance for as Lodge has indicated, the Defiance Campaign demonstrated in tangible form the benefits of communal

23. While various measures existed for the segregation of Indians and Africans, the 1950 Act, which was re-enacted in consolidation form in 1957, was more far-reaching than any previous legislation. It imposed control throughout South Africa over inter-racial property transactions and inter-racial changes in occupation. A Group Areas Board was appointed to report to the responsible Minister on the allocation of full group areas in the various towns and villages for members of different racial groups. Thus unless exemption permits were granted, all White, Coloured and Indian people in South Africa would have to live in group areas allocated to members of their groups. The ownership of property and business rights would as far as was feasible be confined to such areas. The effects of this act on the Indian community will be discussed in later chapters.
co-operation for small traders apparently provided an important financial contribution, and the influence of newly independent India at the United Nations helped to attract international attention to the campaign. 24

The widespread mobilisation spawned by the Congress Alliance had its effects on the economy. The manufacturing industry suffering from the ravages of a militant workforce and the importation of cheap manufactured goods lurched from instability in the early 1950s into decline and ultimately crisis. 25

By 1959, industrial output recorded a minus growth rate of 1.4% compared to a growth rate of 7.2% in 1954. 26

Capital took fright and began to flee the country. By the end of 1960

South Africa faced a balance-of-payment crisis more severe than any experienced since 1932. 27

26. Ibid., 173.
The state thus had to address both a political and economic crisis.

3.7. THE STATE'S RESPONSE TO THE POLITICAL, IDEOLOGICAL AND ECONOMIC CRISIS

The South African state not only faced an economic crisis, it also faced a crisis of legitimacy. The non-racial alliance struck at the very heart of the ideological discourse of the Apartheid state, which attempted to foster divisions amongst the dominated classes along the lines of ethnicity. Miliband argues that when the state is faced with the contradictions and shortcomings of capitalism and the class pressures and social tensions this produces, it begins to assume an evermore pronounced role in the defence of the social order, making for a steady inflation of state power within the framework of a capitalistic democratic

29. Ibid.
order whose democratic features are under permanent threat from the partnership of state and capital. 30

The state moved decisively into the economic and political spheres.

Import controls were intensified, the bank rate was raised, foreign exchange facilities reduced, restrictions placed on the commercial banks' stock exchange dealings and, most important of all, in June 1961 the 'Blocked Rand' system came into being (placing restriction both on the repatriation of capital by non-South African residents and on the remittance of funds abroad by South African residents). The effect of these combined measures was that by the end of 1961 a favourable balance of payments position (of R86m) had been achieved and by February 1962 the foreign exchange and gold reserves had recovered to over R316m. 31

At the same time, the state launched a campaign of sustained repression that resulted in the banning of the ANC and PAC and the effective crushing of

30. Ibid.
Black political resistance by 1963.

Many leading Indian Congress leaders were arrested in this period including NIC President, George Naicker. The leading Indian political figure in the Transvaal, Yusuf Dadoo, left South Africa. Fatima Meer described Indian political activity in 1960 as "comparatively subdued". It was to remain subdued for over a decade.

Despite the success of the dominant classes in crushing the challenge of the dominated classes, there was also a realisation within the dominant classes that in order to maintain white rule an alternative was required which would undermine the growing demands by blacks for equal political participation in a united South Africa. The state thus moved to create bodies to be used to negotiate with the Coloured and Indian population groups, whilst the Bantustans were promoted as a means of appeasing the political aspirations of the African population. 32

It is to an analysis of these developments that we must now turn.

32. I am not wanting to argue that the South African state was on the brink of collapse in the 1950s. The state's ability to defeat the Congress Alliance in a short period was indicative of the strength of the state's repressive apparatus. However, the challenge of the Congress Alliance was strong enough to warrant a re-think of existing policies adopted with respect to the dominated classes.
CHAPTER 3

THE POST-SHARPEVILLE PERIOD: THE EMERGENCE OF THE
SOUTH AFRICAN INDIAN COUNCIL

3.1. INTRODUCTION

In this chapter the transition of the South African state from a defensive position in the 1950s to a state enjoying an economic boom and politically unchallenged by the dominated classes is discussed. The effects of the state's role in structuring the conditions of accumulation are then analysed. It is within this context that the state's policy towards the Indian population in the post-Sharpeville period is looked at.

The rest of the chapter attempts an explanation for the emergence of the SAIC.

3.2. THE RESPONSES OF THE STATE AND THE DOMINANT CLASSES IN THE POST-SHARPEVILLE PERIOD

In the period between 1963 and 1973, the South African economy enjoyed a period of uninterrupted boom. The reasons for the boom were multifaceted, but significant was the state's success-
ful repression of the ANC and PAC. By maintaining wave levels of Black workers at a consistently low level, profit rates rose well above the world average. Thus figures produced by British government sources, for example, show average annual returns on British capital invested in South Africa between 11% and 12% in the period between 1968 and 1971, compared to average returns on British foreign investments throughout the world of between 9% and 10%. 

The immensity of the economic boom was indicated by the fact that whilst the GDP increased by 5.2% between 1957 and 1962, it jumped to 9.3% between 1963 and 1968.


In the 1950s, the South African state obtained nearly 200 million dollars from the World Bank. This was utilised to develop South Africa's infrastructure facilitating more conducive conditions for foreign investment. In the 1960s the aforementioned total was considerably increased and greatly superseded the loans received by any other African countries. Alongside these developments Legassick also illustrates that:

"In the 1960s, with a brief hiatus after the Sharpeville massacre, the inflow of private investment boomed ..." 4

This was typified by the American, Charles Engelhard forming the American-South African company and gaining control of "Corner House" mining company. This served as a catalyst for greater Canadian and American involvement in mining and processing of South African non-gold minerals during the 1960s, often in consortia, involving South African mining houses, the state and other local capital.

The manufacturing industry, relatively labour

intensive in the 1940s and 1950s, started showing increasing signs of becoming more capital intensive in the early 1960s, for example, in motor cars and car accessories, pulp and paper, military hardware and capital goods equipment. This change was a combination of both conscious state policy and investments made during the 1930s and 1950s coming to fruition.

Both the state and bodies like the Industrial Development Corporation (IDC) played a crucial role in bringing together foreign capital, mining capital and local industrial capital into new enterprises. 5

Overcoming previous foreign and local prejudices, Afrikaner capital developed their own financial institutions, for example, Federale Volksbeleggings (FVB). Thus in the late 1950s, increasingly investment was pumped into mining and the manufacturing industry - FVB assumed control of the mining house, General Mining. Legassick writes that this was part of a trend by which local and foreign firms opened their doors for Afrikaner

5. The IDC established in 1940 was the first of a plethora of bodies which employed public funds to finance sectors regarded as key economic policy.
capital and Afrikaner directors, so that in some sectors national capital came to have a dominant position. 6

Thus for example, FEDCHEM, a vast conglomerate in the chemical sector, formed by FVB was based on a take-over of foreign interests (British Petroleum Chemicals, Fisons fertilisers, the Dutch Windmill fertilisers, Hoechst of Germany, Japanese interests) sometimes with continued foreign participation, the reprivatisation of nationalised concerns (Klipfontein Organic Products Synthetic Rubber) and amalgamation of locally capitalised firms (Agricura Laboratory, National Chemical Products, etc.)

In the 1960s

through mergers and take-overs, large numbers of individual companies became absorbed into a smaller number of giant conglomerates. Secondly, this was accompanied by a process of interpenetration of monopoly capital between sectors and across South African/foreign, Afrikaner/non-Afrikaner barriers. 7


Whilst complex issues have only been briefly raised in this section, the crucial point that I wanted to raise was the fact that the South African state was in a strong position economically and the form that its intervention took in the economic sphere strengthened its position politically.\footnote{8} The rest of the chapter will focus on the state's interventions with regard to its relationship to the Indian community.

3.3. **THE STATE AND THE INDIAN POPULATION IN THE POST-SHARPEVILLE PERIOD**

The National Party came to power in 1948 promising segregation and separate development, the halting of African influx to the towns, and the promotion of Afrikaner interests. Separate development required protecting the interests of both the White working class and White traders. The state facilitated the development of monopoly relations in South Africa. A concerted effort was made to integrate Afrikaner firms on favourable terms with the emerging relations of monopoly capital.

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These included handing over "plum" government contracts to Afrikaner firms, transferring the bank accounts of government departments, local authorities and state corporations to Afrikaner financial institutions, and appointing leading Afrikaner businessmen to a range of official boards where they were able to influence administration decisions in ways favourable to their interests. 9

Cognisance was also taken of the material interests of the Afrikaner petit-bourgeoisie. Jobs were created in the state departments whilst increasingly, Whites were promoted into supervisory, technical and clerical positions. Thus Davies has shown that one effect of the restructuring of relations of production in the apartheid period was that the number of Whites described in the census as labourers decreased by 61% while the numbers in the new petit-bourgeoisie increased by 74%. 10

The Group Areas Act was used as a basis for implementation of a comprehensive system of racial zoning with the objective of "protecting" White businesses and residential areas against

"incursions" by other racial groups especially Indian traders. The Act also laid down where new group areas were planned and also made allowance for the future self-government of these areas.

The Group Areas Act forced Indian traders and also professional persons such as accountants and lawyers to establish businesses in their own group areas. This limited their scope for expansion as they were cut off from wider markets. The Indian trader class was adversely affected by the Group Areas Act. Those traders who were disqualified by the Group Areas Act, did not find it worthwhile to invest in maintenance as well as expansion. This meant that they were unable to take maximum advantage of normal economic growth or any special opportunity that might have presented itself. Also there was often a long period which elapsed, before disqualified traders were relocated. Thus of 5078 Indian traders who had been disqualified to the end of 1976, only 1678 (33%) had been relocated.11

The following number of Coloured and Indian people were affected by the Group Areas Act by 1965:

Table No. 1

<table>
<thead>
<tr>
<th>People who are not affected (to remain in their present area)</th>
<th>Percentage of Total Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>People already moved</td>
<td>Coloured</td>
</tr>
<tr>
<td>People in urban areas who are to be moved</td>
<td>31,89</td>
</tr>
<tr>
<td>People in urban areas whose future is uncertain</td>
<td>37,37</td>
</tr>
<tr>
<td>People in rural areas whose future is uncertain</td>
<td>9,16</td>
</tr>
<tr>
<td></td>
<td>6,57</td>
</tr>
</tbody>
</table>

Maasdorp and Pillay (1977) in their fieldwork on the effects of the Group Areas Act on Indians conclude that they encountered considerable bitterness on the part of individuals who have been forced to relocate, and this has been specially true of traders whose livelihood has been affected. The Act has been a sop to white prejudice but it has created a degree of ill-will on the part of Blacks which represented an unquantifiable cost.

Given that the cornerstone of the National Party's strategy towards the Coloured and Indian population was the Group Areas Act of 1950, a major part of the thesis will focus on the SAIC's attempt to counteract the effects of the Group Areas Act.

With regard to the employment structure of the Indian population between 1951 and 1970, agriculture progressively diminished in importance as a source of employment. While manufacturing grew

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steadily in importance, overtaking commerce as the largest industry division, as is indicated by the following table:

**TABLE NO. 2 : THE DISTRIBUTION AMONG INDUSTRY DIVISION OF THE INDIAN POPULATION OF SOUTH AFRICA, 1951-1970**

<table>
<thead>
<tr>
<th>Industry Divisions</th>
<th>1951</th>
<th>1960</th>
<th>1980</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Male</td>
<td>Female</td>
<td>Male</td>
</tr>
<tr>
<td>Agriculture</td>
<td>12 155</td>
<td>773</td>
<td>8 736</td>
</tr>
<tr>
<td>Mining</td>
<td>542</td>
<td>-</td>
<td>466</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>20 487</td>
<td>1 518</td>
<td>29 924</td>
</tr>
<tr>
<td>Construction</td>
<td>2 297</td>
<td>6</td>
<td>1 966</td>
</tr>
<tr>
<td>Electricity</td>
<td>162</td>
<td>-</td>
<td>266</td>
</tr>
<tr>
<td>Commerce</td>
<td>21 956</td>
<td>1 151</td>
<td>25 762</td>
</tr>
<tr>
<td>Transport</td>
<td>2 439</td>
<td>22</td>
<td>3 815</td>
</tr>
<tr>
<td>Services</td>
<td>14 855</td>
<td>2 001</td>
<td>18 743</td>
</tr>
<tr>
<td>Unemployed</td>
<td>12 989</td>
<td>1 128</td>
<td>22 904</td>
</tr>
<tr>
<td>Total economically active</td>
<td>87 882</td>
<td>6 599</td>
<td>122 582</td>
</tr>
<tr>
<td>Not economically active</td>
<td>101 713</td>
<td>170 470</td>
<td>129 055</td>
</tr>
<tr>
<td>Total Population</td>
<td>189 595</td>
<td>177 069</td>
<td>241 637</td>
</tr>
</tbody>
</table>

Arkin, in comparing the industrial employment of Coloureds, Indians and Whites, shows that Indians by 1970 were

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heavily concentrated in manufacturing and commerce. Manufacturing and commerce employed 70% of the Indian labour force compared with 46,2% for Coloureds and 53,3% for Whites. 15

Many had gained technical skills as is indicated by the following table:

TABLE NO. 3: PERSONS ENGAGED IN SOME FORM OF SKILLED OCCUPATION - 1960

<table>
<thead>
<tr>
<th></th>
<th>Whites</th>
<th>Coloureds</th>
<th>Asiatics</th>
<th>Africans</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clerical workers</td>
<td>280,838</td>
<td>3,166</td>
<td>8,199</td>
<td>19,372</td>
</tr>
<tr>
<td>Artisans and semi-skilled workers</td>
<td>259,461</td>
<td>113,515</td>
<td>26,171</td>
<td>23,847</td>
</tr>
</tbody>
</table>

Given the fact that the need for skilled and semi-skilled workers would increase (shortages were already being felt) since the manufacturing industry was showing signs of moving into a period of rapid development, stimulated by increased foreign and mining investment, repatriation would only serve to increase the problem of skill

15. Ibid., 277.
shortage. This factor, combined with the government of independent India's insistence that they would not accept repatriation, meant that the National party's avowed aim of using repatriation as a solution to what they termed "the Indian problem" lacked realism and a new policy had to be formulated. At the same time, it had been graphically illustrated in the 1950s that because of the racially exclusive form the South African state had taken, Black workers' struggles could not be contained within the economic sphere. Struggles over housing, wages, etc., spilled over into the political sphere. Also, the non-racial alliance of the 1950s, struck at the very heart of the ideological discourse of the Apartheid state, which attempted to foster divisions amongst the dominated classes along the lines of ethnicity. A South African Federated Chamber of Industries (FCI) memo 17 to the South African Government clearly illustrated the growing unity amongst the Coloured, Indian and African population groups and pointed out how government policy was aiding this alliance. Two points were emphasised in the memo:

The first was the "solidarity and unity of purpose

today existing between the major political organisations representative of the three non-European racial groups”. This inter-racial co-operation, it is argued, is a comparatively new development. The second, “is the tendency towards communistic sympathies at present revealed by non-European political organisations”. 18

Central to the memo’s analysis was that apartheid was creating unnatural barriers in the advancement of urbanised Africans, Coloureds and Indians, driving these three groups into a dangerous alliance. 19

The state needed to urgently address these problems. In order to achieve this, it needed to ensure class conflict did not emerge into the open and that the demand popularised by the Congress Alliance in the 1950s for equal participation in an undivided South Africa was circumvented. Thus, during the parliamentary discussion on the Bantustan policy in 1961, Verwoerd said:

> This is not what we would have liked to see.
> In the light of the pressure being exerted on South Africa there is however, no doubt that

18. Ibid., 67.
19. Ibid., 67.
eventually this will have to be done, thereby buying for the white man his freedom and the right to retain domination in what is his country. 20

The state, faced with continuing challenges to its hegemony, embarked on a passive revolution to neutralise and channel the threat posed by the dominated classes. The state thus sought to create institutions to "manage" class conflict and divide the dominated classes along the racial and ethnic lines. It is within this context that the establishment of the Bantustan governments, the SAIC and CRC must be understood. Whilst reference will be made to the Bantustan governments and the CRC, the focus of this study is an analysis of the SAIC as a co-optive strategy of the state.

3.4. THE FORMATION OF THE NATIONAL INDIAN COUNCIL

In 1961, the repatriation policy of the National Party was officially dropped. An Asian Affairs Division was set up under the control of the Minister of Interior in February 1961. Mr. J. de Klerk, the Minister of Interior, said the division

will cater for the interests of Asiatics in a broad field. The division must serve as a channel through which the rightful needs of the Asiatic community can be brought to the attention of the Government .... (It) will gradually develop into a separate department.

In August 1961, the Asian Affairs Division became the Department of Indian Affairs with Mr. W.A. Maree as its first minister. The functions of the Department were mainly around dealing with laws regarding immigration, registration and inter-provincial movement.

In a document entitled "Notes on Initial Planning and Modus Operandi" (of the Department of Indian Affairs - addition, A.D.) prepared by a government official J.G.H. van der Merwe it was made clear that while the Department was open for consultation, this had to be done

"within the framework of existing legislation and Government policy ..."
It was also made clear that

"the division will not be available as a channel for attacks against Group Areas legislation" (and apartheid) "must be accepted by all concerned as representing existing Government legislation. 23

Both the South African Indian Congress and South African Indian Organisation (SAIO) criticised the formation of the Department of Indian Affairs. Dr. G.M. Naicker, President of the South African Indian Congress, said they opposed the formation of the Department because:

"The Ministry of Indian Affairs is a logical development under Apartheid .... The ethnic, linguistic and racial divisions continue and for each section there is a separate institution to control thousands of lives, which would not be possible under multiracialism, for there would be one department, non-racial in character, dealing with all internal problems and avoiding financial wastage." 24

23. Ibid., 2.
However, despite its criticisms, the South African Indian Congress, struggling to survive under the tentacles of an increasingly repressive state, failed to mount a serious challenge to the formation of the Department of Indian Affairs or the proposed formation of an Indian Council. When Minister Maree travelled the country to have meetings with "selected" Indian leaders, the small demonstrations, organised by the South African Indian Congress were easily broken up by the Security Branch.25

Mr. A.M. Moola, President of the SAIO, criticised the government for continuing to think and act in terms of sectional interests. To me it seems a pure waste of time and energy to continue planning on these lines.26

The SAIO pleaded with the government that

Instead of creating a separate body, the Government should have recognised us as a channel of consultation with the Indian people.27

In a speech to the Natal Chamber of Industries in November 1963, Minister Maree outlined National Party objectives with regard to Indians:

... to guide the Indian population of the Republic to social, economic and political development in order that they may be enabled to accept in conformity with separate development a steadily increasing say and eventually self-government in those matters peculiar to them, as for instance, education social services, local government etc. 28

Seemingly, in pursuit of the aforementioned objectives, Minister Maree announced on the 24 November 1963, that the government had drawn up a list of 100 people that represented a cross section of the Indian community, who were to be invited to a conference to discuss the government's proposal that a National Indian Council be established which could serve as a mouthpiece for the Indian people, and with which the government could consult on matters affecting Indians. 29

28. Extract of an address by Minister Maree to the Natal Chamber of Industries (21 November 1963).

The 100 Indians invited to the conference were carefully selected by the government. In addition to Minister Maree meeting with selected Indian people, a government official travelled the country in order to have detailed interviews with Indian leaders to ascertain their political views and aspirations. In Durban, the government official was given a list of reliable Indian leaders by the head of the Security Branch. A document detailing the interviews conducted was then forwarded to the government.  

The conference was held on the 10 December 1963, in Laudium, Pretoria. Minister Maree said at the opening of the conference in Laudium that because of "agitation, intimidation and internal strife", democratically elected leaders of the Indian community could scarcely be found. He warned the delegation that

If the required co-operation is withheld it shall not mean that I shall refrain from going ahead with the task entrusted to me. But I shall do as I see fit and nobody will be entitled to accuse me then of taking matters into my own hands without first consulting

The state thus showed it was determined to push through the National Indian Council. It was also prepared to use its repressive apparatus against any form of extra-parliamentary opposition in order to facilitate this. Thus on the day before the conference in Laudium, Security Branch officers confiscated 750 pamphlets which highlighted the plight of Indians in the Transvaal under the Group Areas Act and other legislation. The pamphlets were to be distributed in Pretoria the next day. In another incident, several hundred Indian women from all parts of the Transvaal, after having written to the Prime Minister requesting an interview with him on the day of the conference, arrived at the Union buildings in a number of buses. They were dispersed by policemen using dogs. 32

It was decided at the conference to form a National Indian Council which was to consist entirely of nominated members and was to have purely advisory powers on such matters as:

(1) how to improve educational facilities and how to give Indian educationists improved opportunities for advancement;

(2) how to establish local government for Indians in their own towns or residential areas;

(3) how the council could be developed into an elected body with powers to legislate and administer matters pertaining to the Indian community;

(4) how to give Indians a greater share in industrial development and how to create more employment opportunities, and

(5) the establishment of Indian-run hospitals and the care of the aged and the infirm. 33

The Fiat Lux, a government publication, described the rationale behind the formation of National Indian Council in the following manner:

At the Laudium conference when one hundred Indians were present, the Minister of Indian Affairs explained that for the present such a council would serve a dual purpose. In the first instance it was to be a body with which the Government through the Department of Indian Affairs could consult on matters

33. Ibid., 201.
affecting the Indian community. Secondly, the council was to assist the Department in paving the way for and developing an eventual democratically elected body which in time would control those affairs of the local Indian community which might be delegated to it by Parliament. It was also explained that such a council would constitute the recognised channel through which the Indian community would make representations to the Government.

Dr. M.B. Naidoo, a member of the SAIC between 1969 and 1979 said the formation of the National Indian Council meant that:

For the first time in the history of the Indian people a channel of communication was established. Previously, only with the approval of the Ministers were Indians permitted to interview them when a political crisis arose. They then went virtually hat in hand and suffered the humiliation of being tolerated.

The creation of the National Indian Council (which became the SAIC in 1965) was designed to prevent the re-emergence of the non-racial opposition of the 1950s and also to ensure that Indian political development was structured in a more coherent fashion within the confines of separate development. By allowing the National Indian Council to act as a "mouthpiece" for the Indian people, the state wanted to ensure that the demands of the oppressed were not expressed in opposition to, but through the state (i.e. through the National Indian Council and the CRC). By allowing for the representation of demands/grievances to be made, the state was attempting to limit their revolutionary nature or in the long term, as focal points of mobilisation for extra-parliamentary opposition. Thus the National Indian Council was an attempt at control that emerged within the context of the class struggles of the 1950s and the early 1960s.

On 3 February 1964, Minister Maree announced the names of the members of the first NIC. Of the 21 members nominated, there were 13 businessmen, a medical practitioner, three educationists, two land and estate agents, one trade unionist and a social worker. Among the nominees were some of
South Africa's most wealthy Indians, for example, Mr. H.E. Joosub, who was later to found the first Indian bank, Mr. V. Govender, of Lenasia, who was a hotel and cinema owner, Mr. M. Nulliah, of Pietermaritzburg, a director of a firm of concrete pipe manufacturers and Mr. G.N. Naidoo, of Kimberley, owner of one of the largest icecream factories in the town.

The SAIC did not in any way reflect the class structure of the Indian population, the vast majority of whom were employed as production workers in the manufacturing industry. Given the class complexion of the SAIC, it is not surprising that they were later accused both from within the SAIC and by extra-parliamentary forces of being the mouthpiece of the traders.
4.1. INTRODUCTION:

In this chapter the development of the SAIC is looked at. Emphasis is placed on the issues the SAIC raised and the state's response.

4.2. THE NATIONAL INDIAN COUNCIL BECOMES THE SOUTH AFRICAN INDIAN COUNCIL:

In 1965, acting on the wishes of the members of the National Indian Council, the government renamed it the South African Indian Council.

A look at the issues raised by the SAIC in 1965 and the government's response illustrates that the SAIC could only operate within the confines of separate development. Recommendations made by the Council which were approved, included:

(a) The creation of an Indian Investment Corporation.

(b) The granting of assistance to farmers.
(c) The abolition of fees for inter-provincial visiting permits.

Recommendations that were not accepted included a plan that Indians in Cato Manor, Riverside and Prospect Hill, areas of Durban should not be moved under the Group Areas Act and a request that Indians should be allowed to marry women from overseas and bring them to South Africa.¹

The removal of Indians from Cato Manor and its proclamation as a White group area, created tremendous bitterness within the Indian community. At the time of its proclamation as an Indian group area in 1963, 40 000 Indians lived in Cato Manor. They owned 2 179 acres of land divided among some 3 000 Indian ratepayers. The area was owned and occupied by Indians for over 80 years and the municipal valuation for Indian land and buildings in the area was R4 288 000. Eleven government aided Indian schools valued at R150 000 existed in the area. In addition there were 10 temples, 3 cemeteries, a crematorium, a playing field on an 11 acre ground, a cinema and a sportsfield. All of these facilities except for the sportsfield were sponsored by the community and represented an

investment of several thousand rands. There was in addition over 100 Indian traders in the area. The SAIC was to raise the issue of the return of Cato Manor throughout the sixties and seventies, but to no avail. This was despite the fact that the SAIC was at pains to emphasise that Cato Manor was a natural group area as the following extract prepared by the then National Indian Council indicates:-

"The area abuts other Indian areas ... hence it is a natural Indian area ... The area does not raise any problem of providing buffer strips separating it from other European areas."\(^2\).

In the 1970's and 1980's Cato Manor continued to be raised as an issue both by the SAIC and NIC. Throughout this time it remained unoccupied by Whites, the dilapidated schools and temples, a stark reminder to all generations of Indians of what was once a thriving community.

An issue that consumed a lot of time of the Council was the fight to obtain another municipal area for

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\(^2\) Extract from memorandum by an ad hoc committee of the former National Indian Council during 1964 on the question of Group Areas as it affects Riverside, Cato Manor and Queensburgh, 3.
Indians in Johannesburg in addition to Lenasia. The SAIC pursued this issue from 1965.

Throughout this fight and in fact in all the major issues the SAIC took up, it attempted to win government approval by assuring them that their demands were kept firmly within the ideals of separate development. Thus, when Council member M.D. Coovadia submitted a memorandum on the 7th January 1965 in order to procure favourable consideration for the establishment of an area for Indian ownership and occupation at Diepkloof in the District of Johannesburg, it was done on the following basis:—

It is submitted that Diepkloof will meet all requirements insofar as separate development ideals are concerned, inasmuch as it is part of the large South-Western non-white complex being sufficiently separated by large tracts of land from all other groups in the vicinity, both Bantu, Coloureds and Whites. 3.

The attitude of the SAIC pleased the government as is evidenced by the following remarks made by the Secretary of Planning, Mr. A.J. Van Niekerk, when

3. Annexure "E" in Notice informing members of the Fifth Meeting of the SAIC - Tues./Wed., 18/19 May, 1965.
he addressed the Sixth meeting of the Council held on 19th and 20th August, 1965:

The successful implementation of the policy of separate development is not without its difficulties ... It pleases me, therefore, to learn that the Council has accepted and endorsed the State's policy of separate development and do not hesitate to advise the Indian community to assist in the implementation of the Group Areas Legislation. 4

However, despite the adulation of the Secretary of Planning, the Ministers of Indian Affairs, Planning and Community Development, announced in a joint statement on 6th December, 1966, that a further group area was neither justified, desirable nor necessary and would not be considered. It was stated that more than one group area for Indians in Johannesburg would prevent the establishment of a fully fledged local authority. 5

The Council resolved to continue its fight. However, in March 1967, Council member N. Phillip, submitted a memorandum objecting to the SAIC's

agitation for another area within the limits of Johannesburg on the grounds that:—

as the 'exodus' of the lower income group for Johannesburg accelerated ... the wealthier group began to agitate for another group area for Indians within the city limits of Johannesburg, knowing full well that almost all the 'working class' was firmly housed in Lenasia ... the working class realised that if such an area were to be set aside it would mean that preferential treatment would be given the area ... They realised only too well, that the homes they had so zealously purchased in Lenasia, would become White elephants and that the rich would look down upon them as residents of a stigmatised area. 6

Phillip submitted that the working class who comprised 85% to 90% of Lenasia's population was rendered voiceless as they:—

regarded the National Indian Council as a 'closed shop' organisation for the better placed Indian. All pronouncements made by the

National Indian Council laid emphasis on the 'death' which faced the commercial classes, but not so much on the difficulties of the poor working man. Many 'workers' who sought interviews with some of the members of the National Indian Council were time out of number, disappointed by the reception received. 7

Phillip concluded his memo by stating:-

I know that by taking up the cudgels on behalf of the working man would put me into disfavour with the South African Indian Council, but I also realised that I would not betray the trust placed in me by less fortunate brethren. I make bold to say that there are very few in the Council who really have the true interests of the entire Indians at heart. 8

Phillip was arguing that agitation for a further group area would only serve the interests of the Indian commercial class, as most of the working class had already moved to Lenasia or would not be able to afford properties in the new area.

7. Ibid.
8. Ibid.
Undeterred by Phillip's criticisms, the SAIC appointed an ad-hoc committee on the question of further group areas for Indians in Johannesburg. In their memorandum, the Council assured the government that:

The Council accepts residential separation. In Pretoria and elsewhere, members of the Indian group move out voluntarily without being forced out, simply because the areas proclaimed for them are just and within easy reach of the town, and their places of employment. 9

However, the government did not relent. The failure of the government to agree to an additional group area for the Indian population in Johannesburg indicates that the government had no definite plans for class co-optation in the Indian community. Seen in the light of Phillip's criticisms, this would have been the perfect opportunity for the government to win support amongst the Indian trader class, gain for the SAIC some legitimacy and increase the divides between the better-off sections of the Indian community and the working class. The government was bent on control, which it saw as being achieved through the consolidation of the

Group Areas Act. The latter catered for both economic control (prevention of commercial competition and capital accumulation) and political control (separate political institutions). The Council also vigorously defended the position of the Indian trader, especially those who were given 12 months to move their shops out of the platteland towns. The Council sent a memorandum to the Minister of Indian Affairs, Senator Trollip, in which they argued that Act 23 of 1961 of the Group Areas Act made a distinction between the residential and trading occupations - such that it enabled residences to be removed without the disruption of trade. The Council contended that the Act accepted that the Indian trader had to trade where a market existed to sell his/her goods. It is for this reason, according to the Council that one saw...

the ready co-operation of the Council and the Indian community, in the acceptance of separate residential areas. 10

A deputation of the SAIC then met the Ministers of the Community Development, Indian Affairs and of Planning on the 3rd August, 1967, to discuss the

10. Annexure "D", in Notice informing Council members of the 12th Meeting of the SAIC, Thurs./Fri., 22/23 June 1967.
position of the Indian trader.

At the outset, Councillor H.E. Joosub, assured the Ministers that the SAIC's ... representations should not be seen as opposition to the policy of separate development. The position of the Indian trader was, however, in the forefront of Indian thought today.11

Joosub outlined the plight of the small trader who in addition to being forced to move to an Indian area, was also facing competition from large chainstores.

Joosub suggested that Indian traders should not be asked to leave until a trade potential actually exists in any new area. The suggestion was made that occupation permits at old shops should be extended for a period of five years or even longer in some cases. Generally, Joosub pleaded for a sympathetic approach to the re-settlement of the small trader, some of whom according to Joosub, were on the brink of insolvency.

Another member of the SAIC deputation, Mr. G.N. Naidoo, asked that shopkeepers who had reached an advanced age should be permitted to retain their present premises during their lifetime. This would enable them to see to it that their children were educationally equipped to pursue occupations other than in trade.

In spite of the moderate solution put forward by the SAIC, the government remained intransigent. Senator A.E. Trollip, head of the Ministry of Indian Affairs ...

queried the wisdom of attempting to resettle the small Indian trader when such a person was, as had been said, on the brink of insolvency ...

whilst Minister De Wet of Planning, said:-

It may yet be proved wrong to attempt to re-settle the small Indian trader, whose days, all were agreed, were numbered. Competition from the chainstore organisations would remain the trend in South Africa for at least another five years and would continue for a long time

12. Ibid.
after that ...\textsuperscript{13}

The State thus saw no need to facilitate the development of an Indian petit-bourgeoisie or bourgeoisie.

In October 1970, the SAIC produced a 37 page memorandum entitled the Resettlement of Indian Traders Affected by the Group Areas Act. Councillor A.M. Rajab, who drew up the memorandum, called for a joint Committee to be set up between the Council and the Department of Community Development to oversee group areas removals. Rajab argued that the Group Areas Act should not be used against traders because ...

The Group Areas Act was fundamentally designed to separate the races residentially, in order to remove friction. To this the Indians have no objections. The Act, however, now goes far beyond its original purpose and deprives hundreds of Indian traders of their livelihood on the grounds presumably that their presence creates the possibilities of racial friction.\textsuperscript{14}

\textsuperscript{13} Ibid.
\textsuperscript{14} Memorandum prepared by the SAIC on The Resettlement of Indian Traders Affected by the Group Areas Act, October 1970.
Rajab assured the government that they did not have to worry about racial friction because ...

What appears to be lost sight of by the authorities is that non-Whites are employed in most shops where there is an inter-racial clientele, and one more non-White in the person of the owner cannot conceivably contribute to any greater possibility of racial friction. In the circumstances, the Council would appreciate a more flexible policy being applied by the Government in the removal of Indians trading in such areas.15

Thus the SAIC was prepared to concede that the mixing between races produces racial friction in

15. Ibid.
order to "buy time" for the traders. However, this strategy also failed to produce any tangible results. 16

In addition to showing their agreement with the policy of separate development, the SAIC also attempted to secure concessions by showing their loyalty to the South African state. In 1966 a leading spokesperson on the SAIC, presented a memorandum to the SAIC calling for the provision of Defence Training facilities for Indians on the same basis as that enjoyed by the S.A. Coloured Corps which enjoyed the status of a fully fledged unit of

16. In concluding the memorandum, Rajab warned that the envisaged Joint Committee "must secure the community's co-operation for Government policy by giving visible evidence of its humanity and sympathetic consideration in the implementation of the twin Acts (The Community Development Act and the Group Areas Act - AD) if it is to succeed in discharging the heavy responsibility placed upon it by the Government."

Ultimately it was the inhumane and unsympathetic implementation of the "twin acts" by the government that denied the SAIC gaining any legitimacy, whilst allowing the NIC, the Durban Housing Action Committee and allied organisations to mobilise across class lines within the Indian community and successfully oppose the SAIC.
the South African Defence Force. Among the reasons Rambiritch put forward as necessary for a Defence Corps is that the Indian community's ...

... first loyalty is due to South Africa ... In the event of an outbreak of hostilities (heaven forbid) the Indian must also contribute to the defence of his motherland which is no other country than South Africa. \(^{17}\)

The following year, Councillor Y.S. Chinsamy, submitted a recommendation that there should be a training school cadets in Indian State schools because ...

The Indian community together with the White and Coloured communities wants to share in all the problems and difficulties of the Country ... The whole reason for asking the authorities to institute the 'Training of School Cadets' in high school is merely to get Indian youth to become more responsible, reliable and to be ready to serve his country when called upon to do so at short notice. \(^{18}\)

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The SAIC also made representations for small-holdings for Indian market gardeners. They argued that their request should be acceded to because of the Indian community's loyalty to the country as the following extract passed by the SAIC indicates:

The Indians since their arrival in the country, have proved to be law-abiding hard-working and God-fearing. I urge that they be given every assistance and encouragement. This will not only benefit them as garderners but also benefit the whole Republic. 19

The SAIC did not attempt to oppose the policy of separate development. They attempted to win concessions by working within the confines of separate development. Thus, even when the SAIC raised the issue of inadequate and poor facilities for the Indian travelling public, Councillors A.S. Kajee, Dr. B. Rambiritch, E.M. Moolla, A.G. Khan and Y.S. Chinsamy, in a joint memorandum concluded:

We are of the opinion that parallel services with the white travelling public be accorded to us and in this way justify the policy of

separate development in all walks of life.

Given the orientation of the SAIC it is hardly surprising that the policy of separate development ....

was spelt out with greater explicitness and self-confidence in the 1960s at the same time that the power to implement the requisite measures vastly increased.²¹

Vorster's attempt at a "passive revolution" was limited to ensuring on the one hand that the battle between the forces of petit-bourgeois Afrikaner nationalism and Afrikaner finance capital represented by the Cape National Party did not destroy the party whilst at the same time attempting to utilise the CRC, SAIC and Bantustans to consolidate the policy of separate development thereby dividing the dominated classes along racial lines.

With the defeat of the extra-parliamentary opposition and the economy on a sure footing, the state was under no pressure to make fundamental altera-

²⁰. Annexure "B" in notice informing members of the meeting of the SAIC, Wed./Thurs., 28/29 September, 1966.

tions in its policies. The concept, separate but equal development, remained the dominant ideological discourse. Thus, Vorster emphasised his government's commitment to giving Indians a direct say in the administration of their own affairs.

Under the SAIC Act 31 of 1968, the SAIC became a statutory council

It is difficult to establish why the creation of a statutory council was delayed for four years. But what is clear is that the Council was established on the terms of the state. With effective opposition all but crushed, the time for formative strategy on the part of the state was not yet evident.

4.3. THE FORMATION OF THE FIRST STATUTORY COUNCIL

The SAIC Act of 1968 provided for the creation of a statutory Council of not more than 25 Indian

22. The state had by 1965 eradicated any overt opposition to the SAIC as is evidenced by the following statement by Councillor H.E. Joosub: "I am happy to state that we no longer have to face welcomes with incidents such as demonstrations or placards or other actions of obstructing our way to a meeting". (Minutes, 6th meeting of Council, 19-20 August, 1965).

persons to be appointed by the Minister of Indian Affairs, who would in turn appoint a chairman. The council was enacted to have advisory powers only, serving as a link between the government and the Indian people. It was proposed that a partly-elected Council would be established at the end of the three year period of office.

Mr. A.S. Kajee, a prominent member of the South African Indian Congress in the 1930s was not renominated in 1968, to sit on the SAIC. Mr. Kajee felt the only reason for his axing was his forthright attitude. 24

It seemed that the government was determined not to allow the SAIC to be used as a platform for criticism of its policies. This was precisely the sentiments expressed by Mr. Eric Winchester, United Party MP for Port Natal, who commented that the dropping of Mr. Kajee from the SAIC ....

illustrates only too well the fears expressed in Parliament that by appointing its members the Government would kill any idea of an effective Council. 25

The SAIC unanimously accepted the legislation to form a statutory council. The Council at the same time decided to make representations for improved radio programmes, the reduction of import tariffs on saris, the training of Indians to work in banks and building societies in Indian Group Areas, the appointment of Indian marriage officers, and the recognition of religious unions. At the executive committee meeting in October 1968, the two big issues that were discussed were: a statement by the Minister of Community Development that Indians should be forced out of commerce and into other occupations and a directive from the Department of Bantu Administration that prohibits Indians from employing African domestic servants that "lived in". 26

With the minimum monthly living costs for a family of 7 (the average size of an Indian family) estimated at R73.51 and an estimated 50%-60% of households earning less than this amount it is clear that the interests of the majority of people which the SAIC purported to represent did not lie in whether or not they were able to employ African domestic workers. 27

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In 1968 a leading member of the SAIO, Mr. P.R. Pather, accepted nomination to the Council. He was later followed by Mr. A.M. Moolla, also a leading member of the SAIO.

This was not surprising given the fact the SAIO was formed to continue the politics of "accommodation", the fundamentals of which had already been discussed. Given the fact that the government was determined to form an Indian Council, the SAIO was faced with two options: participation or acting as an extra-parliamentary opposition grouping. Since the politics of "accommodation" was based on the premise of winning concessions and protecting one's interests (the support for the SAIO was limited to the commercial sector) by showing one's loyalty to the government, the option of acting as an extra-parliamentary opposition grouping was not feasible.

There was a realisation in government circles that the leadership of the SAIO was at a loss as to which direction it should move. A government official who met Moolla to ascertain his attitude to the formation of a Department of Indian Affairs wrote that although Moolla initially rejected the

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Department, he agreed to enter into a gentlemen's agreement with the government. He quoted the following words of Moolla:

I am prepared to co-operate in the same way as I have co-operated with the present government since 1948. I shall come to the Division with the grievances of my followers and judge by results. When the Division is established the Organisation will adopt a resolution providing for its recognition under duress. I shall not actively oppose or condemn the Division but you must appreciate that I cannot say so in public.  

Van der Merwe summed up his meeting with Moolla in the following way:

As persoon sal hy nie hou, die Afdeling opponeer nie maar as politieke leier moet hy dit 'doen terwille van sy aanhang. In ieder geval, het ek nou met hom 'n 'gentleman's agreement' bersik waarvolgens 'he will defer
judgment until the Division provides by results what it can do for the Indian'. Dus, wat Moolla betref, is die posisie dat 'he runs with the hares and hunts with the hounds' 30

Thus from as early as 1961 the government was aware of the vacillating position adopted by Moolla and the high probability of the leadership of the SAICO being drawn into government structures.

Despite calls from within the Council for an elected body in 1971, the SAIC remained a wholly nominated body. The Minister of Indian Affairs said the main reason for the delay was that a voters' list could only be compiled and electoral divisions demarcated once the Group Areas had been finalised. 31 Among the 25 nominated members were 3 trade unionists, an attorney, a doctor, 2 land and estate agents, one educationist and 16 businessmen. The chairperson of the council was Mr. H.E. Joosub, and chairperson of the executive committee, Mr. A.M. Rajab were among the wealthiest Indians in

30. Ibid.
31. Just as the Land Acts were to supply the geographical basis for differential incorporation of Africans, so the group areas were to supply the physical basis for Indian "self-government".
the country. In October 1971, Mr. Rajab cited the following as the major achievements gained by negotiation.

* the reprieve of Grey Street (in 1969 the government agreed that Grey Street could remain a business area but residents had to move out);

* the stay of effect, for negotiations of mass evictions warnings in Warwick Avenue;

* negotiations on a better deal for Indian traders compelled to leave white area;

* Indians could become qualified accountants. 32

The majority of "achievements" cited by Rajab as being gained through negotiation between 1968 and 1971, centered around trying to ease the burdens created by the Group Areas Act and indicates that no real gains were made for the majority of Indians in alleviating more pressing problems such as the

provisions of housing. 33

In 1971 the three year term of office of the first statutory council came to an end.

4.4. THE SECOND STATUTORY COUNCIL

The first meeting of the second statutory council took place in October 1971. The Minister of Indian Affairs, F.W. Waring, was present. The chair of the SAIC in welcoming the Minister assured him that the Council had "learned" to work within the confines of separate development.

33. On 2 February 1971, the Minister of Community Development said the number of Indians who needed housing at the end of 1970 and who qualified for assistance from the National Housing Fund were as follows:

<table>
<thead>
<tr>
<th>CAPE</th>
<th>TRANSVAAL</th>
<th>NATAL</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>120</td>
<td>1360</td>
<td>8880</td>
<td>11360</td>
</tr>
</tbody>
</table>

The actual housing shortage was probably greater. The Minister did not clarify whether the statistics included people to be moved in terms of Group Areas proclamations. The problem was compounded by the Minister's admission that no houses were made available for occupation by local authorities in the Cape in 1970 and only 1477 dwellings were made available in Natal.

The Council has without any doubt made progress during those years (reference to the three year term of the first statutory council - AD) .... We have gradually discovered the best methods of making representations. In doing so, the Council has at all times strictly conformed to government policy. 34

Joosub went on to tell the Minister that the Indian community's ....

.... main problems, which are not yet solved satisfactorily are matters such as amenities in Indian Group Areas, the need for additional agricultural land, the resettlement of Indian traders and the bridging of the gap between White salaries and salaries of Indian professional men and women. These matters that are causing considerable concern in the rank and file of the Indian community, and I wish to appeal to you to see to it that these things are righted as soon as possible. 35

Joosub's priorities were surprising considering

34. Annexeure "B"-p1, SAIC Minutes, 1st meeting of 2nd Statutory Council-14/15 October, 1971.

35. Ibid.
that Ellision and Pillay's study showed that between 50% and 60% of Durban's Indian households — more than 120 000 people, were living below the poverty datum line. The survey, which covered 835 households, found that the average income of the sample was R106,89 per month and the average per capita monthly income was R15,73. 36

When Minister Waring spoke to the Council he assured the SAIC that the government was not interested in appointing "yes men". However, in his speech, he went on to say that all that is required of prospective SAIC candidates ....

is to acknowledge the fact that the Government has a policy of separate development which has its cornerstone the desire for peaceful co-existence of all the various nations or racial groups in the country; that the South African Indian Council is part and parcel of that policy and that he is prepared to work within the broad framework of that policy for the welfare of his people. Nothing more. 37


37. Annexure "C", 4; 1st meeting, 2nd statutory council.
Waring made reference to the establishment of a political party to oppose the SAIC - an obvious reference to the plans to revive NIC. Referring to press reports the NIC would consider putting up candidates if the SAIC was an elected body, he warned NIC that they must accept the fact...

that the SAIC is part and parcel of the constitutional machinery envisaged by the Government's policy of separate development and as such is the instrument which is to be used for promoting the development of the Indian community on the road towards ever greater participation in the government of that country. The very act of participation would imply the acceptance of this body for what it is, and not for the purpose of creating confrontation with the Government on this fundamental policy. 38

Thus, from the outset NIC was forced to work outside government structures even if it believed in negotiation as a strategy to fight apartheid. As Waring warned, if NIC...

envisioned using the council as an instrument

38. Ibid.
for overthrowing this policy of separate development .... Such a course of action would obviously be futile and abortive ... 39

Participation in the SAIC meant the acceptance of separate development as a non-negotiable and more importantly, members would be forced in helping make it work. 40

The chairperson of the Executive Committee, Mr. A.M. Rajab, welcomed the Minister's remarks as he made it quite clear in the presence of the press ... that the Council was not a political body in the party political sense but a body promoted to create the interests and welfare of the Indian community within the framework of the

39. Ibid., 5.
40. The government forced all groups who opposed separate development into a confrontationist stance, even if the groups believed in peaceful negotiation. It was the government's emphasis on control that was to create the necessary conditions for the development of the UDF, which was able to transcend racial divides and unite the dominated classes in their opposition to government - created structures whilst at the same time proving attractive to the black petit-bourgeoisie.
Government's policy. 41

Thus Rajab felt that attacks on Council members by the Indian community were unwarranted as the Minister had made it clear that the Council was purely an advisory body which had no powers ... 42

In the 1972 Council meetings, the Council members were mostly pre-occupied with identifying new group areas for Indian residence and trading. The Council also approved certain amendments to the Seashore and Reservation of Separate Amenities Act which were to be raised in the 1972 parliamentary session and which resulted in beaches being specifically zoned for Indians. 43

Late in 1972, the SAIC protested against a Local Transportation Board's decision to ban Indian bus-operators from operating in Chatsworth thus forcing commuters to use the train service. The SAIC realised that if it could protect the

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41. Annexure "C", 4-5, 1st meeting, 2nd Statutory Council.
42. Ibid., 4.
bus-operators it would enhance their credibility. Rajab pleaded that the government step in, for otherwise ....

The Indian Council would never be able to take the people along with it if there was such a flagrant disregard for the public's wishes and convenience by a Government Department. 44

Rajab also warned that ....

Anti-government forces would seize on this opportunity and make capital. They might succeed in winning over the support of a large section of people .... It must be obvious that these people must be prevented from undermining the confidence of the Indian public in the Government. 45

The government denied the SAIC any victory by not stepping in and thus forcing the bus operators to take the matter to the Supreme Court.

The state was intent on consolidating its policy

44. 4th Council meeting, 2nd Statutory Council, 24/25 October, 1972, Annexure "d" 1.
45. Ibid., 1/2.
of separate development. Inevitably the SAIC became a tool to achieve these ends. The SAIC felt on the other hand that by working within the confines of separate development and showing their support for the government by participating in, for example, the Republic Day celebrations, they would be able to circumvent the barriers to capital accumulation that had been placed in the path of the Indian petit-bourgeoisie. However, what the SAIC was to find that in its pursuit of the policy of separate development, the state was prepared to curtail the development and expansion of an Indian petit-bourgeoisie.

The SAIC was able to win some concessions from the state, for example, the restrictions on inter-provincial travel by Indians was relaxed (Indians had to apply for a permit to travel to other provinces) and after a long fight by the Council, Indians in the Transvaal were allowed to "employ Bantu domestic servants".

The Council was also successful in its fight to establish an Indian military unit. The Council invited Rear-Admiral S.C. Bierman, Captain T.N. Shenfield and Commander M.H. Steyn on the 19 June

1974, to address the Council on the latest developments in regard to the establishment of the Indian military unit.

Admiral Bierman told the Council that it was the intention to establish a Special Service Battalion where volunteers would receive a year's training and where an Indian corps would be part of the Defence Force. Both units were to operate under the control of the Navy.

The Admiral assured members that the units would be run, trained and equipped to such a high degree of efficiency that the Indian community would be proud of them. 47

There was later to be disagreement within the Council on the question of conscription. A motion proposing that Indians be included in the country's armed forces with Whites, only if Indians were granted full citizenship was defeated by 15 votes to 8. The Council in turn, passed a motion calling on the Government to establish an Indian military corps on a voluntary basis with parity and equality in service. Council member Y.S. Chinsamy supported the Council decision on

47. Final meeting - 2nd Statutory Council, 18, 19, 20 June 1974, 10.
the basis that all South Africans should defend the country if it was invaded, no matter if the people enjoyed full citizenship rights or not:

I will urge my people to fight for the country in times of invasion because I know no other country we can run for. 48

The chairperson of the SAIC in 1972, Mr. H.E. Joosub, in an article, *The Future of the Indian Community*, argued that people agreed to accept nomination for the SAIC because ....

the political choice for us was a simple one - to be dominated by Whites or the Bantu. The argument that the rights of minorities could be safeguarded by entrenchments in the constitution did not sound very convincing. The

48. *Daily News* - 20 February 1976: In 1975, a number of Council members visited the base of the Indian service Battalion. The members were ecstatic about the "progress" made by the Indian recruits:

"Mr. Perumal said he was so favourably impressed that he would have joined the battalion if he were a younger man". The Council "expressed the hope that more young men would avail themselves of the opportunity being provided". SAIC Minutes, 4th meeting, 3rd Statutory Council, 5,6,7 November 1975, 42-43.
states of Africa, including South Africa, have not proved to be fertile soil for constitutional entrenchment, nor could we disregard the lot of Indians in some African states - a lot far worse than our own. Apart from that we had to consider the several bloody riots in Natal in 1949 and in 1959, when large numbers of Indians were killed in Bantu fury. For those and other reasons we are not impressed by arguments used by expatriate Indian organisations that we are stooges and that we should not in any way co-operate with the government. 49

In the same article Joosub said that although the political situation of the Indian South Africans will for the foreseeable future leave much to be desired but:

in the case of the Bantu the government's policy of separate development has some basis, in the sense that there are Bantu homelands where in terms of that policy the various Bantu races will develop towards complete political independence. 50

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50. Ibid., 425.
Thus Joosub saw no problems with the State's policy of separate development. Joosub pleaded that...

the world must realise that apartheid is not always bad, however, much the word may be used as a term of abuse against South Africa. 51

Although Joosub was happy with the progress of the SAIC "in bringing many improvements in the situation of Indians in South Africa" 52 there was an increasing feeling within the SAIC that unless they were an elected body with substantial power, they would lose total credibility in the community. 53

The SAIC made no gains in this period on the question of the implementation of the Group Areas Act or the provision of housing, although it raised these issues. By the end of 1971, 38,561 Indians were disqualified from remaining in their

51. Ibid., 431.
52. Ibid.
53. In 1972, the government passed the SAIC Amendment Act which increased the total number of members to 30, 5 of them were to be elected. The Executive Committee was delegated a certain amount of power to administer matters concerning education and community welfare.
previous homes, as a result of the Group Areas Act. 54 Housing shortages were so acute in Durban that whole families were occupying one room or living in the bush in the Clairwood area, whilst one thousand people were occupying a transit camp at Merebank. 55

Although critical of the effect the Group Areas Act had on traders, Joosub lauded residential segregation.

The fact is that is how we want it ... Our customs and religion differ from those of other racial groups, and we prefer to live with our own kind. We would, for example, not want our children to attend school with children of other racial groups, nor would we want our young people to belong to White or Black groups and acquire their ways of life or adopt their habits. 56

The last meeting of the second Statutory Council was held on 18, 19 and 20 June 1974.

If one looks at the issues raised in the first half of 1974, one sees that the issues raised were not designed to create a "crisis" but rather shows the SAIC's attempts to "manage" contradictions that arose as a result of the Group Areas Act and Separate Amenities Act. Thus issues raised included the provision of amenities for example, school accommodation in Indian areas and the need for trading and industrial sites especially in Chatsworth, the desirability of review of income levels for economic and sub-economic housing, and the basis for subsidies payable in respect of school (boarding fees and transport cases).

The third Statutory Council was to consist of thirty members, half of them elected members and half of the nominated. The elected members were to be chosen by representatives on Indian local authorities, local affairs committees, management committees and consultative committees. By introducing this measure the State could control the elections, for only 111 voters would be eligible to vote out of a population of 600 000 and it also circumvented any moves by anti-SAIC forces to mobilise the Indian community against the SAIC and thus present a direct challenge to the State and

its institutions.

Four members were elected by the Council to form the executive committee and one was appointed by the Minister, who was to act as chairman of the executive. The Council as a whole was under a chairman elected by members of the council and was distinct from the chairman of the executive. 58

Also, in terms of the proclamation, legislative and executive powers were to be gradually delegated to the Council in respect of matters previously dealt with by the Minister of Indian Affairs (but no matters dealt with by the Minister in conjunction with other Cabinet Ministers). Such matters included education and community welfare. Substantial salary increases were received by SAIC members, as indicated in the following table:

<table>
<thead>
<tr>
<th>Province</th>
<th>Elected</th>
<th>Nominated</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cape Province</td>
<td>1</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Transvaal</td>
<td>4</td>
<td>4</td>
<td>8</td>
</tr>
<tr>
<td>Natal</td>
<td>10</td>
<td>8</td>
<td>18</td>
</tr>
<tr>
<td>TOTAL</td>
<td>15</td>
<td>15</td>
<td>30</td>
</tr>
</tbody>
</table>

58. Provincial representation was to be as follows:
In addition on the 6th November, 1974, the SAIC Pensions Act came into operation which made provision for a healthy pension scheme for Council members.

Mr. J. N. Reddy, a wealthy businessman and managing director of the Indian owned New Republic Bank was appointed by the Minister of Indian Affairs, Mr. Heunis, as executive chairperson of the SAIC.

4.5. THE THIRD STATUTORY COUNCIL

The first meeting of the third Statutory Council was held on 26, 27 and 28 November 1974. The session was opened by the Prime Minister, Mr. B.J. Vorster. In his speech Vorster mentioned .... how important the SAIC was as means of diluting the confrontationist stance that dominated Indian politics in the 1950's.

Prior to the existence of the Council the Indian
community was virtually unrepresented in the Council of the land. There was no official channel of communication with the government, and the community was therefore forced to adopt less favourable methods to bring their aspirations, their special needs and yes, their frustrations and their complaints to the attention of authority. During this period the lack of a means of communication must have left the community with the idea that the Indians of South Africa were a forgotten people, that they lived in South Africa but were not part of South Africa and this led to misunderstanding. The establishment of a Department of Indian Affairs in 1961, however, saw an end to this era of uncertainty. The creation of the Department was followed closely by the creation of the South African Indian Council to act as a channel of communication between the government and the community. 60

Vorster also made reference to the achievements of the SAIC:

The fruits of co-operation and dialogue through the means of the South African Indian Council are many and varied. To mention but a few, there is the

60. Annexure "E", 4 - first meeting of third Statutory Council, 26,27,28 November,
easing of travelling restrictions, the repeal of the Asiatic Registration laws in the Transvaal; the extension of educational certificates which entitle holders to live in other provinces for an indefinite period; the participation in local affairs through membership of Local Affairs Committees and other such bodies; military training and the ever-increasing opportunities to progress in the various branches of the public service and other professions. 61

Vorster also warned that only a policy of consultation (read cap-in-hand attitude) would be tolerated by the government as ...

the policy of confrontation so often propagated by certain organisations cannot achieve any real (end) at all. It results in a lack of sympathetic understanding on the part of the authority which in turn leads to frustration on the part of the community. It is in fact a road the leads nowhere - a cul de sac. 62

Vorster made it clear that nominated SAIC members were carefully screened.

61. Ibid.
62. Ibid., 9.
"They (SAIC) were selected because of their status in the community ... and above all for their willingness, sometimes in the face of public opposition, to serve their people within the broad framework of government policy, [emphasis - AD] and to co-operate with the authority whose responsibility was, and still, is to make South Africa a happy land for all its people. 63

When Mr. J.N. Reddy addressed the Council in the presence of the Prime Minister he raised the following three issues that he felt the government had to attend to: Indians must be allowed to serve on Statutory Bodies, traders displaced by the Group Areas Act must be resettled, and that Cato Manor must be returned to the Indian community. 64

He assured the Prime Minister that the Indian community was fully supportive of the government:

The fact that our men are joining the Defence Forces; that our policemen are on the borders is testimony to our loyalty and sincerity. 65

64. First meeting - 3rd Statutory Council 26, 27, 28 November 1974 - Annexure "F".
65. Ibid., 5.
The formation of the Third Statutory Council saw the arrival of younger, seemingly more militant people like Messrs. B. Dookie, A. Rajbansi and S. Abram-Mayet to serve on the SAIC.

They immediately swung into action when Mr. S. Abram-Mayet passed a motion, seconded by Mr. A. Rajbansi that all Group Areas legislation should be repealed. After lengthy discussion, the Council elected a eleven person committee to motivate a case for the repeal of the Group Areas Act. Seven years later the SAIC was still passing similar resolutions. Ironically, whilst the SAIC was calling for the repeal of the Group Areas Act it was constantly indentifying new Group Areas for Indians and "smoothing over" the effects of the Act.

The government was able to effectively use the SAIC as an instrument to implement its separate development programme.

Although the more outspoken members of the Council, like Rajbansi, eventually began "to work the system" by sheer virtue of the fact that the structure of the SAIC and the way it related to the government ensured that demands were taken up in a
particular way, it was firstly within the Council that they were to meet with resistance. Thus, when Rajbansi criticised Vorster's speech to the Council made in November 1974, when Vorster said that government policy was based on multi-nationalism and instead proposed a resolution stating that the SAIC stood for a multi-racial state, this was not supported, on the basis that Rajbansi had read too much into the speech. In all probability the SAIC was not prepared to move away from its policy of attempting to win concessions by emphasising its loyalty to the government rather than by criticising it. It was this strategy that was to haunt the SAIC, for when it did challenge the government, being alienated from the community, it was not able to mobilise them to confront the government and was thus forced to back-down and revert to winning concessions on the basis of its loyalty to the government.

Although the SAIC took the stance that it was opposed to the Group Areas Act, it was always on the lookout to define Indian group areas and was not averse to petitioning the government to deny access to land earmarked for the Coloured and African dominated classes. The council fought for a portion of Newlands-East which was to become a Coloured group area to remain an Indian area.
Whilst it may be argued that this stance was justified it is important to note that the Council made ... a strong plea that Indians living in substantial homes should not be disturbed. 66

The Council also protested about a portion of Malakazi near Isipingo being given to the African population.

The SAIC did not fight for these areas to remain "mixed" which they were to a large extent. By demanding that they were to be served for the exclusive use of Indians they played into hands of the government's divide and rule policy. Whilst the SAIC in all probability could not have succeeded in its demand, it would have diluted the racial overtones of its stance and showed that the SAIC was not a willing partner in the government's separate development policy. However, perhaps the greatest indictment of the SAIC's opposition to the Group Areas Act was its approval of Indians sitting on the Group Areas Board which came about in 1976.

At times, as if almost aware of their own weak position, the SAIC did not fight evictions under the Group Areas Act but opted to make "deals" with the government. For example, in Pageview, the government wanted Indian traders to move by the 30 June 1976. The SAIC fought for the period of occupation to be extended to 31 January 1977. In the resolution that was eventually passed by the SAIC, no mention was made of their opposition to the evictions in principle. 67

At the fifth meeting of the third statutory council, the issue of the lack of university education facilities for Indians in the Transvaal was raised. The SAIC did not demand that facilities at the University of Witwatersrand should be opened to all race groups but asked for a branch of the University of Durban-Westville to be opened in the Transvaal. If one looks at the resolution passed one sees how the SAIC was prepared to passively accept the policy of separate development - point two of the resolution read:-

That in keeping with declared Government policy, permits be granted to Indian students to take admission offered to them by other

67 Minutes, 5th meeting, 3rd Statutory Council, 17,18,19,20 February, 1976, 7.
universities on asking, provided the courses desired to be taken by them are not offered by the University of Durban-Westville. Permits should also be granted to such applicants on asking for health and other goods reasons. 68

More importantly, the last point in the resolution indicates that the SAIC was prepared to administer the above policy:

"Council is of the opinion that the power to issue such permits presently vested with the Minister should be delegated to the Chairman of the Executive Committee, to be exercised by him under certain guiding principles laid down by the Minister." 69 (emphasis - A.D.)

The SAIC discussed the Soweto uprising and the general unrest situation that pertained in the country at the time. Speaking on the unrest the Chairman of the Executive Committee, Mr. J.N. Reddy, said ...

"I strongly believed that there was a great need to foster good race relations by practical means, e.g. the creation of job opportu-"
nities for the Bantu by all, including Indian enterprises to help the Bantu people economically. He appealed to some American visitors who were present in the public gallery to convey to the authorities in the USA that the Bantu in South Africa were just as deserving of overseas financial assistance as the Africans in other African States. 70

Mr. J.N. Reddy of course forgot to address the question of political rights. Despite this, the Council did pass a seemingly progressive motion.

In view of the unrest in the country and the subsequent wave of detentions, we call upon the Executive Committee as a matter of utmost urgency to immediately convey this Council's deep concern to the Prime Minister in this regard, and to call upon the Prime Minister to summon a National Convention of all race groups in the country. 71

However, the call in itself did not mean much as the SAIC failed to give content to its call for a National Convention. At the most basic level, they

70. SAIC minutes, 7th meeting, 3rd Statutory Council, 25 August, 1976, 7.
71. Ibid., 7.
did not link this call to the release of political prisoners and the unbanning of the ANC and PAC.

SAIC members received further pay increases, adjusted, as from 1 July 1976. The Chairman of the Executive Committee (EXCO) was to receive R9 625 (R2 750 tax free), Members of EXCO R7 920 (R2 200 tax free), the Chairman of Council R5 857,50 (R2 007,50 tax free) and the Members of Council R4 482,50 (R2 007,50 tax free). 72

Early in 1975, reacting to its growing alienation from the community and even from the supposedly readily co-optable petit-bourgeoisie, members pushed for a revamping of the SAIC when it met the Prime Minister. Among the Council's proposals were ...

... a timetable for full elections, an increase in the numbers to 45, the delegation of executive functions leading to full control over such services, legislative powers and the subsequent raising of the executive committee to the status of a cabinet. 73

The Minister of Indian Affairs said that he was

72. Ibid., 6.
73. Postlethwayt, (1982), op. cit., 64.
only prepared to allow a body consisting of thirty elected and ten nominated members. Although Council member Abram-Mayet said he was not prepared to accept a partly-elected council most of the other members felt that the Council should accept the Minister's proposal. Council member Carrim ...

stated that whilst the Council had expressed itself strongly in favour of a fully elected body it had not adopted an all-or-nothing approach. In his opinion the Council, as proposed by the Minister could still play an important role in the life of the Indian community. One should also be prepared to accept the process of evolution. 74

In its resolution, the Council asked the Minister to reconsider his decision whilst assuring the Minister that if he could not comply with their request they would accept his proposals.

The above incident indicates how the SAIC was forced to operate. Even if they disagreed with a government proposal they were forced to capitulate. The alternative of resigning from the SAIC and joining organisations that worked outside govern-

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74. SAIC minutes, 4th meeting, 3rd Statutory Council, 5-7 November, 1975.
ment structures meant that they would have to give up the opportunity to protect and enhance their own immediate material interests which realistically given the undeveloped nature of progressive organisations and their concern with overtly political demands at the time, involved a working relationship with the government.

Vorster in 1976, brought into action the Inter-Cabinet Council (ICC). Mr. S.J.M. Steyn, the Minister of Indian Affairs, explained the rationale behind the ICC:

We believe that the separate identities of our peoples are so important that the whole philosophy of the Western world, of international politics is based on the concept of self-determination. The policy of this Government is based on the concept of self-determination of communities ... We on this side of the house feel that the classic Westminster parliamentary constitution does not contain the final answer for the problems of South Africa. We in South Africa have to devise new, amended and adapted methods of Government, methods of democracy, in order to solve our multinational problems. 75

75. Fiat Lux, November, 1976.
The ICC was to compromise members of the SAIC, CRC and White ministers. It was to be merely a consultative body and had no decision-making powers. The decision to establish the ICC was probably a response to the demands of both the Natal Indian Congress and the SAIC for a fully elected council. The ICC represented an attempt by the State to neutralise and channel popular initiative in an extremely partial attempt...

to satisfy some of the latter's demand by small doses legally in a reformist manner. 76

Mr. Abram-Mayet opposed participation in the Cabinet Council, calling it a "delaying tactic". adding that the Cabinet Council would not bring any beneficial results as the SAIC had achieved very little over the past 12 years despite numerous representations to the government. 77

The SAIC however, decided by twenty-one votes to four to give the ICC a year's trial. Mr. Rajbansi who voted against participation in the ICC resigned from the Executive Committee but remained a member

77. SAIC minutes, sixth meeting, Third Statutory Council, 15-18 June 1976, 11,12.
Dr. M.B. Naidoo, a member of the SAIC, outlined the following reasons for participation in the ICC:-

The Inter-Cabinet Council at this stage is the next step in the evolution of the SAIC, and non-acceptance of this reality is inconsistent with participation in the council. Indian politics just now calls for pragmatism, for involvement in new deals and an eagerness to accept every concession aimed at upgrading the Indian community by raising their standards of living and advancing and fulfilling their educational aspirations. (emphasis - A.D.).

When the time arrives for a common society in South Africa, the Indian will have equipped himself for his rightful role. It is important that we do not put the clock back for ideological reasons. In the framework of the present political limitations, it becomes imperative to pay heed to the advice, 'stoop to conquer'. In the history of mankind races have survived not by confronting superior forces, which could have led to annihilation, but by wise and patient compromise that assured their survival. The Parsees of India and the Jewish people are examples of the
tolerance, hope and determination in the will to live. 78

Naidoo has been quoted at length because his justification for the SAIC's participation in the ICC reveals the close relationship between the politics practised by "accommodationists" in the 1930s and 1940s and the SAIC in the 1970s. The five members who opposed the decision formed the Reform Party under the leadership of Mr. Y.S. Chinsamy.

At its first meeting, Chinsamy outlined the Party's priority as being ...

to get outspoken people elected to the Indian Council, and use the Council as a community platform from which the grievances of the people of South Africa could be aired. 79

79. In January 1978 the Reform Party joined the Coloured Labour Party and Inkatha to form the Black Alliance. At the launch of the interim committee on 11 January 1978, Mr. Chinsamy said the alliance would heal the rift between Africans and Indians. The common characteristic of all 3 groups was their participation in government created institutions as a platform from which to oppose apartheid and to prevent key positions being filled by government stooges. Survey of Race Relations, S.A.I.R.R., Johannesburg (1977), 7.
The ICC was to operate on a consensus basis. However, it had no legal status and was in fact no more than a goodwill arrangement. The Labour Party's decision not to participate meant that the ICC lacked credibility and in 1977 it was made redundant by the new constitutional proposals.

In terms of this plan, the White, Coloured and Indian communities were to have their own parliament. Each parliament would legislate on matters pertaining exclusively to the groups concerned, for example, housing and education. Matters of mutual concern would be dealt with by a Council of Cabinets on which all three groups would be represented. Legislation would be adopted by consensus wherever possible. Ultimate power would be vested in an elected Executive State President. The principle of proportional representation, using the ratio 4:2:1, would be applied in regard to the membership of all new bodies created. (The ratio was to be based on current population figures). Africans would be excluded from the constitutional bodies.

This plan also provided for the establishment of a President's Council. This would be an advisory,

non-parliamentary body consisting of 55 members. (20 elected by the White parliament, 10 by the Coloured parliament and 5 by the Indian parliament). The remaining 20 would be appointed by the State President on the basis of their special qualifications in various fields.

One of the major objections to the proposals was its lack of clarity. Mr. Joe Carrim, an executive member of the SAIC, said the proposals were rejected because they were vague in their implications:

> At this stage we have had several interpretations of the new plan by different Cabinet Ministers, and this is completely unacceptable to us. 81

The proposals were referred to the Schlebusch Commission for further consideration.

The fact that the ruling class was unable to unambiguously and decisively put forward a new dispensation, reflected the "inability of the dominant class to hit upon a consistent and co-ordinated response" to the contradictions which

faced them. 82 The fact that the "verligtes" and "verkramptes" were involved in a struggle for hegemony within the National Party added to the problems of the State constructing a passive revolution that could effectively neutralise the aspirations of the dominated classes.

During this period the SAIC continually called for a fully elected body. In 1978, the SAIC Amendment Act was passed which provided for a new elected council. Forty members were to be directly elected; three members were to be appointed by the leader of the majority party in the council, if the number of elected members of the Council who were members of that party was 34 or more. However, if the party had less than 34 members on the council, two members would be appointed by the State President on the advice of the leader of the majority party. 83

Mr. I.F.H. Mayet, a member of the SAIC pointed out that the amendment to the SAIC brought with it no extra powers.

It is strictly still a recommending body; a

body to consult with the Government and the Indian community. This is a statutory body that has now been extended, and the 40 members that have now been given the opportunity to be elected by the people, is a result of a plea from the Council which has now been accepted by the Government ... anybody who goes for this Council election is going for the similar platform that we are presently enjoying. 84

However, by the deadline of June 1977, only 62 000 out of a total of 360 000 voters had registered (about 17%). By the second deadline in September, 63% had registered. In a blatant move to force people to register, a R50 fine was imposed. By June 1978, 71% of eligible Indian voters had registered for the SAIC elections. 85

When the SAIC met in July 1978, much time was spent discussing a new political dispensation. It was argued that the SAIC must come up with its own constitutional proposals that will find a median ...
majority, some alternatives that may be acceptable on an evolutionary basis. 86

The SAIC also moved to curtail the activities of the Teachers Association of South Africa (TASA) which was extremely critical of the SAIC. It passed a resolution forcing TASA to go through the Executive Committee of SAIC before approaching the Division of Education. The following was the text of the resolution:

That any representation to be by the Teachers' Association of South Africa or any similar organisation to the Division of Education of the Department of Indian Affairs in respect of all the powers (including those held by the Director through redelegation) delegated to the Executive Committee by the Minister of Indian Affairs in Government Notice R7 dated 2/1/76 shall be made through the Executive Committee with immediate effect. 87

In 1977 the Indian Industrial Development Corporation (IIDC) was launched with in the words of J.N. Reddy, the chair of EXCO ...

87. Ibid., 189.
the idea of helping businessman to move forward in the field of industry. 88

What the SAIC found however, that with the criteria that had to be met, it was only the established and proven business people that were eligible for help. In the 1978 session of the SAIC, a member, A. Rajbansi, called for the IIDC to help stabilise and encourage the middle class because...

there is a very strong emergence of a middle class and this middle class needs assistance. 89

There was increasing criticism that the SAIC was only concerned with the plight of traders. Council member, Dr. I.A. Kajee, defended the Council's preoccupation with the plight of traders because it was the traders that had historically led the fight against discriminatory legislation and further he argued that he was only able to come a doctor...

through the energy and initiative of the traders; it is the backbone of any country. 90

88. Ibid., 102.
89. Ibid., 105.
90. Ibid., 221, 222.
Mr. J.A. Carrim, a member of the SAIC Executive admitted that what ...

takes a lot of time as far as the Executive Committee is concerned, is the question of the opening up of the central business districts in various towns and cities and the resettlement of traders and building of complexes. 91

Carrim said that the SAIC Executive had in fact requested a special meeting with the Prime Minister on the trader issue because ...

our participation in commerce and industry is such an important issue and takes so much of our time and dissipates so much of the energy of the Council - that we would like this to be discussed as a separate item with the Prime Minister. 92

Despite Carrim's protestations, the vast majority of the Indian population were actually employed as production workers and craftsmen. The latter's interests were largely ignored by the Council, a tendency that Council member N. Phillip noted as early as 1967. A leading member of the Natal Indian

91. Ibid., 194.
92. Ibid., 195.
Congress was to make a similar criticism of the SAIC in an interview in a local newspaper as early as 1971:

"the Indian Council are interested only in such things as the establishment of banks, insurance companies, and the so-called Indian border industries for industrialists receiving government aid. The Council does not appear to be interested in issues such as housing, increased wages, better transport and better jobs. Nor the protection of civil liberties and the improvement of the political, economic and social status of all the people of our country." 93

During the SAIC session many members expressed their bitterness at not having won any concessions from the government. Council member Mr. Abram-Mayet, bemoaned the fact that ...

no matter how much you try to co-operate with this Government, as long as your skin is not white you are going to make no headway and no progress whatsoever. 94

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Finally the conflict between the SAIC and the government burst into the open. The issue that sparked it off was the decision of the government to move Indian traders in Pietersburg out of the city centre. Mr. Mayet moved the following resolution:

(i) That the Council, having heard the written and oral reports submitted by the Chairman and Members of the Executive Committee, resolves that it is with deep regret that the Government has been so far unable to resolve the question of the removal of Indian traders to the satisfaction of the Council and the Indian community; and

(ii) That Council adjourns until such time as this matter is reasonably resolved together with other matters raised by the Council from time to time. 95

From the wording of the resolution, the emphasis on the plight of traders can be discerned.

Mr. Carrim in supporting the resolution agreed with

95. Ibid., 208.
suggestions that the reason for the adjournment of the Council was sparked off by the plight of the traders:

I will concede that the trader issue is the lifeblood of the community. I will concede that 80% of my time in the Transvaal and my colleague's time in the Transvaal is dissipated, is taken up by the issue of the resettlement of traders, planning of complexes, allocation of shop sizes, rental agreements, transfer of a business from one place to another; resettling and identifying sites way out of town where people have been trading for 80 to 90 years, excessive rentals being charged unilaterally without any negotiations by the Department of Community Development. 96

The Chairman of the SAIC supported the adjournment of the Council and made it clear that if the principle of the resolution was not adopted, he would give up the chair ...

because it is a very embarrassing situation for me to remain as the Chairman and earn this
R500 or R550 that I receive and to tell people that we can expect to get something better and better on the major issues and we are not getting anywhere. 97

Council member, Mr. M.D. Coovadia, a owner of a large outfitting store in Bethal supported the resolution because the government was moving traders ...

away from the middle of the town into the mouth of the Black people. They are breaking into our shops in the towns everyday. Even the insurance do not want to insure. 98

The resolution was accepted with the proviso that the executive committee and the Chairman of the Council meet the government and convene a meeting of the Council if they had anything worthwhile to report.

On 21 August 1978, the five executive members, Messrs. J.N. Reddy, J.A. Carrim, I. Kathrada, I.F.H. Mayet, G. Munsook and the Chairman of the Council, A. M. Moolla met with the Minister of Indian Affairs. In the memorandum presented to the

97. Ibid., 219.
98. Ibid., 221.
Minister, needless to say the first item dealt with the disabilities faced by traders. Whilst four paragraphs dealt with the issue of traders, only one paragraph dealt with the restrictions on work opportunities.

A council meeting was convened on the 2nd and 3rd November 1978, to report on the discussions with the government. Although the SAIC gained no major concessions from the government there were calls for it to resume work. Council member, H.M. Naran, made an impassioned plea for the Council to resume work.

I think generally when you have a very big family, when you are a businessman, when you are a professional man, and when you fall out with somebody, or if you don't get your desired results, you still try to get the best terms, and it is in this light that I would suggest that we continue with the functions of this Council as long as it is possible, and as long as we can get some results. By just giving up, we are not going to get anywhere; we will have no place to go and talk to; we will have no place to negotiate, which is very

important in life; not only in political life, but in your normal social life, your normal business life, you need negotiation ... 100

The Chairman of the SAIC moved a resolution that simply read:

... That Council now resolves to return to normal work and functions. 101

The resolution was accepted by 16 votes to 8, with 3 abstentions. This was done despite the fact that the Council received a telegram from the Pietersburg Indian Traders Association that said:

Refer to the removal of Pietersburg Indian traders, wish to advise that all the representations made rejected by Minister. Obstinate refusal to concede a traders' problem. Feel that you are morally obliged to support the traders and refrain from reconvening the Council until satisfaction given to traders. Problems, letter following - Pietersburg Traders Association, 102

100. Ibid., 75.
101. Ibid., 96.
102. Ibid.
These events illustrated the shortcomings of negotiation politics. When faced with the intransigence of the government, the SAIC took a confrontationist stance and adjourned. However, they could not turn to the people to back their actions and place further pressure on the state - the form of negotiation politics pursued by the SAIC made attempts at mass mobilisation unnecessary and in fact problematic (the masses might make demands that would affect the petit-bourgeois interests of the SAIC members). Thus the SAIC had to change its decision, otherwise its own class interests would suffer. It became clear that institutions like the SAIC structured the form that political negotiations took.

The intransigence displayed by the state in the conflict with the SAIC showed its pre-occupation with control and the consolidation of the policy of separate development, Gramsci argues that...

a hegemonic class "universalises" its own interests and ensures that they can and must become the interests of other sub-ordinate groups. The unity of economic and political objectives together with "intellectual and
moral unity" characterises a hegemonic class. 103

In South Africa the experiences of the SAIC indicate that the dominant classes were concerned with universalising its own interests exclusively within the White population. Meer's contention that despite the formation of a Ministry for Indians the distance between the government and the Indian people has never been greater is valid for the period under discussion. Meer argues that:

this is not only due to the fact that contact is rigidly defined and therefore rigidly narrowed, but also due to the fact that it occurs strictly on the initiative and the agenda approved by the Government. 104

To this must be added that the evidence presented indicates that the SAIC became increasingly co-opted into state structures and isolated from the Indian community.

The SAIC was forced into attempting to win concessions for the Indian community rather than attacking the fundamentals of the apartheid system itself, for example, the Group Areas Act. Certain issues like the admission of foreign brides, an issue which affected less than one per cent of the Indian population and probably the wealthiest sector was fought for consistently by the SAIC, from its inception. Issues like housing, however, which affected the overwhelming number of Indians was not given the same prominence. 105

Before the 1979 session that was held on 26,27,28 and 29 March, nine members of the SAIC met with the Prime Minister, P.W. Botha. 106 Mr. J.N. Reddy

105. A list of 31 items which the Minister said the SAIC had achieved gives some indication of the issues the SAIC was involved in. The items included the admission of foreign brides, formation of an Industrial Development Corporation, compulsory education for Indian children, training Indian telephone technicians, removal of barriers restricting free movement between the provinces, granting of bookmakers' licences, appointment of Indians on statutory boards and commissions, financial assistance to flood-stricken traders and farmers, zoning Grey Street as a Section 19 area, naturalisation of non-stateless Indians, resettlement of stall holders from the burnt-out market in Victoria Street and holiday resorts for Indians.

106. By July 1979, the Reform Party had gained a majority in the Council. In September it took control of the executive as well.
in his reportback after the meeting with the Prime Minister said that their main demand was for a free-enterprise system:

.... one of the most important matters which has exercised the attention of the Council, has been the question of the right of the Indian people, along with other South Africans, of free and unfettered participation in economic activity in the wider sense .... The purpose of the meeting with the Prime Minister was to try and resolve once and for all and to obtain a statement of intent - in other words, a declaration as to what the Government intended to do, in response to our continued representations, that all South Africans irrespective of their colour should not be subject to any restriction in participating in economic activity.

Reddy's demands conflicted with the parameters of the Apartheid system and indicated the contradictory position of the Indian petit-bourgeoisie and bourgeoisie in South Africa. They oppose Apartheid because of the barriers it presents in their quest to accumulate capital, whilst at the

same time they are dependent on the goodwill of the state for their advance.

A large part of the Council session was spent criticising aspects of the government's petty apartheid laws. This included the lack of integrated seating at wrestling matches and the fact that Indians could not become jockeys.

On both the question of the housing backlog and the lack of agricultural land, the SAIC was able to make no progress. In Natal alone the SAIC estimated that there was a backlog of 37,606 houses. 109

Mr. J.N. Reddy admitted that...

despite what is being done by the local authorities with the assistance of the state in building homes, the backlog is not being broken, if anything every review indicates a further building up of outstanding applications. 110

Council member, Mr. Y.S. Chinsamy, quoted figures

108. Ibid., 80-82.
110. Ibid., 209.
from the Department of Planning and Environment that estimated that the Indian farmer had lost 12,650 hectares of land through land being proclaimed under the Group Areas Act or purchased by the South African Bantu Trust. 111

Once again Reddy admitted that despite the protestations of the SAIC no headway was being made:

.... whilst on the one hand we have lost land and on the other hand we have been making representations, we have not been able to identify agricultural land to compensate for what has been lost .... 112

Executive member J.A. Carrim, warned that ....

this generation of Blacks and Indians and Coloureds in this country is the last generation that the government is going to be able to talk to, to find accord and a peaceful dispensation to ensure peace and stability. I think that the time is fast approaching when even the moderate elements on institutions

111. Ibid., 283.
112. Ibid., 279.
like the SAIC and other sister bodies, are despairing because of the lack of initiative on the part of the government.113

Carrim's warning was seemingly validated the next year when Indian school students joined Coloured and African students in a nationwide boycott. Rajbansi informed council members that Indian students were shouting "Amandla" in town ....

they are starting it in the high schools; they are singing freedom songs. 114

At the 17th meeting of the Third Council held from 27 to 30 May 1980, the schools boycott was discussed at length. The SAIC blamed rabblerousers and specifically the Natal Indian Congress for the schools boycott. They called for the students to go back to school.

Attacks by the SAIC on the Natal Indian Congress and housing action committees set up by NIC members also became more frequent.115 These attacks were probably a result of the SAIC's

113. Ibid., 325.
inability to wean any concessions from the
government for the Indian community and thus
enhance its legitimacy. The housing action commit-
tees presented a further threat to its already low
credibility in the community. Anti SAIC forces
were beginning to popularise the idea that extra-
parliamentary bodies could "produce the goods". 
Essop Jasat, chairperson of the Transvaal Anti
SAIC Committee (TASC) in criticising the SAIC
emphasised that:

"Despite resistance by the authorities
there is evidence that concerted commu-
nity action influences official decisions
and sometimes extracts tangible conces-
sions. The move towards party in
teachers' salaries came less than a year
after the determined schools boycotts by
Coloured and Indian scholars. The perma-
nence of the Crossroads people was won
after a long bitter struggle waged mainly
in the battleground of the media and not
through official channels. Action outside
the Government created institutions has
produced tangible results... 116

116.
Within the SAIC the majority Reform Party suffered a severe setback at the 18th meeting of the Council held on the 9th and 10th September 1980.

Attacks by the SAIC on the Natal Indian Congress and housing action committees set up by NIC members also became more frequent. These attacks were probably a result of the SAIC's inability to wean any concessions from the government for the Indian community and thus enhance its legitimacy. The housing action committees presented a further threat to its already low credibility in the community. Anti-SAIC forces were beginning to popularise the idea that extra-parliamentary bodies could "produce the goods". Essop Jassat, chairperson of the Transvaal Anti-SAIC Committee (TASC) in criticising the SAIC emphasised that:

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boycott by Coloured and Indian scholars. The permanence of the Crossroads people was won after a long bitter struggle waged mainly in the background of the media and not through official channels. Action outside the Government created institutions has produced tangible results. 118

Within the SAIC the majority Reform Party suffered a severe setback at the 18th meeting of the Council held on the 9 and 10 September 1980.

Council members A. Rajbansi, B. Dookie and G. Munsook, after initially being suspended from the party by the national executive, resigned from the Reform Party. The resignation of Rajbansi et al. stemmed from their unhappiness with the leader of the Reform Party, Mr. Chinsamy. It was felt that Chinsamy's increasing public criticism of the SAIC was counter-productive.

However, the controversy over the resignation of Rajbansi et al., from the Reform Party was soon superseded by the necessity to prepare for the first fully elected Indian Council. It was in the context of the economic and legitimacy crisis faced by the state

that the first fully elected Council was born. It is to this that we must now turn.
5.1 INTRODUCTION

In this chapter, the economic and legitimacy crises faced by the state is discussed. It is within this context that the allowance of the first fully elected council is looked at. The final section assesses the relationship between the SAIC and the South African state and attempts an explanation for the failure of the SAIC to win legitimacy within the Indian community.

5.2 THE ECONOMIC CRISIS

It has already been shown that manufacturing had greatly expanded in the 1960s. The development centred around the importing of capital goods in order to achieve the rise in productivity required to enter world markets. Manufacturing was dependent on primary exports to earn the necessary foreign exchange needed to purchase capital goods. However,
Mining and agriculture were faced with rising costs and stagnant market prices. 1

This led to continual balance of payment problems. With the onset of worldwide recession, foreign markets were decreased. The problem was compounded by the fact that South African exports entering other African countries was reduced drastically, from around 16% in the late 1960s to less than 9% by 1977. 2 Internally, the uneven distribution of income meant that the domestic market was limited.

The high inflow of foreign capital characteristic of the sixties began to drop off, accelerating the balance of payment difficulties. The rand was devalued in order to promote exports but, given the continuing

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high rate of imports of capital goods, indispensable ... to improve the competitiveness of South African manufacturing, the increased costs of imports offset any increase in exports which arose. The domestic rate of inflation was somewhat higher than her major trading partners. The annual increase in the GNP fell sharply, particularly affected by a slackening in the manufacturing sector. 3.

Rather than the recession restricting the development of monopoly relations, it gathered momentum as large companies merged to avoid "going under", whilst at the same time buying out smaller companies that could not survive the onslaught of the recessionary period. This phase was marked by centralisation rather than concentration.

Two effects of the transition to monopoly capitalism are a speeding up in the rate of inflation and an increase in unemployment. Innes points to three ways in which monopoly conditions contribute to the acceleration of inflation:

(1) Price-fixing among monopoly companies means that there is no reduction in prices in order to capture a larger share of the market. Rather than the eruption of "price-wars", prices are fixed and markets divided.

(2) In order to mechanise, companies have to import capital equipment, the prices of which increase rapidly, leading to an importation of inflation.

(3) Large corporations by borrowing heavily, keep interest rates high .... 4

The increasing mechanisation of the labour process under monopoly capitalism, whilst drawing in semi-skilled workers, renders large numbers of unskilled workers redundant.

By 1977, unemployment stood at 2,3m and was growing. Simkins calculated that

...... if the rate of unemployment was to be stabilised, the economy needed to grow at 5.3% per annum; if the number of unemployed was to be stabilised, the economy needed to grow at 6.7% per annum. Not even the lower of the growth rates (5.3%) had been reached (since 1977). 5

The state was also caught in a crossfire of contradictory demands. On the one hand, pressure from White labour and the need to maintain a dominant and cohesive White bloc restricted the fullest reorganisation of productive processes. On the other hand by replacing Whites with Blacks at twice their previous wage,

.... the total wage bill would be reduced from an annual R1002m to R582m with an annual saving of R420m. 6

However, no attempt was made to replace White supervisors with Blacks. This actually indicates the space the "political" has in practice. The state

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faced with the choice between economic imperatives and the need to maintain a cohesive and dominant white bloc, opted for the latter.

5.3 RESPONSE OF THE DOMINATED CLASSES

The worsening in the economic conditions in South Africa in the early 1970s took place...

... in the context of and was largely a product of intensification of the class struggle. 7

Innes argues that the

...... concentration of workers at the point of production provides a material basis for the unity and organisation of the workers on a mass scale in production itself. 8

Innes' contention is validated by the South African experience. Beginning in 1972, there were widespread strikes and general labour unrest as the following

table shows:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>NO. OF WORK STOPPAGES</th>
<th>NO. OF SHIFTS LOST</th>
<th>NO. OF EMPLOYEES INVOLVED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971</td>
<td>69</td>
<td>3 316</td>
<td>4 196</td>
</tr>
<tr>
<td>1972</td>
<td>71</td>
<td>13 774</td>
<td>8 814</td>
</tr>
<tr>
<td>1973</td>
<td>370</td>
<td>229 136</td>
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<tr>
<td>1974</td>
<td>384</td>
<td>98 395</td>
<td>58 975</td>
</tr>
<tr>
<td>1975</td>
<td>274</td>
<td>18 559</td>
<td>23 103</td>
</tr>
</tbody>
</table>

Hemson describes the situation thus:

.... from 1969 onwards things started going haywire: a dockworker strike, then in 1971 the strikes involving 15 000 Ovambo workers, then the 2 000 Durban stevedores strike, and in 1973 things had come to a head in the famous Durban strikes .... The number of strikes, which had fluctuated between 56 and

98 between 1965-1972, were 370 in 1973, 384 in 1974, and 274 in 1975. Strikes amongst blacks, even though illegal in most cases, rose to 274, 189 and 148 in 1973, 1974 and 1975 respectively. More impressive was the number of persons involved in the strike actions. The number of white participants decreased steadily until only 379 white persons were involved in the peak strike year of 1973. However, the number of Blacks on strike skyrocketed from 3021 in 1970 to 67 338 in 1973 followed by 37 724 in 1974 and 10 699 in 1975. Similarly only 103 Coloureds and Asians participated in strikes in 1972 but 30 574 did so in 1973 and 58 975 in 1974.\textsuperscript{10}

The working class began to join trade unions in increasing numbers. By 1975, there were 59 550 workers in trade unions easily surpassing the 1961 figure of 52 800 members. By 1976 membership had grown to 75 000.

The Black Consciousness Movement grew rapidly in this

\textsuperscript{10} French, K., (1981), \textit{op. cit.}, 103, 104.
period and was given impetus by the successful struggles of the Angolan and Mozambican people. This period climaxed in the 1976 uprising that started in Soweto and spread nationwide.

Whilst led by school students, and starting with school stay-at-homes and public demonstrations, it was accompanied by widespread labour unrest penetrating even into the homelands. 11

The continuing militancy of the dominated classes in the post 1976 period saw the rejection of community councils, management councils and liaison committees.

During 1980, there were several statements and resolutions from within the system that unless it was reformed and the municipal franchise extended, it would collapse. There were several resignations from committees. Where elections were held, the poll was very low and at times vacancies could not be filled. 12

During June 1977, the Soweto Council and the Council at Dobsonville on the West Rand, stopped operating when the majority of members resigned as a result of pressure from the Soweto Student's Representative Council. Various other councils and advisory boards also ceased functioning. In 1980, community councils came under further attack from the mass protests centred around rent campaigns and education boycotts.

The dilemma faced by the ruling class was succinctly captured by No Sizwe:

The ruling class, in almost daily consultation with imperialist interests (portrayed in the daily press as international pressure on the Vorster regime to bring about 'meaningful change'), is groping its way towards an accommodation at all levels such that it can gain the unqualified support of these black bourgeois elements (the ghetto and Bantustan bourgeoisie including Matanzima, Buthelezi, Leon, Reddy and co.) without losing that of

the white wage-earners and without impelling
the black working class into a revolutionary
armed struggle." 14

The crisis faced by the ruling class had all the
makings of what Gramsci described as an "organic
crisis". Stuart Hall defined this as follows:

Gramsci insisted that we get the 'organic'
and the 'conjunctural' aspects of the crisis
into a proper relationship. What defines the
'conjunctural' - the immediate terrain of
struggle - is not simply the given economic
conditions, but precisely the 'incessant and
persistent' efforts which are being made to
defend and conserve the position. If the
crisis is deep - 'organic' - these efforts
cannot be merely defensive. They will be
formative: a new balance of forces, the
emergence of new elements, the attempt to put

14. Molteno, M., "Colour Caste and Ruling Class Strategy
in the South African Class Struggle: The Case of
' The Coloured People' and Collaborationist Politics",
in Murray, M., (ed), - South African Capitalism and
Black Political Opposition, Cambridge Schenkman,
(1982).
together a new 'historical bloc' new political configurations and philosophies, a profound restructuring of the state and ideological discourse which construct the crisis and represent it as it is 'lived' as a practical reality; new programmes and policies, pointing to a new result, a new sort of 'settlement' - 'within certain limits'. These do not 'emerge'; they have to be constructed. Political and ideological work is required to disarticulate the old formations and to rework their elements into new configurations." 15

The allowance of a fully elected council must be seen in the context of the continuing militancy and increased organisational strength of the dominated classes in the post-1976 period. The state needed to further impose and entrench divisions among the dominated classes as opposed to its previous policy which tended to unite all classes in the black

population and polarise them against capital and the state. Thus, alongside the emergence of a fully elected council, one had the Riekert Commission recommendations which represented an attempt to divide the African working class, whilst the Wiehahn Commission sought to bring the independent unions under state control and incorporate them into the industrial relations system.

5.4 ANNOUNCEMENT OF THE ELECTIONS

The government announced that elections were to be held on 26 March 1980. Immediately after the plans for a fully elected council were announced, a number of contradictory political developments began to emerge.

A new political party was formed to fight the election - the Democratic Party. Also, the Reform Party and a number of independent candidates indicated their intention to fight the election. On the other hand, the forces within the Indian community opposed to the election began to organise themselves. Not only did they oppose the SAIC, but also any new dispensation involving separate parliaments.
On 21 May 1979, an Anti-Constitutional Proposals Committee (ACPC) was formed in Johannesburg to oppose the SAIC elections and the government's three-tier parliament constitutional plan. A leading member of the ACPC described the organisation as ....

as alignment of progressive black movements which have rejected Government created institutions which are regarded as farcical, fraudulent and in no way a solution to the country's problem. 16

The ACPC's formation was hailed by the NIC, which was also beginning a campaign to oppose the elections. NIC president, Mr. M.J. Naidoo, hinted that a common national strategy was in the pipeline. 17

A member of the SAIC in urging the people to vote had this to say:

It is obvious that the Government realises that some concessions must be granted to the non-whites and that petty apartheid must

17. Ibid.
disappear to demonstrate the government's benevolent intentions. The extremist politician may gain the confidence of the public and may experience a feeling of euphoria .... in the pursuit of his crusade. But in all his efforts to bring about the social and political reforms there will be but one pathetic outcome: the mesmerisation of his people. Whether nominated or elected one cannot go beyond that which is prescribed in the policy of separate development. (emphasis A.D.) To pretend that an aggressive approach would bring results is to deceive oneself and awaken deception in the electorate. 18

Despite its rejection by the SAIC, the government continued to propagate the three-tier concept to Indian, Coloured and White people.

The anti-SAIC committees called on the Indian people not to go along with the "stooges and sell outs" who wanted to participate in an apartheid orientated Indian only election, and slammed those councillors and management committee members who were prepared to

---

co-operate with the government.

The activities of the anti-SAIC groupings heightened political consciousness and was gaining increasing support. The Reform Party, responding to pressure from within the community, met the Prime Minister and asked him not to propagate the three tier dispensation.

The pressure against the elections escalated and it was postponed with the explanation that it would take place after the Schlebusch Commission report.

The government finally decided to hold elections on the 4 November 1981. 360 000 people were eligible to vote. 297 000 registered as voters which represented 84.6%. 81 candidates were to fight for 34 seats, 6 seats being unopposed.

With the elections coming up the SAIC needed some concrete victory to indicate they could "produce the goods" as a weapon to be used to counteract the growing influence of the fast mobilising anti-SAIC forces. However, their discussion with the Minister of Internal Affairs held on the 15 June 1981, failed
to produce any "results". 19

An SAIC meeting with the Minister of Community Development and State Auxilliary Services was also

19. It was this failure to "produce the goods" that was seized upon by the anti SAIC forces to discredit the SAIC, as is evidenced in an extract from a speech by Dr. Essop Jaassat chairperson of the Transvaal anti-SAIC committee, who urged people not to vote on the basis that the SAIC has "stood by powerless as 3 700 families among their constituents alone have been uprooted by the Group Areas Act. They have been powerless too, as relocated traders have faced economic ruin. They have not been able to control a white civil servant - the Director of Education - who has deprived about 300 of our children of six months education. In reality the SAIC has achieved nothing of importance for our community and its constitutional position prohibits it from promising to do so in the future. These features alone are sufficient rebuttal of the argument that the SAIC can be used to fight the apartheid institution from within."

An Executive member summed up the meeting in the following way:

We discussed various matters with the Minister of Internal Affairs, and my honest view is that I found the discussion with the Minister of Internal Affairs as compared to the Minister of Community Development to be disappointing, the only positive achievement which the delegation got from the Minister of Internal Affairs, was Item No. 5, p. 2. "Future of the Executive Committee" (Laughter) 21

The SAIC also felt an urgent need to have some idea about what the constitutional future held before entering the election fray. In a resolution passed by the SAIC, the Executive Committee was mandated to meet with the Prime Minister and inform him

21. Ibid., 57.
"... of the growing frustration and dissatisfaction in the Indian community vis-a-vis the S.A. Indian Council and of the desire to participate in the sovereign institutions of the Republic .... That in the absence of a clear directive from the Government in this regard Council is of the considered view the holding of an election on 4 November 1981 will be an exercise in futility." 22

The SAIC, however, was left in a state of confusion after the meeting with the Prime Minister. The Prime Minister's position was that if the SAIC members were representative of the community, they should have nothing to fear about having elections. A Council member summed up the feelings of the delegation who met the Prime Minister:

We were humiliated, there is no doubt in my mind. Every member of the delegation felt they should have walked out that day ... The first time I tried to take up the cudgels on behalf of the delegation, he said: look no

cross-talk ...

The Council member went on to say that in "10 to 15 years from now your children and grandchildren will tell you in no uncertain terms that we in this Council were wrong and those that were anti were right. 23

The anti-SAIC campaign was run by three regional committees in Natal, the Transvaal and the Cape with some national co-ordination. The campaigns however, had different features.

In Natal, despite the fact that students were actively involved in education-orientated struggles that led to violent confrontations with the state in 1980 and 1981 and the Durban Housing Action Committee's community-directed struggles around rent and electricity increases, the campaign did not live up to expectations.

Four basic reasons were advanced for the shortcomings in the campaign:

23. Ibid., 15-16.
- students were demoralised after the boycotts and massive expulsions the previous year;
- community organisations were finding it difficult to sustain mobilisation;
- organisation was neglected in the inland towns of Northern Natal; and
- the lack of trade unions with strong community links

An additional reason was probably the fact that NIC was still operating as a 'top heavy' organisation. The impressive branch structures that permeated all areas of Natal in the early 1950s had disintegrated. It is significant, that it was after the anti-SAIC campaign, that NIC made a conscious 'turn to the people' and attempted to resurrect long dormant branches.

The debate over participation and non-participation also probably had a confusing effect on the Indian community in Natal. Although the debate ended with a firm statement from NIC that they would not

participate, the debate was given prominence in the newspapers. This debate, together with the NIC's vacillating position on 'going in' to the SAIC, probably contributed to the anti-SAIC campaign not being as successful as expected in the Natal region.  

On the other hand in the Cape, despite the fact that there are a higher proportion of middle-class Indians living there than anywhere else in the country and a 'walkout' by people sympathetic to the Non-European United Movement (NEUM), it was a major success. The success of the campaign was in a large measure due to the high level of mobilisation and organisation of workers, students and other members of the disenfranchised communities in the Western Cape. The campaign was able to draw on the links established between worker, student and community organisations during the activities around the Fattis & Monis strike, meat, student and bus boycotts.

In the Transvaal, 150 representatives of several political, religious and community organisations met to form the Transvaal Anti-SAIC Committee (TASC). The

25. A detailed history of the NIC in the 1970s and 1980s is unfortunately beyond the scope of this thesis.
TASC campaign centered around house visits backed up by pamphlets and newsletters. (3 000 people attended a TASC rally in Lenasia on 1 November 1981). At a TASC rally in Benoni, attended by about 1 500 people, the chairperson of TASC, Dr. Essop Jassat, told the audience:

"Some people say advances have been made. I see no advances in the 18 years the SAIC had been in existence, and in the next 18 years I foresee no further advance." 26

The campaign was facilitated by the fact that there had been a reawakening of political interest in the Indian community in the 1970s. By July 1981, journalist, Craig Charney, commented that SAIC candidates were "swimming against the tide" for

"..... the last three years have seen a remarkable revival in political activity in the Indian community in the Johannesburg area - and most of those involved have been hostile to groups like the Indian council, operating within the system." 27

Charney's view was vindicated as the Transvaal was marked by very low percentage polls, for example, 2% in Lenasia.

The Leader reported that:

In the Fordsburg constituency, Mr. Nanubhai Desai and Mr. I.F. Mayet were running neck and neck. Two hours after the polling station opened they each had been given a solitary vote. Mr. Desai voted for himself and Mr. Mayet's son for Mr. Mayet. 28

An interesting aspect of the anti-SAIC campaign was that it was able to draw in people from vastly differing political positions i.e. both those who were looking for fundamental change in the social relations of production and those who wanted a greater stake in the system. Thus the guest speaker at the final rally of the TASC, Mr. Ismail Meer, of NIC had this to say:

when Black, Coloured and Indians in South Africa demanded the right to own land

wherever they wished, they were not demanding communism but a right to share in the country's capitalism. 29

The Indian petit-bourgeoisie and bourgeoisie had been frustrated in their attempts to accumulate capital by the mechanics of the Group Areas Act and other legislation, like the Rural Dealers Ordinance, Natal (1924), which practically prevented Indians from trading in the rural areas, the Trading and Occupation of Land (Transvaal and Natal) Restriction Act (1943) and the Asiatic Land Tenure and Indian Representation Act (Act 28/1946).

The Natal Indian Congress used these restrictive measures effectively by ensuring that it was seen to be championing the interests of the Indian trader and farmer. Thus in an address in 1974, the then acting President of NIC, Mr. M.J. Naidoo, emphasised his organisation's concern for the plight of the Indian trader in central Durban.

"When the resident population is removed in the course of time, the saving of Grey Street

for Indian business will be seen as no more than a colossal fraud perpetrated on the Indian ... I know, the small businessman and the tenant shopkeeper are feeling the crunch, both from the loss of custom and the unscrupulous landlord. When tomorrow comes and the residents have been herded out of the area, Grey Street complex will have to be a gift to the white man without his asking for it." 30

Naidoo then went on to blame the SAIC for the plight of the Indian market-gardener:

"The failure of the South African Indian Council to save the Indian markets despite its promises is another example of the uselessness of the South African Indian Council as an effective mouthpiece ... The markets are centrally situated. Will they ever be the same again if they are removed to Chatsworth? Will it be economically worthwhile for the small farmer in the far north or south of Durban to travel the distances in the hope of making a small

profit? I think not. I believe it will be the death knell of the small farmer and the markets..."31

Thus conscious attempts were made by the NIC and TIC to appeal to all sectors of the Indian Community.

The results of the election were a victory for the anti-SAIC bodies and showed conclusively that the SAIC enjoyed no support in the Indian community. Mr. Yunus Moola, a council member said:

The election was one of the most unpopular in the world. The stay-away vote demonstrated that the people were not interested in whether the SAIC was an elected body or partially nominated. They were simply opposed to the concept that the SAIC was an ethnic political forum. The people were not interested in ambiguous sops like power sharing - they want direct representation in a single parliament and for the SAIC to enjoy any credibility it must identify with the

31. Ibid., 259.
Ironically, Hendrickse, the leader of the Labour Party commenting on the election results said:

The government must surely realise by now that Indians were opposed to separate organisations such as the Indian Council. The only solution is full participation of all members in a non-racial parliament. He called on members to resign.

However, both Moola and Hendrickse were probably wrong in their assessment of the reason for the failure of the SAIC at the polls, that being that the Indian community was demanding direct representation in a central parliament. If one wants to search for the main reason for the alienation of the Indian community from the SAIC, then it must turn on the SAIC's inability to counteract the devastating effect of the Group Areas Act.

The SAIC attempted to identify as many areas as possible for designation as Indian group areas. They also attempted to save affected areas by emphasising the fact that they formed natural group areas. Allied to this, their main strategy was to win concessions for the Indian trader class by emphasising their acceptance of residential separation. Thus, Councillor Rajab was to state in October 1970 that:

The Group Areas Act was fundamentally designed to separate the races residentially, in order to remove friction. To this the Indians have no objections. The Act, however, goes far beyond its original purpose and deprives hundreds of Indian traders of their livelihood on the grounds presumably that their presence creates the possibilities of racial friction. 34

In a similar fashion, Councillor Joosub, who was critical of the removal of traders under the Group Areas Act came out in favour of residential separation.

34. Memorandum prepared by the SAIC on the resettlement of Indian traders affected by the Group Areas Act, October 1970.
However the SAIC consistently failed to gain any significant victory in relation to the Group Areas Act. The number of families moved from their homes in terms of the Group Areas Act in the Transvaal and Natal since the commencement of the Act to the 31 December 1979 read as follows:

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<thead>
<tr>
<th></th>
<th>TRANSVAAL: Whites</th>
<th>NATAL: Whites</th>
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<tbody>
<tr>
<td></td>
<td>688</td>
<td>814</td>
<td></td>
</tr>
<tr>
<td>Coloureds</td>
<td>10,930</td>
<td>3,313</td>
<td></td>
</tr>
<tr>
<td>Indians</td>
<td>10,242</td>
<td>22,290</td>
<td>35</td>
</tr>
</tbody>
</table>

The number of families due to be moved in Natal and the Transvaal read as follows:

<table>
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<tr>
<th></th>
<th>TRANSV'AL: Whites</th>
<th>NATAL: Whites</th>
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<tbody>
<tr>
<td></td>
<td>6</td>
<td>91</td>
<td></td>
</tr>
<tr>
<td>Coloureds</td>
<td>2,232</td>
<td>2,262</td>
<td></td>
</tr>
<tr>
<td>Indians</td>
<td>2,221</td>
<td>7,856</td>
<td>36</td>
</tr>
</tbody>
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35. SAIC minutes, 5th Council, Vol. 2, 188.
36. Ibid., 188-190.
As the aforementioned figures of group areas removals indicate, the state did not relent in implementing its policy of separate development. The SAIC came increasingly to be seen as the tool to achieve this end. It was in this context that judgement over it was passed.

The state was both intransigent and unstrategic in the implementation of the Group Areas Act. On the eve of the SAIC elections the state ignored the President's Council's advice to allow Indians to remain in the area of Pageview of Johannesburg. The effects of this decision on the legitimacy of both the President's Council and the SAIC was eloquently covered in an editorial of a Johannesburg newspaper at the time ...

Race relations in South Africa have suffered another mighty setback, and the country's constitutional rebuilding programme is again threatened with collapse, following the Government's shock rejection of the President's Council's recommendations for rezoning District Six and Pageview, respectively, for Coloured and Indian occupation ... Coloured and Indian leaders
have been enraged, Indian politicians on the eve of the elections to the South African Indian Council are threatening a major revolt that could disrupt the Council's operations and force it down the road of collapse already taken by the Coloured Representative Council.

Disillusionment must be rife in the President's Council itself, which spent months researching the issues before making its recommendations - only to see them brusquely brushed aside in favour of other plans the Government must have had up its sleeve.

Pageview, for instance, is immediately abutting the area the Government has now chosen to earmark for Indian occupation, yet Pageview - which has been a key centre of Indian activity - is to be kept from the Indians regardless of the President's Council urgings. 37

The scope of the SAIC's influence was restricted by

the limited resources at their command. In the face of a state that was determined to keep the summits of political and economic power in White hands, the SAIC had not been able to achieve much and the candidates who stood for election could not promise major changes. Their main drawing card had been the patronage power of the SAIC and Local Affairs' Committees' over housing, permits and the like. The amount of patronage they had to offer however, was limited by the apartheid limits to their powers, while the influence they could enjoy through family and ethnic ties had its limits.

5.5 THE SAIC – THE FINAL YEARS

The Reform Party had initially decided to fight the elections. However, after pressure from the South African Black Alliance of which the Reform Party was a member and which included the Labour Party and Inkatha, the Reform Party decided not to contest the elections. Chinsamy argued that while he remained committed to negotiation as a strategy, the present climate made it untenable for him to enhance the
The Reform Party by not participating in the SAIC elections began a slide into obscurity. By boycotting the SAIC and maintaining its links with the Black Alliance, the Reform Party was rejected by both the non-collaborationists who criticised Buthelezi's usage of a "bantustan platform" and the moderates and conservatives who supported the SAIC. The Reform Party, caught between these two groupings, was unable to put forward a coherent political programme that could capture the political imagination and support of the Indian Community. Within a year, of its decision to boycott the SAIC elections, it had to all intents and purposes, ceased functioning.
Council was opened by the then Minister of Internal Affairs, Mr. J.C. Heunis. The Minister's tone was conciliatory and indicated they were on the path of reform as the following extracts from his speech indicate:

... we are trying to find ways and means in a heterogeneous society to evolve a political dispensation that would ensure, because of reasons of equity and of fairness, participation of all people concerned in the decision-making of their country that would affect their lives. We have to do that because fairness and justice dictate that .... 39

My government has committed itself to reform to ensure participation of all people and groups in the decision-making processes that affect their lives .... 40

I do not believe, my Government does not believe that this is the end of the

40. Ibid.
constitutional road for the Indian people.

There was a realization amongst the SAIC members that in order to gain support they needed to win victories especially around the Group Areas Act. Thus, Rajbansi speaking on the result of the elections said:

We must prove to the country, we must prove to the community, that we are an effective voice. I will say on issues like Cato Manor, Pageview, Clairwood and Grey Street, a wide spectrum of the interests of the Indian community - will lie the future of the SAIC.

A lot of time was spent criticising the Group Areas Act. A resolution was eventually adopted that called for the repeal of the Group Areas Act.

Despite the tone of the resolution, many of the Council members sought to assure the government that even if the Group Areas Act was repealed, Indian...

41. Ibid.
42. Ibid.
people would still live together. Note Council member, J.B. Patel:

It is a well known fact that communities throughout the world, people of a kind like to live amongst their own people. Similarly the Indians also want to live amongst their own people, and I think the same would apply to the Whites and other people as well. You can achieve residential separation by providing adequate housing for the various communities. Here in Durban we are told there are more than 18 000 to 20 000 families without homes. Provide them with homes and you will have a concentration of Indians living in their own areas. Who wants to go and live with other people, Mr. Chairman? 43

Council member, I.E. Patel, quoted Dr Donges as saying that the Group Areas Act was to be implemented "in a fair, equitable and just manner". 44

Mr Patel complained that this was not done. He thus did not criticise the basis of the Group Areas Act

44. Ibid.
but the manner of its implementation. One must assume that if the Group Areas Act was applied fairly he would have no criticisms.

Generally, the session immediately after the elections was marked by a general feeling that the SAIC "had to produce the goods". A more aggressive policy became the order of the day. Numerous resolutions were passed including a call for freedom of movement throughout the Republic for Indians, and for the government to immediately amend the Group Areas Act so that all properties zoned for commercial use are open to all race groups to own and occupy.

The SAIC also took a strong stand on the St. Wendolins issue. The government wanted to remove Africans from the area and give the area to Indians. The SAIC was adamant that it was not prepared to be a party to this.

In May 1982, the opposition Democratic Party (DP) informed the SAIC that its members would be sitting in the SAIC as independents although the party would

45. Ibid., 220.
46. Ibid., 229.
47. Ibid., 248/9.
continue to exist outside the ambit of the Council. In terms of the ideological outlook there were no fundamental differences between the National People's Party, led by Rajbansi, and the Democratic Party. 48

48. The party system did not play a significant part within the SAIC mainly because the SAIC had no real power. Its power was derived by way of concessions gained through negotiations with the government rather than confrontation. The fact that these negotiations took place mainly behind "closed doors" and for the major part of its existence the SAIC was not an elected body meant that there was no real need to develop a mass base and strong grass-root structures. The difference between the parties were mainly based on personality differences rather than on differences over political programmes and strategies. In fact, there is a remarkable similarity between the political manifestos of the NPP, Reform Party and DP. In the interviews conducted, both the leaders of the NPP and DP were unable to provide the major points of difference between the two parties, except that both felt the opposing party consisted of "political opportunists". Mr J.B. Patel, leader of the DP could not outline the differences between the NPP and his party because he had not read the constitution of the NPP.
The SAIC took up the issue of the lack of agricultural land for Indians, an issue which the SAIC had taken up since 1964 without any success. Indian farmers had lost a lot of land through the Group Areas Act, for example, around the Chatsworth area. They were also prevented from buying white-owned farms unless a permit was obtained. Permits were only granted if the local white farmers in the area approved.

This clause effectively curtailed any Indian expansion. Rajbansi was well aware that it was around the above issues that they had to build support for the SAIC or any new dispensation:

Let us not talk about constitution and this dispensation and that dispensation. The Minister stated here on the 22nd (February, addition A.D.) that we must win the hearts of the Indian people. How can we win the hearts of the Indian people when within the context of the Prime Minister's policy announcement you cannot even give a permit to an Indian.

49. Interview with Y.S. Chinsamy, leader of the RP and inaugural member fo the SAIC.
The 1981 elections had taught the SAIC that they need to "produce the goods". Thus the 1982 sessions were marked by constant appeals to the government to allow the SAIC some victories to win the "hearts and minds" of the person in the street. Rajbansi captures this position most eloquently:

I told a very high ranking official of the Department of Community Development ... that his Department is going to make or break constitutional development in South Africa, because attitudes are determined by decisions where the man in the street must be happy. If the man in the street is not happy, then he is not interested in any type of gifts that come from Pretoria or Cape Town. 51

The government agreed to the handing back of Cato Manor, an area that had been taken away from Indians under the terms of the Group Areas Act. However, the SAIC could not claim a victory because the government and the Durban City Council were determined to sell

50. SAIC minutes, Vol 4, 1982, 50.
51. Ibid., 51.
the properties by public auction. This meant that it was speculators and not the original inhabitants who would gain from the government's decision. The SAIC on the threshold of a major victory was thwarted by the intransigence of the state.

The SAIC moved to strengthen patron-client ties where it could. It tightened its control over people working in the Department of Internal Affairs as the following motion passed by the SAIC indicates:

All appointments in the Department of Internal Affairs, including the Division of Indian Education, made in terms of the Public Service Act, of personnel who deal with Indian Council matters should be made in full consultation and agreement with the South African Indian Council via its Executive Committee. 52

52. Ibid., 63. At the end of 1982 the SAIC was effectively given complete control over education. This power included control over the school syllabus, the administration and planning of schools and the promotion of teachers. This was an obvious attempt to help the SAIC strengthen patron-client relationships with teachers. Teachers who opposed the SAIC could easily be victimised. It also enabled the state to
In an obvious move to broaden its propaganda machinery, the SAIC arranged to have a representative on the editorial committee of Fiat Lux, a pro-government publication put out by the Department of Internal Affairs for Indians. 53

The SAIC decried the fact that there were no TV programmes for Indians and called on the relevant authorities concerned to provide TV programmes for Indians. Council member, Mr. N.E. Khan, in motivating his motion, showed great faith in the SABC and SATV:

Mr Chairman, my motivation on SABC and TV is as follows: The SABC has a proud record as a media for dispensation of international,

52 cont. divert educational struggles like boycotts, away from it and on to the SAIC. TASA and NIC organised a concerted campaign against the SAIC being given the aforementioned powers. The state did not relent and the campaign was soon overtaken by the mobilisation against the new dispensation.

53. Ibid., 103.
national and local news. With the advent of the television service in recent years, its presentation of news and other programmes is equal to some of the best in the world. 54

Once again, although the SAIC moved a number of resolutions aimed at alleviating some of the hardships endured by the Indian population, especially around the workings of the Group Areas Act they were not able to gain any major victories. Ultimately, it was this lack of success that was to make it so difficult for the government to "sell" the new political dispensation to the Indian people in 1984. Rajbansi's words at the first meeting of the Fifth Council of the SAIC held on the 3 and 4 May were to prove prophetic:

.... the attitude of the community towards constitutional offers will be determined by the type of responses we get from the Government to the reasonable requests the South African Indian Council and Indian

54. Ibid., 104.
At the beginning of 1983, the Democratic Party decided to once again take its place officially in the Council Chamber. By this time, the NPP had grown to 33 members. The Democratic Party had 4 members and the other 8 members sat as Independents.

The SAIC indicated that they would only support the constitutional proposals in return for government agreement to a set of specific demands.

The main demand was that the government drop its travel restrictions on Indians, such as those that limited their movements in the Free State and Northern Natal. It also called for a referendum to gauge Indian opinion on the plans for a fourth chamber for blacks in the proposed new parliament. 56

The SAIC it seems, had no gripes about the ethnicity embedded in the constitution.

The Labour Party had by this time already agreed to

55. Ibid., 187.
participate in the new constitutional dispensation without any specific provisos. The stand of the SAIC was commended in the English press. 57

At the fourth meeting of the Fifth Council, Rajbansi made it clear that the SAIC did not give any undertaking that if the preconditions were not met the SAIC would not participate. 58 The issue of participation was still open in his eyes. The

57. Ibid.

Democratic Party however, made it clear that if the
Minister was not prepared to negotiate around the pre-
conditions they would definitely not participate in
the new dispensation. 59

The SAIC finally adopted a motion calling on the
Prime Minister for a referendum to be conducted in
the Indian community. A counter-motion that a single
referendum where Whites, Indians and Coloureds would
participate jointly was defeated by 37 votes to 3. 60

In 1983, the SAIC received a further setback in its
fight to save the eviction of Indians from Clairwood
who were an established residential community. The
SAIC had fought hard to save Clairwood and had
addressed mass meetings in the area. However, early
in 1983, the SAIC received a letter from the
Administrator of Natal, Mr. Stoffel Botha, informing
them that Clairwood was to be re-zoned an industrial
rather than a residential area. The following is an
extract from his letter:

59. Ibid., 346.
...... the Town and Regional Planning Commission has always accepted that the ultimate destiny of Clairwood was as an industrial area providing jobs rather than residential accommodation. In 1975 the Council advertised a new proposal to rezone Clairwood to General Industry and the Commission, after considering the proposal, the three objections lodged, and changed circumstances, decided in 1978, that it would no longer oppose the rezoning. Therefore, as far as this Administration is concerned, the rezoning question is closed and no longer an issue. 61

The SAIC had spent a considerable time in getting the government to agree to the building of an Oriental Plaza in Durban. The plaza was to house traders displaced by the Group Areas Act and those who had lost premises as a result of a fire that destroyed the historic Victoria Street market. The SAIC saw the government's agreement to build the plaza as a great victory in its attempts to gain

credibility in the community. However, the SAIC was informed on the 14 February 1983 by the Minister of Community Development, Pen Kotze, that plans to build the plaza were scrapped. The effort the SAIC put into the project and its disappointment at the government attitude was cogently put forward by Mr. Rajbansi:

As a result of the decisions and the deliberations of the Van Eyssen State Committee a decision was taken to build a plaza in Durban with the agreement of the Minister of Community Development. The South African Indian Council, the Durban Council, the Department of Community Development served on that State Committee. That decision to build the plaza was born out of the lengthy deliberations of four institutions. It was sanctioned by the four institutions and we cannot accept a unilateral decision of the Government to scrap a project which is very dear and near to the hearts of the Indian community, especially the Indian community of Durban. We had tremendous difficulty at that stage in convincing Minister Marais Steyn to build the plaza - tremendous difficulty. Now after overcoming all the hurdles, Mr Pen Kotze decided to scrap it with no advance notification what-
soever to the Indian Council and the Indian community. 62

The SAIC did manage to win some concessions around the Group Areas Act for example, after much negotiation with the Minister of Community Development the SAIC got him to agree to a section of Upper Church Street in Pietermaritzburg to be a Section 19 area i.e. a free trading area. However, these small concessions did not counteract the major failures and did not serve to give the SAIC legitimacy within the Indian community.

On 3 February 1983, the Executive Committee of the SAIC met the Minister of Law and Order. The SAIC made representation for more police stations in Indian areas and noted that police stations were to be built in the areas of Phoenix and Lenasia. The SAIC also took up the issue of the low number of Indian senior officers in the Police Force. The Minister assured the SAIC this situation was in the process of being remedied. The SAIC proudly announced that Indians could look to the police force as a career. 63

The question of Indians bringing in foreign brides once again emerged as an issue in the Council chambers. Council member, Mr. A.E. Arbee, complained that he had failed to get the government to allow Mr. M.F. Kara to bring his bride into South Africa from Swaziland despite the fact that the bride's mother was a South African citizen. Mr Arbee said it was the SAIC's failure around these issues that took away their ... credibility as Indian Council members. How do I face the Piet Retief community (Mr Kara was from Piet Retief - A.D.) when I went to them to support me and to prove to them that by negotiation we will achieve what we can in the form of our bread and butter political issues? How can I face that community today? 64

The 1983 sessions of the SAIC was dominated by discussion about the new constitutional proposals. The SAIC was extremely critical of the Constitutional Bill. When the SAIC gave evidence before the Select Committee it criticised the Bill because it

64. Ibid., 45.
entrenched ethnicity, there were separate chambers, Blacks were excluded and the question of removal of discriminatory legislation was not addressed. Council member, Yunus Moola, who was to stand in the elections for the Solidarity Party, was adamant that the pre-conditions set out by the SAIC ....

... will have to be met. The most important pre-condition will be for the Government to first resolve the issue as far as the Blacks and Whites in this country are concerned before it started talking about resolutions of the Coloured and Indian at Central Government level. 65

The SAIC called for a referendum to be held in the Indian community. Despite the SAIC's criticisms of the new constitutional arrangements, Rajbansi indicated at a meeting at the Durban City Hall on the 14th November 1983, (a meeting also addressed by P.W. Botha) that the majority NPP in the SAIC was determined to give the new constitution "a fair trial". The government refused to hold a referendum in the Indian community. Although the Democratic

Party decided not to participate in the elections, the NPP were determined to participate. This was despite Rajbansi's words in August 1983:

But I want to say ... no referendum ... we must tell the Government they must exclude Indians from this exercise. 66

The decision of the government not to have a referendum was aptly summed up by a Council member:

I begin to ask myself why the Government said no to the referendum. I begin to get certain vibes, Mr. Chairman, and the vibes I get are, is the Government afraid that the proposals it is putting forward to the Indian and Coloured communities are inadequate, and being inadequate they will get a negative response on the proposals from the communities? If the Government refuses a referendum, having now agreed to one for the Whites, then it comes up loud and clear, Mr. Chairman, that these proposals are inadequate and therefore the Government is afraid ...

66. Ibid., 248.
... the Government ... if it turns down the request for a referendum then the whole exercise of reform is going to be destroyed once and for all. 67

It must also be stated that a number of Council members must have been relieved that there was no referendum.

The SAIC did receive a fillip in 1983 when Grey Street was declared a residential area. Rajbansi scoffed at arguments that the government's decision allowing residential development in Grey street was designed to use this victory to justify participation in the constitutional proposals.

... some people say that the South African Indian Council will be so elated that it will use the lifting of the restriction on the Grey Street area as an argument that the constitutional proposals should be supported ... we do not want to crow about our success

in the Grey Street area and I do not think we
will ever use this as an argument as far as
the constitutional proposals are concerned. 68

Rajbansi pointed out the "victory" over the Grey
Street area came ....

after 10 years of frustrating and delicate
negotiation by the South African Indian
Council. 69

5.6 THE SAIC - AN ASSESSMENT

In looking at the activities of the SAIC, it can be
seen that the SAIC reflected the contradictory
position of the existing and aspiring Indian
bourgeoisie in South Africa. On the one hand they are
part of the nationally oppressed population and are
strongly opposed to apartheid provisions that
restrict their development. However, they are also

69. Ibid., 118.
opposed to political groupings which seek confrontation with the state and want to move beyond the boundaries of capitalism.

Appeals through government-created channels, carefully couched in terms that did not question the legitimacy of the existing power bloc, rather than the development of a mass base outside of government created structures, was seen by the members and supporters of the SAIC as the best strategy to facilitate their development politically and more importantly, economically.

The majority of members who participated in the SAIC were from the Indian commercial class. Of the 21 members nominated for the first Council, there were 13 businessmen, a medical practitioner, three educationists, two land and estate agents, one trade unionist and a social worker. Among the 25 nominated members who sat on the Second Statutory Council which began meeting in October 1971, there were 16 businessmen and two land and estate agents. In looking at the particular class determination of SAIC members in the period after 1971

A Minister quoted a 'respected professional man' who said of the SAIC: "In terms of the
resolutions passed and the representations made so far, it concerns itself with the articulate trading class. In 1974, all 30 members could be included within that grouping, mostly businessmen and company directors (of several companies) ... The same is true for the majority of the present (1982) SAIC."  

SAIC members did not deny the accusations that the major part of their time was spent protecting the interests of the Indian trader. In 1978, a member of the SAIC Executive admitted that what takes a lot of time as far as the Executive Committee is concerned, is the question of the opening up of the central business districts in various towns and cities and the resettlement of traders and building of complexes. 71

It is also significant to note that the most serious confrontation between the SAIC and the state occurred

70. Postlethwayt, (1983), op. cit. 53-54.
over the displacement of traders in the Pietersburg area.

The examination of the activities of the SAIC, reveals that they were pursuing three main objectives. The first is the removal of all legal restrictions on Indian free enterprise. It is important to note that this objective was not coupled to the demand for the franchise.

Secondly, they sought to use the potential protection of Apartheid barriers to white capital in black group areas and appeals to Indian nationalism to develop explicitly Indian capital. For example, in 1979, a council member, after complaining that whites were running the Tattersalls Club in Chatsworth, moved the following resolution which was accepted by the SAIC;

(1) That the Natal Provincial Executive Committee be requested to ensure that, in terms of the Ordinance governing the establishment of Tattersalls Clubs and Bookmakers in Natal, the Chatsworth Tattersalls Club allocates within a specified time cubicles to at least four Indian bookmakers. If the Chatsworth Tattersalls Club fails to follow this
directive then the executive committee of the Province of Natal should take the necessary steps to appoint the bookmakers;

(2) That notwithstanding the fact that the Province is about to amend the Ordinance relating to the control of Tattersalls Club in Natal, the Provincial Executive Committee is hereby immediately requested to immediately reconstitute the Committee of the Chatsworth Tattersalls Club in such a manner that control of this Club is passed on to the people of the Chatsworth complex. 72

Also, when the New Republic Bank was established in 1970, the government decreed that only Indians could own shares in the bank. This was lauded by the then chairman of the SAIC, H.E. Joosub, who went on to become a major shareholder in the bank. 73

Thirdly, by emphasising the crucial stabilising and

72. SAIC minutes, 16th meeting, 3rd Council, 17-19 July 1979, 339-40.

moderating role of the expanding black middle class, the SAIC sought to advance the interests of its members and its supporters through concessions from the government. Its demands and appeals to the state were often cast firmly within Apartheid ideology.

Thus when a section of Newlands was deproclaimed as an Indian area and given to the Coloured community, the SAIC objected on the grounds that the deproclamation constituted a breach of the policy of separate development. The SAIC argued that an important consideration fundamental to the Group Areas Act was completely ignored, viz. the avoidance of racial conflict and friction. The SAIC objected to the fact

"that an ordinary road presently 24 feet wide should be the line of demarcation between the Coloured and Indian areas. In the light of the experience of the Indian community in Greenwood Park and Sydenham the present plans of Newlands will create the very problems which Group Areas are intended to eliminate. The type of Coloured who is coming into Durban in increasing numbers from the Transkei and Natal rural areas is unlike the refined Coloured who lived amongst Indians in the past ... The Transkei Coloured has much
in common with the Bantu and the possibility of increasing social contact between this area and the Bantu in Kwa Mashu has to be accepted as a reality and the effect of this development on the Indians must be examined before any finality is reached on the present proposals."

In a manner that would have made any National Party MP proud, the SAIC called on the government to re-examine the proposals on the following basis:

"That any Coloured area planned should be away from the Indian area to avoid Coloureds spilling over into the Indian area ... (the Coloured area) be separated from the Indian area by a well defined valley and or hill as to form an effective demarcation line ... the Coloured area should have its own access road and transport service again only to avoid any cause for friction."
It was proposals like this that gave the SAIC's call for the abolition of the Group Areas Act a hollow ring, and allowed the state to accelerate the implementation of its policy of separate development.

In addition, the SAIC made strenuous efforts not only to emphasise their loyalty to South Africa but also to the existing power-wielders. Thus, when Dr. A.M. Moolla garlanded the State President Dr N. Diedrichs at a meeting in Durban on 20th July 1977, he said the flowers emphasised three important feelings and expressions of the Indian community:

(1) Loyalty of the Indian people to their beloved South Africa;

(2) Hope that this country, confronted with many difficult problems, will be able to work out a future in which everybody can live together on the basis of understanding and cooperation;

(3) Love and affection they hold for you as the State President of the Republic of South Africa. 76

The executive chairperson of the SAIC Mr. J.N. Reddy was more blatant when he stated in the presence of the Prime Minister in 1974 that ...

The fact that our men are joining the Defence Forces; that our policemen are on the borders is testimony to our loyalty and sincerity. 77

In a similar fashion, Rajbansi, in arguing for the total repeal of the Group Areas Act in 1982 said:

The South African Indian's loyalty to South Africa is unquestionable. During the weekend, Mr. Chairman, I met a policeman who has just returned from the Swazi border, and I asked him a few questions. He told me he spends three or four days in the bush. I asked him how he eats. He is an Indian police officer representing the Indian loyalty on the border, and he walks about with a White friend. If he is allowed to mix, walk about or stay in the bush on the border of South Africa guarding all sections of South

77. SAIC minutes, First meeting, Third Statutory Council, 26, 27, 28 November 1974, Annexure "F".
Africa's population, then I can see no moral justification or legal justification in him returning home and not being allowed to reside next to a White person. 78

Despite the above statement, the first elected Council was much more aggressive in its resolutions concerning restrictions placed on the Indian community by the apartheid state. Unlike the SAIC of the 1960s they did not support the policy of separate development, but were openly critical of the apartheid state. The main reasons for these changes were probably the fact that for the first time the SAIC members were accountable to an electorate and also the re-emergence of a strong extra-parliamentary organisations like the Durban Action Housing Committee, had made their members aware that they had to be seen to be making gains on 'bread and butter' issues like housing shortages, bad roads, and transportation services. Rajbansi also indicated that whereas in the 1960s, SAIC members had to wait weeks before getting an appointment with a Cabinet Minister, he was able to pick up the phone and get an appointment the same day with a Cabinet Minister or

78. SAIC minutes, First meeting, Fifth Council, February 1982, 181.
high ranking government officials. However, despite this kind of progress, they did not really have any effect on the policies of the apartheid state.

It must however be emphasised that unlike the leading members of the SAIC in the 1960s and early 1970s who were publicly prepared to accept the policy of separate development and were reticent about criticising the government, the SAIC, under the leadership of Rajbansi, was increasingly prepared to publicly criticise government policy and adopt a much more confrontationist approach towards the state.

However, it is difficult to periodise the SAIC given the short history of the first elected Council.

The 1981 elections indicated the lack of support the SAIC enjoyed in the community. Their main weapon for drawing support had been the patronage power they enjoyed over matters such as housing, permits and the like. However, the amount of patronage they have to offer was limited by the constraints of apartheid.

79. Personal interview with A. Rajbansi.
Here the SAIC came up against an apartheid state that was determined to keep the summits of economic and political power in white hands. Thus, over the years, the SAIC was able to make no progress on the question of the housing backlog and the lack of agricultural land. In 1979, Council member, Y.S. Chinsamy, bemoaned the fact that the Indian farmers had lost 12 650 hectares of land through proclamations under the Group Areas Act or purchases by the South African Bantu Trust. 80 Executive chairperson, Mr J.N. Reddy, conceded that despite the protestations of the SAIC, nothing had been gained:

... whilst on the one hand we have lost land on the other hand we have been making representations, we have not been able to identify agricultural land to compensate for what has been lost ... 81

During the entire period under discussion, the South African state conformed closely to Gramsci's characterisation of the state in Italy during the period immediately after the re-unification which he

81. Ibid., 279.
argued enjoyed minimal hegemony. This type of unity rests on the ideological unity of the economic, political and intellectual elites along with an ... aversion to any intervention of the popular masses in state life. 82

Whilst maintaining the above type of hegemony, the state attempted to win the support of the Indian petit-bourgeoisie and bourgeoisie by making concessions strictly within the confines of separate development. However, the analysis of the state's response to the issues raised by the SAIC revealed the state's obsession with control at the expense of co-optation. Thus, during the 1980 schools' boycott, the powers delegated to the Executive Committee were actually rescinded. A central issue like the Group Areas Act, an issue the SAIC spent a considerable time debating and passing resolutions on, the government was not prepared to make any major concessions. The following statement made by National Party Senator P.Z.J. Van Vuuren in Senate in 1977 epitomised government thinking.

"We make no apologies for the Group Areas Act and for its application. And if 600 000 Indians and Coloureds are affected by the implementation of that Act, we do not apologise for that either. I think the world must simply accept it. The National Party came to power in 1948 and said it would implement residential segregation in South Africa ... And we shall implement that policy. We put that Act on the Statute Book and as a result we have in South Africa, out of the chaos which prevailed when we came to power, created order and established decent, separate residential areas for our people." 83

The SAIC was to consistently come up against an intransigent state. For example, despite pursuing the issue of the return of Cato Manor to the Indian community from 1964, no satisfactory result was forthcoming. Twenty years later and during the first session of the tri-cameral parliament, Cato Manor was

once again raised as an issue. 84 In the fight to allow the residential development in the Grey Street area of Durban, Rajbansi was to point out that the SAIC's demands were met

after 10 years of frustrating and delicate negotiation .... 85

When the SAIC fought for certain restrictions to be lifted, it often used the tactic of not calling for the outright removal of the restrictions but a relaxation of its implementation. For example, when the SAIC raised the issue of Indian males not being allowed to bring foreign wives into the country, they did not call for Indians to enjoy the same privileges as Whites. Rather the SAIC, whilst agitating for a relaxation of the restrictions, also called for

84. Although a part of Cato Manor was finally given back to the Indian community, the average price for a vacant plot of land was around R25 000,00. Sunday Times, 11 January 1987.

strict control to be exercised and indicated that they were prepared to screen potential applicants. This is indicated by the following proposals put forward by the SAIC as a basis on which Indian brides could be admitted to the Republic with the approval of the Minister of Interior:

(a) that applications shall only be considered from recognised language or religious groups within the community who because of their extremely limited numbers and the strict observance of their customs and traditions or religious tenets as the case may be, find it impossible to obtain brides for their young males from among the members of their own group within the Republic;

(b) that a maximum of 10 brides per annum be allowed to enter and reside in the Republic;

(c) that this concession shall not apply to students who marry Indian girls whilst studying overseas;

(d) that all applications for the introduction of brides shall be screened by a Committee appointed by the Minister of the Interior.
which shall include members of the South African Indian Council;

(e) that the concessions be regarded as a temporary measure subject to review every five years; 86

When the SAIC raised the issue of the restrictions on the movement of Indians within South Africa, a similar tactic was used. The admission of Indians into South Africa and the movement from one province to another was controlled by the Admission of Persons to the Republic Regulation Act 1913 (Act No. 22 of 1913). Indians had to obtain permits to visit a province other than the one in which they were permanently resident. They were also not allowed entry into the Orange Free State and South West Africa. In addition, in terms of the Asiatics in the Northern Districts of Natal Act 1927, Indians could not enter certain areas of Natal without a permit.

Whilst agitating for the removal of the permit system, the SAIC called on the ban of entry into the Orange Free State and South West Africa to remain.

86. Memorandum on the introduction of wives prepared by the SAIC., (1970).
According to the SAIC:

"there is not much incentive for Indians to visit these two areas." 87

Despite these tactics of attempting to win concessions in piecemeal fashion, the SAIC was frustrated in its attempts to enhance its credibility in the community. Note for example, Council member Abram Mayet speaking at a SAIC meeting in 1978:

"I feel that the Council in spite of having made various resolutions in the past, adopted such resolutions, has been reduced to a body which can merely pass resolutions on to the authorities. While they pass the motions, the motions go down somewhere in the sewage drain. Nothing really happens to it." 88

of Council member Y.S. Chinsamy in 1979:

I have been here 15 years ... one of my principles in getting into this Council was

87. SAIC Memorandum on Provincial Barriers, - (2:3:72).
to try and get the Government to get away from discrimination and particularly the Group Areas. But I want to say quite honestly that I do not think that I have achieved very much in the 15 years I have spent on the Council. 89

A substantial entrepreneurial class existed amongst Indians compared to the other dominated classes. This is illustrated by the fact that Indians owned 86.5% of all private companies not owned by Whites. 90 However, an analysis of the issues raised by the SAIC and the state's response revealed that the state's priority was not to utilise the existing material foundation to foster and deepen divisions between sectors of the dominated classes but rather to ensure both political control (as evidenced by the fact that it refused to allow a fully elected council for 17 years) and the consolidation of the policy of separate development. Thus, it was made clear in the initial planning of the SAIC that demands had to be made

within the framework of existing legislation


Vorster reiterated a similar point 13 years later when he emphasised that SAIC members had to be willing to serve their people within the broad framework of government policy. 92

Our discussion of the relationship between the SAIC and the state gives empirical validity to our initial criticism of neo-Marxist writings on the nature of the South African state.

The capital accumulationists, in their quest to show the functional compatibility between apartheid and capitalist development did not build into their theoretical framework the dysfunctional aspect of the relation between capitalist development and apartheid. Thus it has been shown how the state's obsession with the implementation of the policy of apartheid alienated large sectors of the Indian

population from the state and SAIC. This alienation was to manifest itself in strong extra-parliamentary pressure on both the state and the SAIC and facilitated the development of a broad popular front cutting across racial lines. The state's response to these developments in the early 1980s was firstly to attempt to revamp the SAIC and then ultimately to develop a new structure in its quest for legitimacy. The capital accumulationists do not provide the theoretical framework to account for and analyse these developments.

Similar criticisms can be made of the state derivationists. Throughout our discussion we have seen the space or autonomy that state action has in South Africa. The state derivationists also do not take into account that apartheid policy was established at the behest of classes and fractions of classes organised within the National Party. This was to have a definite effect on the form and pace of capitalist development on South Africa. Thus we have seen how the state was prepared to forego opportunities for the development and enlargement of the Indian petit-bourgeoisie and bourgeoisie if this meant a breach of the policy of separate development or the alienation of sectors of the National Party. Given the above, it is impossible in South African to see all state measures as being derived from an
objectively necessary 'logic of capital', as the state derivationists argue.

The Poulantzians have the virtue of giving the state primacy in the class struggle and thus in capitalist development. However, in this age of monopoly capital it is difficult to define precisely what one means by fractions of capital. Also our discussions of the SAIC and the state indicate that rather than the state being periodised through focussing on the resolution of contradictions between fractions of capital, it could more systematically be periodised by focussing on the struggle between the dominant and dominated classes. Thus we see that only when the state was faced with the political, economic and ideological crisis in the early eighties that it began to seriously rethink its strategy in relation to the dominated classes. In the 1960s when the state was politically and economically in a strong position its emphasis with regard to the Indian community was on control and the implementation of the policy of separate development. Most of the concessions fought for by the SAIC were cynically turned down by the state. It is obvious in the post 1960 period that the changing nature of the state and, the form the whole trajectory of capitalist development in South Africa took was mainly the result of the class struggle
between the dominant and dominated classes rather
than the resolution of conflicts between fractions of
capital.

It is because of these shortcomings that Miliband's
conceptualisation of the relationship between the
dominant class and the state in capitalist society as
being a partnership

between two different, separate forces,
linked to each other by many threads, yet
each having its own separate sphere of
concerns (has been utilised - addition A.D.).
The terms of the partnership are not fixed,
but constantly shifting, and affected by many
different circumstances and notably by the
state of the class struggle. 93

More importantly Miliband argues that the state
should not be seen as a junior partner in this
relationship. We have seen the state was both a
dominant and independent actor in both the political
and economic spheres. This trend has accelerated in
the 1980s and will be pursued in greater detail in
the final chapter.

The state plays an important role in the creation of a dominant ideology in order to consolidate its hegemony. This does not only involve a series of institutional material practices like the SAIC, but also intervention at the level of ideas. Here, the South African state was surprisingly weak and unorganised.

One would have expected the state to utilise the school as an agency for the transmission of values that reinforce the existing system of domination. The school was, however, only used to a limited extent. Afrikaans was taught as a compulsory language, the national anthem was sung in Afrikaans and historical accounts of white settlement were heavily biased in favour of Whites. However, while this might have engendered sympathy, understanding and possibly support for Afrikaaner nationalism, the state failed to facilitate the development of "an Indiansim". Given the state's avowed aim of engendering and reinforcing ethnic divisions, the fostering of some form of "Indian nationalism" would have been expected. However, the teaching of Indian languages and school holidays for religious occasions had to be fought for and won as concessions from the state!

Yudelman writing in a different context makes a
"The policy of apartheid has constituted a very effective, unusually ruthless exercise of power, and continues in the 1980s almost in its entirety. The ideology of apartheid, by contrast, has always had limited success, confined largely to the converted. For the vast majority of the population, the apartheid ideology was not backed up by credible legitimating instruments and thus had little if no effect. Tribal "bungas" or assemblies (and the SAIC and CRC - addition A.D.) ... became more and more irrelevant ... and the state never really put significant resources into trying to make them more credible." 94

The state's only regular publication for the Indian community was the Fiat Lux, put out by the Department of Information. Pictures of SAIC members meeting with leading government figures (invariably garlanding them) or snap-shots of the Indian navy battalion in action, appeared regularly on the front cover of the Fiat Lux. However, its distribution

channels were limited (no real effort was made in this regard) and its message was so blatantly propagandistic and unsubtle, that it was easily discredited. Its blatant bias was clearly reflected in its coverage of the 1981 elections. When the 1974 elections were held, the Fiat Lux devoted an entire issue to this election in which only 111 voters out of a population of 600 000 were eligible to vote. In the 1981 elections, in which the SAIC was elected on a voter's roll for the first time with an extremely low poll of 10%, the Fiat Lux devoted only a page to the elections. The page contained the names of those elected.

The state's preoccupation with ensuring that Afrikaner nationalism was accepted within the Indian community meant that the presentation of separate development as an ideology that was ultimately in the interest of the Indian population, was neglected. Yet the acceptance of the SAIC by the Indian community was predicated on seeing separate development as justifiable and politically and economically in their interests.

The SAIC failed to gain support in the community despite the fact that three wide-ranging surveys conducted amongst the Indian population in Natal indicated that a large percentage rejected majority
rule. Of the three surveys, one was conducted on behalf of the Buthelezi Commission in 1980, under the supervision of Professor Lawrence Schlemmer of the University of Natal Centre for Applied Social Science. The sample comprised 200 Indians from all around Natal, with a margin of error of plus/minus 6%.

The second was conducted for the Johannesburg Star in August 1981 as part of a national Black Politics poll. The Star poll interviewed 200 Indians in Durban with an error margin of plus/minus 9%.

The third poll was conducted by Markinor, among 200 housewives in Durban, who were polled in February 1980. The error margin was plus/minus 6%.

Craig Charney 95 in analysing the data said that the results of all those surveys indicated that the political attitudes of Indians were not linked directly to their class or religious standing within the community, but rather as a response to their position "in the middle" between Whites and Africans. Thus Charney argues that Indian political attitudes are best understood by examining the choices they

have made between rival political ideologies and movements. He contends that the result of the surveys enable one to distinguish four broad groups: the "leftists", the "left-liberals", the liberals and the conservatives.

The "leftists" comprise between 10% to 15% and consistently support radical positions on issues like the nationalisation of industry, one man, one vote and sanctions against South Africa.

The "left-liberals" number about 25% of the population. They agree with the radicals on some issues and the liberals on others. Thus members of this group would include people who favour nationalisation but have reservations about simple majority rule, or those who favour one man, one vote but who favour a capitalist economy.

The "liberals" comprise about 40% of the population. They favour capitalism and minority group vetos over socialism and majority rule. But they reject apartheid-based politics and movements which operate "within the system".

The conservatives who number about 15% to 20% of the population are suspicious of power-sharing with Africans and willing to participate within Apartheid
structures, and are also conservative on social and economic issues.

The NIC, whose supporters number about one third of the Indian community have been able to wield a much greater influence than the percentage suggests. Whilst the reasons for this are beyond the scope of the thesis an important factor has been the fact that the NIC has been able to draw in the left, the left-liberals and the liberals as was indicated in the anti-SAIC campaign. Thus, Ismail Meer who advocates a capitalist ideology and Jerry Coovadia, the vice-president of NIC who openly embraces socialism, can both find a home in NIC. The NIC's position is enhanced by the fact that it closely identifies with the Freedom Charter, a document that encapsulates both liberal and radical demands.

The SAIC appeal, which was based on the amount of patronage they had to offer was severely constrained by the apartheid limits to their powers. However, a foundation did exist for a co-optive strategy. The surveys gave the impression that 45% to 50% of the population appear to be uncommitted. Although they

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owed no allegiance to a particular political movement, Charney indicates that their views were similar to those of the PPF on crucial issues. Thus, around 60% of Indians preferred a system of power sharing to straightforward majority rule whilst a similar majority preferred capitalism to socialism.

However, it cannot be contended that the SAIC was simply a failure. In terms of the state's objectives, the SAIC played a crucial role in consolidating the policy of separate development. In addition, the SAIC played a part in the state's strategy of containing the struggles of the dominated classes without having to concede much. It was only in the post-1976 conjuncture, with the emergence of a sustained struggle of the dominated classes that the state had to start contemplating conceding much more to the dominated classes. With particular regard to the Indian population, this began by attempting to re-vamp the SAIC. However, it was only in the 1980s, with the state in a defensive position, that they began to seriously see the SAIC as an inadequate means for the implementation of its policy of separate development and the dilution of direct attacks on the state by extra-parliamentary organisations. The search for an alternative then began in earnest.
CHAPTER SIX

6.1. INTRODUCTION:

In this, the final chapter, the continuing crisis of legitimacy faced by the State is focussed upon. The passive revolution attempted by the Botha Government in the guise of the President's Council and tri-cameral parliament is then discussed.

6.2. THE "ORGANIC CRISIS" AND STATE RESPONSE:

The resignation of Vorster and the demise of heir-apparent Connie Mulder, through a carefully-timed and controlled expose of corruption in the Department of Information, brought the "verligte" Minister of Defence, P.W. Botha to power. It was under P.W. Botha that the State was to attempt a passive revolution in response to the organic crisis. The passive revolution was supported by monopoly capital and the military.
Capitalist agriculture, non-monopoly industrial, commercial and finance capital, White labour and the Afrikaner petit bourgeoisie, constituted the alliance that brought the National Party to power in 1948. The National Party facilitated the development of Afrikaner monopoly capital. However, with the development of the organic crisis in the mid 1970s...

the Afrikaner monopolies loosened their links with their traditional class allies in Afrikaner Nationalism and began to organise together with non-Afrikaner monopoly capital to effect specific forms of economic and political restructuring strongly opposed by the other class forces of the Afrikaner nationalist alliance. These monopoly capitals sought the relaxation of controls on the mobility of labour and on the training of labour to permit its more productive
utilisation in more capital intensive forms of production. ¹

Monopoly capital was joined by the military in pushing for reform. The military had come to see changes as necessary in order to secure a militarily defensible state.

The election of Botha marked the consolidation of a new political alliance of monopoly capital and the military, which provided the impetus towards "reform" within the ruling class ...²

In 1979, the Schlebusch Commission was appointed to look into the Westminster form of government


and make representations about the constitution in that regard. The Schlebusch Commission recommended the formation of a President's Council (P.C.) as an official, multi-racial advisory body on political and economic issues, to replace Senate. The reason for the President's Council's existence is laid out in the official President's Council booklet...

"For many years the central government has accepted that the current constitutional dispensation of the country needs to be amended and improved to ensure a more equitable share in the central decision making processes of the country for the Coloured and Asian communities, who, unlike Black peoples, have no separate or distinctive territorial base for political and constitutional development. There is no easy ready-made formula
for making such provision. There is general agreement, however, that the 'one-man, one-vote' winner-takes-all formula of the Westminster system is quite unsuitable in the circumstances of South Africa with its remarkably heterogeneous population."³

Coloureds and Indians were nominated by the government to serve on the PC and Blacks were excluded. The SAIC, together with the PFP and homeland leaders rejected the PC because it did not include Blacks. However, two SAIC members, Mr. S. Abram-Mayet and Mr. I. Kathrada, accepted nomination to serve on the PC.

The state was not unduly perturbed by this rejection for it was to the PC proposals the state was looking. The failure of the SAIC, CRC and Community Councils to divide and co-opt the oppressed meant that the state was forced to devise a co-optive strategy on a more fundamental level - the question of central, national and

political power had been placed on the agenda.

Political stability is central to the reproduction of any social system. In order to achieve this stability, it is crucial that the state keeps the dominated classes divided and disorganised in order that their struggles be fragmented and limited. As documented, this has historically been achieved through the policy of separate development.

Africans are divided into "Xhosa", "Zulu", "Tswana", etc. through the homeland system; Indians, Coloureds and Africans are made to live in different "group areas", enjoy different institutionally enforced access to the labour market and so on.

The state does not act in a vacuum but its responses depend on concrete conditions that exist. The 1980s saw the development of organisations increasingly looking beyond apartheid in its approach to the problems that face the dominated classes.
In other words, capitalism was being identified as the enemy. This, together with the development of the Indian and Coloured communities economically (thus moving into stronger structural positions) had meant that it was crucial that the state gain legitimacy with a limited section of the dominated classes. "Repression and co-option were going to be used together to divide the dominated classes—the co-optive; 'divisive' and 'repressive' aspects are combined in a complementary manner into one overall strategy. Thus at the same time as the state is repressing the development of popular organisations, it is also attempting to divide Indian and Coloured from African and trying to co-opt sections within each of these communities such that they take on the role of immediate oppressor (run the Bantustans, join the SAIC) etc." 4

The President's Council released its report in May 1982. The gist of the proposals were:--

- The creation of a single legislature to represent Whites, Coloureds and Indians with Africans still voteless.

- Transfer of authority to an indirectly elected executive President, with power to appoint a multi-racial cabinet whose members could not retain seats in the legislature.

- Replacement of the four provincial governments with eight multi-racial regional authorities, shorn of legislative power and reduced to purely administrative bodies.

- The maximum possible devolution of authority to racially segregated local authorities for Whites, Coloureds, Indians and Africans. These bodies would control so-called 'soft' functions with 'cultural content': schools, swimming
pools, town amenities etc. Multi-racial metropolitan authorities would control "hard" (less controversial) functions such as sewerage and electricity. 

In July 1982, P.W. Botha gave a more detailed exposition of the proposals:

-One Parliament with separate chambers for Whites, Coloureds and Indians. The numbers of MPs in the three chambers will be in a ratio of four Whites to two Coloureds and one Indian. Thus, the White chamber will have more members than the other two put together.

- An Executive President, elected by an electoral college. The college is to be composed of members elected by the controlling party in each of the three chambers of Parliament. Since the three races will be represented in the same

proportions in the college as in Parliament, the candidate backed by the White chamber will win;

- A multi-racial cabinet, whose members may retain parliamentary seats if they wish;

- Joint committees of the three chambers to iron out differences in their versions of legislation;

- The chamber of each racial group is to have sole power to legislate on its 'own affairs', while all three will have to consider any legislation on 'common' matters;

- Disputes not resolved by the joint committees will be referred to a revamped President's Council, also indirectly elected. Some 25 members will
be appointed by the White President; and 20 by the White chamber of Parliament, while the Coloured and Indian chambers will choose 10 and 25 members respectively.  

Phillip Selznick, in his work, TVA and Grassroots: A Study in the Sociology of Formal Organisations, provides us with two useful concepts, viz, informal and formal co-optation to enable us to understand the transformation of State structures under the Botha government.

The concept of informal co-optation is used to refer to the kind of response which typically takes place when an organisational leadership decides to share effective power with a group which it had previously ignored, but which can no longer be avoided, since it has gained a position where it can make specific and concrete demands for a claim upon the organisation's wider resources. This process usually typically occurs when a leadership finds that its authority, or ability to

6. Ibid.

7. Selznick, P. "TVA and Grassroots: A Study in the Sociology of Formal Organisations, Berkley, California, (1949)"
dominate, is in a state of imbalance with the true state of power within the community it serves. However, it is not always readily identifiable state of affairs since this exercise is typically conducted in an informal manner with no explicit public statement describing or recognising this changing balance of power taking place.

In contrast, formal co-optation refers to the kind of social processes which often take place when the leadership of an organisation formally seeks to develop new and publicly acknowledged relationships with previously disenfranchised, or excluded, groups of workers, clients, or dependents. It generally involves the establishment of a series of new, formally ordered and publicly recognized relationships. Thus, appointments are made to newly created official posts, constitutions are drawn up, and new and sometimes extremely elaborate organisational structures are developed. The whole of this social process tends to convey, both through the creation of new symbolic interactive devices - committees, community councils, and local assemblies and joint meetings - and through
the development of a new ideology stressing the value of interaction, consultation, participation and dialogue, that the organisational leadership now intends to adopt a new and more democratic style of government.

In general, Selznick suggests that the leaders of an organisation tend to adopt co-optative strategies when they face either one or both of two classical, if recurrent problems. In the first place, these tactics are often used when an organisation lacks a sense of historical legitimacy. This may happen simply because its leaders no longer feel they possess an unquestioning belief in their own right to rule, or in the "correctness" of their policies and actions. However, as is more usually the case, co-optation also tends to occur simply because the organisations' right to rule is called into question by those it has traditionally dominated.

It is contended that the demise of the SAIC and the emergence of the House of Delegates represented a transition from informal to formal co-optation. The fact that the chairpersons of the
ministerial councils in the House of Representatives and the House of Delegates are part of the cabinet means that they are a party to the decisions of the government. Mr. Mahmoud Rajab, secretary of Solidarity, the official opposition within the House of Delegates, writing after the first session of the tri-cameral parliament, outlined the effects of formal co-optation:

The fact that Mr. Rajbansi is a Cabinet Minister, and thus part of the Government and is co-responsible with his Cabinet colleagues, put the NPP in an awkward position. And so it happened that whilst they voted with Solidarity in throwing out the Local Government Amendment Bill, which cleverly intended to entrench the concept of racially separated local

8. The major party in the House of Delegates, the NPP, voted consistently with the Government on crucial issues in the first Parliamentary session. They are obviously attempting to win concessions by using the old SAIC tactic of showing their loyalty to the South African Government. (A point confirmed by Professor N. Olivier, PFP MP, in a speech at Rhodes University). (1985).
authorities, the very next day - under the obvious heavy pressure from the Nationalists - they supported a related Bill for - Regional Councils which also entrenches apartheid - style local bodies. 9

Solidarity MP, Pat Poovalingam, put it more bluntly:

On Tuesday Rajbansi waxed eloquent about it being a matter of principle not to support apartheid in local government. On Wednesday, he did just that. But of course between Tuesday night and Wednesday afternoon, he had had a meeting with his Cabinet colleagues, including President Botha. 10

Perhaps the most graphic example of the effects of formal co-optation on the class struggle is the events

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surrounding the recent boycott of Coloured schools, teacher training colleges and the University of the Western Cape. The Labour Party as the majority party in the House of Representatives had to assume the responsibility of maintaining "law and order".

Thus, one had the Labour Party utilising the repressive arsenal of the state - the police and army to attempt to maintain the status quo.

6.3. THE ELECTIONS:

It is not proposed to go into the details of the elections held for Coloureds and Indians on 23 and 28 August respectively, but rather an outline of events surrounding the elections will be provided.

In order to give the elections an air of legitimacy, the State was forced to allow the development of anti-election groupings. The "space" was filled by two broad groupings, the United Democratic Front (UDF) and the National Forum (NF). Whilst the UDF is sympathetic to the ideals of the
banned ANC, the NF looks to the spirit of the banned black consciousness movement and the Pan-Africanist congress (PAC). 11

The UDF emerged as the more powerful of the two groupings and played the dominant role in the anti-election campaign. The UDF's appeal was a broad one, as is evidenced by the following extracts from a speech by Zak Yacoob, outlining the stance of the Natal Indian Congress, a UDF affiliate:

Democratic forces today have historical responsibility to collectively strengthen the United Democratic Front at every level. Across regional and provincial barriers, across worker and community barriers, and across rural and urban barriers... There is a place in the Democratic movement for all. 12

11. It is not intended to discuss the difference between the NF and UDF. Suffice to say that while the UDF seeks a conciliation of classes through emphasising the Freedom Charter, NF emphasises the need for making class leadership of the Liberation Struggle and openly calls for a socialist.

12. Paper delivered at AZASO Annual Conference is entitled "Congress Perspective on the Struggle." (June 1983) 31/32
Yacoob in his speech made a definite effort to woo Black business people by emphasising the effects of monopoly capital which had led to a drastic fall in the number and viability of small businesses and industries. ¹³ Yacoob avoided the potentially divisive issue of working class leadership ¹⁴ and changes in the social relations of production. Instead he called on the dominated classes to unite across class lines because ...
there is a shared common experience which makes it feasible for all to unite in a national struggle against national oppression. The participant in the struggle is therefore not the Indian, Coloured and African alone but all these forces welded into a popular unity. 15

It was on the basis of this broad appeal that NIC and TIC (both UDF affiliates) mobilised against participation in the House of Delegates. The following figures on voter turn-out indicate that the anti-election forces scored a resounding victory:

<table>
<thead>
<tr>
<th>COLOURED</th>
<th>REGISTERED</th>
<th>VOTERS</th>
<th>PERCENTAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,500,058</td>
<td>911,931</td>
<td>209,791</td>
<td>14% of (a); 23% of (b)</td>
</tr>
</tbody>
</table>

| INDIANS | 504,400 | 411,804 | 83,703 | 16.5% of (a); 20.3% of (b) |

The Labour Party under Allan Hendrickse won an overwhelming majority of seats in the House of Representatives, whilst Armichand Rajbansi, National People's Party (NPP) became the majority party in the House of Delegates.

The success of the anti-election campaign must also be read in the context of the lack of success of the CRC and SAIC and the government's intransigence.

15. Ibid. 11

on issues like the Group Areas Act the implementation of which had incensed both the Coloured and Indian communities over the years. Dennis Austin eloquently covers the effects of the Act and the intransigent stance of the government:

Coloured families can still drive past the new flats and bungalows of District Six that was once their traditional quarter in Cape Town before it was flattened to make room for a White suburb. Similarly, Mr. Pen Kotze (Minister of Community Development until 1984) was contemptuously dismissive of Indians living in the White suburb of Mayfair in Johannesburg ... 'these people didn't live in the sky before they came to Mayfair. They can go back to where they came from.' That in the month prior to the 1984 elections. 17

The new tri-cameral parliamentary system marks a consolidation of the tentative attempts started after 1976 to move (albeit largely on a limited and

17. Ibid. 75
ad hoc basis) from the politics of control to the politics of co-optation.

6.4. THE HOUSE OF DELEGATES - THE FIRST TWO YEARS:

Addressing the first joint sitting of the tricameral parliament, on 25 January 1985, P.W. Botha, remarked that:

"For the first time in the history of our country, more communities than before are directly represented in this Parliament and in the Government. This has indisputably broadened the democratic base of our system. 18

The Minister for Constitutional Development and Planning, Mr. Chris Heunis, in his maiden address to the House of Delegates shared Botha's optimism:

"Thanks to the constitutional reforms ... the Indian community, for the first time since unification in 1910, has a direct

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statutory mechanism for negotiation at its disposal ... I believe you have a mechanism which you can utilise on a continuous basis, not only to articulate needs but to negotiate for improvements in the socio-economic position of your community.

The majority of participants in the House of Delegates professed that their participation in the House was a lever in which to pressurise the government into deracialising south african society. Have the House of Delegates been able to effectively utilise the "broadening of democracy" to confront the National Party while at the same time win concessions and credibility within the Indian community?

A close reading of minutes of the House of Delegates and political commentaries in newspapers and magazines give the overall impression that the House of Delegates continued the old SAIC tactic of attempting to win concessions by expressing allegiance to the National Party, as evidenced by the following examples.

19. Ibid., 227.
Solidarity, the opposition party in the House of Delegates in its first opportunity to propose a no confidence motion, called upon the House of Delegates to declare:

"that it has no confidence in the cabinet of the Government of South Africa to satisfactorily govern its Indian population and South Africa and ... to resign forthwith."

This motion was strongly opposed by the majority NPP. Rajbansi's opposition to the motion was centred on the fact that it will alienate P.W. Botha:

"In order to enable peaceful development in this country one needs a person who can pilot or go along with a programme of peace from within the establishment, from within the Government and from within the Cabinet. One needs a potential

20. Debates of the House of Delegates No. 1. 214
ally in the Cabinet and in the government. The most important and most potent power for peaceful change that has emerged from any cabinet and Government in the Republic of South Africa, is none other than the State President. 21

The amendments suggested by NPP considerably diluted the militancy of the motion proposed by Solidarity. It basically called on the Cabinet to "speed up reform". 22 The amendments were carried in a subsequent vote. Solidarity MP, A.E. Arbee cogently summed up the motion finally passed as:

"one of these resolutions which we used to pass from time to time in the South African Indian Council. What it boils down to, is that we oppose Apartheid, but we give the Cabinet the blessing to go on. 23

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21. Ibid. 314.
22. Ibid. 328.
23. Ibid. 263 – 4.
At the beginning of 1986, Solidarity, plagued by in-fighting, itself proposed a motion of no confidence that most political commentators described as a support for pledge.

One of the most important budget debates is the State President's vote. Here MP's have an opportunity to debate with the State President. Given the "Delegates" avowed aim of attempting to use the system to dismantle apartheid, one would have expected wide ranging attacks on NP when the opportunity arose in January 1986. However, the opposite strategy was used. Boetie Abramjee then Minister of Budget in the House of Delegates called him a

"leader who has shown unprecedented vision." 24

S.V. Naicker leader of the House called him

"South Africa's foremost statesman." 25

While Solidarity MP Pat Poovalingam said that P.W. Botha was not only

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"leader of a party and a government but over-arching this he was leading the greater South Africa and was looked up to by all. 26

It was no wonder that P.W. Botha was to remark that

"At some moments this afternoon I almost felt as if I was sitting in my own party caucus". 27

Despite this adulation, MPs in the house of Delegates were openly disappointed after the first parliamentary session. Somaroo Pachai, NPP, MP, admitted that

"Insofar as the real dismantling of the structures of apartheid is concerned we are going back empty-handed ... we cannot claim any credit for the scrapping of the Mixed Marriages Act, Section 16 of the Immorality Act or the Prohibition of Political Interference Act." 28

26. Ibid.
27. Ibid.
As far as Own Affairs were concerned, he conceded that

"he could not think of a single achievement we have made. If this is an indictment on my own party then so be it. I have got nothing positive to take back to the community." 29

Solidarity MP Pat Poovalingam's assessment paralleled Pachai's:

"Such reforms that have been instituted or promised would have been forced on the National Party in any case. 30

The media coverage of the performance of the major parties in the House of Delegates and the inflexibility of the National Party severely impeded the quest for legitimacy.

On the central issue of the Group Areas Act, P.W. Botha told the House of Delegates that he was not prepared to change the Group Areas Act. He was

29. Ibid.
adamant that he was not prepared to deviate from the principle that each group should retain control over its own areas and social welfare. 31

Alongside this, the ruling party's discourse that the tri-cameral parliament heralded a "broadening of democracy" was exploded in mid-1986. In the first major confrontation between the NP and the House of Delegates and House of Representative, the latter two houses opposed two security bills. 32 If their opposition was sustained it would have gone some way towards vindicating their position within the system. The leader of the NPP, Rajbansi, went so far as to call for a united front with the NIC on the issue. However, much to the anger and embarrassment of the House of Delegates and House of Representatives, the Government got the bills passed via the NP dominated President's Council.

While the House of Delegates consistently attacked

32. The two bills were designed to increase the repressive arsenal of the state. The Public Safety Amendment Bill sought to give the Security Forces emergency powers in specified areas without an informal State of Emergency. The Internal Security Amendment Bill provided for the detention in an "unrest" area for 180 days. The existing maximum period was 14 days.
the Group Areas Act, media exposes of the MPs who supported or were involved in implementing the Act marred their efforts. For example, it was reported countrywide that a senior NPP MP had opposed an application by a Coloured person to live in an Indian Group Area. Rather than immediately expelling the MP, he was only called upon to withdraw his objection. It was also reported that leader of the NPP, A. Rajbansi, had approved and was involved in implementing a decision to rehouse in their own areas hundreds of Coloureds and Indians living in Mayfair and Hillbrow.

The major part of the proceedings of the House of Delegates was confined to the accusations of corruption from both sides of the House. It was these exposes that came to dominate the pages of the Natal newspapers. As political commentator, Mike Robertson, was to remark:

"Throughout the session allegations of bribery, graft and corruption were flung between members and on several occasions

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the internal bickering overshadowed any achievements that might have been made." 35

Given the history of SAIC and tri-cameral parliament, allied with the surveys of political attitudes of Indians analysed in the previous chapter, Poqovalingam's assessment that:

"the reason organisations such as the United Democratic Front and the Natal Indian Congress commanded such tremendous grassroots support was not because people supported the communist leanings of some of these organisations' leaders, but because they had no faith in P.W. Botha or in us as well" 36

rings true.

Whilst the House of Delegates has failed to enhance its credibility within the Indian community, this does not mean that the state is faced with a

militant community bent on confrontation. The Indian population has not been a part of the upsurges in the 1985/6 period. Indian schools have been relatively free from boycotts and struggles over the formation of democratic SRC's. Both the NIC and TIC have found it difficult to channel the vast mobilisation of the 1984 anti-election campaign into grassroot structures. Lacking branch structures, the NIC and TIC have become organisations that react to events rather initiating programmes of action.

In the 1960s and 1970s, the major factor that alienated the Indian community from the State was that bitterness over the Government's implementation of the Group Areas Act. However, today, the vast majority of Indian youth have been brought up in townships like Chatsworth and Phoenix. They have not directly felt the effects of removals under the Group Areas Act. In addition, the fight against the Group Areas Act has increasingly become the fight for middle and upper class Indians to live in White suburbs. Also, the central business districts have been increasingly opened up for Indian occupation. These factors have compounded the NIC and TIC's problem of building a vibrant political base.
In addition the state seems to have successfully counteracted the organised resistance to rent hikes that swept across the greater Durban area in the early 1980s, by initiating the selling of homes. This strategy negated attempts to transform the housing action committees into civic associations and thus provide NIC with an opportunity for winning victories on 'bread and butter' issues.

The leadership of NIC has remained petit-bourgeois and university students together with workers have not been able to penetrate the leadership. Despite these limitations, the NIC has been able to maintain its appeal to the "leftist", "left liberals" and "liberals". However, this situation could change dramatically as the progressive movement adopts a more overly anti-capitalist ideology. The signs are there already. The recently formed congress of South African Trade Unions' (COSATU) call for working class leadership of the liberation movement, worker control and nationalisation and the emergence of a "socialist position" within the UDF are indicative of the move left-
wards. This process has also been fuelled by AZAPO, CAL and APDUSA adopting an openly socialist ideology. 37 In the face of the radicalisation of the mass movement the PFP's option of free enterprise, multi-racialism and the protection of minority rights could prove an attractive option to large segments of the Indian community. 38

Postlethwayt's contention that organisations like NIC are increasingly

"being 'pulled down' towards the working class and forced to articulate its demands and concerns" 39

37. 'I do not want to argue that the "winning over" of the liberation movement to Socialism is inevitable or pre-ordained. How the fight for hegemony within the liberation movement resolves itself depends on a multiplicity of factors - crucial will be the future direction of the ANC.

38. It is interesting to note that the Vice President of the NIC, publicly warned the PFP not to recruit in Black areas after the PFP served notice that they intended doing this following the repeal of the Political Interference Act.

is not as straightforward and unproblematic as she makes out. As the opposition forces more clearly reveal themselves and the demands of the dominated classes move beyond the Freedom Charter, many in the leadership of NIC will either be "forced out" or will opt out and see movements in the mould of the Convention Alliance as a more attractive proposition. Given their class position and the demands they articulate, this is more likely to happen than the contention that they will be "pulled down towards the working class and be forced to articulate its demands and concerns". If there is any attempt by more youthful and radical leadership to transform or "take-over", NIC, this would probably create tremendous internal problems within the organisation. The established leadership who has entrenched themselves and have some legitimacy in the community, could be alienated. Thus any "take-over attempt will also alienate a large number of supporters. 40

40. The problem with NIC leadership should be seen in the context of its past history. The struggle of the 1950s and early 1960s was essentially nationalist in character and thus the development of a working class base or leadership was not emphasised.
Gramsci argued that the passive revolution consisted of the absorption and neutralisation of the interests of the dominated classes in a manner that would prevent them from opposing those of the hegemonic class.

Whether the State can intervene in the present situation and win over a substantial section of the Indian and Coloured dominated classes depends on a number of variables. Crucial are the concessions it can offer. Here the political contradiction inherent in Botha's policy of reform between the need to seek genuine Black support and the imperative of White control 41 comes to the fore. Although the NP has been transformed into a bourgeois party, it is at this point largely dominated by the Afrikaner bourgeoisie. The fact that the National Party...

represents Afrikaans-speaking sections of the bourgeoisie means that its political interests diverge from those of English capital, even though its economic interests are largely the same. The Afrikaans-speaking state bourgeoisie and petty bourgeoisie in the parastatals and civil service obviously owed their positions to Nationalist power. Even the prosperity of much of Afrikaans private business remains dependent upon state patronage and protection, while the agricultural bourgeoisie relies on farm pricing and credit policies. The interests of the classes dominating the NP and their allies would thus be directly threatened by the establishment of PFP-style power-sharing, let alone liberal democracy. 42

The state is caught in a complex of contradictions. On the one hand, it must extend formal power to the oppressed if it is to gain their consent to be ruled. On the other hand, any move in such a direction brings ruptures with the people who have always benefited from the apartheid state. Ultimately, whether the State is able to overcome the present crisis and succeed in its overhaul strategy of control through selective co-optation and repression of extra-parliamentary opposition depends on the level of militancy of the dominated classes and their ability to construct an alternative hegemony.

6.5. THE STATE IN THE PRESENT CONJUNCTURE:

Whilst the Labour Party and NPP have increasingly been trapped by the "bargaining processes" of the new parliament, the initial sessions of the tri-cameral parliament has revealed the all powerful position of the State President, who has seemingly risen above the constraints of parliament.
Recent events indicate that for the Botha government the way out of the present crisis is to transform the South African State into, in Miliband's terms, "Bonapartist" rule. As outlined earlier, Miliband states,

"where ... the hegemony of a dominant class is persistently and strongly challenged, the autonomy of the state is likely to be substantial, to the point where, in conditions of intense class struggle and political instability it may assume "Bonapartist" and authoritarian forms and emancipate itself from constraining constitutional checks and controls." 43

A recent expose of the seven-year old National Security Management System (NSMS) illustrates how it has given the security forces a crucial say in the decision-making in every part of the country's governing structure:

- At cabinet level, there is the State Security Council (SSC) which meets twice a week and makes recommendations on national "total strategy" to the cabinet. The SSC heads the NSMS.

- At the level of government department heads and cabinet committees, there is the Work Committee of the State Security Council. This body co-ordinates the activities of the directors-general of government departments and the chairmen of the other work committees of the Cabinet Committees with regard to security.

- Thirteen Interdepartmental Committees of the SSC brings together representatives of all the government departments at a slightly lower level:

- At a regional level, there are Joint Management Centres (JMC). At the moment there are eleven of these and they use Defence Force command boundaries, but the plan is to cut the
number down to nine to coincide with the country's economic development areas. If this is achieved, the JMCs will plug into the system at the same level as the Executive Committees that are replacing the provincial councils. The JMCs co-ordinate local strategies to deal with security problems of potential security problems.

- There are sixty sub-JMCs, which exert their influence on the system roughly at the level of the planned Regional Services Councils, although their boundaries do not always coincide.

- At the lowest level, 448 mini-JMCs work at the level of local authorities. 44

The above committees, and up to 1 500 sub-committees, meet regularly to discuss local security situations, swap intelligence, develop "total strategies" to deal with problems and co-ordinate the achievements of all government departments in implementing such a strategy.

44. The Weekly Mail, 3rd to 8th October 1986.
Leon Trotsky writing about Germany in 1933 argued that the true axis of the government passed through the police, the bureaucracy and the military clique. Behind the decorations of parliamentarism, lay a military - police dictatorship. This argument reads as if they were meant for present day South Africa. 45

The current state of emergency is a concerted attempt to crush extra-parliamentary opposition. At the same time the Botha government is attempting to dilute class contradictions by satisfying popular demands:

"in small doses, legally in a reformist way, from above and by means of the state." 46

Whether capital continues to support the Botha regime, depends upon the regime's ability to control the present unrest, overcome its paranoia

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over the right wing threat and win international support as a credible reform government. Failure to achieve this will see capital looking to the ANC and a Lancaster House negotiated settlement for a way out, with the only proviso being that the capitalist relations of production remain intact. If capital does look across the border to Zambia and ANC, and the present state onslaught on extra-parliamentary opposition fails to crush the mounting tide of militancy, then in the short term, the prospect of a direct, more explicit, military take-over looms large.
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