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The sale of the century?
A critical review of recent developments in African housing policy in South Africa
by
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THE SALE OF THE CENTURY? A CRITICAL REVIEW OF RECENT DEVELOPMENTS IN AFRICAN HOUSING POLICY IN SOUTH AFRICA

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INTRODUCTION

On 3 March 1983, at a press conference convened jointly by the Ministers of Cooperation and Development, Community Development and Education and Training, it was announced that the government intended to sell off some 500,000 state-owned houses 'to people of all races'. Discounts of up to 40% of the selling price of each house - calculated as the average of its original cost and its current replacement cost - were to be offered to tenants who purchased their homes during a one-year period which was to start on 1 July 1983. Describing the selling scheme as an 'exceptional, singular and very favourable' opportunity, the Ministers went on to warn that tenants who did not take up the one-year discount offer could face 'drastic' rent increases (Star 4.03.83).

Public reactions to the long-awaited announcement were generally positive. As the Star (4.03.83) chose to see it, from a perhaps rather less than critical point of view: 'The only dissenting voices to the Government's move have come from the right-wingers who condemn the wholesale selling of houses to blacks under 99-year leasehold'. Jan Steyn, executive director of the Urban Foundation, said that the scheme was 'one of the best and potentially one of the most stabilizing [steps] to be taken in many years' (Star 4.03.83). Boet Viljoen, past president of the Association of Building Societies and chairman of the 1981 Viljoen Committee which had recommended just such a policy for the housing stock in Soweto, enthused that the selling scheme 'may go down as the most important sale concluded anywhere in the world .... a new day has dawned for tens of thousands' (RDM 5.03.83). Other responses were more reserved. Colin Eglin, Progressive Federal Party spokesman on housing, said that although there were 'many problems with details', the 'concept' was 'a good one', while Ntatho Motlana, chairman of the Soweto Civic Association, saw 'anything done even by Nats to stabilize African family life in urban areas' as 'more than welcome', but regretted that Dr Koornhof had seen fit to preface the announcement with a statement that the government had 'no intention whatsoever' of granting urban africans freehold land tenure (RDM 4.03.83). Mr B. Hose, chairman of the Durban and Natal Coast branch of the Institute of Estate Agents,
warned that a 'sales drive' involving so many houses could be a 'hopeless task', but added that the Institute had always considered that 'where a middle class of homeowners with fixed overheads could be developed' amongst the african population, 'it would be good for stability' and that it would become 'a very interesting growth area' (N. Mercury 5.03.83).

Despite both the hyperbole and the reservations which greeted the announcement, the proposal to sell a major portion of the state's housing stock clearly does represent a decisive, and extremely significant, break with what, until comparatively recently, have seemed to be fixed parameters of the policy governing, specifically, the housing of the urban african population. When viewed alongside other recent developments such as the granting of 99-year leasehold rights to urban africans and the acceptance of 'self-help' approaches to the provision of their housing, the selling scheme signals a crystallisation of policy objectives very different from those which previously pertained.

The purpose of this paper, then, is to explain how and why this shift in direction came about. It addresses two central questions: why did the new policy take on the specific form it has at this particular time? And: what are its possible implications in relation to the broader social and political developments in South African society? (2)

The paper attempts to answer these questions by exploring both the nature of the structural determinants of urban african housing policy under the system of class exploitation and racial domination known as apartheid, and the way in which these structures were undermined by the 'organic crisis' that took root in South Africa during the early 1970s (cf. Saul and Gelb, 1981). The mode of analysis is therefore primarily historical. It starts, however, on ground which is both more abstract and more conceptual in order to establish - somewhat schematically, no doubt - certain theoretical precepts or notions which will be deployed along the way.

STATE HOUSING POLICY AND SOCIAL REPRODUCTION UNDER CAPITALISM: A BRIEF THEORETICAL EXCURSUS (3)

As an historical phenomenon, the 'housing question' is specific to the era of industrial capitalism. It has its origins in the subsumption of housing to the commodity form, a category in which the use value and the exchange value
of a material object are locked together in what may be termed a contradictory 'unity of opposites' (Cleaver, 1979, 91; cf. Marx, 1976 edn., 153). In the commodification of housing, the inherent tensions between its use value and its exchange value are manifested as a disjunction or uncoupling of real and effective demand. The individual and collective need for adequate housing, based on its centrality to the process of reproduction of labour power, is, for the bulk of the working class population, not backed by the capacity to meet the costs of such housing supplied to the market under capitalist relations of production.

With the accelerated urbanization brought about by large-scale production and an increasingly complex division of labour, the social consequences of this gap between the real and the effective demand for housing are greatly magnified as working class households resort in desperation to slums or squatter settlements to secure their accommodation in the urban centres. It is in the actual or perceived threat to the social order and 'public health' which the emergence and growth of such forms of accommodation poses that the structural necessity for some sort of state intervention in the housing process is to be found. Whatever form it finally assumes, therefore, and however much it benefits the working class materially, the essential nature of state housing policy remains inscribed in its origins. Ultimately, it can only be an arena in which, on the one hand, the dominant class struggles to maintain the fundamental configuration of social relations through which its domination is reproduced while, on the other, the dominated classes struggle to transform the fact of their subordination.

As a putative mechanism of social control, however, housing policy - and, in general, every other field of state intervention to regulate processes of 'collective consumption' - is inherently contradictory. By the very act of intervention itself, the state immediately both collectivizes and politicizes issues which would otherwise tend to be construed as primarily individual and economic in their origins (cf. Castells, 1978; Preteceille, 1981). In providing public rental housing on a mass basis, for instance, the state in effect sets itself up as landlord to a large section of the population. The collective experience of quantitatively and qualitatively inadequate housing and of apparently arbitrary rent increases and allocation procedures is then manifestly consequent upon the parameters of state policy. Moreover, should a sufficiently well-organized challenge press the state to the limits of its
capacity to modify those parameters, it is bound to respond eventually with
violent repression and the essential hollowness of its claim to be the neutral,
rational arbiter of social needs and the 'public interest' will be graphically
demonstrated.

The state, then, is trapped between the always present necessity for its
intervention on the terrain of social reproduction - a process in which housing
constitutes perhaps the key element - and the adverse political consequences
of such intervention. Within the constraints imposed by its role as guarantor
of the general material conditions of capitalist production (cf. Hirsch, 1978),
the dilemma appears to be irresolvable and it is in this that the seemingly
endemic instability of state housing policies in capitalist societies must
finally be located.

'RECOMMODIFICATION' OF THE HOUSING PROCESS: SHIFTS IN STATE HOUSING POLICY
AND THE GLOBAL CRISIS OF CAPITALISM

Attempts by the state to disengage itself from the housing process are not a
phenomenon peculiar to South Africa. Such moves have been evident in most of
the advanced capitalist countries over the last few years and have generally
been interpreted in relation to the global trend towards the 'recapitalization
of capital': a turning away from state investment in the means of collective
consumption in favour of increased investment in infrastructure which
primarily serves to increase or maintain profitability in the private sector
(Harloe, 1981). This, in turn, reflects the general retreat from Keynesian
demand - management fiscal strategies in the face of the successful ideo-
logical offensive mounted by monetarism during the late 1970s (cf. Miller,
1978). The phenomenon might thus be understood to be essentially an effect
of the global crisis into which the international capitalist economy was
plunged with the ending of the long post-war boom (cf. Mandel, 1975).

Housing, however, is a very particular sort of commodity, distinguished by its
high costs of production, its longevity and the friction of its circulation
through the sphere of exchange, as well as by its role as the primary locus of
individual and domestic reproduction. There is, therefore, a complex array of
cross-cutting capitalist interests which could be directly involved in, or
affected by, any strategy to secure the 'recommodification' of the housing pro-
cess in the public sector, including:

- property capital and 'exchange professionals' (estate agents, surveyors, etc) anxious to gain access to an arena from which they have hitherto been largely, if not totally, excluded;
- building capital seeking out alternative forms of investment in the production of housing to substitute for the diminution in the number of large-scale public housing contracts offered by the state;
- capital invested in the production of building materials, which would be in a similar situation to that of building capital; and
- (perhaps less immediately) capital invested in the production and circulation of consumer household durables (furniture, appliances, etc) hoping to encourage the spread of the 'homeownership ethic' as a necessary precondition for the expansion of its markets.

It would be logical to expect that the representatives of these various branches of capital have been active in lobbying for, and attempting to take advantage of, the shift towards 'recommodification' strategies. Moreover, it will be seen later that there is indeed evidence of their direct and considerable involvement in the recent shift in the South African state's housing policy. It by no means follows logically, however, that any alliance or coalition of such particular interests would necessarily be in accord with the particular interests of other branches of capital, or with the more general interests of the capitalist class as a whole. In Britain and the U.S.A., for instance, it appears that tensions between the proponents of 'recommodification' and the broader constituency supporting 'recapitalization' are beginning to emerge ever more clearly as state policies to encourage investment in the private housing sector drain capital from other sectors (Harloe, 1981). There are, furthermore, likely to be continuing divisions within the dominant class over the adequacy of the 'recommodification' strategy as a means of regulating social conflict. While a complete withdrawal of the state from the provision of public housing would seem to be an improbable scenario in most advanced capitalist countries, it is to be expected that the degree of its disengagement will not remain uncontested while a long-established tradition of 'interventionist' social democracy persists within the ranks of their ruling classes.

Any apparent unanimity of support for a policy directed towards the 'recommodification' of housing within the dominant class of a particular social formation cannot, therefore, simply be assumed to correspond to the economic 'logic' of
the capitalist system. It is a concrete historical phenomenon which can only be adequately explained by uncovering the specific structural and conjunctural determinations to which it is subject. Hence, while the general approval which greeted the decision to sell off a major portion of state-owned housing stock in South Africa is clearly not unconnected with the global tendency described above, it cannot be understood simply as a manifestation of it. To move towards a more adequate explanation, it is necessary to grasp the specificity of the process through which state housing policy has evolved in South Africa. In particular, this requires a recognition of the fact that the historical trajectory of the policy directed specifically at the urban African population has, at least until the most recent developments, been systematically isolated, and therefore different, from the policies directed at the other population groups. For it is in the attempt to establish a more or less common policy for all population groups that the major significance of the recent developments would seem to lie. What forces, then, determined the pattern of development of African housing policy prior to the emergence of the new strategy? And what has brought about the change?

AFRICAN HOUSING POLICY UNDER APARTHEID: A DOUBLE DETERMINATION

It was postulated earlier, in a perhaps overly compressed argument, that state intervention in the 'housing question' in capitalist society is essentially determined by the need to maintain the fundamental class relations of domination and subordination on the terrain of social reproduction. It is now necessary to move from the rather abstract frame of reference indicated by the use of terms such as 'capitalism' or 'capitalist society' to the more concrete level of analysis denoted by a particular, historically determinate social formation.

The specific features which distinguish South Africa from other capitalist societies are generally accepted as having originated in the institutionalisation of the migrant labour system and the associated political structures variously described over the years as the 'Reserves', 'Bantustans' or 'homelands'. The former maintained the separation of the day-to-day reproduction of the individual migrant worker from that of his or, less commonly, her family, on which the comparatively low wage levels of African workers - 'cheap labour power' in Wolpe's terms - were necessarily predicated (cf. Wolpe, 1972; Legassick, 1974; Wolpe and Legassick, 1977). The latter constituted the lynch pin of the unique political configuration described by Kaplan (1980) as
a 'racially exclusive democracy'.

This apparent deformation of the 'normal' structures of capitalist social relations - the object of much controversy in the 'liberal-revisionist' debate of the 1970s - manifested itself in the field of state housing policy primarily through the legislative embodiment of the so-called 'Stallard principle' in the 1923 Natives (Urban Areas) Act. Until the recent attempts to redefine the hitherto supposedly 'temporary' status of the urban african population in the so-called 'Koornhof Bills', the key provisions of the Urban Areas legislation remained at the core of efforts to achieve, in the earlier period, 'total segregation' and, after 1948, 'grand apartheid'. The principle itself held that the right of municipal - and, by extension, general - enfranchisement could be denied to african residents of the 'white' urban areas only if their right to permanent residence in those areas, interpreted as the right to freehold land tenure, was withheld. Consequently, 'the native' was to be permitted to enter the 'white' cities and towns only 'to minister to the needs of the white man and should depart therefrom when he ceases so to minister'.

Given the fact that considerable numbers of africans, including families, were already long-established in the major urban centres, and that many had already acquired freehold property, the implementation of the Stallardist doctrine of 'total segregation' obviously required that certain major apparatuses of social control be established. The first eventually became a massive accretion, of truly Kafkaesque complexity, of 'pass laws' and labour bureaux which, apart from its primary task of regulating the supply of african labour to the various sectors of the economy, could be used to control the influx of africans to the 'white' urban areas. The second, and more central to the purpose of this paper, was the institutionalization of the form of residential segregation known variously as the 'location' or 'township'.

The fundamental purpose underlying the protracted and often fiercely contested policy of segregating the urban african population into discrete residential areas, excised administratively as well as geographically from the social and spatial fabric of the 'white' cities and towns, was to control the degree of permanence with which that population could establish itself there. It is in the particular material consequences of the state's pursuit of this objective over more than five decades that the 'quality of life' in the townships, which has generated so much concern amongst the advocates of reform in the post-
Soweto era, has its origins. The extreme social pathologies, the rigid and often corrupt restriction of social differentiation and the sheer unmitigated hardness of much of daily life, no less than the overcrowded and shoddy housing, the massive deficiencies in the provision of basic infrastructure and community facilities, and a severely underdeveloped revenue base, are all finally the doubly determined effects of a system which has sustained itself largely through the crude but methodical combination of labour exploitation with racial oppression.

However, to assert that the manner in which the African population has been accommodated in South Africa's 'white' urban centres has been determined by a specific structure of social relations is not necessarily to claim that that structure has been 'always already' in place. To proceed from the premise that the structure is simply 'there', eternal and immutable, waiting for its agents or 'bearers' to take their pre-ordained places, would be to deny that it has a history. And it will only be by comprehending the historical evolution of African housing policy as the dynamic outcome of a constantly shifting matrix of economic and political forces that the significance of the current reformulation of that policy will be grasped.

It is obviously not feasible in a paper of this length to attempt to delineate in any detail the process by which African housing policy progressed from its rather ad hoc and incoherent development during the segregationist era to its consolidation in the early 1960s as a formidable and— for a time— extremely effective instrument of Verwoed's vision of 'grand apartheid'. It will be useful, however, to sketch out, very briefly, the major features of the various phases through which the policy evolved before moving on to examine the more recent developments.(6)

African housing policy in the segregationist era: mid 1920s—late 1930s

Prior to 1920, the only efforts to regulate the housing conditions of African families living in the urban areas were sporadic forays by the larger local authorities to clear 'plague spots' and one or two half-hearted attempts to establish municipal 'Native locations'. (By contrast, barracks and compounds to accommodate single workers, usually migrants, were already a well-established municipal concern.) The establishment of the Central Housing Board (CHB) in terms of the 1920 Housing Act— as much a consequence of the influx of Africans
to the major industrial centres during the First World War as of the devastating influenza epidemic of 1918 - provided the rather limited means, and the subsequent codification of the Stallard principle in the 1923 Urban Areas legislation the objective, for the gradually unfolding programme of residential segregation of the urban African population which was set in motion during the 1920s in some of the major cities and towns. For the most part, however, the initiation of slum clearance schemes and the building of municipal locations were both hampered throughout the period by the continuing reluctance of the local authorities to bear anything more than a very minor portion of the costs involved in fulfilling their statutory obligations. The central government, on the other hand, refused to accept any further financial responsibility and, with a steady increase in the number of 'detribalized' Africans seeking permanent residence in the urban areas - despite the tightening of restrictions on their movements authorized by the passage of Herzog's Native Bills of 1936 - 7, a substantial proportion of the urban African population were still living outside the public sector housing of the municipal locations at the outbreak of war in 1939.

African housing policy in crisis: the Second World War and its aftermath

The demands of the war-time economy for African labour stimulated a massive increase in the urban African population, exacerbated by a decision in 1942 to relax the administration of influx controls. Municipal housing programmes had been suspended for the duration of the war and, by 1944, the explosive population growth and the rising cost of living had given rise to the first of a wave of squatter movements that was to sweep across the major urban areas during the next three years. Smuts' United Party government, hamstrung by its failure to resolve internal conflicts over the future direction of 'Native policy' and facing increasingly militant industrial action by the organized African working class, chose to regard the squatters as the local authorities' problem. Despite its substantially increased powers with the replacement of the CHB by the National Housing and Planning Commission (NHPC) in 1944, the state housing apparatus proved to be singularly ineffective in coping with the crisis. By 1948, when the National Party took up the reins of government, attempts to set up an 'emergency Native housing scheme' and a more favourable formula for loans obtained from the National Housing Fund - itself suffering from a shortage of capital in the post-war slump - had both failed to elicit
any enthusiasm from the local authorities. The largest of them, the Johannesburg City Council, had in desperation resorted to a policy of controlled squatting and had virtually abandoned its housing programme.

The resolution of the african housing crisis: late 1940s - early 1960s

Initially, the newly installed Nationalist government directed its attention primarily to choking off the still only partially controlled flow of africans to the cities. But, by the end of 1950, Verwoerd had been brought into the Cabinet as Minister of Native Affairs and, with the able assistance of Dr W.M.M. Eiselen as Secretary of the Department, was moving with single-minded determination towards a solution of the 'Bantu housing problem' which would accord with the commitment of the National Party's election manifesto to 'the ideal of total apartheid'. Recognizing, however, that this ideal could not be achieved with the stroke of a pen, the theorists of 'grand apartheid' were aware that they would have to deal with a substantial population of 'detribalized natives' for some time to come. From the 'explosive situation' he observed in the major urban centres in mid-1951, Eiselen drew a quite specific and extremely significant conclusion:

To control the overpopulated villages held in Native ownership such as Sophiatown and Alexandra and the numerous squatter camps around the Witwatersrand and Pretoria efficiently, would be attempting the impossible... Only by the provision of adequate shelter in properly planned Native townships can full control over urban Natives be regained, because only then will it be possible to eliminate the surplus Natives who do not seek or find an honest living in the cities.

One aspect of the resolution of the 'bantu housing problem', then, involved an effort to eliminate the apparently uncontrollable 'villages held in Native ownership'. The immediate target was undoubtedly the various 'black spots' on the suburban perimeters of some of the larger centres, which generally had their origins in some rather irregular sales of land to africans during the slump in the property market after the South African War. But, as will be seen below, the more fundamental attack was on the right of africans to freehold land tenure in 'white' areas per se. The other aspect, the provision of 'adequate shelter in properly planned Native townships' eventually subsumed four distinct elements:

a) a restructuring of the state housing apparatus to bring the formulation and implementation of african housing policy directly under the control
of the Department of Native Affairs;

b) the passage of controversial and strongly contested legislation enabling, first, the use of African artisans on 'Native housing schemes' (the 1951 Native Building Workers Act) and, second, the levying of employers of African labour in order to transfer at least some of the overall cost of accommodating the urban African population to them (the 1952 Native Services Levy Act);

c) the application of 'scientific' methods and industrial techniques to the problem of developing a mass housing practice capable of providing 'adequate shelter' as cheaply and as quickly as possible; and

d) the extensive use of site and service methods as an interim stage in the development of 'properly planned' townships in order to hasten the achievement of 'full control' over the large squatter population.

By the early 1960s, the successful combination of these elements had established the material foundations of the modern township system. In the Johannesburg area, where the crisis had taken on its most serious dimensions, the last of the squatter camps had been cleared. Throughout South Africa, local authorities, acting as agents of the by now separate housing apparatus administered— at the behest of the renamed Department of Bantu Affairs— by the recently established Bantu Housing Board, were finally accomplishing the full residential segregation of their African populations which had for so long eluded their predecessors.

**African housing policy under apartheid: mid 1960s—mid 1970s**

With a resolution of the most immediate and pressing issues represented by the 'Bantu housing problem' in sight, the government turned its attention more fully to the realisation of its ultimate objective: the 'ideal of total apartheid'. The attack on African rights to freehold land tenure in 'white' urban areas had already resulted in the destruction of Sophiatown and removals from Alexandra and other suburban freehold townships were in process. In the new townships, 'homeownership' schemes designed to encourage Africans to build their own houses were limited to a 30-year leasehold tenure and existing 99-year leasehold rights were withdrawn.

But the question of African property rights was only one— if perhaps the most important symbolically— of a whole range of issues raised by the presence of
africans in the 'white' urban areas. Hence, in the tight restrictions placed on african trading activity, in the progressive withdrawal of exemptions from the provisions of the Urban Areas legislation for individuals in particular occupational categories, and in the severe constraints placed on the development of secondary and tertiary education facilities in the townships, the lineaments of a coherent strategy of 'class levelling' can be discerned. The immediate overall effect of these measures was to further constrain the possibility of social mobility amongst urban africans, even within the already limited sphere of opportunities open to them in their 'own' areas. In the long run, the tendency would be to homogenize the socio-economic circumstances of the township population around a norm appropriate to its status as a 'temporary' reservoir of wage labour. The complementarity of such a strategy to the policy of systematically facilitating the processes of class differentiation in the 'Bantustans' (cf. Molteno, 1977) is obvious. It needs to be pointed out here only that the implementation of both strategies was necessary if Verwoerd's dream of not only halting the flow of africans to the urban areas, but of actually reversing it, was to be realised.

Within the field of housing policy, the unfolding of the programme of 'grand apartheid' required that increasing emphasis be placed on the development of urban areas within the 'Bantustans' or 'homelands', as they were now becoming known. The intention, explicitly, was to initiate a massive relocation of that section of the african labour force presently accommodated in the 'white' urban areas which, it was deemed, could then feasibly commute to work on a daily or weekly basis from the new 'permanent' townships in the 'homelands'. In the 'white' urban areas, the corollary of 'homelands urbanization' was an increasing emphasis on the provision of hostel accommodation for 'frontier commuters' and contract workers and, in 1968, a directive from the Department of Bantu Affairs ordering the cessation of all provision of family housing. The failure of certain local authorities to immediately comply with this instruction, together with doubts concerning the overall efficacy of their administration of the townships persuaded the government that it needed to obtain completely centralised control of the urban african population. The displacement of the local authorities by Bantu Affairs Administration Boards in 1973 signalled the logical conclusion of the process which had begun with the establishment of the Bantu Housing Board in 1958. Just three years before one of its central premises was to be overturned by the refusal of the urban african population to accept its
consequences, the Verwoerdian project had finally acquired a vehicle that seemed adequate to its purpose.

RESTRICTURING APARTHEID: THE 'TOWNSHIP REVOLT' AND ITS AFTERMATH

By 1976, few Africans resident in the townships of 'white' South Africa could have sustained any illusions about the state's intentions regarding their future presence there, nor about its responsibility for the harsh and deteriorating conditions under which they lived. Neither intensified influx controls nor the restrictions placed on the provision of further housing during the 1960s had prevented the African population of most major centres from continuing to grow. Overcrowding of the ubiquitous four and five-roomed NE 51/6 and 51/9 standard houses was perhaps the central material fact of most people's lives. Inefficient, brutal and often corrupt administrative practices were widespread and the advisory bodies supposedly set up to represent the township residents' grievances, the Urban Bantu Councils (UBCs), had become, in the words of a phrase current at the time, mere 'toy telephones'. Hopelessly inadequate health care and educational facilities, heavily overloaded public transportation systems, minimal and overpriced retail outlets and poor or non-existent infrastructures such as roads, drainage and power were the norm. As far as recreational facilities were concerned, perhaps the only pastime adequately catered for was the consumption of liquor, and even that was either illegal or monopolized by the Administration Boards.

The train of events set in motion by the schoolchildren's march in Soweto on 16 June 1976 represented, at the very least, a wholesale rejection of these conditions and, more particularly, of the 'temporary sojourner' status that they implied. The roots of the revolt, however, were deep and complex, and it would be absurdly simplistic to try to reduce them to some vague dissatisfaction with the 'quality of life' in the townships. Among the more general factors involved were undoubtedly the overall heightening of political awareness brought about by the rise of the black consciousness movement and the collapse of the colonial regimes in Angola and Mozambique, and a worsening of the already chronic unemployment situation, which hit young African school leavers particularly hard. The resurgence of the independent black labour movement and rising expectations generated by the 'floating' of the 'job colour bar' (Davies, 1979) added further ingredients to an already heady brew.
But the factors which gave the revolt its specifically urban focus and a broader social base than might have otherwise been the case seem to have originated essentially in the strategy of 'class levelling' to which reference was made earlier. Both the earlier attacks on the nature of the system of Bantu Education and the eventual mobilization of a whole stratum of professionals, intellectuals and the aspirant petty bourgeoisie, for instance, may be interpreted in this way. And that interpretation is given added weight when the specific content, as well as the overall thrust of the strategy adopted by the dominant class to contain the crisis is examined. Without attempting to demonstrate the validity of this claim in any detail, it should still be possible to indicate the basis on which it is made, at least in outline. (10)

In any consideration of capital's response to the revolt, the Urban Foundation (UF) must occupy a central, and indeed pivotal, position. Its early entry into the field and the substantial support it attracted from leading representatives of both domestic and transnational capital enabled it to formulate and pursue a strategy of 'reform' which, in a sense, signposted the route that the state itself would eventually - and, for obvious reasons, more hesitantly - begin to follow. On the other hand, the 'vanguard' aspect of capital's role in the massive task of restructuring the social relations of apartheid should not be overstressed. It was only with the accession to power of the faction of the National Party led by P.W. Botha following the 'Muldergate' scandal in September 1978 that the necessary political preconditions for this process were established. And, despite an early enthusiasm for the Botha government's efforts to secure a rapprochement with the 'business community' under the mantle of 'total strategy', the relationship of state and capital has remained always problematic.

Nevertheless, it is possible to detect a certain cognitive continuity linking the major areas of concern identified in the UF's earliest programme of action with the key issues subsequently taken up by the state, usually through the ideological filtering mechanism of a commission of enquiry. Hence, the Foundation's primary, if rather vaguely formulated, concern with the 'quality of life in the urban communities' soon crystallized into the quite specific objective of establishing a more secure form of tenure for the urban african population. This was explicitly seen to be at the core of any attempt to facilitate the emergence of a 'stable black middle class' committed to the maintenance of the 'free enterprise' system, and thus was in direct contradiction
with the strategy of 'class levelling' initiated by Verwoerd. The passage of legislation enabling 'qualified' urban Africans to acquire 99-year leasehold rights to their houses in June 1978 marked the first, hesitant step towards a fundamental reconsideration of the programme of 'grand apartheid' and reflected the beginnings of that process in the recently appointed Riekert Commission. Similarly, the other major fields of intervention initially identified by the UF — labour relations and education — were also sooner or later to be brought within the ambit of the state's efforts to rethink the future direction of South African society — through the deliberations of the Wiehan Commission in the case of labour relations, and through those of the De Lange Commission in the case of education.

The focus of this paper, however, must remain on that specific arena of social reproduction that had been defined by the UF as its first priority. For strategists committed to the idea that the private sector should play a role 'complementary' to that of the public sector, intervention to 'promote improvement of the quality of life' in the townships may have appeared, at first, to be a pragmatic, and even modest goal. But, as the whole thrust of the argument so far has attempted to demonstrate, the conditions under which urban Africans live are ultimately determined by the most profoundly rooted structures of the South African social formation. To 'improve' them in any but the most patently cosmetic way, therefore, must involve an overall restructuring of the terrain of social reproduction which will be of epochal significance. On the other hand, such a restructuring is clearly undertaken in order to preserve the dominance of the ruling class and not to surrender it: it is precisely, to use Saul and Gelb's (1981) formulation, a 'formative' strategy of 'class defence' in which one system of domination is replaced with another.

It would be a problematic exercise to speculate about the exact structural form that class domination may eventually assume in some post-apartheid era. The relationships that exist between classes — and other social entities — only ever exist in process, and the systemic process to which the notion of domination refers is never unidimensional or irreversible. It is a complex, multifaceted struggle whose outcome, precisely because it is contested by collectivities of human subjects with the capacity of conscious action, cannot be predicted with any certainty. In any event, despite its numerous obituaries recently, apartheid is not dead yet, nor is the strategy to replace it as fully-
formed or monolithic as some of the earlier discussion may have suggested.

It is possible, however, to detect a tendential convergence of certain elements of the state's attempt to reformulate its policy for the urban African population. In brief, it appears that the overall strategic intention is to use 'reform' to drive an impenetrable wedge between Africans 'qualified' to remain in the 'white' urban areas and those who are not so qualified. The 'stabilization' of the 'urban insiders' is then to be actively promoted, as are the processes of class formation within their ranks. The implication, of course, is that the presence of the 'insiders' in the 'white' cities and towns will finally have to be recognized as permanent, and it has already been suggested that the granting of 99-year leasehold rights to 'qualified' people represents the first step in this direction. It is also when viewed in terms of such objectives that other recent developments, notably the lifting of restrictions on trading rights and proposals to treat certain so-called 'informal sector' activities as a sort of entrepreneurial 'staging ground', take on a deeper resonance.

But it would seem to be in the field of housing policy, specifically, that the cornerstone of the new strategy is to be laid. For housing - 'the basis of family life and the real foundation of a settled middle class' according to Anton Rupert, one of the patrons of the UF - lies at the heart of the processes of social reproduction and it is there that controls on entry to the category of 'urban insider' must continue to be exercised. Hence, in the Orderly Movement and Settlement of Black Persons Bill tabled in parliament in June 1982 (subsequently referred to the Select Committee on the Constitution), Section 3(1)(a) ties the right of 'permanent urban residents' to remain in the urban areas to occupation of 'approved accommodation'. And there is little doubt that it will be around the fulcrum of such a clause, when the legislation is finally enacted, that the possibility of introducing a more subtle form of control of the urban African population will turn.

If the state - by establishing a 'free market' situation in the provision of African housing - can transfer the burden of responsibility for obtaining 'approved accommodation' to the individual members of this population, then the failure of any particular individual to gain access to such accommodation becomes a 'natural', if perhaps unfortunate, consequence of the operation of the 'iron law' of supply and demand. The task of separating the potentially more
'stable' members of the population - those people able to get into the market and stay there - from its more marginal elements - those forced to resort to 'unacceptable' methods of accommodating themselves - passes from the overtly political domain of the state to the 'blind' economic logic of the market. Yet the purported neutrality of the process is, in fact, a mask: by retaining the power to define what is and what is not 'approved' as accommodation by a 'competent authority', the state endows itself with a potent, flexible, and precise instrument of social control.\(^{(12)}\)

For such a possibility to be realized, however, the necessary precondition is that the 'free market' process be established as the dominant mode of housing provision for urban africans. Many of the developments that have taken place over the last few years in the sphere of african housing policy can be understood as efforts to bring this 'free market' situation about. They are reviewed in the next section.

'DYNAMISING THE BLACK HOUSING PROCESS': RECENT DEVELOPMENTS IN AFRICAN HOUSING POLICY

Until the 'township revolt' undermined the fundamental tenets of 'grand apartheid', the need to exercise total and direct control over the living conditions of the urban african population required that the play of market forces be completely excluded from the processes through which that population was housed. Consequently, the attempt to establish a 'free market' situation in the provision of african housing has been neither straightforward nor of short duration. It has, on the contrary, involved a series of complex and protracted manoeuvres which resist the imposition of any simple or inflexible analytical schemas. The thematic categories used below have therefore been developed primarily for purposes of exposition rather than analysis.

'Self help' as an alternative to 'public sector' housing provision

Clearly, as has already been suggested, the corollary of any efforts by the state to withdraw from the housing process is that individuals will have to assume responsibility for housing themselves. It is unlikely, however, that such moves will simply be accepted as beneficial, or even as necessary, by the people involved. Indeed, there is a real possibility that proposals for state disengagement will generate considerable opposition and, to counter this, the 'self help'
approach must be presented in as favourable a light as possible. As Hans Harms, in a wide-ranging comparative analysis of various attempts to initiate 'self help' housing projects in both advanced and peripheral capitalist formations, has argued:

... self-help has an important ideological dimension. Rather than urban housing being seen as essentially a collective good that is socially produced ... self-help advocates try to emphasize the privatization of the housing question and voluntary user contributions ... Self-help can be introduced under the banner of greater 'user' control and of its ability to increase the 'freedom' from government and bureaucratic control (Harms, 1982, 21).

In South Africa, at least since Piet Koornhof took over the portfolio of what was then Plural Relations in October 1978, elements within the Department of Cooperation and Development have championed the notion of 'self help' projects as a means of overcoming the enormous shortage of housing for africans 'legally' resident in the 'white' urban areas. In part, this has undoubtedly been a response to the staggering financial implications of overcoming the shortage by conventional methods: in June 1982, for instance, it was estimated that it would cost some R1 700-million to provide the 168 000 units required in the 'black urban areas' alone, at a cost of R10 000 per unit (Star 21.06.82). But the idea of 'self help' has also received enthusiastic support from the representatives of organized capital and a report prepared for the Federated Chamber of Industries in January 1981 urged the government to adopt the 'internationally acceptable principles' of 'self help' and 'homeownership' that had hitherto been deemed 'politically unacceptable' (cited in SAIRR, 1981, 246).

The concept has not been without its critics, however, even within the state apparatus itself. Until the retirement of Louis Fouché from the post of Director-General of Community Development in mid-1982, the Department of Community Development - which is responsible, through the National Housing Commission, for the administration of the National Housing Fund - consistently opposed 'self help' schemes on the grounds that they would 'lead to the creation of slums'. Nevertheless, by September 1981, it was already apparent that the views being propagated by the Department of Cooperation and Development under Koornhof's 'reform' - minded tutelage were gaining the upper hand. During that month, Koornhof announced to parliament that the cabinet had agreed that core housing and site and service schemes should be 'encouraged and promoted subject to control and specified minimum standards'. He added:
It is the responsibility of the individual to provide for his own housing where he is at all able to do so. ... the direct contribution of the state will be confined to low-cost housing for low-income groups, and social housing such as old-age homes. Squatting does not form part of the housing policy but it is recognized as a reality (cited in SAIRR, 1981, 244).

A few months later, in January 1982, a 'huge cut-back' in state expenditure was announced and it was claimed that housing projects worth some R500-million, including 'high priority' schemes for whites as well as blacks, were to be 'delayed or shelved (Argus 19.01.82). Within a week, the long-awaited public release of the Viljoen Committee's report and the simultaneous unveiling of 'the government's new "total strategy for black housing"' (Star 28.01.82) had confirmed the state's intention to limit its involvement in the provision of conventional public sector housing and to mobilize the resources of the private sector to overcome the 'black housing problem'. Despite earlier protests from the Building Industries Federation of South Africa (BIFSA) about the 'drastic cutback' and the 'stop-go policy that has plagued the building industry for years' (Cape Times 22.01.82), the reception of the new strategy by other representatives of organized commerce and industry was generally favourable. The executive director of Assocom, Mr R. Parsons, called for a 'speedy implementation' of the proposals, which embraced 'a broad concept of private initiative', while Mr F. Stockenstrom, executive director of the Afrikaanse Handelsinstituut, had no doubt that the private sector was 'ready and willing' to help clear the backlog in African housing, 'provided ways could be found to use its capital profitably' (Cape Times 29.01.83).

By the middle of the year, unofficial comment from informed sources indicated that Administration Boards throughout the country were diverting large proportions, and sometimes almost the entire stock, of their resources into the provision of serviced sites for 'self help' housing schemes. In his final report as Director-General of Community Development, Fouche claimed, apparently with some bitterness, that such 'wise and appealing ideas have, realistically speaking, contributed very little to resolving the housing question' (Cape Times 5.05.82). But it was clear that the machinery of the conventional housing delivery system, built up over a period of some thirty years, had already been adjudged to be too costly and too cumbersome for the task that lay ahead. There can be little doubt that in the collective consciousness of the ruling class - for the moment, at least - the future direction of African housing policy would be dictated by the concept of 'self help' rather than that of 'state responsibility'.
'Homeownership' and the question of occupational tenure

The inherent conceptual ambiguity of the term 'self help' means that its usage can never be other than ideologically highly charged. On the one hand, as was suggested above, it can be deployed in the positive sense of 'self determination', of the right to take autonomous decisions regarding one's immediate circumstances rather than submit to the dictates of a remote and inflexible bureaucracy. Used in this way - as in the work of John Turner (1976), for instance - the 'self help' concept seems to imply that the freedom of individual households to acquire accommodation which conforms to their own particular requirements is necessarily predicated upon the state's withdrawal from the housing process. On the other hand, the term also carries the imperative, social Darwinist connotation of 'help yourself', the implication being that no-one else will, or - in the more extreme variant - should, help you. The implementation of a 'self help' approach to housing provision can, therefore, be construed as an injunction to individual households to shoulder the burden of responsibility for providing their own accommodation because the state will not.

To gain legitimacy, then, and to counter the always present possibility of being interpreted primarily in this negative way, 'self help' housing strategies must offer the individual households to which they are directed the opportunity to realize significant material benefits from the investment of their time, energy and money in the process of providing their own housing. It is generally agreed by the proponents of the 'self help' approach that such benefits are most appropriately conferred by recognition of the rights of individuals to occupy and to alienate - for profit, if desired - the houses which they have acquired through their own efforts. The granting of these rights of 'homeownership' is thus held to be the essential precondition for the introduction of any policy of 'self help' in housing provision.

In post-Soweto South Africa, until June 1978, the only right of 'homeownership' to which Africans 'legally' resident in the 'white' urban areas could aspire was a leasehold title which established a conditional and non-transferable right of occupancy for a period of only 30 years. In that month, after repeated representations by the UF, the Urban Areas legislation was amended to permit the granting of 99-year leasehold rights to 'qualified' applicants. The new arrangement was explicitly seen by representatives of the state, as well as those of the UF, to be a necessary step in the development of a 'stable middle class' of
'homeowners' in the townships. (13)

But, despite the fanfare with which it was launched, the leasehold scheme failed to take off. By March 1982, a 'miniscule' total of only 1,727 leases had been registered under the scheme, and of these more than 1,400 were in Soweto. In addition, of the R15-million advanced by building societies to 99-year leaseholders, the 'bulk' had been for 80 - 90% loans to build houses in the 'R20 000 - plus range' (FM 19.03.82). (14) The inference was clear: the demand for registration of 99-year leasehold titles had remained confined largely to those people who wished to move, generally with financial assistance from their employers, into the 'élite' suburbs that were then beginning to appear. If 'homeownership' was to have any significant social impact on the broader base of the urban African population, its net would clearly have to be cast a great deal wider.

Inevitably, the question of whether the leasehold scheme offered adequate security of tenure to prospective 'homeowners' arose. The UF, although its representatives worked diligently and with some success to improve the existing legislation in various ways, continued to press for the granting of full rights to freehold tenure. In the face of repeated and emphatic denials by the Minister of Cooperation and Development that the government was considering such a move, speculation that the 99-year leasehold arrangement was just 'a step on the road to full property ownership rights for blacks' persisted (FM 19.03.82). But, whatever the government's ultimate intentions in this regard - and they have yet to be definitively revealed, despite a recent report of plans to introduce legislation that will 'make black homes freehold in all but name' (Sunday Times 4.12.83) - it was already clear that the absence of freehold rights was not the only, or perhaps even the major impediment to the propagation of the 'homeownership' ideal.

The fact was that, in spite of substantial rent increases during the previous year, the cost of renting a house from one of the Administration Boards remained very much less than the costs that would be incurred in purchasing a house under the leasehold scheme. Under such circumstances, the essentially long-term benefits to be realized through 'homeownership' could obviously provide little or no incentive for the large numbers of African households already having to live a more or less hand-to-mouth existence at the limits of their regular incomes. For the advocates of the leasehold scheme, however, the crux of the problem was located, not in the low average wage levels of African workers, but in the
'market distortions' introduced by 'subsidised rental housing'. Hence, as the Director of Local Government in the Department of Cooperation and Development was to complain at a seminar convened in August 1982 to discuss the reports of the Viljoen and Steyn Committees, the relative cheapness of such housing 'is counter-productive to homeownership and leasehold and the system cries out for review' (Cronjé, 1982, 15).

With this recognition, then, it became evident that, for the majority of African households, the real question of occupational tenure was bound up less with the adequacy of the 99-year leasehold arrangement as a form of 'homeownership', than with the desirability of 'homeownership' as such, in any form. If these households were to be persuaded of the advantages of 'homeownership' over their present situation as tenants of the Administration Boards, the parameters of that situation would have to change dramatically. In particular, rentals would have to be raised to 'more realistic' levels to reflect their 'true' market value in comparison with the costs of 'homeownership' - which, conversely, would have to be reduced as far as possible. The trend of subsequent developments has manifestly been directed largely towards this end.

**Mobilizing private sector involvement in the 'black housing process': the Viljoen Committee Report**

Despite the rhetoric of critics like Louis Fouché, it is clear that few, if any, of the advocates of the 'self help' strategy envisaged it as being limited solely to the promotion of 'self-construction' in the form of site and service, core housing or squatter upgrade schemes. On the contrary, a major emphasis was placed on the need to mobilize direct private sector involvement in the provision of conventional housing to facilitate and compensate for the state's intended withdrawal from this process. For, after a long period of being wholly excluded from the field of African housing by the state's systematic suppression of any activity outside its own immediate and total control, many representatives of the private housing sector were understandably wary of becoming involved in an unknown and as yet barely established market situation.

There can be no doubt that in the effort to stimulate and give direction to the private sector's participation in the African housing process the report of the Viljoen Committee, appointed in May 1981 'to investigate private sector involvement in resolving the housing backlog in Soweto', was of central importance. In some ways, the report - which was completed in July 1981 but only released to
the public in January 1982 - justifies its assessment as 'the most comprehensive official document to date on the housing crisis in African urban areas' (SAIRR, 1981, 244). Certainly, the Committee went well beyond the terms of its original brief, and the government's response to the report - a 13-point 'total strategy for black housing' which incorporated most of its key recommendations - explicitly stated that Soweto had been chosen as a 'test area' to develop a 'formula for use elsewhere' (SAIRR, 1982, 291).(15)

In defining what was meant by the 'private sector', the Committee identified three basic components:

a) the 'formal business sector' involved in the provision of housing (i.e. its financing, production and circulation as a commodity);
b) the 'informal construction industry'; and
c) 'individual black households' contributing 'formerly untapped savings' and 'sweat equity'.(16)

But although 'individual black households' (and the 'informal construction industry') were thus accorded the status of active and apparently equal participants in the housing process alongside the 'formal business sector', they remained conspicuously absent from the Committee's deliberations. Chaired by the then president of the Association of Building Societies and with the executive directors of, respectively, Assocom, the Federated Chamber of Industries, the Afrikaanse Handelsinstituut and Roberts Construction as members, together with a representative of the Urban Foundation, the Committee effectively articulated particular interests within the private housing sector with the more general interests of the dominant class as a whole.

Hence, in noting that 'the creation of an effective and responsive housing process' involving individual African households and the 'Black community' as well as the 'public' and 'private sectors' was predicated on 'the reversal of the former policy regarding the temporary status of the Black community', (17) the Committee explicitly sought to situate its object of investigation within the framework of the overall strategy of 'reform'. At the same time, however, among its specific recommendations, one proposing that 99-year leasehold rights be extended to property developers and employers obviously reflected the more narrowly defined interests of property capital. Incorporated as an amendment to the Laws on Cooperation and Development Act in October 1981, just three months after the completion of the report, this particular recommendation was soon recognized as 'the foundation allowing of direct involvement of the private...
sector in the housing action' (sic) (Cronje, 1982, 14; original emphasis). Another recommendation, that houses owned by the West Rand Administration Board (WRAB) should be 'offered for sale at as low a price as is necessary to recoup costs and provide a reasonable incentive to the Local Authority [i.e. WRAB] to undertake the selling', (18) has now clearly become an essential element of the latest attempt to 'dynamise the black housing process' by manipulating the relative costs of tenancy and 'homeownership' in the townships.

On the other hand, with regard to what was possibly its key recommendation, the Committee appeared to adopt a more cautious approach. It argued, first, that by subsidising the costs of providing housing for people in a particular income category, the state was 'in effect' subsidising the individuals falling within that income category. Then it proposed that this 'effective Government subsidy of the individual ... and the criteria for determining whether the individual qualifies for a subsidy should be the same whether the dwelling itself is erected by the public sector with State funds; by the private sector with State funds; or by the private sector with private sector funds'. (19) Obviously, the intention - presented as a desire to facilitate 'fair competition' between the public and private sectors in overcoming the backlog - was to expand the potential market for housing provided by the private sector to include people who would normally only be able to afford the subsidised accommodation provided by the public sector. Since the state would be unlikely, without further investigation, to accept a proposal which might significantly expand its overall subsidy commitment by tapping new sources of capital in the private sector, the Committee went on to suggest that the whole subsidy question be taken under review by a committee reporting directly to the Minister of Finance.

Shortly after the Viljoen Report was submitted to the cabinet, a committee under the chairmanship of Mr D. Steyn, the Deputy Minister of Finance, was appointed with precisely these terms of reference. Its findings have not yet been made public, but it may be significant that the De Kock Commission on monetary policy recommended in its second interim report that home loan subsidies should be kept to a minimum and provided only for the 'lower income groups': the 'best way' to provide such subsidies would be in the form of direct payments by the state to building societies and banks for mortgages held on properties valued at less than a specified amount (D. Dispatch 8.12.82). The implication, then, was that while subsidisation might be extended to houses constructed through private sector mortgage financing, the state's commitment would be limited to assisting
people buying houses at the lower end of the market only.

The adoption of such a policy would undoubtedly tend to constrain efforts to develop a more 'dynamic approach' to the provision of African housing. The possibility is itself indicative of a tendency for representatives of the Treasury to play an increasingly prominent role in the formulation of housing policy and a reminder that fiscal considerations remain an important determinant of the state's strategic options. Though for the moment it must remain merely speculation, it may in fact be the case that the salience of such considerations in the work of the Steyn Committee precipitated the next, and final, development that will be examined here.

The 'Sale of the Century': setting the 'free market' housing process in motion

Without question, one of the most important effects of the Viljoen Report was to generate an ideological climate favourable to the establishment of a 'free market' situation in African housing provision. Its success in this respect can be gauged by the tone of almost messianic fervour which permeates a number of the contributions to a seminar organized by the UNISA School of Business Leadership some six months after the Report's publication to discuss 'the road forward' in the sphere of African housing policy. Material responses to the Report, on the other hand, remained fragmented and somewhat incoherent and, in relation to the scale of the problem, could hardly be described as impressive.

Representatives of the building industry, for instance, mostly continued to complain about the 'drastic cutback' in state expenditure on the provision of public housing (Cape Times 22.01.82). There were indications, however, that adverse conditions in the white housing market had persuaded some firms to turn their attention to the potential demand in the African townships. As an article in the Financial Mail (entitled 'Black is bountiful') put it: 'With the government on yet another black housing policy tack, there is business to be had. For those who know the ropes, there is plenty of it' (FM 30.04.82).

Among the firms which had begun to explore the 'tremendous potential' of the African housing market were Wimpey (SA) and Murray and Roberts, the latter through its 49% holding in the African Development and Construction Company (ADCC) which, towards the end of 1982, issued R400 000 worth of new shares to 'broaden its equity base' and help fund a R14 million property development programme in the Reef townships. (21)

Among the building societies, on the other hand, only the United Building Society
(UBS) had been particularly active in the African housing market: by mid-1982, the UBS Development Corporation had built nearly 500 houses under the 99-year leasehold scheme and the Society was also involved in the UF's Katlehong 'self help' housing scheme. By granting applicants loans of R8 000 for the purchase of building materials, they had been enabled to build houses 'worth not less than R12 000', with monthly repayments of about R100 - a figure which was 'within the capacity of a considerable number of blacks', according to Mr P. Sceales, the UBS chairman (E. Post 1.07.82). Towards the end of 1982, in response to rumours of an imminent announcement of the government's intention to sell off a major portion of state-owned housing stock, the UBS was reported to be willing to supply mortgage loans on standard township houses 'where the condition is sound ... even if it lacks a ceiling or cupboards or has a concrete floor'. The main consideration was that 'there must be a demand for such houses ... and a market for [their] sale and resale' (RDM 19.11.82). And, just a couple of months later, Mr P. Richardson, managing director of the UBS and president of the Association of Building Societies, 'slammed' the 99-year leasehold plan as 'ridiculous': 'Rather than building new houses to sell off under the 99-year leasehold plan, it is essential to sell off existing stocks - only then will the leasehold plan get off the ground' (Industrial Week 1.02.83).

Of the 'exchange professionals', the land surveyors - after prolonged negotiation with the Department of Cooperation and Development - had been instrumental in reducing the cost of surveying a township stand for title deed purposes from almost R400 to an average of R65 by agreeing to use 'mass survey' techniques (RDM 13.11.82). For its part, the Board of Estate Agents had taken up one of the Viljoen Committee's 'practical' recommendations by setting up a working committee to oversee the training of African estate agents during the 'two to three years' before a 'free market' was established in African housing. It was also 'heavily involved' in the deliberations of the Steyn Committee, according to a spokesman interviewed by the SABC (Radio Today 21.01.83).

By the beginning of 1983, then, the various interests subsumed by the private housing sector were involved to at least some degree in the provision of new African housing stock and were working actively to bring the existing stock within the purview of the 'free market' process. Reports that the government was about to unveil its plan to sell off 'vast amounts' of state-owned land and housing stock circulated frequently. Towards the end of January, for instance, the Sunday Times (in an article headlined 'Housing up for grabs?') claimed that
the government was expected to announce 'within a month that all housing owned by the National Housing Commission and administration boards' would be up for sale. Mr P. McEnery, Deputy Director-General of Community Development, confirmed that details of the 'selling campaign' were being finalized and said that existing tenants would be given 'first option' on their houses (Sunday Times 23.01.83).

The selling scheme, when it was finally made public early in March 1983 at the press conference described earlier, was received with general approval and elicited sustained support from at least one newspaper - the Rand Daily Mail, which began to run a regular feature on the 'Great House Sale'. Even the bureaucracy, in its rather ponderous way, managed to contrive some genteel hyperbole, with Mr P.C. van Blommenstein, Director-General of Community Development, contributing to the title of this paper by way of an article on the 'Housing Sale of the Century' (NBRI, 1983).

Despite claims that any attempt to sell 500 000 houses in a year, at an average of 1 370 houses a day, would be a 'hopeless task' (Natal Mercury 5.03.83), it soon became clear that the state was absolutely serious about both the scale and the urgency of the new strategy. The most important index of its commitment to making the strategy work was undoubtedly its offer of discounts of up to 40% of the selling price of houses bought by tenants within twelve months of the commencement of the scheme on 1 July 1983. But there were other developments which may be similarly interpreted. Within two months of the scheme's announcement, for instance, Johan Kruger, previously the UF's national housing manager, had been appointed by the Department of Community Development to direct its 'sales team' (RDM 30.04.83). And, shortly thereafter, a circular issued by the Minister of Community Development appealed to local authorities and Administration Boards to use 'all their resources, as well as advertising and estate agents to assist in the sales campaign' (Argus 19.05.83). A few days later, it was reported that the cabinet had made available R28 million for the bulk surveying of stands in the 'black urban areas', for registration under the 99-year leasehold scheme; a separate bulk survey of Soweto was almost complete, making 40 000 houses 'available for immediate sale on 99-year leasehold from July 1' (RDM 21.05.83). At the same time, it was announced that people earning less than R450 a month could apply for 'Government loans' to buy their houses at interest rates ranging from 5% to 7%; people earning more than R450 a month, however, would have to produce 'proof that they cannot get finance from else-
where' and would have to pay interest at a rate of 11.25% (RDM 21.05.83; City Press 22.05.83).

As far as other sources of finance were concerned, less than two weeks after the start of the one-year discount selling period, Mr T. Hart, executive director of the Association of Building Societies, announced that all the 'major societies' had 'volunteered to contribute to the vast cash pool' which would be required (Star 12.07.83). Being something of a pioneer in the African housing market, the UBS had already indicated that it was prepared to lend as much as R100 million a year to people purchasing their houses in the 'Great House Sale'. As Mr P. Sceales, the UBS chairman, said: 'We are satisfied that the houses, although austere, are perfectly acceptable as security in that we have no doubt there would always be willing buyers for such properties at the indicated price levels and they do represent solid, permanent structures' (RDM 24.06.83). Subsequently, it was suggested that, if the state would cover the building societies for the balance, they would consider reducing the deposit for houses bought under the discount scheme from 20% of the purchase price to 10% (RDM 9.07.83).

Even before the one-year discount selling period got under way, therefore, many of what appeared to be the preconditions for the successful implementation of the new policy had been, or were about to be, established. As Johan Kruger urged prospective homeowners at a seminar organized by the South African Institute of Housing in Johannesburg towards the end of May: 'Buy, because you'll never get a chance like this again'. But the 'sales campaign' directed specifically at the African population offered additional possibilities which Kruger revealed when he went on to point out that Africans who bought discounted houses would 'be able to re-sell them, as soon as they like, in the hopes that they will use the profit they make to house themselves on newly serviced stands, thus creating a housing market for others'. White, coloured and Indian buyers, on the other hand would 'be restricted from re-selling quickly at a profit' (RDM 20.05.83). At a press conference a few weeks later, shortly after the discount selling scheme had been launched, the Minister of Cooperation and Development explicitly endorsed the notion that the fundamental purpose of the selling scheme was to initiate a 'free market' situation in African housing as soon as possible. It could be expected, he said, that 'once sales started, a system of buying and selling through agents on an open market would develop and
that he believed that this was 'a healthy thing', although the authorities would not permit 'unfair exploitation' to occur (RDM 7.07.83).

The state's attitude to those tenants who did not wish, or could not afford, to buy was also clarified. At the press conference announcing the selling scheme, tenants who chose not to take advantage of the discount offer had been warned that they could face a 'drastic' increase in rentals when the offer expired. Kruger qualified this somewhat when he stated that:

No-one will be forced to buy. People with very low incomes will be able to apply for a Government subsidy to buy their houses, but will then forfeit the cash discount ... Rents for those who do not buy will definitely go up, but probably in phased increases and not in a sudden jump (RDM 20.05.83).

And a further dimension was added a few days later when Mr W.J. Marais, chairman of the National Housing Commission told an NBRI conference that, to ensure that rent subsidies were 'limited to deserving cases', they would in future be calculated 'on family income and not on the income of the breadwinner' (RDM 26.05.83).

The implication, then, is unambiguous. If 'individual black households' fail to recognize the potential benefits of their new rights to involvement in the 'free market' processes of the private sector, then they will have to be coerced into such recognition. First selling prices are lowered, and then rents are raised, in a classic carrot and stick strategy to 'encourage' entry into the market. Controls on 'unfair exploitation' will be maintained during what the Viljoen Committee has identified as the 'transition period'(22) and then - presumably - the 'natural' laws of supply and demand in a 'self-regulatory' market situation will be allowed to take over. As Dr R. Lee of the Urban Foundation suggested in an address to a conference organized by the National African Federated Chambers of Commerce, the new policy means that:

New and improved opportunities are being created for increased participation and decision-making by the individual household and the black community at large. The opportunity will be provided for a person to change from a passive recipient of public goods to an active decision maker with regard to housing (D. Dispatch 8.07.83).

The concept of 'self help', it seems, is finally taking on a material form which is adequate to its expression.

By the end of 1983, the selling scheme was reported to be making 'slow progress': of the 238 000 housing units offered to african buyers, only some 1 400 had actually been bought, and of these, the great majority were located in the West
Rand and East Rand Administration Board areas (Star 9.12.83). Two months earlier, the Johannesburg Deeds Office had reported that there had been nearly 100 re-sales since the scheme had been launched in July (FM, Supplement 2.10.83). In an address to a South African Institute of Housing conference in October, Mr Jan Steyn, executive director of the UF, echoed earlier complaints about 'bureaucratic obstruction' (Star 7.09.83) when he suggested that there were 'enormous attitudinal barriers' to private sector housing development in the townships, with 'many officials viewing the business sector as rapacious and unscrupulous'. While these attitudes were probably 'motivated out of good intentions and concern', they were 'essentially paternalistic' and had the effect of 'limiting access to essential commercial housing services' (RDM 14.10.83).

But, whatever the adequacy of these conclusions, and whatever difficulties the effort to establish a 'free market' housing process in the townships may still encounter, it seems very unlikely that the present strategy will simply be abandoned. Nor would the current situation warrant such a move. For, so far, only the carrot of discounted 'homeownership' has been offered. The stick of 'drastic' rent increases has yet to be applied and, until it is, the degree to which the strategy can be considered to have succeeded or failed really cannot be assessed.

CONCLUSION

The essential argument of this paper has been that the profound importance of the decision to sell off a large proportion of the state-owned housing stock in the african townships can only be grasped when it is situated within the context of the overall restructuring of social relations initiated by South Africa's ruling class in the wake of the 'township revolt' of 1976 - 77. The new selling scheme, together with other recent developments such as the granting of 99-year leasehold rights and the acceptance of 'self help' approaches to housing provision, mark an historically significant shift away from the parameters of the policy which governed the daily lives of the urban african population under Verwoerd's project of 'grand apartheid'. The social relationships bound up with the particular combination of labour exploitation and racial oppression which has until now constituted the apartheid system are being restructured to accomodate the permanent presence of a section of the african population within the 'white' urban areas. Because housing lies at the heart of the processes of social
reproduction and class formation, it has become central to the effort to establish a 'stable middle class' of African 'urban insiders'. The new African housing policy is therefore a key element of the ruling class's strategy to defend its position of dominance within the South African social formation by developing a more effective method of controlling this sector of the subordinate classes. In the final part of this paper, then, a brief and necessarily somewhat speculative attempt will be made to draw out the broader social and political implications of this analysis in terms of the current situation.

At the beginning of 1984, as the 'Sale of the Century' enters its seventh month, it appears that the discount selling scheme has yet to elicit a positive response from the vast majority of the households to which it is directed. To some degree, this has undoubtedly been a consequence of the difficulty which many of these households would have in raising even the relatively small cash deposits required to buy their houses - which in Soweto, for instance, are of the order of R130 - R180. For a substantial proportion of the households involved, however, failure to take up the discount offer would seem to reflect a passive, individualised resistance to the new strategy, possibly motivated by suspicion of the leasehold arrangement but more probably due to the still unfavourable comparison between the costs of buying their houses and those of continuing to rent them, in the short term at least. There is so far no evidence of a collective, organized response to the selling policy. Indeed, the reactions of established political or community-based organizations in the African townships have ranged from Motlana's qualified approval, as chairman of the Soweto Civic Association, of 'anything done even by Nats to stabilize African family life in urban areas' (see Introduction), to the curt dismissal of the selling scheme as a 'non-issue' by the then president of AZAPO, Khola Mthembu. (23)

It is unlikely that such attitudes will persist either among individual households or within popular organizations when the new strategy moves into its second phase. Over the last few years, rent increases in the townships have tended to be contested - if, on occasion, in a somewhat ad hoc manner - even when they have been relatively small. As rents begin to rise to 'more realistic' levels once the discount selling period is over, both qualified approval and apparent indifference will become difficult, and perhaps untenable, positions for those claiming to be representatives of the mass of township residents to maintain.

For, despite the assertions of building society chairmen and their ilk that a
monthly expenditure of R100 on accommodation is 'within the capacity of a considerable number of blacks' (Mr P. Sceales, UBS chairman, E. Post 1.07.82), it is clear that very few households could afford such expenditure, or even substantially less. Thus a survey carried out in March 1981 indicated that only some 30% of the African households sampled in the Johannesburg area had monthly incomes in the range of R400 or more which would support an expenditure R100 on accommodation, if the limit of the latter is taken as 25% of income. In the Durban and East London/Port Elizabeth areas, the equivalent figures fell to approximately 10% and 6%, respectively. Furthermore, if the 'realistic' cost of accommodation at that time were to be taken as R50 a month, some 26% of the households surveyed in the Johannesburg area would have been unable to sustain such expenditure within the limit of 25% of their incomes, while the equivalent figure for the Durban and East London/Port Elizabeth areas would have increased to 36% and 74%, respectively. And this assumes that households earning a maximum of R200 a month could in fact afford to spend as much as 25% of their income on accommodation in the face of escalating food and transport costs.

It is in this calculus of people's ability to pay, therefore, that the possibility of a major confrontation developing between the state and at least the lower strata of the urban African population must be assessed. When tenants are forced to pay more for their accommodation than they can actually afford if they are to maintain more than a bare existence, the probability is that they will eventually respond as they have in the past - with rent strikes, squatting movements and other manifestations of their collective and militant rejection of the strategy underlying the proposed rent increases.

Should that happen, it seems unlikely in the extreme that the recently constituted 'Black Local Authorities' would be able to contain the effects of popular resistance at the local level. Tensions within the complex and perhaps inherently unstable alliance of interests and concerns bound up with the formulation and implementation of the new strategy would then tend to emerge as open conflicts within the ranks of the dominant class. In particular, such conflict would seem to be immanent in the potential contradiction between, on the one hand, the more immediately economic and short-term interests of the various fractions of capital seeking to extract a profit from their involvement in the establishment of a 'free market' situation in African housing provision and, on the other, the more general, long-term interests of the
capitalist class as a whole in reproducing its dominant position within the South African social formation.

Hence, for the specific interests subsumed within the 'private housing sector', both the existing stock of township housing and the unmet housing needs of the urban African population essentially represent a market whose potential - whatever its limits - remains as yet virtually untapped. For the protagonists of the overall strategy of 'class defence', however, the new direction in African housing policy is an initiative which will be supported only so long as it appears to be successful in promoting the 'stabilization' of the African townships. If its primary effect is rather to regenerate sustained popular resistance on the terrain of social reproduction, it seems improbable that the present, apparently unconditional, commitment of leading elements within the ruling class to the new policy would be maintained.

Clearly, much would depend on the nature of the state's response to a resurgence of militant action and growing social disorder in the townships. Any resort to the frenzied and almost indiscriminate violence with which the 'township revolt' of 1976 - 77 was finally contained, would obviously compromise efforts to present the 'new deal' for urban Africans as a move away from the brutalities of 'old-style' apartheid. Moreover, since the recent developments in African housing policy have become an important focus of the state's attempt to project an image of 'reform' to the outside world (see Appendix), that image would become impossible to sustain if the implementation of the new policy was seen to involve its forcible imposition on a recalcitrant population. On the other hand, the state has undoubtedly invested a great deal in the successful effectuation of this policy. Primarily, as was argued earlier, it would seem that the establishment of a 'free market' process in African housing is a critical moment in the development of a more subtle and flexible method of controlling the urban African population. In addition, by instituting 'more realistic' market-oriented rentals and by increasing the rateable value of domestic property in the townships, the state may provide a more adequate revenue base for the new, supposedly autonomous 'Black Local Authorities' (cf. Mabin and Purnell, 1983, 152).

These, then, are the terms of the dilemma with which the state may be confronted as the new strategy enters its next phase. For their part, the township residents to whom the strategy is directed already face the issue of whether its
implementation will eventually produce an improvement in the 'quality of life' for any but a small minority. Implicitly or otherwise, therefore, they will have to choose between passively acquiescing in their division into 'homeowners' and tenants — whatever that may signify with regard to their future social cohesiveness — or actively challenging the conditions on which the possibility of that division is based. And, in time, the unfolding of the new strategy must pose the more fundamental question of whether those members of the African population who qualify as 'urban insiders' will simply accept the particular privileges or benefits which that status may confer, or whether they will collectively reject the terms on which their 'new deal' is being offered.

The answers to these questions do not, of course, lie within the reach of this, or any other paper. They will emerge — ultimately — from the always contingent, and hence indeterminate, moment of political choice with which people acting in the real world must engage. But, if there are always such limits to any analytical enterprise, it may nevertheless have been useful, here, merely to have identified the questions themselves.
NOTES

1. This paper incorporates much of the analysis presented in an earlier paper which was published, in condensed form, in the South African Review: see Wilkinson (1983a).

2. Although the analysis here is restricted to the provision of housing for Africans in the 'white' urban areas, this is by no means intended to suggest that developments in the spheres of 'homelands' housing and of coloured, Indian and white housing are of less significance: it merely serves to isolate analytically the particular object I wish to examine. For an analysis which investigates the new policy in its more general context, see Mabin and Parnell (1983).

3. This section draws heavily on - and modifies - basic ideas initially developed in Wilkinson (1981a, 1981b).

4. Clearly, it is beyond the scope of this paper to examine Kaplan's deployment of this concept critically: it is used here as a convenient theoretical shorthand notation. For an attempt to develop a more adequate theorisation of the South African state, see Wolpe (1980).


6. The following section is based on the periodization of 'state urban policy' presented in Bloch and Wilkinson (1982).

7. The analysis offered here summarizes a very much more detailed one developed in Wilkinson (1983b).

8. Verslag vir die Kleurvraagstuk Komitee van die Herenigde Nasionale Party (under the chairmanship of P.O. Sauer), mimeo., 1947. The committee explicitly and unambiguously identified the 'ideal of total apartheid' with the Stallard principle: 'The native in the white urban areas should be regarded as a "visitor" who has come to offer his services to his own advantage and that of the white man' (ibid., para. 32, p. 10).


10. The following section is a synthesis derived from many sources of which only the most important, Saul and Gelb (1981), has been referenced.

11. The proposed fate of the 'outsiders' is less clear. The imposition of political 'independence' on certain 'homelands' while others remain more or less within the South African polity enormously complicates the general picture. It does seem to be the case that the majority of people living in the 'homelands', or forcibly relocated there, are increasingly to be regarded as marginal to future developments in 'white' South Africa.
For some, mostly the aged and the children, this will probably be, or already has been, tantamount to a sentence of death. For others, perhaps the lucky, it will mean being condemned for their working lives to the existence of 'foreign' contract workers, with no hope of any remission.

12. Cf. Section 1 (iii) and (x) of the Orderly Movement and Settlement of Black Persons Bill 113 of 1982 which define 'approved accommodation' and 'competent authority', respectively. Read in this way, the provisions of the Bill amount to a covert administrative power of 'banishment' (i.e. stripping of urban rights) which could be used in place of, or as a supplement to, the existing judicial power.

13. There is, of course, some debate amongst social theorists over the validity of the 'commonsense' notion that owning their houses gives people 'a stake in the system', and turns them into members of the 'middle class'. For a systematic examination of the question of whether ownership of domestic property has pertinent effects on class position, which is addressed in the South African context, see Mabin and Parnell (1983).

14. A year later, in February 1983, the total number of leases registered in the nine major urban areas had risen to some 3 600, but again a major proportion — nearly two-thirds — of these were concentrated in the West Rand area, including Soweto (reply by the Minister of Cooperation and Development, 25 February 1983, Hansard Q Col. 335 - 336).

15. Fairly detailed summaries of both the Viljoen Committee Report and the government's 13-point response to it can be found in SAIRR (1982, 288 - 292).

16. Report of the Committee to investigate Private Sector involvement in resolving the housing backlog in Soweto (chaired by A.F.V. Viljoen), mimeo., 1981, chapter 1, para. 5.2.


19. Viljoen Committee Report, Summary, section 7.2; original emphasis.

21. As Mr. M. Liphosa, ADCC's company secretary explained, 'by buying shares ... blacks can become involved in development and, long-term, look forward to profits by way of dividends' (FM 17.12.82).

22. Viljoen Committee Report, Summary, section 7.4.

23. Mthembu's reported reaction to the announcement of the 'bargain sale' of township housing was that it 'was reducing the black struggle to non-issues like houses ... [while] the real problem lay in the fair distribution of all resources and the wealth of the country' (Sowetan 24.01.83).

REFERENCES

Abbreviations used in text:

D. Dispatch : Daily Dispatch
E. Post : Evening Post
FM : Financial Mail
NBRI : National Building Research Institute
N. Mercury : Natal Mercury
RDM : Rand Daily Mail
SAIRR : South African Institute of Race Relations


PRETECEILLE, E. 1981: 'Collective consumption, the state and the crisis of capitalist society', in M. Harloe and E. Lebas (eds.): City, class and capital: new directions in the political economy of cities and regions. London: Edward Arnold.


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