THE DYNAMICS OF HOUSING PRIVATIZATION IN SOUTH AFRICA: A CASE STUDY OF ALEXANDRA TOWNSHIP

by

PAUL PITSI MOLOTO

Submitted to the Department of Urban Studies and Planning in Partial Fulfillment of the Requirements for the Degree of Master of City Planning

at the
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Signature of Author: 

Certified by: John E. Davis, Visiting Lecturer in the Department of Urban Studies and Planning Thesis Advisor

Accepted by: Ralph Gakenheimer, Chairman, MCP Committee

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ABSTRACT

In 1987, the Joint Management Centre (JMC) in Alexandra
township, South Africa initiated a program of sales of
publicly-owned housing stock as part of a strategy to
redevelop the township. This process sparked different claims
to property. These different claims were represented by
different organizations in Alexandra.

This thesis examines the privatization program of the JMC and
the response of the Alexandra Civic Organization to it, and
looks at how these proposals affect the various interest
groups residing in the township. The goal is not to pass
judgement or to declare one proposal superior to the other.
Rather, the study looks at possible ways in which the
interests of the contending groups can be incorporated into a
plan that will facilitate the development of Alexandra for all
its residents. The study concludes by proposing that Alexandra
be developed as a mixed-income area.

Thesis Supervisor: Dr. John Davis

Title: Visiting Lecturer of Urban Studies and Planning
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I would like to thank Professor Phil Clay for supporting my trip to South Africa to do research for this thesis. The trip not only made my research into Alexandra fruitful, but it was an important home-coming for me after twelve years of exile. My wife, Carrie, has been a source of tremendous support for me during my stay at MIT and without her I would not have lived through this process. I would like to thank John Davis who acted as my thesis supervisor. I appreciate his support and his effort to learn about life of township residents in South Africa. My parents, my brothers and sisters, nieces, nephews, and in-laws have served as a source of strength in the writing process. To all I say: Ke a leboga.
Land Deal (in Zulu, Xhosa, and English)

(Countless thousands of people have died all because of the land questions, yes colonized or deprived. Birds fly freely, antelopes and springbok, even rivers, but people don’t use force or violence against them. But when it comes to the land issue even genocide takes place)

(Khumbula - remember)

Let me remember
I can’t remember
Who can remember
Do you remember
I cannot remember
Yes I do remember World War One
I do remember World War Two
But I do not remember the land deal
I do not remember the auction sale
The land bought, the land never sold

I can’t remember
I cannot remember
I can’t remember
I do remember World War one
I do remember World War Two
But I do not remember the land deal
I do not remember the auction sale
The land bought, the land never sold

Philosophers, historians hear my call
Philosophers, historians disclose the truth
Philosophers disclose the facts
Disclose to me vouchers of the land deal
Disclose to me the unknown price
Who sold the land
And who bought the land
The land bought, the land never sold

Today people pay for the unoccupied land
People pay for the no-man’s-land
People pay for the motherland
People pay for the fatherland
People pay for the so-called farmers’ land

What freedom countless people died for
What freedom you and I struggled for
When the land unoccupied is long sold
The land bought
The land never sold

-- Mzwakhe Mbuli, the People’s Poet (© 1992, Virgin Records)
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CHAPTER ONE: INTRODUCTION

Introduction

"Welcome to Alexandra Comrade. Alexandra is not Soweto, Alexandra is unique. All the contradictions of the South African society are contained in this one square mile. I hope your study is fruitful."

With these words, I was welcomed into the township¹ of Alexandra, a black residential area in the city of Johannesburg, South Africa. My intention was to explore issues of housing policy in the township, with specific attention paid to recent efforts at housing privatization. My overriding goal, however, was to contribute to a better understanding of the roots of Apartheid urban policy, and its current manifestations, as the basis for formulating new policy. For those, like myself, committed to abolishing the legacy of the Apartheid system, it is critical to understand the deeper foundations of the specific problems we seek to address if we are to be successful in effecting change. My own interest is in urban policy and housing, and it is my hope that as South Africa moves towards the establishment of a non-racial democracy, this research will shed some light on the past and enable us to move forward into a new future.

¹ "Township" is the term used to describe the racially segregated residential areas, surrounding South African urban centers, set aside for occupation by Africans, Indians, and so-called Coloureds who could not legally reside in white South Africa.
The Dynamics of Housing Privatization in Alexandra Township

Unlike most other South African townships, where Africans were not permitted to own land, Alexandra was established as a freehold area in 1905, permitting Africans to own property within its borders. When the Land Act of 1913 was passed, preventing Africans from owning land in areas considered part of "white" South Africa, Alexandra benefitted from an exemption for areas previously under freehold tenure. It wasn’t until 1963 that the government moved to erase this anomaly through a program of buying the houses from owners and resettling the inhabitants of Alexandra to other townships and homelands, with the intention of transforming Alexandra into a hostel city. Due to the resistance of Alexandra residents, this policy was only partially carried out, however, and contention over how to identify the rightful owner of property in Alexandra remains very much alive.

In 1979, in another policy shift, the government announced it would discontinue its plans to turn Alexandra into a hostel city. As part of this shift, it introduced

2 Homelands, also called reserves and Bantustans, are ethnically-based areas of land within the borders of South Africa claimed by the government to be the "natural" home of each ethnic group. According to the government, these "homelands" are similar to the surrounding independent states. Thus, Africans are seen to be citizens of their ethnic homelands, and guests -- or temporary migrants -- in "white" South Africa. [See map page 10.]

3 Hostels are single-sex dormitories built to house workers in urban areas. Hostels were designed partly to increase control over black workers, but also to prevent them from bringing their families with them into urban areas. It was hoped that this would reinforce the "temporary" nature of their status.
year leases on township houses in 1978, and 99 year leases in 1979, breaking its monopoly on the supply of housing and encouraging the construction of new housing by private companies. Under these lease schemes, the occupants owned the house for the duration of the lease, but the government continued to own the land. The leases were renewable to the lessee, but not automatically transferable to the next of kin. These leases enabled banks and financial institutions to issue mortgages to township residents who had the ability to repay the mortgages. The government thought these measures would help ease the housing shortage in urban areas and create a housing market in the townships. In 1983, the government began a program to sell its stock of township housing directly to residents in selected townships of Pretoria, the Witwatersrand, and Vereeniging (the PWV). In 1986, this program was extended to Alexandra.

In this thesis, I will examine the process of the privatization of housing in Alexandra township. Beginning with a discussion of relevant South African history, I will explore the roots of the South African government’s paradigm of urban society. In effect, much of South Africa’s history has been shaped by an on-going debate, now over two centuries old, over the role of Africans in white South Africa, and whether and to what extent, integration of racial groups should be allowed. This debate has continued up to this day. Even now, as the National Party and representatives of black South Africans
meet to work out a new constitution for the country, within white politics the debate is still framed around the role and place of Africans in society.

After painting a broad historical picture, I will turn my attention to Alexandra itself, its history, the laws which affected its development as an urban residential area, and the current dynamics as Alexandra is once again transformed, this time into a residential area dependent on private market forces to the provision of housing. I will draw on relevant literature and interviews conducted in the field to assess the impact of housing privatization policies on Alexandra, specifically regarding the availability of housing. I will look at the arguments of groups both in favor of, and opposed to, the privatization programs and demonstrate how they each hope to affect housing availability in the township. I will also discuss the links between this local issue and the broader national political scene, showing how the program of privatization has been shaped by the current contest between national political forces. In the end, however my goal is not to take a position as to whether privatization is good or bad, but rather to search for points of possible unity between seemingly opposed interests.
(Map 5, Thompson, 1985)
CHAPTER TWO: BACKGROUND

The Myth of the White Nation

In 1652, the Amsterdam-based Dutch East India Company established a supply station at the Cape of Good Hope on the southern tip of Africa to service the expanding trade between the Netherlands and the Dutch East Indies. While the intention of the Dutch East India Company was not to establish a permanent settlement, Cape Town steadily grew and expanded, requiring more and more land for pasture and agricultural production to sustain the growing population. The establishment of this settlement, its continued expansion, and the resulting interactions with the surrounding African populations began a new phase of modern South African history, the painful legacy of which its people still live with today.

The official, state-written, history of the period of early white settlement -- still taught in South Africa's schools -- asserts that the original white settlers of the Cape established themselves without resistance on land unclaimed by any other people. It was only later, so the story goes, as African "tribes" migrated South from East and Central Africa that clashes occurred as Africans came into conflict with the legitimate territorial claims of the whites.

According to this picture, the early White settlers penetrated peacefully into a virtually unoccupied country. The African population, who are depicted as savage barbarians without culture, achievements, or history, are represented as relative newcomers who entered the country at about the same time as the Whites, and conducted the aggressive wars and raids against them. The impression is given that
African occupation was always more or less confined to the present Reserves - the 'Bantu Homelands'.

Convenient as this account is to support the Apartheid policies of the white South African government, it is historically inaccurate. The ancestors of the Khoi and San people occupied the land in and around the Cape from the earliest days of human history and the ancestors of the Bantu-speaking African population began to settle in South Africa prior to A.D. 300'. While the original Dutch supply station may have been established without visible opposition, the expansion of the white Cape colony occurred in the face of sustained resistance by the African people whose land was being encroached upon.

Inaccuracy aside, however, the myth of South African's origins has been used by its white officials to justify the system of Apartheid racial segregation. According to this "official" version of history, the 87% of South Africa's land allegedly settled and developed by the white population belongs to them, just as the 13% of the land reserved for

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*The Khoi and San people, pastoralists and hunters respectively, were the indigenous inhabitants of the south-western region of modern South Africa. As such they were the first to come into contact with the white settlers. The rest of the country was inhabited by people of the language groups linguists call 'Bantu', though the term is not acceptable in South Africa as it has been used by the government as a derogatory label for all African people. In the North, inhabitants included people of the Sotho-Tswana-Pedi language group, as well as the Tsonga and Venda groups, while people of the Nguni language groups, mainly the Zulu and Xhosa, lived in the East and South of the country.*
Africans -- 74% of the population -- is their rightful and "natural" territory. This land, allocated by ethnic affiliation, has been called ancestral lands, reserves, homelands and Bantustans by successive white administrations. According to this doctrine, the "fact" that the African and white populations of South Africa inhabit different nations justifies the restrictions placed on black employment and residence in the "white" nation of South Africa. These restrictions have shaped the patterns of African migration and settlement in urban South Africa, patterns which affect urban policy to this day.

The Period of Early Settlement

The roots of contemporary South African urban policy can be traced to the early politics of colonial settlement and the on-going debate about the role of Africans in these "white" territories. From its establishment in 1652, residents of the Cape Colony saw themselves as inhabiting outposts of white civilization, much more intimately connected to events in Europe than to those on the African continent.

Events in Europe did affect the colony. The Dutch East India Company went bankrupt in 1794, and in 1795 -- in a move designed to prevent its French rival from asserting control over this strategic port on the naval and shipping routes to and from India -- the British occupied the Cape. This occupation brought with it a period of economic growth and
physical expansion, as British colonists began to settle in the Cape. During this period, as under the previous Dutch rule, the policy towards Africans was consistent.

As long as [the Africans] were able to defend themselves militarily, the policy was to push them back physically before the Cape’s expanding borders. Once they had been defeated and impoverished, however, they were allowed into the colony, but only (at least in theory) on the basis of their labor as a conquered people. (Harsch, 1987:51)

In the early 1800’s, events in Europe again made their impact felt in the Cape, this time in the form of the abolitionist movement. Slaves, imported from other parts of Africa, India, Ceylon, and other Asian countries, numbered roughly 25,000 in the late 1700s (Harsch, 1987:48-49) and slavery had been the predominant form of labor in the Cape since its legalization in 1658. In 1807, however, the slave trade was abolished in the British Empire, and in 1834, more than 35,000 South African slaves were freed.

In response to this decision, combined with the relative shortage of available land in the existing boundaries of the colony, many Boers⁵, descendants of the Dutch settlers, decided to leave the Cape and establish their own Republics independent of British rule. In the ten years between 1836 and 1846, this exodus -- known as the Great Trek -- involved over ten thousand settlers, over one sixth of the Cape’s white population. In their northward and eastward expansion, the

⁵ "Boer" means farmer in Dutch.
trekkers came into conflict with existing African kingdoms and ethnic groups, but were eventually able to seize territory and establish, in 1840, the independent republic of Port Natal (modern Durban).

When Natal was annexed by the British in 1843, in order to prevent the development of a rival port outside of its control, the Boers trekked again, this time towards the interior of the continent where they established the independent republics of the Transvaal and the Orange Free State. Though the British tried to assert political control over these areas in the years following 1848, they were unable to do so, and they agreed to withdraw south of the Orange River by 1854.

By the mid-1800s, the area that constitutes modern South Africa was divided between land ruled by the British, Afrikaners, and Africans, and much of the rest of the century was marked by the struggle of Africans to defend their territory against persistent Afrikaner and British expansions. By the end of the 19th century, Africans had lost much of their land. The areas remaining under their control were small, and access to the land controlled by whites was denied for a century to all except those providing labor to the mines, farms, and industries. As the loss of lands undermined

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6 Over the years, the Boers in South Africa began to develop their own culture, language, and identity separate from their Dutch heritage. Their Dutch was modified, incorporating elements of both African and Malay languages. They called this new language Afrikaans, and themselves Afrikaners.
African subsistence economies, the number of blacks working for whites in farms, homes, and small colonial trading posts increased.

While both the British and the Boers considered their territories to be white preserves, their attitudes towards the Africans residing within their borders differed. The institutions in the Cape colony, controlled by the British, were the most liberal. Though there was racism, the African elite -- those who went to missionary schools -- were exempted from the worst forms of official discrimination, and in theory, at least, Africans could vote -- although the high property, income, and educational requirements in practice excluded all but a few. The leaders of the Cape colony, which granted Africans individual titles to land, espoused the doctrines of an open society, and put forth a vision of an ultimate common society between the races once the Africans were "civilized". Their position is well captured by the words of the Governor of the Cape, Sir George Grey, in 1885:

I propose that we should dismiss from our minds the idea of attempting to establish or maintain a system of frontier policy, based upon the idea of retaining a vacant tract of territory, intervening between ourselves and a barbarous race beyond it, who are left in their existing state, without any systematic efforts to reclaim and civilize them. We should try to make them part of ourselves, with common faith, interests, useful servants, consumers of our goods. Should this plan be carried out our ultimate frontier defence would be a fertile and populous country filled with a population partly European, partly native... (Davenport and Hunt, 1974:41).
Though it was also ruled by the British, the leaders of Natal, after its annexation, continued many of the policies developed during the Boer administration. Though there was the pretense of an African franchise, as in the Cape the high qualification requirements meant that in practice, it did not exist. In general, the leaders of Natal were more strict than their counterparts in the Cape in their application of segregation measures and their attitudes towards African land ownership. In fact, between 1845 and 1875 Governor Theophilus Shepstone and the white executive council for the province developed and introduced a program of racial segregation that the current policy of Bantustans is modeled after. This program established African "reserves", areas of land chosen by the Governor for exclusive African occupation. The land in these reserves would be held in trust by the Governor on behalf of Africans, giving him the authority to buy, sell, and dispose of provided that he acted in the best interest of the Africans, who were not, needless to say, consulted in the determinations. This new land tenure system replaced African rights to individual tenure which had previously been recognized.

Still, in comparison to the Boer Republics, the British attitudes towards Africans were relatively enlightened. The Afrikaner republics of Transvaal and the Orange Free State were founded on a firm belief in white supremacy, and the leaders of the Afrikaner republics were committed to enforcing
strict separation between the races. They denied Africans the right to own land within their borders, dispossessed those who already owned some, and forced them to pay rent, in cash or labor, for the right to remain on their former property. At the same time, they passed laws stipulating that African settlements must be a certain distance from white towns.

Thus, by the end of the 19th century, there were divergent opinions in the Cape, Natal, Orange Free State, and Transvaal regarding the role of Africans in those societies. While the British provinces were characterized by a slightly more liberal view, envisioning at least the possibility that the African population could be "civilized", the Boer republics were committed to the entrenchment of a racial hierarchy. The different attitudes of the provinces regarding issues of race were carried into the next century and the establishment of South Africa as a nation state in 1910, when the focus of the legislative process became the forging of a united white power establishment from these divergent political traditions.

The Formation of a Modern State

The discovery of gold in the Transvaal in 1886 created an infusion of foreign capital to finance the gold rush, and spurred capitalist economic growth not only in the formerly agriculturally-based republic, but in South Africa as a whole. The combination of this rapid economic growth, an increasing
demand for African labor, and continuing territorial wars against African people brought to the surface an important issue:

This vast territory was still being ruled by four separate white settler states -- the British colonies of the Cape and Natal and the Boer republics of the Orange Free State and Transvaal -- whose policies were often uncoordinated and at times divergent. Many whites, mostly among the English-speaking population, saw this disunity as the chief obstacle to the effective entrenchment and protection of white supremacy, as well as to the unfettered growth of the newly emergent system of capitalist production. (Harsch, 1987:60-61)

Since the 1850s, similar concerns had given rise to the idea of union in the political discourse of both the British and Boer states. However, in the late 1800s, the British interest in unification was strengthened by the increasing wealth of the Transvaal and the looming possibility of a Boer alliance with Germany, potentially threatening British hegemony in the region. British attempts to promote consolidation through political maneuvering were resisted by the Boers, leading to heightened tension between the two populations. Finally, the conflict escalated into armed confrontation when Britain declared war on the Afrikaner republics in 1899 in what came to be known as the Anglo-Boer war.

Three years later, in 1902, after much bloodshed on both sides, peace was negotiated through the Treaty of Vereeniging which united the Boers and the British in a common system of white rule. According to Article 8 of the Treaty, the British
and Afrikaaners postponed decision on one of the most divisive issues between them, the role of Africans in this new political formation: "The question of granting the franchise to natives will not be decided until after the introduction of self-government" (Lerumo, 1987:24).

Following an all-white 'National Convention', attended by representatives from the governments of the four white colonies, the British Parliament passed the South Africa Act of 1909, approving a constitution providing for an all-white Parliament to govern the independent Union of South Africa, formed in 1910. The Act, which gave birth to modern South Africa, entrenched existing franchise laws which prohibited blacks from voting at all in three of the four provinces, and further restricted the already limited black franchise rights in the former Cape colony. The Act did not, however, resolve the issue of the place of Africans in the new union. Each province brought with it into the union its own laws and policies governing Africans, and there continued to be a great deal of variation from region to region during the early years of the new state. The first government of South Africa, under General Botha, focused its attention on the formulation of a unified national policy with respect to the African population, and in 1922, under the administration of General Hertzog, these efforts began to focus more specifically on policy surrounding African residence in South Africa's urban areas.

The Land Act of 1913, one of the first laws passed by the new Parliament, stated that 87% of the land in the Union of South Africa belonged to whites. Blacks were barred from owning property outside their allocated 13% of the land, some of the most barren and unproductive land in the nation. This act, following the almost total exclusion of blacks from political participation by the Union Act of 1910, completed the dispossession of black South Africans. These acts were complemented by the imposition of a variety of taxes on the African population, designed to force them to seek paid employment. This was done in part to satisfy the white need for African labor in the mines and small industries which were growing in mining towns like Johannesburg.

African urbanization was a result of pressures which were imposed on traditional African societies, pressures such as the loss of land due to colonization, the prohibition of African commercial agriculture by white authorities, land tenure systems which did not encourage crop rotation, and the imposition of taxes by the government. As traditional African societies were confined to barren lands, the pressures to leave for the cities grew.

Africans living in the urban areas at the beginning of the century were concentrated around their areas of work, the mines, services, and industrial sectors of the towns. In 1914, the government appointed a Tuberculosis Commission which gave
a comprehensive report on the conditions of Africans in the urban areas of South Africa. The Commission found that most "locations", the term used to refer to African living sites, were on the outskirts of towns, and lacked a systematic site outlay, proper streets, and lighting. The dwellings had no sanitary accommodations, and in most cases refuse was not collected. Most dwellings -- characterized by the Commission as dark, dirty, and overcrowded -- were shacks, constructed out of bits old packing case lining, kerosene tins, and other scavenged scraps of material. The Commission concluded that "in the majority of cases...the mere provision of municipal dwellings...would not provide the necessary remedy.... In order to adequately deal with such cases it would seem that new statutory powers will be necessary to empower the local authority to effect the removal of locations to suitable sites..." (Davenport and Hunt, 1974:69-70).

It wasn’t until 1922, however, that the government appointed a Commission under Colonel Stallard to advise them on urban legislation. The findings of this Commission guided South Africa’s urban policy for the next sixty years.

If the native is to be regarded as a permanent element in municipal areas, and if he is to have equal opportunity of establishing himself there permanently, there can be no justification for basing his exclusion from franchise on the simple ground of color. Some coloured persons and natives are possessed of property and of brains, and have educational qualifications not inferior to some enfranchised Europeans; many carry on trades and are their own employers, and it cannot be denied that they have special and peculiar needs not at present being met.
[However] We consider that the history of the races especially having regard to South African history, shows that the commingling to black and white is undesirable. The native should only be allowed to enter urban areas, which are essentially the white man's creation, when he is willing to enter and minister to the needs of the white man, and should depart therefrom when he ceases to so minister... (Davenport and Hunt, 1974:71).

The report of the Commission was followed by the passing of the Urban Areas Act of 1923, the first planned attempt to address the issues surrounding African settlement in white urban areas. Among other things, the Act made provision for African individuals and populations considered "redundant" to be removed from areas where they resided and to be sent to the reserves, where it was claimed that they "belong" even if they had never before set foot there. In an attempt to discourage African women from entering the urban areas to look for work, an amendment to the legislation in 1930 denied them entry into urban areas unless they had guaranteed employment or proof of the existence of immediate family who would provide them with accommodation. Also in 1930, the government initiated influx control laws, regulating the movement of Africans between the reserves and urban centers, which they linked to labor requirements in specific labor centers. By the 1940s, the government was pursuing a policy which closely linked land, housing, and freedom of movement, as evidenced by

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7 The reserves -- later called Bantustans and Homelands -- were the 13% of South Africa's land, divided by ethnic affiliation, reserved for the African populations by the Land Act of 1912.
the fact that Africans were allowed into urban areas only to work.

South Africa Urban Policy Post-1948

In 1948, an Afrikaner party, the National Party, won the whites-only elections for the first time in South African history, and has remained in power ever since. Afrikaners used their new power to improve their economic and social position relative to the English-speaking population, who had long dominated them in those spheres. They also used this power to assert their vision of the role and status of the African population, a view in stark contrast to what they saw as the liberalism of the previous governments.

The National Party espoused the doctrine of Apartheid, which means "separateness" in Afrikaans. In implementing this doctrine, the government sought policies which would create a complete separation between the African, Coloured, Indian, and white populations in all areas of life, including residences, amenities, and schools, abolishing the minimal forms of integration found in certain parts of the country, namely the former British colonies and major urban cities like Johannesburg. To do this, the National Party passed the Group Areas Act in 1950, which allowed them to relocate entire communities in order that space and race would coincide in residential areas. As part of its plan, the government also devised the concept of Bantustans, or independent homelands.
The National Party ideologues believed that the only way to solve the urban crisis in South Africa was to have relatively few Africans in the urban areas. They thought they could accomplish this goal by forcing the "surplus" African population -- those who were not working -- into the ethnically-based Bantustans through the imposition and enforcement of pass laws* and by encouraging African migration to the Bantustans by subsidizing the construction of housing in Bantustan townships. The National Party felt that this policy would lessen the demand for social services for Africans within South Africa proper, and deflate the emerging struggle for black political emancipation. So optimistic was the government about this strategy that the Minister of Bantu Affairs and Cooperation, Piet Koornhof, even made projections of a future South Africa completely devoid of urban African residents.

In carrying out this plan, the government advocated that one large African township or "location" be established per town, far enough away to avoid a geographic merger, or even close proximity, with the white area. Other conditions for township establishment included:

i) the site should be an adequate distance from the white town;

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* Pass laws required Africans to carry passbooks, identity documents, at all times. These passbooks listed a person's place of residence and current employment. Africans without active employment were allowed to remain in urban areas for no more than 72 hours. After that, they were expected to return to their Bantustan. Africans caught without valid documents were jailed.
ii) it should preferably adjoin the township of an adjoining town so as to decrease rather than increase the number of black areas;

iii) it should preferably be separated from the white area by an industrial buffer where industries exist or are being planned;

iv) it should have provision for adequate hinterland for expansion stretching away from the white area;

v) it should be within easy distance of the town or city for transport purposes, by rail rather than by road;

vi) it should have a road of its own, connecting the location site with the town, preferably running through the industrial area;

vii) it should possess open buffer zones around the proclaimed township area, the breadth of which would depend on whether the township borders on a densely or sparsely occupied white area; and

viii) it should be a considerable distance from main and more particularly national roads, the use of which as local transport routes for the township should be totally discouraged. (State Information Office, 1953 as quoted in Morris, p.50)

These policies, and others like them, guided -- and distorted -- the development of African townships throughout South Africa, including Alexandra.

The Crisis of Apartheid Urban Policy

As a result of Apartheid urban policy, a huge housing backlog built up in the African urban areas⁹. The government

⁹ Estimates for the projected housing shortfall in the year 2000 vary between 3 and 4 million (Mills, 1989:6-7). The more than 7 million Africans living in what is called informal housing -- free-stading shacks or garages -- are not included in these figures.
maintained that it could control the flow of people into the urban areas by providing little housing, resettling the unemployed, arresting new urban migrants who did not have valid passes, and stripping Africans who had previously held them of their freehold rights to land. Despite these brutal measures, however, the rate of African urbanization kept growing. People moved to the cities because they represented opportunity.

In essence, white political structures viewed African urbanization as something that could be switched on and off like a tap, they felt that the numbers of people and their places of residence could be controlled at the whim of the bureaucrats against the wishes of the people and the socio-economic forces of urbanization. This proved to be untrue. For most of the century, the numbers of new comers to the cities grew despite the authorities. Thus, while Apartheid was a success in creating a racially segregated city, it failed to stem the tide of Africans moving to the cities in search of opportunity.

The period of the 1950s was marked by intense resistance to the government’s Apartheid policies. The African National Congress (ANC), the South African Indian Congress, the Coloured Peoples Congress, the Congress of Democrats, the South African Congress of Trade Unions, and the Pan Africanist Congress were among the many organizations which organized grassroots campaigns against Apartheid. In 1960, to stem the
rising tide of resistance, the government declared a state of emergency and banned the major opposition parties. Thousands of activists were jailed; and hundreds others were driven into exile. In spite of the internal opposition, and in defiance of international public opinion, the National Party continued its program of Apartheid.

The political lull which resulted from these draconian security measures was broken by the 1976 student uprising, commonly referred to as the Soweto Uprising. Though the student protests began as a demonstration against the use of Afrikaans as a medium of instruction in African schools, it developed into generalized resistance against other Apartheid institutions, such as the government-imposed local authorities in the urban areas. Once again, the government responded with brutal force. Estimates of those who died in the battles against the police vary from hundreds to more than a thousand.

The riots generated a political debate about the nature of the National Party policies governing Africans. A wide range of forces, including the churches and domestic and international corporations, called for solutions which would avoid a recurrence of the riots. Anglo-American and other major South African corporations formed a non-profit organization, The Urban Foundation, to lobby the government to change its urban policy and recognize the right to permanent black residence in the urban areas. As part of its efforts, the Urban Foundation lobbied for the abolition of the pass
laws and for the granting of freehold rights to blacks within the townships. These actions reflected their belief that unless Africans had a stake in the system through an improved standard of living conflict would remain a permanent and integral part of the South African urban environment.

A combination of domestic and international pressure, and the report of the government-appointed Cillie Commission which found that a major cause of the unrest was dissatisfaction with the poor living conditions in the townships, resulted in a shift in urban policy in 1978, whereby the government allowed 30-year leases on houses in some townships.

Shortly thereafter, in 1979, P.W. Botha became the Prime Minister of South Africa. Botha, who was also the Minister of Defence, promoted many military officers to influential positions in the government. This new leadership, though still committed to Apartheid, viewed the causes and the solutions to the conflict in South Africa differently than their predecessors. Botha and his colleagues saw the Soweto Uprising as something which would recur in South Africa without the creation of a black middle class to reduce the alienation of the black youth and serve as a buffer against any radical onslaught on the system. As part of its efforts to encourage the creation of this middle class, the government extended the previously granted 30-year leases to 99-year leases and
scrapped its previous policies of job reservation. The 99-year lease scheme enabled middle income blacks to acquire mortgages for houses. As a result, on the edges of African townships, upscale housing developments with names like Beverly Hills and Selection Park emerged for blacks. These developments marked the first time that established white developers were actively involved in the construction of townships housing. The value of the houses in these areas were equivalent to those in middle-class white suburbs, and many of the blacks who bought them could have purchased homes in the white suburbs if the Group Areas Act hadn’t restricted them to the townships.

In 1987, the government announced the scrapping of the pass laws, acknowledging the inevitability of a permanent black presence in South Africa’s urban areas. While one of the key laws enforcing strict racial segregation, the Group Areas Act, remained in effect, the government created provisions through which towns and cities could declare themselves, or sections, free to be occupied of people irrespective of race, "subject to the support of the vast majority of legal occupants" (G. Viljoen as quoted The Urban Foundation, 1990b:25).

Botha’s actions were part of a larger government strategy of allowing limited social reforms while clamping down on

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10 Until this point, the government had barred access of Africans to skilled and managerial work through a system restricting certain categories of employment by race.
political opposition. His administration permitted white universities to admit small numbers of African students, private, multi-racial schools to be established, and certain hotels and cinemas in major metropolitan centers to open their doors to all races. It was not until the F. W. De Klerk came to power in 1989, however, that these limited social reforms were accompanied by political reforms addressing the issue of meaningful black participation in the political process. The reforms of P.W. Botha, the repeal of the pass laws and the modification of the Group Areas Act, were significant in that they represented the beginning of the state’s attempts to reverse policies which denied Africans a place in urban areas. Alexandra township has been shaped by these historical forces and contributed its unique problems.
Timeline of South African History

Millennia -- Ancestors of San and Khoi in South Africa.

Circa 300 -- Ancestors of Bantu-speaking Africans settle in South Africa.

1652 -- The Dutch East India Company establish a trading station on the site of present day Cape Town.

1658 -- Slaves imported from West Africa.

1806 -- Second and permanent occupation of the Cape by the British.

1834 -- End of slavery in the Cape.

1836 -- Beginning of the Great Trek.

1843 -- British annex Natal.

1886 -- Gold discovered on the Witswatersrand.

1899-1902 -- Anglo-Boer War.

1910 -- Union of South Africa formed.

1912 -- The African National Congress (ANC) formed.

1913 -- The Land Act.

1948 -- The National Party comes to power.


1960 -- The ANC and the PAC banned.

1976 -- Soweto Student Uprising.

1978 -- Botha becomes Prime Minister.

1983 -- Indian and Coloureds gain the vote in separate Chambers of Parliament.


1990 -- The ANC is unbanned.
Timeline of Urban History

1913 -- The Land Act.
1922 -- The Stallard Commission.
1923 -- The Urban Areas Act.
1948 -- The National Party comes into power.
1952 -- The Pass Laws.
1968 -- Thirty-year lease hold for Africans scrapped.
1976 -- Soweto Student Uprising.
1978 -- 30-year leasehold scheme introduced.
1979 -- 99-year leasehold scheme introduced. Africans allowed to join registered unions.
1982 -- Black Local Authorities Act.
1984/5 -- Local government elections in black areas.
1985/6 -- The first State of Emergency imposed from June - April 1986, and reimposed in May.
1987 -- Pass Laws scrapped.
1988 -- Group Areas Act relaxed.
CHAPTER THREE: TOWARD PRIVATIZATION IN ALEXANDRA TOWNSHIP

Alexandra: A History of the Township

Alexandra township, with a population of 200,000, is located nine miles north of central Johannesburg. It covers 358 ha of land, roughly one square mile, and is bounded by the white areas of Wynberg on the west, Kelvin and Marlboro on the north, and Kew and Lombardy East and West on the South. These areas fall under the Sandton municipality and they are among the richest suburbs of South Africa.

Alexandra was originally a farm owned by the Papenfus family. In 1905, it was declared a white township, and named Alexandra after the daughter of Mr. Papenfus. By 1912, however, not a single plot had been bought because whites considered it too far from central Johannesburg. Consequently, the Papenfus family applied to have the township declared an African and Coloured settlement area, a request which was granted in 1912. By 1916, the population of Alexandra was approximately 900; by 1930 it had increased to 7,200; by 1937, 22,000; by 1943, 7,200; by 1937, 22,000; and by 1943, it had reached 45,000 (Pillay, 1985:2). These figures are indicative of a larger migration to urban areas taking place within the African population.

At the time of its establishment, Alexandra did not have the structures of local government. A Health Committee was formed by the government in 1916 to ensure a supply of clean

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11 See the maps on pages 35 and 36.
The PWV Area
Alexandra Township With the East Bank and Far East Bank (Bond, 1990c:73)
water and to arrange for the elimination of waste, but its functions did not include the planning and design of the township. This Health Committee was run by white officials from the National Ministry of Health who would visit Alexandra periodically to assess the health conditions. Thus, people who bought land in Alexandra developed it in the absence of guidelines regarding land use. This lack of coordination and planning is evident in the current layout of the township, which is a tangle of closely-packed houses, randomly placed, with shops, government offices, and businesses scattered throughout the mix rather than in separate areas set aside for their use.

Property owners in Alexandra lacked easy access to capital to develop their sites. Because of the persistent rumors that Alexandra was going to be relocated by the government because of its proximity to the white residential areas, building societies and banks refused to land money for the development of the area. Thus, black property owners were forced to develop their properties with money from white lenders at high rates of interest, rates which were in turn passed to their tenants. In the words of the Health Committee Chairman of 1942, "The greatest weakness of the Township, apart from the poverty of the inhabitants, is the exploitation of many of its residents by European individuals and organizations, who hold bonds on terms so onerous that they constitute a 'racket' and a very profitable one to this kind
of bond-holder" (Bond 1990c:19).

During its tenure, which lasted until 1958, the Health Committee did not construct new houses or provide rental housing. At the same time, the population of the township grew. Because Alexandra fell outside the control of the Johannesburg City Council, it was free from the influx control laws, a fact which, combined with its relative proximity to the city, made it appealing to many Africans. The rising population, the shortage of housing, and the absence of land available for further expansion, caused serious overcrowding in Alexandra, which resulted in backyard settlements and a system of room tenants. Room tenants were those who rented rooms in the formal houses from their owners and lived there, either singly or with their families. These tenants lived in the rooms for long periods of time, at times for generations. The rights of these room tenants has come to be one of the major issues in the current privatization debate.

In 1958, the National Party government transferred control of Alexandra, now with a population of 98,000, from the Health Committee to the Peri-Urban Health Board (PUHB), which was to serve as the local authority for the township. The officials of this Board were appointed by the central government, and excluded Africans even though it was responsible for administering Alexandra and planning for its development. One of PUHB’s first moves was to announce that it was going to turn Alexandra into a family residential area and
a place for female hostels. To accomplish this, all residents who did not own property would be relocated to neighboring townships.

PUHB envisioned a township with 30,000 people living in family units and another 15,000 women in hostels. The hostel dwellers would be mainly domestic workers in the surrounding white suburbs. At that time, many domestics lived in servants quarters behind white residences, a practice the Apartheid policies wanted to abolish. The Resettlement Board, formed by the government to remove black people from "undesirable" areas, started its work in Alexandra in 1958, and by 1963, 44,700 people had been moved out of Alexandra (SAIRR, 1963:183).

In 1963, in yet another policy shift, the government announced that the entire population of Alexandra would be resettled, and the township turned into a hostel city. It is important to remember that at that time, no other township in South Africa had freehold rights. Alexandra had existed as an exception for years, and to remove it, the government had decided to relocate the whole community to other African townships. Those who wanted to continue to own property were advised to move to the homelands. The government offered to purchase properties from homeowners and to transport their goods free of charge to their new homes. While the government stated that while it would prefer residents to sell their property voluntarily -- at a price set by the government-- if
they did not, the government would remove them by force from the township.

In 1972, the administration of Alexandra again changed hands, and was placed under the jurisdiction on the West Rand Administration Board (WRAB) which was responsible for the development of the townships and the administration of Africans in the urban areas. Its top officials were appointed by the ministry responsible for African administration, and it continued to carry out the directive to relocate the population of Alexandra.

Although thousands of Alexandra residents continued to be removed between 1960s and 1979 (the population dipped to 40,000 in 1973), urbanization pressures intensified in the Transvaal such that the illegal squatter sector of the population generally increased steadily from the mid-1970s, and shack dwelling sprouted in most backyards. In 1974, [there were] just 950 freehold properties in black hands, down from a peak of 2 500 (Bond: 1990c:18)\(^{12}\).

The removals did not happen as fast as the government expected, however. Most townships had long waiting lists for housing, and the policy began to face increasing resistance, both from inside and outside the township. The Johannesburg City Council opposed the plan to turn Alexandra into a hostel city on the grounds that single-sex hostels would lead to social problems, such as increased alcoholism and violence. Within the township, the Save Alexandra Party played a role in opposing the removal of the people of Alexandra. The party was

\(^{12}\) See population chart on page 41.
led by Rev Sam Buti, a long-term resident of Alexandra and a minister in the Dutch Reformed Church. The Save Alexandra Party was not a mass-based organization, but was based on the following which Sam Buti commanded as a minister of the Dutch Reformed Church and his charismatic personality.

By the late seventies, the government was starting to review its policies regarding the residence rights of urban Africans. By 1979 the government had already passed the 30-year and 99-year lease schemes, and in that same year, Rev. Buti entered the negotiations with the South African government appealing for a change in the government policy of removing the people of Alexandra. Later that year, the government announced that the people of Alexandra would no longer be removed. However, residents would not regain their freehold rights, and the remaining 300 property owners would have their rights nullified (South African Institute of Race Relations, 1980:416.). In other words, all the residents of the township were to be tenants of the West Rand Administration Board.

Alexandra and the Government Urban Reform Policies of the 1980s

After the Soweto students uprisings of 1976, the leadership of P.W Botha was searching for a way to restore stability in the townships. The new leasehold schemes were viewed as one way to improve housing in the townships and raise the quality of life for black South Africans. It is in
this context that the government announced the plans to redevelop Alexandra. In 1980, a Replanning Committee was formed by representatives of the Central government, the West Rand Administration Board, and the Alexandra Liaison Committee of Rev. Sam Buti. The Alexandra Liaison Committee was established by Rev. Buti to serve as a communication channel between the government and the people of Alexandra in the absence of a local representative authority. The government conferred on the Alexandra Liaison Committee the status of the representative of the people of Alexandra with its inclusion in the Replanning Committee.

The Committee drew up a plan, referred to as the 1980 Masterplan, to redevelop the township. The main components of this plan were:

a) The subdivision of Alexandra into seven residential areas and the creation of a central business district. This would be accomplished through the destruction of all old houses in Alexandra and the development of new residential areas in their place.

b) The provision of middle and upper class housing under the provision of the newly enacted 99-year leasehold scheme.

c) Improvement of the basic infrastructure.

d) The recognition of the Alexandra Liaison Committee as the official representative of the community.

The Replanning Committee expected that private developers would take advantage of the new leasehold schemes to construct new housing, and that businesses would come to invest in the community. People who were living in areas designated for
Man Living in A Bus, Alexandra Township 1983
by Wendy Schwegmann (Badsha, 1986:56)
redevelopment were relocated and placed in temporary shelter, including old buses\textsuperscript{13}, the former clinic, and other unused government buildings. As the new housing developments grew in Alexandra, those whose homes had been demolished could not afford to move into the new houses.

In 1982, the government passed the Black Local Authorities Act which called for the granting of municipal status to townships. The law called for the creation of African-run town and city councils in townships, which would take over the functions that were previously performed by the West Rand Administration Board. It was hoped that these measures would lessen the hostility towards the government evident in the student uprisings and subsequent unrest. The students had destroyed most of WRAB's property during the uprisings: beerhalls, vehicles, and offices. These demolished assets were seen as symbols of white authority.

At the end of 1983, elections were held and the first Alexandra Town Council was formed, with Rev. Buti as the mayor. With the formation of the Alexandra Town Council, the Replanning Committee was placed under this body. Rev. Buti was elected with a high turnout from the residents of Alexandra. The faith in Rev Buti was a result of the role he had played in saving Alexandra from destruction by the government. Because these new black local authorities were supposed to be financially independent from the Central government, the

\textsuperscript{13} See photograph on page 44.
Alexandra Town Council was forced to raise rents and service charges of residents in order to cover its operating expenses.

In 1985, the Alexandra Residents Association (ARA) was formed to organize against proposed rent increases and the failure of the local government to provide adequate housing for those displaced by redevelopment. These protests were part of a national campaign by community groups, who claimed that the black local authorities were no more than puppets of the white administration. While the Black Local Authorities Act permitted local elections, the Town Councillors had to obtain permission from the national government before they could implement any redevelopment plans for the townships. In addition, they had no power to address the main grievances of the African population, such as influx control, the poor quality of African education, and the lack of voice in the national political process. The Town Councils increasingly came to be seen by the African community as implementors of the repressive laws passed by the white government. Demonstrations against the Councils, and against Apartheid policies generally, became widespread -- not only in Alexandra but nationwide -- and in 1986, most of the Town Councils were forced to resign. The Alexandra Town Council resigned in April 1986 when the residents of the township launched a rent boycott against it, demanding the release of political prisoners and the end of the proposed rent increases.
In response to the rising unrest in the country, the government declared a state of emergency in 1986. This gave the police below the rank of a lieutenant the powers to arrest people without trial, outlawed all public meetings, and imposed a dusk to dawn curfew in the townships. The army moved into Alexandra to impose order and a government appointed administrator, Mr Steve Burger, was called in to restore local government. The police arrested scores of activists in Alexandra and in other black townships and held them without trial. Many other activists were forced into hiding. It was during the tenure of Mr Burger that the privatization program began.

Privatization: The 1986 Urban Renewal Plan

Buying your own home has got to be one of the most sound investments you could ever make. Not only are you assuring the future of your family, but the money you pay is going towards YOUR home - a home that belongs to YOU and YOUR FAMILY! Think of the advantages. You can make any renovations you like. You can add on rooms. Paint it. Put on a new roof. Whatever you do will increase the value of your home so that should you one day decide to sell it you will make profit - and that money will be YOURS... Buy your home NOW, and secure your family’s stake in the future of your Community - for ever! (Jochelson, 1990:27).

These words come from a township newsletter established by Mr Steve Burger, the administrator of Alexandra, as he embarked on an urban renewal program in 1986. The 1986 Urban Renewal Program was to be implemented through the Joint Management Centre (JMC), of which Mr Burger was the head. JMCs were
administrative units set up in South Africa's townships to administer them during the state of emergency. Staffed by members of the police, army, and intelligence service, the identity of the members of the JMC was kept secret, as were the details of their inner workings. The Alexandra JMC would issue statements in the name of the Alexandra Town Council, even though the members of the council had resigned. The government hoped that if the JMC did good work in improving the living conditions of the residents of Alexandra, the residents would regain faith in the Town Council.

You protect the major target, that is the system of government from bottom up, you operate against the revolutionary organization to demonstrate to the masses that you are in charge and that you have the power to protect them and government system. The main thing is to give the people a vision of a new South Africa that's worth working for, so that you can attract even the revolutionaries (Jochelson, 1990:21).

The Alexandra JMC saw its functions as the restoration of local government through the socio-economic redevelopment of the township. Under the blanket of repression against opposition groups provided by the state of emergency, the JMC drew up the 1986 Urban Renewal Plan. The main elements of the plan were:

a) Infrastructure development,
b) The resale of publicly-owned housing in Alexandra,
c) The development of the East Bank, and
d) Job creation.
Infrastructure

The JMC was critical of the earlier Masterplan of 1980, claiming that it yielded few improvements in the condition of 90% of the residents of Alexandra. It believed that the provision of infrastructure would be in the interest of the township residents, and that it would also restore the faith of the people in government. To this end, the 1986 plan emphasized achieving results which people could immediately see, and within a year of the JMC’s rule in Alexandra there were public telephones installed, a clinic built, and the main roads of Alexandra had been tarred. By 1993, however, the majority of residents still did not have access to electricity or water in their homes. They were still relying on communal taps.

Resale of Public Housing

In 1987, the JMC announced that it would resell the property expropriated under the 1963 initiatives that had abolished freehold tenure in Alexandra. Prior to this 1987 initiative by the JMC, all the people in Alexandra were tenants of the Town Council except for those few people living in houses which had been built under the 99-year leasehold scheme. Under the conditions for transfer, the previous owner or their descendants would receive first option to purchase the property. If the previous owner or members of his immediate family could not be traced, or did not wish to
purchase the property, the longest tenant would receive second priority. This policy was begun under the tenure of Steve Burger, and was continued by the revived Alexandra Town Council in 1988.

The Development of the East Bank

The JMC was critical of the rate of construction which occurred under the 1980 plan, under which only 25 state funded houses and 444 apartments had been completed. The private sector had built only 137 houses for leasehold sale (Jochelson, 1990:22). To remedy this situation, the 1986 Urban Renewal Plan identified the East Bank for the development of middle class housing.

The East Bank is a 102 ha strip on the east bank of the Juskei River, and was donated to the Alexandra Town Council by the Johannesburg City Council in 1986 with the provision that expensive houses be built to serve as a buffer between Alexandra and the neighboring white suburb of Lombardy. Later that same year, the Johannesburg City Council donated another 260 ha plot of land to Alexandra, the Far East Bank, with the provision that the area be separated by a golf course from the White suburbs. That land is still vacant as proposals for its development are being considered.

It was felt that an upmarket project in the East Bank would fulfil the vital function of motivating township residents towards a better lifestyle and greater social
stability.

The development of the private market in [the East Bank] complemented the upgrading of the old section of the township, which formed part of the Joint Management Centre strategy for the area. The creation of an up-market elite area would dovetail very neatly with the National Management Security System's strategy to defuse tension in Alexandra, and to create the basis for social stability there (Bond, 1990c: 29).

Patrick Bond (1990c:29) reports that by 1988, 2/3 of the East Bank's 700 houses were selling for 50,000 rand or above.

Job Creation

Recognizing unemployment as one of the major issues confronting Alexandra -- the unemployment rate in South Africa is around 40%, with some estimates for Alexandra being as high as 50% -- the JMC contacted firms in the Sandton area about possibilities for creating training schemes for the residents of Alexandra. Companies that were developing houses in the East Bank launched training programs in construction skills.

The 1986 Urban Renewal Plan was designed to create a middle class with the aim of diffusing political tension in Alexandra. The JMC hoped that the middle class would serve as a force for social stability in a community torn apart by political conflict and help restore the legitimacy of the Town Council in the eyes of the residents. Instead, the Plan created divisions within the community, exposing conflicting interests which were not previously present in Alexandra.
Timeline of Alexandra History

1905 -- Established as a white settlement.

1912 -- Status changed for use by Africans and Coloureds.

1916 -- Put under the jurisdiction of the Health Committee.

1958 -- Jurisdiction transferred to the Peri-Urban Board. Plan for the relocation of tenants to other townships.

1963 -- Plan for Alexandra to be turned into a hostel city.

1973 -- The West Rand Administration Board takes over the Administration of Alexandra.

1976 -- Soweto Student Uprising.

1979 -- The decision to turn Alexandra into a hostel city is rescinded.

1980 -- The Alexandra Masterplan.

1982 -- The Black Local Authorities Act.

1983 -- Sam Buti becomes the mayor of Alexandra.


1987 -- Plans to re-sell houses announced.
CHAPTER FOUR: ALEXANDRA'S RESPONSE TO PRIVATIZATION

The Response to the 1986 Plan

From the time it was established, the JMC was faced with a rent boycott which undermined the financial base of the Town Council. The 1982 Black Local Authorities Act had envisioned the black Town Councils being in a position to raise money for their own expenses. Given the fact that no industrial or commercial activity was located in the township, and that most housing was owned by the Council, the rent boycott hit one of the most vulnerable points of the local authority. With a rent boycott, and no funds coming from the Central government, the local authority system was faced with financial collapse.

The rent boycott continued into 1991, even though most activists and leaders of the Alexandra community were in jail. One of the reasons why the rent boycott was sustained despite the detentions of the leaders of Alexandra's grassroots organizations was the structure of the organizations themselves. The Alexandra Action Committee, formed in April, 1986 to organize residents in opposition to the Town Council, had embarked on a door to door mobilization effort, with the family being the lowest unit of organization. Three families or more would be organized into street committees, and a number of street committees would be organized into a block committee. Blocks were organized into zones, and representatives of zones would constitute the General Council of the Alexandra Action Committee. This structure allowed for
the survival and continuation of the organization, even if the top leadership was arrested. The representatives of the blocks and zones continued to meet and strategize during the state of emergency. This level of leadership did not have a high political profile, and thus, was not an easy target of state repression during the state of emergency.

The policies followed by the JMC in Alexandra caused fragmentation within the Alexandra community. The development of the East Bank created housing for the middle and upper class. For the first time in the history of Alexandra, the middle class had housing differentiated from the old part of the township, by appearance, tenure, and geographic location. The residents of the East Bank were not tenants of the Alexandra Town Council and did not have an interest in the rent boycott. In fact, they were affected negatively by the rent boycott because it undermined the capability of the Town Council to provide basic services like electricity. Unlike the residents of the East Bank, the majority of the people in Alexandra did not have access to electricity in their homes. If the local government did not have the ability to deliver electricity to the population as a result of financial difficulties arising from the rent boycott, this affected only those who had electricity in their homes.

The emergence of the East Bank meant that one could no longer talk of just one Alexandra community. Previously, the Apartheid state had treated everyone in the African community
the same way irrespective of the class differences. There was one community, sharing the same interests. This was no longer true as the JMC sought to appeal to sectional interests in the community, thus undermining the basis of collective action.

With the sales of municipal-owned housing, the JMC started a process of division within the township based on economic interest which had not been experienced before. Prior to the rule of the JMC in Alexandra, all residents had been tenants of the Alexandra Town Council. The Apartheid government had prohibited Africans from owning or building their own homes in South Africa until the 99-year leasehold scheme was introduced in 1979. In Alexandra all the freehold rights were finally nullified in 1979. All the people in the community were tenants of the Town Council except those who acquired houses under the provisions of the 1980 Masterplan. The municipal housing in Alexandra was expropriated property.

When the JMC announced in 1987 that all the municipal housing was to be transferred from the public authority to private ownership, it set the stage for more social differentiation and fragmentation in the community. The JMC announced that the old owners or their immediate family would receive priority in buying back the houses. If the former owners weren’t available, the longest tenants would be given first priority in buying the house.

The former property owners and their families stood to benefit the most under the JMC’s program of selling the houses
to the members of the public. The majority of these former property owners had already left Alexandra under the resettlement plan by the government. In 1979, the number of those still living in Alexandra was estimated to be 300.

The Alexandra Action Committee, which before the sale could claim to be speaking on behalf of all the people of Alexandra on civic issues, opposed the sale program. It identified itself with the interests of the tenants who thought that the sale of the housing would put them at the mercy of the new owners who would increase the rents. The Committee felt that the prospective property owners would, if they acquired property, take a different position on the rent boycott now that the boycott would be directed against them as property owners rather than against the JMC.

The property owners organized under the banner of Alexandra Property Owners Association (ALPOA). ALPOA was formed in 1989 to represent those who owned property or had claims to property in Alexandra. Membership of ALPOA cut across the political divide in Alexandra. Some of those represented by ALPOA were members of the African National Congress and some of the Pan Africanist Congress, both of which are key organizations in opposition to the government and have been banned by the government for the past thirty years. Some of those in ALPOA had sympathies towards the Inkatha Freedom Party under the leadership of Gatsha Buthelezi. Inkatha has been in support of most policies of the
South African government from the time of its inception in 1975. ALPOA is not a conservative organization as such, but it reflects the fact that the sale of property in Alexandra highlighted class differentiation. ALPOA is not a political party. It is lobbying other political groupings in society for a reorganization of Alexandra which would be favorable to the interests of property owners. ALPOA exists as a lobby and does not maintain a high profile like the Alexandra Civic Organization.

The old property owners claim that their rights were violated by the Apartheid government in 1963 when it forced them to sell their property under the government plans to turn Alexandra into a hostel city. They feel the restoration of their property rights would rectify an historical wrong perpetrated against them. They feel that the plight of the tenants and those who lack housing should not be used to prevent them from getting their property back. In their eyes, buying back their property does not make them supporters of the government or the JMC. The property owners seem to be benefiting the most under the 1986 Urban Renewal Plan for Alexandra compared to other interest groups in the township.

The shortage of housing in Alexandra has created conditions of overcrowding in most houses. In formal houses, families or single individuals have rented rooms. These rooms have been the homes of the same families for generations. The sale of housing threatens the interests of these tenants.
Under the terms of the housing sale, the longest tenants get the first priority of buying the house if the historical owners do not come forth to purchase the house. This group of tenants is the main constituency of the Alexandra Civic Organization.

The Alexandra Civic Organization (ACO) was formed in 1989 by leaders of the Alexandra Action Committee after they were released from jail that same year. The President of ACO, Moss Mayekiso, is also the President of the National Union of Metal Workers of South Africa (NUMSA), the largest trade union in South Africa, as well as the President of the South African National Civic Organization (SANCO), the umbrella body of civic organizations in South Africa. The ACO has a high political profile and many of its key members play leading roles in the activities of the African National Congress and the South African Communist Party. These multiple levels of involvement in the opposition movement by members of ACO ensures that the demands of ACO are publicized far beyond the borders of Alexandra.

The backyard shack dwellers are the group made most vulnerable group by the plan to sell the municipal housing. The backyard dwellers emerged in Alexandra as a result of the housing shortage. Some of the families who could no longer use the rooms they rented in the formal housing, started building shelters in the backyards. These backyard shack dwellers paid rent to the Alexandra Town Council. The backyard dwellers’
concern is that the new property owners will raise rents to high levels and will have the power to evict them if they can not afford the increases or if the new owners want to use the property for different purposes. Their concerns are not unfounded. A 1989 report by the Legal Resources Centre stated that:

'The most striking practical consequence of the sales has been a demand by the purchasers for sharply increased rent' from tenants; indeed, 'in many cases the 'tenants’ will in effect pay the full purchase price, and within a relatively short period' (quoted in Bond, 1990c:27).

Settlements composed of free standing shacks exist both on the fringes of Alexandra and inside the township proper. These settlements arose as a result of the chronic housing shortage, and despite a common belief that the residents are newcomers to Alexandra, roughly 2/3 of the people living in these shacks were born in Alexandra or have lived there for at least two decades (Bond, 1990c:25). While the property sales do not directly affect the residents of these settlements, their interests are in conflict with those of the new property owners who argue for their removal. The property owners argue that the existence of these settlements reduces the value of their property. The JMC had called for the removal of the free standing shacks from Alexandra. The Alexandra Civic Organization has been organizing the shack dwellers to resist removal and representing them in negotiations with authorities.

Hostel dwellers, yet another of Alexandra’s residential
subgroups, do not immediately suffer from the sale of municipal housing. However, the sale of municipal housing to private individuals means a loss of affordable rental accommodation for those wanting to rent rooms in the township. Hostel dwellers wanting to move out of the hostels and into rental municipal housing are affected by this loss.

The Alexandra Civic Organization has called for the dissolution of the Town Council in Alexandra and in other parts of the country. Its call for the dissolution of the Black Local Authorities was backed by the African National Congress, the independent trade union movement, and various church groups. The opposition movement claimed that the Town Councils were not financially viable. Because townships were created by the government as dormitories of labor, and not as centers of commercial and economic activity, the Town Councils can only obtain revenue through raising rents and service charges on township residents.

The Alexandra Civic Organization has not only participated in protest activity against the Town Council and the JMC, but they have proposed an alternative path for the development of Alexandra. The ACO has called for combining the local authority in Alexandra with that of the neighboring white suburbs falling under the Sandton Town Council. The Alexandra Civic Organization says that while their residents work and shop in the White areas, it is only the white Town Councils which enjoy the tax revenues thereof. The Sandton
City Council and the Alexandra Civic Organization formed the Northern Join Negotiating Forum in 1991 to study ways in which a metropolitan authority for Sandton and Alexandra could be formed. This became a possibility once the government decided to dissolve the Alexandra Town Council after repeated allegations of corruption were levelled against the body.

While the Alexandra Civic Organization is still campaigning for a non-racial local government structure, it has developed a socio-economic development plan for the redevelopment of Alexandra. This plan is a radical alternative to the 1986 Urban Renewal Plan developed by the JMC. The Alexandra Civic Organization is calling for a halt to the public housing sales program. The ACO claims that the existing local authority, as an institution created by the Apartheid government, is an illegitimate authority to effect the transfers. It maintains that there must be several tenure options in Alexandra to replace the overemphasis of the 1986 Urban Renewal Plan on home ownership. The Alexandra Civic organization calls for the abolition of hostels and the conversion of the existing ones into family units. The Alexandra Civic Organization believes that the hostel

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14 This initiative was supported by the South African National Civic Organization which has called for the creation of local government structures combining black and white residential areas in contrast to the government position to keep the local authorities separate.

15 The hostels in Alexandra are single-sex residences where the occupants share rooms. There is no privacy.
residents should be part of the Alexandra community instead of being isolated in hostels. The Alexandra Civic Organization is organizing among hostel dwellers, but it is difficult to assess the degree of support among hostel dwellers. There has been violence, unrelated to the transfer of housing, between some hostel dwellers and community residents in some parts of Alexandra. As a result, some of the hostels are no-go areas for non-residents, making it difficult to assess efforts to organize the hostel dwellers.

In December 1990, the Alexandra Civic Organization submitted a proposal for the development of the Far East Bank and the redevelopment of old Alexandra. The Transvaal Provincial Administration (TPA) is a government structure coordinating infrastructural development in the Transvaal. The ACO’s plan called for prioritizing the interests of low-income people in developing the Far East Bank and old Alexandra. The Alexandra Civic Organization has been assisted by Planact in preparing these proposals. Planact is a non-profit firm with skills in urban development, architecture, development finance, and urban sociology which has been assisting township residents and civic organizations in negotiations with the local government and in devising alternative development plans.

The Alexandra Civic Organization claims that the majority of the people of Alexandra are low-income and cannot afford the expensive housing which is being built by private
developers in the East Bank, in the Far East Bank, and in the
urban renewal areas of old Alexandra. As the ACO described
Alexandra’s housing situation in 1990:

The land and housing crisis in Alexandra is
enormous. For example, in Alexandra there are:

* 11 080 free standing shacks,
* 6 120 backyard shacks,
* 8 432 hostel dwellers,
* 13 962 families living in single rooms16.

This means that over 80% of the Alexandra
population is not properly housed, and does not
have sufficient access to services. A crisis of
these proportions can only be solved with the full
and active participation of the community....

In Alexandra the majority of the people cannot
afford finance with market related interests rates,
even with subsidies (Alexandra Civic Organization,

The Alexandra Civic Organization believes that only a
development process that takes into account the interests of
all the people in the township has a chance of winning popular
support. The Alexandra Civic Organization is critical of the
development process which has taken place previously in the
township as having been top down and not in consultation with
the community. The Alexandra Civic Organization supports a
development process that actively involves the residents in
the formulation of development plans.

The Alexandra Civic Organization has also called for the
creation of the Alexandra Community Development Trust. The
Community Development Trust would be made up of

16 These numbers refer only to old Alexandra.
representatives from the community, irrespective of their political affiliation. The Alexandra Community Development Trust would be controlled by a board of trustees which would include community representatives as well people with skills in development finance and urban development.

The Alexandra Community Development Trust would create three agencies for the development of the community, a Land Trust, a Community Development Loan Fund, and a Community Development Corporation. The land in the Far East Bank would be placed under the control of the Land Trust.

The Far East Bank would be placed in a Land Trust, administered by the Board of Trustees. The use of land would be subject to certain conditions contained in a Lease, the aim of which would be to safeguard a scarce resource for current and future generations.

The Lease would contain, inter alia, details about reselling of improvements, with the Community Development Trust being given first option to repurchase, based on limited appreciation prices.

The Lease would prevent speculation on the land, and prevent the holding of more than one stand by a single individual. The Lease would also ensure that the Far East Bank is developed for Alexandra residents only (Alexandra Civic Organization, 1990:30).

The Civic Organization also maintains that the houses in old Alexandra should not be put on the private housing market, but should be placed in a Land Trust as well.

The Community Development Corporation would plan for the servicing and the development of land in Alexandra. The Community Development Loan Fund would look at various means through which development finance could be channelled into Alexandra. It would look for ways to raise capital at below-
market interest rates and to obtain assistance from foundations in South Africa and beyond (Alexandra Civic Organization, 1990:28-29).

The above institutions are in the process of being set up. One of the problems, however, has been a shortage of skills among the residents of Alexandra. The Alexandra Civic Organization has relied on Planact for technical assistance. The City of Chicago has entered into a sister-city relationship with Alexandra, and has helped in identifying training possibilities for some residents of Alexandra in developing skills related to local government and town planning. The Pratt institute has also been conducting programs to help the Alexandra Civic Organization develop its capacity to do development work. Though the work of the Alexandra Community Development Trust has not yet started, the Alexandra Civic Organization is embarking on programs to create capacity within the community to do planning work. The abolition of the Apartheid government will create an even more favorable climate for the Alexandra Civic Organization to realize its development goals.

The program of the Alexandra Civic Organization is focussed on addressing the needs of the low-income residents of Alexandra through the creation of a non-profit housing sector. It does not, however, incorporate the interests of the homeowners. In fact, the ACO plan sees the development of high-income housing as reducing the resources for low-income
housing, leading to the gentrification of Alexandra, and the expulsion of the old-time residents from the area.

The ACO plan is in sharp contrast to the Urban Renewal Plan of 1986 which put its emphasis on home ownership programs, ignoring the fact that the majority of Alexandra's current residents are low-income tenants in formal housing, backyard dwellings, and free standing shacks. The Urban Renewal Plan is based on the assumption that high-income housing would bring middle and high-income people into the area and contribute to the development of a fiscal base for the township. It assumes that home ownership brings social stability, that the presence of low-income people and housing in Alexandra is detrimental to efforts to attract the middle class and business into the township, and that furthermore, these low-income tenants -- the bulk of Alexandra's population -- are not interested in the development of the township.

The way the plans are framed gives the impression that there are only two possible paths to development in Alexandra, one which promotes home ownership at the expense of tenants, and the other which focuses on the needs and interests of low-income tenants to the exclusion of homeowners. This does not have to be the case. The present polarization can be eased by a plan which takes into account the interests of all township residents, a plan which mobilizes the opposing sides around a common agenda of building a viable community in Alexandra that accommodates all of its residents. The general outline of such
a plan is considered in my concluding chapter.
CHAPTER FIVE: CONCLUSION

And the end of all our exploring
Will be to arrive where we started
And know the place for the first time.

- T S Eliot, Four Quartets

These problems of housing, land, and poor infrastructural services in Alexandra cannot be divorced from the question of who holds power in South Africa. The problems of squatting and the lack of jobs for Africans in the urban areas are a result of the policies of Apartheid. These problems are rooted in South Africa’s history and the policies, followed by successive white governments, which denied Africans the right of permanent residence in the urban areas, created a system of inferior education for African children, and barred Africans from skilled jobs. The aim of these policies was to ensure African subjugation and guarantee a supply of docile and unskilled labor to meet the needs of the white-owned economy.

Just as the government has politicized the issues of housing and urban development, Africans see the eradication of the Apartheid system and the establishment of political democracy as fundamental to solving urban problems in South Africa. The history of the struggles waged by communities like Alexandra confirms this point. Organizations like the Alexandra Action Committee and the Alexandra Civic Organization have combined a political agenda together with a development agenda. It is this environment that has shaped the current debates about housing privatization in Alexandra.
Within this broader context, the debates about the transfer of municipal housing to private citizens and the development of the East Bank and the Far East Bank, have been driven by the participants' respective beliefs about the presumed advantages and disadvantages of the market and non-market sector. These different views have led to the emergence of two dominant trends of development which the key participants see as mutually exclusive. This way of looking at the reality in Alexandra has made some participants view the sale of housing to the former owners as being at the expense of tenants, while others maintain that the maintenance of low-income housing hinders the building of an economically viable community.

The Urban Renewal Plan of 1986 focuses on a number of development issues in Alexandra. On the positive side, it calls for the improvement of infrastructure and job creation which will benefit the people of Alexandra irrespective of their income level. However, by emphasizing middle class housing, like the developments in the East Bank, the 1986 Urban Renewal Plan ignores the interests of the majority of Alexandra’s residents who are low-income and need affordable housing. The strategy of selling public housing to private individuals also ignores the needs of the majority of township residents. It does so in two ways. First, the housing sales benefit only a few long-term tenants, those who happen to live in houses which the owner and his relatives do not want to
acquire -- and then only if they can afford to purchase them. Secondly, the plan results in the redistribution of the existing housing stock, not the creation of new housing units which can meet the demand for affordable accommodation. In addition, in focusing on homeownership, the 1986 Plan ignores the need for a variety of tenure options in the community to cater to the different needs of the residents.

The Alexandra Civic Organization Plan, on the other hand, focuses on providing housing opportunities for low-income residents, but it does not acknowledge the advantages of also having homeowners in the community. However, there are benefits attached to having middle class homeowners in Alexandra. These groups are vital in organizing the economic activity of the area. They have finance and administration skills, for example, which the Alexandra Civic Organization needs in order to implement its developmental goals. Thus, it is in the interest of the Alexandra Civic Organization to devise strategies which will win the support of homeowners. As they are now, the proposals of the Alexandra Civic Organization might cause middle class elements to leave Alexandra, rendering Alexandra a homogeneous, low-income ghetto.

The plan which I propose aims to draw all income groups into the developmental process and minimize the polarization which has taken place in the township from the time of the 1980 Masterplan. In Alexandra, the majority of the people are
low-income and any development process should take the interests of this group into account. Focusing on the interests of low-income residents, however, does not have to exclude the interests of the middle class. The middle class can contribute to the economic development of the township, becoming an important conduit of skills and resources to low-income people and areas.

To ease the present polarization, a process needs to be started which will involve the opposing sides in building a viable community in Alexandra that accommodates the diverse interests of multiple groups of tenants and multiple groups of homeowners. It would be naive to think that the solutions facing Alexandra can be solved overnight by an appeal to these many groups to work together. The homeowners’ interests and those of the tenants are not always reconcilable. For example, tenants are interested in lower rents while homeowners want to use their property to gain high returns, through, among other things, raising rents. Such conflicts of interest will continue to exist in Alexandra even if tensions around the transfer of housing are eased. Nevertheless, there are measures which can be implemented to bring the parties closer together. The following measures, which aim to build a mixed-income area, are an attempt to do so.

Claims to expropriated property must be divided between people still living in Alexandra and those residing elsewhere. Those who lost their freehold rights in 1963 and are still
residents of Alexandra will be entitled to get their property back. If they cannot be located, and their immediate family still lives in Alexandra, the family would be given the property. The property would be transferred on the condition that current tenants cannot be evicted from the house or backyard. Rent control will be imposed to protect these long-term tenants. All tenants will be protected from unfair evictions. A dispute resolution mechanism will be established in Alexandra, made up of community representatives, which would acknowledge the above principles and solve outstanding claims and disputes.

Those people who lost their freehold rights and have settled elsewhere will not be entitled to get their property back. These people will be paid the difference between the property value at the time of expropriation and the amount they received in compensation. The justification for this is that given the housing shortage in Alexandra it would be unfair to transfer property to absentee landowners who would use it for profit purposes and not recycle the money back into the community.

After the claims have been processed, there is likely to be a large number of unclaimed properties. The remaining properties which are inhabited by one family and backyard tenants can be sold to the family in the formal housing, if they are interested, with protections built in for the tenants in the backyard shacks similar to those for the long-term
tenants mentioned above. Housing which is shared by different families, both in the formal house and in the yard, will continue to be administered by the local government authority. This will result in a reduced and manageable load of rental housing for the administration, the creation of a mixed-income and mixed-tenure community, and the reconciliation of some of the competing interests. The main advantage of this plan, which ensures that property remains in the hands of Alexandra residents with restrictions protecting long-term tenants, is that by requiring homeowners to live in the community it increases the chances that they will play an active role in the development of Alexandra. It will also demonstrate to tenants in Alexandra that homeownership can be promoted without jeopardizing their interests, while at the same time allowing property owners to derive the economic benefits of owning property. If the middle class can own property, they will be encouraged to remain in Alexandra, making Alexandra a mixed-income area. This proposal would undermine the view currently held by the various interest groups in Alexandra that their positions are irreconcilable.

In the East Bank and the Far East Bank, private developments will be permitted, with preference given to developers who contribute to the creation of jobs and affordable housing in Alexandra. Private developers will be asked to contribute a certain percentage of the value of their
projects to a job creation fund or a low-income housing fund. Though this would not solve the housing shortage in Alexandra, it would contribute to an increase in affordable housing and lead to the creation of a mixed-income community.

These measures would allow Alexandra residents to work together on common goals. If the creation of affordable housing is tied to the development of middle class housing, the community will support those high income housing projects. This would undermine one source of conflict and stalemate in the township, where low and middle income groups view their interests as mutually exclusive.

It will take time for the various interest groups to accept such a plan, however. The debates and tensions generated by the sale of public housing are still going on in Alexandra, and the parties continue to maintain an "all or nothing" attitude. The parties to the conflict are suspicious of each other's motives, and will not be drawn easily into a dialogue. The success of these proposals depends on cooperation between the parties to the conflict. Since these proposals demand each party to compromise part of their demands, the cooperation of the leadership of various interest groups is crucial for the implementation of the proposals. Still, because each interest group also stands to gain from these proposals, I think they can serve as a point of unity to draw the parties together.

Despite these measures, the housing shortage in Alexandra
will continue as a legacy from the Apartheid past. While the establishment of a new, democratic political system is necessary in order to dismantle the Apartheid system, which is the cause of South Africa’s major urban problems, the measures outlined above can help address the housing problems in Alexandra. These measures can ease the tensions caused by the housing transfers, and break the impasse of looking at the future of Alexandra as belonging exclusively to either high-income people or low-income people. Overall, these measures can contribute to the well being of Alexandra and serve as an example to other urban areas in South Africa.
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