

Myths about South Africa sanctions

by James W. Dean

Our present posture toward South Africa — divestment and boycott — could not be better designed to bring about the opposite of what it intends. North Americans who wish to encourage peace, justice and prosperity in Southern Africa should encourage, not discourage, a wide range of investment, trade, tourism and cultural contact.

Yet again this year Canada's Minister of External Affairs was swept up in a Commonwealth campaign to sanction South Africa still further. Meanwhile, South Africa's ambassador to the IMF and the World Bank, who is a distinguished economist, a committed foe of apartheid, and who happens to be classified "coloured," is systematically urging the major banks to lend more. As he puts it (I paraphrase), "My goal is to help South Africa grow economically as rapidly as possible, since then and only then will apartheid die a quick and peaceful death."

That sanctions have been our response to South Africa's recent turmoil is ironic. For the past five or six years, South Africa has been going through its version of *glasnost* and *perestroika*. For the first time in its history, its government has committed itself, however tentatively, to openness and reform. Its white citizens are also largely committed to reform, some out of moral outrage, but most simply out of pragmatic realism. The non-white population is politicized as never before.

Now is the time for those of us committed to hastening apartheid's end to increase our contact with South Africa in every possible productive way. Yet our attitude has been to withdraw and bury our heads in the sand. It is as though our reaction to Mikhail Gorbachev had been to sanction him for failing to privatize all industry and hold free elections within his first two years of office.

Here are two myths we must abandon if we are to treat South Africa wisely. The first is that apartheid is South Africa's basic problem. The second is that economic sanctions will hasten the end of apartheid.

Myth #1: apartheid is South Africa's basic problem

South Africa has two basic problems. The first is the coexistence of Third World poverty and First World wealth. This will not end with the apartheid laws, but only after massive investment in education.

South Africa's second basic problem is the coexistence of twelve major ethnic groups with separate and alive cultural traditions. This will not end with apartheid either. Moreover, it poses a major challenge to the universal franchise.

"Apartheid" refers to the purposes and effects of a series of statutes enacted in the 1950s by the National Party government after it won its first election in 1948. Most responsible white South Africans, including the present Nationalist government,

now admit that the laws were a mistake, much as George Wallace and his ilk have now abandoned their "separate but equal" prescription for the American south.

Strictly speaking, the Group Areas Act, its relative, ethnic Population Registration, and some remnants of the Separate Amenities Act are all that remain of apartheid. Predating the apartheid laws is the infamous Land Act of 1913, which is still in effect and which prohibits blacks from buying white-owned rural land.

The Group Areas Act, though eroding at its edges, still requires the vast majority of non-whites to live in separate neighborhoods. However to the outsider looking in, separate public school systems and the absence of voting rights might as well be termed apartheid also. In fact one reason that Group Areas has taken so long to go is that with mixed residential areas, separate public schools would be a farce. And a second reason is that with mixed communities, both population registration and separate municipal finance would break down, and with them much of the bureaucratic rationale for the present tricameral parliamentary system that maintains separate voter rolls for "coloureds," Indians and whites, and excludes the black majority altogether.

Apartheid legislation restricting labor mobility ("influx control" and the "pass laws") and restricting access to jobs ("job reservation") has been removed. At least in the formal sector of the economy, where job classifications are well defined, pay scales for blacks and whites are now equal. This is not to say that pay scales are yet equal in practice, but the intent of the law is at least clear.

Influx control, the pass laws and unequal pay scales certainly contributed to income inequality between black and white, but they are not the main source of that inequality. Unequal incomes in South Africa do not derive in the main from "exploitation," any more than do unequal incomes in North America. The main cause of income inequality in South Africa, as elsewhere, is productivity inequality. This, in turn, derives from unequal education.

Neither removing remaining apartheid legislation nor extending the franchise will go far toward equalizing incomes. The end of Group Areas legislation (which will come soon) will leave the vast majority of blacks in situ in the euphemistically termed "townships," without the incomes to afford housing on the other side of the tracks. The franchise could in the extreme empower blacks to redistribute wealth equitably in a one-off measure. But the result would almost certainly be to drive white, and probably

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