

0vPl02P^OS>\\5

SOUTH AFRICAN EMBASSY CONFERENCE

20 MARCH 1986

Morning Session-----e cfico^1/

Moses Mqubane of the African Bank said that South Africa is really two economies. A third world economy and an advanced economy. The level of unemployment in black areas - especially among young people and school leavers - is alarming, and the Government has failed to take the necessary steps to use black labour.

The dearth of black enterprise in the townships was not really taken seriously until 1976. Mr du Plessis's budget begins to take account of this need. But the overall black community leaders' reaction to the budget has been negative.

Dr Jan Steyn of the Urban Foundation said that the extent and depth of unrest have made South Africans realise "we must find

lasting solutions". Until 1976 economic policies were based on the view that blacks in urban areas were temporary sojourners. The acceptance of their permanence led to the granting of security of tenure - 99 year leaseholds - about to become full ownership in the present session of Parliament. Government economic policy has dealt with the first world sector; it has

not faced up to the third world in South Africa. "We can generate from internal resources a growth rate of 2% - 3%; but we need 5%-6% to get the unemployment down."

The Chairman, Sir John Killick, responding to Steyn's remark about the absolute need to end influx control, said that the moment it is abolished there will be a flood of blacks into the cities in excess of their absorptive capacity.

Moses MQubaric said "hfo that \4mk wrong". An infusion of skills into the city is healthy. Putting up blocks to serve political considerations does no good. Both investment in the rural areas and a creative approach to the growth of urban areas are needed.

7. South African embassy official (possibly named Smith) said tha

11 million migrant labourers from outside the Republic work in South Africa.

Mgnbane said that black businesses, including his bank, operate by permits, not by right. Steyn said some 4 0,000 homes have already been sold in Soweto^some sort of title".

MQubane said it took the riots at Soweto in 1976 to start the Government's reform programme. Now the blacks don't want reform. They want liberation. The ANC/UDF are asking for a non-racial constitution.

A former chairman of ASOCQM said, "the only black leader who is an avowed free enterprise man is Buthelezi."

Fleur de Villiers quoted a US diplomat's comment, that if P W Botha were tomorrow to introduce one man one vote, Bishop Tutu would call it too little too late.

Smith, a chap from Warwick University, spoke of black South Africa's very high population growth.

r'Qubane said that he thought the population split black/white was 9 to 1. Dr Worrell might think it 6 to 1. Nobody knows the figures.

Steyn said that research in Durban shows 17% of blacks work in the informal economy - taking in neighbours washing etc.

'iQubane said the way East London, Port Elizabeth and others were brought to a standstill by boycotts has influenced and impressed other blacks who think of trying more.

Raynond Parsons said that the white response to the boycotts took two opposite forms - some offered the New Testament phrase, "turn the other cheek"; others the Old Testament phrase "an eye for an eye and a tooth for a tooth".

Afternoon Session *-- g

Dr .Murray Forsyth said that when P W Botha in his January 31st speech said "The peoples of the Republic of South Africa form one nation", this^a highly significant

statement, the first time such a statement has been made by an

Afrikaner â€œ

"E,ut," FÂ©rssaid, "South Africa is not an ethnic nation. What Botha must have meant was a political nation - which implies equal political participation". However, the form of Government may vary. He spoke of four constitutional ideas thrown up in South Africa - four among many.

1. The progressive Federal Party proposes a National Convention leading to devolution to states, a breakup of central power, a Bill of Rights and "Consociational Mechanisms" (ie to prevent one group from dominating the Government). Consociational mechanisms imply "segmental autonomy", and a "segment" may be ethnic, economical, geographical, religious etc.
2. The new Republican Party proposes negotiation (not a convention) leading to a confederation of ethnic groups, ie, designed to preserve present ethnic divisions.
3. ASSOCOM advances the idea of a State based on the liberal market economy; "the spirit of F A Hayek broods".
4. The Buthelezi commission report starts at the Province of Natal with KwaZulu and Natal Province to be merged with equal rights and Coalition Government. Ethnicity presents no part in this scheme, though regional, urban, rural etc local governments may.

Stofiel van der Merwe said that the motivation for reform comes from within the National Party "apartheid was an act to give freedom to all - blacks and whites". But it proved oppressive to the blacks so we had to change. He said that the Af rikaarers have a deep commitment to liberalism and democracy going back to the 17th Century and outsiders are wrong to think that they wish to rule* other people. They merely wish to avoid being overruled themselves.

Oscar Dhlomo said that the P VJ Botha quote used by Forsyth was incomplete. The President went on " but South Africa is a nation of minorities"..... ie, he was emphasising the ethnic divide all over again.

Dhlomo said that the Government has a foot in two camps (African extremists and a middle group) and is trying to reform apartheid rather than abolishing it.

"We in KwaZulu and Natal have called a convention of 14 organisations, including the Natal National Party, for

3 April to negotiate a new single system of regional government.

Patrick Wall, MP, referred to the "constellation of states"

idea.

Van der Merwe replied that this has been rejected by the black leaders. That was why the National Party this time did not want to put forward a blueprint but preferred to settle for a constitutional system to emerge from the process of discussion.

Dhlomo said; 'We must have apartheid abolished before we negotiate because we have been let down too often. We do not have mutual trust.

Van der Kerwe asked what would be on the negotiating agenda, answered, "Everything. The whole political and social structure of South Africa".

Dhlomo commented that the State President uses words with his own meaning. For example "one nation" and "citizenship" do not mean that blacks could exercise normal rights in South Africa as a whole.