

Economic Apartheid legacy in South Africa (1994-2016)

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ABSTRACT: : The year 1948 marked the domination of white masks as the National Party took power and legalized racial policy and apartheid regime. The government placed an agenda of white masks through legislation and aggressive policies. The system known as the Apartheid: 'a crime against humans and humanity' and existed for almost 40 years in South Africa. In 1994, South African political transformation took place and became a republic state. The paper will question on the existence of apartheid in the economic realm post political transformation (1994). It also focuses and argues for the main policies of the government of South Africa to combat inequality and provide equal opportunities for vulnerable section for the period of 1994 to 2017. It questions the situation of the black natives and their improvement by these policies.

Key Words: African National Congress, Apartheid, Inequality, Mandela, Mbeki, South Africa and Zuma.

Introduction: South African history is understood through the apartheid era - the white racial domination before 1994 and the post democratic election. Whereas, in 1910 British Empire recognized union of South Africa and post two years the political party Native National Congress. It was later renamed as the African National Congress (ANC) formed. The white ruled the country for decades and it was dominated and overshadowed politically and economically. The government sets the agenda for the racial supremacy in 1948, this snatched the basic human right.

South Africa was a British colony, established in 1806 in Cape Colony. The arrival of the some 5000 British settlers in Cape Town placed it as the British colony in 1820. In 1910, with the formation of the Union of South Africa, present day South Africa. British exited the country, however, their set of ideologically supremacy (white masks) established apartheid.

In this paper, the researcher examines inequality or apartheid, which existed after the 1994 in the economic realm. The country allows an examination of how the colonial legacy marginalized a big part of the society.

Rawls Theory of Distributive Justice to examine the South African perspective

Rawls Theory of Justice argues about the distributive justice. It suggests and guarantees the right to each person's liberty with the liberty of others. It is evident that his theory and principle about social and economic positions for the advantage must be going to each individual and open to all.

According to Rawls, there are some principles of justice which enhance equality. This equality could be achieved through agreements. These agreements are the law enforced by the authority of the state, so that justice and fairness could be achieved. His principle of justice establishes an ideal society. The South African Government initiated many policies to provide the economic quality in the society. The paper is going to argue on those policies and consequences. The South African government affirmative actions are also tested through Rawls theory.

Apartheid: Discriminatory rule of white's masks

There were numerous reasons and Acts in the South Africa, where the system of apartheid has been continued. The marriages between native blacks and whites were prohibited by (1949) Act of Prohibition of Mixed Marriages Act, (1950) Population Immorality Act officially identifies racism, and (1950) Group Areas Act limited areas geographically for the blacks. Passes for the blacks were issued and carried by them to access special places. Reservation of Separate Amenities Act (1952) gave privilege to whites in public transport. The Bantu Education Act (1953) segregated the education system. The security mechanism was set up for this racial supremacy by (1950) Suppression of Communism Act. The major motive of the government was to set a mechanism separate for white masks and blacks natives. Land purchased was limited to certain type to black natives.

The decades of 1950s and 60s were the most transformative in the African continent. Most of the states were liberated from their colonial masters. But South Africa remained the white's domination states. The

apartheid took an ugly turn to grand apartheid phase. This was the logical victory of the former colonial masters that Africans in their own homeland became second class citizens in an independent state in front of their so called own government. Political and economic white's victory over the blacks made them guests in their own land without political rights. The apartheid period was meant for the development of whites alone, having greater privilege over blacks.

The Apartheid regime had imposed the exploitative measures on blacks, abuses of human rights on a grand scale in South Africa. The unemployment rates were higher than the whites. Black natives mostly worked on the agricultural land. White populations earned twenty times more than the Africans. In 1976 the uprising against apartheid policies in Soweto, in which more than 600 people were killed during clashes between white and black natives and challenges the white rules and racial policies.

Apartheid attracted criticism from all international platforms, especially on UN stage. The UN and its agencies had taken many initiatives to support victims of apartheid. In 1963, UN General Assembly passed a resolution to assist and fund the victims of the apartheid. A special Committee against Apartheid was also established in 1963 with a "Centre Against Apartheid". The year 1978-79 was declared as the "International Anti-Apartheid Year" to put pressure on the South African government. In 1989 the General Assembly adopted the "Declaration on Apartheid and its Destructive Consequences in Southern Africa," calling for negotiations to end apartheid'.

The international community could take actions against the apartheid South Africa to impose economic sanctions. These sanctions have been discussed at the UN platforms because they considered as the means of pressure and forced a state to fall in line. Many trading partners opposed the economic sanctions against South Africa in the UNSC and US was one of them. However, UN General Assembly in 1962 took the decision and asked their members to discontinue diplomatic, trade and transport relations with South Africa and in 1968 the suspension of culture, education and sports exchanges, to force South Africa end apartheid.

In 1982, UN General Assembly declared the 'International Year of Mobilization for Sanctions' against South Africa. Security Council were hurdled by the voted by Britain and US in 1988 on a draft asking for economic sanctions. However, UN General Assembly was very active on the actions against South Africa.

The main reason that the UN General Assembly and Security Council were failing because the Veto power rested with the permanent members' and US used it most of the time. Since the economic sanctions must be passed by the UN Security Council and US vetoed it. The role of General Assembly became questionable.

The ANC and apartheid victims received a huge support on international platforms by the international community. The international community had cornered and isolated South Africa especially sports boycott. International isolation increased in the 1980s, when most of the states, particularly Western states were breaking relations and imposing sanctions on South Africa. The South African Government also quickly reacted to it and introduced new policies to improve its image. In 1986, US Congress imposed sanctions on South Africa in reaction to its Comprehensive Anti - Apartheid Act (CAAA).

Mandela and African National Congress role to combat apartheid

Nelson Mandela and his party known as the African National Party (ANC) role to combat apartheid have been remarkable. Mandela, the first president of the Republic of South Africa in 1994 and a Nobel Peace laureate was the leader and symbol of the Anti Apartheid struggle.

It was the harsh system for the natives and Asians and non-Europeans. In this injustice system, he became a leader of ANCYL-the youth wing of the ANC in 1943 and later he was the president of the same organization. He was the real and heroic leader of Anti-apartheid. Mandela began his political journey to join ANC in 1944. He travelled abroad to gain financial support for an armed struggle against the government.

Mandela was arrested by the government and during the Rivonia Trial (1963-64), he was found guilty of violence against the government and jailed for almost 27 years on Robben Island known as the University of Robben Island. The government can cage the person, but cannot cage his ideology. Mandela and his party influence have been growing. Then P W Botha government offered him to release, but he rejected on the grounds of "unconditionally reject violence as a political weapon." (South African History online)

Anti-apartheid movement reached its peak in 1980, violence and instability were on the rise. Domestic and international conditions put pressure on the South African government. In the end of 1989 F W de Klerk legalized the ANC and released Mandela. ANC and Mandela are the symbol of the non-whites party with their long history of struggle for black natives.

In South Africa democratic institutions were established in 1994. Democracy holds common values and gives equal rights and opportunity to every individual. South Africa introduced the new economic policy.

Rawls Theory of Justice and positive discriminations

John Rawls 'A theory of Justice' gives justice to the most vulnerable section of the society. It could be understood as the positive discrimination and soft power. Rawls theory of justice argues about distributive

justice. It suggests and guarantees the right for each person's liberty. It is evident that his theory propagates the principle of social and economic justice for all. It advocates welfare based principles in society.

According to Rawls, there are some principles of justice which enhance equality. This equality could be achieved through agreements. These agreements are the laws which are enforced by the authority of the State, so that justice and fairness could be achieved. His principle of justice establishes an ideal society.

New Economic apartheid under Mandela (1994-1999):

South Africa is different from the rest of the African states in the context of economic development. South Africa is the second largest country with better infrastructure. While its society is the most unequal society in the continent because of its huge level of income disparity. The South African under Mandela made basic needs as their first priority without any discrimination. South Africa developed a bottom-up process of planning to boost the economy. The Reconstruction and Development Programme (RDP) was finalized, which emphasized on human development to provide them education and training, houses, electrification, health care and to construct the South African economy progressively.

After two years of RDP, the Mandela government decided to shut it and began "Growth, Employment and Redistribution Strategy (GEAR)" (1996-2000). GEAR focuses on the sustainable growth with job creation. It stressed public private partnership, and gave equal remuneration. Its focal point was growth, employment and redistribution of wealth.

GEAR could not deliver on its promises and was unsuccessful. The newly Mandela and later Mbeki administration had immense pressure to develop blacks. The racial discrimination in the society was at a massive level, which the later developmental policies could not deliver. South African government creates economic policy which serves the reasonable balance to improve the situation. The government has used a different measure of poverty as food poverty line, lower bound poverty line and upper bound poverty line. Apartheid disadvantaged the black population and created widespread unemployment among them. In March 1994 the unemployment rate was 20% and when Mandela left his office unemployment remained high at 25% in 1999.

Ups and downs under Mbeki (2000-2008)

In 2005, South Africa gained its highest GDP growth rate of 5 percent, and was expected to grow 4.8 percent in 2006 but could not achieve it. However, the credit for this economic growth has been given to the favourable environment which international community gave them. There were numerous issues which influenced during the period, one is 9/11 attack, 2007-08 economic crisis, which directly affected the economy of South Africa. South Africa emerged the largest economy in the post apartheid period and continued to do so. The growth rate between the periods of 2003-07 was at average level. While the economic crisis puts down the economic development, South Africa struggled to obtain the basic development rate and their economic downfall continued in 2000s. Its economic issues have been deeply rooted structural problem related to structural growth and development.

"The South African economy has recorded an average rate of economic growth of 3.3% per annum in real terms over the period 1994 to 2012," (IDC, 2013). If we compare it with the world economy, it obviously has no comparison, but it improved the situation of the South African economy, despite the economic crisis and the spring revolution.

A Survey has been conducted by General Household Survey (GHS) during January to December, 2013. The survey tells that the Black Africa enrolled between the age group of 18 to 29 for the period of 2003 and 2013 were the lowest among the other groups in South Africa. The Europeans have the largest number of enrolled in this age group for the same period. (Refers to Bar graph 2. Appendix)

Jacob Zuma: the recovery period (2009-2017)

Zuma's contribution to improve the economic situation of the South Africa was through the long term developmental programmes. One such programme was 'National Development Plan' (NDP) Vision 2030. The establishment of the 'Department of Performance Monitoring and Evaluation' also the measured the development aspects. The NDP has been introduced to monitor the employment, poverty and reduce inequality by 2030. In his two office terms, unemployed population did not reduce.

In 2010, some of the new departments and new policies were brought. 'New Growth Plan' (2010), '18 Strategic Integrated Projects' (SIPs) (2010) were developed and supported job creation in the country. The new Presidential Infrastructure Coordinating Commission (2011) set up for the job creation of private sector projects.

His main achievements were to provide the households to the vulnerable section and connected 84.2 percent in 2016 with the electric grid and piped water connectivity improved by the end of 2016. In the last year of his presidency, President Zuma introduced the Black Industrial Programme and expected to create

jobs for the blacks. The government funded 36 Black industries and about 7000 jobs were created in the financial year 2016-17. He prioritized land reforms and land ownership in 2009, was the milestone to get rural development for the apartheid affected population. Black farmers supported by the programme of "Strengthening Relatives Rights". Education can bring a large scale change in the society as it was observed by the President Mandela. And President Zuma has delivered on his promise to provide free education to every child. President Zuma introduced for the first time in the history of South Africa ' Free Education" in December 2017.

South Africa could not heal the deep inequality in their society, as it produced most unequal society in the world according to the World Bank. Meanwhile, the wealthiest 20 percent accounted for 65 percent of total wealth. Unemployment increased by 22.9 percent in 1994 to 25.6 percent in 2012 and in 2017 unemployment hit 27.7 percent.

In 2014 the unemployment among natives were higher compared to others (refers to bar graph 3). In 2015 Minane discussed the issue of unemployment of natives and Europeans. The unemployment rate increased from 26,8 (in 2008) to 28.6 (in 2014) among natives. During the same period, the unemployment rate among European was just 7.3 (in 2014).

The economic growth plummeted and was among the lowest in the developing countries. The widening of income inequality and low level of standard of living still exists. Zuma is well aware of the inequality and falling short of education standards and skills. He said " We have developed a number of sectoral strategies, especially focusing on skills development to meet these challenges". "On average, a white household in 2013 earns six times more than a black one and nearly one in three blacks is unemployed, compared with one in 20 whites". (Davies, 2013)

Findings and conclusion:

The first Democratic president Mandela's oath in 1994 was the new historical beginning to end apartheid. South Africa blossomed with new hope in the economic realm. Equals right has been guaranteed by the South African constitution (1996). Political apartheid does not exist, but the colonial legacy of it can be observed especially in the education and employment sectors. The South African administration has worked to provide basic needs, but policies tended to bring gain to the politically connected blacks and elites. It built the black middle class and failed to improve majority of the marginalized population.

The gap between rich and poor in South Africa is one of the highest in the world. "By some measures it's actually greater than it was under apartheid. Meanwhile, the United Nations regularly ranks South Africa's cities as some of the most unequal in the world." (Davies, 2013). Some renowned researchers consider South Africa as developed state and some see it as developing state. It has both the elements. South African built the constitutional framework, but could not deliver to the society. They are far from the economic freedom of apartheid. Finally, It just ended the political apartheid. The marginalized underprivileged section still searches for basic requirements like education and employment. The three presidential eras have been unsatisfactory to deliver development at ground level.

South Africa does not have the concept of minimum wages, but a law has been passed by the South African parliament in 2018 and it will come into force in from January, 2019 to provide minimum wage. President Zuma's biggest contribution was to introduce the free education and many new programmes to eradicate poverty among blacks. Meanwhile, his strategy has been for the long term. Unemployed population has been highest in republic political history. The current income inequality between whites and blacks are higher than the apartheid period.

Concluding the paper, the apartheid rule which was based on the racial supremacy came to end in 1994, when the fully democratic election took place. It ended apartheid in the political sphere, but still exists in the economic realm. Economic apartheid led the country to the most unequal society. The main economic policies could not bring major change in the income, employment and education sector for the apartheid affected population. The inequality which still survives in the South Africa created by the colonial legacy. It is that much deeper into the society that 29 years were not enough to bring the basic developmental necessity.

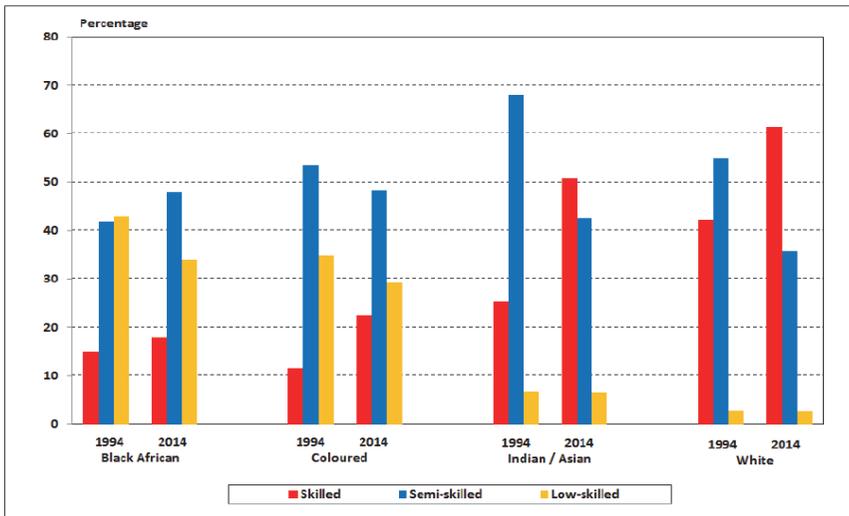
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Appendix 1,

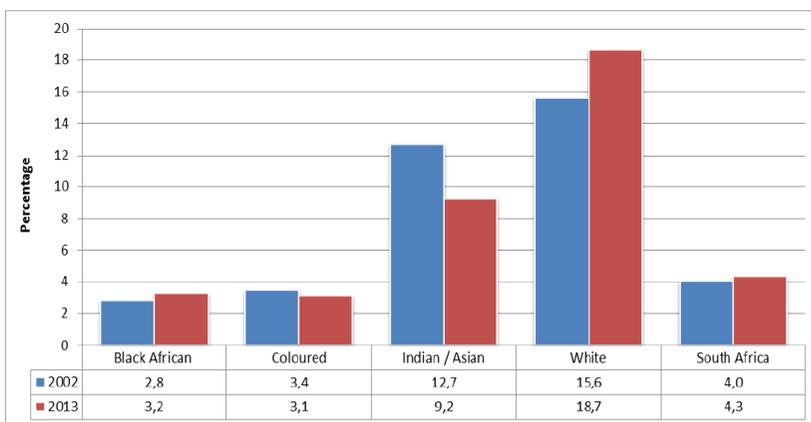
Employment composition of population groups by skills group



Source: <https://businesstech.co.za/news/general/96887/white-vs-black-unemployment-in-south-africa/>
Bar graph 1. Representing employment composition of population by skill group in South Africa from 1994 and 2014.

Appendix 2,

Percentage distributions of student participation rates for individuals aged 18 to 29 years by population group, 2002 and 2013



Source: <https://businesstech.co.za/news/general/60787/low-university-attendance-amongst-blacks-in-sa>
Bar graph 2. Represents the percentage distribution of student participation rate for individuals aged 18 to 29 years by population group 2002 and 2013.

Appendix 3.

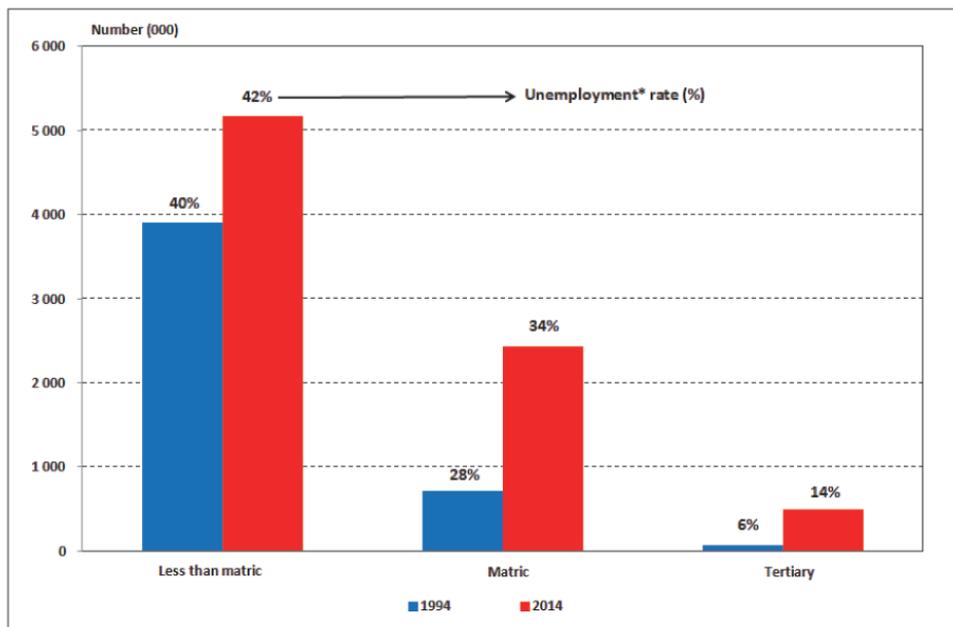


Source: <https://mybroadband.co.za/news/government/148351-south-african-presidents-performance-1994-2015.html>

Line graph 1. GDP Under three presidents.

Appendix 4.

Unemployment* by educational level (*based on the expanded definition)



Source: <https://businesstech.co.za/news/general/96887/white-vs-black-unemployment-in-south-africa/>
Bar graph 3. Represents relations between education and employment