BEHIND THE INDABA: the making of the KwaNatal option

Daryl Glaser

The current KwaNatal indaba has been described by a prominent reformer as a 'beacon of light beckoning across the desolate landscape' of contemporary South African politics (Kane-Berman, *Sunday Times*, 17.08.86). A range of influential political actors - organised capitalists, reformist politicians, 'moderate' black leaders - have clearly come to view Natal as the site of a very important socio-political experiment. Most immediately at stake in this experiment is the political future of Natal itself. But the significance of the KwaNatal initiative reaches beyond the boundaries of the province. The indaba seems certain to inform the wider process of 'reform' in South Africa. Indeed, its participants self-consciously plan to turn Natal into a laboratory for devising and testing systems of representation, administration and planning suited to the second tier of government in a future national constitutional set-up.[1]

What are the origins of the KwaNatal initiative and why have so many reformers come to regard it as the 'only realistic constitutional initiative still alive in South Africa'? (*Sunday Star*, 24.08.86). On the one side, a coalition of interests in Natal -forged originally in opposition to Pretoria's apartheid solution for the province - has been pressing for a special Natal dispensation for some time now. On the other side reformers in the state and business nationally have come to favour what Lombard has called 'regionalisation': reform on the basis of decentralisation to regional levels of the state. The convergence of these two developments - crucial to an understanding of the present role of the indaba - is explored in this paper.

I. THE BIRTH OF THE KWANATAL OPTION

The possibility of a KwaNatal option first seriously began to be discussed in the later 1970s at a time when central government was pursuing its 'homeland' policy actively. In Natal Pretoria wanted to persuade the KwaZulu government to take 'independence' and to consolidate the fragmented KwaZulu bantustan.

These plans encountered stiff resistance from powerful Natal based interests, who feared that the imposition of 'independence' on KwaZulu, and the resettlement drive likely to accompany consolidation, would destabilise the

region politically. Most also feared that they would cause economic and fiscal disruption, in part because they would entail artificially separating out the economically and demographically closely interwoven sub-regions of Natal and KwaZulu.

It was in this climate of opposition to central government moves that certain calls were heard, from 1977 onwards, for a special Natal dispensation. These boiled down to two recurrent demands. Firstly, they demanded that Pretoria devolve a measure of authority to Natal, giving 'moderate' forces in the region licence to pursue their own regional political solution. Secondly, they demanded that 'white' Natal and KwaZulu be allowed to collaborate, and set up joint political and administrative structures, in the search for a politically credible, economically viable alternative to Pretoria's apartheid programme for Natal.

The Lombard Plan

The first initiative to establish a KwaNatal option came from within the sugar industry, which commissioned Jan Lombard to investigate alternatives to land consolidation in KwaZulu. Lombard's now largely forgotten report advocated 'coordination and cooperation across the entirety of Natal', including constitutionally. The plan identified KwaZulu, rural Natal and the Durban metropolitan area as 'distinct economic, cultural and political configurations' which could serve as building blocks of a Natal constitutional dispensation. He advocated separate and equal representation for these sub-regions in a common legislature, an independent executive elected by popular vote throughout the region. These, Lombard argued, should be constrained by autonomous local government, an independent judiciary, and a bill of rights outlawing statutory racial discrimination but permitting 'voluntary racial exclusivity'; guaranteeing 'development aid' to poorer regions but insisting upon 'limited' government and the protection of private property.

The Lombard Plan received a mixed reception. The National Party dismissed it as 'out of touch with reality' (SAIRR, 1980:9). The report's own sponsors in the sugar industry gave it a lukewarm reception (Southall, 1982), while Inkatha and most academic participants viewed the report as too cautious (Boulle and Baxter, 1981).

The Buthelezi Commission

The Buthelezi commission (BC) was a significantly more far reaching

reformist initiative than the Lombard report, coming as it did from a cluster of groupings - both black and white - eager to engage in serious ideological competitions with those propagating more radical sociopolitical models for South Africa. The commission, though conservative, was willing to advance considerably further in challenging the rules of apartheid than either Lombard or the government's Schlebusch commission which was working on the tricameral parliament proposals.

The commission advertised itself as 'the first real black initiative' in the constitutional debate that had previously been dominated by 'white perceptions of possibilities and alternatives'. The terms of reference implied that while whites fiddled, South Africa was about to burn: expectations of political change were growing and black protest was mounting. The Buthelezi commission, therefore, offered itself as a 'non-partisan' middle way between white perceptions and black demands.

Although the National Party and African National Congress both turned down invitations to participate in the Buthelezi commission's work, it did represent a very wide range of dominant bloc groups, interests and allies. These included Inkatha, the white parliamentary opposition, conservative coloured and Indian parties; powerful capitalists including Harry Oppenheimer, representatives of the Natal sugar industry and of the national chambers of commerce and industry; and a wide range of local and overseas 'experts'.

The Buthelezi commission proceeded from the premise that the homeland policy was untenable; it also rejected several other constitutional models, including the tricameral approach ('parallelism'), partitioning, ethnic federation and westminster style democracy, finally settling for a consociational model (BC Report, Vol I, 1982:106-16). While hesitantly rejecting a geographic federal model, some commissioners implied that consociation could in fact be a transitional step to some kind of, presumably geographic, federation. The interim purpose of the consociational formulation would be to encourage accommodation between population segments at the leadership level.[2]

Consociation implied a single executive coalition involving, at least initially, KwaZulu, the Natal provincial executive, and Indian and coloured representatives. It would also entail a single, universal franchise legislative assembly combining proportional representation with minimum representation for minority groups; a bill of rights; a 10% minority veto in matters pertaining to cultural and individual rights; and an independent judiciary. While elements of group representation would likewise be defined, as far as possible, geographically rather than ethnically. Formal freedom of ethnic and cultural association would be guaranteed.

To arrest the potential for conflict in Natal/KwaZulu, the commission set up specialist committees to look into economic development, planning, administration, education and social services. The findings of these working groups were brought together in the main report. This rejected both 'pure free enterprise' and socialism in favour of a 'mixed market economy', a measure of economic redistribution from Natal to KwaZulu, a 'basic needs' approach in areas like health care, and a gradual move towards freehold tenure in KwaZulu. It also advocated a plethora of joint planning and administrative bodies for Natal and KwaZulu (BC Report, Vol II, 1982:chs 2 and 4).

The Aftermath of the Buthelezi Commission

The government and NP rejected the Buthelezi commission report when it came out in 1982, and they repeatedly criticised the commission over the period 1981-4. This hostility was, prior to the NP split, partly attributable to the pressure of the far right. In 1981 Andries Treurnicht, then Transvaal NP leader, accused Buthelezi of preaching 'Zulu imperialism' (SAIRR, 1981:303). Although NP verligtes preferred to adopt a wait and see attitude rather than give their whole hearted backing, they saw the commission report, in Southall's words, as a 'safe, reliable yet daring instrument for expanding the boundaries of the ideological discourse taking place within the ruling bloc' (1982:37).

While the NP and NRP distanced themselves from the Buthelezi commission, a growing reformist consensus in favour of its report emerged, embracing the PFP, conservative coloured and Indian parties, Inkatha and prominent businessmen. In 1984 the PFP called for a 'united front' to pressure Pretoria into responding more favourably. A process of direct negotiation and cooperation between Natal politicians and KwaZulu began with the setting up of joint committees in 1980. In late 1984 these initiatives assumed a more explicitly political character with the 'Ulundi Accord' between the KwaZulu government and Natal executive. Working groups formed on the basis of this accord immediately set about making concrete administrative and constitutional proposals for Natal/KwaZulu. These proposals, subsequently submitted to Heunis, were designed to force the government's hand and to inform the subsequent deliberations of the indaba.

In 1985, in the shadow of burgeoning domestic unrest and international pressure, a more favourable government response began to materialise. Amid signs that ruling circles were debating some kind of 'federal' option for SA, the government declared its intention to scrap provincial councils and create new multiracial second tier organs. This raised afresh the possibi-

lity that Natal/KwaZulu could offer a laboratory for new structures at the intermediate levels of government. The government's attitude to the KwaNatal option changed sharply: Gerrit Viljoen and Chris Heunis, the latter presiding over the powerful Department of Constitutional Development and Planning, both indicated that they considered Natal/KwaZulu a unique case amenable to a distinctive regional solution, and that the Buthelezi commission could form the basis of further negotiations.

There remained strings attached - most importantly Pretoria has accepted a joint executive but not a joint legislature for Natal and KwaZulu. Nonetheless the KwaNatal crusaders were sufficiently emboldened to push ahead with their Durban indaba, now busily formulating concrete constitutional plans (including a much publicised bill of rights) with the still wavering NP attending as an observer. Those attending include, amongst others, KwaZulu local and provincial bodies, the various tricameral parliamentary bodies, and several white and black employer associations.

II. WHY 'KWANATAL'?

Why did Natal become the site of the kind of advanced constitutional experimentation represented by the KwaNatal initiative?

The view that Natal is somehow 'different' from the rest of the country has a wide popular currency, reflected in cliches about colonial-minded whites and proud Zulus. This paper does not attempt to examine the historical origins and constitution of this distinctiveness, though others have commenced work on this issue (Beall *et al* 1986). Rather it seeks to provide a proximate set of explanations for Natal/KwaZulu's availability, by the mid1970s, for advanced constitutional experimentation by, and on behalf of, the dominant bloc. It focuses, firstly, on Natal/KwaZulu's distinctive spatial economy, and, secondly, on the organised political and social forces favouring a Natal Option.

Natal's Spatial Economy

A notable feature of government 'reform' policies in the 1980s has been the creation of new regional units of planning and administration which cuts across ethnically defined territorial units like bantustans and black municipalities. The 'development regions' on which industrial decentralisation policies rest, and the regional services councils, are obviously examples. Attempts to integrate Natal and KwaZulu into a single regional unit follow this same pattern, Cobbett *et al* (1986) argue that changes in South Africa's spatial economy in the 1960s and 1970s have underpinned

these changes.

Until the 1960s, the bantustans were largely rural and agricultural; their levels of internal urbanisation were uniformly very low; and they exported labour to urban and mining centres in 'white' SA almost exclusively in the form of long-distance migratory labour. This pattern underlay the dualistic spatial mythology used to rationalise post-1948 apartheid. According to this mythology the bantustans constituted highly distinctive socioeconomic zones conducive to autonomous political development; zones capable, with central state assistance, of acquiring sufficient economic autonomy to give real meaning to their formal political independence.

A number of factors at work, especially in the 1960s, substantially altered the space economy underlying this imagery. Perhaps most importantly, certain 'white' metropolitan conurbations expanded up to, and along, the borders of the bantustans, while urbanisation got underway within certain bantustans in areas adjacent to, and abutting, 'white' metropolitan conurbations.

The new configuration was the result of state efforts to displace existing African urban areas into bantustans and to channel new urbanisation into the bantustans. Displaced metropolitan urbanisation in the bantustans was further reinforced by the proliferation of informal settlements near the existing bantustan dormitory townships and the state's promotion of border industries as well as bantustan growth points in the orbit of white metropolitan centres. Capital's own suburbanisation drives, impelled by rising land prices and congestion in the metropolitan cores, reinforced these processes.

The outcome was the creation of new, metropolitan-centred urban regions, or regional space economies, radiating outward from metropolitan cores in 'white' areas and enmeshing a substantial part of neighbouring bantustans. One further result has been the phenomenal expansion in the number of cross-border commuters, located on the fringe of the permanently settled urban proletariat.

Cobbett *et al* (1986) argue that these boundary-straddling urban regions provide a crucial material referent for the new 'functional' administrative and planning units that cut across the bantustan/'white' SA divide. The urban regions also provide a central referent for arguments in favour of an administratively integrated KwaNatal.

Metropolitan-centred urban regions enmeshing adjacent bantustans are the Pretoria-Witwatersrand complex (which embraces KwaNdebele and sections of Bophuthatswana) and the greater Durban area (which overlaps into KwaZulu).

On a somewhat smaller scale, Bloemfontein (whose surrounding complex includes parts of Bophuthatswana and an area that may be incorporated into QwaQwa) and East London (whose main dormitory township is located in Ciskei) can be similarly viewed. Still smaller scale, and more embryonic, versions of this phenomenon can be found in a number of white towns located in the proximity of bantustans - Pietersburg (near Lebowa), Ladysmith (abutting KwaZulu) and Queenstown (near Ciskei). Natal constitutes an almost ideal-typical illustration of these processes, with almost all its black urban population residing in KwaZulu. Boundary crossing urban centres in the province include Pietermaritzburg/Edendale, Ladysmith/Ezakheni, Newcastle/ Madadeni and the Durban metropolitan area.

It is the Durban metropolitan area (DMA) which constitutes the classic case of a large metropolitan region enveloping a sizeable proportion of a neighbouring bantustan. Thus the DMA is identified by the Lombard plan as a 'cross-cutting regional coherence' capable of serving as a distinctive geo-political subdivision in a future Natal dispensation (1980:24). The Buthelezi commission suggests that the DMA could serve as an interim laboratory for a region-wide political structure. It is largely on the basis of the DMA experience that KwaNatal campaigners emphasize the impossibility of artificially separating 'white' Natal from KwaZulu.

The core area of the DMA, is located in 'white' South Africa, together with still un-incorporated black townships like Lamontville and Chesterville. The 'white' component of the DMA has expanded west along a corridor between two sections of KwaZulu, into Pinetown and Hammarsdale, as suburbanised concentrations of industrial capital. However, most DMA townships, including Umlazi, KwaMashu, KwaMakuta and KwaDengezi, are located in KwaZulu. In addition there is a large cluster of informal settlements which sprang up in nearby KwaZulu.

These patterns of settlement and incorporation in turn generated a massive increase in cross-border commuting. Together with a simultaneous expansion in migrant labour recruitment during the 1970s, they contributed to the growth in KwaZulu's dependence on outside sources of income (Schlemmer, 1985; Van den Berg, 1985; Morris, 1981: 63-65, 86, 104-05).

This combination - ie massive bantustan urbanisation (over 2 million people) within the geographical and economic orbit of the 'white' metropolitan core, coupled to the increased integration and meshing of Natal and KwaZulu's respective spatial economies - appeared to provide a compelling case for greater administrative integration between the two sub-regions.

III. THE BALANCE OF POLITICAL FORCES

The Natal/KwaZulu area has exhibited, since the later 1970s, a balance of political forces quite unique in South Africa. The conjoint state apparatuses of KwaZulu and 'white' Natal are both controlled by political elites - organised principally through Inkatha and the NRP respectively - committed to a programme of constitutional reform going beyond that of the NP, while being vigorously antirevolutionary. Both are also committed to preserving their power base in the Natal/KwaZulu region (and thus favour the extension of its autonomy). They also share a desire to make a substantial impact on the national political stage (and in this respect to use their region as a platform for future power bargaining as well as to develop it as a constitutional 'model' for other regions). Moreover Inkatha's considerable following in the region's homogeneously Zulu population, and the presence of significant conservative strata in Natal's relatively large Indian community, provide the dominant bloc with a rare opportunity to win popular legitimacy for a reformist initiative.

White Provincial Politicians: the NRP and Provincial Administration

Natal provincial politics has, in contrast to that of other provinces, never fallen under the hegemony of the NP. Although the dominance of the NRP, and before it, of the UP, cannot be ascribed simply to the preponderance of English speakers in the white population, there does exist in the province a political culture that is in many respects provincialist and anti-Afrikaner (for the class basis of this see Marks, 1986:11-14). When, in the 1970s, leading Natal English-speaking politicials again began to call for a special dispensation, they could, of course, feed off a history of Natal settler antagonism towards the north. Their motivations were, however, generally much more immediately conjunctural and materially rooted.

By the mid-1970s, Natal's provincial bosses had every reason to wish to see power devolved from central government to their own region. Pretoria's plans for the region appeared menacing, political pressures in Natal were growing (as evidenced by the 1973 strikes) and the basis seemed to exist for negotiating a regional settlement independently of central government. Thus in 1980 Frank Martin called for nothing less than the 'severing of the administrative umbilical cord from Pretoria', arguing that regional government could take over most physical planning, infrastructural provision, local government coordination and education.[3] That same year saw the beginning of practical cooperation between Natal and KwaZulu.

Moreover, as the group most immediately, confronted by the administrative

and fiscal consequences of Pretoria's envisaged fragmentation of the region, provincial politicians, administrators and technocrats stressed the need to rationalise the region's management. '(P)lanners and administrators at all levels' complained to the Buthelezi commission that the existence of separate authorities in KwaZulu and Natal created 'unnecessary high levels of inefficiency and unnecessary expense' - particularly in the larger economic core areas (BC Report vol II, 1982:553). Rationalisation was seen as a prereguisite for the 'upliftment' of a black population situated largely inside KwaZulu with its land shortages and paucity of resources. At a time when the fiscal demands of socio-economic 'reform' were expected to rise rapidly, placing a huge burden on any prospective regional government, 'cross/border' rationalisation could, it was assumed, keep these costs within manageable limits. The *de facto* economic, demographic and spatial integration of Natal and KwaZulu offered a potentially viable basis for fiscal rationalisation, since it could facilitate administrative co-ordination between the two areas over the provision of infrastructure, and the exploitation of physical resources like water, land, mineral resources and so on.[4]

But the NRP's provincial politicians, though eager to push for *administrative* co-operation (indeed taking the lead in this respect), were initially reluctant to see Natal and KwaZulu fused *politically*. The reasons were obvious enough: their - and the NRP's - power base lay in the provincial apparatus, and political integration would result in their subordination to a blackdominated regional government (at least formally). Though participating in the deliberations of the Buthelezi commission, RB Miller, an MP and leader of the NRP in Natal, refused to sign its main report on the grounds that a single legislature for Natal/KwaZulu elected by universal adult franchise on a proportional basis would lead to 'confrontation, conflict and chaos'.[5] Similarly, as late as 1984, Frank Martin asserted:

> Natal and KwaZulu are in my opinion economically and strategically indivisible. But not politically. Here we have two separate entities: the Natal Provincial Administration and Ulundi ... both acting as governments for their people ... What I would like to see established is a common planning and administrative, rather than political, authority (in Robbins, 1984:5).

However, from some time in late 1984 Martin and the NRP began moving towards the idea of a joint elected legislature and common executive. The central government's plans for abolishing the provincial councils concen-

trated their minds, since this threatened the sole national power base of an otherwise moribund political party and pressured them to find a viable alternative to Pretoria's proposals for restructuring the second tier of government. Consequently, in October 1985, the NRP Natal provincial congress approved a policy change to allow for the joint government of Natal and KwaZulu as one unit, based on a single elected body with statutory power. However, the NRP remained opposed to proportional representation up until the start of the Indaba. It clearly continued to see 'group representation' as offering the only possible basis for preserving effective white control and, with it, a regional role for the NRP (*Daily News*, 21.10.85; *Star*, 23.10.85; *Financial Mail* 01.11.85).

Inkatha

On the side of the black population, the key participant in the KwaNatal deliberations has undoubtedly been, and remains, Inkatha. Inkatha not only initiated the Buthelezi commission; it was also directly represented on the commission and many individuals associated with Inkatha gave evidence to it. Inkatha also controls the KwaZulu government, the negotiating counterpart to the Natal Provincial Administration. Still more importantly, however, Inkatha's leader, Chief Buthelezi, would be certain to lead any Natal/KwaZulu regional government originating in a universal franchise electoral process that excludes radical political groups. Buthelezi's involvement is crucial to any settlement that seeks to be acceptable to white political elites and, at the same time, credible with substantial parts of the black population.

Buthelezi undoubtedly enjoys a measure of support in KwaZulu, especially in the north and in the shack settlements and hostels of the greater Durban Area. More importantly - and in contrast to the situation on the Reef, where most Africans have no allegiance to, and many have never seen the bantustans to which they are assigned - most urban Africans in Natal/KwaZulu fall under the direct control of the KwaZulu capital at Ulundi. This raises Natal's conservative white reformers' hopes that the majority of the region's urban Africans can be persuaded - whether through patronage, coercion or spontaneous allegiance to Buthelezi - to play ball with the KwaNatal initiative. The Buthelezi commission writes that it is:

> particularly mindful that one Black leader of moderate and co-operative inclinations with a wide base of legitimacy (Chief Buthelezi and Inkatha) should not have his position undermined by heightened radical mobilisation (BC Report,

vol II, 1982:116).

Why, for its part, has Inkatha shown such interest in a regional dispensation? The movement closely reflects the concerns of an elite which, like others in Natal's black political history, is defined by what Shula Marks (1986) has called the politics of 'ambiguity'. It is suspended uncomfortably between pan-South African and Zulu nationalism, between liberal modernism and patriarchal traditionalism, between assertive criticism of, and collaborative dependence on, the white dominated state. Whether ensconced in the apparatus of chiefs and headmen, immersed in KwaZulu's one-party parliamentary politics, dependent on the homeland bureaucracy for employment, successfully growing sugar and other crops in an otherwise impoverished land, or seeking as traders to keep out white competition, the various elements of the pro-Inkatha elite are dependent on the KwaZulu bantustan and their horizons rarely extend beyond it. Their willingness to accept a regional settlement - especially one that retains a place for KwaZulu, as it is presently constituted, is thus not surprising.

At the same time, however, the political coterie around Buthelezi has constantly been impelled outwards from the narrow political base represented by the destitute and fragmented bantustan over which it presides. Initially these larger political claims were couched in the language of homeland consolidation. In a 1974 speech Buthelezi asserted that 'you cannot even begin to experiment with a federal formula without enough land to make KwaZulu a country' and in 1976 he insisted that he was

> not prepared to accept the so-called 'independence' of the country - Shaka's country is the whole of Natal. We have indicated that if it was given back to us, we would be prepared to accept brown and white Zulus since we are not racist. We see the autonomy of such a state as a unit of one federal multi-national state of South Africa.

This policy - later adopted by Inkatha under the label of 'regionality without ethnicity' - undoubtedly contains some of the roots of the Natal option, interlocking easily as it did with the emerging demand of Natal's dominant white groups for greater regional autonomy and for the right to negotiate a regional settlement. The push by Inkatha for an intermediate regional power base allowed the organisation to extend its designs beyond a discredited bantustan. By its refusal to accept bantustan 'independence' and repeated invocation of federalism, it allowed it to keep open the option of involvement in a future national political dispensation, while,

at the same time, allowing Inkatha to remain close to its traditional Zulu base. By solidifying Inkatha's alliances with local white business and political groups, and ensuring an Inkatha dominated multi-racial regional polity, a regional settlement would leave Inkatha well placed to bargain for entry into the central state while presenting critics on the left with a *fait accompli*.

Around 1980, Inkatha faced a double challenge. On the one hand, with the reformers around Botha devising new constitutional formale it became all the more urgent for Inkatha, as a movement seeking national credibility, to devise alternative proposals of its own, to counterpose to Pretoria's efforts its own 'first black initiative'. On the other hand, Inkatha simultaneously faced, on its other flank, precisely the 'heightened radical political mobilisation' that Buthelezi's supporters feared. This meant that Inkatha also needed a set of proposals capable of competing in the legitimacy stakes with more radical alternatives.

There can be little doubt that 'heightened radical mobilisation' closely influenced the timing and deliberations of the Buthelezi commission. Until roughly 1980, Buthelezi could accumulate popular support in a political climate more or less free of effective political competition. By 1980, however, the African National Congress had begun to make a comeback through its armed propaganda, a development whose significance for South Africa was heightened by the Zanu-PF electoral victory in Zimbabwe.[6] Natal/KwaZulu appeared to provide an ideal potential reception ground for the ANC's armed insurgency. The physical terrain was ideal and the level of politicisation rising: school and university boycotts broke out in 1980 in KwaZulu, while the Buthelezi commission's own attitude surveys found evidence of growing popular sympathy for insurgents (BC Report, vol I, 1982:100-01). The commissioners kept the threat of guerilla warfare 'constantly in mind' and at one point bluntly referred to the Buthelezi commission as 'an attempt, by the route of agreed co-operation, to avoid the armed struggle' (vol I, 1982:32).

Organised Big Capital

Representatives both of Natal-based capital, and of big capital nationally, have played a prominent role in the Natal/KwaZulu initiative from the outset: by sponsoring the Lombard plan; by participating extensively in the Buthelezi commission; and by applying pressure on the government to adopt the Buthelezi commission's recommendations. In 1985 a joint private sector committee, consisting of the Durban metropolitan chamber of commerce, the Natal chamber of industries and the SA Sugar Association,

began to play an active role in the KwaNatal initiative. Together with prominent capitalists like Chris Saunders and Tony Ardington of the SA Cane Growers' Association, the committee[7] stepped up pressure on Pretoria to embrance the Kwa-Natal option.

Why has business so enthusiastically backed the KwaNatal campaign? At a base level, because political stability in the region would ensure a secure climate for investment.[8] Whereas central government plans for Natal/KwaZulu appear to be a recipe for regional instability, KwaNatal appear to offer at least some prospect of regional accommodation. And not only *regional* accommodation: big capital nationally has viewed the KwaNatal experiment with considerable interest as a potential model for country-wide racial accommodation.[9] Sugar magnate Chris Saunders, who has played a prominent role in the KwaNatal campaign, views the regional model as an alternative to a unitary national formula which, he claims, would create 'the most powerful Black state in the world' and lead to 'marxism, a dictatorial one-party state, almost continuous revolutions, and so on' (Robbins, 1984:5). Businessmen in general have also hoped, as the Buthelezi commission pointed out, to gain from an integrated Natal/KwaZulu the benefits of a regional labour market free of impediments to labour mobility (though influx control has in recent times, been less restrictive in Natal than elsewhere in South Africa) (BC Report, vol II, 1982:181-89). Finally, all capitalists stand to gain from infrastructural rationalisation and the elimination of unnecessary apartheid-rooted fiscal expenditure.

Organised agriculture presents an interesting case. While some farmers have stood to gain from the central state's land consolidation plans, others have seen the value of their land deteriorate under the threat of a state buy-out. The acquisition of white land for consolidation purposes poses a long-term threat to the interests of capitalist agriculture as a whole, since it threatens to lower the productivity of newly acquired land, causing black KwaZulu farmers to demand still more redistribution in their favour. The result, as both the Lombard and Buthelezi commissions recognised, would be the politicisation of land allocation,[10] with destabilising consequences for regional agriculture. From this perspective, capitalist opposition to consolidation looks like an attempt to freeze the existing (highly unequal) redistribution of land in Natal/KwaZulu.

The sugar industry has a special interest in avoiding the artificial separation of a consolidated KwaZulu from white areas. Because capital intensive sugar mills have a breakeven point at about 70-75% of planned mill capacity, they require a more or less continuous supply of sugar cane from over a wide area. There is intense competition by mills for access to cane growing areas, and the bigger the supply area, the bigger the problem

of delivery on schedule. Anything threatening the supply of sugar cane - whether new administrative boundaries, declining productivity in sugar cane producing areas as mills become more dependent on part-time black farmers, instability in agricultural areas or the redirection of cane supplies to any new mill established in KwaZulu - would threaten the profitability of the milling industry. All this undoubtedly helps to explain the special role sugar industry representatives have played in the KwaNatal initiative.

While sugar has been at the vanguard of capitalist involvement in the search for a KwaNatal option, other capitalist sectors, both regionally and nationally, although initially slow to respond, soon came to share sugar's appreciation of the urgency and opportunity surrounding the initiative.[11]

The significance of capital's role in the KwaNatal buildup lies in the precedent it set for the kind of capitalist forays into constitutional engineering that have since become more common (viz the Assocom document on federalism and FCI's Business Charter). In contrast to other post 1976 business 'reform' initiatives (like the Urban Foundation) KwaNatal actually entails an explicit attempt by businessmen (amongst others) to present a reformist but hamstrung central state with alternative political models. Unable to achieve sufficiently quick results by way of lobbying the NP, but encouraged by signals that Pretoria would respond favourably to private and regional initiatives, big capital - including the national representatives of FCI, the Institute of Bankers and Anglo American - went for the political gap opened up by KwaNatal.

IV. CENTRAL GOVERNMENT INITIATIVES

The KwaNatal drive originated in the initiatives of a coalition of interests based in Natal. However, it gained a new plausibility and significance when, from around 1979, reformers in the central government began to pay increased emphasis on political decentralisation. A central component of this was regionalisation: the creation of new planning, administrative and representative organs at the intermediate (regional) levels of the government system, cutting across and in some respects superseding the ethnically defined boundaries of existing units.

The Conjuncture of 1979-1980

While the Botha Government, which came to power in 1979, rededicated itself to homeland policy, a growing number of influential technocrats - assembled in an array of panels, committees and executive planning organs - began to recognise that the bantustans were incapable of becoming economi-

cally autonomous or self-sustaining; that the bantustans were (perhaps more than ever) intimately integrated into, and dependent upon, the 'white' SA economy. It was against this backdrop that the Botha government unveiled its 'regional' development approach, later formalised in the Good Hope development plan of 1981-2.

While still committed, at the political level, to the creation of ten 'independent' ethnic states, the government began to accept the structural economic (and spatial) interconnectedness of the bantustans and 'white' South Africa as a departure point for further planning. Instead of trying to insulate the bantustans from 'white' South Africa by treating them as planning units in their own right, planning would in future be structured around 'functional' development axes linking the bantustans to neighbouring parts of 'white' South Africa. The country's land surface would be divided into eight (later nine) 'development regions', and the formulation of planning priorities for each region would, the government said, increasingly be devolved to multi-racial advisory organs located at the regional level.[12]

Officially the government presented this approach as laying the basis for nothing more than an EEC-style confederation of 'independent' ethnic states, inserted in turn into a wider southern African 'constellation'. This remains, with some modification, Pretoria's official line to the present day. Nonetheless, 'verligtes' linked to the ruling National Party began to hint, from the late 1970s onwards, that the regional approach to economic development could lead to a new constitutional order premised both on the political re-incorporation of the bantustans and the decentralisation of political power.[13]

Pretoria's new emphasis on integrating the bantustans and neighbouring parts of 'white' SA into single planning units paralleled one of the main goals of the KwaNatal campaigners in their own region. Indeed, the central government itself (in 1982) designated 'white' Natal, KwaZulu and a northern strip of the Transkei as components of a single planning region ('Region E'). Moreover, the government's stress on political devolution, coupled to its general reformist orientation, created a climate to which reformist groups outside the central state felt free to explore distinctive constitutional options at the regional level. This duality is captured in the recollections of two early participants in the Natal option discussions:

> During 1980 there were two distinct, and at times contradictory, types of constitutional activity in South Africa. The first was at the formal level of constitutional

> amendment and was prompted, *inter alia*, by the report of the Schlebusch Commission ... The second was the informal level of political debate and academic speculation where there was general agreement that a constitutional alternative to consolidation of the national states would have to be found. The key concept in this process was regionalism (Boulle and Baxter (eds), 1981:vii).

It was during this conjuncture (1979-80) that the Lombard commission sat, the Buthelezi commission began its work, and the Natal provincial government and KwaZulu began making practical moves in the direction of joint administration and planning.

Regionalisation

The concern to 'regionalise' the administrative and representational structures of the SA state has become a particular priority since roughly 1984 (Cobbett *et al*, 1986). Within the central state, powerful technocrats and verligtes have continued to push the Good Hope development plan (regionalisation of planning structures), while also pursuing the regionalisation of local government (via the regional services councils), and the regionalisation of second tier administration (where executive committees have recently replaced the provincial councils). Meanwhile reformist groups outside the state have continued to pursue, and invest much anxious hope in the KwaNatal initiative.

While the term 'regionalisation' is being used here to cover initiatives which are distinct in their origin and content, they share certain distinguishing features. Regionalisation involves the decentralisation of certain functions from the central state to lower tiers. But it can be distinguished from other decentralisation initiatives (like the formation of Black Local Authorities) in two respects.

Firstly, it may involve a degree of *centralisation* of authority - for example from local to metropolitan authorities - so that the intermediate (regional) levels of the state become a catchment for functions formerly invested in both the central *and* local levels. Secondly, regionalisation usually involves the 'functional consolidation' of neighbouring racially segregated municipalities or ethnically defined territories into single units (like RSCs or development regions) for the purpose of the exercise of certain functions. Still other functions may, of course, be centralised more than ever at the first tier of government, and within the first tier may be centralised more than ever in the executive branch. This has indeed

been a feature of the Botha government's authoritarian reformism, and constitutes the other (less publicised) side of the decentralisation coin.

All regionalisation measures have as their principal purpose the political stabilisation of SA society through the incorporation and co-option of blacks onto second and third tier organs. This is clearest in the case of the RSCs or the KwaNatal initiative, but also holds true for the regional liaison committees and cross-border development projects assocated with the Good Hope plan. However, there is also an economic purpose to these initiatives.

Regionalisation offers the dominant bloc a range of options for resolving, in tandem, both the political and economic crises currently confronting it. It is one component of a global restructuring drive whose aim is twofold: (1) to facilitate a relatively stable transition to a new constitutional order capable of restoring social peace and arresting pressures for radical (anti-capitalist) change; (2) to rationalise SA's fiscal and administrative systems in a way that helps to re-establish the conditions of rapid, non-inflationary economic growth, while simultaneously permitting a degree of amelioration of social inequalities.

Regionalisation offers itself as one possible - and partial - instrument for securing both of these objectives. Privatisation offers a further, complementary instrument, and it is useful to consider them as distinct but related elements of the dominant bloc's restructuring efforts. Both involve reducing the central state's role as a decision-maker in the allocation of social resources, and therefore its importance as a 'prize' in the struggle between contending social groups. This does not necessarily imply an absolute cutback in the state's provision of services and welfare goods. Fiscal conservatism in SA is ambiguously married with a commitment to increased redistribution in favour of, for example, poorer regions and municipalities.

Reformers in the state seem determined, however, to transfer an increasing proportion of this redistributive role to the intermediate level organs of the state like the RSC. 'Regional' organs can mobilise resources from affluent, hard pressed, sub-regions within their jurisdiction, thus, in theory at least, alleviating the fiscal crisis of local government. Through these measures, reformers hope to deflect pressure away from the central state, both by 'regionalising' conflict over allocation outcomes and by transforming intermediate and lower levels of the state into more attractive political prizes. By further delegating responsibility for providing certain kinds of social goods to the private sector, reformers hope to 'depoliticise' certain kinds of allocation outcomes, presenting them as the product of impersonal market forces.

By reducing the fiscal role of the central state, both regionalisation and privatisation strategies seek to promote long term economic growth. Regionalisation attempts to do this by a twofold process. Firstly, by consolidating racially segregated localities and sub-regions into integrated administrative and planning entities, it facilitates the rationalisation of resource use, avoids infrastructural duplication and promotes the geographical mobility of labour and other factors. Regionalisation measures proceed from what technocrats call 'functional', as opposed to 'political' criteria to spatial economic management. The development regions encourage cross-border planning between adjacent parts of the bantustans and 'white' South Africa, while RSCs bring the benefits of economies of scale to racially fragmented neighbouring municipalities. Financial benefits derived thereby are intended to partly offset increased redistributive costs.

Secondly, regionalisation is intended to reduce the chances of an inflationary fiscal crisis by cutting back central state spending even though it increases government spending at the regional levels. This is paradoxical, since, whatever level of the state foots the bill, it must still have the same net consequences in terms of the scale of taxation, borrowing requirements, etc. Nonetheless, regionalisation does potentially introduce a degree of flexibility into the system of fiscal management. For example, individual RSCs are likely to be given a choice between increasing their levies in order to make more funds available for redistribution to black municipalities, or lowering levies in order to encourage capitalist investment and therefore, in theory at least, the job-creating and revenue-generating potential of the metropolitan economy. Mobile capital, for its part, will have a choice between shouldering some of the burden of economic redistribution in a given metropolitan area, or moving to another metropolitan region where levies are lower, or taking advantage of the financial incentives available in decentralisation and deconcentration points.

While fiscal crises could break out - in the form, say, of the bankruptcy of a particular RSC - these crises would be relatively localised and manageable through ad hoc central state intervention. Moreover, regionalisation is complemented by privatisation, which reduces the state's fiscal load.

Natal/KwaZulu and Regionalisation

Natal/KwaZulu illustrates the way regionalisation strategies present themselves as potential solutions to both the political and economic crises of the dominant bloc. On the one hand, the KwaNatal initiative is clearly

addressing a series of political objectives: the political stabilisation of the region, the safeguarding of 'moderate' black leadership, the neutralising of radical mass based opposition, and the development of models for institutional 'reform' elsewhere in the country. On the other hand, these are intertwined with a number of economic objectives. The KwaNatal initiative involves an attempt to institute 'rational' cross-border planning and administrative integration in the Natal/KwaZulu region, principally by building on the emergence of a metropolitan centred, boundary spanning regional economy radiating outward from Durban-Pinetown into neighbouring KwaZulu.

As with the RSCs and development regions, the KwaNatal concern with economic rationalisation is accompanied by a recognition of the (political) need to redistribute resources from wealthier to poorer areas. While businessmen in general support cross-boundary rationalisation, they are wary of any reform programme that smacks of excessive taxation and state expenditure - thus their heated opposition to new RSC levies.

Like other regionalisation measures, the KwaNatal initiative seeks to reconcile the amelioration of social inequality with the enhancement of capitalist accumulation; and the political incorporation of the black majority with the preservation of a capitalist socio-economic order. This is the basis of its rejection of 'socialism' in favour of a 'mixed economy'.

Government versus KwaNatal

There is, however, no consensus within the dominant bloc about the scale and ambitions of regionalisation. The KwaNatal initiative represents a relatively 'radical' project while, for example, the Good Hope plan appears more limited in its political objectives. Spurred on by the central state's favourable attitude towards the regionalisation of state structures, the KwaNatal campaigners are pushing for something more ambitious than the bulk of government and ruling party reformers are currently willing to accept. Yet, as will be shown, the KwaNatal initiative itself remains trapped within conservative premises.

For more conservative proponents of regionalisation, like Chris Heunis, the political purpose of the strategy is to incorporate the black majority into lower levels of the state, first the local, then the metropolitan and regional levels. In the process it will give black people access to organs which can, in theory, be used to redress certain urgent material grievances and offer them some sense of participation in the state system as a whole. If this cooptation were be be successfully accomplished, it would, at least

temporarily, buy more time for Pretoria, allowing it to devise (through what it calls 'consultation') schemes for incorporating the black majority, in a subordinate and attenuated way, into the central state.

In the somewhat bolder approach pursued by the KwaNatal initiative regionalisation is seen as part of a process of political change that points beyond minority rule (in any formal sense) towards a multi-racial federal constitutional order. Regionalisation, in these terms, is not seen as a way of buying time for the present regime, but as a means of generating - through advanced regional experiments like the KwaNatal option - models that can accelerate the transition to a new constitutional order for the country as a whole. Only by moving towards a structure in which reasonably credible but conservative black reformers - like Buthelezi - take over some of the visible reigns of power, will it be possible to establish a constitutional framework that enjoys mass legitimacy without being subversive of the underlying capitalist social order.

There are also differences over precisely what role ethnic and cultural differentiation should play in the new second and third tier organs. Some, particularly in central government, seem determined to retain some concept of ethnic 'own affairs', and to weave this, with its accompanying paraphernalia of compulsory group association and geographic segregation, into any future constitutional order. The Buthelezi commission is more enlightened in these respects, favouring a gradual evolution, at least at the legislative level, towards proportional forms and geographic units of representation. While it calls for minimum group representation it implies that this should be based, in the legislature, on voluntary 'cultural streams' rather than compulsory race membership.

Finally, there has developed a conflict between those conservative reformers who favour an essentially technocratic or administrative definition of new second and third tier organs, and those whose approach is more boldly 'political'. The more technocratic approach is premised on the devolution of substantial planning and administrative authority to bodies of bureaucrats, experts and representatives of organised corporate interests. The Good Hope development plan, and its accompanying organs like the RDACs and RLCs, are technocratically conceived bodies designed to provide the basis for 'co-determination' in the economic sphere.

This approach is criticised by the more sophisticated Buthelezi commissioners, who argue for a less technocratic, more explicitly political, approach to racial 'reform'. Joint planning through development councils or development banks will be dominated, they argue, by 'economists, accountants and planners' and this 'immediately puts any grass-roots representatives of Black South African communities at a disadvantage'. They add that

under such circumstances the 'expression of the political opinions of rank-and-file Black South Africans will inevitably remain a very weak adjunct to economic and technical considerations'. They direct similar criticisms at the provincial executive committees designed to replace the provincial councils, and at the regional services councils (Schreiner and Schlemmer, in BC Report, vol II, 1982:95-98).

State reformers envisage that these to be essentially administrative bodies insulated from party-political competition. Because the executive committees and RSCs will replace elective institutions, and because they will be based on government appointment in the case of the former and indirect election in the case of the latter, the introduction of these bodies has been correctly interpreted by liberal critics - including those involved in the KwaNatal initiative - as moves in the direction of authoritarian centralisation rather than the (officially proclaimed) devolution of power. The fact that the new bodies are multi-racial, whereas the former elective ones were racially exclusive, does not comfort such critics, anxious about what appears to be a retreat from what little democracy existed under the previous constitutional order. This regression, together with the absence of prior consultation, illustrate forcefully the meaning of topdown, managerial reform (Cameron, 1986; Geldenhuys, 1986).

The KwaNatal project has a more sophisticated approach: its emphasis is strongly on politics, and its discourse one of democratic representation. Although, as we have seen, the provincial political bosses initially favoured administrative rather than political co-operation, almost all KwaNatal advocates now favour a multi-racial, jointly elected legislative assembly for the whole Natal/KwaZulu region, rather than simply high level technical cooperation and a joint executive.

Clearly then the KwaNatal initiative is a bolder project - less inimical to black government, less ethnocentric, and less technicist - than regionalisation plans emanating from the central state. Yet it remains, at the end of the day, a conservative project whose provisions reformers in the ruling party may, bit by bit, come to adopt. This same conservatism places a question mark over its competitiveness in the popular legitimacy stakes at a time of growing politicisation and pressure for radical change. In what ways is the KwaNatal initiative conservative?

Firstly, its advocates, while willing to contemplate a black occupation of the central state, insist that, as a precondition, central state organs must themselves be emasculated. The Buthelezi commission, and the recent Assocom constitutional proposals, are quite explicit about this. According to the Buthelezi commission,

> the consociational model's basic approach is to share, diffuse, separate, divide, decentralise and limit power ... In the Westminster model, the system of government is unitary and central-ised: there are no geographic and functional areas from which the parliamentary majority is barred. Instead of centralised government, the consociational model prescribes the decentralisation of power to regional and local governments and/or to non-territorial groups (BC Report, vol II, 1982:125)

For its part the Assocom report, authored by Lombard and JA du Pisani (both involved in the Lombard report), talks of 'polycentrism' and the 'division of sovereignty', and envisages a central state hamstrung by, *inter alia*, an independent reserve bank and judiciary; entrenched constitutional clauses protecting capitalist property and the status of the currency; minority veto rights; a separation of powers within the central government itself; and autonomous regions and localities.

Under such a system the central government, no matter what the racial hue or ideology of its occupants, would have a hard time introducing a conventional welfare state, let alone building socialism. Inequalities of income, of wealth, of access to social goods, and the fundamental racial and class inequalities underpinning them, would scarcely be addressed at all, except within the narrow ambit of Lombard's 'development aid' or the Buthelezi commission's 'basic needs' approach.

Nonetheless, even under such a system the holders of privilege would be threatened as long as the black majority, or the black working class, remain capable of unified, nation-wide mobilisation. Additional buffers against 'majoritarianism' have therefore been proposed by KwaNatal reformers. According to the Buthelezi commission and a 1980 workshop on the Natal option, political activity in KwaNatal should be structured around 'issues' rather than leaderships or programmes, while 'cross-cutting cleavages' based on race, class, region and non-political interest groups should be encouraged. The ultimate guarantee against black majority rule would thus be the disappearance of the majority itself (Schlemmer, in Boulle and Baxter (eds). 1981:209; Dean, in Boulle and Baxter (eds), 1981). It seems certain that this approach will face strong opposition from more radical black groups which regard the black majority as their power base, and which envisage using the central state as an instrument for effecting a more far reaching redistribution of political and economic power.

Secondly, as Southall (1982:18-19) notes, the Buthelezi commission does

not challenge the apartheid rooted assumption that the central political challenge in SA is to contain conflict between 'cultural segments'. Nor does it break with the view that members of minority cultural streams/races are entitled to special 'protection'. It disingenuously, though implicitly, treats whites as one minority amongst many, ignoring that minority's presently entrenched and privileged position. Taken together with other proposed measures to contain radical change, it seems clear that the purpose of such provisions is to protect, not minority rights, but minority privileges.

Finally, there are limits to the KwaNatal initiative's acceptance of the logic of politics: we have already noted the concern of some of its participants to restructure pat-terns of political mobilisation as far as possible around 'issues' and 'non-political interest groups'. Moreover, while the KwaNatal campaigners enjoy a more intelligent grasp of the requirements of legitimacy building than do central government reformers, their efforts fall far short of the kind of 'grass-roots' and 'rank-and-file' approach that they counterpose to Pretoria's technocratic methods, and which more radical political organisations are demanding. It is revealing that the first open session of the KwaNatal indaba had seating for 720 people, while most of the indaba has proceeded behind closed doors. Moreover, participants in the constitutional deliverations of the Buthelezi commision (BC Report, Vol I, 1982:106-12) and other KwaNatal forums (Boulle and Baxter (eds), 1981:204-06) have been quite open about their concern - for example through a consociational formula - to secure a 'leadership coalition' or 'elite cartel' as a basis for political accommodation in their region.

CONCLUSION

How radical the KwaNatal constitutional proposals will be when finally they emerge from ongoing debates in the indaba remains to be seen. Indications are that most of the participants are moving towards accepting some approximation of a universal and unitary franchise, while insisting on measures to give constitutional 'protection' to minority 'groups'. Current talk is of a two-chamber legislature where the burden of protecting 'cultural' groups is placed on the upper house. This formula resembles, but may in some respects move beyond, that proposed by the Buthelezi commission.

Whatever formula finally emerges, it seems likely to fall short of the popular demand, articulated by more radical groups outside the indaba, for majority rule in a unitary state in which no special protections are afforded politically and economically privileged minorities. That is one reason

why the indaba has been rejected by UDF, Azapo, COSATU and other opposition groups. For these groups, the indaba is an emanation of the 'system', an elitist forum deliberating behind closed doors, concerned to protect capitalism and stave off fundamental change. They regard as unacceptable the (implicit or explicit) terms on which the indaba is willing to include them: that they renounce their more transformative goals in favour of a search for 'consensus' and become one set of negotiating partners among many, irrespective of their potential to command majority black support nationally.

In addition these groups are suspicious of the role played by Buthelezi in the conception and negotiation of the KwaNatal option, and fear (bill of rights notwithstanding) that they would enjoy little freedom to organise in a region dominated by an authoritarian Inkatha leadership tacitly backed by Pretoria. Further, they oppose any attempt to negotiate a regional political settlement separately from a national solution - at the same time rejecting the potentially fragmenting effect an autonomous KwaNatal would have on a future unitary South Africa.

Yet the left should not minimise the importance of the KwaNatal initiative. In the first place, it should not underestimate the determination of reformist circles to see KwaNatal succeed at a time when other 'reform' initiatives in the country are floundering. In order to make it succeed they will not hesitate to call on Inkatha's resources of patronage, coercion and mass support. With UDF in Natal decimated by vigilantism feeding off divisions of the black community, its ability to effectively challenge Inkatha on its home ground will be reduced. And while the Natal Indian Congress resolutely opposes any attempt to incorporate Indians into KwaNatal, Inkatha has its own means of leverage over an Indian population that is not, after all, uniformly radical. Finally COSATU, now on the front line in Natal, is divided on how to deal with Inkatha. The struggle for Natal is thus likely to be an uphill one for progressive and left organisations. Close analysis and careful consideration of tactical responses will be necessary.

There is one final issue which the left should consider. The demand for political decentralisation is not an inherently reactionary one; nor are demands for cultural autonomy or self-determination by particular groups. In other contexts, the left has recognised the progressive character of such demands, and fought determinedly for their realisation. In responding to KwaNatal, then, the left will have to demonstrate - and I think it can do - what is reactionary about the way these demands are being formulated in reformist circles in South Africa today. This raises the whole question of how a future unitary and democratic South Africa will handle the legiti-

mate demands of distinctive regions and cultural minorities. Some supporters of the KwaNatal initiative have also expressed some quite legitimate fears of an excessive concentration of power in the hands of a future state elite claiming to represent, or actually representing, the black majority. While resolutely continuing to insist on the bottom line of universal franchise in a unitary state, the left response to the KwaNatal project should also include an alternative set of proposals on how to construct a democratic and pluralist political order in South Africa.

FOOTNOTES

1 The evidence that KwaNatal is seen in this way is very strong, despite a curious contrary assertion by Buthelezi in the *Sunday Star* (30.03.86). See, for example, Buthelezi commission (BC Report, vol I, 1982:31 and 116); Frank Martin (in Boulle and Baxter (eds), 1981: 153); and various editions of the *Financial Mail* (especially 09.08.85 and 13.12.85). More recently there has been talk of a Cape indaba (*Financial Mail*, 13.12.85; *Star*, 05.06.86).

2 BC report, vol II, 1982:107 and 127. Buthelezi himself long advocated a federal model, while in recent years federal-type proposals have eclipsed consociation ones. See Cobbett, *et al* (1986), and also *Financial Mail*, 13.12.85.

3 Boulle and Baxter (eds), 1981:153. Martin is, however, under no illusion about an autonomous Natal's financial viability, at least in the foreseeable future; the KwaNatal plan would need 'financial and political support from the government to succeed' (*Sunday Times*, 30.03.86). The region currently spends more government money than it generates through revenue (*Development Southern Africa*, 2, 4, 1985:553).

4 BC Report, vol I, 1982:sections 2 and 3; vol II, 1982: chapters 2 and 4. See also *Sunday Tribune*, 30.03.86.

5 BC Report, vol I, 1982:121-23. Miller, now an NP cabinet deputy minister, remains a critic of the KwaNatal initiative (*Natal Witness*, 14.03.86).

6 The ZANU-PF electoral victory in Zimbabwe was a source of deep concern for the organisers of the Buthelezi commission's attitude survey. They write (vol I, 1982: 205-06) that 'it seems quite clear that takeover of power by Mr Mugabe in Zimbabwe has had a significant impact on the perceptions of Black South Africans ... (That takeover) would seem to suggest to Black South Africans that there is a possibility of a violent overthrow of the government'; and Inkatha supporters appeared

particularly impressed by the ZANU-PF victory.

7 *Citizen*, 10.09.85, *Sunday Tribune*, 13.12.85, *Financial Mail*, 23.08.85.

8 See Tony Ardington's comments reported in *Daily News* (06.08.85). Natal's provincial administration and the KwaZulu government are currently co-operating in marketing the Tugela Basin as a potential 'Ruhr of South Africa' (*Natal Witness*, 19.08.86; *Daily News*, 02.06.86).

9 See especially *Financial Mail* (09.08.85); the comments of Alex Hamilton, president of the Natal Chamber of Industries (*Sunday Tribune*, 12.01.86); and Chris Saunders address to the Political Science Association of SA's conference (19.09.85, unpublished 1985:21)

10 Lombard, 1980:6; BC Report, vol II, 1982:172. The Buthelezi commission devotes considerable attention to devising ways of upgrading KwaZulu agriculture that avoid both consolidation and redistribution (vol II, 1982:170-81).

11 Interview with David Tyndale-Biscoe and Matthew Cobbett of the Development Bank, 1985. See also Lombard, 1981: 28-29; BC Report, vol I, 1982:78; and the *SA Sugar Year Book*, 50, 1979-80:41, 46 and 71.

12 The literature on industrial decentralisation has grown considerably recently. For a good bibliography see Wellings and Black (1986).

13 See Giliomee's contribution to the Buthelezi commission, entitled 'The National Party and the Future of Natal and KwaZulu' - the theme is extensively followed up in Cobbett, *et al* (1986).

REFERENCES

Beall, J, J Grest, H Hughes and G Mare (1986) - 'The Natal option: regional distinctiveness within the national reform process' (presented to 17th Annual Congress of the Association for Sociology in Southern Africa, University of Natal).

Black, A and P Wellings (1986) - 'Industrial decentralisation under Apartheid:the relocation of industry in the South African periphery', in *World Development*, 14, 1.

Boulle, LJ and LG Baxter (eds) (1981) - *Natal and KwaZulu: Constitutional and Political Options* (Juta).

Buthelezi Commission (1982) - *The Requirements for Stability and Development in KwaZulu and Natal*, (2 volumes) (Durban, H + H).

Cameron, R (1986) - 'Devolution without power', in *Indicator SA*.

Cobbett, W, D Glaser, D Hindson and M Swilling (1986) - 'South Africa's regional political economy: a critical analysis of reform strategy in the 1980s',in SARS(ed) *South African Review*, (Ravan).

Development Southern Africa, 2 (November, 1985).
Geldenhuys, JSH (1986) - 'The broadening of autocracy: the centralisation of power at regional levels', in *Indicator SA*.
Lombard, J (1980) - *Alternatives to the Consolidation of KwaZulu* (Bureau for Economic Policy and Analysis, Pretoria University).
Marks, S (1986) - *The Ambiguities of Dependence in South Africa* (Ravan).
McCaul, C (1983) - *Towards an Understanding of Inkatha Yesizwe* (SARS dissertation series).
Morris, P (1981) - *A History of Black Housing in South Africa* (South Africa Foundation).
Robbins, D (1984) - 'Natal/KwaZulu: the road ahead', in *Reality* (November).
SAIRR (1980) - *Survey of Race Relations*.
SAIRR (1981) - *Survey of Race Relations*.
Schlemmer, L (1985) - 'Squatter communities: safety valves in the rural-urban nexus', in Schlemmer, L and H Giliomee - *Up Against the Fences* (David Phillip).
Southall, R (1982) - 'Consociationalism in South Africa: the Buthelezi Commission Report: consolidation, consociation, collaboration?' (Conference on South Africa in the comparative study of race, class and nationalism, New York).
Van den Berg, S (1985) - 'An overview of development in the homelands', in Schlemmer, L and H Giliomee, - *Up Against the Fences* (David Philip).