

# INDIAN BUSINESSMEN —

## THEIR FUTURE ROLE

*By J. N. Reddy*

**D**URING March and April this year a series of lectures on business leadership were given by prominent businessmen and economists to a group of 40 young Indian executives who attended a business leadership course conducted by the M.L. Sultan Technical College. The final session took the form of a group presentation on the future role of Indian business men within the Indian community. Mr J. N. Reddy, a member of the South African Indian Council and a prominent Durban businessman, was invited to preside over this discussion and to outline his views on the subject. Extracts from his thought-provoking address are here produced for the readers of *Fiat Lux*.

Sketching the background of Indian business men in South Africa, Mr Reddy said they had first arrived here primarily to serve the needs of indentured labourers working on the canefields. (This was towards the end of the last century.) In time they expanded their trading activities, "and were soon established throughout Natal, the Transvaal and the Cape Province, providing for the needs not only of Indians, but of other sections of the population as well".

### DIVERSIFICATION

Mr Reddy considered that the creation of group areas would cause a large number of Indian traders to go out of business or to diversify into industry.

"The Coloured and Bantu are as eager as any other community to enter business and in their respective areas are making rapid progress in acquiring business acumen and skill," he commented.

"Therefore, Indian traders will in time have to give up their trading activities, not only in White areas, but also in areas set aside for the Bantu and the Coloureds. In this connection the Minister of Community



*Mr J. N. Reddy*

Development has given a categorical assurance that no Indian trader will be deprived of his livelihood, and where an alternative business cannot be provided, the disqualified trader will be allowed to trade under a permit.

### INDIAN BUSINESSES

"Traders, comprising mainly those in small family businesses often barely earning a living, will in time be ploughed under by competition from organised chain stores.

"It will, therefore, be observed that at present there are many limiting factors as far as the retail trade

is concerned, and our community must, in the light of these developments, make a critical reappraisal of our future role in business.

"The present position, if allowed to continue, will most certainly lead to a stage where economic forces will reduce the Indian business community to a handful of traders in group areas and in other business areas where Indians will be allowed to trade.

### THE FUTURE

**"We therefore have to change and adapt ourselves to the needs of the day, and plan a new strategy to obtain a fair share of the economic life of the country.**

"The answer, as I see it, is to emulate what the Afrikaner community has done for itself over the last fifty years, and whose spectacular progress has earned for them, not only respect from their fellow South Africans, but also international recognition.

### EMPLOYMENT CHALLENGE

"Our community is today becoming increasingly sophisticated, and the majority of our young people will be leaving schools and colleges with higher qualifications. It is most unlikely that they will all want to stand behind shop counters for long hours — both men and women will be seeking better opportunities and occupations with greater challenges.

**"Employment for these people will have to be increasingly provided by the Indian community in factories and institutions with growth potential and**

where initiative and enterprise will be recognised and rewarded.

### LARGER CONCERNS

**“Our community cannot over-night diversify into industry, for we lack technicians and business leaders with the necessary academic qualifications to lead our community. The change I envisage is from family enterprises to companies which will ensure larger capital participation by the public and will be directed by men selected on merit for their ability.**

“Whilst we must acknowledge the role family enterprises have played in the past and will continue to play in the future, we must not lose sight of present-day trends in company structures. Capital and highly qualified manpower both need to be harnessed to ensure dynamic growth. Whereas a shopping complex can be controlled by a family, this cannot be said of industry, which requires both capital and skilled personnel coupled with top-class management.

### RESOURCES

**“Our community has to seriously consider pooling its financial resources and offering attractive inducements to young men to persuade and enable them to become business leaders and qualified technicians. For capital alone, without the necessary trained manpower, cannot ensure the required progress for diversifying our businesses.**

“In short, we have to gear ourselves to enter industry and must be prepared to learn from others who have succeeded. Here again I must cite the example of the Afrikaner and plan our strategy accordingly. The progress of industry in recent years cannot be ignored and we should be asking ourselves the question as to why our community has not shared in this prosperity.

“Many questions and problems are bound to arise and we have to seek a solution to each of them. These are by no means insurmountable provided we have the necessary

zeal and enthusiasm. In addition, we have to explore in detail every little economic activity to ascertain whether a particular development will afford us an opportunity to embark on industrial ventures for future markets and requirements. We need men with ability to create and plan future developments with insight, and with initiative to seize an opportunity and to realise its potentialities.”

Mr Reddy then pointed out factors to the advantage of development in Natal. “The province has practically everything in its favour for rapid development,” he said. “These include water power, labour resources and a harbour. The Tugela Basin, the future industrial hub of South Africa, should serve as an added incentive to the Indian community to diversify into industry. It is estimated that Natal’s population will increase from the present 3½ million to 9 or possibly 10 million in the year 2000 and will have a gross domestic product of R13,500 million, which will be more than the total figure for the whole of South Africa at present.

### INDIANS’ SHARE

“The Indian community can share in this progress to the extent to which it is prepared to participate in the industrial growth of our province,” Mr Reddy said.

“We should keep in mind the fact that in the years to come there will be a decline in our gold production and consequently exports of secondary industry will play an increasingly important role in earning foreign exchange. With the shortage of White labour Indian industrialists, favoured with vast Indian labour resources, can exploit this potential for the benefit of our country and our community.

“The Government has created Indian border areas, viz., Pietermaritzburg, Stanger, Verulam and Tongaat, which qualify for all the concessions applicable to a White border area. These concessions were incorporated in the country’s first five-year plan,

yet to date only three factories which qualify for border concessions have been established by the Indian community.

### YOUTH TO THE FORE

**“We are living in the age of the computer, a time of rapid change, and the Indian community, in order to progress and prosper and to provide increasing opportunities for our young men and women, will have to diversify. Fortunately for us, the younger business people have recognised and accepted the fact that the change must come — and quickly at that. To this end many sections of our community are getting together and discussions are taking place to map out a programme to accelerate this development.**

“The first Indian bank will be registered shortly and an investigation into the workings of a life insurance company are now being carried out with a view to starting up such an institution. These institutions are complementary and are an essential requirement to stimulate the type of development advocated.

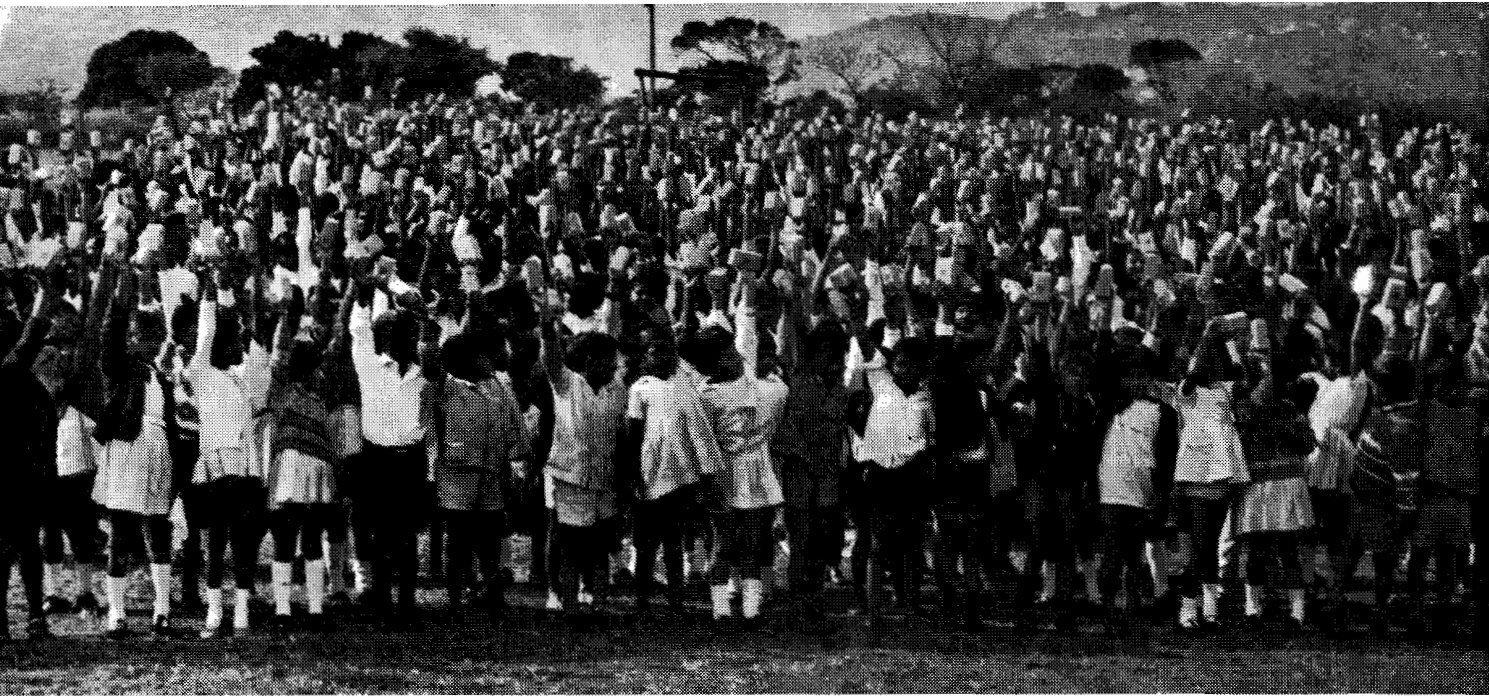
“More than fifty years ago, Sanlam was launched by the Afrikaner community and from humble beginnings, along with other Afrikaner banking and life offices, spearheaded this community’s participation in the economic life of the country. The progress of the Afrikaner community in the past twenty years is a proud achievement. Surely the Indian community, knowing full well their responsibility to their own people, can emulate the contribution of the Afrikaner community.

“The Indian community is fortunate in that in our midst we have people who by their honesty of purpose and sincere dedication are helping to lay the foundations for the community’s greater participation in the industrial life of the country. Let us therefore resolve to diversify, to adapt, to change and step by step to plan and execute a programme designed to make our dream a reality.”

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**Start Today . . . Straight Away . . . SAVE NOW!**

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*Reaching for the Sky! Pupils of the Springfield Flats Primary School show their enthusiasm for the Savings Campaign.*

# THE FIVE W'S OF SAVING

**L**AST MONTH WE introduced the RSA savings campaign, which aims to promote saving by every man, woman and child in the Republic. The campaign, which continues until September, is a worthy one to the benefit of South Africa and all its people, and which we should know more about. The following article sets out some of the more important points about saving.

The campaign is aimed not only at breadwinners, but at everyone; and although the campaign proper ends in September, it is hoped that the savings habit will continue. To help it along and to aid the country's youth to a good start in this direction, two million money boxes have been distributed to primary school children throughout the country. Many schools held ceremonies at which the distribution took place, and the accompanying pictures show a few of these.

## WHAT IS SAVING?

Saving, in its widest sense, is being aware of the need to obtain, conserve and use wisely those things, both material and physical, which promote the well-being of the individual, the community and the State. The individual who saves conscientiously has one of the most important sources of strength and independence on his side. The sum total of a nation's saving is also the source of power

for both the community and the State.

In the field of saving, South Africans have done well, both individually and as a nation. During the five-year period from 1963 to 1967 an average 25 per cent. of the country's total income (gross domestic product) has been saved. Only a few countries, such as Norway and Australia, were able to save more than this, while those who saved less in-

cluded such major economic powers as Germany, France, Great Britain and Canada.

South Africa's personal savings — which form part of the country's total savings — during the above-mentioned period also shows a favourable picture, amounting to an average 29 per cent. of the total savings.

There is more to saving than one's bank account, post office book or the piggy bank on the mantelpiece. There

# SAVE NOW! SAVE MORE!



*The Durban director of the RSA Savings Campaign, Mr J. L. de Klerk, handing out some of the plastic money-boxes to children at the Methodist State-Aided Indian School in Durban.*

are indirect ways, such as personal and public cleanliness and by avoiding unnecessary waste. If private or public property is damaged someone has to pay for it and whether a landlord, home-owner, or the authorities are paying directly, it is the nation's money that is being used.

In some of the above points South Africans unfortunately lag behind other countries and millions of rands are, for instance, spent annually by authorities on cleaning streets, public grounds, etc.

## **WHY SAVE ?**

Firstly, of course, to satisfy your own needs and desires, present and future — whether it be to buy new clothes or to assure your child's education. And, secondly, for the

benefit of the community and State, of which we are all part. Thrift and diligence are the corner-stones on which a financial independence is based.

Saving is also of paramount importance for the development of strength and stability in the social and political field. Under difficult circumstances South Africa has acquired status not only in Africa but in the rest of the world. In scientific and technological fields we are in certain respects world leaders, politically the country is stable and even in the field of sport the Republic is a force to be reckoned with.

These achievements need to be not only maintained but to be improved on. Saving, in its widest context, is

a sure way of giving a boost in this direction.

In the economic development of a country we have to take note of and combat factors that might impede growth. These include inflation, which has become a familiar word in the South African vocabulary. In a young, developing country like the Republic physical bottle-necks such as a shortage of labour and certain raw materials may crop up, and excessive spending is inclined to lead to price increase as the demand for commodities and services exceeds the supply.

Saving is one of the best weapons in the battle against inflation. By setting aside as much as possible of our income after deducting essential

expenses, we check too much spending. This results in less demand for commodities and labour and a slower rate of growth, so that increases in price and salary structures are combated.

#### WHEN TO SAVE ?

Now. Today. Regularly.

Someone who starts work at a salary of R1,000 a year and gets an annual increase of R100, earns about R39,000 during his first 20 years of service. If he saves 10 per cent. of his salary and invests it at a rate of 6 per cent., he will save R6,900. If his salary increases at the same rate, he will earn R118,000 during his average active economic life of 40 years — and his savings will amount to R37,000.

Money invested at 5 per cent. compound interest will double itself in just over 14 years. At 6 per cent. it will double in 12 years and at 7 per

cent. slightly more than 10 years. There are, of course, other ways of investing money which will give an even greater return. But, whichever way you think of saving or investing, you still have to make a start sometime, and there is no better time than the present.

#### WHERE TO SAVE ?

Go and see the nearest postmaster, building society, bank or RSA savings office. If you *want* to save there are many institutions that will help you along.

#### WHO CAN SAVE ?

Just about everyone, in some form or another, if saving is seen in its wider context, embracing not only individuals but the community and the State, and applied to things other than money. It's worth it — and *you'll* reap the rewards.

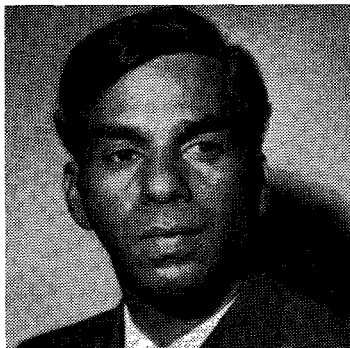
SWITCH  
ON  
SAVINGS  
POWER

## APPOINTMENT OF INDIAN INFORMATION OFFICER

**MR H. J. LAWRENCE** has been seconded from the Education Division of the Department of Indian Affairs to the Department of Information to serve as an Information Officer. He is now based at the Department's Pietermaritzburg office and serves the Midlands and Northern Natal.

Mr Lawrence, born in Pietermaritzburg in 1931, received his high school education at the Woodlands Indian High School, Pietermaritzburg. He then studied at the Teacher Training Institution when it was attached to Sastri College, Durban.

Soon after commencing teaching he read for a B.A. Degree at the University of Natal, Durban, and in 1961 completed a B.A. Honours in English.



His first appointment was to the Methodist Indian School, Pietermaritzburg. In 1954 he was transferred to the Woodlands Indian High School where he taught Mathematics and in 1959 he commenced teaching in Durban. He taught Afrikaans at several primary schools in Durban before being appointed

principal of the E.P. Moodley State Aided Indian School, Port Shepstone. In 1964 he was promoted to the principalship of the Cliffdale Indian School and in 1967 to that of the Richmond State Aided Indian School.

Mr Lawrence is a keen sportsman, taking particular interest in tennis and soccer. One of his chief hobbies is gardening.

Mr Lawrence comes from a well-known, old-established Pietermaritzburg family. His grandfather, the Rev. John Thomas, was the first Indian Methodist minister in Natal. Of his ten brothers and sisters every one has been a teacher except his older brother, the Rev. H. F. Lawrence, who is at present serving the Pietermaritzburg area as a parson.

# OPERATION MONEY BOX

**It's  
YOUR  
Future  
You're  
Saving  
For**



**Build  
YOUR  
FAMILY  
a  
Better  
Future**

*The Deputy-Mayor of Durban, Mr R. Goldman, presents a young pupil of the Springfield Flats Primary School with her moneybox.*

**O**PERATION MONEY BOX," when the RSA Savings Campaign organisers handed out two million plastic money boxes to primary school children of all races recently, was the largest memento-distribution scheme of its kind yet undertaken in South Africa.

The money boxes were a practical application of the national savings drive, and aimed at stimulating children to save. They were handed out to pupils during ceremonies at the schools. (See pictures.)

The manufacture of the orange-coloured boxes was a mammoth operation that called for round-the-clock

activity over a period of six weeks before they were distributed.

Distribution, too, called for much organisation so that all schools would have their quota on time.

The boxes are made from an extremely tough polymer that will take a lot of rough handling, or, for that matter, make it very difficult for dad to borrow some of junior's savings!

The boxes are in the design of the Post Office letter boxes of 1919, when the first organised savings movement in South Africa was born. On the sides, in blue, is the RSA Savings motif, and the box comes equipped with its own little plastic key which

open the box in exactly the same way as the postmen used to.

To make sure that no one is tempted to use some of his savings, the box has a series of non-return devices which make it impossible to remove the coins through the slot.

When completely filled with five-cent pieces the box will hold an average R17, a tidy sum for depositing in a bank or other institution.

An indication of the savings potential locked up in those little boxes is that if they were all stacked one on top of the other they would form a tower almost a million feet high, and laid in a straight line they would stretch for 150 miles.

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*Social Clubs in many communities do sterling work in welfare and other charitable work. One of these is the Lenasia Indian Women's Social Club, some of whose members are shown here. A correspondent writes that among the highlights of their work this year has been a "Mothers' Day" celebration, at which the older members of the local Indian community were honoured. There was reportedly a splendid response to this worthy occasion and the club is continuing with an active programme.*



*The Natal Indian Blind Society, which has done sterling work for the Indian handicapped, recently celebrated its 10th anniversary at its workshops in Durban, where the Indian blind can learn various trades. Evidence of the success that has been achieved is the leap in sales of products manufactured by the blind workers — from R560 in 1959 to a record R30,437 last year. A target of R50,000 has been set for this year. Seen cutting the 10th Anniversary Cake is the Deputy-Mayor of Durban, Mr R. Goldman. With him is Mrs Goldman, and (left to right) the chairman of the Society, Mr C. M. Bassa; manager of the workshop, Mr E. A. Khan, and the secretary, Mr H. Gokool.*



Above: A woman in a man's world — that's Mrs A. V. "Dolly" Naidu, who operates a fork-lift truck at a Durban warehouse — showing that it is not only men who can handle the little vehicles. Mrs Naidu is believed to be the only woman fork-lift truck operator in South Africa, and trained for about three months before beginning her unusual job in 1967. The manager of the warehouse got the idea of employing a woman truck operator in Europe, where, he said, women very often won international fork-lift truck operators' competitions.

Natal Mercury



Another club, the Northdale Social Club, Pietermaritzburg, recently held its annual garden meeting, where the accompanying picture was taken. It shows Mrs R. Pillay being presented with the Joseph Naidoo Trophy for the best garden, by City Councillor C. E. Wright. In presenting the award Mr Wright said: "In encouraging the residents of Northdale to improve their surroundings the Club is doing a service to the locality and the State."

Other activities by the Club include sports meetings, baby shows, social activities such as dances and baby competitions, and welfare work.

Right: The Natal Indian Agricultural Union recently arranged a short course on vegetable farming in collaboration with the Department of Agricultural Technical Services. The course began with lectures at the Verulam Town Hall with the audience joining in discussions and asking questions. In the afternoon a field visit was paid to a local farm where a demonstration of crop spraying (see picture) was given. The course was very well received and was a positive contribution by local farmers to their own progress.

