

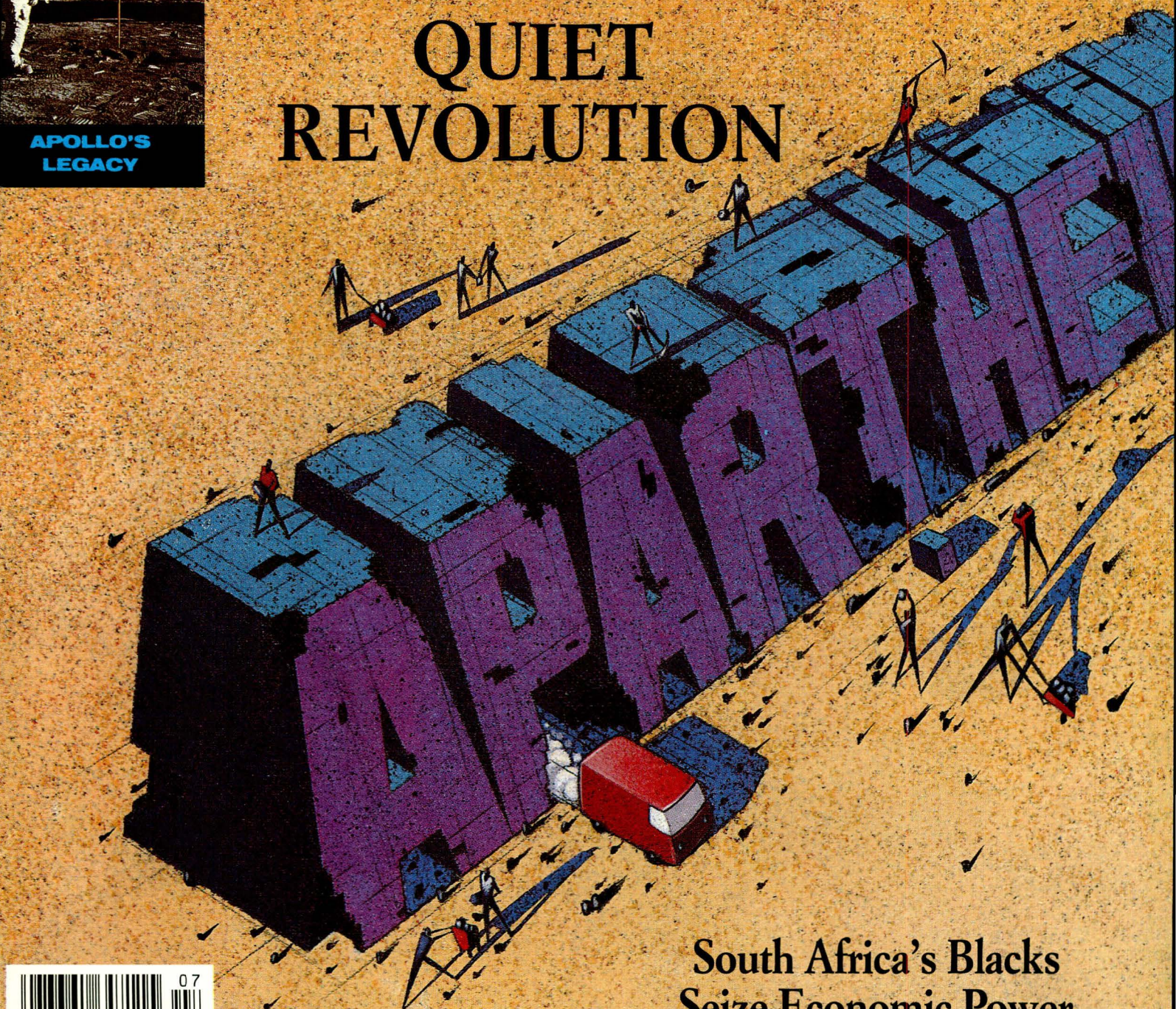
reason

FREE MINDS & FREE MARKETS

QUIET REVOLUTION

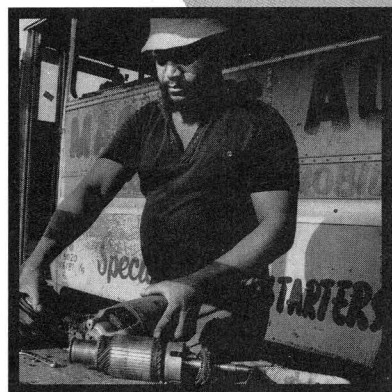


APOLLO'S
LEGACY



South Africa's Blacks
Seize Economic Power





South Africa's

Blacks Are

Realizing Their

QUIET

Economic Power.

Can Apartheid

Survive?

BY ANDREW CLARK

The flaming television images of township revolt that rocked South Africa and shocked the rest of the world four years ago have by now almost completely subsided from the vivid screen. But while the white minority government can claim to have broken the period of "unrest" and settled down to business as usual, a newer, quieter, and ultimately far deeper revolution is taking place in the cities and the black townships of this conflict-torn nation. As the rest of the world contemplates sanctions, trade embargoes, and disinvestment campaigns, South Africans from across the country's numerous divides are struggling to build an economy unhindered by the state's all-pervasive restrictions.

The potential has always been there, but recent cracks in the edifice of apartheid have unleashed an entrepreneurial energy that is forcing the 40-year-old National Party government to successively abandon its racial policies and rethink its options regarding the future. It is against this background that "black economic empowerment," a phrase on the tips of so many South African tongues these days, can be seen for what it is: a truly revolutionary force that could finally push South Africa into the developed and civilized world, eroding the laws that

ness has grown in five years from almost nothing to a respected nationwide industry that annually mobilizes more than \$1 billion in capital. It has put the government-subsidized buses to shame, forcing them to cut back by almost half.

- In the aftermath of the 1984-86 riots in the African townships, the government has rapidly retreated from those areas—and black economic muscle has risen to meet new demands. Black residents have bought up and refurbished their formerly government-owned houses. Black developers are starting to construct low-cost new units to meet a huge pent-up demand. And black real estate agents are presiding over a bustling market in the upscale properties being purchased by the emerging African middle and upper classes.

- In defiance of apartheid's cornerstone law, the Group Areas Act, hundreds of thousands of Africans, "coloreds," and "Indians" have moved into urban neighborhoods legally reserved exclusively for whites, creating numerous "gray areas." Parts of Johannesburg, Cape Town, and Durban are now as integrated (or segregated) as New York, Chicago, or Washington, D.C. In an attempt to save face, the government is now proposing to declare many of these neighborhoods "free settlement areas" for all races.

REVOLUTION

deprive its people, black and white, of prosperity and freedom.

Within the past year or so, black economic power has forced major changes in the way the South African government and business establishment act and think:

- Through consumer boycotts that brought to a standstill towns controlled by the right-wing Conservative Party, blacks have crushed the neo-apartheid group's attempt to vigorously reenforce lapsed ordinances calling for segregation of public facilities such as libraries, parks, swimming pools, and civic centers.

- The buying power of blacks (referring collectively to all people of color—Africans, "Indians," and "coloreds") has begun to exceed that of whites. The economy is already thoroughly intermingled, and producers can no longer treat the "black market" as a mere appendage to the "white market." Black buying power has not only made boycotts a potent political tool, it has also created a solid financial basis for the black press, as optimistic advertisements fill the pages of such periodicals as *Tribute*, *Black Enterprise*, *Drum*, *Thandi*, and *Africa Now*. The *Sowetan*, a tabloid representing the huge and sprawling township that is in fact South Africa's biggest city, is now the country's fastest-growing newspaper.

- By putting thousands to work, the "informal sector" of hawkers, traders, money lenders, and minibus taxi owners has boosted South Africa's employment and rescued an otherwise abysmal rate of growth. In particular, the booming taxi busi-

ness has grown in five years from almost nothing to a respected nationwide industry that annually mobilizes more than \$1 billion in capital. It has put the government-subsidized buses to shame, forcing them to cut back by almost half.

Slowly but surely, urbanization, economic growth, and black buying power have put steady pressure on the government, leading to exactly the kind of economic and social integration that apartheid was designed to prevent. Blacks in South Africa have been moving to the cities for the same reason that people everywhere turn to migration and immigration: to leave the static situation of their impoverished past and strike out for a new place with greater freedom and opportunity. The government's attempts to restrict this movement, first through influx controls designed to keep rural blacks out of the cities and then through pass laws, have utterly failed. Since the white labor surplus dried up in the early '70s, the government has had to lift, one by one, the provisions barring the training and employment of blacks doing skilled work in white-designated areas.

"Economic growth," says John Kane-Berman, executive director of the South African Institute for Race Relations, "is simply undermining the archaic segregationist structures that were imposed on the economy in the pursuit of the Verwoerdian utopia," a reference to former Prime Minister Henrik Verwoerd, the primary architect of apartheid. The central business districts of more than 60 cities throughout the nation have become free trading areas where anyone who has the money can set up shop. And the laws governing who may own or lease industrial property on the fringes of town have also been relaxed to allow blacks a foothold.

But the Group Areas Act still imposes major restrictions on what a person can own and where he or she can live. "Indian" businessmen operating small shops near Johannesburg's Indian market, for instance, cannot legally live above their stores. And negotiating the maze of regulations required to set up shop in the racially zoned townships is almost enough to make a small entrepreneur give up entirely. But focusing on politics and the actions of political leaders—whether they be government officials, right-wing militants, or left-wing militants—obscures the real "revolution" happening in South Africa: the growth of black socioeconomic power and the building of a new nation that will follow.

L Laurence Mavundla will be one of the leaders of this new nation. A ninth-grade dropout from Empande High School in Natal province, Mavundla was first employed underground at the East Driefontein mine, where he rose to the position of shift controller and became a shop steward for the National Union of Mine-workers, the country's largest union. After organizing a strike in 1985, he was arrested, denied bail, and spent a short time in jail.

Over the years, Mavundla held a variety of other positions in the trade union movement—as a farm worker, a railway laborer, and a sorter in the Johannesburg post office. Traveling to work one morning in 1986, he noticed several street hawkers being chased by a group of policemen. Most scattered in different directions, but one 101-year-old woman,

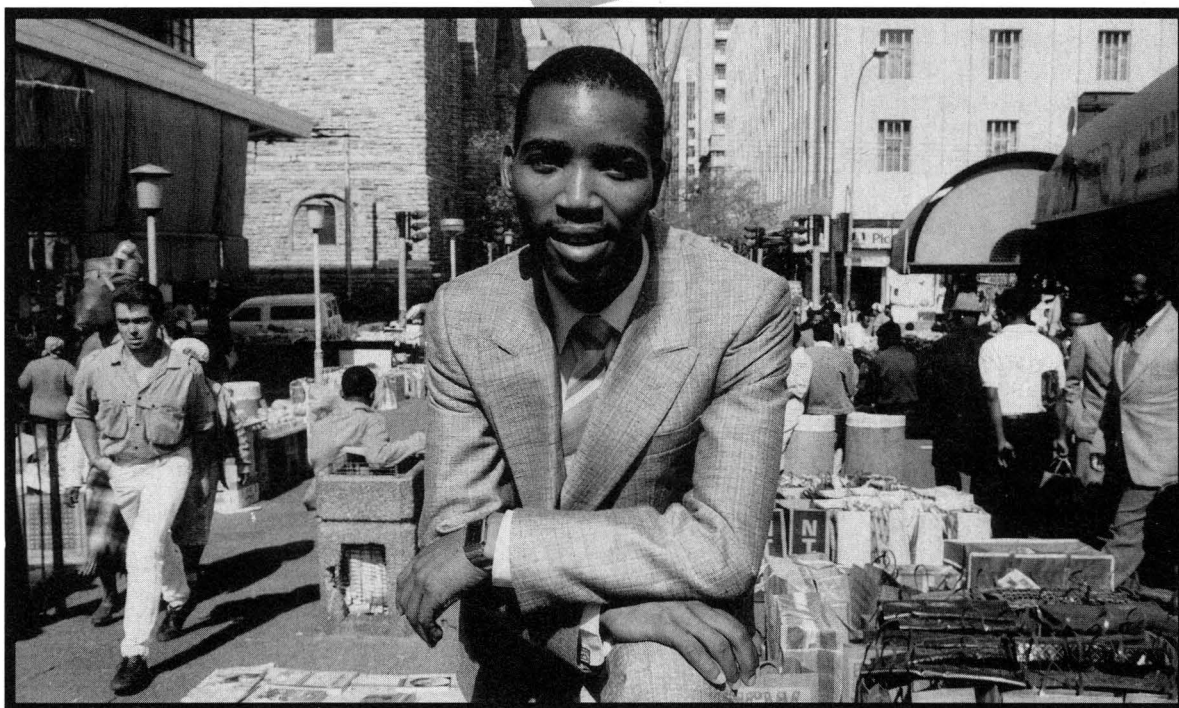
Granny Harriet Moyo, couldn't run fast enough to escape the police. Her produce was crushed under the wheels of a police van, and she was badly injured when police threw her into their metal-backed truck.

Mavundla pleaded with the officers to show mercy, but to no avail. Disturbed by the experience, he began to investigate the regular police harassment experienced by street vendors—part of a government effort to keep them out of white areas. To provide a political voice for these small entrepreneurs, he founded the organization that became the African Council of Hawkers and Informal Businesses (ACHIB).

Last year during its second anniversary, ACHIB held a commemoration day for Harriet Moyo, who died shortly after the last of the many encounters she had with police during her 58 years hawking fruits and vegetables. "How much money did she spend on fines for earning an honest living?" Mavundla asked at the memorial service. "How many days did she spend in jail? We honor her braveness for not giving up and hawking until her last day on earth. Granny Moyo, your spirit lives on and that is why we can sell freely today."

One only needs to walk down Jeppe Street, the heart of the hawkers' community in Johannesburg, to sense the vibrancy of the hawker trade. Just blocks from the third-class (formerly "black") railway terminal and one of the world's largest taxi stands, the casual shopper can find products ranging from peanuts, fruit, and lambs' heads to jewelry, handbags, and hair conditioners. Despite liquor regulations, beer is freely available. This is the thriving center of small-scale black enterprise

**Laurence Mavundla,
who organized South
Africa's street
vendors: "We don't
want your charity,
white man."**



that thousands of township dwellers pass through every day before and after work.

There are an estimated 150,000 hawkers in South Africa (900,000 if you count all "informal businesses," such as illegal shops in the townships and backyard woodworking businesses). The hawkers' spending power, by some estimates, totals R1.8 billion. Most importantly in a country racked by joblessness, Mavundla estimates that it takes only R135 for a hawker to start up a business. (Although R100 has an exchange value of \$40, it is worth about \$100 in South African buying power.)

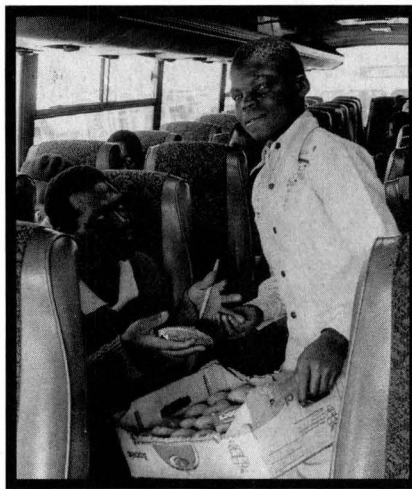
In a labor market still largely segregated by race—blacks constitute 60 percent of the work force and make up only 4 percent of management—hawking provides a vehicle for self-starting individuals to be their own bosses. Two years ago, Monica Mtatyulwe was a computer-company secretary making R4,000 a year—higher than many of her roommates who work as domestic servants for no more than R2,000 a year, but only a third of what a similarly qualified white secretary would make. Her boss put her in charge of the office when he went on a three-month business trip, says Mtatyulwe, but "when he came back, he thanked me with words only."

She heard about hawking from a friend and decided to make the jump to the informal sector, where she could apply her management skills purchasing fruits and vegetables in bulk and selling them on a downtown street corner. In a good week, she says, she can make R600—almost eight times what she earned as a secretary. She now has two full-time employees.

Although government harassment has diminished in the last two years, hawkers like Mtatyulwe are still far from free to sell their wares. Regulations require that they operate a specified distance from shops, that they move every two hours to a new location, that they not operate within certain street blocks, and that they wear a white coat and have a license with them at all times.

Some of these laws are rarely enforced (a serious government attempt would lead to mayhem), but the all-white "hawker squad" of the South African police has been known to confiscate or destroy goods, arrest hawkers, and levy R100 fines at whim. At a recent ACHIB meeting, one jewelry salesman told of a policeman and his wife who approached his display and took an item, "promising" to pay him next week. Another recounted being arrested for wearing an ACHIB t-shirt that reads: "Please don't arrest this hawker for trying to make an honest living."

To fend off such attacks, ACHIB has found allies among South Africa's biggest businesses. Both Anglo American and



A young hawker sells apples on a Johannesburg bus. Amid joblessness and discrimination, hawking provides opportunity.

Consolidated Goldfields—who are otherwise locked in a bitter takeover battle—have come together and supported ACHIB. And in the big cities where it is strongest, the 13,000-member organization has limited harassment by appealing to the pro-growth and pro-market goals the government claims to uphold. In an open letter to district magistrates and public prosecutors, Mavundla asked for them to "find not guilty all hawkers who have been found to break what we regard as restrictive and unjust laws. These laws prevent them from trading freely and making the contribution to the economy that this country needs."

In response to such efforts, the government recently announced that hawkers selling all goods except prepared foods will no longer require a license. "Restricted" trading areas are also being relaxed, and the law now gives provincial authorities the discretion to deregulate economic restrictions in local municipalities.

The hawkers, however important their contribution to the economy, remain on its periphery because of their shaky legal status and the small scale of their operations. By contrast, the minibus taxi business has fully established its place in the economy and society. In the last decade, it has grown from literally nothing to one of South Africa's largest industries, employing two-thirds as many people as gold mining and pumping billions of rand of capital into black economic development. It, too, is creating leaders for the new South Africa.

Pat Mbatha is an oversized man who dominates his small, busy, and high-roofed office in the Dube section of Soweto. On his walls, along with a prominent photograph of Zulu Chief Mangosuthu Buthelezi and a certificate identifying Mbatha as a member of the South African Black Taxi Association (SABTA), are two photographs that show how far he—and his fellow black taxi entrepreneurs—have come, both economically and politically. One is an aged black-and-white photograph of him with the aunt who lent him the money to buy his first sedan taxi 25 years ago, a car for which he had to illegally rent a license. The other is a much more recent picture of a bulging, well-dressed Mbatha and several other black taxi executives meeting with State President P. W. Botha.

Until four years ago, it was illegal for a driver to carry more than five persons for hire, and taxi drivers faced implacable government opposition. In 1983, in fact, the minister of transport tried to shut down the entire illegal industry after a government commission concluded that buses were the only

answer to mass transport and the taxi industry should be phased out.

Fortunately, the government neglected to define exactly what a "taxi" was, and a smart entrepreneur soon bought a 15-seat minibus and charged individual fares the way a bus company would. Nor was there any competition from better-heeled white taxi operators; taxis owned or driven by whites were not permitted to transport black passengers.

Such regulations were designed to protect PUTCO, the government-subsidized Public Utility Transport Company, which operated an elaborate network of routes from the far-flung black townships to the inner cities. But PUTCO's lumbering blue buses were unreliable, slow, and shabby. More importantly, PUTCO is seen as a white-owned company busing blacks to work for whites. During the period of township unrest, its buses were frequently the targets of stonings, petrol-bombings, and hijackings.

Minibus, or *kombi*, taxis, on the other hand, offered quick, convenient service at competitive rates (R1.00 for trips within town, R1.80 for the 15-mile trip to Soweto). Passengers could signal drivers from the street—finger up for town, finger down for township. The taxis' private owners kept up their vehicles, in stark contrast to the grimy, disgusting PUTCO buses, and while the buses symbolized apartheid, the taxis provided not only a more pleasant ride but also a more politically appealing one.

Bowing once again to reality, the government turned about-face and legalized the fledgling industry in 1985; Mbatha served on the National Transport Safety Commission that recommended the change. Over the next year, more than 7,000 taxis were licensed, and the number has grown by more than 500 percent in the past two years. There are now some 80,000 licensed taxis on the streets and at least as many "pirate" taxis.

Mbatha himself owns 17 taxis that run different routes from Johannesburg to Soweto. A well-managed taxi, he estimates, will take in almost R4,000 a month. No more than R600-700 will go to the driver, and although gasoline and maintenance are expensive, it is easy to see that Mbatha is a very rich man. Indeed, most lavish township homes today belong to taxi owners.

The industry has also spawned a wealth of spin-off businesses that provide gasoline, spare tires, maintenance, and auto-body services—offering additional opportunities for black entrepreneurs. The taxi industry is now the single largest purchaser of gasoline on the African continent and the biggest private buyer of motor accessories. Taxis annually use 3.5 million liters of lubrication oil, pay R170

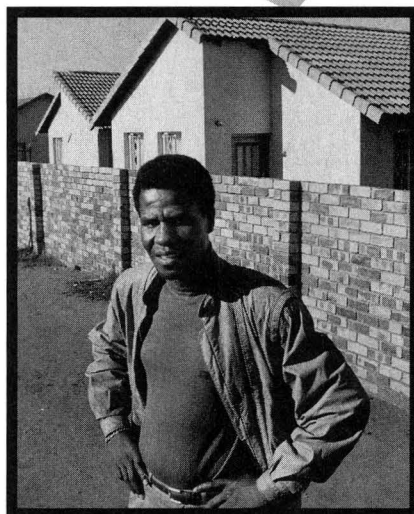
million in vehicle insurance, and carry 15 million passengers.

The growth of this lucrative market has created business ties between the taxi entrepreneurs and major multinational corporations. Quick to realize the importance of providing service for the taxis, for instance, Shell Oil donated 17 service centers for the use of taxis registered with SABTA. And just as their passenger car and truck sales began to slump, Toyota and Nissan started to work with the taxi industry to design more durable vehicles with better passenger access. One of the most popular current models is the Toyota Hi-Ace, which "races" under the nickname "Zola Budd," after the famous South African runner.

Widely regarded as the leader of black business, SABTA is the force, black or white, to be reckoned with in South African transportation. Two years ago the association made an unsuccessful but significant bid to buy out PUTCO. It already operates a bus service in Sandton, an exclusive white suburb of Johannesburg. Last November it launched "SABTA 2000," a program to further diversify its operations into distribution services and delivery, full-scale freight transport, black tourism, and service in the rest of southern Africa, including Namibia and Mozambique. With the backing of SABTA, taxi drivers who raise at least R15,000—a third the cost of a *kombi* taxi—can get bank financing for the rest.

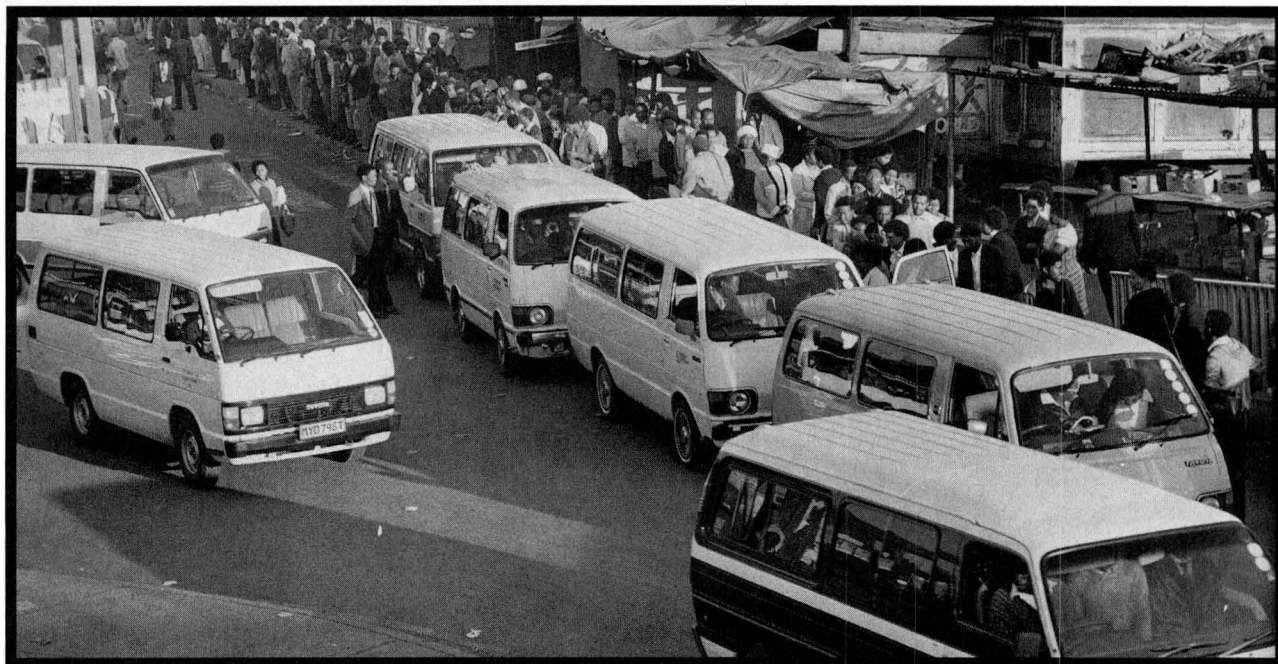
Today, taxi owners are beginning to wield not only economic but political power. "They have wiped PUTCO off the economic pedestal that company held for many years," notes *Sowetan* editor Aggrey Klaaste. "That is not only economic empowerment, that is the type of power that makes politicians sit up and listen."

Soweto building contractor Mike Nkuna: After 20 years, blacks can once again own their own homes in the townships.



It is in the African townships where blacks are forced to live that the government's system of economic control has been most vivid—and most violent. Not only did the National Party government historically insist on forcibly removing people of color from areas that were to be declared "white," but it prohibited blacks from owning their own homes in the ghettos to which they were sent.

The effect of government control raised its ugly head most recently during the township uprisings of 1986, when police shot and killed 21 rent boycotters in Soweto while trying to evict them from their state-owned homes. "Again and again, the rioting in South Africa has stemmed from state control of economic life: housing, transport, schooling, land," notes Don Caldwell, author of *South*



Africa: The New Revolution, recently published in South Africa by the Free Market Foundation. These killings “never would have happened if blacks had been allowed to enjoy private schools and clinics, own their own homes, choose from competing private transport services, and live wherever they wanted—that is, if they enjoyed private property and free enterprise.”

Indeed, the three-year-old Soweto rent boycott, usually considered a “radical” movement to withhold support from the government-backed Soweto City Council, can be interpreted just as legitimately as a grassroots protest against high tax rates and government control over residents’ lives. In addition to withholding rent due to the government, residents are refusing to pay “service charges,” which run as high as 10 times the rent bill and theoretically pay for township services such as electricity, water, roads, and sewage removal.

David Solomon, an economist at the University of the Witwatersrand, points out, however, that often homes are not metered to measure exact (or even rough) costs of water and electricity, so the “service charge” in fact constitutes a high direct tax for unreliable municipal services. And the charges collected from Soweto go to subsidize white Johannesburg residents, who pay substantially lower fees for better service and receive a 55 percent rebate from the city.

“The so-called rent boycott is really a tax revolt,” says Solomon. “It’s just the same as Proposition 13 in the California tax revolt, and for similar reasons. It’s a political rejection of the structure and representatives of local government, spurred on by high taxes for poor services.”

In response to the rent strikes, the government has begun to retreat from some of its long-standing housing policies,

**Minibus taxis in
Soweto: Black taxi
owners have “power
that makes politicians
sit up and listen.”**

within both the black townships and the increasingly integrated cities. In the past several years it has restored blacks’ rights of leasehold (title to a house but not to the land) and freehold (both house and land)—rights that were revoked in 1968, forcing all blacks living in the townships to rent from the government. The 1968 directive naturally created both deep-seated resentment and major housing shortages. Almost no new housing was built for blacks over the next 20

years, although the population increased rapidly. As a result, the average black person today lives in an area measuring three square feet.

Recognizing ownership rights has led to the private-sector construction of almost 60,000 new units of black housing over the last several years. The government has also sold 100,000 houses—about a third of the townships’ formal housing—to tenants through the “Great Sale.” Sales were lower than expected because tenants felt they were being asked to buy homes they had already paid for. Experts suggest that 127,000 new units need to be built annually—three times the current rate of construction—to keep pace with demand. And contortions such as the Group Areas Act and government ownership of township tracts still prevent the market from meeting pent-up demand.

“My assessment is that there are 30 houses for every white who wants to buy one, but only one house for every 100 blacks who want to buy,” says Pitso Mabena, managing director of Afri Home, one of the growing number of township real estate agencies. “If the black was able to buy in white areas, those 29 houses wouldn’t stand empty.” He dreams of “establishing a network of black companies to meet the enormous market.

Right now, we need 500 Afri Homes to meet the demand."

When blacks have built their own homes, they've often had little choice about the sites. "As a result," notes Jeff Mashigo, a developer in Diepkloof, Soweto, "in some parts of Soweto today you may find a R150,000 [home] surrounded by council houses," tiny, so-called matchbox houses owned by the government.

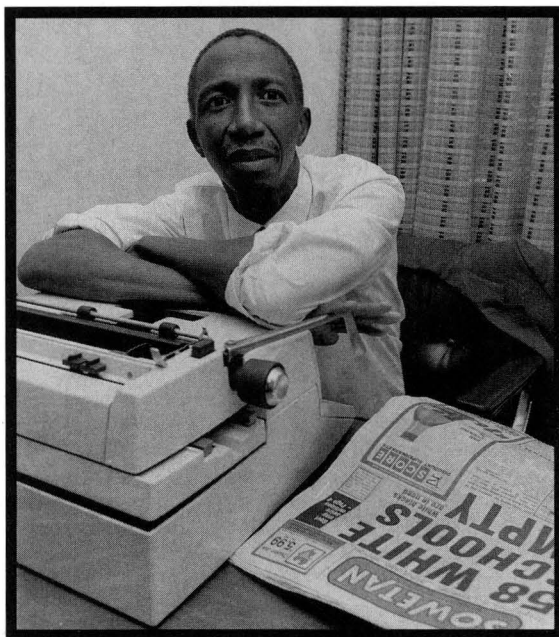
To find housing, many blacks have illegally moved into white areas, creating "gray" areas. Neighborhoods like Hillbrow in Johannesburg, Greyville in Durban, and Woodstock in Cape Town have become code words for integration on a large scale—grist for both people who favor it and those who oppose it. Such thoroughly gray areas are unique in degree but not in kind. It's hard to find a single suburb in the major cities where there isn't at least a sprinkling of nonwhite tenants living illegally.

In the greater Hillbrow area, a densely populated neighborhood of apartment buildings and late-night clubs, informal researchers have estimated that at least 50,000 of the 70,000 residents are Africans, "Indians," and "coloreds"—all technically disqualified to live there under the Group Areas Act. Blacks have been living in Hillbrow on a large scale since at least 1982, when a South African Supreme Court decision made it next to impossible for the government to evict nonwhites even as it let stand the Group Areas Act. Even before then, pioneering nonwhite tenants would get white "nominees" to sign their leases for them, pretending to be the tenants.

Despite the influx of tenants, it is still extremely difficult for blacks to buy condominiums or houses. And for renters, the possibility of eviction under the Group Areas Act does exist. Despite its policy of making some areas open, the government still tries to evict blacks from the fringes of gray areas. Currently, for instance, it is attempting to evict 12 "Indian" residents on the outskirts of Mayfair, another mixed area.

With no recourse to the courts, illegal residents are also vulnerable to exploitation by their landlords. "Landlords tell the world they are offering housing to blacks, but then exploit tenants with high rentals," complains Jennifer Atalami, a resident of central Johannesburg. These tenants, she says, "lead the life of a drifter—they go to work in the morning, not knowing if their possessions will still be there in the evening. Conditions are despicable, rents are higher than normal for black tenants, and they can be raised at any time without warning."

To be fair, notes Lawrence Schlemmer of the University of the Witwatersrand, "landlords are both friends and enemies.



**Sowetan editor
Aggrey Klaaste:
Politics is not
enough for
"nation building."**

Johannesburg has started to open up because landlords were willing to take chances for profit and fill the oversupply of units in white areas. The way to solve this oversupply now is to open up additional areas," by scrapping the Group Areas Act or by creating "free settlement areas" open to all races.

The government has recently announced plans to do the latter. But while some see this action as the first chink in the armor of the Group Areas Act, numerous opposition and antiapartheid groups are united against it. Designating only a few places as "open," they

believe, merely elaborates on apartheid ideology and threatens blacks who live in gray areas that aren't declared open. "We are opposed to free settlement areas because it continues to entrench group rights against individual rights," says Sayed Iqbal Mohammed, chairman of the Durban Central Residents' Association, an anti-Group Areas organization.

Asks Cass Coovadia, head of ACTSTOP, a Johannesburg organization that fights evictions related to the Group Areas Act, "Even if people are 'allowed' to stay in the houses and flats where they live, what about basic services such as education? It doesn't make sense for them to say that you can stay here but are not allowed to go to school, because there are no 'black' schools in Hillbrow."

The issue of government services is a serious one. Because the government serves as the gatekeeper to hospitals, recreational facilities, and state schools, black residents of gray areas have found it hard to penetrate those apartheid barriers. Blacks needing emergency care, for instance, are turned away from their local, all-white hospitals, while beds there go empty.

The same thing happens in schooling. Johannesburg Girls High School, a government school in the heart of gray Hillbrow and Berea, operates at around 30 percent of capacity because it cannot admit South African blacks (children of black diplomats are allowed). Although white community residents can petition the Department of Education to allow blacks into government schools, provided their numbers are not too large and do not "change the character of the school," they have rarely taken this step.

Instead, many private schools have opened their doors to all races—with spectacular results. Since 1976, when the Catholic schools integrated their student bodies, formerly all-white Sacred Heart College in Johannesburg has grown from 400 students to 1,200, about half of whom are black.

Brother Neil McGurk, headmaster of the advanced-cur-

riculum high school, speaks enthusiastically of the “exuberance of community life” that has resulted and says the school has never seen a better day as a center of learning. “Give us in the open education community the R3 million currently being spent on schools in the inner cities,” he says, “and we will get those schools going on a reconstructed, nonracial basis.”

Ultimately, urban integration raises fundamental questions about South Africa’s political system. To ask about the legal rights of people in free settlement areas is to do more than challenge segregated schools or hospitals. Lurking in the background is the question of representation: in which elections, if any, may “free settlers” take part?

When landlords illegally opened their apartments to blacks, in pursuit of profit, they laid the groundwork for a fundamental challenge to apartheid. Such are the spillovers from black economic empowerment. Now the notion that political power and political protest are the only ways to eliminate apartheid and ensure freedom and prosperity is dying a slow death.

Sowetan editor Klaaste describes in a speech how he came to distrust political actions and favor black economic empowerment: “It was Dr. Nkware Nkrumah who, in the heady days of African independence from colonialism, exhorted black leaders to seek first the political kingdom. ‘Africa’s aims,’ he declared, including its unity, constituted ‘above all a political kingdom, which can be gained only by political means. The local and economic development of Africa will come only with the political kingdom, not the other way around.’”

But, continues Klaaste, “There was a flaw there, which has become reality with the wisdom of hindsight. For one country after the other got its independence in the exhilarating days of Uhuru. And just as inexplicably, nation after nation tumbled. There were coups aplenty and the continent ran red with blood.

“That lesson taught me that the getting of the political kingdom was not the means to an end. Political kingdoms do not stand up on their own, pristine, exultant as a galvanizing abstraction. They are also not the result only of politicking and rhetoric.

“Political kingdoms to be effective, lasting, and particularly democratic need all sorts of power structures to underpin them. They need a backup of strong people who have clout economically, clout academically, who have the strength to recognize the value of a free press and free religion.”

Strengthening alternative institutions through which growth can take place and democratic pluralism can flourish is the process Klaaste calls “nation building.” And he believes the informal sector will play an important part—though by no means the only one—in providing not only economic advancement but institutions and leaders for a post-apartheid South Africa.

Klaaste’s ideas are not unlike those of Peruvian writer Hernando de Soto, whose book, *The Other Path*, has galvanized Latin Americans to consider the role of the informal sector in building both prosperity and democracy. Klaaste discovered

de Soto’s book last fall and finds striking parallels between its description of Peru and life in South Africa.

“When countries have the tradition of the mercantilist, or corporatist, state,” he notes, echoing de Soto, “they squeeze the little man out of jobs and his economic situation. People being people, they want to survive and will do all manner of things and create all kinds of ‘informal’ structures outside of the state.

“In the past, the elite thinking was always that the developed world would render aid and upgrading to the underdeveloped world, providing some sort of redistribution from the First World to the Third World. But it is just common sense that local and native institutions must be developed. While you may think that there needs to be some sort of redistribution in a post-apartheid society, the most important thing is for blacks to have their own chance to create their own structures and their own wealth. I’ve seen the differences in standard of living between black and white in this country: they are phenomenal, so great that I don’t think any form of redistribution will take care of this.”

Likewise, Mavundla of ACHIB lets the politicians everywhere he goes know that they have blown their only chance. It’s time for them to get out of the way and let economic growth and free enterprise take over. Without a hint of malice, he will say: “We don’t want your charity, white man. If you were to give the black people an opportunity to make a living for themselves, black people would be able to build their own houses, they would be able to send their own children to school.”

Americans who care about South Africa should listen carefully to Mavundla’s message: If you think you can control our destiny from 10,000 miles away, you’re dead wrong. Either support black economic empowerment or don’t support us at all. But certainly don’t presume to decide what’s best for us.

Speaking at the conclusion of an ACHIB conference designed to bridge the gap between the formal and informal sectors, Mavundla is one of the most eloquent spokesmen for black enterprise: “The people suffer from laws of local authorities, so go do something about it. The private sector and business institutes here got to take over the fighting for this country. Politicians have failed to change. All countries with economic freedom are ruled by people. This country is not; it is ruled by fear.”

“Why are organizations always breaking off from each other? CP from NP? AWB from CP? PAC from ANC? Azapo, Azanu, Azaco? It is because of only one thing—that is fear. There will be breakaway, political breakaway, until we are still reduced to nothing. What can be done? I say, if we put politicians together and say to them, here is 10 Rand, they will put down their ideologies. It all looks the same to them. You are in business, you see the same money. Before political solutions are solved, we must find economic solutions. We must find how to work together.” ■

Andrew Clark, an American living in Hillbrow, Johannesburg, writes for the Weekly Mail.