

THE LIST 1974 – 1994

**150 reforms
proposed by the
Free Market Foundation
that have been adopted**

The Free Market Foundation is one of the world's most successful policy investments. Not only did it pioneer and play a major role in popularising such concepts as a free market, deregulation, the informal sector and privatisation in South Africa, but it played, and continues to play, a decisive role in bringing about many important reforms and influencing the climate of opinion for the better.

This is a list of reforms which the Foundation has propagated or supported since 1974 and which have been or are being adopted in whole or part.

Needless to say, although the Foundation worked hard at achieving certain reforms in the list, it was one of many who did so. In such cases, most notably the scrapping of apartheid, the FMF's considerable effort might have constituted no more than a relatively minor overall contribution. In others, like some financial market reforms, credit is due to the Foundation primarily for its decisive role in helping create the necessary climate of opinion. In many cases the Foundation played the determining role.

That there has been so much pro-market reform by no means suggests that the Foundation's mission has been accomplished - much more remains to be done than has been achieved, however impressive it might be.

Some reforms have been accompanied by the introduction of new, albeit less dirigiste, controls. For instance, the economic deregulation of taxis - for which the FMF was the first and probably most effective lobby - has been accompanied by increased minimum standard controls which amount to disguised restrictions on competition. Predictably, many of those who have consequently been allowed to enter the market have switched sides and launched an organised campaign for perpetuating or intensifying remaining controls. This is the all too familiar phenomenon of getting into the castle and pulling up the draw-bridge behind you.

Some would-be privatisation has been stalled at the "commercialisation" stage as with TRANSNET and ESKOM. In other cases, privatisation has been accompanied by restrictive legislation, such as that applicable to, and in our view partly responsible for, the problems surrounding toll roads.

This list ignores countervailing measures, such as increased occupational and control licensure (eg estate agents, security firms), and controls over land (time share, share block etc controls).

If all items were listed individually, the list would contain hundreds of entries. To prevent this a number of reforms may be covered under a single entry, such as various measures covered by "Municipal Privatisation/ Deregulation", "Occupational Licensure" or "Commercialisation". This is not, of course, intended to derogate from the importance of any of these reforms.

In a few cases illustrative comments have been added.

Finally, **The List** is not comprehensive. It will be updated as we recall past changes we have overlooked and as new changes occur.

1. ADVERTISING ON ROADS AND RIBBON DEVELOPMENT. Relaxed.
2. AGRICULTURAL CONTROL BOARDS. Partial deregulation; more promised.
3. AGRICULTURAL SUBSIDIES. Reduced; more promised.
4. AIRPORT CITY ROAD TRANSPORT. Privatised.
5. AIR TRAFFIC CONTROL. Privatisation being considered.
6. "ALTERNATIVE" MEDICINE. Formally allowed.
7. AMBULANCES: Private and competing ambulances allowed. Benoni (and others?) privatising ambulance services.
8. ANIMAL SLAUGHTER. Minimum standards relaxed; slaughter poles/slabs allowed.
9. ARCHITECTS. Fees deregulated. Limited advertising allowed.
10. ARMAMENTS. Much armaments production and R&D privatised; more in pipeline via IDC, Kentron and Irengo.
11. ASIATIC LAND TENURE ETC LAWS. Scrapped.
12. BAKERS. Restrictive licensing scrapped
13. BEACHES. Segregation scrapped; privatisation being considered by some local governments.
14. BLACK-OWNED INDUSTRY. Black-owned industry decriminalised (1979).
15. BLACK LOCAL AUTHORITIES ACT. To be repealed this year.
16. BLACK RURAL LAND TENURE. Numerous forms of restrictive "apartheid" tenure - PTOs (permissions to occupy), tribal allotments, quitrent, deeds of grant, phoney "free"-holds, township leases etc - being phased out, or converted to full ownership.
17. BLACK TRADING LICENCES. Prohibition on (most) black-owned licences scrapped (1976/77).
18. BLACK URBAN ('TOWNSHIP') LAND TENURE. Progressive improvement: first 30-year leasehold, then 99-year leasehold (1978) finally full conversion to ownership (1986/89).
19. BOARDING. Single family and owner-occupier law for blacks scrapped.
20. BOND TRADING. Bond market partially decriminalised.
21. BREAD SUBSIDIES. Abolished.
22. BROADCASTING. Limited private radio and TV (eg M-Net, Bop TV, 702, Capital) allowed; further relaxation recommended by Viljoen Committee.
(The FMF pioneered the campaign for the right to broadcast to be regarded as part of freedom of speech/press.)
23. BUILDINGS. Many government buildings privatised - government as tenant.

24. BUILDING SOCIETIES. Allowed to become or to merge with banks.
25. BUILDING STANDARDS. Building standard regulations/codes substantially relaxed; increasingly, alternative building materials permitted; further deregulation in pipeline.
26. BUSES. Privatised by some homeland and local governments; deregulated in Welkom.
27. BUTCHERS. Restrictive licensing scrapped.
28. CB RADIO. "Citizen band" radio decriminalised.
29. CENSORSHIP - POLITICAL CENSORSHIP SCRAPPED. Entertainment censorship substantially relaxed (especially in some TBVC states).
30. CONTINGENCY FEES (LAWYERS). Decriminalised.
31. CIVIL ENGINEERING. Increased contracting out; reversal of 1970s nationalisation trend.
32. CIVIL SERVICE. Commitment by government to reduce size.
33. COMPANIES. Small business companies (close corporations) allowed. Ciskei deregulates completely.
34. COMPARATIVE ADVERTISING. Tentatively allowed (butter vs margarine).
35. COMMERCIALISATION. Many state activities commercialised or to be commercialised. (Some examples separately listed.)
36. COMMODITIES EXCHANGES. Allowed.
37. CORDLESS TELEPHONES. Allowed.
38. COMPULSORY PENSION PRESERVATION. Draft legislation to outlaw discretionary withdrawal of private savings scrapped.
39. CONTAINER HANDLING. Privatised???
40. COURIER SERVICES. (See Post.)
41. COURTS. Short Process Courts Bill published.
42. CSIR. Being commercialised.
43. DAIRIES. Restrictive licensing (monopoly zoning) scrapped.
44. DEEDS REGISTRATION LAWS. To be (slightly) relaxed.
45. DEMAND-SIDE (MARKET-RELATED) SUBSIDIES. Subsidies to users (a la pensions) rather than suppliers (eg housing/education/transport/bread/health) partly introduced; more being considered.
46. DEPOSIT-TAKING INSTITUTIONS. Controls relaxed/rationalised.

47. **DEVELOPMENT TRUST AND LAND ACT.** Substantially relaxed (1988); to be repealed this year.
(Whilst there was much justified outrage about certain apartheid measures [group areas, influx control, mixed marriages, “immorality”, job reservation, population registration], the FMF was virtually alone in making people aware that the most damaging of all was probably this act [and related “land acts”], which provided for draconian business and land controls applicable to the majority of black people in homelands/black spots.)
48. **DEVOLUTION.** Some devolution of power; much more promised.
49. **DISPENSING DOCTORS.** Physicians allowed to dispense (though, not yet allowed to profit or trade freely).
50. **DOMESTIC AIR TRANSPORTATION.** Deregulated (ie domestic “open skies”).
51. **DOMESTIC WORKERS.** Prescribed maximum number scrapped.
52. **EMPLOYMENT AGENCIES.** Prohibition on charging for services to blacks scrapped.
53. **ENGINEERS.** Fees deregulated; (controlled) marketing allowed.
54. **ENTERPRISE ZONES (‘ZEBRAS’).** Zero Based Regulation Areas (Zebras), a term coined by the Foundation, introduced in Natal; being considered elsewhere.
55. **ELECTRICITY STANDARDS.** Substantially relaxed.
56. **ENTERPRISE ZONES.** Various ‘deregulated’ zones established under Temporary Removal of Restrictions on Business Act.
57. **FARM PRIVATISATION.** Various government farms, notably those nationalised for homeland consolidation (eg Ciskei pineapple, citrus and tobacco estates), privatised or to be privatised.
58. **FARM STALLS.** Restrictions relaxed; ignored in some areas.
59. **FILM BOARD.** Abolished.
60. **FILM SUBSIDIES.** Reduced; abuse curtailed.
61. **GROUP AREAS ACT.** Repealed.
62. **GUNS.** Prohibition on black-owned firearms and trade in firearms scrapped; moratorium on illegal firearms (early 1980’s).
63. **FIRE SERVICE.** Benoni (and others) privatising.
64. **FIREWORKS.** Unbanned.
65. **FLEA MARKETS.** Decriminalised.
66. **FOOD CARTS.** Restrictive licensing scrapped; minimum standards relaxed.
67. **FOOD HANDLING.** Health regulations substantially relaxed.

68. FOREIGN EXCHANGE. Forex market partially decriminalised and rates partially deregulated.
69. FOREIGN INVESTMENT. Restrictive policy relaxed.
70. FORESTRY PRIVATISATION. Privatisation proposals being considered.
71. FREIGHT TRANSPORT DEREGULATION. Freight transport policy liberalised; draft legislation to be scrapped.
72. FUTURES TRADING. Decriminalised; futures market established.
73. GAMBLING. Largely deregulated in TBVC states; prohibition ignored for “charitable” purposes in RSA.
74. GARDEN FLATS. Prohibition relaxed or ignored in most “black” areas and some white areas.
75. GOVERNMENT SPENDING. Reduced Budget as percentage of GDP; government commitment to reduced spending.
76. “GRANNY FLATS”. Allowed in most cities.
77. HAWKERS/VENDORS. Deregulated.
78. HEALTH REGULATIONS. Being reformed to reduce the cost of entry into business.
79. HOME-BASED OFFICES/ROOMS. Rights for increased numbers of occupants / professions to operate from home.
80. HOME INDUSTRIES. Allowed, controls relaxed.
81. HOMELAND DEVELOPMENT CORPORATIONS. Privatisation of various investments (esp. Bop and Ciskei).
82. HOTELS/RESORTS. Some privatised or commercialised.
83. HOSPITALS. Some privatised/commercialised. Shift to user charging.
84. HSRC. Partial commercialisation; reduced subsidies.
85. IDC. Many investments being privatised.
86. IMPORT CONTROLS. Relaxed; more promised.
87. IMPORT SURCHARGE. Abolished.
88. INFORMAL SECTOR. Increasingly informal sector activities being decriminalised.
89. INFLUX CONTROL. Abolished.
90. INTEREST RATE/CREDIT CONTROLS. Relaxed.

91. INTERNATIONAL AIR TRANSPORTATION. First competition with "national carriers" allowed; more to come.
92. ISCOR. Privatised; protection relaxed.
93. JOB RESERVATION. Abolished.
94. KNIVES. Flick knives unbanned.
95. LABOUR RELATIONS. Labour relations, although still far too over-regulated, have been de-racialised.
96. LAWYERS. Fees largely deregulated; advertising allowed; "less qualified" para-legal practitioners being considered; proposed relaxation of compulsory split bar gazetted; reduction of work reservation.
97. "LESS FORMAL" TOWNSHIIPS. Allowed; simple procedures.
98. LICENSING PROCEDURES. Relaxed.
99. LICENSING. Under Business Bill most forms of licensing to be abolished; those which survive (for the time being), eg food processing, liquor and escort agencies, substantially relaxed.
100. LIFT CLUBS. Third party insurance and transport laws relaxed to provide for lift clubs, thus effectively deregulating such clubs.
101. LIMITED GOVERNMENT CONSTITUTION. Most parties now agree on the merits of a limited government constitution.
102. LIQUOR DISTRIBUTION. Distribution in (formally) black areas privatised/deregulated; limits on quantity of liquor blacks allowed to take into black areas scrapped.
103. LIQUOR LICENSING. Licensing policy relaxed; laws relaxed (eg automatic annual renewals, wine sales in supermarkets); proposed legislation to extend types of liquor which may be sold, trading hours, and the types of liquor outlets.
104. LOW INCOME HOUSING. Private development decriminalised.
105. MASSAGE PARLOURS. Prohibition unenforced.
106. MATRIMONIAL AFFAIRS. Economic (property) restrictions on women scrapped.
107. MEAT SALES. Sale of pre-packed meat by non-butchers (cafes and supermarkets) has been decriminalised.
108. METER READING. Increasingly contracted out by local governments.
109. MILK CARTONS/SALES. Sale of milk in cartons and non-dairy sales decriminalised.
110. MILK PASTURISATION. Enforcement relaxed.
111. MILK PRICE. Deregulated.

112. MILK SUBSIDIES. Discontinued.
113. MILLERS. Restrictive licensing scrapped.
114. MINIMUM STANDARDS. Laws relaxed.
115. MINT. Privatisation being considered.
116. MONEY SUPPLY. Rate of increase slowed down; reduction of rate promised.
117. MONOPOLIES. The exemption of some free market (as opposed to government created/protected) cartels from prohibition.
118. MOSGAS. Government admission of malinvestment.
119. MUNICIPAL SWIMMING POOLS. Many privatised, commercialised or contracted out.
120. MUNICIPAL PRIVATISATION/DEREGULATION. Numerous local government activities privatised/deregulated, with Welkom claiming first prize; application of controls relaxed in many cases.
(See various specific entries.) (Welkom claims to have privatised or contracted out over 40 functions, eg the local bus service, public nurseries, local airport, recreational facilities, show grounds, catering services, road services, auditing, clinics, school buses.)
121. NURSERIES. Numerous state and municipal nurseries privatised.
122. OCCUPATIONAL LICENSURE. (See also Licensing.) Relaxation started (eg in building industry entry is now possible upon passing only a competency test instead of full apprenticeship).
(Entry is restricted into over 200 trades and occupations. Many have little or nothing to do with the competence - such as a carpenter needing standard seven or eight at school. Effectively, most blacks and many whites are excluded from many trades regardless of competence. Here too the FMF pioneered the case for deregulation.)
123. OIL PIPELINE. Commercialised.
124. OUTDOOR ADVERTISING. Controls relaxed/simplified.
125. PABXS. Plans for nationalised (PO) "competition" abandoned.
126. PARKS/PARK MAINTENANCE. Some privatised, others contracted out.
127. POLICY RHETORIC. Reversal of declared government policy from anti- to pro-free market.
128. POLITICAL PARTIES/ORGANISATIONS. Unbanned.
129. POST. Various forms of private mail, most notably "courier" services, decriminalised; PO being commercialised.
130. POST OFFICE. Commercialised.
131. PRESS FREEDOM. Reinstated.
132. PRICE CONTROL. Substantial deregulation. Most price controls abolished.

133. PRIVATE DISPUTE MEDIATION. Mediation in Civil Cases Bill published.
134. PRIVATISATION. Official policy; creation of Privatisation Unit; (former) Minister for Privatisation.
135. PRIVATE POLICE/SECURITY. Allowed, encouraged.
136. PROFESSIONAL FEES. Largely deregulated (Some examples separately listed).
137. PROSTITUTION. Prohibition no longer enforced.
138. PUBLIC AMENITIES. Desegregated.
139. RAILWAYS. Commercialised. Some privatisation (eg Banana Express, Rovos Rail, Sun City Express, Magaliesberg Rail, Apple Express).
140. REFUSE REMOVAL. Privatised/contracted out by many local governments.
141. RENT CONTROL. Virtually abolished.
142. ROADWORTHY TESTING. Being privatised.
143. SAA. Catering and other services privatised (contracted out).
144. SABC. Commercialised; jobs increasingly contracted out; statutory monopoly terminated.
145. SASOL. Privatised.
146. SAWMILLS. Privatised.
147. SCHOOLS. Some privatised; partially devolved/democratised control, especially greater parental control; move towards equality between government and private schools (eg subsidies).
148. SECURITY SERVICES. Increasingly privatised (contracted out), eg government buildings, Mint, municipalities.
149. SECRETARIAL SERVICES. Proposed restrictions abandoned.
150. SEPARATE AMENITIES. Scrapped.
151. SHEBEENS/TAVERNS. Allowed; later, granting of licensing liberalised; licensing procedures being simplified.
152. SIDEWALK TRADING. Decriminalised.
153. SITE AND SERVICE HOUSING. "Site and service" developments allowed.
154. SMALL CLAIMS COURTS. Introduced.
155. SOCIAL WORKERS. Prohibition of private social work prevented.
156. SORGHUM BEER. Privatised.

157. SPAZA SHOPS. May be licensed.
158. SEZS. Special Economic Zones being considered for RSA; being established in Transkei and Ciskei.
159. SQUATTING. "Controlled squatting" allowed.
160. SUB-DIVISION OF LAND. Scrapping or relaxation of Act being considered.
161. SUNDAY OBSERVANCE. Compulsory observance laws relaxed; remaining compulsion largely unenforced.
162. SURVEYING. Land survey laws to be relaxed in terms of the Land Reform White Paper., optional in Ciskei; minimum standard laws relaxed in Bop.
163. TARIFF PROTECTION. Relaxed; more promised. (FMF submissions have led to specific tariffs being refused or reduced over the years.)
164. TELEX SERVICES. Prohibition on joint use abandoned.
165. JOINT TAXATION OF SPOUSES. Scrapped.
166. TELEPHONES. Private sales allowed.
167. TAXES. Nominal rates reduced; loan levy abolished; commitment to further reductions. Ciskei becomes "tax haven". Bophuthatswana lowers rates generally
168. TAXIS. More liberal taxi licensing policy (late 1970s and 1980s). Draft legislation for full deregulation (subject to road safety control).
(The FMF was the first, and for some time, only national body to campaign for taxi deregulation. There was a setback when the Welgemoed Commission called for increased taxi regulation, including the banning of "kombi" taxis. FMF responded by intensifying deregulation campaign, including commissioning and publication of Terry Markman's celebrated book, Transport Policy.)
169. TEACHER TRAINING. First private teacher training college (Promat).
170. TELEPHONE SALES. Private sales allowed.
171. TELEPHONE SYSTEMS. Commercialised.
172. TEMPORARY REMOVAL OF RESTRICTIONS ON ECONOMIC ACTIVITIES ACT. Adopted and applied.
173. TIMBER. Price controls on sawn timber abolished.
174. TOWN PLANNING. Streamlined; privatised or contracted out in some towns.
175. TOWNSHIP DEVELOPMENT. Streamlined.
176. TRACTOR PRIVATISATION. Privatisation (in part) of Ciskei and other government tractor services.

177. TRADE UNIONS. Black membership decriminalised.
178. TRADING AND BUSINESS HOURS. Trading hours (except Sundays) deregulated; remaining regulations largely unenforced, and to be relaxed further in 1992.
179. TRADITIONAL HEALERS. Allowed.
180. TRANSPORT SERVICES. SATS commercialised; demerged.
181. TRANSPORT SUBSIDIES. Abolished.
182. TRAVEL AGENTS BOARD. Abolished.
183. UNIVERSITIES. Slightly commercialised; services such as catering, transport and security increasingly contracted out: subsidies reduced.
184. USER CHARGING. "Market-related" user charging for government services adopted as general policy.
185. VEHICLES. Privatised or maintenance contracted out by increasing number of local governments.
186. WATER HYDRANTS. Maintenance/installation privatised (contracted out) by some municipalities.
187. WATER RIGHTS. Changes.???
188. WATER RETICULATION. Privatisation/contracting out in some towns.
189. WILD LIFE/GAME RESERVES. Wild life on private farms privatised; hundreds of private game reserves/ranches/lodges/farms established (leading to dramatic increase in numbers of many species, including "endangered" species).
190. ZONING. Relaxed in many areas; unenforced in others.

