

G.G. Maasdorp: Economic Development for the Homelands.  
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This is an extremely valuable, brief survey of the problems facing the Homelands in attempting to develop their economies. It is valuable because of its theoretical framework, the empirical material it presents, and because of its sharp criticisms of the present development strategies.

Maasdorp points out that, "A detailed economic survey is required for each individual homeland. No long term economic development plan for the homelands exists; The Tomlinson Report is outdated and government policy frequently appears to be based on ad hoc decisions rather than on a coherent strategy" (p28). There has been an enormous amount of research done on development planning in the last decade, but much of the most original work seems to have passed South Africa by. "Contrary to popular belief, development does not merely mean the establishment of a few factories by foreign investors in a homeland" (p3).

So there is really nothing to go on, and it is necessary to start from the beginning in working out development strategies. In doing this, the main mistake to avoid is that of treating each homeland in a vacuum; describing its internal poverty, but failing to see it as part of a wider economic system which effects every detail of the economy of the homeland. Maasdorp therefore suggests that it is necessary to treat the homelands as 'peripheral' countries round the 'core' of the white-controlled industrial areas; "The core-periphery relationship is one of dominance and dependence.....Important decisions tend to be taken in the core country; financial institutions and potential investors are found there and the pattern of trade may involve dependence" (p5). Migrant labour is only the most visible aspect of this dependence, which also affects the process of capital formation in the homelands and makes it very difficult for industry in the homeland areas to compete with the more established core industrial areas.

The popular belief that the homeland areas can attract industry through offering a lower wage structure may also be wrong, Maasdorp suggests. All the arguments about the relation between low wages and low productivity still apply, and it may be that the wage costs could be higher in spite of lower wage rates.

The concept of border industries cannot help at all in the development of the homelands; "It is merely a misnomer for white, South African industrial decentralisation, but as a policy for developing the homelands it is nothing more than an economic irrelevance" (p11). Large scale industrial development within the homelands is not likely to occur. Maasdorp suggests that the only possible strategy is to foster labour-intensive methods in agriculture and small-scale industry. Maasdorp does not believe that

such policies can be anything more than a palliative; they cannot produce economically viable states. But, as argued elsewhere in this issue, such an employment-oriented strategy will also have important and helpful consequences for urban Africans. This study is therefore very useful not only for those concerned immediately with homeland development, but also for trade unionists seeking to understand the South African labour market.

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