

tion, citing sources which showed that, on balance, evidence was against public ownership and that large-scale nationalisation would "almost certainly cause long-run efficiency losses".

Acknowledging that the existing division of power in the South African economy was unsatisfactory, Roux argued that state intervention in the economy did not have to take place through nationalisation. As much as a strong trade union movement was needed, so was a dynamic business sector. A range of co-operative possibilities existed.

On the subject of efficient and/or successful state-run companies, Roux warned that South Africans "should not think we are so unique that problems that have happened elsewhere in the world will not happen here."

Responding to the paper, National Union of Mineworkers education officer Martin Nicol said that while nationalisation was widely advocated by most workers, it was not seen as the only solution. Nevertheless, nationalisation of certain industries could be used to influence job creation and to restructure industries such as mining along more "humane" lines.

He said that one of the main aims of nationalisation would be to destroy the power of the conglomerates because they held an "inordinate amount of power" and were not investing in areas that needed to be developed.

**ON THE** subject of land reform, the chairman of the Development Bank of Southern Africa, Dr Simon Brand, said it was not enough only to ensure access to land. It was also necessary to set in place support services for black farmers. This would include loan schemes, research and training services and mechanisms for land purchase.

He said two myths first had to be eliminated. The first was that the current system of white commercial agriculture was an efficient way of producing raw materials.

"It is clear that there are many aspects of this sector that show it is not a sustainable way to meet the agricultural needs of the country. It is ecologically and financially vulnerable and should not be allowed to continue as it has in



Dr Simon Brand

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## Pension pa possible ove

**DISCRIMINATION** in state spending on pensions could be eradicated overnight if the government so chose, offering a meaningful signal that apartheid was indeed a thing of the past.

This was the view expressed at the colloquium by University of the Western Cape economist Pieter le Roux.

Le Roux, who has served on the Mouton Committee investigating social service spending since March this year, said it would cost R2,4 billion for the state to establish parity immediately.

Under the present structure, white old age pensioners received R276 a month, Africans R175 and Indians and "coloureds" R225 a month. At present levels, this expenditure - excluding pensioners in the "independent"

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Prof Pieter le Roux

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