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Lacey, Marian

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UNIVERSITY OF THE WITWATERSRAND

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by: Marian Lacey

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THE ORIGINS OF A COERCIVE LABOUR SYSTEM IN SOUTH AFRICA 1890-1933

Marian Lacey

> There is another awful branch of this bad law, that a native is not allowed to hire a white's farm by money, except by working for nothing, 'Boroko'.[1]

This paper provides a re-interpretation of a crucial period in South African history, during which the main struts of the Apartheid State were laid. There were four major issues facing successive governments in the first two decades after Union in 1910. The first was how to inhibit further the growth of an independent African peasantry[2] so as to force all Africans to become migrant workers dependent on the wage sector for their survival. The second, linked to the first, was where to settle African share-croppers, half-share farmers and cash tenants said to be squatting illegally on white-owned farms. These issues underlay the debate between the two main capitalist sectors, mines and farms. For the State, the insistent theme of successive policies was how to share labour evenly between these two sectors, the aim being to enserf an adequate number of independent peasants to the farmers while ensuring that enough Africans still had a subsistence base so that a good supply could be kept oscillating between the reserves and the mine compounds.[3]

The third issue was the mass influx of Africans to the towns, which created a new and urgent problem for the State, one which reached crisis point in the early 1920s. The labour shortage in the primary sectors (mines and farms) was aggravated by the entry of secondary industry as a strong competitor for labour, especially after the boost to local industries provided by the Great War. On the labour front, it was an unquiet, convulsive epoch. Strikes, countrywide uprisings and passive resistance campaigns culminated in a strike by 42,000 Africans in early 1920 and the Rand Revolt of 1922 which forced the State into drastic action. There was intense debate on the ultimate fate of urban Africans. Businessmen, backed by liberal free-market economists, argued that'the market

With the change of regime in 1924 the NP's politically powerful rural electorate got the upper hand in labour matters. The party seized the chance to make major revisions in their predecessor's land policy and so boost the farm labour supply. As in the old Boer republics, the farmers opposed land being reserved for Africans, arguing that this provided a refuge for Africans resisting farm work. In place of the proposals to resettle squatters on reserve land they wanted to enserf the independent tenants to meet the farm labour shortage. They therefore demanded that the State outlaw contractual arrangements which allowed African peasants to hire or lease land from absentee landlords and land companies, and enforce their immediate eviction for redistribution among the farmers.[11]

So with the NP coming to power the legal segregation of the two races was affirmed, but the reserve policy for the Orange Free State (OFS) and Transvaal was abandoned. This meant that the six percent of South Africa's total land was allocated as extra land did not materialise. Only the seven percent of land already allocated was kept as schedule reserves, and these were concentrated in Natal and the Cape where the largest reserves already existed. Outside those areas Africans were forbidden to hire or even own land, and they could not lease land either unless they tied themselves to a three-month labour tenancy contract. The NP hoped this would block the escape of rentier tenants ('squatters') from labour tenancy terms which they would ordinarily have rejected. Africans could not flee to the reserves because without the extra land there was no room for them, particularly as many had herds of cattle. The idea that Afrikaners masterminded the reserve policy (or homelands policy, in today's terms) in pursuit of some racist ideology is therefore wrong. They wanted to keep Africans in the white rural areas as farm labourers. Land segregation as it had been planned - resettling all Africans except bona fide full-time servants and five labour tenant families for each farmer- was a dead letter for the NP.

The traditional view on the African disenfranchisement debate has been that the NP abolished the Cape African vote because whites at that time feared they would eventually be 'swamped at the polls'.[12] Contrary to this the Cape vote was abolished so that all Africans could be reduced to a super-exploitable condition. Cape African voters had access to political power, and property and union rights. Clearly they were less vulnerable to exploitation. Paradoxically, even though the reserve policy was first launched in the Cape, the property qualification for the vote made strict legal segregation of the races "inoperative there so that none of the restrictions and controls that went with it could apply either".[13] The right to buy land anywhere in the Cape meant that all Cape Africans, and not only voters, were less controllable. Legal segregation had to be extended to the Cape if

Africans there were to be kept like their Northern counterparts as a permanently underprivileged exploitable class, under virtually totalitarian control. This, it is argued, is mainly why the Hertzog regime in collaboration with the SAP moved to disenfranchise a mere 10,000 African voters who made up no more than 1.4 percent of the voting population.

The Cape vote prevented the State from extending the same system of administrative control throughout the country - another reason why Hertzog insisted the Cape vote must go. A centralised and uniform system of control had to be set up to streamline and regulate the labour flow among the various sectors. In 1924 the State still had the four different systems that had evolved in the four States before Union. White settlers everywhere had all but destroyed the pre-colonial tribal groupings and 'tribal' system by seizing the land and with it the basis of 'tribalism' - the common land, and the chiefs as trustees of that common land. Thereafter in the Cape direct rule had been imposed for better control of Africans in the areas they still held, called reserves. In the Transvaal and OFS, where Africans had been almost completely stripped of their land, a blatant master-servant system prevailed after the followers of conquered and dispossessed chiefs had been scattered among the farmers. Only in Natal were there vestiges of 'tribalism' left, an effect of Shepstone's policy of indirect rule.

We shall also see that one of the most significant acts of the Pact government was to insist on a policy of enforced tribalisation based on the Natal system. This meant refurbishing a hybrid traditionalism and creating tribal authorities who would be directly responsible to the supreme authority of the Native Department (NAD). The NAD's powers were enlarged in turn so that it began working as a State within a State with the executive right to rule by proclamation.

But the NAD could command only the scheduled reserves and areas that had been specifically proclaimed African. This excluded the 300,000 or so families (1.5 million souls) on land rented from farmers and absentee landlords. So the State finally extended its control over this group too. The Pact regime moved to tie down these so-called 'squatters' to the farmers for six months' compulsory labour service in every year. Here the NP's overall idea was to stabilise the labour tenancy system by a pre-emptive move to oust the SAP plan of resettling 'squatters' in the reserve. Hertzog's waiving of the reserve policy can really only be understood in terms of his determination to enserf half the rural population to the farmers and in that way prevent the other capitalist sectors from disrupting the farm labour supply.

Some recent researches have failed to appreciate this. They focus on the central importance of mining and argue that it had a unique role in shaping South Africa's

labour relations through the extension of the migrant labour system to all sectors.[15] Yet in the Transvaal and the OFS the reserve policy hardly functioned at all[16] before the trusteeship policy in 1936, and even in the Cape and Natal it was very indifferently run. The main thrust of State policy was to divide the labour force for the exclusive use of one sector or another. So for example, until the mid-fifties or even later the idea was to tie farm workers firmly to the farmers by binding them as labour tenants in the white rural areas. The mines' supply, the State said, could be drawn mainly from the large reserves in the Cape if the Africans there could only be properly controlled. Hence mine recruitment was banned in certain areas, as will be shown.[17] The Cape force was to be supplemented by indentured workers mainly from Mozambique but also from the High Commission territories. The whole idea was to avoid intersector competition by having as few common recruitment areas as possible, because any rivalry would drive wages up all round.

It remains true that migrant labour was the cheapest and migrant workers the most vulnerable to exploitation. The semi-proletarianised status of the mines' labour force made it possible for the migrant's family to support itself in the reserves. Mining capital, and to a large extent industrial capital as well,was thus able to set the wages of its labour at the level of a 'single' worker, excluding the material needs of the family. The creation and maintenance of this migrant labour force, the mines claimed, was crucial to their continued profitability. The mines were threatened by Pact government's decision to abandon the reserve policy, and also by the question of the State's inability to extend the segregation controls to the Cape - for the mines' Cape recruitment had outstripped even the Mozambique supply and so it became imperative that the flow of labour from the Cape be strictly regulated.

But as one government after another failed to grant extra land for the reserves, these areas declined to the point where people fled from them to survive. To begin with, Africans did all they could to stake their claim in the reserves and those who succeeded clung to their land as the only hope of even fragmentary security and independence. But many thousands more failed. Either they had to live precariously as flotsam with no land of their own or they left the reserves permanently and moved with their families to the towns. This, and the State's prevarication about using strict influx control to curb African urbanisation, had hastened the collapse of the migrant labour system, the mines claimed.

Moreover it was said that this uncontrolled influx of Africans was responsible for the mass unemployment of poor whites in the town. One of the most important parts of the Pact regime's strategy was the State system of job colour bars[18] which it introduced mainly in response to

the 1922 strike. The key to this system is that it aimed to remove whites from the working class.[19] This was to be done by dividing the working class into 'civilized' whites and super-exploitable Africans. Unskilled whites would then be pushed into government-controlled jobs and State-run institutions while those with ability were to be trained for higher skilled jobs. To bring this about, the State took over wage determination for unskilled workers. Furthermore, while African workers were segregated and kept as degraded workers in their locations, whites in their segregated areas were to be 'uplifted' through sub-economic housing schemes, schools, welfare and recreational amenities - all in an attempt to upgrade poor whites and improve their 'quality of life'.

This was not done in pursuit of any racist ideology. In time, as the State was well aware, economic disparity would create its own apartheid. Although not an invention of capitalism, racism was the consequence of a deliberate State strategy geared to ensure the efficient exploitation of 80 percent of the work force which in South Africa happened to be black. The colour was fortuitous for capital.

So, contrary to what liberal free-market economists have said, State-induced job reservation made sense economically. Not only did it allow for the ongoing super-exploitation of the mass of the work force which marginal mines and sub-economic industries and farms claimed was essential for their profitability, but it was also a rational response by the State to accommodate the changing needs of the South African economy. As early as the 1920s smaller individually owned industries were being replaced by larger highly capitalised monopoly industries, and with this concentration of capital firms became more mechanised. If poor whites were given the right kind of training, the State argued, they could be assigned to the semi-skilled operative jobs, reserving the menial low-paid jobs for Africans. Capital would gain by having ultra-cheap African labour available. It would also gain because mechanised industries would reap the benefits of cheaper labour by deskilling jobs.

Above all, said the State, a white labour preference policy could be used to buy the loyalty of white workers for the capitalist form of State, especially if they were upgraded to the point where they were no longer susceptible to identification with the African working class and joined the exploiting class instead.

The success of this policy lay not only in 'uplifting' the proportionately small group of white workers but in finding a way to keep the entire African working class down - "in their place", in South African parlance. The State set about isolating Africans at every level. They were isolated physically in encampments called locations for political and military control. They they were isolated from the local and world movements by being denied trade union rights. Later on an anti-education

policy isolated Africans psychologically and linguistically and was designed to create a self-fulfilling prophecy that Africans would not be equal to whites. All this together with their sub-subsistence wages would eventually stunt the Africans' physical and mental growth so that they really would be best fitted for manual and menial jobs.[20] If Africans actually seemed inferior, exploitation by whites would then appear more justified.

To keep Africans 'in their place', furthermore, the State had to set up repressive and controlling apparatuses. There had to be a centralised system of State control over labour allocation and distribution, of the kind the mines had for their recruitment and compound quarters. That and the policy of isolating Africans led to the segregated African locations being created. From the 1920s onwards more and more attention was paid to State control of the African influx to towns, to prevent inter-sector competitions and distribute labour more evenly, but even into the early 1930s whites hotly debated how far the State should have control and how far the influx should be curtailed. It all centred on what to do with 'surplus' or 'redundant' Africans in town.[21] This 'surplus' was needed in other sectors, yet manufacturers fought to keep this labour in town because it helped to depress wages. At first State policy was against limiting African influx - in the 1920s, when Hertzog stepped up the policy of economic nationalism to break the stranglehold of foreign capital. He was determined to boost local sub-economic industry, and cheap labour was particularly vital for these marginal enterprises. His government thus hesitated to interfere much with the flow of Africans from the reserves to towns, as this might create an artificial labour shortage and push wages up. However, they did tighten restrictions against the employment of so-called 'illegals' who had deserted from the mines and farms, and ordered them to be endorsed out of town.

This in broad outline sketches the main steps taken by the Hertzog regime to reduce Africans to super-exploitable proportions. But by 1932 it still had not managed to settle the conflict between mines and farms over whether there should be reserve policy or simply legal segregation. This stalling on policy hastened the collapse of the migrant labour system and so was seen as disastrous for the mines - especially as the Pact had failed to get proper influx controls going.

Yet mining and mining surpluses were of central importance, for on them depended the State's capitalisation programme to boost farming and local industry. This forced the NP to negotiate a settlement more favourable to the mines. Besides, with the depression it became very clear that whites had to choose; either they could fight each other as they did in the Anglo-Boer War and again in the 1914 rebellion, and go under in the face of the 80 percent African population, or they could sort out their differences and reach an agreement. There was only one real choice.

The early tensions and conflicts amongst whites had to be smoothed over and eliminated - between Afrikaners and Englishmen, for example, and between political parties, and above all between capitalists and the white working class - the time-bomb which exploded in the strike of 1922 when whites shot whites.

The ruling classes opted by 1932 for a compromise solution, as they had done in 1909 with the setting up of the National Convention. By 1931 the decision was clear: all parties agreed on Cape African disenfranchisement; Stallardism for the urban areas; extending the reserves and systematically conserving them. The last divisive issue among whites thereafter was not to redistribute the country's surplus so that the stranglehold of foreign capital on the South African economy could be broken and Afrikaners gain a share in the enormous national wealth still mainly monopolised by English capital. Apart from struggles and debates in that area, the whites by 1932 stood united before the mass of the African population - totally, solidly and cohesively. Their gathering on a non-party basis in the closed confines of the all-party 1930-2 Joint Select Committee produced the trusteeship solution. The Cape reserve policy was extended to the Transvaal and the Orange Free State, and legal segregation was finally implemented in the Cape with the abolition of the Cape franchise: *gleischschaltung*, total co-ordination of Union policies, had been achieved. This common agreement and acceptance of a compromise solution by 1932 made coalition of the two main political parties, following the crisis at the time South Africa abandoned the gold standard in December 1932, possible. The SAP-NP opposition was over. This was soon to be followed by Fusion in 1934 and the unfolding of the exploitative trusteeship plan. With its implementation, by 1937 the main struts of the modern Apartheid State had come into being.

NOTES

1. Minutes of evidence, Eastern Transvaal Natives Land Committee, letter from Filipus Bopape to the sub-Native Commissioner at Pietersburg, 23 November 1917 quoted by T. Karis and G.M. Carter, eds., *From Protest to challenge: A documentary history of African politics in South Africa, Vol. I: Protest and hope 1882-1934*, Doc 27c, 92. This paper is from the introduction of my book: *Boroko: The Origins of a Coercive Labour System in South Africa* (Johannesburg 1981).

2. Recent researchers studying the response of African producers to markets created during the colonial penetration of Southern Africa have shown that these peasants responded positively to market forces and by the late 19th century were producing substantial surpluses. But then mineral discoveries heralded new pressures for labour and there were deliberate attempts to undermine the position of independent peasant producers. See C. Bundy, 'The emergence and decline of a South African peasantry', *African Affairs*, 71, 285 (1972), 369-388, and 'The Transkei peasantry, c 1890-1914: Passing through a period of stress' in R. Palmer and N. Parson, eds., *The Roots of Rural Poverty in Central and Southern Africa*, 201-220. Although as Bundy argues, peasants were under severe pressure by 1913, Monica Wilson says peasant production continued in some areas until 1930; see M. Wilson, 'Growth of peasant communites' in M. Wilson and L.M. Thompson, eds., *The Oxford History of South Africa, Vol. 2: South Africa 1870-1966*, 56. From my recent fieldwork in the Keiskammahoek and Victoria East districts there is evidence to confirm Professor Wilson's view that freeholders in these areas were able to resist wage labour until the devastating drought in the 1930s. But sons were encouraged to enter the wage sectors so that family herds and implements could be bought, and after 1930 moneys remitted were spent increasingly on buying food. In surveyed quitrent areas in the Ciskei few families were able to subsist from production alone after 1913.

3. Contrary to Trapido's argument that an alliance between 'maize' and 'gold' existed from 1907 onwards, I argue that these two sectors rivalled each other over labour supplies and this led to conflict. Furthermore, their clash was one of the main reasons for the Orange Free State farmers breaking away to form the National Party in 1914. The decision by all parties to bury their differences temporarily in 1907 was certainly through wanting to reach a common labour policy, but this was not feasible until 1932. See S. Trapido, 'South Africa in a comparative study of industrialisation', *Journal of Development Studies*, 7 (April 1971), 309 ff, and

11. Most land company owners owned or had shares in mines. For instance, of the Corner House group of companies (Wernher Beit & Eckstein; Rand Mines; the Central Mining Investment Corporation and its associated Transvaal Consolidated Land & Exploration Co.) A.P. Cartwright wrote: 'that apart from gold mines the group controlled, and its large interest in De Beers and the Diamond Syndicate, it was the biggest land-owner in the country, for through the Transvaal Consolidated Land and Exploration Company (TCL), it controlled some 2,400,000 acres', *Golden Age: The story of the industrialisation of South Africa and the part played in it by the Corner House group of companies*, 17. In my unpublished MA thesis I analyse evidence to show that there was an intimate relation-ship between ownership and control of the largest registered land companies by different mining houses. No empirical study, it seems, has yet been done on the nature of this association, but this preliminary investigation shows that as long as the land companies could enjoy a monopoly over this source of labour, 'they resisted State attempts to outlaw squatting', Lacey, 'Land, Labour ..', chapter 4.

12. White fear of black majority rule or the fear of whites being 'swamped at the poll' is a view so entrenched in South African historiography and white politicking that it was felt necessary to re-examine the whole debate in detail. The view that the Cape Africans were deprived of the vote so that they could be reduced to super-exploitable proportions and controlled in the same way as their northern counter-parts is analysed in Lacey, *Boroko*, chapters 3, 6 and 7. Chapter 2 focuses more on the fallacies of traditional theories.

13. The legal implications of the segregation policy and inoperation in the Cape reserves is examined in Lacey, *Boroko*, chapter 3.

14. The SAP's initial tactical resistance to the abolition of the Cape African franchise is fully examined in the concluding chapter. Contrary to the view of liberal writers it is argued that most SAP members were right behind Hertzog in demanding the abolition of the Cape vote.

15. Wolpe focuses on the economic function of the reserves as a source of cheap migrant labour. Legassick takes Wolpe's thesis a stage further by showing that from the reserves the State could redirect and reallocate the labour supply between the two dominant sectors of capital - 'gold' and 'maize'. Here it is argued that the migrant labour system which functioned through reliance on the reserves

21. In the concluding chapter of Lacey, *Boroko*, the way in which liberal writers have misrepresented the segregationist/integrationist conflict between the dominant classes by generalising capital's demands for or against influx control is discussed. In this context see also M. Morris, 'Apartheid, agriculture and the State: The farm labour question', *Southern Africa Labour and Development Research Unit*, 8 (July 1977).