

SPEECH BY THE HONOURABLE J.H. HOFMEYR,
MINISTER OF FINANCE, DELIVERED AT THE
ROTARIAN LUNCHEON AT THE RAILWAY INSTITUTE,
PRETORIA, ON 18th SEPTEMBER, 1941.

When I was invited to speak to you several weeks ago, it was suggested that my subject should be Post-war Reconstruction. I was loath to agree to the suggestion. It is a subject in regard to which we all have our ideals. It is not difficult to formulate those ideals. But it is difficult to know whether in fact those ideals will be realisable. One needs to have prophetic vision to be able to say when the war will end or what the situation in the world or in any one country will be when it does end. It is a pleasant occupation to paint pictures of a new and better world, to prepare the blueprints of Utopia, but who can say with any certainty that they are not destined to remain blueprints? Promises of the homes-for-heroes type made during the last great war did untold damage. No one with a sense of responsibility should lightly make such promises again. Indeed the greater the responsibility one bears, the less should be one's willingness to give what might be regarded as assurances in regard to the post-war world.

But since the invitation to speak to you was extended to me, General Smuts has made me Chairman of a Cabinet Committee on Post-war Reconstruction. It is therefore appropriate that I should take this opportunity of saying something about the work of that Committee. What I have, however, just been saying about my hesitation to make anything in the way of promises binding the Government in regard to an uncertain future is the background against which what I am going to say must be regarded.

Let me first seek to answer the question what the Government has had in mind in appointing this Committee. For some time now we have been giving thought to the re-absorption of our soldiers in civil life. That is, of course, one of our primary obligations. We must do all that we can to re-establish in the fabric of normal peace-time activities those the course of whose lives has been dislocated by their response to the call to service. The transition back from war to peace conditions will not be easy. It needs much

thought -

thought and planning to minimise the difficulties. It is to that end that we appointed early on the Civil Re-employment Board.

But the re-employment of discharged soldiers is only part of the process of repairing the dislocation caused by war. As a result of war all kinds of links with the past are snapped. Habits, ways of life, customary modes of thought are altered, changes are made in the industrial and the commercial fabric, modifications are brought about in the relations between different elements in the community. Then we get back to peace. In advance we think of the return of peace as a return to the old life. But the old life can never be entirely reconstructed - indeed, it is as well that it should not be. Changes there must be in the post-war compared with the pre-war life, and when the war is a total war as the present war is, these changes are inevitably of a radical character.

So then we pass on to the conception of post-war reconstruction as meaning more than the repair of the dislocation caused by the world war, as a process which at least holds out the hope of building a new and better world, a new and better South Africa. And if you ask me what I mean by a new and better South Africa I shall describe it simply as a better life for the people of South Africa.

It is, of course, the case, and inevitably the case, that war conditions quicken the desire for such a better life. War brings bitter suffering - it brings gnawing anxiety - it brings determined questioning as to the meaning and the purpose of it all. One just refuses to believe that it will all be of no avail, that out of the travail of the world, of the nation, some better life is not, at least in God's providence, meant to be born. The Government recognises and sympathises with that aspiration in the hearts of the people today, and though it does not intend to make promises when it has no assurance as to its capacity of fulfilling them, it intends to leave nothing undone to explore fully all the possibilities of satisfying that aspiration, so that it will be ready to put into operation such plans as the circumstances make it possible to carry out.

I said that we are thinking, in terms of a better life for the people. I want to emphasise those words

"for -

"for the people." Ever since the National Day of Prayer ten days ago there has been running through my mind the People's Anthem of the Corn-Land Rhymer, Ebenezer Elliott :

When wilt Thou save the people?
Great God of battles- when?
The people, Lord, the people,
Not crowns and thrones, but men!

Those words are peculiarly apposite to this war. This war is a people's war, if ever there has been one. It is a war which in most of the belligerent countries has been brought home to the whole people. Never has the civilian had to bear so large a share of the burden of the war - never has the plain ordinary man and woman risen to such heights in bearing that burden. This war has seen the sublimation of the plain ordinary citizen. The plain ordinary citizen should have an overwhelmingly predominant claim to whatever fruits of peace there may be.

It is right that I should make one point clear before I go any further. We desire a better life for the people, and when we say "the people" - I am speaking for the Government - we mean the whole people, not just the European section but all sections of the people. It is of course very much easier to put forward attractive plans for the post-war world if you think only in terms of the Europeans - I am afraid a good many of our makers of Utopias don't in fact get any further than that - but there can be no social justice in South Africa when the aim is merely to hold a just balance between Europeans. The difficulties of planning become very much greater when the claims of the non-Europeans are taken into account. That is an issue which the Government is determined not to burke. I emphasise this point because there has been much talk of new orders one of the principles of which seems to be the repression of the non-European. One result has been that the non-European is asking with increasing insistence what is to be his place in the new order. I want to say to him that we repudiate any kind of new order which does not start out from the conception that each member of our South African commonwealth of races has a contribution to make, distinctive it may be but none the less complementary, to the common welfare, and that it is common sense as well as common justice to facilitate the making of that contribution.

This -

This Post-war Reconstruction Committee is going to have a vast field to survey. Let me mention some of the chief matters with which it will have to deal -

Agricultural and Land Settlement policy;

Industrial development;

Mining development (including of course base minerals);

Social security (which in itself covers a vast range);

The development of our natural resources, through public works (including roads and irrigation and the like) and railway and harbour works;

The building up of friendly and fruitful relations with the African Continent.

Moreover, we shall have to study the migration and trade policies of other countries in relation to our own, and I don't think we shall forget the part that can be played by cultural activities of all kinds in the building of a better life. Other things may be mentioned. I have said enough to indicate the magnitude of the task and to bespeak your sympathy. The importance which the Government attaches to the work of the Post-war Reconstruction Committee is indicated by its representative character. It includes, in addition to myself, Colonel Collins, Mr. Sturrock, Colonel Stallard, Mr. Madeley, and Major van der Byl - moreover it has the power to associate with itself other Ministers for the discussion of matters affecting them. It is indicated also by the fact that the Prime Minister has attached to the Committee as its Chief Executive Officer a very able and senior public servant in the person of the head of his own department, Mr. D.D. Forsyth, who has proved his capacity by coping very successfully with a wide range of difficult problems as Secretary for South West Africa.

It has further been decided to link up with the Cabinet Committee a Sub-Committee of senior public servants, Mr. Forsyth acting as liaison between the two bodies. This Sub-Committee will fill an important role in collecting and co-ordinating information and suggestions for the Cabinet Committee and instituting specific enquiries on its behalf. One of its members will be Mr. D.L. Smit, Secretary for Native Affairs. That will serve to emphasise our sense of the importance of the non-European aspect of our work.

As a first step the Committee has decided to invite, with a view to further consideration and examination by it, proposals and suggestions falling within the scope of its reference. -

reference. It is addressing such an invitation to Government departments and related bodies such as the Railway Administration and the Industrial Development Corporation. I want now to extend a similar invitation to the public. We shall welcome the views of public bodies, societies and individuals in regard to any general question of Post-war Reconstruction. I stress the word general. It is no part of our task to deal with matters of an individual or specifically departmental nature. These views should be addressed in writing to Mr. Forsyth at the Department of External Affairs, Union Buildings. Such submissions will be co-ordinated and the Cabinet Committee will decide what further investigations it is necessary to institute. I would like to emphasise our anxiety to secure the assistance of the public in our work. It is work for the people and we want the people to co-operate.

It will be clear from what I have said that the work of the Committee will be of a long-range character. It would be foolish to expect spectacular or speedy results. We are preparing the ground for the future, and while in certain cases we shall be able to come to decisions to which immediate effect can be given, in all major matters our proposals will be of a contingent character, depending on circumstances which will progressively emerge from the mists of uncertainty. On one point, however, we are determined - and that is that we shall not be unprepared, when peace comes, to do all that it proves to be possible to do to secure a better life for the people.

I want to end on a note which I have struck on previous occasions - I make no apology for striking it again. I have spoken of a better life for the people. Action by the Government can do a great deal to bring that about. If we did not believe that to be so, we would not have taken the action of which I have been speaking to you today. But I do not regard Governmental action of any kind, I do not regard political or economic changes, as the primary factor in bringing into being the brave new world of our dreams. I believe that the most important changes must come about in individual men. During the last great war we also dreamt of a new order, of a reconstructed society, but our dreams only came true to a very small extent. There was no true rebirth of the spirit of man, no change of heart, no real peace - little more than a shabby

armistice -

armistice, out of which we plunged into a more terrible, a more total war. Perhaps the fact that it is a more "total" war should, as I have already suggested, give us ground for hope. Perhaps there is more reason to anticipate this time the moral and spiritual rebirth which did not come after the last war. But I emphasise again that there must be such a rebirth and that it must begin in individual men and women - ourselves amongst them. I recall Tolstoy's words "everyone thinks of changing humanity, and no one thinks of changing himself". And when we in the Governmental sphere have done all that we can to create the conditions of a better life, it remains for individual men and women to live that better life. To **change** them so that they may do so is still the first of all our tasks.

CONFIDENTIAL.

POST-WAR RECONSTRUCTION.

I have to inform you that for the purpose of ensuring that the general question of post-war reconstruction receives adequate attention, the Government have established a permanent Cabinet Committee, constituted as follows :

Minister of Finance (Chairman-
Minister of Railways and Harbours
Minister of Mines
Minister of Labour and Social Welfare
Minister of Agriculture and Forestry
Minister without Portfolio.

Part of the functions of this Committee will be to study, and thereafter, if so decided, to recommend to the Government, such plans and suggestions as may be submitted to it for consideration by various Government departments, public bodies and other sources both in the Union and overseas.

In view of the mass of preparatory work which the co-ordination and collation of the information so obtained will necessarily entail, an Inter-departmental Liaison Committee has been appointed to collect, study, co-ordinate and, where necessary, transmit to the Cabinet Committee all plans and other data affecting reconstruction policy. This Inter-departmental Committee, it has been decided, will consist of the Secretary for External Affairs (as Chairman), the Secretary for Native Affairs and the Secretary for Social Welfare, as well as any other Head of Department whose co-optation the Cabinet Committee from time to time may consider desirable.

The preparatory work which will have to be done in connection with post-war reconstruction will in all probability at some time or other embrace matters which fall within the functions of most, if not all, departments of State. As far as can be judged at the moment, however, the Departments which will be most intimately concerned, are the following :

The Department of Commerce and Industries.
The Department of Agriculture and Forestry.
The Department of Social Welfare.
The Department of Native Affairs.
The Department of Labour.
The Department of the Interior.
The Department of Public Health.
The Department of Lands.
The Department of Education.
The Department of Mines.

Whilst an immediate comprehensive statement of the work envisaged in this connection would have been most helpful, it will necessarily only be as the preparatory work progresses that it will become possible to determine its scope more exactly. The most that can be said at the moment is that the problems which will require special attention fall broadly under two heads, viz. economic and social readjustment and reconstruction.

It will therefore be necessary for the Interdepartmental Committee to study economic and social trends and developments not only in the Union, but also in countries overseas, in so far as such trends and developments overseas affect or may possibly affect the Union's economic and social structure. It will assist and advise the Government, through the Cabinet Committee, in the formulation of its economic and social policy, so that, as far as possible, post-war problems, in all their phases, may be anticipated and steps taken in advance to meet them.

In order to give some indication of the complexity and vastness in scope of the task, the following may be cited as some of the many problems which will probably call for attention :

- (a) Problems which may be classed as transitional problems:
Demobilisation in relation to the re-establishment of peace-time production; provision for the re-education of the disabled; maintenance of production and employment ; the future of production controls.
- (b) Economic problems:
National finance and taxation; foreign trade and commercial treaties; diversion of wartime industries; development of new industries and distribution of labour; absorption of displaced labour.

(c) -

(c) Social problems:

Reform where necessary or desirable of social services; introduction of new services, e.g. State medicine or national insurance; hospitalisation; poor white problem; migration and exchange of populations; labour conditions; housing; family allowances.

As has already been remarked, the foregoing list is by no means exhaustive. It is, in fact, merely a statement of those problems which immediately come to mind, and is given here merely as an indication of the nature of the task which lies ahead.

As will also be evident the machinery, which has already been set up, cannot deal adequately with the task unless it receives a full measure of assistance and co-operation from all Government departments as well as from such public bodies and individuals as are able and willing to submit proposals.

I have now by direction to request -

- (a) that you will kindly arrange for the submission of particulars of any tentative plans concerning any aspect of post-war reconstruction as envisaged above, which have been considered by and are favoured by your Department;
- (b) that your Department will now start to give consideration to the post-war problems with which it is likely to be confronted (if it has not already done so), and to attempt to devise measures for their solution. The Inter-departmental Committee should, of course, be kept fully posted with particulars of all such projected measures, so that they can be studied and considered in relation to the proposals of other departments. It is, of course, realised that proposed measures will call for frequent amendment and may, indeed, in some cases, have to be abandoned altogether in the light of changing conditions or the emergence of new facts. The aim of the Government is to have at its disposal, when required, the best plans that co-operative effort can achieve;

(c) -

(c) that consideration be given to the advisability of the modification, as far as possible, of existing policies in your Department which may tend unnecessarily to complicate post-war readjustment. Similar considerations should, of course, also operate in the formulation of new policies during the continuance of hostilities.

Regarding both (a) and (b) above, it should be remarked that in cases in which plans and measures are projected, but the details thereof have still to be worked out, the Inter-departmental Committee should be advised at an early stage and in general terms of their salient features. The complete project can be submitted as soon as possible thereafter.

D.D. FORSYTH.

CHAIRMAN : INTER-DEPARTMENTAL COMMITTEE
FOR POST-WAR RECONSTRUCTION.

T H E A T L A N T I C C H A R T E R

PARTIES TO THE ATLANTIC CHARTER : The President of the United States of America, and the Prime Minister of Great Britain, Mr. Winston Churchill.

POINTS

1. Their countries seek no aggrandisement, territorial or other.
2. They desire to see no territorial changes that do not accord with the freely expressed wishes of the peoples concerned.
3. They respect the rights of all peoples to choose the form of government under which they will live, and they wish to see sovereign rights and self government restored to those who have been forcibly deprived of them.
4. They will endeavour, with due respect for their existing obligations, to further the enjoyment by all states, great or small, victorious or vanquished, of access on equal terms to trade and to the raw materials of the world which are needed for their economic prosperity.
5. They desire to bring about the fullest ~~economic~~ collaboration between all nations in the economic field, with the object of securing for all improved labour standards, economic advancement and social security.
6. After the final destruction of Nazi tyranny, they hope to see the establishment of a peace which will afford all nations means of dwelling in safety within their own boundaries, and which will afford assurance that all men in all lands may live out their lives in freedom from fear and want.
7. Such a peace will enable all men to traverse the high seas and oceans without hindrance.
8. They believe that all of the nations of the world, for realistic as well as spiritual reasons, must come to the abandonment of the use of force, since no future peace can be maintained if land, sea or air armaments continue to be employed by nations which threaten or may threaten aggression outside their frontiers. They believe, pending the establishment of a wider and permanent system of general security, that disarmament of such nations is essential. They will likewise aid and encourage all other practicable measures which will lighten for peace loving peoples the crushing burden of armaments.

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