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ANNALE

2002/1

**THE FALL AND RISE OF THE AFRIKANER
IN THE SOUTH AFRICAN ECONOMY**

by

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ISBN 0 7972 0938 7

Layout and print :
Stellenbosch University Printers

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THE FALL AND RISE OF THE ARIKANER IN THE SOUTH AFRICAN ECONOMY

SUMMARY

The economic decline of the Afrikaner arose from a centrifugal process in which the market, as centre and facilitator of economic modernisation, could not fulfill its function properly. The process commenced soon after the release from duty in 1657 of VOC officials at the Cape, to earn a living as Freeburghers in the private sector, and would extend for almost two centuries. The 'push' factor was represented by the monopolistic trade policy of the Vereenigde Oost-Indische Compagnie which restricted the commercial activities of the Freeburghers. The 'pull' factor consisted of the wide open spaces, representative of the abundant factor of production and natural resources, which, in the absence of capital and technology, could be combined with labour without making heavy demands on the fifth factor of production, entrepreneurship.

The progressive use of this abundant factor in extensive stock-farming operations induced a movement of the production process ever further away from the market as the White population increased. A generation of Trekboers came into being who lost touch with the developing Western world of the time. This was not at all a breeding-ground for the generation of entrepreneurship, the source and origin of economic development. That their wealth consisted of livestock, and capital formation required augmentations of their herds, imparted a high degree of vulnerability and fragility to the frontier economy. It was subject to the onslaughts of stock diseases, adverse weather conditions, plagues, human and animal predators and devastating wars. The destruction of more than 60% of this wealth in the two northern republics (Zuid-Afrikaansche Republiek and Oranje Vrystaat) during the Anglo-Boer War spelled a nadir in the economic fortunes of the Afrikaner. In addition, the market value of the language was destroyed by Milner's policy of anglicisation.

Perforce, a new trek of centripetal nature commenced, i.e. from the rural to the urban areas, where English speakers were in control of the economy. Those who participated in the centrifugal process were by no means prepared for the skill requirements of the urban economy and had to endure, moreover, the aversion of British employers and British oriented

trade unions. As a result they had to accept, for the most part, unskilled jobs, which did not prevent additions to the ranks of the paupers.

An awareness of the arrearage of Afrikaners in the non-agricultural sectors of the South African economy, which arose among the leaders of the community, prompted remedial action. While a number of commercial enterprises had already been established by Afrikaners before 1939, the clarion call for large-scale engagement in such economic operations emanated from the 1939 *Ekonomiese Volkskongres*, where the battle-cry of "a people rescue itself" echoed as an imperative. The ensuing six decades saw a regular increase in the contribution of the Afrikaners in the creation of the national product through the establishment of enterprises in the secondary and tertiary sectors of the economy. Moreover, their arrearage in respect of *per capita* personal income, compared to that of the English-speaking Whites, shrank significantly, while their personal income in the aggregate, at the end of the twentieth century, exceeded that of the latter.

The economic renaissance of the Afrikaner is attributable in the main to the initiatives of a relatively small number of innovating individuals who fulfilled the function of the entrepreneur, and the generation of human capital by means of education and training, which, at least at the beginning, demanded great financial sacrifices by their poor parents. The most significant contribution of the National Party government of 1948-1994 was the enforcement of the principle of bilingualism, which established the market value of Afrikaans, and its promotion of economic growth and development.

Inasmuch as the Afrikaans language is sum and substance of "the Afrikaner" in the exclusive sense used in this monograph, the question arises whether their contribution to the South African economy will, in days to come, continue to be distinguishable.

Key words: *Natural Resources, Entrepreneurship, Frontier Economy, 1939 Ekonomiese Volkskongres, Market value of Afrikaans*

OPSOMMING

Die ekonomiese verval van die Afrikaner vloei voort uit 'n middelpuntvliedende proses waarin die mark, as middelpunt en essensiële fasiliteerder van ekonomiese modernisering, nie sy funksie na behore kon vervul nie. Die proses neem 'n aanvang kort na die uitdiensstelling van VOC-amptenare aan die Kaap in 1657 om as Vryburgers hul heenkome in die privaat sektor te vind, en sou oor nagenoeg twee eeue strek.

Die afstotende krag het bestaan uit die monopolistiese handelsbeleid van die Vereenigde Oost-Indische Compagnie wat die handelsvryheid van die Vryburgers aan bande gelê het. Die aantrekkende krag was die groot oop ruimtes, verteenwoordigend van die volop produksiefaktor en natuurlike hulpbronne wat, in die afwesigheid van kapitaal en tegnologie, met arbeid gekombineer kon word sonder om besondere eise aan die vyfde produksiefaktor, ondernemings-inisiatief, te stel.

Toenemende gebruikmaking van die volop produksiefaktor, in die beoefening van ekstensiewe veeboerdery, het die produksieproses algaande verder weg van die mark(te) laat beweeg namate die blanke bevolking vermeerder het. 'n Generasie van Trekboere ontstaan, wat uit voeling raak met die destyds ontwikkelende Westerse wêreld. Dit was allermins 'n teelaarde vir die generering van ondernemerskap, die bron en oorsprong van ekonomiese ontwikkeling. Dat die rykdom uit lewende hawe, en kapitaalvorming uit toenames daarin bestaan het, verleen aan die voorpos-ekonomie 'n hoë mate van kwesbaarheid en broosheid. Dit was onderhewig aan die aanslae van veesiektes, ongunstige klimaatstoestande, plaë, menslike en dierlike predatore en verwoestende oorloë. Die vernietiging van meer as 60% van hierdie rykdom in die twee noordelike republieke (die OVS en die ZAR) gedurende die Anglo-Boereoorlog van 1899-1902 verteenwoordig 'n nadir in die ekonomiese lotgevalle van die Afrikaner. Boonop is die markwaarde van sy taal deur Milner se verengelsing-proses vernietig.

Noodgedwonge is begin met 'n middelpuntsoekende trek, dié keer van die platteland na die stedelike gebiede, waar die Engelssprekendes in beheer van die ekonomie was. Diegene wat aan die middelpuntvliedende proses deelgeneem het, was hoegenaamd nie op die geskooldeheidsvereistes van die stedelike ekonomie

voorbereid nie en moes ook die afkeer van Britse werkgewers en Brits georiënteerde vakunies verduur. Hulle moes gevolglik meestal betrekkings van ongeskoolde aard aanvaar, wat nie voorkom het dat die aantal armlastiges toegeneem het nie.

'n Bewustheid van die agterstand van die Afrikaner in die nie-landbousektore het tot die leiers van die gemeenskap deurgedring, en dit het aanleiding gegee tot remediërende optrede. Hoewel daar voor 1939 reeds verskeie kommersiële ondernemings deur Afrikaners gestig is, het die sterkste wewroep tot groot-skaalse toetrede uit die Ekonomiese Volkskongres van 1939 gespruit, waar die wewroep "n volk red homself" weerklank het. Die dekades daarna word dan ook gekenmerk deur 'n gestadigde toename in die bydrae van die Afrikaner tot die skepping van die nasionale produk deur die oprigting van ondernemings in die sekondêre en tersiêre sektore van die ekonomie. Daarbenewens het hul agterstand ten opsigte van *per capita* persoonlike inkome, in vergelyking met dié van die Engelssprekende blankes, grootliks gekrimp, terwyl hul totale persoonlike inkome aan die einde van die twintigste eeu dié van die laasgenoemdes oorskry het.

Die ekonomiese renaissance van die Afrikaner is hoofsaaklik te danke aan die inisiatiewe van 'n betreklik klein aantal innoverende individue wat die rol van die ondernemer vervul het, en die generering van menslike kapitaal deur middel van opvoeding en opleiding wat, minstens ten aanvang, groot finansiële opofferings van arm ouers geverg het. Die Nasionale Party-regering van 1948-1994 se belangrikste bydrae was die toepassing van die tweetaligheidsbeginsel wat die markwaarde van Afrikaans gevestig het, en sy bevordering van ekonomiese groei en ontwikkeling

In soverre die Afrikaanse taal die kern van Afrikanerskap - in die eksklusiewe sin van die woord, soos dit in hierdie monografie gedefinieer is - verteenwoordig, ontstaan die vraag of die bydrae van "die Afrikaner" tot die Suid-Afrikaanse ekonomie in die toekoms steeds, soos hierbo, onderskei sal kan word.

Trefwoorde: *Ondernemerskap, Natuurlike hulpbronne, Voorpos-ekonomie, 1939 Ekonomiese Volkskongres, Markwaarde van Afrikaans*

THE FALL AND RISE OF THE AFRIKANER IN THE SOUTH AFRICAN ECONOMY

PREFACE

The term "Afrikaner" is used in its exclusive sense of Whites whose home language or mother tongue is Afrikaans. It is in accordance with the usage in the literature. There could conceivably be many more Afrikaans speakers who would consider themselves Afrikaners, but they are an unknown quantity. The non-Afrikaner component of the white population will be referred to as English speakers, or the English for short, though the home language of some 6 per cent of them is not English according to the 1996 census.

While the nature of the subject matter treated in this monograph is of a process over time and, therefore, has a historic dimension, it does not aspire to the status of economic history in the sense of a chronicle of events, based upon primary sources of information, but is, rather, an exercise in cause and effect. It is an enquiry into the forces involved in the process of economic decline and rise of the Afrikaner, or in other words, the determinants of change and their outcome. The author's last excursion into this field of enquiry arose from a request by the Canadian Royal Commission on Bilingualism and Biculturalism in 1965 to produce a document for them on *The Afrikaner in the South African Economy*, since Canada had to contend with problems analogous to those of South Africa.¹ Since then significant changes have come about in South Africa and it was thought that a reconsideration and updating of the subject matter may serve a useful purpose in light, particularly, of misconceptions revealed in parallels drawn between the pre-1994 political hegemony of Afrikaners and that of Blacks/Africans after 1994. It may also provide some lessons for the latter. But primarily it is, from the academic point of view, an interesting study in its own right.

1. The Canadian Minister of Public Works and Government Services 2001 has granted permission to reproduce, with the customary acknowledgement, selected excerpts from that document. The author will avail himself of this concession only in the case of historic events which cannot change with the passage of time, and whose narration in new terms will be otiose.

CHAPTER 1

THE ROOTS OF ECONOMIC RETARDATION

With the release of a first group of nine officials from the employ of the Vereenigde Oost-Indische Compagnie (VOC) at the Cape in 1657, the foundation was laid for the evolution of a community who, in time, would sever their sentimental links with their country of origin, the Netherlands, identify themselves with the southern part of Africa as their home and one and only fatherland, evolve a new language, distinct from Dutch, and become Afrikaners.

The Cape, having been established as a victualling station for VOC ships passing to and from the colonies in the East, the Freeburghers were allocated land to augment the supply of agricultural produce required by these ships and the VOC officials. As the Freeburghers and their production increased, centrifugal economic forces came into operation which induced a movement of people ever further away from the central victualling station, which was Cape Town, to seek a livelihood. It was this movement which contained the seeds of the economic retardation at issue.

Of overriding importance in this regard had been the availability of land (large open spaces) which had a commanding influence over the economic vision of the Freeburghers. Of the three factors of production – capital, technology and natural resources – that could be combined with the two human factors – entrepreneurship and labour – for the purposes of production, it was natural resources that stood out as the abundant factor. Lacking capital and more than a modicum of technology, the need for which was indeed obviated by the natural resource endowment, it made economic sense to exploit it, and use it extensively rather than intensively, since there was no need for economising on it, at least not in areas at considerable distances from the market, and given the demand/supply situation that developed in the vicinity of Cape Town. For the Freeburgher the alternative application of his labour in the wage market was not an option in competition with the slaves or the educated VOC officials. In 1711 the slave population was already somewhat larger than the Burgher population; and when the authorities at the Cape were asked whether they preferred more slaves or more European immigrants, they opted for the former. By 1778 there were at least 11 107 of them, compared to a Freeburgher population of 9 721 (Wilson & Thompson, 1969: 201/205). They had become the blue-collar skilled and semi-skilled labour force: masons, shoemakers, tailors, cartwrights, etc. Also, lodging houses had been multiplying too rapidly to

permit the profitable operation of additional ones, while any industrial activity of a non-agricultural nature would have been discouraged by the VOC.

The VOC, true to its mercantilist principles, monopolised external trade, except for minor exceptions at the end of the 18th century, and even disapproved of private trade with the indigenous population. It was interested in buying produce from the Freeburghers at lowest prices so as to maximise its own profits. For some time VOC officials, although forbidden to do so, farmed and traded privately, raising the price-curtailing supplies on the market. With the latter virtually confined to Cape Town and the provisioning of passing ships, supply soon began to outdistance demand. By 1690 the allocation of land in the Stellenbosch district had caused the production of wheat to rise to the extent that its price was reduced from 10 to 8 guilders per muid, which rendered it impossible for new farmers to produce it profitably (Van der Merwe, 1938: 16).

The scarcity of fertile agricultural land in the immediate vicinity of Cape Town obliged additions to the Freeburgher community to seek new cultivable land further away; which meant increasing costs of transport and lower net returns to agricultural pursuits. Moreover, over time, the fertility of the soil that had been cultivated for many years, deteriorated, which reduced profitability and induced the occupation of land ever further away from the economic centre. According to the Oxford history of South Africa, poverty was increasing at the beginning of the 18th century and only some 30 families could have been described as affluent (Wilson & Thompson, 1969: 198).

The stage was set for the evolution of animal husbandry as a means of securing a livelihood: "It had cost very much less to breed or barter a sheep than to produce a muid of wheat and it had about the same market value" (freely translated from Van der Merwe, 1938: 23; see also Neumark, 1957: 38). The product had, moreover, the advantage of being able to walk on its own legs to the market. The stock farmer was, in any case, much less dependent on the market than the grain, wine and vegetable producer was. His product provided him with the most important item in his diet, and supplies did not need to be marketed at specific times, but could be retained as additions to his flocks or herds, to assume the status of nature-based capital formation. Moreover, it would have been a rational decision not to produce for a market which did not exist, or was not within cost-effective reach. This rationality would prove to be a basic factor in the degree of economic retardation inherent in the nature

of the frontier economy. Also, fewer labourers were required than in the case of intensive agricultural cultivation, while the system of land tenure (leningsplaats, later quitrent) suited the stock-farmer admirably. It required no outlay of capital. Their displeasure with the VOC authorities would also have induced a desire to distance themselves geographically.

The third stage in land use occurred when some stock-farmers became Trekboers. As the population increased and sons were following in the footsteps of their fathers, it was necessary for new land to be occupied ever further into the interior, while farmers were migrating seasonally in search of pastures or leaving permanently when the carrying capacity of their land had been depleted, following upon over-grazing, adverse climatological conditions or locust plagues. The process was reinforced by depressions in the Cape Town area as a result of agricultural overproduction. The living conditions of the Trekboers have been aptly portrayed by Cory: "They came to lead a semi-nomadic existence; wandering about from place to place with their flocks and herds as better pastures and more water tempted them ... they were becoming accustomed also to live in tent-wagons for months together, so that the want of homes soon ceased to be regarded as a matter of much hardship by these dwellers of the wilds" (1965: 13). The wide open spaces were beckoning. Trekking on, they progressively increased the distance between themselves and the market, at least until the opening of new harbours on the south-eastern coast brought the market closer to some of the pastoralists. These distances had to be traversed by means of the lumbering ox-wagon, and would invariably have involved months of travelling time with risks to both travellers and those left behind. The descendants of the seafaring Dutch became land-traversing Afrikaners.

They lost touch with the market and credit economy. Their experience of the latter was restricted to infrequent visits to distant markets to obtain, in barter trade, necessities of life which they could not produce themselves such as coffee, sugar, salt, clothing material, medicines, guns, gunpowder and iron for their wagons. For all practical purposes pastoralism assumed the nature of a self-sufficient subsistence economy, each family operating as a self-supporting unit of production or family enterprise. In these circumstances the wool industry could not thrive. The trekking of the sheep required a type of animal that had little value as producer of either wool or mutton (Goodfellow, 1931: 42). Cattle were raised for draught purposes and to provide the family with meat. With the exchange economy, the price system and the profit motive (or acquisitive society) with all their implications as the norm, the conditions depicted above spelled economic retardation. "Economic

history", observed Grosskopf, "developed backwards in South Africa – not as actual retrogression, but through necessary adaptation to pioneer conditions" (1925).

The following comparison with the North American experience is instructive: "Except at the very beginning and the very end of the frontier era, the southern African frontiers were far more peripheral to the market economy than those of North America ... In North America every factor – the environment, the land, the indigenous people, and the organisation and impulse of the initial British settlers – conspired to make the frontier an integral part of the European system of merchant capitalism" (Lamar & Thompson (eds.), 1981: 27-28). The presence of, among others, navigable rivers accorded North America superiority in (renewable) natural resource endowment.

The concomitant economic isolation could not but entail cultural insulation as well. In the nature of pastoralism, coupled with the quality of the pastorage, farming units had to be large, which means that families were isolated from one another, each of them forming a community in miniature. The lack of a frequent rubbing of shoulders with neighbours made for individualism which militated against co-operation in groups when that was required. The Trekboers were out of touch with the intellectual currents that were sweeping the Western World, at the same time as the Industrial Revolution was changing the economic face of Britain, followed by the continent of Europe and North America. They did not enjoy the benefit of newspapers or journals. Education, handled by the mother in the family, and occasionally by an itinerant teacher, was a bare minimum and consisted of instruction in the written word and the reading of the Bible, whose precepts determined their mode of life. Lacking the culture of towns and cities (settled concentrations of community life) they lost the taste for the conveniences of civilisation and the refinements of urban society. In the veld the trappings of city life would, in any case, have been incongruous.² The struggle with nature, and against indigenous adversaries, particularly after they encountered the westward moving African tribes on the eastern border of the Cape, could be considered the veld-version of the competitive struggle in urban business and the clash of minds in social intercourse, and involved little exercise of the intellect. The mental processes remained dormant. The marginal utility of income was low and the demand for income inelastic. Their living conditions offered no incentive to exert greater effort than that involved around the home (or tented wagon) and the tending of the flocks.

The above *mise-en-scène* is appositely summed

2. Sadie, 1966:5. (Privy Council Office, Reproduced with the permission of the Minister of Public Works and Government Services, Canada 2001).

up by De Kiewiet: "In the long quietude of the eighteenth century the Boer race was formed ... When the Trekboers entered [the interior] with their flocks and tented wagons, they left the current of European life and lost the economic habits of the nations from which they had sprung. Though they never became true nomads, the mark of nomadism was upon them, and their dominant traits were those of a restless and narrow existence ... their life gave them a tenacity of purpose, a power of silent endurance, and the keenest self-respect. But the isolation sank into their character causing their imagination to lie fallow and their intellects to become inert" (1941: 17). They became casualties of the frontier economy which they had created. They lacked the characteristics of the "acquisitive society".

The process can be portrayed as the Africanization of the Trekboer in the sense of an identification with the soil of Africa. The Afrikaner had become a "territorial" African. Obviously, they did not become "cultural" Africans, although their daily life could not have differed very much from that of the indigenous tribes. It has been maintained that they might have begun to assimilate to the latter, the common circumstances having "stimulated the rise of a composite culture in which Khoikhoi influence was apparent ..." (Elphick & Shell, 1979: 157). There was, however, only a minimal occurrence of European-Xhosa acculturation (Giliomee, 1979: 327), which had to be attributed, according to historiographers, to the cardinal role of the Bible, and of the Old Testament in particular. A clear distinction was drawn between "Christian" and "heathen"; and since the former was considered a civilised person while the latter was a person of colour, the distinction was associated with the difference in level of civilisation, and the latter with race or colour. In consequence a possible source of assimilation and miscegenation of meaningful dimensions was inhibited (Van Jaarsveld, 1971: 34; 1985: 14; Van der Merwe, 1938: 257; Esterhuizen, 1966: 8). The adversative relationship between Black and White, involving frequent hostilities, could have made a contribution as well. This non-acculturation was due to become of noteworthy economic significance during the twentieth century.

By 1779 the westward-moving Xhosas formed a barrage to the continuation of the eastward movement of the Trekboers on the Eastern border of the Cape. A period of great turbulence followed involving raids, counter-raids and wars in which large stock losses were sustained. Land east of the Fish River was not available to new potential claimants in accordance with traditional usage, as population increased. Giliomee found that by 1789 in the frontier district of Graaff-Reinet only 26 per cent of the adult men were owners of farms and the portion had shrunk to 18 per cent by 1812 (Elphick and Giliomee, 1979: 54/5). Landlessness and impoverishment ensued. But, argued the landdrost of Graaff-Reinet in 1825, "as long as a hope of the extension of the boundary

exists", a switching to alternative economic pursuits would not occur (Giliomee, 1981(c): 98).

An additional foreign element entered the lives of the Trekboers when Britain added to its Empire by subjugating and occupying the Cape in 1806, and establishing its authority on the eastern frontier, but without affording them the expected protection against attacks by the tribes. To the centrifugal force of pressure of population on natural resources, as conditioned by black adversaries, was now added the wish for independence from this colonial power which took over from the VOC. From then on there were going to be two enemies to contend with: Blacks and British, exacerbating their already precarious existence.

The Great Trek ensued. It differed from the preceding gradual process of migration in that it constituted a mass exodus in a short period of time around 1834-1840. Estimates of the number of participants vary between 10 000 and 15 000 (accompanied by some 10 000 servants) which meant that 20 to 29 per cent of the 52 000 Afrikaner inhabitants of the Cape Colony were involved (Giliomee, 2000: Ch. 4; Van Jaarsveld, 1971(a)). In an article in the *Grahamstown Journal* of February 2, 1837 one of the Voortrekker leaders, Piet Retief, aired the grievances of the emigrants: "We despair of saving the colony from those evils which threaten it by the turbulent and dishonest conduct of vagrants who are allowed to infest the country in every part ... We complain of the severe losses which we have been forced to sustain by the emancipation of our slaves ... We complain of the continual system of plunder which we have endured from the kaffirs and other coloured classes ... We complain of the unjustifiable odium which has been cast upon us by interested and dishonest persons under the cloak of religion [the missionaries] whose testimony is believed in England to the exclusion of all evidence in our favour; and we can foresee, as a result of this prejudice, nothing but the total ruin of the country" (Leach, 1989: 24).

It is not possible to gauge the comparative significance of economic factors – landlessness, stock losses, emancipation of the slaves – vis-à-vis political motivation. But subsequent events were due to emphasise the importance of the latter.³ "The Voortrekkers were determined to become a free and independent people in a free and independent state ... the Great Trek was a rebellion against the British government", wrote Wilson and Thompson (1969: 406). Though the promise of new land for the landless would have been an incentive, the Great Trek itself entailed a great deal of sacrifice of wealth for many,

3. A couple of hundred Trekboers – as distinct from Voortrekkers – who had been living north of the Orange River by 1842 denied that their departure from the Cape Colony had been politically motivated (Giliomee, 2000: Ch. 5: 24).

farms and homes having had to be sold in a buyers' market to turn immovable property into liquid assets which would serve the purposes of transportation in ox-wagons. The governor of the Cape Colony at the time, D'Urban, testified in a letter to Lord Glenelg that a large number of the Boers who left the colony were members of the oldest and most respected families, and that the departure of those "fearless, patient, industrious, law-abiding and devout people was an incalculable loss to the Colony ..." (Lubbe, 1942: 66).

During the following sixty years the Voortrekkers were not permitted – and sometimes did not permit themselves – to settle down for any extended length of time in the new territories occupied by them to a life of peace, devoted to political, social and economic development. Trekking through territory that was inhabited, or used for grazing purposes, by the various black tribes, or settling in parts of the country surrounded by them, it was well-nigh inevitable that disputes and internecine armed conflict would frequently erupt, causing loss of life, the burning of wagons and homes and the killing and theft of livestock, though it would appear that in some counter-raids more animals were reclaimed than had originally been rustled. To protect their kith and kin and counter the military power of the Zulus and Matabeles, the men had to become skilled in the ways of the veld and military preparedness, and so they became expert horsemen and marksmen and brave fighters. In acquiring the qualities of rugged pioneers who had to defy the dangers to their existence, they lost the attributes and aptitudes required for economic modernisation (Sadie 1966:7). The courage and initiative engendered in such circumstances were evidently not characteristics which could be transformed into enterprise and initiatives in the economic sphere. In learning to adapt to existing circumstances they lost the ability to adapt to new ones or, better still, to create circumstances which would ensure their economic well-being when trekking came to an end, because the frontier economy had been stretched to its limits and there was no more new land to be occupied while rapid population growth continued. Their territorial expansion was not an expression of the acquisitive society.

Perhaps even more disturbing of an even tenor of settled life was the harassment by the British Empire builders who were in hot pursuit of the Voortrekkers. The Piet Retief trek had scarcely established their Republic of Natal when Britain declared Natal a British colony in 1843. In 1848 the area between the Orange and Vaal rivers was annexed, by the same colonial power as the Orange River Sovereignty. In 1854 the Orange Free State (OFS) was granted independence. The Transvaal sued for recognition as a state independent of Britain, and was accorded this status at the Sand River Convention of 1852. But in 1877 it was annexed by Theophilus Shepstone on behalf of Imperial Britain. The Transvaal Afrikaners rebelled and fought the first War of Independence in 1880,

defeating the British in the battle of Majuba, after which independence was restored, subject to British suzerainty.

The Burgers themselves added to their woes by intransigence, squabbles and schisms. While those in the OFS – although embroiled with Moshweshwe of Basotholand – were putting an end to the frontier economy, and were organising themselves into an orderly community which had put down roots, the Transvaal was being crippled by dissension. There was conflict between the very democratic Volksraad Party and the despotic Voortrekker leader, Potgieter; at one stage several regional 'republics' had been established; before political calm was restored in 1864 armed clashes between factions had occurred; there were futile attempts at fusing the OFS and the Transvaal (which came to be known as the ZAR, or Zuid-Afrikaansche Republiek); and the Nederduits Hervormde Kerk and the Gereformeerde Kerk were formed as disaffiliations from the Dutch Reformed Church. These circumstances did not constitute a milieu in which serious attention would be given to economic advancement. They could not even offer effective resistance to Pedi raids on farms.

Mineral resources which should have redounded to the economic benefit of the two Republics, became rather a source of conflict. At the end of the 1860s and the beginning of the 1870s diamonds were discovered in an area spanning the ill-defined borders of the Cape Colony, the OFS, the Transvaal and Griqua territory. The landowners, who were powerless to prevent fortune seekers from flooding their land, soon sold their farms. When it became clear that deep mining was the only efficient method of exploitation, their role as individual diggers dwindled into insignificance. Capital was required which they did not have. Only a few Afrikaners living in the vicinity of Cape Town benefited directly. Imperialist Britain managed to preclude the claims of the two republics to this source of revenue and wealth by having the portions, to which they laid claim, awarded to the Griquas. The latter were then declared British subjects, and Griqualand-West was incorporated into the Cape Colony in 1871. The OFS was awarded a paltry amount in compensation. Having emigrated from the Eastern Cape border because of, amongst others, their conviction that Britain was favouring the Blacks at the expense of Afrikaners, the latter found themselves once more to have the worst of it.

Already by 1854 gold deposits had been known to occur in the Transvaal. But the Volksraad, aware of the tentacles of British imperialism, tried to keep it secret for fear of losing their independence should the fact become public knowledge (Esterhuizen, 1965: 10). Originally, almost all the land on the Witwatersrand on which gold was discovered and proclaimed as a mining area in 1886, belonged to Afrikaner farmers. Among the latter three categories had been distinguished: (i) those who almost immediately tried

to sell their land at the best price; (ii) those who had greater love for the soil than for potential wealth; and (iii) a few who tried to mine the ore for their own account, but failed because they lacked the know-how and the capital. A fieldcornet, JP Meyer, appeared to have been the most successful mining entrepreneur, while Colonel IP Ferreira, due to financial problems, lost his share in the syndicate founded by him, and the Paarl syndicate was obliged to sell its mining venture, in which transaction SJ du Toit suffered a loss of ± £140 000 (Van Zyl, 1986: 73). The entrepreneurial participation of the Afrikaner in gold mining, accordingly, was minimal and within ten years' time one-quarter of the surface area of the ZAR had passed into the hands of foreigners. "Two centuries of solitary pastoral life", wrote Bryce in 1900, "have not only given him an aversion for commerce, for industrial pursuits, and for finance, but an absolute incapacity for such occupations, so that when gold was discovered in their country, they did not even attempt to work it, but were content to sell, usually at a price far below its value, the land upon which the gold reefs lay, and move off with the proceeds to resume elsewhere their pastoral life" (1900: 409). This industry was due to transform the economy of South Africa, while the immediate benefit to the Burghers was the new market that came about for their wheat, maize, rye, tobacco, vegetables and fruit.

For many years after 1899 the Burghers were not going to enjoy the benefits that could have ensued from this new source of wealth by way of political control over the industry, such control having been wrested from them by Imperial Britain in a war of attrition and devastation. In addition to the imperialist ambitions and designs of Chamberlain and Milner as driving force in this operation, "Cecil Rhodes, an arch-imperialist ... was determined to obtain for Britain the riches of the North" (Leach, 1989: 26). To this end he exploited the matter of the franchise for *uitlanders* (foreigners, mostly British) who descended upon Johannesburg in their thousands when the discoveries became known. Suspecting that the real objective was the subjugation of the ZAR to British rule, the Transvaal delivered an ultimatum to the British governor to withdraw its troops from the ZAR borders and

relinquish its claims to the republic. With no response coming forth from Britain the ZAR considered it a declaration of war and the Anglo-Boer War began. The OFS entered the war in support of its neighbour, while later on some 10 000 Cape Colonial Afrikaners (considered rebels since they were residents of a British colony and were subjected to martial law) joined the commando's. Fighting against overwhelming odds in which British troops outnumbered Burghers in a ratio of 6 to 1 (Leach, 1989: 27), they soon resorted to guerrilla warfare. To deprive these guerrillas of provisions and shelter the British military practised a policy of scorched earth, and rounded up the women and children into unhygienic, ill-equipped and ill-provisioned concentration camps where the incidence of mortality escalated to unprecedented levels, calculated to break the spirit of the die-hards on commando. Referring to these measures the Liberal Party opposition leader, Campbell-Bannerman, commented: "When is a war not a war? When it is carried on by methods of barbarism in South Africa" (Spies, 1977: 9). And in the year 2000 an English-speaking journalist and amateur historian published his research results in a volume: *Fire in the sky. The destruction of the Orange Free State 1899-1902* (Owen Coetzer), which followed upon his 1996 publication: *The Road to Infamy 1899-1900*. The modern-day depiction of the events would probably be considered a crime against humanity.

The defeated Burghers of the two republics emerged from the war as foreigners in their own country; vanquished, dispirited and destitute. Subsistence affluence or poverty had been violently transmitted into pauperism, the depths of which had not been plumbed yet when the peace accord was signed in 1902. More injury was going to be visited upon them and insult added to injury.

For the next three-quarters of a century the English-speaking society in South Africa, representative of the victorious Empire, was going to be experienced as the adversary to the Afrikaner, entailing energies spent on a political struggle which could conceivably have been more profitably devoted to economic enhancement.

CHAPTER 2

THE NEW COLONISTS: AN ADVERSATIVE WHITE COMMUNITY

The British conquest of the Cape of Good Hope in 1806 heralded the emergence of a new community of European extraction which was to have a pervasive influence on the Afrikaners' future, for better and for worse. It was apparently considered that occupation by military force alone would not suffice to ensure that the Cape, and later South Africa, would be British in cultural orientation and medium of communication. Accordingly, immigration of British settlers was promoted. During the governorship of Lord Charles Somerset, 3 000 settlers were assisted under the British government's emigration scheme to settle on the Eastern border, while 2 000 more immigrated on their own accord, while 800 discharged German soldiers – later followed by another 3 000 – settled there as well. Lacking experience of South African conditions and having been allotted units of land inadequate in size for profitable farming, two-thirds of them soon abandoned their farms to become hunters or traders and artisans in the newly-established towns of Port Elizabeth, Grahamstown and Bathurst. During 1844-47 4 300 labourers arrived from Britain to work as town dwellers. When the Republic of Natal was proclaimed British territory in 1843, some 4 000 British immigrants were introduced into one of the most fertile agricultural regions in South Africa. A system of free passages and other aid attracted 9 000 more (mostly labourers) to the colony during 1857-1862. As a result the European population of the Cape increased very rapidly from 42 217 in 1819 to 187 439 in 1865 (Wilson and Thompson, 1969: 274; Böeseken, *et al.*, 1957; De Kock, 1936: Ch. III).

The discovery of diamonds during the 1860s and 1870s occasioned a spate of immigration from Europe (overwhelmingly from Britain). There was an even greater rush of immigrants to the Witwatersrand when gold was discovered. During 1886-1889 the population of the Transvaal was augmented by 75 500 immigrants who came to be known as the *uitlanders* (foreigners) (Van Zyl, 1986: 94), whose presence became a central issue, or pretext, in the political conflict that led to the Anglo-Boer War (1899 - 1902).

Alfred Milner, who became governor of the two ex-republics after the war, regarded himself as "responsible for the future of British South Africa and above all the jealous trustee of the rights and interests of the Empire" (Worsfold, 1906: 560), "and so as to make the new order safe for the empire, he

conceived that he needed two things – money and British settlers" (Pyrah, 1955: 185/6). To advance the English influence in the rural areas, he tried to settle British immigrants among the Afrikaner farming population. In this he was not particularly successful, the flow of willing participants having soon petered out.

An estimate of the volume of immigration into South Africa during 1880-1911 can be proffered by taking our cue from the number of Dutch/Afrikaans speakers and the total European population at various (census) dates, and by assuming that the total fertility rate of non-Afrikaners, relative to that of Afrikaners, was similar to that computed for the period 1921-26 (as permitted by the earliest available vital statistics officially released). The pre-1936 Afrikaner population was estimated by means of reverse extrapolation. The results are shown in Table 1.

TABLE 1
EUROPEAN POPULATION OF SOUTH AFRICA
1880-1911

	1880	1891	1899	1904	1911
Total	413 000	634 000	896 000	1 117 000	1 276 000
Afrikaners	330 000	454 000	533 000	556 000	662 000
Others	83 000	180 000	363 000	561 000	614 000
(Immigrants)		77 000	155 000	198 000	-22 000)

Sources: Adapted from Sadie, 1978: 16; Schumann, 1938: 38.

The contribution of immigration to population growth rose from 35% during 1880-1891 to 59% in 1891-1894 and to 90% during 1904-1911 (of which about one-ninth could have been of a temporary nature, to judge by the negative magnitude for 1904-1911 of 22 000). In consequence, and in combination with the Boer War losses on the battlefield and in the concentration camps, the Afrikaners' share in the total population of South Africa was, for a brief period after the war, depressed to slightly less than one-half.

The United Kingdom remained the main source of immigration into South Africa ever since, which helped to maintain the English-speaking community's numbers stable at around 44% (with slight fluctuations) of the total White population, even while their reproductive fertility was lower than that of Afrikaners. After the Second World War ministers in the Smuts cabinet hinted at flooding the country with immigrants to preempt the National Party opposition from ever winning an election. And, indeed, the number of immigrants surged to 66 560 during 1947-48 (CSS, 1988: 2.7). It did not, however, prevent the defeat of the Smuts government at the polls in 1948.

The second constituent of the Anglicisation policy consisted of the enforcement of English as the only official – later dominant – medium of communication.

In the treaty signed after the occupation of the Cape in 1806 the Burghers were promised that their rights and privileges would be preserved. But four months later a proclamation required that all documents addressed to the State had to be in English. A proclamation of 1822 decreed English to be the only medium of courts and the public service, while fewer than one-tenth of the Burghers had any knowledge of the language. The 1865 Education Act proclaimed English as the only medium of institution in first and second class schools (Steyn, 1996: 279). Although the Act was repealed in 1882, English remained the only medium in practice, since the examining body acknowledged no other language in the higher school standards. No effort was spared in the thoroughgoing process of anglicisation (Wilson & Thompson, 1969: 272-285). English teachers were imported, some religious services of the Dutch Reformed Church were conducted in English, and ministers of religion were imported from Scotland. Communication in Dutch/Afrikaans at school was a culpable offence. English became the language of jobs and careers.

The policy met with some success in that a considerable number of Afrikaners in the Cape Colony became anglicised. It is conceivable that the anglicisation policy might have achieved greater success if Britain had not engineered and waged the war against the two republics. The peaceful pervasion seemed to have ground to a halt when ex-Burghers and Cape Colonial Afrikaners alike came to regard Imperial Britain and its South African appendage as the enemy whose war atrocities were an unforgettable traumatic experience, and acted as a cohesion-conducting force among the victims and kindred spirits.

In the run-up to the Anglo-Boer War, when the Transvaal was still an independent Zuid-Afrikaansche Republiek (ZAR), English speakers, first generation immigrants, thought they were done an injustice and were up in arms when their children were required to learn the language of their host country at school (Malherbe, 1925: 289). Because of their large numbers and their influence in the business world, their language thrived in the newspapers the *Transvaal Leader*, *Transvaal Critic*, *The Star* and *Rand Daily Mail*, while of the three Dutch/Afrikaans newspapers *Land en Volk*, *De Transvaler* and the *Volkstem*, only the latter survived after 1903. These English newspapers enabled "the fanatical racialists of the South African League" to let loose "against the South African Republic a propagandist war of virulence hitherto unknown in modern history; nor was it approached, at any rate, until Hitler let the Nazi propaganda loose against Czechoslovakia" (Keith

Hancock, Biographer of Genl. Smuts, cited by Van Jaarsveld, 1971: 82).

After the ZAR and the OFS had been turned into British colonies by conquest, Milner attempted to complete the anglicisation process initiated by Somerset in 1822. In a letter he expressed his intention of "absorbing and ultimately getting rid of them [the Burghers] as a separate, exclusive caste" (Joubert, 1997: 10; Weideman, 1954: 166). Already during the war the 17 000 children in the concentration camps were indoctrinated in the tradition of English education, and this was followed up after the war by the staffing of public schools with teachers imported from the Cape Colony and England (Esterhuizen, 1965: 103). English superseded Dutch as the official language.

The process was accompanied by the pouring of vituperation upon Afrikaans and its speakers. In 1857, September 19, *The Cape Argus'* leading article referred to Afrikaans (the everyday spoken version of Dutch) as "the miserable bastard jargon" not worthy of the appellation of a language (Joubert, 1997: 10). The editor of the *Colesberg Advertiser* of April 20, 1901, thought that "to nurse it [Afrikaans] is to cherish a viper". In the *Cape Times* of May 4, 1901, a writer wanted to know "why forego it [English] its glorious privilege for the sake of kitchen Dutch, an ungrammatical taal which are only fit for peasants and up-country kraals". The editor of the *Albert Times* (27 June 1900) opined that as a member of the "working class the Afrikaner would be in his proper place viz. a rough and ready servant, well adapted to the country and fit for hard manual labour and exposure, and adverse to using his brains" and the Boers would "represent the great unwashed of all the White races", reminiscent of the "lesser breed beyond the Pale". The leading article of the *Cape Times* of May 10, 1902 referred to Afrikaans as a "half-bred and illiterate language", "miserable taal", "mongrel language" and "hotchpotch taal" (cited by Snyman, 1973: 239). A few more epithets have been identified: "awkward unidiomatic speech", "ox-wagon vernacular", "cacophonous jumble", "undignified gabble", "a dialect degenerate and decaying", "mongrel patois" (Scholtz, 1999: 10).

An English authoress vaunted her superiority complex as follows: "No English person in any part of the world finds it necessary to assert his belief in the English language and the importance of the English ideals – and so viewed there is something not a little pathetic in the racial assertions of the South African Dutch ... in the long run there can only be one outcome of any sort of free and even competition between the races. English methods and the English language are bound increasingly to win their way and permeate the whole structure of society. It cannot be otherwise because business and commercial development in the country are bound to follow English lines" (Markham, 1913: 184). According to the historian Walker, the 1910 constitutional provision of the equality of English and Dutch was not taken seriously by the English. They

regarded it as a simple courteous gesture, no more and no less (1925:492).

In 1926 a member of the Natal Teachers Association asseverated at their annual conference that "when the Afrikaans speaking South African learns English he does so out of necessity, but when the English speaking South African learns Afrikaans, he does so out of courtesy" (Malherbe, 1926). A belief was bruited abroad that "since the educated Dutchman necessarily knows English, there was no necessity for educated Englishmen to know Dutch", and to use a language other than English in public was labelled racialism and a disturbance of the peace (Van den Heever, 1943: 35). As late as 1979 an American scholar, who experimented with his limited Afrikaans vocabulary, elicited the retort from a first lady of the Natal establishment that he "was never to use that crude language in her home" (Munger, 1979: 4). In 1975 Nancy Charton listed some thirty pejoratives used by English speakers to denote Afrikaners (pp. 45/6). The boast of "I don't speak that language", uttered with pride in response to a question in Afrikaans, used to be a common experience of the author's, and the preceding, generation.

For economic and social life to function with a minimum of friction in the circumstances, and in a country which was supposed to have two official languages (after 1910), the Afrikaner had to engender the *modus vivendi* by deferring to the English speaker; which means that the Afrikaner addresses the English speaker in English and the latter speaks English to the Afrikaner. Eventually it would redound to his advantage in that he was the bilingualist when unilingualism became an impediment to some occupations. But in the meantime, to procure employment, he had to be better qualified than his potential English-speaking competitor, since he had to be proficient in a foreign language in addition to his mother tongue. "Insufficient acquaintance with English, which became the language of the town, of commerce and industry" the Carnegie Commission on the Poor White Problem found, in 1932, "was also an important factor in barring a considerable part of the rural population from profitable employment in non-agricultural occupations. Even today this is to some extent the case."

For more than a century and a half (after 1806 that is) the English would not become Africanised in the sense that the Afrikaners had. They remained an appendage of the British Empire in an era when political empires were still in vogue. In 1941, Calpin, author of *There are no South Africans*, could still testify that they were "more British than the English ... English-speaking South Africans, even of the fourth generation, still speak of going 'home' when they plan a visit to a Britain they have never seen. When they have taken it, they 'come back', they do not come 'home' ... It may not strike the imagination

of the 'Britisher' for instance, that his refusal to learn a language, Afrikaans, is a matter of any importance. To the Afrikaner it is ..." (pp. 12-14). The virulence of British jingoism – particularly as reflected in the English press – gradually waned to the extent of eliciting laudatory appreciation of the contribution of Afrikaners to the indigenous literacy and intellectual culture.

One cannot, of course, put a specific date to the conversion of the English to the primary status of South Africans, since it was a process which evolved over time. But, perhaps, the 1970s could be considered the period of greatest significance in this regard, in concomitance with the government's attempts to secure their co-operation in finding a solution to, or amelioration of, the Black/White political issue which might have inspired a sense of common destiny.

For the Afrikaners the above *mise-en-scène* had the seminal economic outcome portrayed by the adage: give a dog a bad name, and hang him: (i) The market value of Dutch/Afrikaans was destroyed, and thereby the economic value of the speakers, in the public service; (ii) There was little or no empathy in the private sector with the Afrikaner and no feeling of responsibility or compunction towards him. Jobs were allegedly deliberately withheld from them as revealed in a petition which stated that the "Jingo's do not want to give jobs to Boers" (Pelser, 1941: 184). Since the English dominated the non-agricultural sectors of the economy, they could indulge their "taste for discrimination" with impunity; (iii) For more than half a century (after 1902) energy was going to be wasted on English/Afrikaner political conflict which could have been spent economically more constructively; (iv) The ignominy suffered at the hands of the British conqueror and his representatives in South Africa induced a feeling of inferiority. "Their language, culture and sense of belonging fractured, they began to suffer an inferiority complex" (Leach, 1989: 28; Van Jaarsveld, 1985: 20). DF Malan wrote in 1917: "Van jaar tot jaar en van geslacht tot geslacht is de Afrikaner beschoofd geworden, en behandeld geworden, als een minderwaardige. Dit is hem op aanschouwelijke wijze ... gepredikt geworden door de civiele dienst, door de school, door ieder klein amptelijke kennisgeving langs de weg, door de gehele inrichting en toon van de maatschappij. En waar anderen hem beschoofden en behandelden als een minderwaardige, daar begon hij zichzelf ook zo te beschoouwen" (p. 15).

The situation could conceivably have been analogous to that depicted by the late Black Consciousness leader, Steve Biko, who contended that the political oppression to which the Black community had been subjected eroded its soul to the extent that its members could not conceive of a realistic alternative, thus creating an inferiority complex and a dependency mood (Lötter, 1992). It was a mindset most unlikely to conduce to the engendering of the creative factor of production, entrepreneurship. The latter was supplied,

for the most part, by the English community and in this role they would eventually make a significant contribution to the Afrikaners' economic opportunities.

While the latter had been cut off from its Dutch source of growth and renewal after 1806, the English community had its ranks frequently infused with new blood from the mother country, i.e. immigrants who brought with them knowledge of new European developments, as well as economic, financial and business acumen, which stood the South African economy in good stead. From the very beginning they congregated preponderantly in urban areas and remained in contact with the outside world through the proximity to the ports. The influx of immigrants occasioned by the discovery of diamonds and gold was followed by substantial inflows of foreign capital which capacitated the floatation of 270 companies, with a nominal capital of £50 157 000 for the exploitation of gold within one year after 1886 (Schumann, 1938: 91). The wealth derived from diamond mining was used in the development of the gold mining industry, whose profits, in turn, could be invested in manufacturing industries induced by the backward linkages of mining activities and rising personal income. The non-Afrikaner participants came in on the ground floor of developments in mining, finance, commerce and manufacturing, and reaped the benefits of being first in the field. A simple example will suffice. A businessman who was able to save and invest £1 000 each year since the year 1900, at a rate of return of 12,5% (in terms of the appropriate national accounts magnitudes) per annum, would have amassed a small fortune of £3 241 000 by 1950 (at constant prices). He would have been that much ahead of an Afrikaner starting a venture in the latter year, and he would, in all probability, have been able to finance a maximum education and training opportunities for his descendants, according them a head start over contemporary Afrikaner generations.

Personal income differentials will be boosted in his favour because of the contributions of "income from property" (interest, dividends, rent receipts, etc.). In 1999, for example, the latter item in the national accounts showed an amount equal to 43% of that recorded under "compensation for employees" and represented 29% of the total current income of households (SARB, June 2000: S-131). It is a significant source of income inequality, and it will be reflected in English/Afrikaner personal income differentials.

It is worthy of note that the majority of persons in the vanguard of the transformation of the South African economy from the agricultural/pastoral to the industrial stage, and particularly the mining pioneers, were not pukka Englishmen but people of Jewish extraction: George Albu, Barney Barnato, Alfred Beit, David Harris, Solly Joel, Sammy Marks, Harry Mosenthal, Lionel Phillips, Ernest Oppenheimer (RGN, 1976). The Oppenheimer economic empire is still rated first in terms of market capitalisation on the Johannesburg Stock Exchange (McGregor, 2000), and the small Jewish section of the English-speaking community has remained a major force in the South African world of business. They have to be credited also with a very significant contribution to the economic development which burgeoned in the auspicious post-World War II conditions and under the aegis of an entrepreneur-benevolent government after 1948. The economic growth redounded to the benefit of the Afrikaners who profited from the income tax revenue contributed to the fiscus by the economically more advanced component of the population, which could be used for the financing of education, aid to the farming community and welfare services. And, when the growth created a demand in the private sector for skilled workers and professionals which could no longer be satisfied from the ranks of the English-speaking labour force, Afrikaners became acceptable candidates.

CHAPTER 3

IMPOVERISHMENT AND PAUPERIZATION

3.1 Fragility of the frontier economy

Impoverishment and the attendant economic decline of the Afrikaner people – which did not, of course, apply to all members of the population – was the fate of many of those who participated in the trekboer movement and were unable to obtain land, or lost their livestock as a basis for the earning of a living, and those who took part in the Great Trek to become Burghers of the ZAR and OFS republics.

These Afrikaners' almost exclusive dependence on only one of the three non-human factors of production, natural resources, to co-operate with human labour in the production process – typical of economically underdeveloped people – contained the seeds of impoverishment by reason of their great vulnerability to adverse conditions over which the pastoralists had little or no control. They did not qualify as entrepreneurs who are presumed to be imbued with a spirit of enterprise and creative innovation. Theirs was rather an adventurous spirit, and their function could perhaps have been equated with that of an overseer who also performed necessary tasks requiring some degree of skill while their slaves, or servants, did the rest. Technology was negligible in quantity and stagnant in character. Their capital, apart from their ox wagons, consisted of their breeding stock whose accumulation depended upon the vicissitudes of nature and the inclinations of human adversaries who were given to marauding. Which meant that, in the last resort, the economic status of the Trekboers and their descendants depended on the benignancy or otherwise of nature. In the absence of other forms of capital, nature had to provide it. They had little or no control over their own fortunes. Facilities for the formation of human capital were lacking, and so were opportunities for the acquisition of experience and knowledge of business. Stock-farming was a way of life rather than a business undertaking. The natural resource endowment had not been used productively either. Of many of them it was said that their farming activities were “unsystematic, primitive and wasteful. It consists mainly in tending a few cattle and a flock of sheep and goats. The principles of scientific stock-breeding are not understood and their importance is not understood” (cited by Esterhuizen, 1965: 226). The above characteristics mark those involved as an economically underdeveloped people.

Such economic life style was sustainable as long as there was sufficient land and accompanying

renewable natural resources to accommodate the increase in population, in the tradition of each son having a claim to a farming unit. (In the OFS until 1866 each trekker was entitled to two farms.) But there came a time when there was no more vacant or unsold land – some of it bought by absentee landowners and companies for speculative purposes – and trekking had to come to a stop, while population continued to grow. By the end of the nineteenth century some one-half of the Burgher population were landless (Giliomee, 2000: ch. 5, p 41).

The inexorable pressure of a growing population on the limited supply of natural resources was accommodated in two ways: (i) Farmers who felt obliged to provide land for each son, having had no alternative means of providing for them, would, in their testamentary disposal parcel out their land in equal portions among the sons (which was also congruous with Roman-Dutch law in the event of a father dying intestate, in which case, however, all the children and not only sons would have been the beneficiaries). After several generations of such sub-division many farming units had become uneconomically small, which spelled poverty for those who had to eke out an existence on such units. (ii) A share tenancy or squatter system came into existence, the participants in which became known as 'bywoners.' Owners of large landholdings would allow the latter to live on a part of their land not fully exploited by themselves, and in return would require the bywoners to do some work for them or to share with them a portion of the crops raised and/or of the increase in their livestock for which they had received grazing rights. Usually the system suited both landlord and share tenant, and the position of the 'bywoner' was quite secure in the early stages, but its basic characteristic was the indefiniteness and insecurity of such tenure (De Kock, 1924: 465; Goodfellow, 1931: 34), since the economic circumstances of the landowner could change as the pressure of population mounted.

A third potential accommodating course of action would obviously have been the genesis of a category of White farm employees. This did not come to pass, however, and not because farmers' sons were averse to performing the type of manual labour involved. The reason proffered for this state of affairs was that while it was acceptable to employ the skills in question for oneself or for one's family, it was *infra dig* to participate in such activity as a wage labourer. The latter status was reserved for slaves – before their emancipation – the Khoisan and members of the Black tribes, and it would have been demeaning for a

European (or White) to offer his services in such capacity (Van der Merwe, 1938: 186; Goodfellow, 1931: 62 and Wilson & Thompson, 1969: 407). But there was also some rationale to this attitude: a visitor to the north-western border of the Cape Colony in 1834 reported as follows on responses to his questions in conversation with frontiersmen: "Tell me, who will employ our children if we teach them trades? Not the Boers, for they are Jacks of all trades ... we must keep sheep and seek pasture as far as the government will allow – or starve ... and in what country will people serve for hire, if they can live their own masters" (cited by Le Roux, 1977: 13). Actually, when eventually pauperisation compelled them to seek employment in the non-agricultural sector, they accepted extensively unskilled manual jobs. When, in the twentieth century, a class of White farm workers did come into existence, the participants entered the occupation mostly as skilled workers, supervisors and farm managers.

3.2 Destruction of wealth

The accumulation of wealth, ever since the beginning of the inland migration, was impeded by the form in which it was held, viz. livestock. It was vulnerable to disease, climatic conditions, animal and human predators, destructive wars and eventually – when pastoralists had become stockbreeders and crop producers for the market – unpropitious market conditions. In the course of the eastward movement the trekboers were being harassed by the Khoisan. A historiographer reported the following losses of animals suffered by them as a result of raids during 1785 to 1795: horses 617, head of cattle 18 633 and sheep 77 196 (Cory, 1965: 19). Their meeting up with the Xhosa on the eastern frontier at the end of the eighth decade of the eighteenth century ushered in an era of looting and armed conflict in which great losses of livestock were sustained. It is not known how much of the loot might have been retrieved in counter-attacks. In 1834, in one of a number of Xhosa marauding expeditions the colonists had to brave, 456 of their homes were burnt down, while 5 700 horses, 111 400 head of cattle and 156 900 sheep were rustled, ruining thousands who "from a state of moderate competency, were in a few days reduced to a miserable dependence upon the charity of the colonial government for daily bread" (cited by Thom, 1936: 73; Du Plessis, 1964: 3).

Those who took part in the Great Trek continued to suffer losses of wealth in their northward movement, as a result of conflicts with the Zulu, Matabele and others: In one encounter, for example, the members of the Trichardt-Van Rensburg Trek lost everything they possessed, eliciting the comment from one of them that while he had 7 000 head of sheep and a good deal of money before, he had nothing left but his pair of trousers and a shirt (Coetzee 1942:72). In the ZAR

Burghers had to fend off attacks by the Pedi. To add to their woes the 1895-6 Rinderpest epidemic, accompanied by a serious drought, wiped out a large percentage of cattle and sheep, ruining thousands of farmers (De Swardt, 1983: 3; Du Plessis, 1964: 15). And in the north-eastern Transvaal the tsetse fly threatened animal and human life. Locusts were not infrequent destroyers of crops and veld.

But there was still worse to come in the form of the Anglo-Boer War which transmitted both poverty and affluence into pauperism. When the Boer commandos resorted to guerrilla tactics, because they were vastly outnumbered and outgunned in conventional warfare situations, Lord Roberts decided to "treat the remnants of the burgher forces as brigands and to devastate the country of supplies and to use the consequent starvation as a lever to bring the recalcitrant fanatics to their senses" (Spies, 1977: 122). The military command to "lay waste" was interpreted (in a telegram) to mean: "Gather all food, wagons, Cape carts, sheep, oxen, goats, cows, calves, horses, mares, foals, forage poultry. Destroy what you cannot eat or remove ... burn all houses and explain the reason is that they have harboured enemy, and not reported to British authorities as required. Give no receipts ..." (Ibid: 122). When the Boer commandos disrupted the communications of the British army, the director of Military Railways was authorised to order civilians to travel by train as a means of inhibiting Boer attacks on the railways. Where such attacks did occur the nearest farm would be burnt to the ground.

The actions involved were graphically portrayed by an investigative (mother tongue English) journalist: "Boer farms were dynamited and burnt, livestock was mercilessly slaughtered. Pigs were hacked to pieces. Chickens were speared by lances and swords. Sheep and goats were shot by phalanxes of gleeful Tommies. Crops were destroyed, grain bags were cut open and the contents flung to the wind. Women, many pregnant, and children, many ill, were given ten minutes to collect their goods and clear out before their possessions were looted and smashed in orgies of destruction. And then the farmhouses were set alight and blown up ... at least 30 000 farms were destroyed in the Orange Free State and Transvaal in huge sweeping military manoeuvres ..." (Coetzer, 1998: 25). Some of the rural towns were razed to the ground as well. This journalist also maintained that the concentration camps into which the women and children had been rounded up "would ultimately lead to the rise of Afrikaner nationalism, and, in turn, the abhorrent policy of apartheid – for never again would the Afrikaner people become prisoners of any nation" (Ibid).

In a debate in the British Houses of Parliament in 1902 Sir Campbell-Bannerman remarked: "The whole country in the two belligerent states outside the mining towns is a howling wilderness. The flocks and herds

are either butchered or driven off; the mills are destroyed; furniture and instruments of agriculture smashed" (cited in Esterhuizen, 1965: 46). Of the OFS (which became the Orange River Colony in 1901) Milner reported that it was "virtually a desert, almost the whole population living in refugee camps along the railway line. The country is a wilderness, without inhabitants and almost without cultivation. Everything is at famine prices and will be worse" (Coetzee, 1942: 74). According to estimates livestock losses were as follows:

	Transvaal	OFS
Cattle	80%	59,4%
Horses	75%	
Sheep	73%	54,7%
Weighted Average	77%	58,5%

Sources: Du Plessis, 1964: 16; Esterhuizen, 1965: 45; Sadie, 1956: 44.

If we may assume that the percentage of horses destroyed in the OFS was no higher than 58,5% the losses in the form of livestock only sustained by the ex-republics through enemy action equalled 61%.

The Cape Colonial Afrikaners did not get off unscathed either. Under martial law those who were suspected of harbouring sympathy with the republicans had, on the slightest pretexts, been arrested, detained and/or banished from their places of residence. Snyman, who investigated the Cape Afrikaners' experiences during 1899-1902 concluded (freely translated) that many of them "had been pauperised and on the verge of starvation ... and perhaps, had made as many sacrifices as their northern brothers on the battlefield" (1973: 253).

Farming activities, which had almost ground to a halt during the war – those of collaborators excepted – could not be resumed for two seasons after the war because of the drought during 1903-1904, and the lack of draught animals. In addition agriculture was hamstrung by the long 1903-1909 depression, which was described by Schumann (1938) as "one of the severest and undoubtedly the most prolonged South Africa had experienced during the past hundred years. The explanation lies in the destruction of the interior caused by the war" (93-94). All the reports on the state of the rural population reaching the newspaper *Land en Volk* and the organ of the Nederduitse Hervormde or Gereformeerde Kerk testified to misery, poverty, hardship and destitution. One from the Western Transvaal read: "Die nood en ellende onder onze plattelandsbevolking is onbeschrijflik groot ... vele vroeger welgestelde Boeren hebben zich moeten gaan verhuuren om voor't dagelijksbrood en eenige shillings per dag te arbeiden – een arbeid waarbij de arme ziel nog onverzadigd blijft, helaas" (Esterhuizen, 1965: 95-97).

In accordance with the 1902 Peace Treaty the

British government put £3 million at the disposal of a Commission – only one member of which represented the ex-Burghers – which had to distribute the amount as compensation to those ex-republicans who could not provide themselves with food and accommodation in the aftermath of the destruction by the military. Another £3 million was made available as loans free of interest for two years, and thereafter repayable at 3% interest. The way in which the matter of compensation was handled by the Commission gave rise to great dissatisfaction and chagrin. Claims for compensation submitted amounted to £17 648 507, but the Commission reckoned that the appropriate amount should be £7 621 321, which was, of course, still in excess of the sum of money available. So, it resolved that each claimant, regardless of the amount claimed, should receive £25 and whatever was left of the £3 million after this distribution could be paid out at a rate of two shillings in the pound (Esterhuizen, 1965: 71-76). Amongst others, Genl. Louis Botha, who was offered £900 as compensation for war damages of £20 000, returned the cheque.

So, a new Trek began; this time from the rural to the urban areas, to the economic life of which those raised in the farming tradition were not attuned. The few thousand who had made a reasonable living in towns as civil servants in the ZAR had been laid off – unless they were protected Burghers or "national scouts" (collaborators during the war, in other words) – to create vacancies in the new colonial service to be filled by English officials. By 1909, of the 3 026 officials in office, only 383 had Afrikaans names, and in that year 3 068 ex-officials had their contributions to the ZAR pension scheme returned to them, but they were not re-instated (Ibid: 150). Thus, the few opportunities for jobs outside the agricultural sector were closed to Afrikaners in the new British colony, the Transvaal (ex-ZAR).

The catastrophic dimensions of the destruction of the two republics' assets by the British army must rank as the major determinant of pauperisation and, accordingly, the dimensions of the poor white problem. However, the structural poverty-inducing forces had already been in operation for a long time before the Anglo-Boer War, concomitant with the diminishing endowment of land per capita, not only in the two republics, but in the Cape Colony as well. (Natal, which became known as the last outpost of the British Empire, remained very much of marginal significance in Afrikaner economic life.)

Those who did not participate in the northward trek of the 1830s settled down to a more peaceful and somewhat more prosperous life. But agriculture remained the mainstay of their economy, the first Cape census (of 1865) revealing that 79% of the population were associated with this economic sector (Schumann, 1938: 36). Those who lived in the outlying districts, on or around the eastern frontier, continued to engage in pastoralism or extensive farming, but it

would appear that the market was increasingly exerting its influence. Before the middle of the nineteenth century hides and skins had become a second major export. The closer the farms were to Cape Town or the adjacent area, the greater was the influence of the market, to which the production of particularly wine, wheat and fruit responded. Since the middle of that century woolfarming showed good progress with the Spanish merino taking over from the indigenous fat-tailed sheep, so that wool became the prime earner of foreign exchange (Schumann, 1938: 44). For a time, while the fashions favoured ostrich feathers, ostrich farming became a source of affluence. Some of the town dwellers ventured into the banking business during the period of 1836-1863 by initiating, or participating in, the establishment of a District Bank in just about every one of the Cape Magisterial districts. But because of unwise extension of credit and lack of knowledge of banking practices, in the end only one survived, the Stellenbosch District Bank, the others having either been liquidated or incorporated into the financially more powerful Imperial Banks. At the turn of the century a number of Boards of Executors and Trust Companies were founded by Afrikaners.

Though not without their share of poverty (Tini Vorster, 1979: 78), the Cape Colonial Afrikaners as a whole were economically somewhat more advanced than their northern neighbours and did not experience pauperdom to the same extent. They made considerable headway in the legal and teaching professions and served, in fact, as a source of supply of professionals for the public service in the two republics. Come a time when they could extend a hand, or take a lead, in changing the economic fortunes of their less fortunate fellowmen.

Already in 1886 the Synod of the Dutch Reformed Church in the Cape devoted attention to the phenomenon of impoverishment, followed up by a discussion of the same problem at Stellenbosch in 1893, at Cradock in 1916 and at a conference of the Dutch Reformed Churches of the four provinces in 1923. In 1934 a Peoples Congress was convened to discuss

the poor White problem which was highlighted by the findings of the Carnegie Commission. It estimated the possible number answering to the description of poor White at 300 000. If 280 000 of this number were Afrikaners they would have represented 27% of this population group. In the eyes of the leaders in the Afrikaner community this was an intolerable situation.

The first of poor relief projects was the Kakamas Labour Colony which was established by the Dutch Reformed Church in 1897. The qualifying indigent was allotted 6 morgen of land which could be irrigated by way of canals bringing water from the Orange River, and, in addition, was granted grazing rights for 25 head of small or 20 head of large stock (De Kock, 1924: 466). Similar colonies were established later in the Transvaal and the Orange Free State. This kind of poor relief was congruous with a prevailing 'back-to-the-land' tradition while the movement of people was urbanwards. The tradition appeared to have survived for a long time. In 1934 – when the depopulation of the rural areas had begun (an absolute decline in numbers) after the Great Depression of 1929-1933 and the Great Drought of 1933-34, the government announced seven grand projects for the combating of unemployment: the rural rehabilitation and housing scheme; the control of soil erosion; new forestry settlements; new irrigation schemes; subsidies for the building of dams; employment of boys at agricultural schools; and the model towns of the Railways (Pauw, 1945: 197). Still, they provided people with opportunities to earn a living in a manner with which they were familiar. The economic accommodation of the increase in the population on these colonies, however, was not provided for by means of education and training for non-agricultural pursuits, or by extensions to the arable land, so that in the early phase some squatting made its appearance on some of these projects. In later years there were not enough candidates to take advantage of all the rural opportunities offered. Poor relief was, in any case, not going to put the community on the road to economic development and prosperity.

CHAPTER 4

ECONOMIC AWAKENING

4.1 The first generation

One of the outcomes of the conflict in the Cape Colony, between the English supporting Britain's war against the two republics and the Afrikaners sympathetic to the Boer cause, was a kindling of an awareness among the latter that they had hardly any share in urban commercial enterprise. The actions and attitudes of the general dealers and traders during the Anglo-Boer War so enraged them that they withheld their custom, putting some of the dealers out of business. The feeling was that these men used the money arising from Afrikaners' support to serve the interests of the enemy (Britain). In the process the idea germinated that they might muster consumer power for the purpose of their own commercial enterprises. In Cradock, Adelaide, Britstown, Graaff-Reinet and Aberdeen shares for the establishment of new businesses were readily sold and shops set up (Snyman, 1973: 357-364). Over time many more general dealer businesses were established in towns country-wide, but the scope of this activity cannot be probed quantitatively.

At a conference convened in Graaff-Reinet in June 1900 to discuss the position of Afrikaners in the business world, a motion was passed to the effect that the time had come for people to act in self-reliant manner in all spheres of the economy and that existing Afrikaner business undertakings had to be supported whenever possible (Ibid: 362). These initiatives were interpreted by the English press as a plot against small shopkeepers "who might bear English names" and could lead to their ruin; and it was tantamount to a manifestation of disloyalty to the British queen and could engender racial hatred. On his way to secure a foothold in the non-agricultural sectors the Afrikaner would experience that he had not only to contend with his own inexperience in such economic activity, but also with the vested interests of the English community backed by a belligerent English press which invariably resorted to the political slant. By inference, urban business was the preserve of the English, while the Afrikaner had to confine himself to his farm or perhaps to (as cited in chapter 3) "his proper place viz. a rough and ready servant ... fit for hard manual labour..."

But the event which ushered in the meaningful economic awakening – and came to be known as the First Economic Movement – was the founding of *De* (later *Die*) *Burger*, a Dutch (soon afterwards, Afrikaans) medium newspaper in 1915. It was not, primarily, a commercial venture for the sake of profit, and only turned into a profitable enterprise during the

1950's. The editor (DF Malan) in his first leading article wrote: "De Burger is een kind van de smart en de hoop. Hij is geboren uit de weën van ons volk. Indien zware rampen niet ons volksbestaan hadden getroffen hij zou er zeker niet geweest zijn." Its founding testified to a close relationship in Afrikaner life between language, economics and politics. It espoused the cause of Genl. JBM Hertzog, founder of the National Party, after he was manoeuvred out of the Botha government cabinet. His political agenda emphasised equality of the two official languages, a common loyalty and the principle of "South Africa first and foremost" at a time when the interests of Britain, not those of South Africa, were accorded paramountcy in South Africa.

Creative innovation revolves around individuals who take the lead as entrepreneur, and in the case of *De Burger* it was WA Hofmeyr, while the initial source of finance was a wealthy Afrikaner, Jannie Marais, who, each time he was approached he responded unstintingly, promising that while he was alive he would see to it that the newspaper would not fold. The directors themselves took up shares in the company and persuaded others to do likewise.

The first years of its existence were very difficult ones, starting as it did during the first world war when jingo sentiments ran high among the English. Its English counterpart, *The Cape Times*, began a campaign of vituperation against *Die Burger* and alleged that it was coercing advertisers into supporting it by threatening businesses, which refused to do so, with boycotts by supporters of the National Party. Actually the boot was on the other foot: pressure was brought upon businesses, overwhelmingly in English hands, to boycott *Die Burger*, which obliged the latter to reduce its number of pages and its personnel. When its building had to be guarded by volunteers to prevent mobs from putting their threats into practice, the paper wrote: "The Jingo persecution will not exterminate the Afrikaner, but will act as a spur to develop himself to a position of independence in the economic and commercial fields as in all others" (Crafford, 1965: 3). The attacks on *Die Burger* aroused resentment among the readers, inciting some of them to buy only from those businesses which used it as advertising medium; but such outcome did not arise as a result of a campaign on the part of *Die Burger*.

The publishing company, Nasionale Pers Bpk. (renamed Naspers in 1998) has, over the years, extended its commercial activities by founding new publications, taking over existing ones, publishing journals in both Afrikaans and English, operating in

the book trade, undertaking commercial printing and branching out into the electronic media. At the turn of the twentieth century it was responsible for the publication of 18 newspapers and journals (Stock Exchange Handbook 1999:314). Said Ton Vosloo, MD, in the year 2000: "Naspers is now light years away from what it was, having grown from a traditional publisher to a diversified media group with a strong thrust in electronic media" (Harris, 2000: 14). It was listed on the JSE in 1994 where it was rated 15th (in 1999), its relative market capitalisation control having quadrupled in three years' time (McGregor, 2000).

Apart from 26 rural Trust Companies and Boards of Directors that came into being during the period 1914 to 1922 (Giliomee, 1999: 20), the major venture into the field of finance was the establishment of the SA National Trust and Assurance Co. Ltd. (SANTAM). It is generally believed to have sprung from an approach to WA Hofmeyr and Nasionale Pers by Alfred McDowall, who was experienced in banking and insurance, but could equally well have been the brainchild of the manager of Nasionale Pers, Fred Dormehl. The directors of SANTAM, in their turn, founded the SA National Life Assurance Co. (SANLAM) to handle the life insurance business, and bought the shares of African Homes Trust and Assurance Co. Ltd whose field of operation was industrial insurance. When WA Hofmeyr retired as MD of SANTAM and SANLAM he was succeeded by another well-known personality in business circles, CR Louw. SANTAM became the target of an attack by a competitor and of the English newspapers. A weekly, *The Cape*, (August 2, 1919) thought that "it is difficult to regard the SANTAM apart from its Hertzogite and Nationalist associations – all the directors of the company are tried and true Hertzogites, steeped up to the neck in Nationalist policy" (cited by Le Roux, 1953: 131.) To prevent the competitor from securing a monopoly in the Trust business of the OFS, SANTAM over-extended itself and faced liquidation. It was saved by the general manager of the Standard Bank who extended the necessary credit since he knew the directors to be "honourable men".

The two companies benefited from the fact that (i) their prospective clients, though not very knowledgeable about finance and business, understood and appreciated the importance of insurance; (ii) they put representatives on the road who canvassed business to induce and attract savings which might not otherwise have materialised or have been entrusted to banks or held in cash; and (iii) as a mutual institution SANLAM could argue that the company belonged to its clients (policyholders) who enjoyed the benefits or profits (or surpluses) generated by the company. By the year 2000 SANLAM (now controlling SANTAM and a number of other companies) had grown into a financial giant. After its demutualisation in 1998 and its stock exchange listing it was rated second (after the Oppen-

heimer empire) in terms of JSE market capitalisation control (McGregor, 2000). Prominent among the second generation chief executive officers of SANLAM were MS Louw, AD Wassenaar and Fred du Plessis.

The field of funeral insurance and undertakers was entered with the formation of AVBOB in 1921. The *modus operandi* of the business was simple, with clients contributing a monthly premium to obtain coverage of their funeral expenses, which made for rapid expansion. Afrikaners have become the dominant operators in the field. Around this time Sasbank and Spoorbondkas were established, which mustered small savings which were made available as credit to customers who needed small loans. These institutions fulfilled a real need since thousands of low-income individuals had no alternative ways of obtaining credit. After registering as a loan bank in 1942, Sasbank made rapid progress. Volkskas was founded as a co-operative bank in 1934. JJ Bosman was the first chief executive whose primary aim, at least at the start, was not the attainment of maximum profits but to serve the needs of the Afrikaner by channelling savings to persons and small businesses in need of financial aid on a small scale. Bosman was also instrumental in the founding of Uniewinkels, a retail chain store co-operative which eventually had seventeen branches in various towns. It was followed by Voortrekkerwinkels Koöperatief Bpk, and one year later by another co-operative retail business, Sonop.

In 1940 Volkskas was registered as an ordinary commercial bank and made fairly rapid progress. After mergers and take-overs and changes of name it emerged as the ABSA group in 1986, and in 1998 earned the highest gross income of all the banking groups (JSE, 1999).

The first significant entry by an Afrikaner into the gold mining industry occurred during the 1930s. The speciality of the pioneer, WP Boshoff, was the recovering of gold dust which was left in the crevices of old abandoned mines using methods much more economical than the conventional ones. To this end he bought and re-opened some eight old mines, and floated two companies to extract the gold left in the mine dumps, and probably became the first Afrikaner millionaire (RGN, 1987: 69).

The names of two Afrikaners need to be mentioned who do not feature in the context of the struggle economics, but whose initiatives created employment and empowering opportunities for Afrikaners: Hendrik Johannes van der Bijl, and Hendrik Johannes van Eck, the former (in life) a brilliant electro-technical engineer and the latter a brilliant chemical engineer. Both of them became pioneering entrepreneurs. Van der Bijl became the chairman of the Electricity Supply Commission when it was established in 1923, of the Iron and Steel Corporation in 1925, whose founding was his brainchild, and of the Industrial Development Corporation (IDC) in 1940. He realised his ideals:

inexpensive steel and inexpensive electricity as the basis for industrial development. Van Eck became the MD of the IDC since its inception and four years later also the chairman of its Board of Directors. During his term of office many very significant enterprises came into being as a result of his initiative and financial facilitation: SASOL, FOSKOR, SAICCOR, SAFMARINE, SWAWEK, ALUSAF and others. Sir De Villiers Graaff portrayed him as "the father of our industrial revolution, the master builder who evolved our whole economic structure" (RGN, vol. IV: 736).

4.2 Action in concert

The People's Economic Conference of 1939 was the main spring of the accession of some Afrikaner entrepreneurs to the non-agricultural sectors of the economy, while others might have been inspired by the adjurations emanating from that conference, which dates the Second Economic Movement. The Federasie van Afrikaanse Kultuurvereniginge (FAK), realising the importance of the economic factor in a people's cultural life, and acutely aware of the miserable conditions in which a sizeable portion of the population were living, as revealed by the Carnegie Commission – which seemed to have triggered an awareness of the inferior economic position of the Afrikaner – convened the conference to mobilise forces for a *reddingsdaad* (rescue action or deed of deliverance). Such action had to save from degeneracy the poor Whites who were demoralised by poverty and malnutrition, were reduced to a state of apathy and had lost their feeling of self-reliance. The community was balanced on the edge of an abyss, it was thought. While the Carnegie-defined "poor White" problem might no longer have been the major issue, poverty was still rife, which meant that large numbers were not able to enjoy living standards considered appropriate for a White person. The situation required the assumption of collective responsibility for a self-help, self-empowerment crusade. "A people is an integrated whole – the poor and the rich", asseverated Dr JD Kestell, the father of the *reddingsdaad* notion; "there is no unbridgeable gap between them. If pauperism were not curtailed it will mean the ruination of the entire nation. A people rescues itself!" (translated from FAK, 1939: 5). This imperative was underscored by another writer: "There has been enough talk about the retrogression of our people. Now it is time for action. If we don't rescue ourselves, nobody else will" (translated from Viljoen, 1945: 8). For centuries a predominantly agrarian and underdeveloped population, the Afrikaners now needed to conquer occupationally and businesswise, the towns and cities where they were for the most part under-represented in all but the ranks of the unskilled. The nation had to be alerted to their economic under-development and inferior status in the South African economy. The

arousal of the pertinent economic consciousness among Afrikaners would have to be a central theme of a programme of action, backed by the mobilisation of purchasing power and capital. It was a rousing call to action in concert. A national effort was required, vigorously pursued with determination and perseverance. (Sadie 1966:5.) But the economic struggle was not to be an end in itself but "to free compatriots from the gnawing distress and fear induced by the lack of material welfare, to enable them to enrich their own lives and to contribute to the development of the nation to which they belong" (Dönges, 1945: 11.) The adjurations had the flavour of an appeal to national pride, which could promote purposeful joint action and presumably inspire individuals to assume the role of entrepreneurs.

Exercising the minds of some speakers at the conference was the question of the operational economic system or organisational form in, or according to, which the struggle economics was to be conducted. LJ (Wicus) du Plessis argued that a People's Economic Movement had as its goal the enhancement of national welfare and not simply personal enrichment or sectional privilege. Accordingly, it was not adaptation to the foreign capitalist system that was sought, but the mobilisation of the community to conquer this system and to transform and adapt it to the national character (Du Plessis, 1964: 104). Admittedly, the capitalist company structure was more appropriate than the co-operative organisation for some purposes, but if recourse was to be had, it had to be in the spirit of co-operation and mutuality (Ibid: 106). Delegates had great praise for the co-operative system which was considered to accord with the national character, and resolved that it was indispensable to the economic development of South Africa. There were also financial benefits arising from its application: exemption from tax on capital and from tax on profits arising from trade with members; the latter could join, or sever their relations, at their own discretion; it was a democratic way of doing business; co-operative institutions were not profit-seeking as an entity separate from their customers, and could mobilise small amounts of savings (FAK, 1939: 72-83).

However, as the economic movement after the conference gathered momentum, experience intimated that whatever merit it might have had in agriculture, the co-operative form of business organisation in other spheres did not meet with the expected success. The profit motive appeared to provide a stronger incentive than mutual welfare to enhance efficiency and quality of service to the public. Came a time when Afrikaner businessmen were viewing the special concessions enjoyed by co-operatives with disapproval. Thirty-six years after the conference, at the opening of the academic year of the University of Stellenbosch, the prominent

businessman, Albert Wessels, "delivered a passionate plea for the full expression of free enterprise. "Afrikaners, too," he said, "needed to be especially on their guard against creeping socialism" (Munger, 1979: 67). Already at the conference the business proposal of the Dönges-Schumann-Louw trio was not conceived in the spirit of the co-operative organisational paradigm.

CGW Schumann questioned the wisdom of concentrating on the poor White problem, and wondered whether as much attention should not be directed to the strengthening of the ranks of the major healthier component of the community to empower them to enhance the economic position of the poorer section (FAK, 1939: 41). TE Dönges emphasised that the adverse attitude towards the capitalist system did not signify opposition to the use and accumulation of capital but to its concentration in the hands of a few. He espoused the formation of a finance house which would mobilise the available Afrikaner capital to act as a source of financing all kinds of Afrikaner enterprises in the non-agricultural sectors, thus providing savers with an investment instrument whose risks would be spread over large numbers of businesses. "Its goal had to be not only to Afrikanerise commerce and industry to a greater extent, and not only to have more Afrikaners engaged as employees, but to increase tenfold the number of Afrikaner employers in these sectors" (FAK, 1939: 60). MS Louw, actuary and co-director in chief of SANLAM, argued that if success was to be achieved, recourse was to be had to the *modus operandi* of capitalism as applied in the gold mining industry.

A financial company had to be floated which would operate in the same manner as the Johannesburg finance houses. It would act as spearhead in the struggle of the Afrikaner to attain his legitimate share in commerce and industry. Opportunities would be created for practical training and employment of Afrikaner boys and girls who should be able to aspire to the most senior posts. To this end they now had to proceed to the floating of a company, the provisional procedures for which had already been completed prior to the conference. The share capital was planned to be £300 000 divided into 200 000 ordinary and 100 000 5½ per cent cumulative preference shares (FAK, 1939: 67 *et seq*). The to-be-incorporated *Sentrale* (later *Federale*) *Volksbeleggings Beperk* (FVB) would for a start finance ventures in the following business sectors: one or more Afrikaner wholesale undertakings, a central purchasing organisation, retail trade, a building society, the cinema industry, and the manufacturing of articles which had a ready market in Afrikaner-owned shops. It would act as a link between the farmer, the investor, the consumer and the employee on the one hand, and the retail trader, the wholesaler, the credit institutions and the manufacturer on the other.

By means of risk-spreading, the finance house would provide reasonable security to the investor who sought such security, but traditionally channelled his savings into 'safe' avenues such as banks, building societies, the post office, boards of executors and insurance companies. Such savings could, by way of the finance house, become available for risk bearing investment, thus stimulating economic development which would otherwise not materialise. People who were, for the most part, risk-averse and unaccustomed to, and/or unaware of, investment in equity shares might thus be persuaded to change their attitudes. And small Afrikaner businessmen who had to depend on their own resources or credit obtainable from well-to-do individuals would have a new source of capital.

The conference gave the proposal its stamp of approval. In 1940, after the incorporation of the FVB, the management stated that while it was founded as a national institution to promote the Afrikaners' pursuit of economic self-reliance, it was also a business venture whose goal it was to pay its shareholders dividends in hard cash and not by the proffering of pious sentiments. It did not want to be a prosperous corporation divorced from the ideals of the people it wished to serve, but neither did it want to muddle along as a veritable Afrikaner business on the verge of bankruptcy (Du Plessis, 1964: 141).

One of the offshoots of the conference was the founding of the Afrikaanse Handelsinstituut (AHI) to promote the interests of existing and newly-emerging Afrikaner businessmen/entrepreneurs. It proffered guidance in business management; fostered closer co-operation among Afrikaner firms; researched business problems and informed members of its conclusions; passed on information on official measures and legislation affecting business and liaised with government in this regard; promoted the training and employment of young men and women in commerce and industry; and sought harmonious relationships between employer and employee and with other organisations and associations with similar objectives, etc. The AHI was registered as a non-profit organisation after the Minister of Justice at the time had been satisfied that its membership would be confined to Afrikaners, and that it would not require that Afrikaner members of the Association of Chambers of Commerce should sever their ties with the latter. A committee to liaise between the two organisations was established.

Established during the war, when supplies of imports were limited and were allocated by means of import permits based on past performance in this regard, the AHI had to sue for better treatment of emerging entrepreneurs who, in the nature of the situation, had no record of importation, and the director-general of supplies lent a sympathetic ear. It persuaded government to abolish price control over certain imports and to raise the profit margin allowed on certain products subject to price control. Over the

years the AHI has made numerous representations to the political authorities on behalf of business and often met with success. Among others it was instrumental in the establishment of a Social and Economic Planning Council, it advocated a Bureau of Standards in 1944 already, and requested tax relief for companies to enable them to build up reserves. Its representations led to the formation of the pre-1994 Prime Minister's Economic Advisory Council. It was increasingly recognised by government which allowed it representation in the Maize Board, the Wheat Board and various parastatals (such as the IDC, Eskom, Iscor, Bureau of Standards, the Railways, etc.). The journal *Volkshandel*, now defunct, became its official organ.

AHI's contact with its members at the local level was, and is, by way of 'saiekamers' (business chambers). Their numbers increased regularly and seemed to have experienced a spurt in the post-1994 era, having risen from 74 in 1995 to 136 in 1999. Among its 17 corporate, 219 business and 32 affiliate members there are very considerable numbers who do not qualify as Afrikaner-controlled (De Villiers, 1999). "By growing while most shrank, and by reaching out with practical programmes, the AHI, of all business organisations, has made its mark" (*Finance Week*, 1999(c): 9). These programmes included the training – with the aid of the International Labour Office – of 95 000 businessmen in 120 centres to cope with new labour legislation, and co-operation with the Black business organisation, NAFCO, in matters of mutual interest. At the turn of the century it gave every indication that it desired a maximum of co-operation without actually merging with other business organisations. From an institution nurturing fledgling Afrikaner businesses it grew into a champion of the cause of mature and immature South African business ventures.

Arising from the wish that the many propositions aired at the 1939 Conference should be communicated to the public at large, it was resolved that the *Ekonomiese Instituut* of the FAK be founded. This institute had to collect and accumulate funds in the *Reddingsdaadfonds* to translate Dr Kestell's appeal into appropriate action, by using the interest earned on the monies invested for the encouragement of training in commercial practice, economic research, the organisation of Afrikaner manpower and for loans to students, Afrikaner enterprises and the *Reddingsdaadbond* (RDB). This 'rescue action league' came into being in 1940 as the institution to organise Afrikaner economic muscle for the promotion of Afrikaner participation in the South African economy. The *Ekonomiese Instituut* (FAK) soon turned over most of its functions to the RDB and became in the main an advisory council and policy-making body. It functioned as a centre for research and exploration into all matters that affected the interests of Afrikaner business, and acted as a forum for discussions of

such matters at its annual meetings or within smaller circles of interested parties. Conclusions arising from such deliberations were brought to the attention of the RDB in cases where its programmes were at issue, while others were conveyed to the political authorities when government action was implied or considered desirable.

The institute accorded recognition by way of the press or circulars to those enterprises considered to be promoting the Afrikaners' pursuit of economic emancipation, but without thereby signalling that the institute accepted responsibility for the success of such enterprises or endorsing them as investment opportunities (with the FVB as sole exception). Such firms could make use of the recognition, if they so wished, to canvas the support of the public. The procedure had to be discontinued when it was brought to the institute's attention that recognition lent itself to abuse, since it offered an opportunity for the exploitation of the gullible by the incompetent.

The RDB was the organisation on the ground which had to convey the message of struggle economics to the populace. "Economic Consciousness" was the central theme of the campaign and the RDB had to 'conscientize' the Afrikaner population to its subordinate position in the South African economy, and thus engender support for efforts to redress the arrearage. By 1945, within five years of its formation, it had enrolled 70 000 members in 400 branches throughout the country whose contributions were paid into the RDB, to be used for their campaign. The leader (Dr N Diederichs) reported that it could boast of many achievements: hundreds of enterprises came into being as a direct or indirect result of its intervention; thousands of job opportunities were created in the process; hundreds of businessmen have been given advice and guidance; and hundreds of youths received financial aid for studies to prepare them for opportunities in commerce and industry; and it founded a medical fund, a finance company, a savings organisation and an association of executives (RDB, 1945: 3). It paid particular attention to matters affecting the welfare of the youth such as occupational guidance, occupational problems (published in its organ *Inspan*), industrial training, apprenticeships, commercial schools, correspondence courses, study aids for junior officials, employment, holiday facilities for needy youth and courses in leadership (Ibid: 43/44).

4.3 Assessing the economic consciousness movement

At the practical level, as shown above, the RDB rendered yeoman service and already in 1943 one of the leading personalities (Dr Dönges) was convinced that the Rescue Action engendered economic consciousness among the Afrikaners (Du Plessis,

1964: 142). The moot question is whether this consciousness found expression in the mobilisation of (i) purchasing power; (ii) savings; (iii) and entrepreneurial initiative, for the economic advancement of the Afrikaner.

(i) The various branches of the RDB were responsible for propaganda among Afrikaners for the employment of their purchasing power in Afrikaner concerns to which end information on enterprises under Afrikaner control or sympathetic to their cause was given out. It was necessary at times to combat malicious gossip damaging to the interests of these firms, some of it emanating from their own ranks. A shoppers' guide directing attention to Afrikaner businesses as sources of supply was not the work of the RDB but of a private company. When a few branches adopted the negative approach of naming businesses from which custom had to be withheld, it was unconditionally condemned by the *Ekonomiese Instituut*. There was, at one stage, an attempt at forming a countrywide consumer organisation, but it was frustrated by the supply scarcities occasioned by World War II.

Two factors that militated against the 'buy Afrikaans' campaign were its dependence, to a considerable extent, on an appeal to sentiment, and the need to break down prejudice. At the beginning the wave of emotionalism stirred up by South Africa's entry into the war on the side of the Afrikaners' traditional adversary, Britain, rekindled the feeling that the best interests of Britain, not of South Africa, were paramount and this was conducive to a closing of ranks which served as a source of strength for the economic struggle. Sentiment served as an aid and large numbers were responsive to persuasion. But this did not endure. At the 1939 conference it was declared that "there was an unfortunate tendency among Afrikaners to be more critical, and more demanding, of Afrikaners in business than of others. Sometimes an Afrikaans firm would be unreasonably accused of all kinds of failings and virtually calumniated into its ruination." (translated from Verwoerd in FAK, 1939: 174). Afrikaners, it was said, were prepared to entrust their political future to their compatriots, but could not be weaned from the perception that a business was doomed if it was headed by a person with an Afrikaans name (Sadie 1966:5). (Whether it had a factual basis in the guise of a higher than average incidence of failures cannot be known.) Twenty-five years later this was underscored by a company director who asserted that Afrikaners demanded perfection from their fellow Afrikaners while acquiescing in lower standards manifested by others. Sentiment would lure them no further than the counter (Marais, 1964). Entrepreneur Anton Rupert believed that after he had achieved success among Afrikaner consumers he was equipped to take on the world at large.

Research into the buying habits of Afrikaners in greater Cape Town revealed that the more affluent among them would go out of their way to support Afrikaner retailers and products of Afrikaner-controlled factories. The rank-and-file, however, manifested greater interests in prices, quality, design, credit terms and the location of the business, and tended to drift towards shops closest to their homes (Van der Merwe, 1963). Of considerable significance in this regard was the fact that in competition with the long-established well-funded English firms, the new entrants were at a disadvantage because of the small scale of operations of most of them, and accordingly the limited selections of merchandise, which rendered them less attractive as shopping centres.

Inasmuch as service in the mother tongue of the customer could be considered a plus-factor in business strategy, it could be expected that the struggle economics had an ally in the language medium. The FAK and the RDB had been exhorting Afrikaans-speaking customers to insist on service in their own language. Were this campaign successful, either the Afrikaner enterprises or Afrikaans-speaking employees or both would have benefited, since firms under English control had at the time not made serious attempts at providing service in both official languages. Neither did they show interest in pushing locally manufactured goods, preferring instead the imported articles. In practice, the language medium seemed never to have been a real issue. The Afrikaners, by and large, were bilingual; the English were not. And the former readily accepted service through the medium of English. The majority could not be bothered to insist on being served in Afrikaans, since it usually involved a cumbersome process of finding a bilingual member of the personnel who might or might not be available. This *laissez faire* stance did the Afrikaans language a disservice while the need to employ Afrikaans speakers was inhibited. During 1965 the Federal Council of Afrikaans Liaison Committees conducted a sample survey among Afrikaans-speaking Johannesburg women, which revealed that 92,5 per cent preferred to use English when shopping; 47 per cent doing so because Afrikaans was not understood in the shops frequented, 25 per cent because they found it inconvenient and the remaining 20,5 per cent from force of habit or because they liked it. The results were interpreted as a demonstration of an inferiority complex. The small minority of 7,5 per cent who did not conform to the pattern were the better educated and the well-off (Sadie, 1966: 60).

At variance with the above finding is the assertion that most of the new class of wealthy Afrikaners "came to wealth by exploiting Afri-

kaner sentiments ... (Patterson, 1957: 173). This constituted a confusion of a simple concurrence of events with a functional relationship. The 'conscientizing' of Afrikaners in their function as consumers to counter their economic arrearage did not meet with success of note. The appeal to sentiment after an initial burst of enthusiasm was ineffective, and the AHI had been entreating its members scrupulously to desist from enlisting sentiment as a ploy to solicit custom.

At the Second Economic Conference in 1950 the co-chairman expressed the opinion that the RDB had not produced the very favourable results expected of it. It was experiencing financial difficulties and its membership was shrinking rapidly. Its journal *Inspan*, was withdrawn from circulation and the RDB itself was officially disbanded in 1957.

- (ii) The mobilisation of savings for investment in commercial and industrial enterprise faced a threefold problem: (a) the average low level of Afrikaner income did not permit of a significant ability to save; (b) funds that were available were risk-averse for the most part. To Volkskas the latter did not present a problem and its management could successfully appeal to Afrikaner solidarity in their economic struggle. At the Second Economic Conference under the auspices of the FAK, the RDB, the *Ekonomiese Instituut* and the AHI, MS Louw reported that Afrikaners' deposits at various credit institutions amounted to some £300 million, but only £60 million of this was channelled to Afrikaner-controlled institutions (Du Plessis, 1964: 179). Volkskas could benefit from a redistribution of the residual £235 million. Apart from attracting the savings and cheque accounts of individuals, it was not too difficult to acquire the custom of some municipalities, church councils and Afrikaner firms. There was, moreover, the not invalid argument that commercial banking was a strategic force in the South African economy, and that it was inadvisable to have foreign-controlled banks monopolising the banking business, particularly after they refused (initially) clearing house facilities to Volkskas. Barclay's and Standard countered by having local boards of directors appointed in which Afrikaans names figured noticeably, while the Netherlands Bank was converted into a South African company. By this time Volkskas had already been firmly and competitively established. (c) There were no large Afrikaans firms with records of profits and growth over long periods and listed on the JSE which would, in consequence, provide liquidity to the investor. The absence of such attributes is the problem of the newcomer who is thus in the throes of the vicious circle: he cannot attract capital because he has no record of financial success, and he cannot achieve

such success because he cannot obtain capital. When, at the outset, the prospective Afrikaner entrepreneurs could not guarantee security and acceptable returns to investment, what could the self-empowerment campaign do but appeal to team spirit and, perhaps, tender the names of confidence-inspiring directors and chief executive officers. The FAK-endorsed financial intermediary, FVB, offered some security by way of its risk-spreading activities and the names of well-known personalities on the Board of Directors, but even it initially experienced difficulty in attracting sufficient capital.

The problem of illiquidity was mitigated by the establishment of a Stocks and Shares Bureau for the purpose of the sale and transfer of shares in Afrikaner businesses in the absence of stock exchange listings. At its second conference the RDB maintained that it had broken down the Afrikaners' prejudice against investment in commercial and industrial companies.

Among the prospective entrepreneurs there were evidently some who had more enthusiasm than business sense or who were not above abusing the economic consciousness movement and did not balk at share pushing. As one writer would have it: "It can be laid down almost as an axiom that those who appealed most strongly to Afrikaner sentiment were the poorest in business skills and in sincerity of purpose" (Schumann, 1955). As Afrikaners became more experienced and competent in initiating and conducting commercial, financial and industrial enterprises, the role of sentiment waned and eventually came to an end. By 1964 a company director stated unequivocally that "it can only be expected of an Afrikaner finance house or individual to invest in Afrikaner concerns if the latter are competitive with regard to security, future earning capacity and yield" (Marais, 1964). However, the writer considered that the economic consciousness movement did assist a number of large Afrikaner enterprises to attract capital and support, e.g. Sanlam, Santam, FVB, Volkskas, Bonuskor, Saambou and Rembrandt (Meades, 1990: 18). This finding is in congruence with MS Louw's verdict in 1944 that the RDB had indeed created a climate of sympathy among Afrikaners for Afrikaner business which would have redounded to the advantage of the latter (O'Meara, 1983: 142).

- (iii) It is a moot question to what extent the call to national pride and concerted action in the economic struggle was responsible for the burgeoning supply of entrepreneurship that occurred after 1939. Since significant entrepreneurship represents the labours and talents of a few in the community who have special traits, the appeal to mass action does not have the relevance it has in

the case of purchasing power and savings. An economic consciousness movement at this level may presumably have a better chance of success. Championing this factor of production successfully is also the most direct way of enhancing the participation of an underdeveloped component of a population, constituting as it does the *fons et origo* of economic growth and development.

The emergence of entrepreneurs can be related to the sociologists and/or the psychologists' interpretation of the motivational factor in human activity. The former emphasises the socio-economic environment: striving behaviour of the individual rewarded by societal approbation, and reinforced accordingly, would be the motive force as depicted in the following citation: "An individual's behaviour patterns are shaped ... after they have been performed ... By positively reinforcing an activity after it has been performed the probability of repetition is increased, and if such reinforcement is frequent and intermittent the probability approaches certainty" (Kunkel, 1971: 133/4). In congruence, the campaign and call to action-in-concert could have created the nurturing cultural environment for the advent of the second generation of entrepreneurs, in that the community provided the necessary supportive approval. Retail trade had seemed to be the economic sector that would provide the best opportunities for the emergence of significant numbers of owners of small businesses: profitability did not require too large a scale of operations, capital requirements were limited, while business transactions and marketing did not demand too much sophistication. But it was also the field where some cultural prejudice existed. There was a certain degree of aversion among the community to commerce and trade, which was associated with characters who were not above shady dealings. The fact that wholesale and retail trade had been stressed at the conference as an appropriate avenue for Afrikaner ventures might have helped to break down the prejudice abroad.

Still, entrepreneurial initiative or the enterprising spirit at the more exalted level at least, being an individualistic attribute – which does not materialise in mass volumes – there is yet the need to recognise the importance of man's inner concerns or internal state as posited by the psychodynamic interpretation which identified a number of motivational forces. "Chief among these motives", McClelland found, "was what we called the need for achievement (η Ach): a desire to do well, not so much for the sake of social recognition, or prestige, but for the sake of an inner feeling of accomplishment ... people who were "high" in this motive tend to work harder at certain tasks, to learn faster, to do their best work when it counts

for the record and not when special incentives such as money prizes are introduced, to choose experts rather than friends as working partners" (1971: 110; also 1987: 228). An achievement-oriented ethic is an essential condition for, and a precursor to, economic growth and development. Persons with a strong need for affiliation (η Aff), on the other hand, are unlikely to succeed in the entrepreneurial function. Preferring affective relationships with others, they avoid conflict and competition, and would rather have friends than the best qualified outsiders as business colleagues. A strong need for power (η Pow) may make for managerial success when influencing others is required, and not creative striving as at the beginning of a new business venture. It can develop into an imperial power motive syndrome which characterises political kingdom seekers, and is not likely to be channelled into entrepreneurial initiatives (McClelland, 1987: 313, 447).

For the purpose of his dissertation a researcher hypothesised that the above three needs or motivations would reveal a relationship with the socio-economic development of the Afrikaner. To this end a random sample of short stories which appeared in *Die Huisgenoot* during the period 1922-1966 was used, on the assumption that the authors would subconsciously reflect the needs of the nation in their stories. Time lags between needs and socio-economic variables of 2, 4, 6, 8 and 10 years were allowed for. It was not possible to determine which of the three needs, among which there is interaction, manifested the strongest relationship with socio-economic variable during any specific period. The study led to the conclusion that η Aff featured strongly among Afrikaners while this need was at various times correlated with η Ach. It was suggested that out of the miserable economic conditions experienced by many Afrikaners a great concern about the welfare of compatriots developed which could have become a mainspring for economic achievements. η Pow showed, as a rule, a negative relationship with socio-economic variables of some years later. It was deduced that η Pow measured a need for prestige rather than for power, since it was related in the main to studies of a prestigious nature among Afrikaners (van der Westhuizen, 1973).

Arising from this analysis, and a personal knowledge of many past and present achievers in the business world, it is submitted that an inference of greatest likelihood would be that η Aff provided a supporting base for entrepreneurship, but that the driving force in the case of the individuals concerned would have been η Ach. The era of η Aff dominance, in any case, has long past.

CHAPTER 5

THE ENTREPRENEURS

5.1 Some second- and third-generation entrepreneurs

MS Louw – architect of the 1939 Conference – led Sanlam to greater heights. He devoted his life to the furtherance of Afrikaner economic interests and served as a member of the management committee of the *Ekonomiese Instituut* (FAK) and the RDB. He mobilised capital in an innovative manner by persuading Sanlam's Board of Directors to allow policy holders to convert the surplus earnings allocable to them into cash bonuses which could be used to buy shares in Bonuskor, a company founded by him. He was instrumental, or assisted, in the establishment or development of various companies and served on their boards of directors. Examples are Saambou Building Society, the National Finance Corporation, Terra Marina Mining Company, Central Acceptances, Central Merchant Bank, SA Financial Gazette, and Winkelhaak Mining (RGN, 1987, Vol.V: 503).

The establishment of FVB heralded the birth of a venture which grew into a business empire of very considerable dimensions encompassing such affiliates as *Federale Kunsmis*, *Federale Mynbou*, *Federale Nywerhede*, *Federale Beleggingskorporasie*, *Federale Trust* (Trust Bank) and *Sentrachem*, before it eventually passed into the control of Sanlam, and its name disappeared from the JSE. Under the chairmanship of CR Louw (of the First Economic Movement) three men were appointed who became entrepreneurs in their own right: CH Brink (secretary), WB Coetzer (Commercial Advisor) and PE Rousseau (industrial advisor). Hendrik Brink succeeded CR Louw as chairman, to be succeeded in turn by Etienne Rousseau (later MD of Sasol), while Willem Coetzer became the driving force behind the founding of *Federale Mynbou*, representing the major Afrikaner entry into mining. After starting out in coal mining it gained control over *General Mining and Finance Company* (Genmin, later Gencor) with the co-operation of Harry Oppenheimer. It branched out into fisheries (where Gerrie van Zyl was the leading spirit), agricultural implements, tobacco, organic products, pharmaceuticals, car hire, china ware and food.

An outstanding success story is that of Anton Rupert of the Rembrandt, or more correctly, the Rupert business empire. From a modest beginning Rembrandt produced its first cigarette in Paarl in 1948. Within seventeen years, on an industrial partnership basis – according to which participation of local interests was a prerequisite – it was manufacturing cigarettes in 25 factories in 16

countries and selling them in 160 countries (Sadie, 1966: 64). Intent on remaining ahead of competitors and the anti-tobacco campaign through research, the company established world leadership in the production and marketing of various new varieties of cigarettes: king size, king size filter, cigarettes with the menthol filter, the multfilter, the super-porous multivent paper and the gold band filter. During his career, with Dirk Hertzog at his side, Rupert acquired Rothmans of Pall Mall, the fourth largest cigarette company, the Swiss-based Richemont (exercising control over companies dealing in tobacco products and luxury goods), and in 1988 the second largest, international cigarette firm, British American Tobacco, merged with Rembrandt. The group's interests include investments in banking, financial services, life insurance, printing and packaging, engineering and motor components, adhesives, medical services, mining, petroleum products, pulp and paper, food, wine and spirits (JSE, 1999: 374). Rembrandt also appeared to be in effective control of Goldfields of SA. In terms of JSE market capitalisation control the Rupert empire is placed fourth on a list of 21 groups (McGregor, 2000). Rupert's son, Johann, is following in his father's footsteps.

Albert Wessels, while involved in various financial and industrial enterprises, was particularly known as the founder of Toyota SA, which became the leading automobile assembler, manufacturer and dealer in South Africa for 18 out of 25 years. The lesser known, but not less in stature, co-founder, Jan de Necker, was a business partner in many other ventures in which the two of them co-operated such as Veka/Bertish – at one stage the second largest clothing manufacturer in South Africa – a glass factory, Sansfidor (the first confirming house in the country), Rand Bank, Rand Acceptance Bank and Wesco.

Some of the well-known second- and third-generation names in the ranks of Afrikaner entrepreneurs, and the institutions to which they are or were linked, can be mentioned:

GSJ Kuschke (IDC), F Meyer (Iscor), SM Naude (CSIR), Gerrie van Zyl (various companies), Albert Marais (Nasionale Bouvereniging), PJ de W Tromp (Nictus), Frikkie Neethling (Brown & Neethling), Phil Morkel (Phil Morkel Group), Dawid de Villiers, Joe Stegmann, Paul Kruger (Sasol), AM Jacobs, JJ Hattingh, John Maree (Eskom), Jan Pickard (Picardi), Nallie Bosman (ABSA), Werner Ackermann (Datsun-Nissan), Piet Badenhorst (United Group), Jan S Marais (Trust Bank), George Huysamer (Stockbroking), GT Ferreira (RMB).

The omission of the names of their successors and

others does not imply a judgement on their distinction. Two third-generation entrepreneurs who merit special mention are Bill Venter and Christo Wiese. The former is founder of Altron and an electronics and technological business empire of R10 000 million and became chairman of USKO in the year 2000. The group has been rated 19th on the JSE capitalisation control list (Dommissie & De Vynck, 2000: 5.3; McGregor, 2000). Christo Wiese is the founder of the Pepkor Group, which in 1998 had a share of 42,6 per cent in the food retail market (as constituted by Shoprite/Checkers, Pick 'n Pay, Spar and Woolworths) (Finance Week, 2000(a): 22). The Wiese empire is ranked thirteenth in the McGregor JSE capitalisation control stakes, its share having risen from 1,3 to 2,4 per cent in four years' time.

There were, and are, also some prominent Afrikaners as chairmen and CEOs of firms not controlled by Afrikaner capital.

While the events described above have been taking place, the economic face of agriculture, in which Afrikaners predominate, has been changing markedly. After the semi-nomadic pastoral component of farming made way for sedentary agriculture, the more difficult adaptation, that from farming as a way of life to agriculture as a business proposition subject to the discipline of the market, had to be faced up to. New attitudes and aptitudes were demanded. The first four decades of the twentieth century were very difficult ones for farmers who had to contend sometimes with enormous fluctuations in supplies on the market arising from changing meteorological conditions, and in ever rising prices of inputs, over which they had no control. They sought relief and support by way of farmer associations and co-operatives. Because of a lack of business experience the latter were not very successful until the 1937 Marketing Act made provision for Agricultural Control Boards, which made for stability. By branching out into processing and manufacturing, insurance, crop spraying, credit provision, electricity supply, etc. the co-operatives secured for farmers a foothold in the business world.

But, most importantly, they provided a training ground for many a prospective Afrikaner businessman and entrepreneur in the non-agricultural sectors when such opportunities have been denied them in the mainstream (English) establishments.

Agriculture has been undergoing a metamorphosis. If it still be true that some half of producers fail to make their own management decisions (Van Zyl, 2000(b): 11), then half of the descendants and successors of the overseers of yesteryear became creative entrepreneurs of the twentieth century – they came to regard farming as a business proposition and not a way of life only. They make use of the latest industrial and bio-technology to raise productivity. They are keenly aware of market

conditions, and switch crops in accordance with changes in prices brought about by higher and lower levels of production of specific crops. While continuing to grow the traditional products such as maize, wheat, grain, sorghum and oats, they have greatly increased the plantings of sunflowers, citrus trees, apple, pear, litchi, mango and avocado trees and noble grape varieties. They cultivate or discover new varieties, grow rooibos and honeybush tea, sow canola, harvest flowers in the wild and cultivate fynbos commercially, and expand their production of organically grown vegetables as the health-conscious consumers, fearing the effects of chemicals, increase in number. They explore foreign markets and earn a net surplus of foreign exchange, thus helping the net forex-consuming manufacturing industry to import capital goods and intermediate products required for its production (CSS, 1988, 1995).

The number of farming units increased between 1921 and 1952 from 81 432 to 11 9556. The area did not increase equiproportionally so that the average size declined from 986 to 730 hectares. Thereafter the number of units declined to reach 61 654 in 1992 while the average size expanded to 1 320 hectares (CSS, 1988(b): 9.4; 1995: 9.2). Tractors multiplied from 6 per 1 000 farms in 1921 to 2 846 on average per 1000 units during the 1980s (CSS, 1988(b): 9.4). It would seem that the economies of scale were being pursued energetically.

5.2 Contribution to the GDP in the entrepreneurial function

With regard to the Afrikaners' contribution to, or share in, the generation of the GDP of the country, one can distinguish between two magnitudes: (i) that generated by enterprises under the control of Afrikaners by way of simple ownership, or shareholding or majority in boards of directors, and (ii) the broader concept which includes contributions by chief executive officers operating in other than Afrikaner-controlled establishments. In the latter case it would be difficult to know the specific quantities to be attributed to the Afrikaner initiative. To discover a figure answering to the first concept we can have recourse to the information on companies listed on the Johannesburg Stock Exchange (JSE). But we have to bear in mind that there are many thousands of unlisted firms responsible for contributions about which the necessary details are not available. Estimates in this regard represent orders of magnitude and cannot aspire to preciseness. Probably the only appropriate field research ever undertaken which produced results for four economic sectors was that by the *Ekonomiese Instituut* (FAK) in 1949. The outcomes are summarised in Table 5.1.

TABLE 5.1
AFRIKANER BUSINESS ENTERPRISES

		Number	Turnover as % of SA total
Commerce	1938/9	2426	8%
	1948/9	9585	25%
Manufacturing	1938/9	1239	3%
	1948/9	3385	6%
Finance	1938/9	40	5%
	1948/9	68	6%
Mining	1938/9	3	1%
	1948/9	9	1%
Aggregate	1938/9	3710	5%
	1948/9	13047	11%

Source: FAK, 1949.

It emerges that in terms of turnover in the private sector the most headway was recorded in commerce, followed by manufacturing. Overall Afrikaners' contribution more than doubled during the ten years after the 1939 Economic Conference, showing an increase of some 55% in the turnover. The improvement was noteworthy but the 11 per cent figure for the four economic sectors in 1948/9 was, of course, still not yet very impressive. But at least the groundwork had been provided.

Some further estimates for 1948/9 and subsequent years, which were somewhat more comprehensive to cover the private sector in total, are presented in Table 5.2.

TABLE 5.2
THE CONTRIBUTION TO THE PRIVATE SECTOR
ECONOMY BY AFRIKANER-CONTROLLED
ENTERPRISES (IN PER CENT)

	1948/9	1954/5	1964	1975
	%	%	%	%
Agriculture	85	84	83	82
Mining	1	1	10	18
Manufacturing and Construction	6	6	10	15
Commerce	25	26	24	16
Transportation	9	14	14	15
Liquor and Catering	20	30	30	35
Professions	16	20	27	38
Finance	6	10	21	25
Miscellaneous	27	35	36	45
Aggregate	24,8	25,4	26,9	27,5
Aggregate ex. Agriculture	9,6	13,4	18,0	20,8

Sources: FAK, 1949; Sadie, 1957; 1966; AHI, 1966, 1999; Population Censuses; Censuses of Distribution and Service Establishments.

When the Afrikaners' relative contribution to the private sector economy as a whole is examined, it does not appear as if the progress was very substantial. It is, however, the result of the declining importance of the agricultural sector – the Afrikaners' traditional economic bastion – in the generation of the GDP, its share having been halved between 1949 and 1975, from 14,5 per cent to 7,2 per cent (Department of Statistics, 1975: 9.16 and 21.9). Its exclusion from the aggregate reveals a doubling of the Afrikaners' share during the period, i.e. from 9,6 to 20,8 per cent, which means that they have demonstrated much faster economic growth than the rest of the population. The most spectacular progress was achieved in the Mining sector whose percentage rose from 1 in 1948/9 to 18 in 1975, largely due to the activities of Federale Mynbou (offshoot of FVB). By 1970 Afrikaner control extended to 10, 28 and 18 per cent respectively of gold, uranium and coal output. Second in terms of rate of increase was Finance where the relative contribution rose from 6 to 25 per cent (1949 to 1975) mainly as a result of the progress of Volkskas, Trust Bank, Rand Bank, Rand Acceptances and Sanlam. Already in 1964 Volkskas was responsible for 21 per cent of commercial banking business (Sadie, 1966: 76). Registering a share of only 15 per cent in 1975, Manufacturing had nevertheless made considerable headway since 1949, arising from the activities of the FVB and similar institutions, agricultural co-operatives and Rembrandt Corporation. The advance of the liberal professions was associated with the spirited exertions of Afrikaners in the province of education and training. In Commerce the advance experienced after 1939 occurred by way of the establishment of thousands of small concerns in the general retail and automobile trade, three-quarters of them one-man enterprises. After 1949 progress was due mainly to the activities of agricultural co-operatives whose share in the Afrikaner participation rose from one-third to just short of one-half. The retrogression registered after 1955 would have been the result of the emergence of supermarkets and chain stores, in which the Afrikaner had little or no share, and the decline of the smaller towns' individually owned shops. The entry of Pepkor (of the Wiese empire) into this field has raised the relevant share from 16 per cent in 1975 to an estimated 30 per cent by the turn of the century.

If the totality of the public sector's share in the aggregate 1975 South African economy were attributed to Afrikaners, having in mind their government's role in the founding of parastatals and other public sector activity their contribution to the generation of the GDP would have been put at 44,7 per cent.

Short of comprehensive field research it would not be feasible to allocate percentages to all of the sectors in Table 5.2 for a most recent year such as 2000 and a somewhat less satisfactory approach will have to be resorted to, to arrive at a global figure for the contribution

of Afrikaner-controlled businesses. The particulars of all the companies listed on the JSE, as recorded in the JSE 1999 Handbook, have been examined to discover how much of the gross turnover or gross income of the companies could be allocated to the Afrikaner category. The result was a share of 33,9 per cent (Stock Exchange Handbook Jan-Dec, 1999). The 1993 Input-Output tables (CSS, 1993) permit us to determine the value of the ratio Gross Output/Value Added and by applying this ratio we can conclude that some 39 per cent of South Africa's economic activities responsible for the generation of the GDP are not captured in the details of the listed companies. We do not know how many of the smaller enterprises (SMMEs (Agriculture excluded)) are Afrikaner-controlled. It would be reasonable to assume that the percentage would be higher rather than lower than the 33,9 per cent found above in the case of the listed companies. If the veracity of this assumption is not disputed, it would seem that the Afrikaners' contribution to the non-agricultural private sector economy has grown from 20,8 per cent in 1975 to 34 per cent in 1999, or by almost two-thirds. The rate of progress has slowed down

since 1975. It still represents a minority share, but it has at least progressed faster than that of the rest of the business community. In view of the fairly stable proportion of the Afrikaner labour force in Agriculture (1949-1980), their contribution in this sector would not deviate much from 82 per cent of the sector's share in the GDP. The addition involved takes the contribution to 35,8 per cent of the total private sector.

When the broader concept of contribution in the entrepreneurial function, as formulated above, is applied, the Afrikaners' share can be augmented by some 4 to 5 percentage points to raise it to 40 per cent.

The inference would seem to be that it may require three-quarters of a century or longer for an economically retarded or underdeveloped component of a population, which has decided upon a cultural/economic metamorphosis, to catch up with the more developed component. It implies a faster rate of progress than that of the latter. And inasmuch as it represents the fruits of creative entrepreneurship, it is the work of a few, not of the many.

CHAPTER 6

THE DEMOGRAPHIC FACTOR

Demographic forces were due to have a significant influence on the economic fortunes of the Afrikaners. In the 1936 population census they were for the first time distinguished as a group on their own and their numbers and other demographic characteristics identified. On the basis of some external evidence and appropriate assumptions it was possible to extrapolate the population in reverse to 1891 and infer the historic course of the constituent elements of growth viz. fertility, mortality and migration; the latter referring to the numbers of other language groups (particularly the English) who, in one way or another, such as the outcome of inter-marriage, for example, acquired Afrikaans as their mother tongue. (There were, of course also Afrikaners who became anglicised.) The estimates generated by the author in 1978 (S.E.E, 4: 4-15) and 1998 (S.E.E, 22(3): 17-24) have been checked and revised to make provision, among others, for a net in-migration of some 41 000 between 1951 and 1991 implied in the population growth which was not explained by the changing levels of mortality and fertility. The historic course of the population detailed by sex and age is presented in Supplement A. Some salient features displayed by these data can be singled out.

TABLE 6.1
AFRIKANER POPULATION SIZE

Date	Number	Growth p.a.%	% of White Population	Date	Number	Growth p.a.	% of White Population
1899	532 500		59,5	1970	2 270 300	2,2	58,8
1904	556 000	0,85	49,7	1980	2 628 500	1,5	58,1
1911	661 700	2,5	51,8	1991	2 915 500	1,1	57,5
1921	830 200	2,3	54,6	Projected			
1926	925 500	2,2	55,2	1996	3 037 000	0,8	59,3
1936	1 121 200	2,0	55,6	2001	3 136 000	0,7	59,0
1946	1 362 400	2,2	57,3	2006	3 207 300	0,4	59,6
1951	1 516 300	2,2	57,2	2011	3 248 600	0,25	60,2
1960	1 821 900	2,0	58,1	2016	3 257 700	0,05	61,2

Just before the end of the 19th century the Afrikaner population numbered 532 500 of whom 278 500 lived in the Cape colony, 12 000 in the Natal colony, 104 000 in the OFS and 139 000 in the Transvaal. The twentieth century was ushered in with a very slow rate of growth (0,85% p.a.) as a result of an excess loss of lives in the concentration camps and on the battlefield, and the averting of births occasioned by the military situation. But for these

casualties the projected population could have been 324 000 more by the year 1980 and 388 000 more at the end of the century.

The numbers grew rapidly after 1904, at a rate of 2,4 per cent per annum during 1904-1921 after which, until 1970, it settled down to a rate varying between 2,0 and 2,2 per cent. Thereafter the rate of growth declined rapidly to reach 1,1 per cent during 1980-1991 and to a projected 0,05 per cent by 2011-2016.

The share of the Afrikaners in the total White population shrank precipitately between 1899 and 1904 (from 59,5 to 49,8 per cent) as a result of war losses as well as a considerable volume of international in-migration, some of it temporarily, which strengthened the English community. Throughout the twentieth century variation in the flow of such immigrants affected the relative strength of the Afrikaners, but as can be seen from Table 6.1, this did not prevent the latter from tracing out an upward trend, to reach a pre-1994 maximum of 58,8 per cent in 1970, and to end up at a projected level of 61,2 per cent by the year 2016.

In the projection, loss of numbers through international emigration has not been allowed for. Inclusion would reduce slightly the absolute numbers, but is unlikely to reduce their share in the total White population, since many of their English counterparts have equally participated in the outward movement. It can be noted, however, that such emigration has never been an issue of substance among Afrikaners before 1994, but became one after the new government had come into power and systematically curtailed the employment opportunities (in the employee status) of White males in the public as well as the private sector. While the emigration statistics do not differentiate between language groups, it would be surprising – to judge by news media reports, personal experience and some sample surveys (see e.g. Van der Vyver, 1998) – if Afrikaners were not commensurately represented among the highly educated and highly skilled category of economically active persons leaving South Africa (2900 per annum during 1997-1998: Statistics SA, 1999): artisans, teachers, business executives, accountants, engineers and medical practitioners and specialists. All these members of the labour force tend to evince significant employment and income multipliers, their existence being a prerequisite for the employment and income generation of those lower down in the occupational hierarchy.

The role of fertility in the population growth presented

above can be derived from the historic course of the TFR (total fertility rate) or the average number of births per woman, married and unmarried, during her childbearing period (traditionally assumed to be between 15 and 50 years of age) as portrayed in Table 6.2.

TABLE 6.2
TOTAL FERTILITY RATES

Period	Afrikaner women	All White women	Period	Afrikaner women	All White women
1891-96	5,17		1960-65	3,49	3,23
1906-11	5,13		1965-70	3,15	3,03
1911-16	5,15		1970-75	3,03	2,80
1916-21	4,66		1975-80	2,37	2,15
1921-26	4,59	3,56	1980-85	2,31	2,08
1926-31	4,42	3,20	1985-90	1,95	1,81
1931-36	3,95	3,00	Projected		
1936-41	3,78	3,01	1991-96	1,86	1,73
1941-46	3,76	3,16	1996-2001	1,77	1,66
1946-51	3,80	3,38	2001-05	1,68	1,58
1951-56	3,81	3,38	2006-2011	1,59	1,50
1955-60	3,75	3,50	2011-2016	1,50	1,50

Source: Sadie, 1978, 1998.

Fertility among the pioneers of the OFS and the Transvaal was probably not far removed from the fecundity level during the 19th century. The 1921 and 1926 Population Census volumes on fertility of marriage (Office of Census and Statistics, Vol. X) allow us to determine the nuptial fertility of the total White population during that century – i.e. the number of children born to the average married woman whose reproductive cycle has been completed.

TABLE 6.3
NUPTIAL FERTILITY OF ALL WHITE WOMEN

Cohort	Number of births
1853/4 - 1874/5	8,12
1875/6 - 1879/80	8,13
1880/1 - 1884/5	7,53
1885/6 - 1889/90	6,90
1890/1 - 1894/5	6,23

Source: Franzsen & Sadie, 1950: 66.

The figures in Table 6.3 are representative of a high, but, over time, declining fertility. They are higher than the TFRs which refer to the performance of all women, married and unmarried, during their reproductive period. From a comparison of the nuptial fertility of the 1890/1-1890/5 cohort (as in Table 6.3) with the 1891-96 TFR of 5,17 (as in Table 6.2), and with the 1891-96 estimated TFR of the Transvaal and the OFS of 7,15 (Sadie, 1978: 11), it can be inferred that the fertility of women in the Cape colony at the

time was a good deal lower than that of the two republics, and that the fertility of Afrikaner women (as a whole) was higher than that of the English. That the latter conclusion applies to the period 1921 onwards is clear from the rates in Table 6.2. Over the period 1945-1990 Afrikaner women were responsible for 65 per cent of all births among White women, resulting from a combination of the fertility differential and, during more recent years, their numerical preponderance in the 15-49 age group. The gap between the two groups of White women has, however, been closing steadily over the years, and is projected to disappear within two decades, which means that the two sections of the White community will experience the same TFRs which had already fallen below replacement level by 1985-90, after having remained on a fairly even keel during the period 1936 to 1960.

Some of the effect of the declining fertility on population growth has been compensated by declining mortality, as reflected in the life expectancy at birth from 52,3 years in 1891-96 to 73,0 years in 1991-96 (Sadie, 1978: 17; 1998: 18), incorporating a male/female differential, in favour of the latter, of 1,6 years at the beginning and 7,1 years at the end.

TABLE 6.4
AGE STRUCTURE OF THE POPULATION IN PERCENTAGES

Age Group	1899	1936	1950	1970	1991	2016
0-14	48,7	35,9	34,9	32,7	24,2	17,2
15-64	48,2	59,5	59,7	61,6	67,8	69,3
65+	3,1	4,6	5,4	5,7	8,0	13,5
	100,0	100,0	100,0	100,0	100,0	100,0
Dependency ratio's per 100 persons aged 15-64						
Children	101,0	60,2	58,5	53,2	35,7	24,8
Elderly	6,4	7,8	9,0	9,2	11,8	19,5
Total	107,4	68,0	67,5	62,4	47,5	44,3

The downward course of the TFR, coupled with the lengthening of life, had the expected effect on the age structure of the population, as can be seen in Table 6.4, with the 15-64 age group representing the economically active ages. At the end of the 19th century the Afrikaner population was demographically very young, with a child dependency ratio of more than 100 per cent; obviously an economically inimical situation. The ratio gives quantitative content to the pressure of expanding human numbers – as expounded in Chapter 1 – on the limited land area as main co-operant factor of production. Economic retardation could not but ensue. By 1936 the child population constituted 35,9 per cent, down from 48,7 per cent in 1899, which implied a shrinking of the child dependency ratio from 101 to 60,2. By 1991 – resulting from urbanisation, education, occupational

advance and enhanced living standards, together with appropriate family planning services – the proportion of children in the population was one-half that of 1899. This meant that towards the end of the twentieth century the average parent had the responsibility of nurturing only one-third of the number of children his/her ancestor had to cope with a century ago. *Ceteris paribus* he/she could lavish correspondingly more care and attention upon each child, particularly during the latter's crucial first three to five formative years (White, *et al.*, 1974: 117, 138, 183), provide him/her with more nutritious food and afford longer and better education for the child; all of which translate into human beings who are better economic material capable of greater achievements.

The counterpart of this decline in the youthful portion of the population is an increase in the elderly dependency ratio. However, it can be argued that they enter this period of life after they could have accumulated the necessary assets to accommodate them financially during post-retirement years. Moreover, by the end of the twentieth century the ageing process had not yet reduced the economically active age group in relative size.

The economically beneficial effects of the process quantified in Table 6.4 also show up in the indices of potential manpower dynamics, in which the age group 15-64 serves as such manpower, with accessions referring to the number reaching the age of 15, and the departures (or exits) to those aged 15 to 64 who die during a year and those 64 years old who retire by virtue of turning 65. Some details for select periods are presented in Table 6.5. The calculations are based on data for the male population.

TABLE 6.5
THE COMPONENTS OF MANPOWER DYNAMICS

Period	Accessions % p.a.	Exits % p.a. through			Net Accre- tion	Co- efficient of replac- ement
		Death	Retire- ment	Total		
1904-09	3,98%	0,80%	0,54%	1,34%	2,64%	295
1991-96	2,60%	0,59%	0,85%	1,44%	1,16%	181
2001-06	2,04%	0,63%	1,02%	1,65%	0,39%	124
2011-16	1,97%	0,68%	1,27%	1,95%	0,02%	101

The rate of accession to manpower has been declining monotonically as the population aged demographically, to reach a level in 1991-96 two-thirds of that in 1904-09. It is expected to continue on its downward course. Declining mortality at first reduced the rate of exits through death, but in time augmented the number of survivors who died at higher ages and, in conjunction with declining fertility, raised the relative number who could 'retire' at the age of 65. Thus the total rate of exits was boosted from 1,34 per cent in 1904-09 to 1,44 in 1991-96, and may rise to 1,95 per

cent during 2011-2016. As a result the net accretion to the manpower age group has been declining from 2,64 per cent to 1,16 per cent over a period of 87 years. During the same period the co-efficient of replacement – perhaps a more telling statistic than net accretion – diminished from 295 to 181, and is due to decline further to 101 in 2011-2016. This means that, whereas at the beginning of the century, for each 100 persons leaving the manpower group 195 new jobs had to be created to accommodate the increase – apart from those who could fill the vacancies caused by death and retirement – the relative number had declined to 81 by 1991-96, and can be almost zero by 2011-2016. Accordingly, the probability of securing employment in a stationary job market – where the number of opportunities available to new entries into the manpower age group equalled the vacancies occasioned by death and retirement – rose from 33 per cent to 55 per cent and may end on 100 per cent within two decades. (In the dynamic labour market after World War II the probability was, of course, much higher than 55 per cent.) The supply pressure on the labour market eased, the probability of unemployment diminished and better terms of employment could be negotiated. Personal income would be boosted.

The beneficial effect of the ageing process, coupled with the fact that their fertility surpassed that of the English, extended to the political arena – by way of the increase in the number of voters 21 years and older and, after 1958, 18 years and older. Some relevant data are provided in Table 6.6.

TABLE 6.6
POTENTIAL NUMBER OF VOTERS

Date	21 Years and older			18 Years and older		
	Afrikaner number	% of total Whites	Afrikaner majority	Afrikaner number	% of total Whites	Afrika- ner majority
1889	249 200	65,7				
1904	273 000	45,8				
1911	330 000	50,0				
1921	411 000	52,3				
1936	584 000	50,7				
1946	732 000	52,4				
1948	763 500	52,2	65 300			
1953	847 300	52,8	90 200			
1958	937 000	53,9	137 100	1 030 700	54,3	165 800
1960				1 078 100	55,1	199 000
1970				1 392 800	56,3	313 900
1980				1 695 200	55,6	343 000
1991				2 048 500	55,6	414 200
					Of total voting age	
1994				2 140 000	9,4	
1999				2 372 000	8,6	
2004				2 367 000	8,0	

Given the cohesion-inducing forces such as common language, culture, history and experience of Afrikaners, in conjunction with the death and/or waning influence of traditional Anglo Boer War leaders who became politicians and manifested great admiration for Britain after the ABW, demographic factors had an overriding influence in South African politics. The Afrikaner majority of potential voters increased steadily over the years from a seemingly precarious 65 300 in 1948 to 414 200 in 1991. Assuming equal voter registration the electorate majorities have, at least percentagewise, been larger than shown in Table 6.6 since many of the immigrant English residents did not apply for South African citizenship and could, therefore, not participate in elections.⁴ The National Party was able to mobilize these majorities (and in later years even attracted some English support) to remain in power for 45 years despite breakaways and to provide the Afrikaner community with a mechanism to promote their economic and other interests.

The changing spatial distribution of the population also favoured the Afrikaner electorate.

TABLE 6.7
RURAL-URBAN DISTRIBUTION OF THE
AFRIKANER

	Rural		Urban	
	Numbers	%	Numbers	%
1904	450 900	81,1	105 100	18,9
1911	500 000	75,6	161 700	24,4
1921	530 200	63,9	300 000	36,1
1936	585 000	52,2	536 200	47,8
1946	538 000	39,5	824 300	60,5
1951	468 500	30,9	1 047 800	69,1
1960	422 000	23,2	1 395 900	76,8
1970	417 000	18,4	1 853 260	81,6
1980	404 790	15,4	2 223 700	84,6
1991	344 000	11,8	2 571 500	88,2
1996	318 500	10,5	2 718 500	89,5

Source: Population Censuses. Pre-1936 estimates were based on the assumption that all rural Afrikaners were members of the Dutch Reformed Churches (for which data were available). The 1996 estimates are projections.

While the English have been a predominantly urban community from the beginning of their settlement in South Africa (86 per cent in 1904), the Afrikaners used to be an overwhelmingly rural people. As can be seen in Table 6.7 the change-over for the latter from a less than 50 to a more than 50 per cent urban portion occurred during World War II. The rural component shrank from 52,2 per cent in 1936 to 10,5

per cent in 1996, comprising a depopulation of the rural areas from 585 000 in 1936 to 318 500 in 1996. The movement was given a boost by the 1930-33 Great Depression and exacerbated by the Great Drought of 1933. Even so they remained the large majority among the White rural inhabitants throughout the century. In the urban areas they began to surpass the English in number during 1946-1951, and steadily increased their numerical predominance thereafter. To the National Party it meant that it retained its rural seats while gaining urban seats in elections after 1948. The party had already been wielding political power over the period 1924-1939, by means of a pact with the Labour Party in 1924 and a fusion with the South African Party in 1934, but its undisputed power dated from 1948 (with a very small majority of seats) or 1953, when its majority burgeoned. Even before 1924 they exerted some influence by way of their representatives in parliament.

From the point of view of economic development the most significant outcome of the urbanisation process has been the mentally – if not culturally – metamorphic influence of urban life. In contrast with the socially unchallenging quietude of the pastoral or agrarian life, urbanism, as effectuated in the hustle and bustle of daily life, the mass media intruding upon minds all the time, interpersonal contact, the clash of minds, competitive life styles, the challenging of conventional wisdom and innovative action, constitutes a way of life conducive to secularisation (or emancipation) and thus to change and development. It does this "by attracting creative or innovative personalities into the enclaves of accelerated change, by encouraging the formation of new values, attributes and behaviour traits consistent with ... innovation by fomenting a social environment favourable to innovative activity" (Friedman, 1972: 82). The author of the *Culture of Cities* would have it that "it is in the city, the city as theatre, that man's more purposive activities are formulated and worked at, through conflicting and co-operating personalities, events, groups, into more significant culminations" (Mumford, 1938: 480).

Compared to his predecessors, the post-World War II Afrikaner is an economically different being.

Moreover, the economic growth that was consonant with the increase in the White population as a whole, required larger numbers of qualified workers than the slower growing English population could provide, so that the business sector of the latter had to have recourse to the recruitment of members of the Afrikaner labour force, which benefited the economic position of both groups.

4. For a demographic analysis of the 1948, 1953 and 1958 election results, see Sadie 1958.

CHAPTER 7

POLITICAL POWER

Political power implies far-reaching economic power: the capacity to intervene in economic processes by way, for example, of government's function as employer, its control over government expenditure, its authority to levy taxes, passing legislation which has economic consequences and assuming the entrepreneurial function. Such power permits measures to be taken, directly, in aid of political supporters where the latter can be identified (as in the case of the National Party whose majorities stemmed preponderantly from support by Afrikaners, and of the ANC whose power is derived from a Black electorate) or, indirectly, where government policy promotes the interests of the whole of the electorate of which its supporters constitute a part.

7.1 The empowerment of Afrikaans

Inasmuch as, by definition, there would have been no Afrikaners, if Afrikaans did not exist, or relatively insignificant numbers of them if it was not a language of status, the promotion and empowerment of Afrikaans, and thus the re-establishment of its market value, was probably the most important contribution of political power to the Afrikaner cause. (In this context the cold-comfort assertion, that Afrikaans will survive until the last Afrikaner has died, is an irrelevancy.) In her inaugural address as chancellor of the University of Stellenbosch in 1998, Professor Elize Botha cited the famous writer and poet, NP van Wyk Louw: "For the unilingual Afrikaansspeakers at the end of the nineteenth century in South Africa, to whom English was incomprehensible and Dutch unwritable, the transformation and growth of their vernacular into a written language, a language of worship, a language of culture, was a *broodsaak* (bread-and-butter necessity). Without this transformation and growth of the vernacular these people were powerless, of no consequence, doomed to poverty and disadvantage – doomed, one might say, to forsakenness" (Botha, 1998). As a matter of precedence, then, the debt of gratitude is due, not to politicians in the first place, but to the practitioners of *belles lettres*, the human, the natural and the medical sciences for complying with the conditions formulated above.

When Dutch, and not the spoken Afrikaans, was formally one of the two official languages, a future Prime Minister, DF Malan, declared in 1913: "Raise the Afrikaans language to a written language, let it become the vehicle of our culture, our history, our national ideals, and you will raise the people who speak it. The Afrikaans Language Movement is

nothing less than an awakening of our nation to self-awareness and to the vocation of adopting a more worthy position in world civilization" (translated by Giliomee, 1975: 21). When, before Malan, and in the face of Milner's anglicization policy, ex-president MT Steyn and General JBM Hertzog besought the British to re-establish the status of Dutch as an official language, they also argued that it was necessary for the people, whose heritage it was, to regain their national pride. Hertzog declared: "Wij willen onze taal, omdat wij onze eer willen, wij zoeken onze taal te handhaven omdat wij onze rechten willen gehandhaafd zien; wij willen onze taal ge-eerbiedigd hebben, opdat onze volk ge-eerbiedigd zal sijn" (Scholtz, 1999:10). Years later it was this national pride that provoked the 1939 Economic Conference, and heralded the economic awakening of the Afrikaner by way of self-empowerment and thus move out of the rut of economic underdevelopment.

In this regard we have the testimony of two African intellectuals who stressed the importance of the home tongue as vehicle of cultural and technological transfer as means towards economic advancement. Omotoso maintained that the Japanese, the Newly Industrializing countries of the Pacific and the Egyptian Arabs benefited from their encounter with the Western culture by deliberately "rendering Western texts into their own languages" while "there is no example ... of Western culture and technology being absorbed through an indigenous language in any country south of the Sahara – apart from the Afrikaners in South Africa" (1994: 117). Concurring, Prah added that "mother tongue education is the missing link in our development efforts on the African continent. It is the enabling factor in the search for a workable paradigm for African development" (1995: iii, 12). Afrikaans as the language of economics, business economics and the exact sciences allowed easy access to a multitude of pupils and others to the determinants of economic progress, and particularly to the latest developments in the economic and scientific world, as a basis for endogenously generated economic progress.

The protection of Afrikaans by Afrikaner controlled governments, and particularly that of the 1949 to 1994 period, had a very salutary effect on the tenor of national life in South Africa during the long period in which most or many English regarded bilingualism with aversion. Assured that there was a government maintaining their language rights against the internationally more powerful English, Afrikaners were for the most part prepared to concede, to be the lesser, and use English in their conversation with, and addresses to, unilinguists, while accepting the English

language when the English speaker was the initiator of the communication, even in the overwhelmingly Afrikaner institutions, towns and communities. This was a *modus vivendi* conducive to peaceful co-existence, which engendered a harmonious ambience favourable to economic development. Some "generosity" was also extended to languages of the South African Blacks so that South Africa was in the pre-1994 days one of the few countries that published official documents in African languages (Steyn, 1996: 278).

There were also many specific benefits to prospective Afrikaner businessmen stemming from the empowerment of Afrikaans (though there was no reason why English businessmen could not equally make use of the opportunities on offer): the publication of newspapers, journals, textbooks, other books, jobs for teachers and lecturers, mother tongue instruction at school, university and technikons which could produce better economically beneficial human material because of language medium, etc. But the most direct benefit conferred by political power was obviously to be manifested within the public sector of the economy.

Soon after the end of the Anglo-Boer War Gen. Hertzog began his struggle against British imperialism as represented in Milner's anglicisation policy. He pleaded for equality between the English and Dutch languages, for mother tongue education and obligatory bilingualism. He never deviated from the stance after he acquired political power at the national level. (For him and his party afrikaansification, in contrast with anglicisation, was never an option.) For this he was reviled by a large part of the English press as anti-British and a racist (RGN, 1976, Vol. I: 385). The resolution adopted at the 1908 National Convention, where ex-president Steyn delivered a seminal speech on language rights, was echoed in the language clause no. 137 of the 1910 Union constitution: "De Engelse alsmede de Hollandse talen zijn officiële talen van de Unie. Sij word op een voet van gelijkheid behandelen en bezitten en genieten gelijke vryheid, rechten en voorrechten." The English did not take kindly to his linguistic equality as reflected in their reaction to a 1912 Parliamentary Bill which required bilingualism within five years' time as a condition for promotion in the civil service. One Member of Parliament threatened that he was prepared to take up arms to safeguard English speakers from such "injustice" (Pauw, 1945: 187). Wary of giving offence to the English, the first Prime Minister of the Union, Gen. Louis Botha, refrained from active support for language equality. His successor, another Anglo-Boer War general, JC Smuts, privately expressed the view that English should be the official language of the country, and believed at the end of his political career that he had so many things to do that he did not have time to promote Afrikaans (Giliomee, 1998: 11).

For more than half a century after Union the active hostility towards Afrikaans had not significantly attenuated. When the SA Broadcasting Corporation was founded, separate transmissions were not provided for. The English so vigorously opposed a service in which they would be hearing Afrikaans as well that the transmissions were separated in 1937 (Steyn, 1993: 13).

It was the National Party, voted into power overwhelmingly by Afrikaners, and thus unfettered by potential internal strife arising from recalcitrance of English speakers to accept bilingualism, who applied the principle systematically and effectively established the market value of Afrikaans in the public service. For appointments within the patronage of the new government the 38-year period (1910-1948) of grace for unilingual English speakers was at an end. The bilingualism rule was going to be strictly observed.

The anglicisation process in the Cape and in the two ex-republics – where most Afrikaners were replaced by Englishmen after the Anglo-Boer War – meant that all the senior posts in the civil service had been filled by unilingual English persons. And short of dismissing them for not complying with the bilingual requirement – and such procedure was not resorted to – coupled with the tradition that senior positions are attained by way of rising through the professional ranks over long periods, it would take many decades before they reached retirement age and could be replaced by linguistically properly qualified South Africans. As late as 1932 unilinguists were still being appointed, as can be inferred from the resignation of a member of the Civil Service Commission because of the disregard of the bilingualism rule, while DF Malan claimed in 1935 that he was the only Minister in the Hertzog cabinet who opposed the appointment by the Commission of unilingual candidates when bilingual ones were available (Giliomee, 1999: 51). In 1931, when Afrikaners made up just over one-half of the total number of civil servants, they filled 22,1 per cent of the top positions, bilingual English speakers 30,3 per cent and unilingual English speakers 47,6 per cent (Pauw, 1945: 188). On the Railways, too, English speakers overwhelmingly held the senior positions while some one-half of the white labour force was Afrikaners.

A side effect of this situation was that junior Afrikaner officials were obliged to communicate with their seniors in English for the most part, to render them occupationally more competent in English than Afrikaans. When they entered the senior ranks they contributed to the survival of English as the predominant language in the public service (Pauw, 1946: 189). In 1930, when a Translation Bureau was created, just about every document submitted for translation was drafted in English (Steyn, 1993: 13).

After the Pact Government had assumed the reins of government in 1924, increasing numbers of Afrikaners were appointed so that when the National Party

took over in 1948, more than 60 per cent of the jobs in Public Administration had already been filled by them. While there is no certainty that the industrial classification according to home language in consecutive censuses encompasses entirely comparable categories, it can be inferred that the Afrikaners' share in Public Administration⁵ employment would have been:

58,9% in 1936
63,4% in 1948
68,2% in 1960
70,7% in 1970
79,4% in 1991

Sources: *Population Censuses*. The 1948 figure is an interpolation; the 1991 an estimate.

The numbers included above represented 12,9 per cent of the total Afrikaner labour force in 1936, 13,2 per cent in 1970 and 14,6 per cent in 1991. The post-1948 government's role has been to apply the principle of appointing bilinguals, who have risen in the professional hierarchy, to the senior posts when retiring English speakers created vacancies. Over the years Afrikaners had become the majority aspiring to these jobs through extended careers. The change in the top structure of the civil service was reflected in the 63 per cent of documents, which had to be translated into English by the Translation Bureau in 1962, rising from practically zero in 1930 (Steyn, 1993: 13). The English speakers meanwhile were drifting out of public service and into the more lucrative jobs in the private sector.

The Afrikanerization of Public Administration has been a gradual process having started long before the 1948 change of government, and allowed of a continuation of professional competence. There were no instant secretaries, instant assistant secretaries, instant chiefs of departments, etc. – in those days the more exalted appellations of director-general, deputy director-general, etc. had not yet been invented – and they were nurtured in the traditions of the law-abiding bureaucracy. Corruption, such as there was, was the exception to the rule and came to the fore after many decades of National Party hegemony in government, demonstrating the corrupting influence of power. During the early 1970's a visiting sociologist observed that he had not yet come across a developing country where the prevalence of corruption was at such a low level as in South Africa (Giliomee, personal communication).

A great deal of dust was raised by opponents of the government, which came into power in 1948, about a few appointments which were considered to represent political favouritism. The new Minister of

Defence was intent on reorganizing the defence force and changing its character from that which it had acquired during the Second World War – South Africa's participation in which was opposed by the National Party. He refused to appoint Major-general Evered Poole as chief of general staff, a post for which he, as deputy chief, was in lieu, while some 50 other senior members of the Force were discriminated against (Giliomee, 1999(b): 56). (Poole was offered a job in the diplomatic service and later became an ambassador.) The Minister's successors were more circumspect and avoided political considerations to cloud their views. Another instance was that of Marshall Clark who was appointed general manager of the SA Railways and Harbours by the previous government in 1945, over the heads of two Afrikaners who were his seniors in the service. He was retired by the new government, with a very generous pension. A government law adviser, LC Steyn, was appointed as chief justice in the face of many distinguished senior judges. For the rest the general principles of bilingualism, seniority and competence were observed. Eventually, any discrimination that has been practised has been equally directed against Afrikaner dissidents. There was no purge of civil servants, such as occurred after 1994.

Evidence of a negative nature, which materialised during the post-1994 era, demonstrates the importance of Afrikaans. In the public sector (a more comprehensive category than public administration) Afrikaans has been divested of its status as attribute of merit; it has no market value, rendering it easier for newcomers with no knowledge of it to be appointed. Not only have Afrikaner males practically no access to jobs in the public sector (unless they become ANC members), but incumbents are being replaced by persons with less or no experience or competence, thus lowering the efficiency of the service. Those who do not envision a future for Afrikaners under the new government – and whose expertise is internationally in demand – emigrate to Canada, the United States, the British Isles, New Zealand and Australia where the official language is no different, for all practical purposes, from that of South Africa. South Africa is thus losing a great deal of skills, know-how and expertise, already in short supply, which reduces the country's ability to develop and grow economically.

7.2 Political favouritism

Among English businessmen there was a perception or assumption and, among writers who were not kindly disposed towards the National Party, an accusation that the government had been bestowing favoured treatment upon Afrikaner businessmen on an extensive scale (see e.g. *Financial Mail*, 1965: 13). Among the latter a pioneer stockbroker maintained that they benefited from having an inside

5. Various descriptions as Government, Public Administration and Defence, and simply Public Administration.

track to the government so that, for him, the 1948-1994 period was a financially fun time (Retief, 1998: 10). It is difficult to evaluate such assertions when they have not been substantiated by the citation of specific instances. It is also difficult to know when the redress of a patent imbalance can be portrayed as censurable favouritism. For example, as the controller of the use of certain natural resources it is the government's prerogative to grant concessions for their exploration and exploitation. When it allocated fishing quotas and granted concessions to exploit diamondiferous areas to Afrikaner businessmen, it ended the exclusive rights enjoyed by the older companies, arising from political decisions by previous governments. When the Minister of Finance was asked at a meeting of the *Ekonomiese Instituut*, during the beginning of the 1950's, why he did not issue more diamond exploration concessions to Afrikaners, he responded that he was not a political representative of this population group only. When some Broederbond members suggested that the government grant quotas (during the era of import control) and contracts to Afrikaner firms, the suggestion was rejected by other members representative of the Afrikaner business fraternity.

Naturally, one must assume that membership of the same linguistic fraternity – analogous to the tradition of the old school tie beloved of English business – provided Afrikaner businessmen with relatively easy access to government circles, and that this had some influence on the latter's policy decisions, but need not therefore involve a group-specific bias. In the universal business practice of lobbying, Afrikaners did not have a monopoly.

Since the service departments of government buy large amounts of goods and services from the private sector (R33 billion in 1994 – SARB Quarterly Bulletin, June 2000: S.130) there are opportunities for favouring specific enterprises. However, in so far as contracts for delivery are subject to the tender procedure where market principles are presumed to prevail, the question arises whether confidential information was leaked to favoured parties, which afforded them a competitive edge in the tendering process. It is known that the northern Afrikaans Press, whose executives had close ties with influential political figures of the North, received very lucrative contracts from the government for the printing of textbooks, journals, government stationery, telephone directories and official yearbooks. When this manifestation of *prima facie* political nepotism came to an end, the companies involved folded. It did not, however, entail discrimination against English competitors only but equally against the southern Afrikaans Press, which was, indeed, the target of some hostile government action (Giliomee, 1999(b): 77).

There was a great deal of agitation about the aid package made available by the Reserve Bank to Trust Bank and Bankorp, which was held up as an example

of preferential treatment. Apart from its being dictated by the maxim or tacit assumption that big banks cannot be allowed to go into liquidation because of the disastrous economic consequences, it turned out that similar aid was extended to five other banks, among them Nedbank, while a further five (according to a researcher) could probably have received such aid when they experienced liquidity problems (Basson, 1999(a): 18).

To discover whether favoured treatment of notable proportions had been meted out to Afrikaans business by the National Party government, the considered opinions of the chief executives of the companies most likely to have benefited have to be solicited. Such an exercise was carried out by a historiographer, Hermann Giliomee, and the following are some of the responses elicited by him (1999(b)).

Nasionale Pers

David de Villiers, SC, appointed manager director in 1969, asking himself whether Naspers derived unfair advantage because of its ties with political personalities, came to the conclusion: "The answer was clear and comprehensive: it did not do so. Both the directors and top management were opposed to anything of the sort. Although the Cabinet Ministers who were directors of Nasionale Pers did not have functions in those areas where patronage could be bestowed, the sentiment grew that the system had to change. This came about by the end of the 1970s when PW Botha agreed to a proposal by Piet Cillie, chairman of the Board, to end it" (p. 81) ... "De Villiers is also adamant that Nasionale Pers never received any printing contracts from any state body except after a public tendering process in which it beat its competitors" (p. 82).

Sanlam

It its submission to the Truth and Reconciliation Commission Sanlam asseverated: "Except for better access to people in government, Sanlam as institution did not enjoy preferential status from the National Party when it was in power." One-time MD, Fred du Plessis, declared that "Afrikaner business could not rely on Afrikaner political power to be successful ... there was no procurement policies or empowerment schemes that could assist budding Afrikaner entrepreneurs" (p. 86). Pepler Scholtz, MD during the 1970s and later chairman of the Board of Directors, remarked that the "Afrikaner is not entitled to a share [in the economy] because he exists. He is only entitled to that share of business that he conquers through his own abilities and hard work" (p. 69). Andreas Wassenaar, another MD, was an outspoken critic of government policies, as evidenced, for example, in his publications *Assault on Private Enterprise* (Tafelberg Publishers, 1977) and *Squandered Assets* (Tafelberg, 1989).

Volkscas

One-time CEO, Pieter Morkel, stated in 1992: "It must be stressed that people greatly exaggerate the benefits Volkscas derives from business with the State or from links with the National Party government ... most of the business of the state proper ... was done through the Reserve bank ... State business was an insignificant part of the overall business of Volkscas. The one field in which Volkscas traditionally was – and still is – over-exposed is in credit to farmers and co-operatives, but this is not a particularly profitable area of business and the NP government did not help to establish links between farmers and Volkscas" (p. 67). A top manager who preceded Morkel testified: "Escom did business with all banks; Armscor and Sasol mainly used us, but also banked with the others ... The Bantu Administration Boards used us in the Afrikaner areas, but in Natal and Eastern Cape they used other banks. Some of the big Control Boards were with us, like the Maize and the Wheat Board, but for the transactions related to exports, imports and the selling of surpluses they shopped around for the best deals. We probably had the accounts of most Afrikaner-controlled local authorities by the 1970s, but in subsequent years most local authorities rotated their accounts among banks" (p. 67).

Volkscas probably captured the custom of most Afrikaners, but to the extent that it involved relatively small amounts, they did not conduce to profitability. It is the accounts of the large companies which do that, and Volkscas' share in this business, for many decades, was minimal.

Rembrandt

Anton Rupert testified: "I never requested any government department anything special for my company. In fact, I only once saw a Cabinet Minister alone and that was in 1945 when I asked permission to convert a canning factory in Stellenbosch into premises for the production of brandy. When our company protested against the enormous quota system that operated during and immediately after the war hampered the production of our products, I always went as member of a delegation of the entire trade to see the Minister" (p. 61). It is, indeed, very difficult to identify a way in which government could have dispensed favoured treatment to the Rupert business empire which might have contributed to its success on an international scale.

J de Necker

The present author requested a contemporary of his who has made his mark in the business world – Jan de Necker – to write down his experience of government favouritism, or its absence, during his career. His credentials (over a period of more than forty years) include the following: Manager of Wesgraan Co-operative; Chief of the IDC Marketing Division; co-

founder and managing director of Sansfidor (a first Afrikaner confirming house); managing director and, later, chairman of the Rand Bank and Rand Acceptances; co-founder (with Albert Wessels) and director of Toyota SA and Wesco Beleggings Bpk; chairman of the Board of Directors of Veka/Bertish; chairman of the Johannesburg Afrikaanse Sakekamer; chairman and, later, president of the AHI. Here are some excerpts (freely translated) from his letter of April 17, 2000. "Admittedly it was more pleasant and possibly more conducive to successful outcomes to negotiate with Afrikaans Ministers and senior civil servants than with those of the previous regime ... but despite my close involvement in Afrikaner business of those years, I am not aware of any men who, or companies which, were directly advantaged by the government of the time. If there were such instances I was not aware of them. To the contrary, I know of several instances where companies within our Wesco group received niggardly treatment at the hands of the government. I still feel aggrieved about the refusal of the Reserve Bank to come to the aid of Rand Bank when it experienced cash flow problems. Other banks have, afterwards, received such aid ... Wesco invested R23 million in a glass factory, but because we could not procure the necessary support from the Minister concerned the company had to be sold to Plate Glass ... When Blacks were translocated from Charlestown to Newcastle, involving many workers who were employed by the Veka factory, we implored the Minister and senior officials to discontinue the operations, but to no avail. The training of new personnel cost Veka a great deal of money. When we applied for a permit to import Toyota vehicles, we were granted a permit for only 10 units."

All in all it would appear that political nepotism did not make a contribution of note to long-term Afrikaner economic development.

7.3 Welfare Services

In the absence of statistics differentiating between language groups with respect to recipients of welfare services (Education, Health, Social Security, Housing) and taxpayers, it is not possible to quantify the dimensions of income redistribution, via the national budget, in favour of Afrikaners. But such redistribution must have occurred, taking into account the differences, as between Afrikaners and other Whites, in average personal income (subject to progressive income tax), the tax on company profits (overwhelmingly owned by English speakers), and the higher incidence of indigence among the former. During the initial years of National Party (NP) rule the burden of government expenditure, as judged by the ratio to GDP, did not become more onerous. As is evidenced in Table 7.1, this ratio (and, concomitantly, that of the Welfare Services account) even tended downwards between 1948 and 1960 and increased moderately during the following decade.

TABLE 7.1
GOVERNMENT EXPENDITURE IN PER
CENT OF GDP

1948	14,5%
1960	13,4%
1965	16,3%
1970	17,7%
1976	21,7%
1980	20,5%
1985	27,8%
1994	31,5%

Source: SARB Supplements to March 1994 and June 1999 Quarterly Bulletin.

A significant causal factor in this regard has been the vigorous growth of the economy during the prosperity phase of the (long-term) Kondratieff cycle and the virtual disappearance of the poor white problem in its acute form during the war and immediate post-war years. Moreover, the two population groups at issue in this redistribution (similar income transfers also occurred between the White group and the others) did not differ significantly in size. The degree of redistribution was also attenuated by some shifting of the burden of taxation from companies to individuals and from direct to indirect tax, as can be gleaned from the following percentages of revenue by source collected by government:

	Individual income tax	Company tax	Indirect tax
1948	28,2%	16,6%	40,6%
1994	36,6%	11,8%	46,9%

Source: SARB Bulletin Supplement June 1999: B1-8; B168-169.

The marked increase in government expenditure registered in Table 7.1 occurred when the thrust of redistribution shifted to that between the non-Blacks and the much larger Black population, while the economy languished consonantly with the latter's struggle for political power and their recourse to international economic and financial sanctions. The ratios in Table 7.1 increased from 17,7% in 1970 to 31,5% in 1994, while budget surpluses were replaced by large deficits and concomitant government dis-saving. During 1983-1992, a time of heavy expenditure on defence and public order, welfare services expenditure still outran government spending on other services.

As will be argued in the next chapter, the most telling government expenditure in Afrikaner life was that on education, whose marginal social product was (is) in excess of its marginal private product. With the fiscal machinery under their control, the NP governments could ensure that no child would be denied

some education because of geographic location or because his/her parents could not afford school fees and books. Primary schools were located throughout the country and high or secondary schools were established wherever that was justified by a spatial concentration of households. In time they were followed by commercial, agricultural, technical and similar vocational schools and colleges. As a result of the disparity in wealth, Afrikaans-medium universities were disadvantaged in that they did not receive the large donations the English-medium universities were recipients of, and could not, in consequence, afford such faculties as medicine and engineering, which are more expensive to run than others. Government subsidies and grants enabled some Afrikaans universities to establish these. Opportunities to qualify for the better remunerated jobs and professions in their mother tongue became available to students whose parents could afford – hardly, for the most part – to support them or who could gain scholarships or procure loans.

7.4 'Civilized labour' policy

Already in 1911 the Mines and Works Act, re-affirmed in 1926, made provision for discrimination in the work place in favour of non-Blacks. Certificates of competency in skilled occupations – such as blasting in mines – could not be issued to Blacks, who were considered a community, an ethnic group, a nation, a race apart and not just a less developed class of persons in an otherwise homogeneous population. But the more concerted action towards the advantage of Whites, vis-à-vis Blacks, started in 1924 with Gen. Hertzog's (premier in the Pact Government) proclaiming the "civilised labour" policy. It was posited that Blacks, because of their level of living and habits, while the majority still had a stake in the subsistence agriculture in the "homelands", could accept unskilled jobs at lower wages than Whites whose civilised standards required higher remuneration. It implied, in effect, that Blacks' labour supply curve would be located below that of Whites so that in an unimpeded market the negatively sloping demand curve would always bisect the Blacks' supply curve at lower wage levels with a concomitant preferred employment of the latter. The large unskilled component of the Afrikaner labour force acted as a substitute for Black labour and not, as in later years, as a predominantly complementary factor of production. Government departments and parastatals were requested to employ Whites at "civilised" wages. In consequence, South African Railways & Harbours became a major employer of these people – the majority of whom, it can be confidently assumed, were Afrikaners – the number of unskilled Whites employed during the first year after 1924 increasing from 5 115 to 11 159 (Pauw, 1945: 195). In the process persons of colour employed declined by 19 160 between 1924 and 1933

while White employees increased by 10 640, with free housing included in their remuneration package (Bureau of Statistics, 1976: 7.4). The former's loss was, however, only temporary, and towards the end of NP rule there were 25 000 more of them than the 103 000 Whites on the Railways' payroll (Central Statistical Service, 1994: 7.4; De Lange, 1992: 86).

Employment of Whites was also generated by government spending on relief works such as road and railroad construction, forestry settlements and irrigation schemes; which meant that those employed were not only provided with their daily bread, but they also contributed to capital formation which, over time, contributed to the growth of the economy which also benefited those who, at the beginning of the civilised labour policy, were effectively victims of the system.

When the NP came into power in 1948 the abject poverty that was associated with the poor white problem had, for all practical purposes, become something of the past as a result, particularly, of the opportunities of entering the army during the 1939-1945 war and the rapid growth of employment in the manufacturing industry arising from the exigencies of the war and the post-war demand of a reconstructing war-ravaged Europe. But it would seem that its soul (like that of John Brown's body) went marching on. Numerous laws were passed (or existing ones reaffirmed or amended) which constrained the power of Blacks to resort to collective bargaining and strikes, to move freely between rural and urban areas, move vertically in the skill hierarchy and establishing unlimited numbers of enterprises in urban areas. Perhaps the most notorious of these was the Job Reservation Act, which provided for quotas for the four main population groups in the filling of, particularly, semi-skilled jobs. It was an economically and demographically unintelligent policy tarnishing the image of government out of all proportion to its economic significance, affecting less than 3 per cent of the labour force, and was, for the most part, inoperative: no sooner had a determination in terms of the law been made or it had to be suspended simply because there were no Whites to fill the quotas allotted to them. Questioned why a measure so obviously bereft of sagacity was in force, the responsible Minister would respond that it was a gesture to the government's supporters that it cared for them. Eventually a three-pronged policy of the NP government encompassed a less constrictive procedure: (i) no White worker should be dismissed to make way for a Black; (ii) the latter should not be appointed in a position that accorded him seniority over White workers; (iii) White and Black employees of equal occupational status should not operate side by side. As a sort of *quid pro quo* Blacks would be allowed to exercise their economic, social and political democracy in the Homeland areas reserved for them.

Most of the legislation after 1948 with an econo-

mically discriminating content could be interpreted as not, primarily, a means of protecting White workers from "fair" and "unfair" competition, but as an attempt to prevent or delay the kind of permanent integration of Blacks in the urban economy which would eventually, by way of their overwhelming numbers, pose a challenge to the political hegemony of the White group (not only Afrikaners). Such conclusion is underscored by the "grand apartheid" policy which allowed Blacks self-government and/or independence in demarcated areas as a token that Whites conceded to Blacks the right to self-determination (i.e. without the impediment of apartheid rules) that they claimed for themselves. The administration and the economy of the self-governing territories and the TBVC countries were heavily subsidized and kept alive by very considerable transfers of resources from White taxpayers. The process was, in fact, continued and intensified after 1994, but now not under the cloak of a Homeland's policy, but of the alleviation of poverty. The former policy transferred resources for some economic activity, however inefficiently performed, while the post-1994 policy is predominantly a means of keeping the unemployed alive.

7.5 Promoting economic growth and stability

The promotion of economic growth and stability could obviously not be of an exclusive nature but would redound to the advantage of Afrikaners as well as the rest of the population. However, in the case of the Agricultural sector the interests of Afrikaners could be most directly furthered, simply because they preponderated to the extent of 85 per cent by 1948, and it was in a most unhealthy state. During the five years following upon the destruction of 60 per cent of the two Republics' agriculturally-based wealth, agriculture had to contend with five years of economic depression while having to transform from a preponderantly subsistence type of cultivation and pastoralism to a market-oriented economic sector, while having to face the tendency of input prices rising faster than output prices. As a countervailing supply force, emanating from a multitude of individual producers against demand generated by a limited number of traders, resort was had to the foundation of numerous co-operatives, of which there were already 81, when co-operative-promoting legislation was promulgated in 1922, after which their numbers increased further (Du Plessis, 1964: Ch. XII). New legislation followed in 1939, which extended to agricultural co-operatives the principle of limited liability already enjoyed by companies in the other economic sectors. The Land and Agricultural Bank, established in 1912, provided loans to farmers and co-operatives on favourable terms. Other forms of aid included technical services, agricultural schools, irrigation schemes and the research laboratories at Onderstepoort. By the end of the Second World War some 70 per cent of agricultural

products were handled by 307 co-operatives.

They did not however, solve the long-term problem of agriculture: the chronic tendency of production to exceed demand at prices that would clear the market while providing a reasonable return to human effort and other inputs. The unstable market was depicted as "characterised by sudden sags in the price level and the marketing of commodities from time to time in such quantities that not only do the products of the farmer's labour fail to bring a return sufficient to cover costs, but sometimes they are unsaleable at prices to cover marketing charges" (Davis, 1931: 167). Farmers, or some of them, contributed to the parlous state of their industry by biologically maladjusted farming practices, injudicious use of credit and the low productivity of farm workers (Groenewald, 2000: 368). When a disastrous drought struck at the end of the Great Depression of 1929-33, agriculture was in dire straits, starting an exodus of people from the rural areas in excess of the natural population increase. Some products became virtually unsaleable at any price (De Swardt, 1983). The government was persuaded that "the problem had become too involved to be handled by the thousands of ill-organised and financially weak individuals with conflicting interests" (Groenewald, 2000: 373) and intervened by having the 1937 Agricultural Marketing Act passed by parliament. It embodied the principle of one-channel marketing through a statutory control board for each product or group of products. Each Board bought and sold the total output of the product it was responsible for at prices determined by the Minister of Agriculture or the relevant Board. Proceeds of sales were pooled and distributed among farmers according to their contributions. When surpluses occurred as the result of prices, which did not clear the market, they were stored at high cost, or destroyed, or exported, sometimes at prices lower than those paid by the South African consumer. This implied subsidisation of farmers, at the expense of the consumers, eliminated price fluctuations and conducted to stability in agriculture. Farmers knew before they committed themselves to particular volumes of production (weather permitting) what the price of their product was going to be and could plan accordingly.

However, without being able to quantify the relative amounts involved, but judging by national product statistics, it can be argued that government intervention in the case of manufacturing accorded much greater benefits to industrialists who were, for the most part, English speakers. Agriculture, moreover, has been providing them with some of the foreign exchange they needed for their imports of capital and intermediate goods inputs.

The foundation of the industrialisation process in South Africa was laid by Gen. Hertzog when he became Prime Minister in 1924, assisted by his Ministers of Trade and Industries, FW Beyers, against

the opposition of the "home" addicts (those who espoused the primacy of British interests in South Africa). The protection of South African industries was intensified through higher custom duties, effectively curbing the competitive potential of foreign suppliers. It was considered a means of creating new jobs, particularly in view of the wasting nature, and eventual demise, of the gold mining industry. When the new government took over in 1948 there were 433 100 persons employed in this economic sector (SARB, 1994, Sept. supplement: B-O) compared to 191 600 in 1924/5 (Unie van Suid-Afrika, 1935/36: 571). It was during their régime that manufacturing experienced its most vigorous growth. A concatenation of economic events and conditions obliged them to institute measures that were most conducive to such growth. In 1947 and 1948 "hot" or "funk" money entered the country on a large scale seeking a haven of financial security in a world of uncertainty engendered by the fuel crisis in Britain, the Sterling convertibility crisis, the fear of a capital levy in that country, the nationalisation programme of its government, etc. (Sadie, 1951(a): 160). By the middle of 1948 these foreign funds began to move back to their countries of origin, but not before they had added fuel to the foreign exchange consuming economic growth of South Africa and inflationary pressures. The growth was enhanced by the demand for South African produce arising from the economic reconstruction of Europe after the destruction inflicted by the Second World War and by the international economic environment that was most hospitable to South African exports, the world product growing by 4,7 per cent per annum while international trade was expanding by 8 per cent per annum (Sadie, 1988(a): 3). But the net foreign exchange-consuming manufacturing production, coupled with the outflow of foreign funds, exposed the Achilles heel of the South African economy: its international balance of payments tended to be in deficit. To curb or prevent the loss of foreign exchange reserves, import control was instituted, followed later by restrictions on the outward movement of foreign capital. Efforts to procure an increase in the international price of gold proved unsuccessful. Accordingly, and in concert with Britain and the Commonwealth countries, recourse was had to a 30,5 per cent devaluation of the currency in 1949, to boost exports and curb imports. Import control was the most severe measure of protecting industries: it effectively guaranteed local producers a portion of the local market unencumbered by foreign competition, an outcome which custom duties alone could not achieve.

For the following two decades and longer, import substitution became the watchword and the engine of growth in the South African economy (which did not do much to relieve the pressure on the balance of payments because of the imported input requirements

of the manufacturing industry). Manufacturing's share in the economy (gross value added at 1995 prices) rose from 11,2 per cent in 1948 to 23,0 per cent at the pinnacle of its achievement in 1981 (compared to Agriculture's contribution of 4,7 per cent), after which it tended downwards (SARB 1999, June supplement: B-16). Over the same period the number employed rose from 433 100 in 1948 to 1 543 800 with the Black component expanding from 285 300 to 870 900, and the White component from 138 780 (32%) to 326 500 (21,1%) (Dept. of Statistics, 1976: 7.4; de Lange, 1992: 24). The GDP grew at an almost sustained 4,5 per cent per annum average, raising the level of living of all sections of the population and not only that of the Afrikaners. When this growth gave rise to a scarcity of high level manpower, a vigorous immigration policy was initiated to attract the required manpower. During the 1963-1976 period an annual average of 28 000 persons entered the country (net of emigration). It has been alleged that this immigration acted as a substitute for the training of Blacks to supplement the skills in question. But this would, of course, have clashed with the government policy of inhibiting their permanent integration in urban industry by their occupation of strategic jobs. But, more to the point, already-trained persons were needed whenever vacancies or shortages occurred, and had to be remedied at short notice, and training takes time. Also, the skilled immigrants had a beneficial effect upon the employment of unskilled and semi-skilled Blacks. But Table 7.2 demonstrates that even with regard to the acquisition of skills, they profited a good deal from the thriving economy.

Of special interest to Afrikaners was the assumption of the entrepreneurial function by consecutive NP governments by way of the establishment, and the expansion of existing parastatals. Best known among these are Iscor (since privatised), Sasol (privatised), Eskom, Transnet, Telkom, the Post Office, the Industrial Development Corporation, the Development Bank of Southern Africa, the Rand Water Board, Denel and the Landbank. Many of these became industrial or financial giants (some as monopolies) dominating their respective fields, and served the role of prerequisites for the generation of economic growth. The asset value of 21 such parastatals has been estimated at R174 102 million (Mittner, 2000(a): 5.1). Into these enterprises scarce savings could be channelled which sought security – in the form of government bonds – and thus became economically activated. They created opportunities for Afrikaners they would otherwise have lacked. To head these enterprises Afrikaner scientists and others, who did not have access to English dominated firms in the private sector, were appointed, thus serving as training schools for the acquisition of technical know-how, experience and executive capability which could be applied in the private sector as well.

Government action and the concomitant hospitable economic climate – at least until it was disturbed by a low intensity civil war after 1976 – also served the interests of the "infant entrepreneur" – a more appropriate appellation than "infant industry" – and thus of the prospective Afrikaner and other businessmen. At the beginning the import control system militated against Afrikaner business, since permits were issued on the basis of past performance in this regard, and they could not demonstrate such achievement, since they were still at the beginning of their process of transformation and progress in the business world. During the war they had already suffered a disadvantage in allocations arising from the system of rationing. After representations the permit system was revised to prevent exclusion of newcomers. One of the parastatals, the Industrial Development Corporation could also provide financial and technical aid to viable enterprises in need of capital and/or the re-organisation of management. It had, among others, a section catering for the needs of smaller concerns, an appropriate institution in an emerging business community.

In the above context the government intervention can be depicted as, in part, an operation of helping people to help themselves by founding institutions which furthered the cause of self-empowerment. When the process of empowerment had borne fruit to render the Afrikaner a meaningful force in the non-agricultural economy, the interests of Afrikaners and English businessmen appeared increasingly to manifest a convergence. Both groups were being affected by government action which was considered to be inimical to the private sector as a whole. When matters of common interest were to be brought to the attention of government, representatives of both groups would approach the Ministers concerned, usually with an Afrikaner as spokesman of the delegation. A one-time CEO of Sanlam, AD Wassenaar, became one of the most outspoken critics of government policy, and doubtlessly voiced the sentiments of the English business establishment as well. In his *Assault on Private Enterprise* (1977), he referred to "government intrusion into the private sector" (p.15); "a growth rate of employment in the public sector in excess of the growth rate of employment in the private sector must..... be regarded as a reliable index of excessively increasing interference" (p. 74). He saw the growth of the public corporations as a part of a "creeping socialism", and singled out the Industrial Development Corporation as one whose "main function has become the establishment of other state enterprises.... as an empire builder and as an investment and industrial conglomerate in competition with private enterprise" (p.142). In his *Squandered Assets* (1989), he commented adversely on government initiatives to further the interests of the bureaucracy in the public

sector: the buying back of years of pensionable service, the 15% raise, over and above the 4% to 5% increase provided by the notches in the salary scales, in 1988 by the President when the Minister of Finance and other financial experts were overseas; and the inordinately favourable pension benefits to Ministers and members of Parliament and to councillors of local authorities.

The inference to be drawn was that while government was promoting the financial interests of Afrikaners in the civil service, it was doing an injury to the Afrikaners in the private sector.

7.6 Non-Afrikaner beneficiaries of government action

The domination of the post-1994 socio-political scene by the denunciation of the sins of apartheid – the most grievous of which was the violation of human dignity, particularly of the majority population group, the Blacks (Africans) – bears out the Shakespearian dictum that “evil that men do lives after them, the good is oft interred with their bones”. Reference to the “good”, even though not proffered as a condonation of, or counterpoise to, the “evil” – the injury to the human psyche – has apparently become a *mal-a-propos*. (Obviously, the two types of action involved have impacted at different levels of human experience.) However, deliberate omission of such reference would introduce bias in the portrayal of history. As the numerically dominant population group, the Blacks qualify as the main victims as well as the principal beneficiaries of government policies and initiatives. Accordingly, the observations below will, for the most part, relate to them.

Politico-economic initiatives of the pre-1994 government(s) cushioned the deleterious effects of economically discriminating legislation. The bark of the latter was, in the main, worse than its bite, since its stipulations were at variance with the demands of the economy in terms of the relative supplies of labour emanating from the ranks of the White and the Black population groups respectively. The former could not provide the manpower necessary to fill all the vacancies for which the Whites received most favoured treatment. Until the conditions created by the “struggle” began to take its toll, the economy generated increasing opportunities for Blacks and Whites alike. The numbers of the former in manufacturing, for example, rose by 4,6 per cent per annum, which was almost twice that of the total Black labour force. But, most importantly, as the Whites moved into the higher skill-demanding jobs, vacancies occurred which were filled by Blacks to raise significantly the skill composition of their labour force. This is borne out by the figures in Table 7.2 which demonstrate that the skill content of this population group grew a good deal faster during 1960-1980 than did that of the White

employed work force. When weights are allotted to the various categories in accordance with their lower-order-occupations job creation potential (white-collar category: I=7; II=3; III=1; IV=0 and the blue-collar category: II=2; III=1; IV=0) it is found that the improvement in skill content of Blacks was 2,2 times that of Whites. Their Category II numbers, for example, burgeoned from 35 800 in 1965 to 250 000 in 1985, or at a rate of 10,2 per cent per annum, while the blue-collar component of this category showed up even better, at a growth rate of 14,5 per cent per annum (Sadie, 1991: 175).

TABLE 7.2

GROWTH OF EMPLOYED NUMBERS PER SKILL CATEGORY AS MULTIPLES OF GROWTH IN THE AGGREGATE 1960-1980

	Whites	Blacks
Teachers	1,52	2,11
White-collar Jobs		
I Executive	1,35	2,74
II Professional, Technical	1,84	2,00
III Semi-skilled	1,05	1,56
IV Unskilled	0,77	1,31
Blue-collar Jobs		
II Skilled	0,83	8,20
III Semi-skilled	0,62	1,02
IV Unskilled	0,11	0,78
Aggregate	1,0	1,0

Source: Sadie, 2000: 157

It is clear that the skill content of the Black employed labour force grew rapidly, and much faster than that of Whites (Afrikaners and English) who, of course, had a head start by 1960.

Well-nigh uninhibited opportunities for the creation of jobs for Blacks in the public sector (if not in the private sector) occurred when the NP government implemented its “Homelands Policy” as a gesture of conceding to Blacks in the areas concerned the right to self-determination, which the White-elected government claimed for its own supporters. This permitted the governments and inhabitants of the Homelands to act and live untrammelled by the iniquities of apartheid. Those domiciled in the “Common Area” were free to join them if they so desired. The governments of the Self-governing States and the TBVC regions were not required to limit their expenditure to the amounts of revenue collected from their own constituencies, since they could rely on generous subsidies from the government in the Common Area which provided the

major portion (more than 80 per cent) of the financing required. The number of civil servants of all ranks appointed in the nine states at issue increased rapidly to reach some 518 000 by 1994 (Inferred from CSS 1994(c), 1995, SSA October 1998).

Before the Homelands' governments assumed responsibility for their own destiny, the NP government had undertaken many projects to promote the enhancement of traditional subsistence agriculture and economic growth in general: the reclamation and conservation of millions of hectares of land; more than 100 000 kilometres of fences put up for grazing camps and farm layouts; the settling of subsistence farmers on economic units; improvements in stock-breeding; the introduction of fish-breeding and other non-traditional crops such as industrial fibres and sugar cane; and to enhance the carrying capacity of the Homelands 5 434 000 hectares of land at a cost of R1 220 million were added to their surface area as a gift from taxpayers (Department of Co-operation and Development, 1963-1985).

With their assumption of political power in 1948 the NP government inherited an educational system and state of affairs in which only 24,5 per cent of Black children of school-going age were enrolled as pupils. The government's reaction to the situation was to initiate a process of mass education to address both the backlog and the natural increase, which latter was more than twice that of the White population while, in time, it founded tertiary institutions for technical, vocational and academic education. Seven new universities were established for the benefit of Blacks. Over the period 1948-1994 Black children enrolled at school grew at a rate of 5,5 per cent per annum, compared to a 2,8 per cent per annum increase in the number of Black children 6-19 years old, raising the attendance ratio from 24,5 per cent to 84,5 per cent. From 1984 to 1994 enrolment at Black universities increased by 15 per cent per annum, or from 36 684 to 148 817 (The Education Foundation, 1994: 19), compared to a 4,1 per cent per annum increase during 1994-1998 (The Education Foundation, 1998: 10).

At the beginning the White/Black per pupil ratio of government expenditure on education varied around 10 to 1, but declined in course of time to 5,6 to 1 in 1984 and 3,05 in 1994. This differential, to the detriment of Black children, was not a simple reflection of discrimination, but was in large measure dictated by demographic forces: (i) Black children represented the dominant majority of the school population – by 1994 there were 9 246 000 of them compared to 977 000 White children; (ii) they grew fastest in number so that their primary/secondary pupil ratio was, at 2,7 to 1, almost double that of Whites; (iii) their classes were heavily weighted with repeaters. Factors (ii) and (iii) were responsible for 47 per cent of the differential, while the lower qualifications of Black teachers accounted for an additional 23 per cent. Because of

their numerical preponderance the absolute amounts spent on their education (in 1994) was more than twice that spent on White pupils, the per capita differential notwithstanding.

From the curricula it cannot be inferred that Bantu Education had, intrinsically, to be of inferior nature. A critic of the government of the time wrote that "the syllabuses for primary schools appear to be educationally sound and, one is glad to know, have been revised in accordance with modern approaches and methods" (Horrell, 1968: 150), while the syllabuses for the junior and senior certificates conformed to those complied with in schools for White children. And mother tongue instruction and adaptation of curricula to a community's social and economic conditions were endorsed as received pedagogical principle at an African Education Conference sponsored by Unesco and the Organisation of African Unity (Unesco, 1994: 138). It would appear that opposition to Bantu Education emanated from its separate enactment which was perceived as another weapon in the armoury of the apartheid system and, therefore, inferior by definition; particularly, as its introduction was accompanied by a ministerial pronouncement that "education must train and educate people in accordance with their opportunities in life ... Education should thus stand with both feet in the Reserves (the Homelands) and have its roots in the spirit and being of a Bantu Society" (Hansard, 1953, column 3585). This was in accordance with the government's vision that the Homelands were going to be the areas of self-determination for Blacks in which they were supposed to create "their opportunities in life".

The government could obviously not decree that Bantu Education be inferior, because its academic status could be determined by teachers in co-operation with pupils. But they did not hanker for its success; they opted for liberation before education and acted accordingly. In the event, the per capita expenditure differential was rendered inconsequential. Economic resources were wasted. A generation of illiterates ensued.

Another positive initiative of the pre-1994 government assumed the form of a Population Development Programme (PDP) which made family planning services available to all in need of them. The purpose of the PDP was to establish the concept, and further the implementation, of provident parenthood and heighten the consciousness of the economic effects of improvident parenthood on a family's welfare. It benefited the Blacks most since they exhibited the highest levels of fertility among the four main ethnic groups, and experienced the economically most inimical youthful age structure. The PDP, in conjunction with urbanisation, increased participation of women in the wage-labour market and rising living standards, brought about a lowering of their total fertility rate (TFR) from 6,75 during 1951-1960 to 3,7

by 1996. The percentage of the population in the economically active ages 15-64 increased from a low of 52,2 per cent in 1970 to 59,4 per cent by 2001, while the youthful portion, 0-14 years old, declined from 44,2 per cent to 36,9 per cent (Sadie, 1988(b): 48; 1993: 22-25). The diminishing TFR, coupled with urbanisation and improving medical services raised their average life expectancy at birth from 41 to 63 years. The infant mortality rate, the most sensitive indicator of a community's physical well-being, declined from 162 to 55 per 1000 births, or by 66 per cent between 1948 and 1994" (Sadie, 1988(b): 45).

In family context the demographic changes meant fewer children requiring the vital attention of the parents, less pressure on the breadwinner's financial resources, more children reaching the age of entry into the labour market, a greater ability to finance longer educational careers for children who would be better prepared for the labour market and higher average living standards.

The above developments promoted an appreciable increase in Blacks' disposable personal income per capita at a rate of 1½ times that of Whites; so that the differential ratio declined from 11,7 to 1 in 1960 to 9,9 to 1 in 1975 and to 7,4 to 1 in 1995. The 1995 ratio becomes 6,0 to 1 when incomes are related to the 15-64 age group instead of the total population, the lowering reflecting the effect of the demographic factor (Nel, 1975; Nel *et al.*, 1984; Martins, 1989; Martins *et al.*, 1994; Van Wyk, 1995). Even during the years of economic stagnation after 1981, until the new government took over, when the average income of Whites were diminishing at a rate of 1,17 per cent per annum, that of Blacks continued to grow by 0,4 per cent per annum.

The government contributed to their personal income by way of cash transfers, while social transfers in kind (government services rendered for which no payment was exacted) not reflected in their income, raised their effective levels of living. In 1994 the total amount of cash dispensed to all four population groups was R17 357 million, while transfers in kind amounted to R43 084 million: a total of R60 441 million in allocable expenditure (SA Reserve Bank, 1999 June: B.169). The quest is: how much of this amount could be apportioned to the Black population as beneficiaries, and how much did they contribute, in the form of taxes, to the financing of benefits received, to arrive at an estimate of the amount of redistribution involved? It is known, for example, that R5 825 million was paid out in old age pensions to Blacks compared to R1 289 million to non-Blacks (Central Statistical Service, 1995: 6.1). But the required statistics on other items of expenditure were not readily available and had to be inferred from diverse sources of information. In some instances the writer had to rely on ratios which pertained to years before 1994. Table 7.3 presents the (minimalist) outcome of the enquiry.

TABLE 7.3

ALLOCABLE GOVERNMENT EXPENDITURE ON BLACKS 1994

	R'000 000
Social Welfare	9 880
Education	14 340
Health	7 530
Housing	<u>1 850</u>
	<u>33 600</u>
Tax contribution	<u>23 400</u>
Net transfer	<u>10 200</u>

Sources: Martins *et al.* 1994; Van Wyk, 1995; RSA, 1990, 1994;

The figures in Table 7.3 signify that Blacks contributed some R23 400 million to government revenue while receiving R33 600 million in allocable cash and in-kind transfers from government, which represents a net redistribution of resources in their favour. It means that their contribution to the fiscus yielded them a net return of 44 per cent and a gross return for 144 per cent. Implicit in the above computations is the assumption that Blacks do not have to contribute to the financing of the administration of the country, the interest on public debt, the cost of defence, policing and justice and other non-allocable expenditures. If it is accepted that they should be debited with an amount based on the ratio of their personal income to the GDP, R16 440 million should be added to the benefits received in the redistribution process. (The amount becomes R22 260 million if the ratio of their personal income to total personal income of all four ethnic groups is used.) In the event, the net transfer involved in the redistribution is R26 640 million, yielding a net and gross return to their tax contribution of 114 per cent and 214 per cent respectively. This required an unrequited contribution by non-Blacks to the fiscus of just over R40 000 million, i.e. for which they did not receive allocable government services in return. This redistributive process was in large measure responsible for national budget deficits on current account (current expenditure exceeding current revenue) which started at R890 million in 1982 and reached R28 330 million in 1994, adding to the public debt which burdened the annual budget with an extra R14 580 million in interest (SARB, 1996, S-61; Supplement to June, 1999: B-169).

Those who – in face of the above facts – still prefer to avoid crediting the pre-1994 government with some benevolence, can opt for an accolade to the non-Black (and particularly White) taxpayers.

7.7 Parallels between pre- and post-1994 government action?

It has been suggested that parallels can be drawn between the pre- and post-1994 governments in that the latter is doing no more than favouring and

benefiting the Blacks in a fashion similar to that practised by the former to further the interests of Afrikaners and other Whites. Both could presumably qualify for the characterisation of pigmentocracies, but the content, the *modus operandi* and the scope and the economic effects of the two approaches are appreciably different.

The stage for the Afrikaners' empowerment was set when, at the 1939 economic conference, it was declared that "a nation rescues itself" and "if we don't rescue ourselves, nobody else will". The better off Afrikaners believed that they had a moral obligation to arrest the retrogradation of their less fortunate fellowmen. The main theme was self-empowerment. The British, or their South African appendage, were not called upon to make restitution for their role in the pauperisation process through the destruction of wealth and other outrages committed, and violation of their human dignity. When Federale Mynbou acquired control over an existing company, General Mining, an Afrikaans newspaper *Die Vaderland* decried it as a renunciation of the principle of self-empowerment (Schoeman, 1980: 82).

A great deal of the policies pursued by the post-1994 government(s) appears to have premised a unique causality founded in the aetiology of apartheid as the root of all ills of South Africa, which warranted restitution for the disadvantaged. When the New National Party negotiated an agreement of political co-operation with the ANC in 2001, it had to endorse a statement of commitment to seven principles, three of which read as follows: to acknowledge the injustices of the past; to honour those who had suffered in the interest of justice and freedom; and to make restitution for the injustices of the past (*Die Burger*, 2001: 2). Redress of an economic nature was being sought for what was, primarily, injury to peoples' psyches, which has no, or an indeterminate market value. To justify congruent action, words such as transformation, Black empowerment and affirmative action were(are) employed, ostensibly to embody self-evident verities which brook no critical enquiry. The buzz words also had to serve the purpose of underpinning the establishment of the commanding presence of Blacks, and some others of the correct political persuasion, in all walks of life and all seats of power "from sports to economic activity, so that they would emit an Africa character" (Tsedu, 1999: 14), in accordance with the role of demographic "representivity". The ANC secretary-general, asked in an interview what he wished to transform, he replied "everything" (Retief, 1998: 10). In a sample survey carried out at the beginning of 2001 it was found that more than "50 per cent of Africans feel Whites will have to accept second place in what is basically an African country, that affirmative action should be carried out further and that Whites have to be forced to make sacrifices for Black advancement" (Schlemmer, 2001: 1). There has been no discernible

suggestion of the acceptance of some own responsibility for at least part of their economic arrearage. (A Black businessman, who achieved success during the apartheid era, warned against the "indipe" or "begging bowl" mentality (N Motlana, 1991, August 25), while another Black leader counselled that individuals and not groups be empowered (Sono, 1999)).

The transformation was carried into effect expeditiously. Black empowerment – apart from the self-empowerment emanating from the successful Black entrepreneurs of the pre-1994 era – became a government-driven operation arising from political power and the spoils of political patronage, while White business – presumably to establish auspicious relationships with government and Black clients – co-operated. (Sanlam was a pioneer in this regard.) The most conspicuous of the post-1994 African businessmen became managers, managing directors and directors by way of transfer of existing assets and appointments to the boards of directors in existing companies. This contrasts with the Afrikaners' empowerment process, which did not involve mere redistribution of assets, but generated new productive measures.

The transfers from formerly White-controlled business to Black empowerment enterprises was accomplished with a minimum of cash investment and a maximum of borrowing, rights issues, redeemable preference shares, the issuance of N-shares, instalment buying of shares and business pyramids. In the case of Anglo-American's promotion of Black Economic Empowerment (BEE), for example, it was noted that "concessions were necessary since most of the transactions could not have been carried through if they were handled in terms of normal commercial practices" (Von Keyserlingk, 2001: 6).

Legislation provided for the establishment of a National Empowerment Fund for "the historically disadvantaged persons" which had its capital expenditure and operating costs funded by parliamentary appropriations, apart from income generated by the Fund itself. Only Black South Africans, or companies run by them, could become shareholders who would benefit from the concession that the Fund could acquire shares in state-owned enterprises at prices "less than the market related price of the share" (RSA, 1998(a) B-121, D-98, Section 23(b)). The Competition Bill, which prohibits restrictive practices such as price fixing, collusive tendering and abuses arising from dominant positions in an industry allowed for exemption from these regulations in the case of Black firms (RSA, 1998(c) B-128-98, Section 10). When government contracts are put out to tender, Black tenderers will enjoy a price preference of 20 points out of 100 when the contract is worth R500 000 or less, and 10 points if it exceeds R500 000; which means that price competition as a consideration in the awarding of contracts will have a weight of 80 per cent and 90 per

cent respectively, and not 100 per cent (Leuvenvink, 2001: 2).

This eventuated after Black businessmen had complained that a uniform 90 per cent weight accorded to the price factor was too much (Business Day, 1999). It has also been suggested that BEE companies were given a better chance of securing government contracts by way of the specification of projects to be competed for (Coetzee, 1999: 16.)

The BEE Commission's recommendations confirm the quest for empowerment by entitlement through government intervention. Its executive summary report declares that "an Integrated National BEE Strategy is integral to transformation and growth. This has to be a state-driven programme" to which end a National BEE Act has to be passed that defines BEE and sets guidelines. The view that the process cannot succeed without government involvement has also been aired by other prominent Black businessmen (Van Zyl, 2001: 1; Du Toit, 2001: 3; Mazwai, 2000: 23). Some of the targets to be achieved within 10 years as formulated by the BEE Commission comprise the following: representation of Blacks in productive land ownership, 30 per cent; equity participation in each sector of the economy, 25 per cent; JSE shares, 25 per cent; JSE directors, 40 per cent; private sector procurement, 30 per cent; senior and executive management in private sector companies, 40 per cent. Proposals for government intervention include the following: "At least 30 per cent of the equity of restructured state-owned enterprises should be owned by Black companies and collective enterprises; at least 30 per cent of long-term contracts and concessions within the public sector should incorporate Black-owned companies and collective enterprises; at least 40 per cent of government incentives to the private sector should go to Black companies; at least 50 per cent of state-owned and government procurement ... should go to Black companies and collective enterprises; in the proposed public restructuring programme the following measures should always be considered: discounts, deferred payment; terms where possible, new BEE funding mechanisms including claw back, earn-in and vendor funding; where a contract is awarded to an established firm, government should stipulate conditions demanding targets for ownership changes, skills transfer, and the inclusion of Black sub-contractors during execution and set aside a portion of each contract exclusively for Black suppliers; every public offering of a state-owned enterprise must have a significant retain scheme with a discount to encourage Black participation" (South African Institute of Race Relations, 2001, May: 5-8).

The ANC government (short for the ANC/COSATU/SACP Alliance government) has been acting in a number of ways to implement the policy of Black empowerment. Regional Share Funds have been founded to provide risk capital to small firms (Swart, 2000: 2). "Previously disadvantaged groups"

were accorded greater export incentives than others. The Industrial Development Corporation (IDC) has, increasingly, been focussing attention on BEE which involved a rise in financial aid from R262 million in 1998 to R506 million in 1999 (Mittner, 1999; de Lange, 1999). In the year 2000 27 per cent of new loans could be attributed to BEE transactions (Mittner, 2000(a): 1); and in that year the IDC "made a provision of R200 million against possible bad debts in its investment in BEE companies" (*Finance Week*, 2000(b): 4). Eskom's contribution is in the form of providing a guaranteed market for coal produced by BEE companies. The Department of Public Works regards itself as the forerunner in the BEE stakes, having spent more than R775 million during the first six months of 2001 to this end by way of procurement programmes, while it has allocated R600 million to coach Black contractors how to tender for projects as fully-fledged contractors instead of sub-contractors (Duvenhage, 2001: 1). A task force was appointed to determine how BEE could become a reality in the oil industry, a target of a 25 per cent share for BEE having been set as a conditions of deregulation (*SakeBurger*, 2000: S.4). With the privatisation of SAFCOL, the forestry parastatal, 10 per cent of the shares had to go to Empowerment Companies (IFR, 1999).

Black-controlled companies have been awarded contracts whose value, as a percentage of that of all government contracts put out to tender, bears no relation to their contribution to the GDP. For example, during nine months of 1998 the value was R4 100 million out of an aggregate of R8 600 million (*Finance Week*, 1999(a): 7). It can happen that contracts are awarded to tenderers who have no record of experience of the productive processes involved. In the bidding for the acquisition of state forests, for instance, it was claimed that "many empowerment companies bring nothing to the table. Most add neither management expertise nor money" (*Finance Week*, 1999(b): 9).

All this makes for the use of Black "fronts" by White-controlled companies as well as many mergers and acquisitions to introduce a BEE component into such firms or to transfer control to BEE companies. It has been reported, for instance, that during 1998 there were 111 transactions of this nature with a value of R21 000 million compared to 52 transactions worth R8 300 million in 1997 (Booyens, 1999; Reuter, 1999). Though estimates of the market capitalisation of BEE companies on the JSE Securities differ, it would appear that at the crest of the wave in 1998 it had reached a 9,6 per cent share. It has diminished since then (McGregor, 1999).

There is no parallel between the above starting-at-the-top process of asset redistribution of BEE, extensively promoted by government intervention, and the starting-at-the-bottom "hard-slog" (expression used by Bruton, 1998) of the Afrikaner in his quest for

progress in the non-agricultural sectors of the economy.

A conclusion of similar nature holds good with regard to the ANC government's policy of Affirmative Action (AA), the second main string to the transformation bow. On the surface it might appear that AA is no more than the obverse of, and restitution for, the discrimination practised by the NP government which inhibited the free competition of Blacks with Whites in the labour market. However, the surface can be deceptive: the character, the incidence and the economic effects were decidedly different.

When the National Party took over the reigns of government in 1948, continuity in public administration was ensured by an official bureaucracy steeped in a corruption-free tradition, whose members owed their positions, by and large, to academic qualifications, years of experience and know-how. Those in command of departments rose through the ranks to become competent professionals. Change was marked by gradualism. The change in government in 1994 was characterised by disrupting discontinuity. Precipitate change was the order of the day with AA as the byword for the establishment of ANC dominion. The η Pow motive was very much in evidence in the pronouncement of the government's chief of Communications Services that transformation comprised "the extension of the national liberation movement's power over the defence force, the police, the bureaucracy, the intelligence structures, the judiciary, parastatals, the public broadcast, the central bank, etc. etc." (Du Toit, 1998). Such action was to be reinforced by support from the private sector in that a Deployment Committee of the ANC had to ensure that BEE companies were headed by ANC supporters who could be called upon to buttress government policy and initiatives when the need arose. (It has been depicted as crony capitalism (Sono, 1999: 21).)

According to the White Paper on Affirmative Action in the Public Service (RSA, 1998(b)) three designated groups, namely Blacks (in this case a generic term for Blacks/Africans, Indians and Coloureds), women and persons suffering from disabilities, had to be targeted in AA employment to render the public service representative of "the make-up of the population within all occupational classes and at all post levels of the public service". A distinction is drawn between "unfair" and "not unfair" discrimination. The former refers to "measures, attitudes and behaviour that obstruct the enjoyment of equal rights and opportunities in employment for Black people, women and people with disabilities" (p. 51). The Employment Equity Bill, section 6(1), states that it is not unfair discrimination to take AA measures. By inference, discrimination against the non-designated group(s), i.e. Whites in particular, which occurs in the process of discrimination in favour of the designated group(s), would be legitimate and not unfair.

However, since pigmentation, gender and physical disability on their own could not qualify as norms for the suitability of a candidate for employment, some further yardsticks had to be framed. The process has gone through a number of stages, the ANC having stated that it wished "to get rid of merit as an overriding principle in the appointment of public servants" (SA Institute of Race Relations, 1997: 22). Renouncing traditional "standards" (or proven merit in the Eurocentric tradition) as a criterion, "competence" was offered as a more appropriate one (Central Statistical Service, 1994(b)). But a sub-committee of the Constitutional Committee considered that "competency" would be too severe a requirement since it would "exclude people without specific qualifications and experience" (Constitutional Assembly, 1995), and substituted "ability" for "competency". The "ability" requirement was toned down in the Employment Equity Bill by adding the "capacity to acquire, within a reasonable time, the ability to do the job" (RSA 1998(d), 13 60B-98). Finally, "potential" seems to have become the effective criterion when the White Paper on Affirmative Action in the Public Service prescribed that selection panels be "appropriately trained in selection and interviewing techniques especially for identifying potential" (1998(b), par. 3.33). The only logical conclusion is that the rule of meritocracy was being jettisoned.

The same White Paper formulated the AA targets to be achieved: "Within four years all departmental establishments must endeavour to be at least 50 per cent Black at management level. During the same period at least 30 per cent of new recruits to the middle and senior management-echelons should be women ..." (Ch. 10.6). Officials responsible for appointments who did not achieve set quotas would be subject to punitive measures. The Public Service was not going to "entertain an apologist stance to Affirmative Action nor should any individual from the historically disadvantaged feel apologetic about benefiting directly from the programme" (RSA, 1998(b), par 1.18). And Mandela in his 1998 State of the Nation address to parliament proclaimed that "we shall not be discouraged by the sirens of self-interest that are being sounded in defence of privilege, and the insults that equate women, Africans, Indians and Coloureds and the disabled with a lowering of standards" (Government Communications, 1998: 4).

The metamorphosis of the criterion of suitability from "standards" to "potential" permitted of the creation of instant directors-general, deputy directors-general and other heads of departments, executives of parastatals, generals, diplomats, etc. where lack of experience and know-how could wreak great economic damage. The NP government's discrimination impacted most on lower skilled echelons, did relatively little or no harm to public administration and the economy at large and was not accompanied by a decline

in the number of Blacks employed, but by an increase, and not only at the lowest occupational levels. Amidst discrimination the principle of meritocracy was not discarded for the most part. Discrimination that did occur at senior levels was mostly against dissident Whites.

Within four years of taking office the ANC-in-government had already appointed 28 of the 35 directors-general and departmental heads of similar status. Only one of the nine provinces had a director-general who served under the previous government. A White head of a department has become an oddity. Of the 65 deputy-directors-general at national level, 47 owed their appointment to the ANC (Capraro, 1998: 9). The national director of public prosecutions and the new president of the Reserve Bank were deployed from the ranks of ANC politicians and a new chief justice was publicly favoured by Mandela, ahead of a decision by the Judicial Services Commission which was supposed to come to a decision independently of political considerations or intervention. All conceivable seats of power over which government holds sway was filled by Blacks or others of the correct political persuasion. Demographic "representivity" was evidently not a condition. The White incumbents were required to accept early retirement. It is not known precisely how many of them have become victims of displacement. In respect of the formal sector of the economy as a whole Whiteford & Van Seventer found that "the majority of the job losses over the period (1991-96) were borne by Whites, with White employment declining by almost 10 per cent, amounting to a loss of 186 000 jobs" (2000:24). The number of Whites employed in the first and second tier public administrations appear to have been reduced by 45 800 between June 1994 and December 1997 (CSS, 1997(a)). Most of these have probably been senior members of the civil service. Of 11 000 non-executive jobs especially created for AA purposes, which presumably required pertinent professional knowledge, only one-third had been filled, while another third were rescinded.

It does not appear as if the loss of expertise through displacements has been compensated for by the employment of thousands of consultants at high fees (varying from R510 to R890 per hour), who, during the two years 2000 and 2001, for example, have been paid R2 300 million (*Finance Week*, 2001: 42; *Gunning*, 2001: 21).

In sum, after 1994 a policy of employment substitution has been pursued, entailing a loss of jobs for another component of the labour force (mostly Afrikaners). The NP government's discrimination was, contrawise, accompanied by increased employment for all population groups. The number of Blacks employed in the first and second tiers of government during their term of office grew from 162 200 in 1960 to 778 100 by June 1994, or at a rate some 55 per

cent higher than that of Whites (Bureau of Statistics, 1964: H-38; CSS, 1997(a): 7). And there was no loss of professional proficiency and disruption in service delivery involved. To the extent that there was some substitution in the gross, stemming from National Party discrimination it was in favour of a minority. The ANC's favouring of a majority group was bound to take a greater toll. Again, the NP practised discrimination in favour, for the most part, of the lower skilled Whites; the ANC's discrimination favours a Black elite.

What with AA accepting "potential" as sufficient condition for appointment to posts, it inevitably implied the substitution of inexperience for experience; of the lesser qualified for the better qualified. As a matter of simple likelihood the policy could not but induce a deterioration in the standards of public service delivery. Whatever the enthusiasm or passion of the new incumbents might have been it could not compensate for the experience-induced know-how required of a successful bureaucracy. Many reports bear testimony to the outcome.

The Auditor-General, in his annual reports, has repeatedly drawn attention to the unsatisfactory conditions prevailing in the public service. In his 1997 Report he wrote: "many of the problems are caused by a shortage of staff with the necessary experience and skills and the proper training for newly appointed staff" (RSA, 1997). In his 2001 Report he concluded that a shortage of capable personnel at operational and managerial level to implement government policy effectively and economically remained one of the crucial problems of official structures, with deficient financing managerial ability as the single most important factor (Leuvenvink, 2001). A 15 member audit team appointed by the DG of the Department of Public Service and Administration found that the replacement of White public servants by way of early retirement resulted "in a lack of skills and expertise, that most provinces had no qualified financial managers and that unqualified finance personnel were administering budgets of billions in the absence of proper financial management training and skills" (Shindler, 1998). The Deputy Minister of Safety and Security maintained: "We are inclined to say that Afrikaners had their chance, and then we appoint people in their place who do not do the job or we look for candidates overseas" (Van Burick, 2001: 12).

The following episode (confirmed by the DG of the department at issue) demonstrates how AA can become a source for the practice of nepotism. The Minister of Foreign Affairs submitted the names of 30 persons to the Ministers of Public Service and Administration for appointment to posts in the diplomatic service, for most of which a baccalaureate plus ten years of experience was the customary prerequisite. In respect of 8 there was no mention of a previous employer or experience. For a further 9 no

CVs were submitted. One of them was appointed to a senior post in Norway and another became High Commissioner in Pakistan (Gunning, 1997). And a one-time partner of the Minister of Justice who had been disbarred for the misappropriation of funds was offered an appointment as consul-general in India (which he turned down after a public outcry – Braid, 1999).

A well-known ANC member who resigned her position as member of two Commissions described her experience in these Commissions as “virtually a nightmare”. She attested that doing one’s best in the company of persons not properly skilled was considered reactionary. Frustrated commissioners were reluctant to expose the incompetence of some Black members – who considered themselves entitled to their jobs because of their “struggle” career – since it would have been regarded as racist (Kadalie, 1999).

Bureaucratic shortcomings are exacerbated when they are accompanied by corruption which can include fraud, theft, bribery, nepotism and wilful mal-administration (which does not stem purely from ignorance or incompetence). The true incidence of corruption under the pre-1994 government cannot be known if there had been some covering up; but the most conspicuous instances have been exposed and seemed to have been induced by political power maintained over too many decades. The frequency of reported incidents among the ranks of the new regime accords them the complexion of not being a few isolated instances, and they are occurring at the inception of the new government’s term of office and not after many decades in power. The findings of the Auditor-General, various commissioners such as the Heath Commission, researchers of political parties, journalists reporting from parliament or practising investigative journalism, and individuals appointed to investigate alleged irregularities, have the air of a litany of transgressions. The findings of two sources of information can serve as illustration. *The Corruption Barometer, 1994-1998* of the New National Party listed 911 cases of fraud, theft and maladministration for personal gain which occurred during the first four years in the life of the new government, involving an amount of R21 000 million for which top officials at both the first and second tier government levels had been responsible (Vorster, 1998). The Auditor-General disclosed that in one of the nine provinces some R700 million had been lost during 1994-1998 as the result of unlawful

promotions and of salaries paid to between 26 000 and 30 000 ghost officials. (For further evidence cf. Sadie, 2000: 368-375.) Mandela, for one inveighed against “the freedom fighters who had become corrupt after becoming members of the government ... stealing money intended for our children” (Sadovsky, 1998).

The AA policy has not been confined to the public sector. Private sector enterprises employing 50 or more persons (designated employers) are coerced by law to institute AA measures “to ensure that suitably qualified members of the designated groups (Blacks, women, disabled persons) have equal opportunities and are equitably represented in all occupational categories and levels in the workforce of a designated employer” (RSA, 1998(d) section 15(1)). The statement that this is not to be interpreted as “an absolute barrier to the prospective or continued employment or advancement of people who are not from the designated groups” (section 15(4)) – which means that exceptions are not wholly excluded – confirms the rule. “Suitably qualified” need mean no more than “a capacity to acquire within a reasonable time the ability to do the job” (section 20(3)), while an “employer may not unjustly discriminate against a person solely on the grounds of that person’s lack of relevant experience” (section 20(5)). Employers are required to prepare plans to show how progress is due to be made towards the implementation of the AA goals over a period of one to five years. Thereafter job audits are to be submitted which reflect the demographic profile of their labour force at various occupational levels. Contravention of the law would be punishable by fines ranging up to R800 000, and the burden of proof would be on the employer.

It is clear that the rule of meritocracy and the Eurocentric principle of striving for excellence – the source of nourishment of economic progress – are spurned. There is no parallel to be discovered in the agenda of the pre-1994 government.

While the latter, as a result of looking after its poor, contributed to stability of income distribution among Afrikaners, the new government favoured its political elite and middle class to exacerbate the inequality of income among its supporters (Whiteford & Van Seventer, 2000: 23).

In sum, differences between the past and the present régimes are much more in evidence than similarities.

CHAPTER 8

EDUCATION AND OCCUPATIONAL ADVANCEMENT

8.1 Education

The major force in the economic progress of the Afrikaners was the high rate of human capital formation, which assumed, in a way, the role of a substitute for, and cherished above, physical capital and its financial counterpart, which they lacked. It proved to be of inestimable value in their economic advancement.

During the era of pastoralism the knowledge that was needed did not require book learning, but related to the chores around the homestead. School and academic education was not considered, and was, indeed, not relevant. Rural parents on the whole were satisfied to allow their children an education which was adequate to permit their being confirmed as members of the congregation. And as long as the philosophy of "back to the land" prevailed, education of the youth languished. It was reported that in a 1932 sample survey it was found that one-half of Transvaal boys and almost two-thirds of Free State boys opted for farming as their preferred occupation (Malherbe, 1933: 15) amidst an exodus of people from farming areas. Several authors commented upon the miserable state of Afrikaners' educational achievement at the time. The 1932 Carnegie Commission maintained that the rural population did not hold school education in high esteem since it was not required for survival in the pastoral economy. In 1910 only 5,6 per cent of Transvaal pupils were to be found in the secondary school grades (Symington, 1944 : 238). One of the reasons was the Education Act of 1907, which decreed that promotion to a higher grade was conditional upon the compliance with the requirements of English as a school subject. No such condition applied in respect of Dutch (Afrikaans). And there was only one high school with Dutch/Afrikaans as medium of instruction. Poverty, too, whether as a manifestation of a culture or a simple phenomenon of cumulative causation, took its toll. If the 40,3% incidence of malnutrition among White boys, as found by the Dept. of Public Health in 1939, can serve as an intimation of prevalence of poverty, it must have had a pernicious effect on the ability of such children to benefit effectively from educational facilities, having regard to the apathy that is induced by malnutrition (Coetzee 1942:49).

In the early days of the twentieth century many of the teachers were under-qualified. However, it has been asseverated that they regarded their profession as a

vocation. "They were inspired by a sacrificing, almost sacred, sense of duty to provide children with education of quality. They did not strike for higher salaries [which would have been considered *infra dig*]; they did not miss classes without very good reason ... they could not afford the cost of improving their academic qualifications, but equipped themselves better by self-education" (Zietsman, 2000: 6 – freely translated). They disciplined themselves and their pupils who respected the authority of the teacher and accepted it as an ingredient of education, so that those who progressed through the school system received a thorough grounding, even if it did not allow much scope for self-expression. The three R's received ample attention.

Although the improvement in the educational status of the people was a gradual process, the great push forward or, at least, a significant acceleration appears to have occurred around the end of the 1930s. Three events that proved to be of seminal nature in this process were (i) the recognition of equal status for Dutch (later Afrikaans) in the 1910 constitution of the Union of South Africa; (ii) the founding of the Helpmekaar fund; and (iii) the philanthropic actions of Mr Jannie Marais. The Helpmekaar (Mutual Aid) fund came into being to help those who participated in the 1914 rebellion and were held responsible for damages incurred. The amount left after all claims had been settled and financial aid provided to those who had been impoverished by the rebellion, formed the nucleus of a fund which was used to promote the education of promising young men and women who could otherwise not afford to continue their studies at school or university.⁶ Some of the persons thus aided became leaders in their respective fields of study, such as Professor CGW Schumann, dean of the Faculty of Commerce of the University of Stellenbosch for almost three decades. Others were Dr MH de Kock, one-time governor of the South African Reserve Bank, the heart surgeons pioneers Chris and Marius Barnard, and the educationist MC Botha. The Fund has been continuing its activities ever since. In 1996 its management initiated a new project which concentrated on students who showed promise of assuming the entrepreneurial function rather than becoming employees.

The third event occurred when the establishment of the University of Stellenbosch as an autonomous Afrikaans tertiary institution was in the balance. The issue was decided by the bequest of £100 000 by Jannie

6. Sadie, 1966:27 (Privy Council Office, reproduced with the permission of the Minister of Public Works and Government Services Canada 2001).

Marais (one of the few Afrikaners who shared in the fortunes of the Kimberley diamond industry). He also bequeathed £60 000 to Het Jan Marais Nationale Fonds, which was to be used, and is still being used, to promote the Afrikaner cause. By the end of the twentieth century the assets of the Fund, as a result of successful investments, amounted to some millions of Rand.

When the drive towards higher levels gathered speed – most parents desiring their children to have a better education than they enjoyed, even at the cost of great personal sacrifice – there was a tendency to concentrate on “book-learning” of a general nature, non-specific with respect to future occupations, except in so far as it allowed access to postgraduate degrees or baccalaureates or diplomas in teaching, the ministry of religion, or the legal profession. Since at the outset the acquisition of an academic handle – a token of achievement – seemed to have been the prime objective; the soft options among the subjects that could be studied would serve the purpose. Mathematics and the natural sciences were preferably eschewed, and the more occupationally orientated studies in engineering, medicine, economics, business economics, accountancy, etc. received scant attention. The Arts faculties at universities burgeoned. The 1970 Population Census showed up the following shares of Afrikaners among holders of five types of certificates, diplomas and degrees:

General academic education	69%
Degree in Agriculture	68%
Specialized BComm degree	24,8%
BSc Engineering	21,8%
Craftsmanship and Artisanhip	39%

(Source: 1970 Population Census, Volume 02-01-09)

It is seen that Afrikaners dominated in the category of general education. It was regarded as a passport to a white-collar job, which, in their view, had a status superior to that on the factory floor.

There prevailed a sentiment and/or prejudice against vocational and technical training in industrial schools and similar institutions, which provided access to blue-collar jobs. The latter were associated with indigence and an inferior status (Pauw, 1945: 100). The provisions of the Apprenticeship Act were also to blame: the age-of-entry restriction, the long training period, the low wages earned during this period and the inefficiency of technical classes available to apprentices. Again, the skilled trades environment was not convivial to the Afrikaner. To him it had a foreign character: it was dominated by foreigners – imported from England or the result of independent immigration – for whom the mine owners, in particular, manifested a decided preference (Esterhuizen, 1965: 172-176); and the trade union leaders were nurtured in the traditions of the British workshop, and

maintained the exclusiveness of an industrial élite whose interests had to be jealously guarded. When the Afrikaners entered the (to them) unfamiliar urban industrial world, they encountered active hostility on the part of the existing labour force. Amongst others, the latter attempted to exclude Afrikaner apprentices from certain occupational categories (O'Meara, 1983: 241). The Trades and Labour Council, which came into being in 1903, saw to it that the British workers' interests would not be endangered by the appointment of burghers of the ex-republics. In 1904 even unskilled workers (navvies) were imported from England for railway construction, but proved to be so unsatisfactory in their work performance that the recruitment was terminated in the same year.

When Afrikaner railway workers entered the arena of trade unionism by establishing their own organisation, Spoorbond, whose membership soon exceeded that of the other labour organisations, the Railways' management denied it recognition as representative of personnel, terminated stop order facilities and prohibited it from canvassing members on Railway premises (Pauw, 1945: 209). When Afrikaners formed an own Afrikanerbond van Mynwerkers (ABM – League of Mineworkers) the existing Mine Workers Union (MWU) considered them a threat and negotiated, without opposition from management, the application of the closed shop principle, which meant that the ABM members could be excluded from employment. (In 1947 success was achieved in exposing maladministration of the MWU, and in electing a new Afrikaner-dominated board of management).

In 1939 it was reported that of 118 trade union secretaries, 100 were foreigners who were hostile to anything and anybody of Afrikaans origin (FAK, 1939: 184). One of these secretaries portrayed the industrial labour scene as follows: “Afrikaners ... looked upon trade unions and the Labour Party as foreign organisations; and the workers' organisations looked upon the Afrikaans people with an air of disdain ... The labour movement has so far failed almost entirely to appreciate fully the development, traditions, sentiments and aspirations of the masses of Afrikaners ... People of a ruling race, including even class conscious workers, usually fail to understand the feelings of a conquered nation, of an oppressed people ...” (Sachs, 1938).

In such circumstances it was not incomprehensible that the new generations of meaningful numbers of studying Afrikaner youngsters opted for white-collar occupations (barring agriculture).

Whatever the shortcomings of the studies of these generations, they, at least, increased the number of thinking members of the community whose mental horizons broadened, exciting new aspirations. They experienced a resurgence of national pride and became very conscious of the economic arrearage of the society they were members of. The amount of human capital increased, allowing new opportunities,

at better rates of remuneration, to be taken advantage of. The process of cumulative causation went into action, every new generation parent being able to afford better educational facilities for his/her children. Table 8.1 bears testimony to the progress achieved.

TABLE 8.1
LEVEL OF EDUCATION ATTAINED BY
AFRIKANERS

	1960	1970	1980	1991	Increase per annum 1960-1991
Std. X (now Grade 12)	191 900	257 280	439 500	763 190	4,55%
% of Whites at issue	40,0%	43,9%	49,5%	53,0%	
Post-school qualifications	105 030	144 580	273 540	411 120	4,5%
% of Whites at issue	43,5%	46,9%	46,7%	50,0%	

Sources: Office, Bureau, Department of Census and Statistics, Central Statistical Service: Population Censuses.

Table 8.1 reveals that the human capital content of the population has been increasing rapidly (since the 1960s). While the total population numbers have been expanding at a rate of 1,4 per cent per annum, and the age group 18+ by 1,9 per cent per annum, those with a Std. X or matriculation certificate increased by 4,55 per cent per annum, and those with a post-school qualification by 4,5 per cent per annum. In this respect they had, by 1991, almost caught up with the non-Afrikaner component of the White population. The subject-mix of the qualifications has also been changing, with the professionally oriented subjects gaining increasing prominence, particularly when the Afrikaans medium universities added medicine, dentistry and engineering to their faculties, and the world of business aroused the interest of increasing numbers of students. By the turn of the century, for example, the Economic and Management Sciences Faculty had become the largest on the Stellenbosch University campus. The function of this and similar faculties at other Afrikaans universities was to acquaint students with the problems and challenges of business and the national economy, with emphasis on the strategic role of the entrepreneur and management, and to create an awareness of the job opportunities existing in a field of economic endeavour of which they had little experience. An academic pioneer maintained that these faculties made a major contribution to the rise of the Afrikaner in the South African economy (Schumann, 1964).

The process delineated above can be depicted as liberation through education (in contrast with the battle cry of "liberation before education" of more recent origin among another economically underdeveloped component of the South African population).

The results are reflected in the changes in the occupational composition of the labour force.

8.2 Occupational advancement

In light of the discourse above, it is not to be expected that the occupational composition of the Afrikaner labour force in the early days of the twentieth century would reflect that of an economically well-developed community. This is illustrated in Table 8.2.

TABLE 8.2
OCCUPATIONAL STRUCTURES: AFRIKANERS
VS OTHER WHITES

	1926 National Totals		1939 Sample Survey Major cities only	
	Afrikaans %	British %	Afrikaans %	Others %
Executives	0,5	1,6	0,1	1,4
Professionals and Technicians	1,2	2,9	2,2	10,0
Teaching and Religion	1,3	1,2	2,2	1,4
Trade and Commerce	6,5	12,5	5,4	19,7
Public Service	10,4	6,4	10,1	3,5
Transport	12,1	6,5	12,8	5,4
Clerks	6,3	14,1	6,6	11,9
Artisans	17,2	23,9	17,7	22,7
Semi-skilled workers	4,5	3,4	4,1	2,8
Unskilled	8,9	1,8	12,0	1,2
Mining	9,9	5,1	13,0	4,6
Other	21,2	20,6	13,8	15,4
	100,0	100,0	100,0	100,0

Source: Pauw, 1945: 217-219; 230-233.

In a comparison⁷ between Afrikaners and "others" (or "British South Africans") in 1929 it is seen that, apart from Mining, the former predominated numerically in the unskilled category in a ratio of 8,9 per cent vs. 1,8 per cent for the British South Africans in 1926. If the sample study is considered representative of the total urban white population, the situation would have worsened to 12,0 per cent vs. 1,2 per cent by 1939. They were also comparatively over-represented in the two sectors where government was in control, namely Public Service and Railways (Transport). The teaching profession also attracted increasing numbers of them so that by 1939 their representation outscored that of "others". Government service – public administration and teaching – remained a favoured occupation among Afrikaners over many decades and as the well educated in their ranks and their experience were augmented they began increasingly to occupy the senior positions.

7. Comparisons relate to the components of the White population only.

TABLE 8.3
SHARE OF AFRIKANERS IN THE PUBLIC SECTOR

	1926	1936	1960	1970
As % of White public servants	38,4%	58,9%	68,2%	70,7%
As % of Afrikaner labour force	10,4%	12,9%	13,0%	13,2%

Source: Population Censuses; Pauw, 1946: 218.

The percentage of the Afrikaner labour force that entered the public service after 1936 changed very little but they became the dominant group among the White civil servants, to the extent of 70,7 per cent in 1970. Some 28 per cent of the rise could be attributed to the faster growth of their labour force, while the English speakers – because they did not regard bilingualism as a worthwhile objective or believed that they could not look forward to a promising career in government service – shunned the civil service and moved into the more lucrative jobs in the private sector. Positions in the former became more remunerative in 1987 after the President of South Africa – without prior consultation with his Minister of Finance – raised the status of a secretary of a department to that of director-general, and created other new titles such as deputy director-general, chief director, executive director, director, assistant director, etc., accompanied by new salary structures considered appropriate to the new statuses. The considerable degree of concentration in the public sector (the relevant percentage of the labour force will be higher than the 13,2 per cent, as in Table 8.3 above, when all the branches (such as parastatals) are included) rendered the Afrikaners very vulnerable to a change in government which is intent on the extension of its hegemony into all the strategic positions in the public sector and on the application of affirmative action without a regard for the principle of continuity and meritocracy.

Public administration was not the exclusive occupational haven of Afrikaners it appeared to be. While the total number of White civil servants in 1994 amounted to 227 700, the Black component numbered 528 700,⁸ 58 per cent of them in the self-governing territories and the TBVC countries, where the restrictive practises of apartheid did not apply and thus permitted of unshackled career opportunities for Blacks (Central Statistical Service, 1997, Statistical Release P0251; RIEP 1994).

8. Excluding teachers. Their inclusion adds 222 300 to the 528 700. The numbers for the TBVC countries were not available and had to be inferred.

TABLE 8.4
THE AFRIKANER LABOUR FORCE ACCORDING TO 3 BROAD OCCUPATIONAL CATEGORIES

	1936 %	1946 %	1960 %	1970 %	1980 %	1991 %
Agriculture	41,2	30,3	16,0	10,1	7,0	4,7
Blue-collar jobs	31,3	40,7	40,5	38,3	31,5	29,1
White-collar jobs	27,5	29,0	43,5	51,6	61,5	66,2
	100,0	100,0	100,0	100,0	100,0	100,0

Source: Population Censuses.

When the labour force is divided into three broad categories, as in Table 8.4, the statistics trace out the usual pattern of shifts in the occupational structure in the process of economic development. The proportions economically active in Agriculture declined monotonically from 41,2 per cent in 1936 to 4,7 per cent in 1991, while the sector's contribution to the GDP increased by 283 per cent (SARB, 1999, June supplement), testifying to increased productivity stemming from better education and training and greater entrepreneurial initiative. Those who left the rural areas during the first half of the twentieth century found an economic refuge in the Railways, gold mining, manufacturing and personal service, as unskilled workers for the most part, to raise the proportion of blue-collar workers from 31,3 per cent in 1936 to 40,7 per cent in 1946. It remained almost unchanged until 1960, after which it started on a downward trend to end up on 29,1 per cent in 1991. The better educated became teachers, civil servants, post office workers, clerks, etc. raising the proportion of white-collar workers slightly during the 1936-1946 period. Thereafter this category expanded rapidly in relative size to encompass two-thirds of the labour force by 1991.

TABLE 8.5 (A)
OVER (+) AND UNDER (-) REPRESENTATION OF AFRIKANERS IN THE LABOUR FORCE BY OCCUPATIONAL CATEGORY

		1946	1960	1970	1980	1991*
I	Professionals and Technicians	-16,3	-12,0	-8,6	-5,7	+0,9
II	Executives	-33,9	-26,5	-23,1	-22,1	-12,8
III	Clerical workers	-16,3	-7,5	-0,5	+2,4	-1,4
IV	Sales workers	-25,9	-19,0	-17,4	-15,3	-9,0
V	Farming	+32,1	+30,5	+28,5	+23,8	+18,2
VI	Mining	+10,0	+15,5	+25,6	+27,7	+7,0
VII	Transport	+19,4	+23,0	+26,1	+26,5	+11,0
VIII	Craftsmen	-5,4	+2,5	+2,5	+5,8	+0,5
IX	Services	-3,7	+10,5	+9,1	+7,5	+5,9
X	Unspecified	+3,8	+10,5	+6,8	-2,4	0,0
		0,0	0,0	0,0	0,0	0,0

TABLE 8.5 (B)
OCCUPATIONAL DISTRIBUTION IN PER CENT

		1946	1960	1970	1980	1991*
I	Professionals and Technicians	6,5	9,0	12,9	17,7	18,8
II	Executives	0,9	2,5	3,0	4,3	8,9
III	Clerical workers	10,0	21,0	26,4	28,2	31,7
IV	Sales workers	4,5	5,6	7,5	7,0	5,5
V	Farming	30,3	16,0	10,1	7,0	4,7
VI	Mining	3,8	3,5	2,1	1,6	1,4
VII	Transport	13,1	9,0	3,8	2,8	2,7
VIII	Craftsmen	20,7	25,0	23,2	21,0	17,8
IX	Services	6,7	6,0	8,0	9,0	7,1
X	Unspecified	3,5	2,4	3,0	1,4	1,4
		100,0	100,0	100,0	100,0	100,0

Source: Population Censuses.

- In the absence of direct evidence on occupation by home language in the 1991 Census reports, the relevant figures were inferred from a cross-classification of religion by home language with religion by occupation, using the evidence revealed by the three Afrikaans (sister) churches as frame of reference.

The occupational progress of the Afrikaners is also evidenced by changes in the under- and over-representation in the various classes, in the form of deviations from norm, as in Table 8.5, the latter being their share in the total White labour force. In mining, transport and among industrial craftsmen and production workers they had been increasingly over-represented up to 1980; but the degree has ostensibly⁹ dropped precipitately, between 1980 and 1991. Their over-representation in services – many of them performed by semi-skilled persons – has been steadily declining. Afrikaners never lost their majority status (among the White population, that is) in farming, mining, teaching, the police and Railway Administration. The occupation denoted in censuses as “labourer” – meaning unskilled worker – had all but disappeared from the Afrikaner labour scene.

Their progress among white-collar workers is manifested by diminishing under-representation in the categories professionals and technicians, executives, clerical and sales workers. In the first of the four occupational classes the sign has already changed from a minus to a plus. Among the executive class, however, they still exhibit a considerable arrearage, this category constituting 8,9 per cent of the Afrikaner labour force compared to 14,8 per cent in the case of the English (or non-Afrikaans) group. Nevertheless, it

still represents a creditable performance when the 8,9 is compared with 0,9 of 1946. It would seem that the English group owes a good deal of its success to the inflow of new blood from overseas, some one-third of them in this category having been born overseas. Moreover, if we include farmers in the entrepreneurial class – a characterisation of a large percentage of them would richly deserve – the comparison is changed to 13,4 per cent for Afrikaners and 16,9 per cent for the others.

When these percentages are compared with the Afrikaners' contribution to the economy as reflected in their control, as entrepreneurs, over industrial capital – as discussed in Chapter 4 – it appears that the latter underrates their function in the generation of the GDP and economic development. Their human capital content would accord them a greater share by reason of, among others, their management of economic processes in some enterprises controlled by the industrial capital of non-Afrikaners. Managerial control would put their share at 41,6 per cent rather than 33 per cent mentioned earlier.

The role of women in this population group needs to be expressly mentioned. In 1936, when social *mores* still prescribed that women's place was in their home, only 13 per cent of those 15 years and over were economically active, and one-sixth of them worked as domestic servants. By 1946 their labour force participation rate had risen to 18 per cent. This rate increased thereafter as follows: 1960: 23,2%; 1970: 29,1%; 1980: 34,7%; 1991: 39,2% (Population Censuses; Sadie, 1991, Chapter 5).

Their average working life expectancy is yet slightly lower than that of English-speaking women, partly because of a somewhat higher – though ever diminishing – fertility rate, but the gap is closing steadily. The type of modern occupations which they entered, made a considerable contribution to the increasing percentage of the total Afrikaner labour force found in white-collar employment. Of the professional/technical jobs held by Afrikaners their number represents more than 40 per cent, and not only because they form a majority in the teaching profession. White domestics have become an almost extinct species.

In sum, while the occupational status of the Afrikaner is, on average, slightly inferior to that of his English-speaking counterpart, the arrearage has greatly shrunk.

9. The word is used because of the fact that the information had to be inferred in an indirect manner.

CHAPTER 9

RISING STANDARDS OF LIVING

The occupational progress was bound to be reflected in per capita income and, accordingly, in material levels of living. A correlation is to be expected between the advancement over time in the occupational hierarchy portrayed above and income or earnings per income receiver and/or per capita of the total population. When allowance is made for under-registration of personal income in population census returns, as revealed by comparison with national income statistics, the per capita income of Afrikaners in 1991 amounted to a R23 000 average, which is still 25 per cent lower than that of English speakers, which was R30 840 (Sadie, 1994: 13). However, the former realized a growth rate of 2,8 per cent per annum over the period 1946-1991 (at constant 1990 prices), compared to 1,18 per cent for the latter, which meant that the gap was narrowing continually. This is borne out by the data in Table 9.1.

TABLE 9.1
PERSONAL INCOME: RATIO
AFRIKANERS/ENGLISH

	Per Capita	Per Income Receiver
1946	47,8:100	55,5:100
1955	58,8:100	68,0:100
1960	64,5:100	74,2:100
1960 (Urban)	60,9:100	69,2:100
1960 (Rural)	73,5:100	82,1:100
1970	69,9:100	79,4:100
1991	75,0:100	83,0:100

Sources: Population Censuses. Figures for 1980 are omitted on purpose because of what appears to be a statistical aberration in that, contrary to the data provided by the other censuses and to conceivable probability, more Afrikaners than others were reported to be found in the upper income brackets (in this case R55 000+).

It is seen that from an average personal income per Afrikaner income receiver (the zero income receivers being omitted) of barely one-half of that of the other White population component in 1946, it has grown to 83 per cent by 1991, and at the turn of the century it would have been approximately 88 per cent. Inversely, the average English income receiver had 77 per cent more at his disposal in 1946, but only 14 per cent more by the year 2000. The smaller differential shown for rural areas in 1960 – which has probably been reduced to zero by now – is not surprising: the income earners there are, for the most part, entrepreneurs, while the large majority of urban earners are

not in this category.

When personal incomes are translated into averages per head of the total Afrikaner and English-speaking populations, the differentials exceed those per income receiver. The figure for 1946 becomes 47,8:100 compared to its counterpart 55:100, and that of 1991, 75:100 vs. 83:100. The phenomenon arises from three factors: the greater youthfulness of the Afrikaner population due to higher fertility (relatively fewer persons in the economically active ages); the somewhat lower labour force participation rate of their women; and, as a matter of greatest likelihood, because there are more rentiers among the English speakers as a result of their advantage of having benefited from a very much longer participation in the process of industrialisation, economic growth and accumulation of wealth entailing larger returns in terms of interest, dividends and rent.

Some of the credit for the Afrikaners' progress in the private sector should go to their English countrymen who were economically in the lead. Moving upwards in the occupational hierarchy, particularly while the country was enjoying great prosperity (up to the middle of the 1970s) and despite in-group favouritism, openings were left which could not be filled from their own ranks. The process was similar to that which occurred in the Black/Non-Black juxtaposition, the former gaining in occupational status as the latter was moving into the higher grade, better remuneration, jobs.

With a diminishing disparity in average income and an increasing preponderance of Afrikaners in the White labour force, the latter were steadily catching up with English speakers in the aggregate amount of personal income they disposed of. At the time of the 1946 population census their aggregate (population x income per capita) was 59,5 per cent of that of the other Whites. By 1970 it had progressed to 95 per cent and in 1991 the ratio had grown to 110,5 per cent or R67 540 million vs. R61 130 million (Sadie, 1994: 13). In the year 2000 The Bureau of Market Research found the annual expenditure totals (which would reflect disposable incomes in relative terms if income tax and savings ratios were equal) to amount to R146 502 million and R116 604 million for the two groups respectively, representing a 25,6 per cent excess for the Afrikaner group (Martins, 2000: 58). The rising levels of living permitted them to become active on the Johannesburg Stock Exchange to the extent of becoming the majority group of operators. In 1999, 1 123 000 of them (though this figure would include some Afrikaans speakers from other ethnic groups) were thus active, compared to 956 000 English

speakers (to whom the same qualification would apply)(Giliomee, 1999(b): 98).

Having in mind the increasing disparity between the developed and the underdeveloped parts of the world – but disregarding the recent performance of the Newly Industrialised Countries – the narrowing of the economic gap between the two White communities is not a common occurrence. Having shed the traits of pastoralism, the descendants of the semi-nomadic generation entered the mainstream of Western economic culture, together with those who had remained in touch with the economic development of the Western World, and surged ahead to contribute handsomely to the national product; changing their status from an economically backward people to a reasonably well developed community. It was for the most part a self-empowerment, bootstrap operation, as it was intended to be according to the 1939 Volkskongres rallying cry.

Equally remarkable is the stability in the degree of inequality of income within the Afrikaner community. In terms of the Gini-coefficient (0 = absolute equality; 1 = absolute inequality) the situation changed as follows:¹⁰

1946 : 0,461

1960 : 0,440

1970 : 0,429

1991 : 0,476

Inequality, instead of increasing, declined slightly and remained at a fairly low level before rising somewhat after 1970. Income distribution is marginally more unequal than in the highly developed economies, but is less than among English speakers in whose case it was 0,513 in 1991. Remaining fairly stable in downward progression, it contrasts sharply with the experience among Blacks in South Africa whose Gini-coefficient rose from 0,35 to 0,51 (CSS, 1997: 50). The stability observed can be viewed as the outcome of the way in which the economic struggle was initiated, as reflected in the solidarity evidenced in the initiation of the economic struggle of the Afrikaner at the 1939 Economic Conference: "A people rescues itself" rather than "everybody for himself". It bears testimony also to diminishing inequality in human capital distribution engendered by a mass participation in the educational process. The propagation of virulent class-consciousness and a politically divisive class struggle were pre-empted.

In retrospect the moot question is to which of the factors involved in the economic progress of the Afrikaner – as discussed in preceding chapters – could the greatest weight be attached? Writers whose views are confined to the formidable power wielded by government prefer not to look beyond the influence of the latter. While such influence was, indeed, not minimal, it does not tell the full story.

A major initiative of the pre-1994 government was the empowerment of Afrikaans and, consequentially, of its speakers. But it was no more than a correction of a situation in which the official policy of bilingualism was honoured more in the breach than in the observance. The government's intervention in the labour market with its colour bar legislation benefited, for the most part, the lower end of the skill structure, and its influence was soon diluted and rendered nugatory by the vibrancy of economic activity, which created vacancies that could not be filled by Whites whose labour supplies became inadequate. The increased and improved education facilities provided were not confined to Afrikaner pupils and students, and if they benefited most it was because they were in the majority among Whites and their teachers were dedicated educationists. The parastatals helped to raise the national product and acted as training schools for some Afrikaner professionals; but their operations also became prejudicial to the Afrikaners' private sector interests, while most of the achieving entrepreneurs did not pass through their portals.

These latter, who were responsible for the increasing participation in the entrepreneurial function, entered into their role as individuals and achieved success overwhelmingly independently of government intervention in their favour. To the extent that the government created an ambiance favouring economic growth, their English counterparts benefited most by reason of their ascendancy.

In the last resort, a government can provide a business-friendly environment and facilities for education and training, but their efficiency would still depend upon individuals who are prepared and eager to make use of the propitious circumstances and facilities. Afrikaners, for the most part, studied and worked themselves out of the groove of economic retardment and poverty. It was a process of liberation through education and entrepreneurial endeavour.

10. A debt of gratitude is due to Professor S van der Berg for his technical aid in the calculation of the magnitudes. Sources: Population Censuses.

CHAPTER 10

THE ROAD AHEAD

In the exposition above, the sequence of events and circumstances has been the reverse of the usual process depicted in historic discourses, where the fall of empires, cultures or communities is preceded by the rise. The moot question is whether the latter sequence is to occur in the Afrikaners' economic history in the post-1994 era if we can assume that the last quarter of the twentieth century was the time of their peak performance. It is to be understood that the reference is not to a population of Afrikaans or Afrikaner origin, but to the cohesive community as depicted above, and as identified at the 1939 Volkskongres by dr Kestell (see Chapter 4) and as evidenced in the concerted struggle for the recognition of Afrikaans (all of which defines the Afrikaner at issue).

Of cardinal importance is the fact that they had irretrievably lost their political power in 1994, since in the majoritarian system of government they are hugely outnumbered and will remain so against an unassailable majority, who could not be expected to be kindly disposed towards them. The new government almost immediately after coming into power, using its political power and its political patronage, and in the name of wrongs (real and imagined) its electorate had suffered – the most important of which was the violation of their human dignity rather than the result of measures of an economic nature – assailed Afrikaners where they were most vulnerable, that is, in the public sector. Affirmative Action became the buzzword and the criterion for its application needed to be no more than the "capacity (of the prospective appointee of the correct political persuasion or colour) to acquire within a reasonable time, the ability to do the job" (RSA, 1998(b): section 20). The "capacity" requirement was subsequently attenuated to "potential". Superior qualifications were no longer the passport to a job in the public sector. "The ANC has said," reported the SA Institute of Race Relations, "it wishes to get rid of merit as overriding principle in the appointment of public servants" (1997: 22). Accordingly it became possible to replace Afrikaners in their thousands. Questioned in the National Assembly about the number of replacements, the Minister of Public Service and Administration revealed that by February 1999, 56 985 early retirements had already been dealt with, which comprised most of the senior positions and contributed significantly to the increase in the Gini-coefficient (the measure of inequality of income) of the Black population. The reports of the Auditor-General bear testimony to the dire effects on efficiency and probity in the public service. Most of the prematurely retired persons had to seek a new career and not all of

them knew how to invest wisely the funds put at their disposal.

The marginal returns to (White) human capital formation thus well nigh reduced to zero in the public sector, emigration to countries where this condition is not prevalent became an option. Until 1990 emigration of Afrikaners has never been an issue of any significance. But it has become one, with large Afrikaner communities having been established in countries such as England, New Zealand, Australia, Canada and the USA. The majority of the breadwinners among the emigrants are highly qualified, leaving those left behind poorer in human capital content.

There has also been another, and probably more far-reaching, assault on the other vulnerable chink in their armour: their language, notwithstanding assurances to the contrary in the new constitution (Du Toit, 2001: 21). The target is a feature that is central to the existence of their identity. The new government has been gnawing away steadily at the status of Afrikaans to erode its market value. English has been declared its official medium of communication. To all intents and purposes Afrikaans is not required for any job within the government's ambit. Knowledge of Afrikaans is not only a non-merit but, to the person who uses it as mother language, it is a demerit. Affirmative Action effectively emasculated it. PANSAT, an institution for the protection of language rights in South Africa has found that the Post Office, Telkom, Transnet and the Department of Public Works have acted in violation of such rights, but without eliciting corrective action. English has been recommended as the unique medium for the Defence Force and as language of report of law courts, and Afrikaans has become a non-obligatory subject for the LLB degree (Van der Merwe, 2000; Steyn, 2000). An Afrikaans-speaking long distance train driver has been demoted to shunter because he was not communicating in English. SpoorNet dismissed an employee who spoke Afrikaans to his Afrikaans-speaking colleagues and to SpoorNet's Afrikaans-speaking clients. The SA Airways, in the face of all tenets of effective business practice, refused to provide service in Afrikaans, and had to admit to suffering loss of income, while its competitors such as British Airways were profiting from its economic folly. SABC-TV channels 1, 2 and 3 decided to broadcast in English at peak hours for 74 per cent of the time compared to Afrikaans for 9 per cent, Nguni for 4,5 per cent and Sotho for 3,5 per cent (Du Toit, 2000: 10). Of the viewers, 29,9 per cent were Afrikaans speakers (who included other than White persons), Nguni speakers 28,6 per cent, Sotho speakers 21 per cent and English

20,5 per cent (TABEMA, 2000: 4). The SABC's medium of communication is English, and it is expected of journalists employed that their contributions should be first of all in English, after which they may be delivered in any of the other languages of which Afrikaans is one. Accordingly, the Afrikaans radio transmission, RSG, has difficulty covering important events meaningfully, the journalists electing to take the easy way out and do their interviews and analyses in English only (Louw, 1999). A radio station in Gauteng decided in 1997 no longer to accept advertisements in Afrikaans though its Afrikaans-speaking listeners outnumbered the English.

The University of Stellenbosch (SU) whose primary – but not exclusive – medium of instruction is Afrikaans came under attack from ANC Cabinet Ministers for its language policy. It has always been the most liberal tertiary institution with respect to language; it provides facilities for non-Afrikaans speakers and there are 14 universities whose medium is exclusively English, while there are six more parallel medium universities. On the face of it there seem to be no non-politically inspired rational grounds for government's antipathy to the SU. The attacks have the appearance of attempts at striking a blow at an institution which could be considered a cradle and bastion of Afrikaans, whose demise as such would further the anglicisation policy of the government.

As it is, an investigation into the linguistic handling of 513 courses and subjects at traditionally Afrikaans universities revealed a severe whittling down of Afrikaans between 1995 and 2001. At the SU the score for the two years was as follows: Afrikaans only from 12 to 13, parallel medium from 7 to 20; double medium from 21 to 65; English only from 3 to 31. The researcher concluded that institutions which practise a double medium policy switch effortlessly to parallel medium and from there slide into (English) unilingualism (Nieuwoudt, 2001:13).

The above is but a selection of episodic evidence of similar import.

There is a very significant difference between the post-1900 or, for that matter, post-1806 anglicisation process and the post-1994 policy. With regard to the former there always existed a prospect that the situation could be changed by way of the attainment of political power, which change was indeed brought about. After 1994, for all practical purposes, no such potential remedy exists. Politically, the country has been irretrievably converted from a "White man's land" – the goal of, the National Party – to a "Black man's land" – the factual situation under, if not the goal of the ANC/COSATU/SACP government. Those backing the new policy are overwhelmingly and unassailably large in number, to which, incidentally, the NP government, for all its faults and misdemeanours, contributed liberally by means of its health services, including family planning. (During its term of office Blacks' infant mortality rate was reduced from 162 per 1 000 births to 55, and their life expectancy

at birth rose from 41,2 years to 62 years. In this context it might be maintained that the NP government was instrumental in adding just over 40 per cent to the Black population's numbers). In addition, no, or very little, help is to be expected from the English-speaking section of the White population since the new policy suits them: they are relieved from the obligation of achieving bilingualism, which was the objective of the NP, which never considered afrikanerisation as substitute, and retribution, for anglicisation.

The official policy is aided and abetted by actions in the private sector. The treatment meted out to Afrikaans in the secondary and tertiary sector of the economy, where English-speaking businessmen preponderate has seldom, if ever, been more considerate than the official post-1994 stance. Under the assumption or pretence that "of course everybody understands English", and knowing that, as a linguistic group, they had, and have, a monopoly in the production of most items in household consumption they did not consider it necessary to use Afrikaans in the labelling of their products or displays in their businesses or the provision of services to their customers. While, in 1997, the purchasing power of Afrikaans speakers in South Africa was 5,7 per cent more than that of English speakers, 25 companies which were spending the most on advertisements channelled 49,4 per cent of their advertising to English medium and 22,4 per cent to Afrikaans newspapers and journals (Duvenhage, 1998). When the chairman of the Afrikaans arts festival, KKNK, was confronted with the accusation that the sponsor of the festival was not using Afrikaans on the labels of its dairy products, he said that bilingual labels in South Africa are few and far between, and that if somebody were to boycott companies which did not accord to Afrikaans the same status as English, he would have difficulty preparing a decent meal (Van Eeden, 2000: 7). From the chairman's further remarks it could be inferred that the neglect of Afrikaans was a condition for "the building of a South African nation".

It would appear that Afrikaners themselves are no less responsible for the neglect or marginalisation of their mother tongue. Lawrence Schlemmer, in research undertaken for a dissertation in Political Science, found that ethnic commitment was the feeblest among the independent, professional, top businessmen (in contrast with professional employees and owners of small business enterprises) who believed that a modern, global outlook on life was not compatible with cultural interests (Pienaar, 1999: 9). Some of them do not deem it necessary to publish annual reports in Afrikaans (Scholtz, 2000 (a) and (b)). These are the people who, or whose predecessors, in days gone by, combined their profit making activities with a protective regard for their community and its language, and who were responsible to a great extent for establishing and maintaining the market value of

Afrikaans. Their more recent behaviour might be motivated by the belief that their business success is tied up with the new Black elite, Black empowerment and the economic activities of the new government. Some of them were members of a group who paid a visit to the South African president, presumably to signalise support for his government's policies (but probably not those related to the treatment of Afrikaans). An interim chief of Die Stigting vir Bemagtiging deur Afrikaans (Foundation for Empowerment through Afrikaans) remarked that the fact that Afrikaner middle and top managers have not participated in the language debate in South Africa was a dramatic non-event, indicating that their emotional ties with Afrikaans have been severed (Bigalke, 2000(a): 9). It has been suggested that their mental processes might have become such prisoners of their memory of apartheid that they have lost the critical faculty with respect to the new government because "the new régime is better than apartheid" (Geldenhuys & Malan, 2001: 7). Another writer would have it that however hard the ANC could try, they could not succeed in perpetrating the hara-kiri on Afrikaans as Afrikaners themselves do (Anon, 2001: 11). The CEO of the Foundation for Afrikaans (forerunner of the Empowerment Foundation), referring to the fact that Afrikaans speakers disposed of the largest disposable income (of all linguistic groups) and make the largest contribution to the Treasury, maintained: "There are Afrikaner businessmen and companies who imagine that it is politically incorrect to have an Afrikaans identity" (translated from Du Toit, 2000: 11). A journalist recorded how an Afrikaans-speaking academic addressing a meeting of Afrikaans businessmen in Afrikaans, liberally interlaced his sentences with English words. One example will suffice: "*Companies* het deesdae almal *mission statements*. Dit is belangrik maar waardeloos as daardie *companies* nie ook *value-driven* is nie. As hulle nie *ethics* in hul eie *companies* toepas nie. Dit is 'n bewese feit dat wanneer *companies value-driven* is, dit hul *bottom line* maak, kan hulle hul vernaamste kompetisie verbysteeek. Dit is die *challenge*" (Van der Walt, 2001:12). The journalist believed that his man would never dream of spicing his English presentations with Afrikaans words.

An employee of a well-known Afrikaner-controlled bank told an ex-editor of an Afrikaans newspaper that its official medium of internal communications was English; and he could not discover a document in Afrikaans required to be filed in by him (G Joubert, 2001: 6). And it would seem that when mistakes are made at the local level in the case of large trading companies with nationwide outlets the language favoured is never Afrikaans but English (Dempsey, 2001: 6). For the most Afrikaans of all rugby unions in South Africa it had been proposed that official documents to the personnel be written in English

(Volschenk, 2001: 1). At the Johannesburg Press Club's celebration of the newsmakers of the year, who were Afrikaans-speaking, where most of those attending were Afrikaans-speaking and the sponsor's CEO was an Afrikaner, not one word of Afrikaans was spoken during the entire ceremony (Richard, 2000: 16). The executive producer of the SABC's *Radio Sonder Grense* (RSG) news programme maintained that his primary mission was not news in Afrikaans, but news, and that English has not only become the language of political power, but is the "intellectual language of South Africa", and that when one wanted an informed opinion one has often to turn to English speakers. To which an ex-SABC journalist responded that he had a surprise for the executive producer: in his experience enough Afrikaans speakers well versed in every possible aspect of South African life – economic, social, scientific, etc. – were always available (Blom, 1998: 8). The statement about the intellectual language in South Africa does not merit comment. The result is a programme that is not only English in part, but also allows an Afrikaans that is interlaced with English words and often with a syntax that reflects a direct translation of the English idiom. "The jackboot treatment of Afrikaans by ourselves" writes an Afrikaans journalist, "is at least as bad, if not perhaps more, than that of the authorities" (Spaarwater, 1997: 10). An Afrikaans writer, attacking another, maintained that Afrikaans has only become an albatross around Afrikaners' necks and should be shed (Mischke, 2000: 4). It is not known whether he appreciated the radical implication of his wish.

The chief executive of the Stigting vir Bemagtiging deur Afrikaans asserts: "Why should I complain about the so-called disparagement of the language in shops, banks and restaurants when I have the right to speak it every day? Why should I be resentful when I am answered in English when we understand one another? Why should one always make an enormous issue of Afrikaans?" (Translated from *Die Burger*, 2001: 3). A newly appointed vice-chancellor of a traditionally Afrikaans university maintained that he did not have an ideological approach towards Afrikaans, and to want "Afrikaans on yoghurt cartons is surely smallminded nonsense" (translated from du Preez, 2001:48) and the ardour of some staff members of the foremost Afrikaans daily newspaper for the Afrikaner cause shows signs of waning.

Those who do make a public issue of it are often referred to as agonizers or activists who would want to "push Afrikaans down other speakers' throats". The inference to be drawn is that English, despite centuries of historic evidence to the contrary, has not been and is not being pushed down peoples' throats. Anglicisation, in this context must, presumptively, be a sort of natural order of things, representing a first order human right which is not applicable to other language groups. The process had, of course, the

benefit of active support from an English business class who, as the preponderant component in the secondary and tertiary sectors of the economy, called the tune.

The agonizers would deny that they are seeking more than what was (is) promised in the constitution. They are acting in accordance with a consciousness of the truth embodied in the adage: the price of liberty is eternal vigilance. They are not interested in a come-home-to language that will survive until the last couple of its speakers have died, or that flourishes only on special occasions such as arts festivals. They wish to see it remain vibrantly alive in schools, colleges, universities, on the radio and television, in the shops, in the boardrooms and the annual reports of business firms, produce labels, business windows and nameplates, in advertising, news media and journals, etc. etc., in accordance, to some extent at least, with the economic importance and demography of its mother tongue speakers. As minimalist goal they would want to stem the tide of marginalisation, of denial, of the fruits of a hostile government's attitude, of apathy and of the quaint, if not weird, posture that it is ridiculous to expect service in Afrikaans, because "it would hurt peoples' feelings" (translated from Pienaar, 2001: 11; Visser, 2001: 18; reporting and not asserting).

Writers, poets, other individuals, PANSAT, TABEMA, the Mine Workers' Union (MWU), the Rapportryers, The Friends of Afrikaans, the AHI, the Group 63 for Minority Rights, the FAK, the ATKV, PRAAG and others are taking up the cudgels for Afrikaans to prevent the realization of the truth in the adage adapted to the South African situation: for tyranny [of numbers] to succeed it is enough that good men remain silent. Some inchoate progress can be intimated. PANSAT has charged TELKOM with violating its employees' language rights by the use of English only as medium of communication (*Rapport*, 2000: 6); the MWU has established a Fund for the defrayment of costs involved in court cases for the furtherance of Afrikaans and multi-lingualism (*Rapport*, 2001: 13); when the private television company started the Afrikaans KYKnet programme, SABC 2 had to change its policy and transmit longer hours in that language (Bigalke, 2000(b): 11)

(TABEMA's negotiations and protestations could have made a contribution to this outcome); signs of resistance are surfacing in Afrikaans poems; matriculation pupils achieving the highest marks in six of the nine provinces in 2000 had attended Afrikaans medium schools, which event has been hailed as proof of the importance of mother tongue instruction (Joubert, 2001: 14).

The experience of other countries would suggest that in order to survive, a language cannot be left to its own devices. The German government asseverated that the use of the language in the private sphere only is not sufficient to guarantee its long term survival (Scholtz, 2000(a): 11), and the French are adamant that English is not going to threaten the future of the French language (Scholtz, 2000(b)). Two investigative journalists proclaiming that the "World speaks English" as the global *lingua franca* while the globalisation process is continuing added: "If countries act now to strengthen minority languages that they can exist alongside a dominant language, such as English, the future need not be grim. Languages are like windows on the world each providing a slightly different view. Globally we shall all be poorer if we opt for a unilingual future – viewing the world from a single perspective – when a multi-lingual future is still possible and ultimately desirable" (Drohan & Freeman, 1997: 8).

In light of the analysis above one is constrained to the conclusion that while there is some light in the tunnel for the Afrikaners, the odds are heavily stacked against their survival as the cohesive entity which has been the object of the discussion in this monograph, honouring Afrikaans in every sphere of life – which does not imply the relinquishment of bilingualism – and with their entrepreneurs and executive-class supporting the market value of their mother tongue. There is, of course, no reason why persons of Afrikaner origin – that is, whether their home language is Afrikaans or not – could not continue to progress, and eventually catch up, entrepreneurially and economically, with the community of English origin. But this population component would not be quite the same as the Afrikaner specie which has been involved in the depiction above of the fall and rise of the Afrikaner in the South African economy.

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