

5. THE ECONOMIC COST

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THE economic cost of apartheid is the deliberately diminished or deprived opportunity of non-White South Africans to produce for themselves and for the community. Because the 'cost' is the reduced opportunity or lost opportunity, it is impossible to calculate any monetary sum as the 'cost' of apartheid. But since this deliberate denial and frustration of the opportunity to aim for optimum production inhibits four-fifths of South Africa's total population, it is clear that the economic cost of apartheid to South Africa must be very considerable indeed.

The economist is accustomed to think of cost in terms of lost opportunities; the accountant, however, thinks of cost as an amount of money spent to buy something or achieve a particular purpose. An accounting cost of apartheid might therefore attempt to establish a monetary figure for all the items which are normally thought of in South Africa as part of the apartheid policy. Such items are very numerous and almost bewilderingly complex, so that even to list them all would be virtually impossible. To put a price- or cost-tag on each such item would be no less difficult. In consequence even an accounting cost is an illusive concept.

The items include, for instance, all the separate so-called facilities such as different railway station entrances and platforms and coaches and bridges; additional services of power and water and roads and transport and all the other necessities for housing non-White skins separately from White skins; separate counters, pencils and ink-pots in hundreds of Post Offices, so that Whites and non-Whites shall form adjacent queues instead of one queue.

The accounting cost would also include the money costs for administering all these separate facilities. Thus there is initially the Population Register with its photographs of millions of people, relevant files and filing cabinets, the buildings to contain the filing cabinets, and the growing army of officials to put the 'White' and 'non-White' vital statistics of every South

African into the separate filing cabinets. There is the Group Areas Act to which might be debited, incidentally, half the annual salary of the Minister of Interior in the last ten years, and his law advisors, whose amendments to amend the amendment of the Amending Acts must have used up a substantial amount of paper alone. The fees paid to lawyers by private citizens to ascertain their rights and obligations flowing from this Act would also be entered into the account rendered for apartheid. Then there are the losses running into millions of pounds from the compulsory sale of property and reduced value of property. It might be possible to put a money figure on the general chaos caused in the property market.

The accounting cost might try to arrive at a figure for the millions of pounds squandered in providing 'separate facilities' in every factory building in the country. Separate working positions, separate entrances and exits, eating and washing places add anything from thousands to tens of thousands of pounds to the building cost of every factory in the Union. Separate fire escapes have also been mooted by factory inspectors.

Then there are, of course, the various registration fees and levies every employer must pay in respect of every African or Native worker. The accountant might also try to assess the money value of hundreds of thousands of hours spent by South African business executives in their association meetings discussing, examining, fighting and complying with the endless stream of administrative regulations that flow from various apartheid Acts. The ill-famed Law 77 of the Industrial Conciliation Act can hardly have cost less than £1,000,000 of such executive time.

In passing, one might note the additional cost for 'White lifts' and 'non-White lifts' in commercial buildings. Such lifts (or elevators in American) would have provided Plato with a classic illustration of the difference between the 'appearance' and 'reality' of apartheid. Take up a strategic position and observe the behaviour of the Europeans at any peak hour. One lift will be designated 'Blankes Alleen' and the other lift 'Nie-Blankes Alleen'. Both will be operated by non-White liftmen. The Whites will crowd into the 'Blankes Alleen' lift, but no 'nie-Blanke' will dare enter, and the Blanke lift will then proceed on its purified trek. The nie-Blanke lift opens its door and—rather than await the return of the Blanke lift—impatient Whites will jam-pack in with non-Whites, and the

nie-Blanke lift will proceed on its unpurified path. Thus appearance becomes reality and reality becomes appearance, which should resolve all philosophic doubts about apartheid.

Yet another most formidable item of accounting costs is the sums expended on paper (quite apart from the clerical time on such paper item work) arising from apartheid laws and regulations. The amount of paper consumed by apartheid for its administrative ramifications must add up to a significant percentage of the country's annual expenditure on paper. Just contemplate how much paper is involved when the State decrees that, for instance, undertakers shall provide separate 'White' and 'non-White' vehicles so that Blankes and nie-Blankes can go separately to Heaven or to Hell. There will be Government Gazette Notices to be gazetted, forms to be filled in, transportation certificates to be issued, exemptions to be applied for, statistics to be prepared and published—all involving paper. Consider how much paper is used every time an African seeks employment—starting from the permit to apply for a permit to apply for a permit to apply for a job and ending with the return of a return that the African is being returned to his tribal home when he stops working.

Perhaps enough has been suggested to indicate, firstly, the near-impossibility of establishing the accounting cost of apartheid and, secondly, that such an accounting figure would be a very significant slice of the national income. But, to repeat, the economic cost of apartheid is something different from the £. s. d. that a battery of computers might finally yield if the phantasmagoria of pigmentation could indeed be calculated. The economic cost is the loss, direct and indirect, that flows from all the prohibitions and all the restriction on the productive effort of non-White persons. To put a 'price' on the summation of such 'lost opportunities' is beyond computation. One can only illustrate and then surrender to the imagination.

The first Prime Minister of a Nationalist Government in South Africa, General Hertzog, as far back as the nineteen-twenties, intensified the original regulations of 1911 so that Africans were prohibited from all but unskilled, manual work throughout the country's mining industry. Not one of the hundreds of thousands of African mineworkers was allowed by law to apply more than his physical strength to the job of mining gold. Every other task was legally confined to Europeans. The capacity of the Africans to undertake many of such tasks

had already been clearly established. In pursuit of apartheid, however, the 'opportunity' for more productive employment of Africans in the mining industry was lost.

It is possible only to guess at the consequent economic cost. Twice in the recent economic history of South Africa a rise in the price of gold following the general devaluation of currencies gave great impetus to the economic growth of the country, including its industrialization. It is possible that this impetus and growth might have been anticipated by decades, if job reservation had not been imposed on the gold mining industry. If one compares standards of living of the Europeans of South Africa to-day and twenty-five years ago and if one 'guesses' that to-day's standards might have been achieved a quarter century back, then one can perhaps estimate the cost to European South Africa (quite apart from non-European South Africa) of economic apartheid applied to the mining industry.

At the time Prime Minister Hertzog tightened the legislative barriers on African productivity in mining, he frequently expressed the belief that vehicle driving should be confined to White skins only. Such job reservation for motor vehicle drivers was never, however, made law, and during the last thirty years many thousands of Africans acquired the 'skill' to drive lorries and cars of all kinds. To-day tens of thousands of commercial vehicles are driven by Africans. It needs little imagination to recognize that the country's whole economic development would have been substantially retarded, if job reservation in the nineteen-twenties had forbidden Africans to drive motor vehicles as an occupation for 'Europeans only'. It is not possible to be precise about the economic cost of such an example of economic apartheid had it been enforced thirty years ago; but Africans were 'allowed' the opportunity to drive motor vehicles, and the economic gain has clearly been very great indeed.

One is compelled to the irritating conclusion that no figure can be given either to an accounting cost or an economic cost of apartheid. Such a figure would clearly help to make the argument for and against more tidy, but even Dr. Verwoerd himself apparently acknowledges that the cost might be large. South Africa, he recently declared, must if necessary be White rather than prosperous.