

A Ghost from the Past: The South African Developmental State of the 1940s

William M. Freund¹

¹University of KwaZulu/Natal, Economic History/Development Studies, Durban, South Africa

freund@storm.co.za

The limited success of post-apartheid South African economic policy led former President Thabo Mbeki to promote ASGISA, a new direction that defined the government as a developmental state. Recently, this has been renewed as an idea by the Zuma administration and perhaps with slightly more teeth. In fact, unlike the classic developmental states, South Africa is already industrialised and lives with the incoherent remnants of past developmental efforts which need to be reassessed and revalued.

This paper sees the real roots of a developmental state in Jan Smuts' wartime government of the 1940s although this followed debates and initiatives from earlier and experienced significant modification under the National Party regime after 1948. There was contestation over the extent to which this state could or would fit into the politics of race segregation and what Mamdani has called 'decentralised despotism' as well as considerable hostility from the gold mining interest, which had really had things very much its own way up to that point. However this should not lead us to ignore the successful manifestation of key developmental state indicators: state centralisation, the search for ringfenced agencies that could promote developmental projects effectively, the key role of small interlocking groups of elites with strong informal ties, especially Afrikaners who supported Smuts and the Allied war effort (the so-called Sappe, much hated by the Nationalists). From this period emerges the world of the parastatals, national development agencies such as the Industrial Development Corporation and the emphasis on economic activity characterised by huge levels of inequality, poor worker skills but growing specialised capacity at beneficiating raw materials, good quality infrastructure and exploitation of cheap coal reserves as a basis for energy.