

“In South Africa the migrant worker is increasingly demanding political rights, and those rights are refused on the basis of the fiction that he is a citizen of some ‘homeland’.”

THE ECONOMIC EFFECTS OF MIGRATORY LABOUR

By P. V. PISTORIUS

IT WOULD BE neither easy nor wise to predict the effects of our migrant labour system by extrapolating the effects of such systems in other countries on the South African situation. Many European countries make use of migrant labour, but then such labour is mostly only seasonal and the workers are citizens of another country. What is more, at any given time the proportion of migrant workers in relation to the total labour force is very small. At no time, for example, could it be said that the economy of Britain would collapse if the migrant labour force were to be taken away. If that were to happen, only a small sector of the economy would suffer, and normally that sector would be in the field of agriculture.

Permanent feature of economy

In South Africa the situation is of course totally different. The migrant workers, notwithstanding the limited Transkei venture towards separate independence, are mostly citizens of the country. There may be seasonal fluctuations in their numbers, but such fluctuation would be hardly noticeable. On the whole one can say that they are a permanent feature of the country's economy, and this is clearly proved by the fact that their numbers increase in direct relation to the expansion of the economy. Between 1951 and 1960, for example, the African population of the five largest urban areas in South Africa increased by 363,000 from 906,000 to 1,270,000, and in view of official policy of allowing entry only to essential workers, one can safely assume that the vast majority of this increase was absorbed in the economy of the country.

A mere glance at the numbers of Africans employed in the various sectors of the economy, and their ratio to the total number of workers, is sufficient to show that if they were to be withdrawn, the economy as a whole would collapse. In the period 1962-63, for example, the employment figures in mining, manufacturing, construction, transport, communications and public authorities were 452,000 Whites and 1,255,000 non-Whites, and obviously the vast majority of these non-Whites would be Africans. To all intents and purposes every sector of the economy would immediately collapse if the migrant labourers were *withdrawn*.

Perhaps the only point of similarity between migrant labour as we know it and as it obtains in European countries is that the migrant worker is restricted to certain types of employment. In both cases those restrictions are imposed to protect the non-migrant worker or to fill a need in certain sectors of the economy where there is a shortage of workers, but even here there is a difference in the sense that **in South Africa there is a blanket**

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PROFESSOR P. V. PISTORIUS was born in Rustenburg, and studied at the Transvaal University College, at Stellenbosch University and at Leyden University, Holland.

He served as a Minister of the Dutch Reformed Church for five years before he returned to Pretoria University, where he is now Professor of Greek.

Professor Pistorius is the author of a book, "No Further Trek", which is a scathing indictment of Apartheid and the state of mind which produced it. He first became a public figure in 1955, when he was one of the 13 Professors from Pretoria University who signed a protest against the Senate Bill. Since then he has campaigned constantly for moderation in politics.

He objects strenuously to group formations and group domination, and maintains that the world has taken a major step forward on colour issues and that there is no going back on that advance.

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restriction of the migrant worker to unskilled work. Only within that over-all restriction are individual migrant workers restricted to specific types of employment.

It is not only in the economic sphere that this difference between our own migrant labour system and that of other countries will make itself felt. In the political sphere the migrant labourer in Europe will neither have nor will he demand political rights in the country where he performs his migrant work. In South Africa the migrant worker is increasingly demanding political rights, and those rights are refused on the basis of the fiction that he is a citizen of some "homeland". Socially the European migrant worker is not restricted, except by the normal restrictions found in any society.

Policy militates against economic law

Apart from the dangers of extrapolation in assessing the possible effects of our migrant labour system on the economy, there is yet a further problem, and that is that **the policy of the Government militates against the normal laws of economics**. As early as May 1954 the then Minister of Labour said in Parliament that the laws of economics had to fall away, even if they were good laws, because they jeopardized the position of the White workers, but economic or any other type of natural law does not always fall away merely because a Cabinet Minister has said that it should. **Natural processes may be retarded by legislation, but they are rarely if ever halted.**

It is easy to see how official policy and economic law militate against one another. In an expanding economy it always happens that the unskilled worker acquires skills, and because of his higher productivity and consequent higher wages he becomes more valuable both as producer and consumer. That in its turn has a stimulating effect on the economy, creating yet further infiltration of the unskilled into the skilled ranks to satisfy the increased need for consumer goods.

Board of Trade report

In South Africa this law is not allowed to run its natural course because of Government policy. *In her speech to the House in June 1954, when job reservation was introduced, Mrs. Helen Suzman quoted from a report of the Board of Trade and Industries which reads as follows: "The optimum allocation of resources requires that each worker shall be employed in the sphere and in the capacity*

in which he is most productive. Any policy which is not in conformity with this criterion but which restricts the opportunities of individuals or of sections of the population from using their capacities to the fullest measure, must inevitably retard the expansion of production and the growth of the national dividend."

The operative word in this quotation, from our point of view, is "retard". Our production, our standard of living, our national dividend, would have grown far more rapidly if no artificial restrictions had been imposed, but even with those restrictions it is in fact growing, and one could safely predict that if the whole issue were investigated, the investigation would show a very *close correlation between this growth and the infiltration of African workers into the skilled ranks.*

Tendency to acquire skills

Migrant labour need not necessarily mean unskilled labour, although the migrant labourer, because he has no vested interests in his work, would normally tend to be unskilled, but that would be far more true of the genuine seasonal migrant worker than of the migrant worker in South Africa. **Here the worker is to all intents and purposes a permanent resident in the place where he works, and the essence of the migratory nature of his sojourn is rather that he is separated from his family and that he is restricted to certain fields of labour, normally unskilled.** But because of the fact that he is more or less permanently and even uninterruptedly at work, and that he is so integrated in the economy that the economy would collapse without him, he tends to acquire skills, and Government policy is often powerless to prevent him from using those skills.

That is true for a variety of reasons. The power of the Government to restrict the African migrant worker rests mainly on the Colour Bar Law of 1925 and on Job Reservation. Since the passing of the Bantu Laws Amendment Act of 1964 this power is implemented in various ways, but it remains to be seen what effect it will have on the acquisition and use of skills by African workers.

Ineffective measures

If we now examine those measures we can see that they must almost inevitably be ineffective today. *The 1925 law dealt mainly with types of work that have become less important in the stage of mechanization in which our industries are today. The painter need no longer mix his paints. He need not even paint at all. He can use a spraying machine, requiring very little skill. What is*

more, the people practising the crafts affected by the 1925 law no longer constitute the majority or even a significant minority of our labour force.

Job reservation has proved equally futile. I am confident that an investigation of this matter would indicate that job reservation has been effective only in those spheres where it has been applied to give protection to such White workers as are incapable of doing skilled work and have to be given what is in effect protected employment. Those spheres are ordinarily those that have the least effect on the economy of the country and they have affected a comparatively small number of people. Where job reservation has been proclaimed in more vital sectors, the policy seems to have been that it would operate only when there was a number of White workers in that industry who were unemployed. In an expanding economy such as ours is at the present time, such an eventuality is only remotely possible, and the result is that in practice the field has been left open for the entry of Africans into the skilled ranks.

What is more, industry has become so complex, and the types of work so numerous, that it would be extremely difficult to apply job reservation, even the futile type of job reservation of which I have just spoken.

All that remain are the new powers given to the Government under the legislation of 1964, but even here one can safely predict that notwithstanding protestations to the contrary, and notwithstanding the gloomy forebodings of the editor of "Die Transvaler" in his recent book, the powers of the Government will be used in exactly the same way as job reservation. The needs of the economy will come first, and this impression is strengthened by recent utterances by Cabinet Ministers.

Plans for industrial expansion

In his Republic Day speech the Prime Minister said that there were vast plans for industrial expansion, reaching to the end of the century. Now even a child can see that such expansion must involve a vast increase in the skilled as well as in the unskilled labour force, apart from the fact that the increasing mechanization of industry will bring about a higher ratio of skilled to unskilled workers than is presently the case.

The second Ministerial utterance was in a letter written by Dr. Muller, the Foreign Minister, to the President of the Security Council. In that letter, which was released to the Press, he said

AMBIVALENT ATTITUDES

The ambivalent attitudes of the Whites is nowhere more clearly seen than in the matter of the reserves. The great cultural gulf between them and the Africans, and the fear naturally engendered by a century of conflict, made the Whites anxious to keep the Bantu tribes as far away as possible. On the other hand, the need for workers on farms, in mines and in industry made it desirable to have them on hand. Thus when tribal reserves were adequate to support their population in the traditional manner, it was necessary to attract African labour by recruitment agencies or to impose money taxes, the payment of which necessitated the African's acceptance of wage-earning employment. When, however, the reserves were inadequate or became so through natural increase accelerated by the introduction of modern medicine, legislation was introduced to restrict the right of entry and to circumscribe African employment opportunities in "White" areas. This "come-hither-voertsek" policy was based upon deeply held but mutually irreconcilable desires.

D. Hobart Houghton — "The South African Economy".

that the Bantu Laws Amendment Act of 1964 did not mean that there would be any restriction of the entry of the African into White industry, except the availability of employment. He even assured the President that the Government would look for work for these Africans.

It has been calculated that even with the present trend of development there will be a need for 3,300,000 skilled workers and upwards by 1980. If one calculates that at most 38 percent of any community can be economically productive, then the Whites would be able to contribute only about one and a half million, even if one acts on the assumption that all Whites are capable of reaching skilled rank. That would mean a deficit of about 1,800,000 workers of skilled rank, and obviously these would have to come mainly from the Africans, who are now classed as migrant workers.

Lip-service

The question here is whether official policy or economic law will win. The issue seems to be strongly influenced by the fact that in many ways the Government is paying only lip-service to its own policies. To what extent Black infiltration into skilled labour has already progressed, it is difficult to say. This is the only sphere in which

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official census figures are unreliable. The reason is that when a certain type of work is done by Africans, it is classed as unskilled. When the same work is done by Whites, it is regarded as skilled or semi-skilled.

No vested interests

But many other factors remain which are bound to have a profound effect on the economy of the country. Because the migrant labourer has no *vested interests here, he lacks the impetus to exert himself. He has no Joneses to keep up with. He cannot own freehold property. He cannot go on holiday to the coast with his family.*

This not only makes him politically unstable, it also makes him economically lethargic. One industrialist told me that where Africans do skilled work at very good wages, the greatest problem is often absenteeism. Whether that is true or not, I would not know, but I can well believe it.

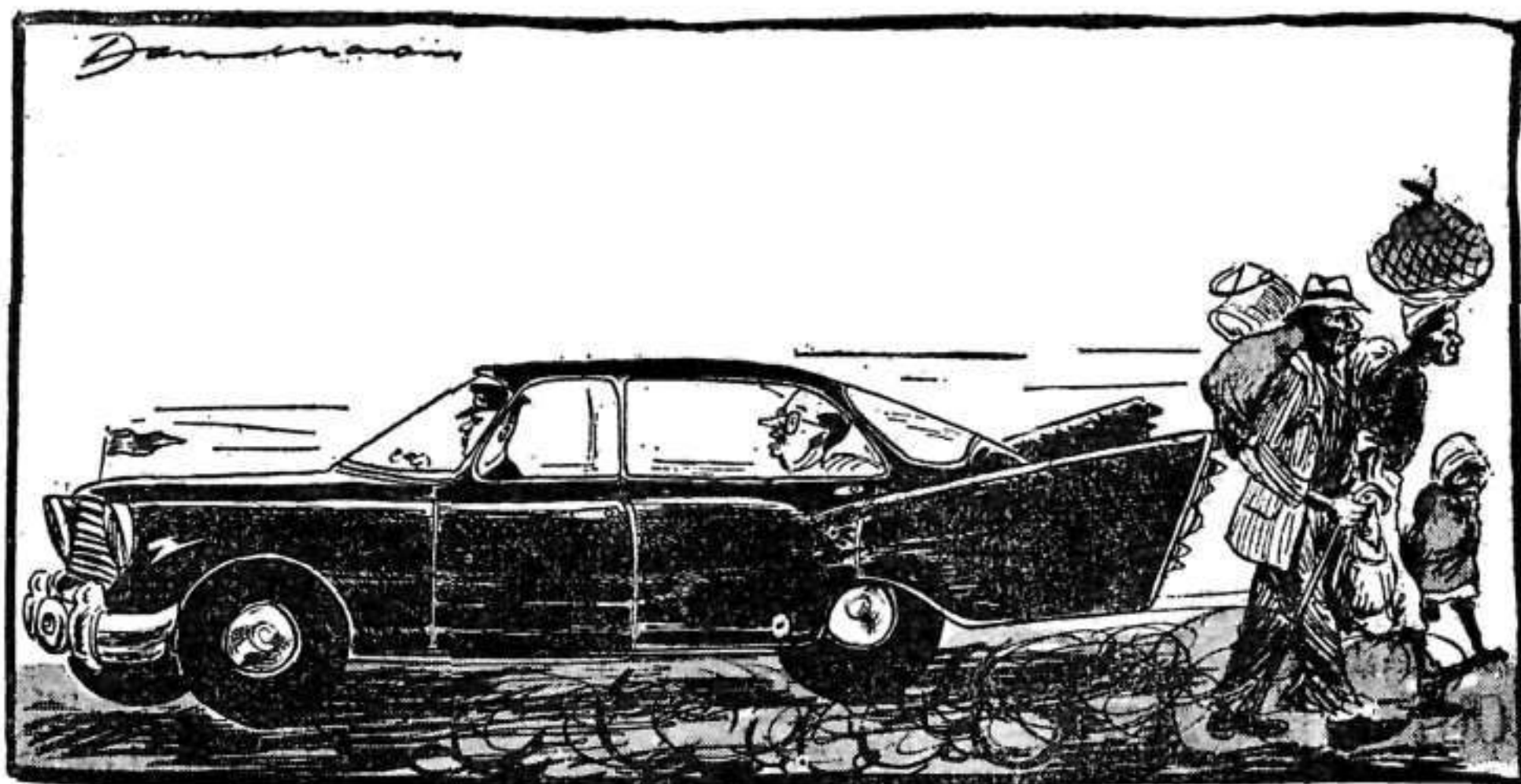
We must educate the African

The second disturbing factor is that a community can contribute skilled workers only in the measure in which that community is educated. Unless the Africans as a whole have reached a certain average level of education, they cannot produce the skilled workers of which our economy is in such great need. Britain was in the same

predicament in the nineteenth century, and a British statesman then said to Parliament: "Gentlemen, we must educate our masters." Unless we educate the African — and he should be educated to maintain himself in the same environment in which the Whites have to maintain themselves — our economy must suffer.

I have done no more than touch on certain trends and probabilities. I have assumed that the present government will remain in power and that its policy will remain unchanged, and neither of those assumptions is necessarily valid.

My own belief is that, unless there is outside interference or internal revolution, economic law will win. **The greatest enemy of apartheid and of racial superiority is prosperity.** That is one of the reasons why we should oppose to the utmost any attempt on the part of other countries to bring about change by coercion. For example, if sanctions were successfully applied, it would bring our industry to a standstill. There would be large-scale unemployment among Africans especially, and the result would be a tailor-made situation for the implementation of apartheid. We would not need the African worker and he would be sent back to his "homeland". But when there is increasing prosperity and an expanding economy, the whole concept of apartheid becomes an absurdity. And South Africa is well on its way towards that situation.



"Another political demonstration, I suppose." (Cape Times)