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# STRADDLING REALITIES: THE URBAN FOUNDATION AND SOCIAL CHANGE IN CONTEMPORARY SOUTH AFRICA

*Peter Wilkinson*

Until perhaps as recently as a year ago, it would have been tempting to construct a 'radical' critique of the Urban Foundation (UF) around the apparent compatibility of the organization's programme with the objectives of the 'Total Strategy' formulated by the government of P.W. Botha. Indeed, elements of such an analysis remain central to the argument that will be advanced here. But since the events of the past year have exposed the deep-seated antipathy of an important section of the government's electoral base towards any attempt at 'meaningful reform', the inadequacy of a critique which simply continues to assert the UF's complicity in 'Total Strategy' must be confronted.

After the recent much-heralded 'report back' conference between Botha and leading businessmen fizzled out inconclusively in Cape Town, it would be merely naive to attempt to maintain the notion of an *unproblematic* partnership of 'state' and 'capital' in a joint project aimed at co-opting the black 'middle classes' under the guise of implementing an essentially hollow reform strategy. What I shall be trying to do in this article, therefore, is to shift the analysis of the UF's role in contemporary South Africa beyond the terms of this now somewhat unproductive polemic. I propose to approach the problem in two stages. In the first place, I want to locate the UF within the framework of the present (November 1981) conjuncture in South Africa by tracing, briefly and somewhat schematically, certain developments bearing on the role of the Foundation during the nearly five years that have elapsed since it was initially set up in December 1976. Secondly, I shall argue that these developments have left the UF in a position in which it is poised between the reality in which it first took shape and the reality of the present, and I shall explore some of the dimensions of the critical strategic choice with which I believe it is now faced.

Throughout, in order to keep the length of this article within acceptable limits and to avoid unnecessary references to matters that have received extensive coverage in the

press, I will assume a degree of broad familiarity on the part of readers with the more general aims and activities of the UF.[1]

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To even the most casual observer, it must be clear that the South African 'situation' has changed dramatically since 1976. In order to pick out those developments which I consider to have had particular significance in relation to the role of the UF, I shall delineate a necessarily rather arbitrary-seeming division of this period into three phases. It is, of course, obvious that such periodizations - particularly of such recent history - must be directly derived from certain analytical premises. Although these will not be explicitly discussed here, I hope that they will become evident in the course of the analysis itself.

PHASE 1: JUNE 1976 - SEPTEMBER 1978

During the earlier part of this phase, much of the state's energy and attention was committed to re-establishing control in the townships, often with extensive and unrestrained use of force. It is understandable, then that the iniative towards the social reforms that were obviously necessary if some degree of legitimacy for the South African system was to be maintained in the black communities, fell, in the first instance, to certain of the more progressively inclined representatives of commerce and industry. Specifically, we see that as early as August 1976, Harry Oppenheimer and Anton Rupert met in London to discuss the idea of a "businessmen's conference on the quality of life in urban communities".

The immediate result of the conference - which was held three months later in November - was a decision by the businessmen present to form a Foundation, financed and managed by the 'private sector', to "promote improvement of the qualify of life" in the black townships "on a non-racial, non-political basis".[2] The Foundation was formally established as an "Incorporated Association not for Gain" in February 1977, and within three months had begun "a relentless and unremitting pursuit" of its primary objective of obtaining a secure form of tenure for Africans in urban areas - which was eventually to bear fruit in the passage of the 99-year leasehold legislation as an amendment to the Bantu (Urban Areas) Act in June 1978. A year earlier, in June 1977 the UF had initiated "intensive negotiations" with "organised commerce and industry" to secure agreement on a code of employment practice - the joint UF - SACCOLA code published in December 1977 - which predated by some two months the state's appointment of the Wiehahn and Riekert Commissions to enquire into "labour legislation and other related matters" and "legislation affecting the utilization of manpower", respectively.[3]

Yet, within the state apparatus during this early period, repression of the revolt in the townships was not the sole

matter of concern. In March 1977, P.W. Botha (then Minister of Defence and possibly still smarting from the experience of the aborted invasion of Angola) tabled a White Paper calling for a "total national strategy ... applicable at all levels and to all functions of the state structure ... comprehensive plan to utilize all the means available to a state according to an integrated pattern in order to achieve the national aims within the framework of specific policies".[4] Initially, endorsement of this notion of 'Total Strategy' appears to have remained confined to a certain faction within the government and to that branch of the state apparatus most directly involved in its formulation, i.e. the military.

Just eighteen months later, however, with the Vorster regime collapsing massively and ignominiously in the face of the 'Information Scandal', the proponents of 'Total Strategy' were suddenly - if by an extremely narrow margin - elevated to the commanding heights of state power by Botha's accession to the premiership. It is this event which I take to have signalled the start of the second phase.

PHASE 2: SEPTEMBER 1978 - JANUARY 1981

Within weeks of Botha's assumption of office, the most immediate threat to his newly acquired power was summarily removed with Connie Mulder's resignation from the Cabinet as a result of further disclosures in the Information Scandal. Botha and his allies - including Mulder's replacement as Minister of Plural Relations/Bantu Affairs, Piet Koornhof - moved rapidly to consolidate their position at the head of what was shortly being hailed as a truly *verligte* Nationalism. In a display of mutual goodwill unknown since the Nationalists had taken up the reins of government in 1948, overtures were made by the government to the business community to draw it into the implementation of 'Total Strategy' - always an integral part of the overall concept[5]-and appeared to be meeting with considerable success.

The growing rapprochement between business interests and the government attained its high point at the Prime Minister's Carlton conference of November 1979. It is possible that the conference was intended to smooth the way for an at least tacit 'division of labour' in the task of maintaining political, social and economic stability in South Africa which would be accepted by both sides.[6] Broadly speaking, this would have involved the government in a restructuring of its political policies to facilitate a more 'rational' economic exploitation of the sub-continent's human and natural resources, while the private sector would have been responsible for tackling problems supposedly susceptible to amelioration by the expansion of the 'free enterprise' system, such as rural underdevelopment, unemployment, an inadequately skilled labour force and the relative absence of a black entrepreneurial class.

In this atmosphere, it would not have been unreasonable to anticipate that the role already taken on by the UF in dealing with the unfortunate effects of 'old-style' apartheid on the 'quality of life' in the townships could take on a new and expanded effectivity. Certainly, the notion of 'quality of life' encompassed many of the problems which had been identified as open to private sector involvement. In terms of its charter, moreover, the UF had been committed to intervention in a "complementary role to the public sector", which meant that there would "at all times be full consultation with central, provincial, and local Government in the planning and execution of projects."[7] It may well have seemed that the Botha government was attempting to implement sufficient real, if still partial reforms of its inherited apartheid policy to give the Foundation's efforts to contribute to "the creation of a long term, socio-political climate in which free enterprise itself will survive"[8] a good chance of succeeding.

In terms of what were apparently considered to be the essential preconditions for such survival - articulated by Anton Rupert as "a free market economy, a stable black middle class with the necessary security of tenure, personal security and a feeling of hope for a betterment (sic) in the hearts of all our people"[9] - the programme of action that had been adopted by the UF made sense. The 99-year leasehold scheme it had so assiduouslv championed would provide the "necessary security of tenure" for the development of a "stable black middle class", at least until full freehold tenure could be won for it. And, for those unable to aspire to the leashold legislation's 'rights of occupancy' in such developing élite suburbs as Selection Park and Beverley Hills (in Soweto), pilot 'self help' low-cost housing projects at Khutsong (near Carletonville) and Inanda (near Durban) would provide at least the possibility of "hope for a betterment" in the material conditions of their daily existence. In the meantime, the further possibilities of a "free", or at least "freer market economy" and of "personal security" for at least some of the African inhabitants of the urban areas were under review by the Wiehahn and Riekert Commissions.

Gradually, however, throughout 1980, the euphoria generated in some circles by the Carlton conference began to wane as it became increasingly clear that the 'reformist' faction within the National Party was not as tightly in control of either the party or the government as had been believed. Iniatives introduced by one state department were sometimes fiercely resisted by another - as, for instance, in the refusal of the Department of Community Development to consider the merits of 'self help' site and service schemes proposed by the Department of Co-operation and Development. Ministers found that their ability to direct the implementation of Cabinet policy within their own departments was more constrained than they had imagined - leading in Koornhof's case to

the discovery of a much-parodied 'tortoise' syndrome within the civil service. And incursions by the far right into the NP's traditional electoral base in a series of by-elections held during the year exacerbated growing tensions within the party. Finally, late in January 1981, in an attempt to re-unite a political constituency rapidly fracturing, under the pressures of both external events (escalation of the 'border' war, the consolidation of a nominally socialist government in Zimbabwe) and internal economic problems (the increasingly difficult situation of the white working class), along a bewildering variety of stress lines not previously visible, Botha dissolved Parliament and called a general election for April.

Before we proceed to examine the third and last phase I have identified here, I want briefly to point to two further tendencies which characterized the latter part of the second phase and which have continued into the third and possibly up to the present. The first of these was the dawning realisation by the leaders of the private sector's reform initiative that the Botha government might yet prove to be either unable or unwilling to actually deliver its expected package of policy reforms. This was signalled as early as June 1979 by the failure of the Riekert Commission's report (and even more so the subsequent White Paper) to confront what the *Financial Mail* identified as "the central weakness of the labour bureaux - their part in enforcing the pass laws."[10] The growing disenchantment of progressive business leaders with the Botha regime was further reflected in the declining prominence accorded by the opposition press to the notion of 'Total Strategy' as 1980 wore on. In effect, it appears that the 'report-back' conference held in Cape Town in November 1981 has probably delivered the coup de grâce to whatever credibility the concept might still have retained.

The second tendency during this period to which I wish to draw attention was the emergence and gradual, but still fragile consolidation of a number of increasingly effective community based movements committed to the ideal of establishing participatory democracy at the grass roots level of local government. In the major metropolitan centres, organizations able to mobilize substantial popular support in the black townships around specific issues like inadequate housing and facilities, or rent increases, arose to challange the idea that the question of the 'quality of life' in the townships could genuinely be posed on a "non-racial, non-political basis". In particular, at the level of their political practices, such organizations consistently refused to operate through the medium of the blatantly unrepresentative institutions set up by the state in its efforts to secure the co-operation of 'community leaders'. Further, at the level of their political practices, such organizations consistently refused to operate through the medium of the blatantly unrepresentative institutions set up by the state in its

efforts to secure the co-operation of 'community leaders'. Further, at the level of their understanding of the fundamental nature of the 'quality of life' problem, these organizations began to question the validity of any 'solution' which in their perception remained merely ameliorative, dealing with the symptoms rather than the underlying structural causes of the problem.[11]

I will argue that the appearance of this social force in the townships now presents to the UF both a more complex arena in which to operate, and the possibility of making its intervention more effective in terms of its own criterion of "an over-riding emphasis on projects based on self-help and self-determination."[12] If, in the assertion of the Foundation's executive director that "community involvement in every aspect of the Foundation is critical to its success", [13] 'community involvement' is meant in any but the most cynical of terms, it seems unlikely that a choice between ignoring such movements and working with them as independent and authentically representative organs of popular 'self-determination' can be avoided. In order to explore this hypothesis more fully, however, I wish to bring the analysis forward to the present by considering the last phase in the periodization I have proposed.

PHASE 3: JANUARY 1981 - PRESENT

The run up to the election in April was marked by the reversion of most of the so-called 'reformists' in the National Party to the unbridled *swart gevaar* tactics so successfully employed by the party during the 1950s and 1960s. Even such masters of the ambiguous statement of 'reformist' intention as Piet Koornhof adopted the traditional postures as panic over the extent of defections of the faithful to the far right mounted. In the event, the results of the election provided unequivocal evidence of a substantial, if still relatively contained disaffection within the white working class and elements of the middle classes with the direction taken by the party under Botha's leadership.[14]

The effect of the election results has been to deepen a trend which had already become apparent as 'Total Strategy' began to dissolve under the pressure of events during 1980: a propensity by the government to sequester the more controversial issues confronting it within the terms of reference of a Commission of Enquiry whose findings, when they were eventually released, could be either simply ignored or referred to yet another Commission or Committee for further consideration. In the face of this now seemingly chronic inability of the government to move positively on the issue of 'meaningful reform', the alienation of that section of the business community committed to such reform has continued.

Clear signs of impatience with the government's failure to advance beyond this impasse and an awareness of its

consequences in relation to the credibility of private sector initiatives have been expressed in some of the more recent documents published by the UF. In the Foundation's *Annual Review* for 1980/81, for instance, produced in February 1981, the executive director wrote:

> Our future relationships with this important constituency (i.e. "Black communities") are unfortunately not dependent only upon our own efforts. Our third constituency (i.e. the "Public sector") controls much of the access that we have to opportunities that demonstrate the private sector's willingness to contribute to structural change in South Africa.[15]

But, in addition to these problems, the UF has evidently also begun to encounter difficulties with the remaining member of its supposed "three constituencies".[16] Again in the *Annual Review* for 1980/81, Judge Steyn - after noting that the initial impetus of fund-raising by the Foundation had not been maintained during the previous year - stated that it was his belief that "save for a small group of leaders of commerce and industry, much of the business community is unaware of or indifferent to the real significance which urgent Black aspirations have assumed in Africa."[17]

One might speculate that the origins of the resistance experienced by the UF in this quarter in its efforts to contribute to "structural change in South Africa" is not unconnected with the emergence of the so-called 'New Right' in Britain and the United States. If as a businessman, you believe merely that "the business of business is business" or, more philosophically, subscribe to the doctrine that Adam Smith's invisible hand' really does promote the 'public interest' most effectively, [18] then you can have little in the way of common cause with an organization which "pre-eminently ...reflects the concern and sensitivity of the business community in respect of unacceptable aspects of our society and its structures."[19] (Other than on the purely charitable basis which the UF emphatically rejects.[20])

In any event, when this possibility is coupled with an explicit recognition by the UF of the deep divisions existing within black communities - which, however, is followed immediately by what seems to be an indication of the Foundation's intention to plump for "the support of much of the acknowledged Black leadership"[21] - it is evident that it is no longer actually attempting to mediate between "three constituencies". The Foundation is, in fact, now enmeshed in the extraordinarily complex set of deep-rooted antagonisms and conflicts which traverse the entire social fabric of South Africa. Even if at one time the notion of the 'public sector', the 'private sector' and the 'Black communities' as relatively unified or homogeneous entities (or 'constituencies') approximated to reality, it clearly no longer does so.

Furthermore I want to put forward the proposition that the UF itself is not a privileged institution and that, like the state or any other element of the social structure in a society like South Africa, it remains subject to internal clashes of the values and practices generated within it by the 'external' structure. In particular, there exists in the Foundation's programme of action and its mode of operation a real tension between the idea of 'free enterprise' and the notion of 'social responsibility which in turn is cross-cut by the tension between an emphasis on community 'self-determination' - surely only realisable in a fully democratic society - and a pragmatic commitment to working through the existing channels of power. It is these tensions, I believe, which developments over the last five years have brought to the surface and which the Foundation must now confront.

The most significant of the factors defining the situation within which the UF must attempt to resolve these conflicts is, I would argue, the entry into the social and political arena of the new, democratically organized community movements. In a very immediate and concrete way, these organizations have defined a field of action which to an important degree overlaps, even if it does not exhaust the areas of intervention mapped out by the Foundation. At the same time, the objectives and methods developed by the Foundation under what I have suggested were the quite different circumstances of an earlier period have apparently begun to encounter the increasingly difficult and fragmented conditions that now prevail. The notion of "three constituencies" can no longer be sustained when the divisions within those 'constituencies' have deepened and widened to the extent that they quite obviously have over the last two years.

So, with its conventional wisdom rendered untenable by the course of events, and with its accepted methods rapidly disintegrating in the cauldron of the present, it seems that the UF is now faced with a critical strategic choice. Either - despite what are clearly major differences in both long-term goals, and the more immediate questions of tactics and 'style' - it can attempt to forge links with the developing community movements which remain unequivocally committed to those structural changes without which the 'quality of life' in the townships of South Africa cannot, in any *fundamental* way, be improved. Or it can continue to cling to the approach that has served it (with a certain, limited efficacy) in the past and face the prospect of being overtaken by history. Whichever choice it makes, South Africa, driven by profound contradictions and struggles which we can still only dimly comprehend, lurches on into the future. Straddling the reality of its past and the reality of its present, the Urban Foundation stands poised at the moment of its crisis. We await, with interest, an indication of the direction it will take.

NOTES

1. Readers less familiar with this background material are referred to two documents on which I have drawn heavily in preparing the article: *Special Report: The Urban Foundation - two years on*, supplement to the *Financial Mail*, 16 February 1979; and *Urban Development 1981: a special supplement on the Urban Foundation*, published in *The Sowetan*, 5 June 1981. Other source materials have included the reports and information bulletins published regularly by the Foundation, as well as various pamphlets, brochures and broadsheets issued by it.

2. The Urban Foundation, 'Your investment in the future of South Africa', pamphlet n.d., 3.

3. Quotes in this passage are taken from The Urban Foundation, *First Progress Report, 1 March 1977 to 31 October 1978*, 4-5.

4. Cited in *Survey of Race Relations in South Africa, 1977*, South African Institute of Race Relations, 1978, 87.

5. Cf. G. Moss, '"Total Strategy"', *Work in Progress* 11 (February 1980).

6. *Sunday Express* editorial of 25 November 1979 listing 'what each side must do to make the Prime Minister's ('constallation of states') plan succeed'; cited in M.G. Paul, 'Constellation or black hole?', *Work in Progress*, 19 (August 1981), 35.

7. The Urban Foundation, 'Your investment in the future of South Africa', 7.

8. Judge J.H. Steyn, executive director of the Urban Foundation, quoted in 'The Urban Foundation - an investment in the future of South Africa', UF, brochure, n.d., 5.

9. Ibid., 4.

10. 'Back to square one', *Financial Mail*, 29 June 1979, 1146. See also the analyses offered in the 'Focus on Riekert' edition of the *South African Labour Bulletin* 5, 4 (November 1979).

11. On this, see virtually any issue of *Grassroots*, the Cape Town-based 'community newsletter', and the report on the Durban Housing Action Committee's workshop on 'home-ownership' schemes in *SASPU National*, 2, 6 (August 1981), 12-13.

12. 'The Urban Foundation - an investment in the future of South Africa', 1.

13. Judge J.H. Steyn; quoted in *Special Report: The Urban Foundation - two years on*, 19.

14. C. Charney, 'Towards stasis or rupture? An analysis of the 1981 South African general election', paper presented to the African Studies seminar, University of the Witwatersrand, 24 August 1981.

15. 'Review by the Executive Director', *The Urban Foundation: Annual Review 1980/1981*, (February 1981), 5. Text of the press statement released by the Urban Foundation on 21 May 1981; included in a brochure issued by the Urban Foundation, n.d., n.p.

16. 'On a tightrope connected to three constituencies', *Special Report: The Urban Foundation - two years on*, 11-19.

17. 'Review by the Executive Director', *The Urban Foundation: Annual Review 1980/1981*, 4-5.

18. A statement by Stephen Mulholland (now Editor of the *Financial Mail*) which explicitly embraces both aspects of this view is included in *Special Report: The Urban Foundation - two years on*, 6; see also ibid., 3.

19. *The Urban Foundation: Annual Review 1980/1981*, 2-3.

20. Ibid., 2: 'It must be emphasized that the Urban Foundation is not a charitable institution that makes hand-outs to people ... It is the arm of free enterprise working as an agent towards the development of a society in which acceptable human values can be maintained'.

21. Ibid., 5.