

Wrab boils up a recipe for a black buffer class



The government subsidises Soweto electricity to the tune of R4 million a year



The propertied middle class — a 'bulwark against revolution'?

The new regime brings in a host of changes. The end effect? Much the same . . .

IF ALL goes according to plan, Soweto is dramatically poised to become a transformed township of thousands of home owners administered by economically viable local authorities, probably on a regional basis.

The plan is prompted by a new regime, which swept into the Albert Steet headquarters of the West Rand Administration Board (Wrab) 18 months ago just as the government began to change its attitude towards the provision of houses for blacks.

The government is now committed to selling all Soweto's rented accommodation, and to establishing an urban, propertied middle class as a 'bulwark against revolution.'

Wrab's new regime is chaired by Mr John Knoetze, captain of the establishment of seven model townships in the Vaal Triangle, and some of his most trusted lieutenants from the Orange Vaal Administration Board.

Knoetze's plan — which he has given three years to become fully operational — envisages large-scale home ownership, preferably under the 99-year leasehold scheme, the phasing out of government subsidies, higher monthly rent payments, the uplifting of social amenities, and the running of townships on an economic basis.

The government currently subsidises services to the tune of R6-million a year for water, R4-million for electricity and R4-million for sewerage. Residents pay an average rent of R30 a month, R3,25 of which goes to the interest redemption on loans for building houses.

Knoetze believes the housing backlog — which stands at some 35 000 units and increases every year by 13% of 5000 — will be partially eliminated by increasing the density by 50% within Soweto's present borders.

Private enterprise will also be fully involved in providing housing in two phases — first, by developing land already developed by government funds, and secondly, by developing raw land when it becomes available.

The plan will go into full swing once a R352-million scheme to establish infrastructural services such as water, electricity and sewerage has been completed. Meanwhile, the building of up to 15 000 houses over three years is proceeding.

By 1984, according to Knoetze, all available land in Soweto will be developed, all services will be provided, 25 000 to 30 000 telephones will be operating, and there will be shorter waiting list for houses. Freeway passes will be completed and parks and social amenities uplifted.

People will be paying for services on an economic basis and the community councils will be economically viable municipalities.

Density will be increased by building new flats and houses, and by generally redeveloping existing houses, including altering single quarters to family accommodation providing better single quarters and demolishing houses where necessary.

Knoetze's plan is based on his personal picture of Soweto. He maintains the township has a population of one million "legal" residents — although it is unofficially twice that — and which will have a population of two million by the year 2000.

He also accepts the Bureau of Market Research's figure of R390 monthly income per household, and believes 85% of the residents are in an economic position to buy a house because of the good opportunities on the Reef.

He believes too little is being paid for rent, that governments subsidies should be scrapped, that residents are spending unrealistic amounts on "non-essential luxuries", and are overcommitted to hire purchase.

He also believes that the underprivileged are the responsibility of the government, and Soweto's "rich" should make substantial contributions to helping the poor.

So far, the new regime has made hardly any impact on housing. Knoetze says this is because of the special problems he inherited when he joined Wrab. These problems, which seriously stalled the building of new houses, were the lack of approved housing schemes, and inadequate infrastructural services.

He also inherited the bitter legacy of the 1976 Soweto uprisings, after which increases in tariff services were effectively put to a stop. The township was already falling into arrears, and soon accumulated funds and profits from liquor were exhausted in the running of township services.

Now, the obstacle in the way of rapid housing development, is



The West Rand Administration Board builds 1 000 houses a year, compared to the Johannesburg City Council's 5 000

says, is a backlog in serviced stands, and the obstacle in the way of selling houses is a backlog in surveying older stands.

Since 1973 when Wrab took over, 7 770 houses have been built from Department of Community Development funds, and at least 438 houses have been built out of Wrab funds, giving an overall total of 8 208 houses — or a non-remarkable total of 1 000 a year.

The small number of houses built by Wrab and the government stands in stark contrast to the vigorous building programme pursued by the Johannesburg City Council, which built up to 2 000 homes a year or 35 a day — and up to 5 000 a year when the programme was in top gear.

Once the obstacles are removed, the full impact of home ownership — the axis of the plan — will be felt in transforming the township.

The government is committed to selling all houses in Soweto, preferably on a 99-year leasehold basis, a scheme which gives people "qualified" under the Black (Urban Areas) Consolidation Act title to the land and anything on it.

"With the stroke of a pen, leasehold can be changed to freehold. There will be no need to re-register. Leasehold is a step in the right direction," Knoetze says.

The other scheme open to the residents is the home ownership scheme, which allows for the putting down of a 10% deposit for a loan of R10 000 and 20% for over R10 000, which is paid off in monthly instalments over 30 years. The owner can then occupy his house forever.

Knoetze's home-grown scheme for selling houses is as follows: houses are sold at market value and not at cost price, a portion of the sale goes to the Department of Community Development to pay off outstanding loans, part is tied up as security so building societies can advance a loan, and part goes into the community councils kitty for further development of the area.

This is his example: If a house cost R2 000, it should be sold for R10 000 to allow the building society to use the security to advance the money. If R200 is outstanding on the house, that R200 should be paid to the Department of Community Development, and the remaining R800 should go into the



WRAB hopes to create a property market, but who will it benefit?

kitty for redevelopment.

Government subsidies will be phased out and monthly payments will be increased to enhance the economic viability of the community councils. A property market will also be created.

Knoetze is adamant that people have not paid off their houses over the years through rent payments, that the homes are government property and that the government has been paying for them. Nothing is more selfish, he says, than the wholesale conversion of tenancy to ownership.

Detractors say the only people to benefit from this plan will be the government, Wrab and the community councils.

Soweto households contain sometimes up to 20 people, and when members of a household move into their own homes, the average income of R390 will drop dramatically, and residents will not be able to afford higher monthly payments.

By upgrading community councils into independent local authorities, the workers of Soweto will be subsidising Johannesburg, which

will make no contribution at all to the running of the township.

The Knoetze plan is also seen as part of a new strategy to create an urban, propertied, middle class on the one hand, and to give powerful community councils the task of enforcing the most hated aspects of apartheid.

By upgrading community councils into powerful local authorities, the government will create a class of "collaborators" which will depend on the favours and protection of separate development for its livelihood.

This class will be responsible for controlling the urban mass in the same way as the homeland governments are responsible for controlling the rural mass.

They will also act as fronts for government agencies by enforcing some of the most hated aspects of apartheid such as influx control

Although they will be responsible for providing housing and for uplifting social life in the townships, they will also be responsible for the unpopular aspects of township life

such as lock-outs and evictions for rent arrears and the increases in tariff charges.

The devolving of more power on community councils is seen as a compensation for the failure of homeland governments in controlling the masses of migrant workers, who shift between the rural areas and the core economies.

The lack of influence of the homeland governments was felt deeply during the uprising in Soweto in 1976, when the government temporarily lost political control. It was also pressurised into recognising the permanence of urban blacks.

The search was soon on for a new group of urban "collaborators" — and in 1977, the Community Councils Act was passed. A few years later, Mr P.W. Botha said in a major speech community councils would be upgraded to fully-fledged municipalities, thereby giving de jure recognition to urban blacks.

This new group of urban "collaborators" will also be responsible for protecting the urban, propertied black, middle class — at the ex-

pense of the rural mass.

The new middle class will be protected by their rights under the Black (Urban Areas) Consolidated Act, and if all goes according to plan, this group will contribute to political stability by having a vested interest in the status quo.

The government hopes its reforms will prevent what it calls a "revolution of rising expectations" from spilling over into other areas. This could happen under certain conditions.

The first condition arises out of a state of "violent equilibrium". In a deadlocked situation, the black middle class may perceive it has more to gain and less to lose by identifying with the white power structure.

This stance could also buy time for the introduction of reforms.

The government also hopes to attach the resources of the private sector. Knoetze himself and Soweto's "mayor" Mr David Thebehali, are members of the Viljoen Commission of Inquiry into ways of involving the private sector in the provision of houses for the blacks. The recommendations are to be submitted to the government in the next few weeks.

Some believe the private sector should add its weight to change — in its own interest.

Although reform is the preserve of the state, the South African government has introduced reforms on an ad hoc basis because of social unrest and international pressure.

In order for South African capitalism to reserve a future for itself, it needs to control the pace and direction of change while fighting unilaterally for reform.

It is highly probable private enterprise will be given a chance to save itself — and the government — by being allowed to provide housing for blacks.

The opposing forces, however, will not be happy merely to see an improvement in conditions and piecemeal reforms taking place. Struggles over housing around South Africa have been for free and adequate houses for all, a demand which the government will be unable to meet.