Christian M. Rogerson*, Jayne M. Rogerson**

Hotel histories of apartheid South Africa: the emergence and expansion of the Southern Sun Hotel Group c. 1960–1983[1]

Abstract. Although hotels are at the heart of the international tourism economy, research on hotels constitutes only a minor theme in tourism scholarship. This article addresses the essential present-mindedness of tourism studies. More specifically, through archival documentary sources, it seeks to analyse the emergence and expansion of one leading hotel group, Southern Sun Hotels, in the context of the changing and challenging business environment for tourism development of apartheid South Africa. The reference period for this investigation marks the growing isolation of South Africa in the international community and the beginnings of boycotts and sanctions. The article represents a contribution to scholarship on hotel histories and to the growing literature devoted to the impact of sanctions on the tourism industry and tourism businesses. It is argued that the rise and expansion of Southern Sun hotels was facilitated by the business environment, which was fostered by the apartheid state in the context of South Africa's growing international isolation and the onset of sanctions. Following Southern Sun's initial expansion in leisure and business hotels an important new chapter opened with the apartheid policy of Bantustan development and the opening of casino-resorts by Southern Sun.

Keywords: hotel histories, apartheid South Africa, sanctions, Southern Sun Hotels, casino resorts

JEL Codes: L83, N87

 * University of Johannesburg (South Africa), School of Tourism & Hospitality, email: chrismr@ uj.ac.za, orcid.org/0000-0003-1306-8867.
 ** University of Johannesburg (South Africa), School of Tourism & Hospitality, email: jayner@ uj.ac.za, orcid.org/0000-0003-3494-1311.

1. Introduction

Present-mindedness is a major characteristic of research in the domain of tourism and hospitality (Walton, 2009a, 2009b; Butler, 2015). Arguably, this feature can be interpreted as the outcome of the emergence of tourist studies as an academic discipline with long-standing dominance by economics and business management issues and with corresponding minimal recognition of the importance of historical perspectives (Woods, 1991; Walton, 2011). The multiple works produced by John K. Walton (2009a, 2009b, 2009c, 2011, 2013, 2017) attest to the significance of history for tourism studies. More recently, the merits of pursuing historical research in order to advance tourism and hospitality studies are pinpointed by Niall MacKenzie and Martin J. Gannon (2019) and MacKenzie et al. (2020) and for tourism geographical scholarship by Richard W. Butler (2015), Jarkko Saarinen, Christian M. Rogerson and C. Michael Hall (2017). Indeed, it can be accepted that all tourism research "needs a sense of historical awareness" (Walton, 2009a, p. 115). It is against this backdrop that this article analyses an aspect of 'hotel histories' in the setting of apartheid South Africa.

Using archival documentary sources, the objective is to investigate the emergence and expansion of one leading hotel group, Southern Sun Hotels, in the context of the changing and challenging business environment for tourism development under apartheid. The reference period for this investigation, namely 1960-1983, witnesses the growing isolation of South Africa in the international community and the beginnings of boycotts and sanctions because of the human rights violations related to the implementation of apartheid policies from 1948 (Tlale, 1964; Christopher, 1994; Stevens, 2016). The article represents a contribution to scholarship on hotel histories as well as to the growing literature around the impact of sanctions on the tourism industry and tourism businesses (Ghaderi et al., 2019; Hall & Seyfi, 2021; Li & Zhang, 2021; Seyfi & Hall, 2020a, 2020b; Seyfi et al., 2022a, 2022b). In particular, the influential writings of Siamak Seyfi and C. Michael Hall (2019a, 2019b, 2020a, 2002b) direct our attention to the neglect by tourism researchers of the profound effects and significance of international sanctions on tourism development. Of note is that within the extant tourism writings on sanctions no attention has been given to ramifications for the development of hotel enterprises. The analysis of the emergence and expansion of this South African hotel group is situated within a brief overview of works on hotel histories and of historical hotel research on South Africa.

2. Literature review

Despite the fact that hotels are at the core of the international tourism economy, hotel research constitutes only a minor theme in tourism scholarship. It is stressed by David Bowie (2018) that whereas hotels are an essential constituent of tourism, they merit a distinctive and separate research focus and investigation. Although hotels are the focus of a range of scholarship drawn from different disciplinary perspectives, the greatest amount of research is authored by hospitality management academics, who mainly concentrate upon strategic business management issues and the day-to-day operations of hotels (Timothy & Teye, 2009). Outside of hospitality studies, research interest in hotels has been limited, as pointed out by Robert H. Woods (1991) and Dennis Nickson (1997). Most recently Carlos Larrinaga and Rafael Vallejo (2021, p. 1) reiterate that notwithstanding its role in the tourism landscape "the hotel industry receives much less attention in the analyses of the history of tourism."

According to Kevin J. James et al. (2017, p. 92), the hotel as an important institution "can be engaged as an historical subject." Further, it is recommended that it be researched "not only within the framework of travel and tourism history, but within the wider arc of modernity, urbanism and capitalism." Nevertheless, it remains that an understanding of the establishment and organization of hotels in relation to the growth of tourism is markedly underdeveloped (Timothy & Teye, 2009). As pointed out in an influential international survey of historical hotel studies, it is evident that "historiographical reviews of tourism have paid little attention to the hotel sector's history" (James et al., 2017, p. 101). Currently, therefore, it must be recognised that "the field of hotel history is in comparative infancy" (James et al. 2017, p. 108). Arguably, the leading international works in hotel history are those produced by James (2018a, 2018b, 2020). Historical hotel research has utilised an array of methodologies including micro-histories, building biographies and archival sources (Bowie, 2018; McNeill & McNamara, 2009; Yilmaz, Yetgin & Kozak, 2017). Not surprisingly, existing works mainly relate to the historical development of hotels in the Global North, with studies for example on Australia, Spain, Switzerland, Turkey, United Kingdom and USA (McNeill & McNamara, 2009, 2012; Cirer-Costa, 2012; James et al., 2017; Yilmaz et al., 2017; Bowie, 2018; James, 2018a; Fernàndez-Paradas & Larrinaga, 2021; Larrinaga & Vallejo, 2021). The existing body of historical hotel research has applied a wide cross-section of methodologies including micro-histories, hotel biographies and a supply and demand approach linked to innovation (McNeill & McNamara, 2009, 2012; Yilmaz et al., 2017; Bowie, 2018). Between Europe and North America, scholars highlight the origins and different trajectories of hotel development in these regions (Bowie, 2016, 2018; James et al., 2017).

Beyond the Global North an emerging literature of particular relevance to sub-Saharan Africa relates to the growth of 'colonial hotels'. In colonized territories, as in most of the non-Western world, the appearance of the tourism and hospitality industry (centred on hotels) represents one facet of the cultural, social and economic history of Western imperialism (James et al., 2017; James, 2018a; Pirie, 2022). The colonial hotel has been investigated in terms of relationships of dominance and control between the colony and the metropole (James, 2018a, 2018b; Sarmento & Linehan, 2019). Reviews of international writings on hotel histories underscore that the historical development of hotels in sub-Saharan Africa remains a major knowledge gap. Gordon H. Pirie (2022) asserts that "research into African hotel histories is in its infancy." In terms of existing studies by far the greatest amount of historical writing on hotels in Africa has been undertaken for South Africa. The extant writings encompass works on the early liquor domination of the hotel sector in South Africa (Rogerson, 2011), the evolution of the hotel industry in Johannesburg, South Africa's largest city (Rogerson & Rogerson, 2018; J.M. Rogerson, 2018, 2020), the appearance under apartheid of racialized hotel spaces (C.M. Rogerson, 2020; Rogerson & Rogerson, 2020; Rogerson, 2022), and the growth of hotels as part of the emergence of coastal tourism resorts (J.M. Rogerson, 2019).

This study extends this literature by focusing on the appearance and expansion of one individual hotel group which became dominant during the period of the beginnings of international sanctions on South Africa and its creeping international isolation. As documented by P. Tlale (1964), A.J. Christopher (1994) and Simon M. Stevens (2016), during the period of National Party rule, which began in 1948, South Africa was the object of a concerted campaign of isolation against the policy of apartheid.

3. The context: Sharpeville and the rise of tourism

"Sharpeville – Situated on the south-western boundary of the municipal area is Sharpe Bantu Township with a population of some 41,000 – all housed in economic units provided by the Town Council and let to Bantu families at low rentals. The daily needs of the inhabitants are to a large extent supplied by Bantu commercial firms within the township itself. More and more enterprising Bantu business men are being encouraged to go into business for themselves in buildings and shops erected by the Town Council and leased to them at economic rentals. An up-to-date brewery in gleaming steel supplies the Bantu with his favourite beer at a cost of only 2 ½ cents per pint. Production exceeds three million gallons per annum and profits are ploughed back into welfare and recreational facilities

for the residents. The township is well provided with schools, swimming bath, library, market, a creche and communal hall, where cultural activities, sports and cinema shows are held. In line with the Government policy the Post Office is staffed by Bantu personnel. Even the postmaster is Bantu" (Vereeniging Town Council, 1969).

Unsurprisingly, place promotional literature from the 1960s designed to entice investors and (white) settlement to Vereeniging, a drab and sooty industrial town 35 miles from Johannesburg, does not disclose the whole story of this (infamous) South African township. Sharpeville, Vereeniging's African township, was the setting where on 21 March 1960 South African police opened fire on a crowd of non-violent protesters and onlookers assembled to object against the detested pass laws introduced by the apartheid government. At least sixty-nine people were killed and several hundred injured in what Bill Nasson (2012, p. 1) describes as a "notorious episode" with "convulsive consequences" for South African politics. Other observers interpret the massacre in similar fashion. Philip Frankel (2001) views it as a "nefarious incident" and "an ordinary atrocity," which "as the defining event of the twentieth century for South Africa, transformed the body politic of the nation." For Paul Maylam (2010) it was a tragic turning-point, "a seminal event in the dark history of apartheid with far reaching consequences."

Among these outcomes was the decision by the apartheid government not to tolerate any activity by or in support of Black South Africans and to take steps to expedite the construction of the security structure for a mature apartheid (Welch, 2005). As is shown in the seminal account of Sharpeville and its consequences by Tom Lodge (2011), the White state was enabled to draw on the frightening spectre of Black violence to establish its standing among (White) voters and legitimise its repression of extra-parliamentary political resistance. The substantive international repercussions of Sharpeville included South Africa's enforced exit from the Commonwealth in 1961 and the rise of the global anti-apartheid movement, which became a factor in the strategic reconstruction of anti-apartheid political struggles by the liberation movements in the South African diaspora. Ashton W. Welch (2005) asserts that the political decisions made following Sharpeville would help shape apartheid South Africa until the fall of the regime following nearly three decades of a low level civil conflict which culminated in the mass unrest of the 1980s. Arguably, however, from a revisionist stance, Nasson (2012, p. 1) considers that "like the 1976 Soweto rebellion, the Sharpeville massacre has long been invested with symbolic importance as a transitional or epochal moment in the history of apartheid, even though, in the short-term, March 1960, may appear as little more as a discomfiting burp for the Nationalist government as it continued to digest the bumper harvest of an orderly and prosperous 1960s."

One facet of that prosperous decade was the growth of the tourism sector in South Africa. Throughout the 1950s the tourism industry had been dominated

by the markets of (white) domestic and regional visitors with long haul international tourism limited to arrivals on ocean steamships usually after a voyage from Southampton (van Wyk, 2013). In the early days of apartheid, therefore, tourism played only a marginal role in the national economy and garnered minimal interest from the national government, which was experiencing mounting isolation from abroad (van Wyk, 2013). Albert Grundlingh (2006, p. 105) contends that throughout the 1950s South Africa's new national government concentrated on the launch and implementation of its ambitious plans for 'grand apartheid' and racial separation such that the "consolidation of Afrikaner power and the early shaping of apartheid policies took precedence over tourism and there were few active attempts to court overseas visitors." Only in the early 1960s did tourism surface on the national policy agenda, which was signalled in 1963 by the establishment of the country's first Department of Tourism charged with formulating policies and promoting tourism initiatives (van Wyk, 2013). The 1960s was a decade when the economic and political situation radically shifted. South Africa enjoyed a massive economic boom and recorded some of the highest economic growth rates in the world. This followed the consolidation of the power of the National Party and political stabilisation in the wake of the Sharpeville massacre, the clampdown on the activity of trade unions, and the repression of black political organisations, most importantly the African National Congress (van der Merwe, 2017).

In the aftermath of the Sharpeville killings the apartheid government confronted increased political isolation and widespread international condemnation. Boycotts and sanctions campaigns against the country began to be launched (Tlale, 1964). The government thought that incoming tourism could be leveraged as a tool to gain political traction and support for apartheid. With the cessation of a state of emergency declared after Sharpeville, a new and greater focus on promoting both international and domestic tourism in South Africa was launched (van Wyk, 2013). As the apartheid government was now firmly in control, it was more confident to broaden its overseas connections, including for tourism, and as a result of economic prosperity it had the means to expand the national road network and improve other infrastructure to strengthen the country's competitiveness as a destination (Grundlingh, 2006; van Wyk, 2013). A parallel important development was the innovation of jet aircraft which began to revolutionise aeromobilities so that Johannesburg's Jan Smuts International airport (now O.R. Tambo) would surpass Cape Town as the country's major tourist gateway (Saunders & Barben, 2007). From the mid-1960s, a gradual expansion occurred of long haul international tourism arrivals with the stimulus of low cost excursion fares on southbound air traffic between Europe and South Africa (Rogerson & Visser, 2004). The rise of tourism inevitably resulted in scrutiny of the state of the country's accommodation services.

The apartheid government acknowledged the new economic possibilities of tourism and was conscious of its potential benefits for burnishing the country's

tarnished image (Grundlingh, 2006). Nevertheless, for the opportunities of (especially) international tourism to be realised, the national government necessarily had to confront longstanding problems concerning the quality standards of the local hotel industry. One of the major constraints on tourism development was the dismal quality of accommodation services in South Africa's liquor-dominated hotel economy. At the heart of many of the shortcomings of South Africa's hotel sector was the legislation passed in 1928, as a result of which the hotel industry fell under the domination of liquor interests (Norval, 1936; Rogerson, 2011). D. Caras (2007, p. 106) observes that the liquor domination of the early hotel industry in South Africa was "a consequence of government policy which, until the 1960s, although nominally supportive of economic development through tourism growth, was in practice driven by the desire to control the sorts of premises in which alcohol could be consumed." The critical legislative requirement was that "an establishment with 10 bedrooms that provided meals was deemed eligible for a liquor license, and many public houses ('pubs') merely added ten basic rooms with minimum facilities in order to qualify for one" (Caras, 2007, p. 106). This requirement created the fundamental character and development pattern of the accommodation services economy and began a period during which for many 'hotels' the provision of accommodation services became of secondary concern to the profits accrued from liquor sales. In certain respects, therefore, this generated what was once described "as a sort of gold-rush-saloon attitude to South African hotels" (*Financial Mail*, 21 May 1965).

The tight relationship of the hotel industry to the sale of alcohol was further cemented by the 'tied-house system', under which hotels were contractually bound to purchase beer from one particular brewer and wine and spirits from a designated wine and spirit merchant (Union of South Africa, 1956). These 'ties' derived either from leases entered into by hotel-keepers with brewers and/or wine and spirit merchants or from long-term loans which were extended to hotel keepers. Arguably, the 1928 legislation had been a stimulus for the quantitative development of the accommodation industry and "a greater concentration on liquor sales than is desirable in the interests of tourism" (University of Cape Town, 1949, p. 7). Further, as a consequence of wartime price controls imposed by the government, only limited investment occurred during the 1940s and 1950s for the upgrading of hotel properties and of standards of hospitality service offered in local hotels. An acute accommodation crisis emerged, with shortages most especially in the major cities and coastal resort areas. By 1963, liquor revenue, as a proportion of total revenue of South African hotels, reached a remarkable 69.5% (Republic of South Africa, 1964). During the early 1960s the crisis of the hotel sector was evidenced in the closure of many hotels, the conversion of many seafront hotels in Durban and Cape Town to residential flats, and, with inner-city property development occurring in Johannesburg, the shutting of the city's iconic Carlton Hotel resulting

in South Africa's leading city experiencing an unprecedented shortage of quality visitor accommodation (J.M. Rogerson, 2018, 2020). Press reports commonly bemoaned the lack of any improvement in 'Johannesburg's hotel problem' (*Rand Daily Mail*, 2 June 1964).

The existing hotel sector of South Africa had become dominated by and servant of the interests of the nation's major brewers, most importantly of South African Breweries (SAB) Ltd, one of the country's major alcohol enterprises. For one industry observer, "the South African hotel, by and large, is a bar and bottle-store with a third-class rooming-house attached" (Hodgkiss, 1967, p. 31). It was against this backdrop that the government launched an investigation of the state of the hotel industry. In 1963 the Commission of Enquiry was initiated to examine whether the hotel industry served the purpose of providing for the needs of tourism, to identify its shortcomings, the factors impeding its healthy development and to propose necessary measures to enable the hotel industry to serve its purpose in relation to the growing demands for tourism accommodation (Republic of South Africa, 1964). A restructuring of the hotel industry was urgently required since South Africa's hotel industry had morphed into two distinct segments (Rogerson & Rogerson, 2022). First, was the group of 'liquor-dominant hotels,' which were mainly small establishments with fewer than 50 beds and constituted 70% of all hotels. In this group of hotels, it was stated that "the accommodation and service aspects have been neglected and are, as a result, often of an inferior standard sufficient only to ensure the annual renewal of liquor licences" (Republic of South Africa, 1964, p. 19). The second group included 'true hotels,' accounting for 30 percent of all licensed hotels, which mostly had over 50 beds and were focused more on providing accommodation services than selling alcohol.

In the assessment of the condition of the hotel industry as a whole the concern was aired that "not only are hotels already unable effectively to meet the present demands on them by tourism, but that unless far-reaching action is taken the position is likely to deteriorate and become increasingly restrictive on the tourism industry's development" (Republic of South Africa, 1964, p. 8). A particular problem existed with the absence of sufficient hotel capacity to accommodate overseas inclusive tour groups of between 70-100 people in addition to the normal volume of domestic hotel patrons (Rogerson & Rogerson, 2022). Policy action was needed to address the quality shortcomings of the hotel sector, which came under fire. Harsh criticism was levelled at the cleanliness of hotels, dilapidated and inadequate furnishings, absence of qualified trained personnel, inadequate management skills, and generally a markedly "deficient standard of service in most facets of hotel operation" (Republic of South Africa, 1964, pp. 3–4). Disapproval was also expressed about the 'dull' food of poor quality served in local hotels and the fact that in what was described as 'a country of plenty' it was rare that fresh fruit was made available to patrons (*The Star,* 7 December 1964).

In 1964-1965 a suite of legislation was introduced to reshape the character of the South African hotel to an institution, which would be centred primarily on the provision of accommodation services rather than liquor trading (Rogerson & Rogerson, 2022). The new Department of Tourism was unconcerned about alcohol sales; instead, it was interested in selling "'entertainment' for travellers; as a reward for entertaining travellers with care and consideration, with courtesy and comfort, hoteliers will be allowed to sell liquor in bars and from bottle stores" (Hodgkiss, 1967, p. 31). The legislative changes advanced in the period 1964-1965 re-cast the business environment for hotels, encouraging industry restructuring and acted as catalyst for a wave of new investment in the hotel sector (Rogerson, 2011). Opportunities arose now for smart investors to maximise competitive advantage from the felicitous tourism market environment created under apartheid.

4. The response: Sol Kerzner, the birth and expansion of Southern Sun

The challenge of modernizing a disarticulated hotel sector, largely consisting of low quality budget hotels, was taken up in the 1960s and 1970s as one outcome of the institutional changes enacted by national government. A restructuring process was set in motion from the mid-1960s onwards and accelerated during the 1970s "thanks in part to the activities of Southern Sun Hotels" (Saunders & Barben, 2007, p. 27). Indeed, the evolution of a 'modern' hotel industry in South Africa was associated with the emergence and consolidation of large domestic hotel chains, the most significant being Southern Sun Hotels. The rise and expansion of this hotel enterprise occurred amidst the market environment of apartheid, which insulated Southern Sun from foreign investor competition because of international sanctions and anti-apartheid boycotts against South Africa. Arguably, therefore, this hotel group was a major corporate beneficiary of apartheid oppression as it maximised its competitive advantage by building up a network of hotels across the country's major urban and resort areas to service a (mainly White) domestic tourism market as well as a modest international tourist clientele. Notwithstanding the rollout of apartheid policies, a rise in international tourist flows during the late 1960s and into the 1970s indicated little deterrence to travel to South Africa. Indeed, until the 1976 Soweto uprising, it remained possible for marketing publicity to concentrate "the tourist's eyes on the 'wildlife, sunshine, beaches and mountains' and not mention Apartheid at all" (van Wyk, 2013, p. 252).

The formal birth of Southern Sun occurred on 1 April 1969 albeit its conception must be backdated to 1962 (*Financial Mail*, 30 July 1976). Prompted by an influx of international tourism arrivals in that year, SAB decided to dispose of its

holdings of nearly 200 small properties, which largely comprised of lower quality boarding houses and liquor-dominated hotels. SAB started a process of re-investing the proceeds in better quality accommodation establishments, which might cater for the needs of a more sophisticated clientele rather than the traditional domestic market consumer. At the same time in 1962 Sol Kerzner, a chartered accountant and junior partner in a Durban auditing firm, became interested in the hotel industry as a result of doing the books of his parents' small residential hotel. On leaving auditing Kerzner purchased a small licensed residential hotel in Durban and turned it into a successful commercial hotel with an *à la carte* restaurant and a night club. According to reports based upon interviews given by Kerzner, he rapidly developed "an almost messianic confidence in his ability to introduce a new hotel concept" to South Africa, namely a glamorous package at a reasonable price (*Financial Mail*, 30 July 1976). Indeed, with rare exceptions in the 1960s, hotel restaurants were viewed by their managements as "little more than space-wasting unavoidable facilities." Kerzner recalled "there was no doubt in my mind that the market was ready for something a lot more exciting" (*Financial Mail*, 30 July 1976).

To borrow (and adapt) a phrase from the edited collection produced by Richard W. Butler & Roslyn Russell (2010), the flamboyant entrepreneur, Kerzner, merits recognition as one of the 'giants of tourism' in the Global South. The small Durban hotel was the prelude to Kerzner's second hotel, The Beverly Hills Hotel, which, when opened in December 1964, was the first realisation of his new concept of a prime property site in an exciting location, attractive architecture, luxurious yet combined with informality with sophisticated restaurants, comfortable rooms and a pool deck that would become a hallmark of Southern Sun hotels. The Beverly Hills Hotel located at Umhlanga on the north coast of Durban became South Africa's first new resort hotel. It "was an unashamed version of American luxury," setting new standards for South African hotels and the first to be graded as five stars (van der Merwe, 2017, p. 19). With a surge in international tourism in the late 1960s, SAB now divested further from the lower echelons of the hotel market and set up a partnership with Sol Kerzner, which in 1969 emerged as the Southern Sun Hotel Group. The Kerzner concept of a mainly glamorous, upper-middle and high income bracket for hotel development informed the expansion strategy for Southern Sun. An immediate burst of expansion occurred with Southern Sun acquiring two hotels in the Eastern Transvaal close to Kruger National Park and the Umhlanga Rocks Hotel at Umhlanga. By 1973 the group had acquired a total of 24 hotels and even had expanded into international operations in Mauritius which resulted in the birth of a multinational hotel chain anchored in the global semi-periphery (Tucker, 1986; van der Merwe, 2017).

It should be understood that all the hotel developments in South Africa were racialized tourism spaces governed by apartheid legislation and for patronage by Whites only (Rogerson & Rogerson, 2020). For the 'non-White' majority in South

Africa the only accommodation option was to stay in separate (segregated) spaces known as 'non-White' hotels. By the early 1970s the contradictions of this policy and limitations it imposed on hotel occupancy rates as well as business profits were becoming starkly apparent. The growth of a market of 'non-White' travellers as well as foreign African tourists (including diplomats) required the existence of different standards of accommodation and hospitality to those on offer in 'non-White' hotels (C.M. Rogerson, 2020). During the early 1970s the apartheid government faced mounting pressure from industry to enact a more business oriented policy environment towards tourism development as a whole (van Wyk, 2013). As a result, in 1971 discussions began on granting some establishments the status of 'international' hotels with the intention of boosting their competitiveness. In June 1975 the country's Ministry of Tourism announced that in conjunction with the Department of Justice it was working towards legislating the establishment of an entirely 'new' form of hotel in South Africa, namely the 'international hotel' (Rogerson, 2022). Hotels granted the status of an international hotel were accorded the right to accommodate any individual regardless of nationality or race. Nevertheless, the concession of international status was wedded to stringent regulations imposed on licensees regarding alcohol consumption, swimming or dancing by Black South African visitors. Under the remit of 'international hotels' limits were imposed on the share of hotel beds that could, at any one time, be sold to Blacks.

The Southern Sun Group enthusiastically embraced the concept and applied for this status for the majority of their hotels. In endorsing the concept on the grounds that it would be beneficial to the local hotel industry the Group made the extraordinary offer that it would be prepared to issue separate brochures which might be handed out to Black guests on their arrival informing them of restrictions on the enjoyment of certain hotel facilities (*Sunday Express*, 30 November 1971). Beyond the market offered by leisure travellers, the status of 'international hotel' facilitated the capture and domination by Southern Sun of the increasingly lucrative market for convention tourism in South Africa, which was expanding during the 1960s and 1970s (C.M. Rogerson, 2019).

5. Bantustan casinos and the marriage of Southern Sun with grand apartheid

A central cornerstone of planning for 'grand apartheid' was the policy of Bantustans[2] (United Nations Centre Against Apartheid, 1970). According to Laura

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[2] For the apartheid state the Bantustans or homelands were a decolonisation project and cast as territories that would be guided towards 'independence' by the white South African government. These regions were part of the 'divide and rule' strategy of the apartheid government and implemented

Phillips (2017, p. 1) "the establishment of South Africa's ten Bantustans was perhaps one of the most infamous cases of racial segregation in the 20th century." The policy was presented as a form of Black self-determination but was "rejected by the liberation movement and its supporters as a political fraud: reservoirs of cheap African labour ruled by "puppet" governments, often consisting of illegitimately installed chiefs (and white civil servants from Pretoria), governed by tribal custom and coercive force" (Lissoni & Ally, 2018, p. 1). Indeed, the attempted forging of 'independent' Bantustan states was famously dismissed by Steve Biko, the anti-apartheid activist, as "the greatest single fraud ever invented by white politicians" (Biko, 1987, p. 83).

For Southern Sun Hotels the maturation of apartheid planning for self-governing and potentially 'independent' Bantustan states opened up fresh possibilities for business development. The Bantustans were non-viable economic entities, which struggled to attain financial independence and survived only through massive subsidies provided by the (white) South African government. These areas functioned as pockets of permissiveness and vice within an otherwise rigidly administered Calvinist-oriented state (Haines & Tomaselli, 1992). In particular, the accession to 'independence' of four Bantustans – Transkei, Bophuthatswana, Ciskei and Venda – was a critical development in changing the business opportunity landscape for Southern Sun. The apartheid state looked favourably on proposals for casino-resorts and gambling (banned in South Africa) to occur in these 'independent' states. Such developments offered a veneer of respectability to these areas as well as promising a revenue stream to the Bantustans. It is within this context that Bophuthatswana's President Lucas Mangope and Southern Sun's Sol Kerzner entered into "a mutually beneficial relationship to create casinos within the borders of the Bantustans" (van der Merwe, 2017, p. 2). It is recorded that meetings between the two parties had been occurring since at least 1976. After lengthy negotiations involving bribery of the 'slumlords' of Bophuthatswana, Southern Sun secured an agreement for exclusive gambling rights in the territory and began investing with promises to open the local tourism economy (Philipps, 2017).

Arguably, Sol Kerzner, "utilised the political and moral landscape of apartheid South Africa, and drew on Bantustan "independence" to establish several casinos in these apartheid-created rural spaces (van der Merwe, 2017, p. 14). This changed the geographical distribution of Southern Sun's operations, which were formerly concentrated in South Africa's major cities, as well as coastal resorts and locations close to important nature tourism attractions (Fig. 1). The first hotel/casino complex in the Bantustans was the Mmabatho Sun. It was located in the 'capital' of

to ward off growing internal and external pressure on the apartheid regime. The roots of the Bantustan system are in the 'native reserves' of the Union of South Africa and the long history of African land dispossession in South African history (Philipps, 2017).
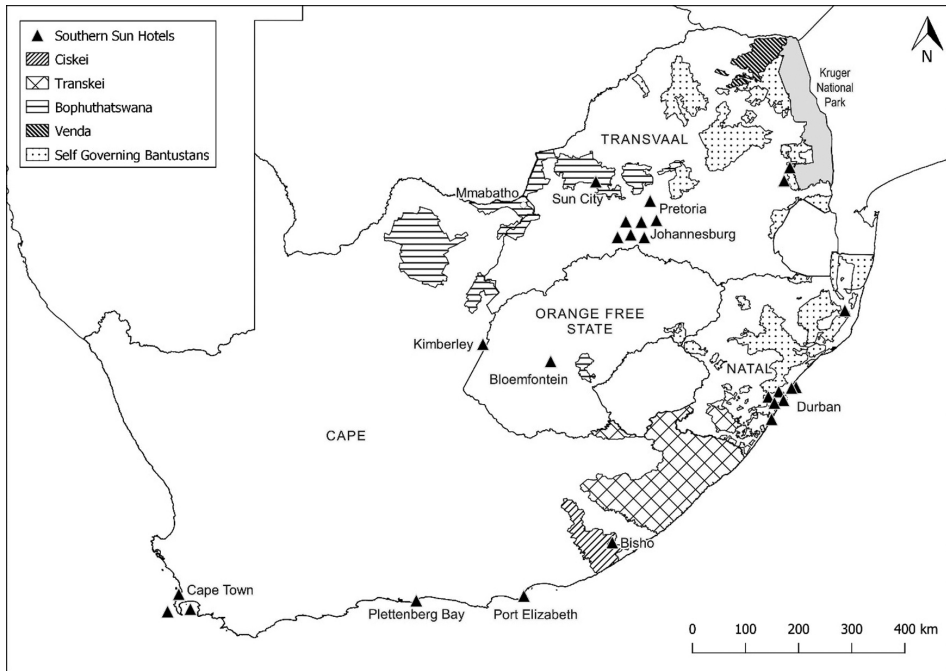
Fig. 1. The location of Southern Sun Hotels in 1979

Source: own elaboration based on Annual Reports of Southern Sun.

Bophuthatswana; its opening in December 1977 coincided with 'independence' celebrations (Drummond, Rogerson & Drummond, 2022). The Mmabatho casino was followed closely by the much larger and more ambitious Sun City complex, the largest in the Southern Hemisphere and proclaimed to match Las Vegas, which opened in December 1979 (Haines & Tomaselli, 1992). In terms of the social production of space it was critical that Sun City was "literally established in another country" (van Eeden, 2007, p. 184). It became the most notorious of all the Bantustan casinos with its roulette, slot machines, pornography, multi-racial sequined show revues and a designer golf course. The Sun City casino resort is situated two hours' drive away from South Africa's major cities of Johannesburg and Pretoria and became a major target for the anti-apartheid movement, which called for boycotts by entertainers and sports persons. For the apartheid regime Sun City was viewed as a vehicle "to legitimise the homelands and was a conveni-ent tool to transfer the cost of subsidising the Bantustans from state funds over to private investment" (van der Merwe, 2017, p. 21). Competition emerged over casino rights to the 'independent' Homelands with an agreement reached to divide them between the two main hotel enterprises, Southern Sun and Holiday

Inn (Rogerson, 1990). The rights to casino development in Transkei and Venda were awarded to the South African subsidiary of Holiday Inn whilst Ciskei and Bophuthatswana granted the licence to Southern Sun. The early 1980s was a period popularly known as 'casino wars', which were waged between Southern Sun and Holiday Inn, as both companies tried to maximise access to the urban gambling markets of South Africa by establishing competing casino resorts.

The long-term effect of the marriage of Southern Sun to apartheid was that Sun City further enriched individuals such as Kerzner and Mangope and the promised benefits for the 'citizens' of Bophuthatswana were never realised (Haines & Tomaselli, 1992). Nicola Van der Merwe's (2017) study of gambling in Bophuthatswana revealed that whilst Sun City brought exposure and infrastructure to the area, most of the justifications for casino development never materialised, including high tax revenues, expanded local employment, and the development of a heritage for the Tswana people. In 1983 Southern Sun Hotels was operating 35 hotels when South African Breweries split its hotel interests with the newly formed Sun International, headed by Kerzner, retaining all the casino resorts in the "independent homelands" (with Southern Sun a 20 percent stakeholder) and Southern Sun refocusing on the South African hotel market rather than casinos (Rogerson, 1990).

6. Conclusion

This study offers a modest insight into the historical growth pathways of one of South Africa's most significant hotel enterprises. In addition, it contributes to advancing the progress of research on tourism and sanctions through the investigation of the emergence and consolidation of Southern Sun Hotels in the environment of apartheid South Africa. Seyfi & Hall (2020a) highlight that in response to sanctions there can develop what they term 'resistive economies', in which domestic tourism assumes greater significance as a consequence of reductions in international mobility. Arguably, the rise of Southern Sun hotels could be interpreted as part of the emergence of a resistive tourism economy in apartheid South Africa. The birth and expansion of Southern Sun was facilitated by the business environment fostered by the apartheid state in the aftermath of the crushing of African resistance at Sharpeville. Southern Sun prospered by leading the restructuring and modernization of the local hotel economy, which followed decades of the alcohol dominance of hotels. This hotel group strategically maximised its competitive advantage for business opportunities as and when these appeared. Its initial expansion was through the construction of a racialized network of hotels for Whites only until the evolution of the 'international' hotel allowed it to tap the market consisting of Black business travellers and leisure tourists.

Arguably, a major new chapter in the evolution of Southern Sun hotels opened with its marriage to the apartheid project for Bantustan development. Overall, for two decades it can be asserted that the Southern Sun Group was a beneficiary of South Africa's low-level civil conflict and of the growing international movement towards boycotts and sanctions which were imposed on the apartheid state.

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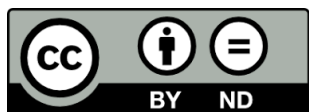
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Historia hoteli w RPA wczasach apartheidu: powstanie i ekspansja sieci hoteli Southern Sun w latach 1960-1983

Streszczenie. Chociaż hotele odgrywają kluczową rolę w międzynarodowej gospodarce turystycznej, prace poświęcone tej tematyce stanowią jedynie niewielki wycinek badań prowadzonych w dziedzinie turystyki. Autorzy zwracają przy tym uwagę na fakt, że większość tych badań skupia się na współczesności. W odróżnieniu od nich, korzystając ze źródeł archiwalnych, autorzy analizują powstawanie i ekspansję wiodącej sieci hoteli, Southern Sun Hotels, w kontekście zmieniającego się i wymagającego otoczenia biznesowego dla rozwoju turystyki w RPA w czasach apartheidu. Przedstawiona analiza dotyczy okresu charakteryzującego się rosnącą izolacją RPA na arenie międzynarodowej oraz początkami bojkotów i sankcji. Artykuł stanowi wkład w ba-

dania na temat historii hoteli i coraz obszerniejszej literatury poświęconej wpływowi sankcji na przemysł turystyczny i przedsiębiorstwa turystyczne. Autorzy przekonują, że wzrostowi i ekspansji hoteli Southern Sun sprzyjało środowisko biznesowe, wspierane przez aparat apartheidu w dobie rosnącej międzynarodowej izolacji RPA i nakładanych sankcji. Po początkowej ekspansji sieci Southern Sun w segmencie hoteli wypoczynkowych i biznesowych, nowy ważny rozdział w jej historii nastąpił wraz z utworzeniem Bantustanów i otwarciem sieci kurortów-kasyn.

Słowa kluczowe: historie hoteli, RPA w dobie apartheidu, sankcje, Southern Sun Hotels, kurorty-kasyna