

## Preface

South Africa has become the world's pariah nation for its denial of the political franchise to most of its nonwhite population and for having one of the most highly codified systems of racial discrimination, known as "apartheid." For this, South Africa deserves the moral condemnation that it has received from most of the world. However, while post-World War II moral condemnation did possibly speed up the demise of colonialism on the African continent, decades later it is readily apparent to any observer that the mere elimination of colonialism was not a sufficient guarantee for the personal liberty and higher standard of living hoped for by the African common man and woman.

The author feels that the experiences of postcolonialism should serve as a caution for postapartheid South Africa. Compassion requires that we seriously entertain questions and thoughts about what kind of system is going to replace apartheid. Will such a system promote the kind of liberties and standards of living hoped for by both South African and Western opponents of apartheid?

My purpose in writing this book is several fold. For one thing, I want to provide the average Western layperson with a sketch of South Africa. All too often, the conflict there is seen as a struggle between blacks and whites. The reality is quite different. South Africa's black population consists of several major ethnic groups, who have developed different customs and values. When people casually use the phrase "the blacks of South Africa," it has just about the same meaning as the phrase "the whites of Europe." We would all acknowledge that the latter conceals tremendous ethnic, cultural, and religious differences among peoples of the same racial group. The same is the case with "the blacks of South Africa." There is just as much diversity among South Africa's blacks as there is among its European population. Afrikaners and Britishers can hardly be said to be of one mind. Moreover, there is a lingering mutual suspicion and distrust stemming from the Boer War and the fact that Britishers carry the option of being welcomed in Commonwealth countries.

Then there is South Africa's Asian (mostly Indian) population who have stood in periodic conflict with the black ethnic groups and with the Europeans, too.

All these factors lead the thoughtful observer to the conclusion that, even if whites were to pick up and leave South Africa, there would still remain a great potential for human conflict, just as we have witnessed in parts of postcolonial Africa. Therefore, any solutions to South Africa's stubborn dilemma must recognize and accommodate its racial and ethnic diversity.

A more important purpose in writing this book is to address what has become an all-too-popular theme among the oppressed in South Africa and their Western supporters: that apartheid is a result of capitalism. If capitalism can be described as the unfettered operation of the market in the allocation of society's scarce resources, then apartheid is the antithesis of capitalism. Therefore, I devote many pages to making the argument that apartheid is indeed a struggle *against* capitalism—and hence the title of the book. While recognizing that apartheid affects many areas of economic life, the major emphasis here is placed on South Africa's labor markets in the development of apartheid. Hopefully, by fully understanding what apartheid is, we can fully eliminate it in such a way that it does not reemerge in another guise.

South African scholars will no doubt find faults of omission, commission, and emphasis. However, I would be more than pleased if this publication were to pique the interest of a more general audience and therefore contribute to the enrichment of popular debate. As an adjunct to that goal, there is also my hope that the ideas presented here will make a small contribution to a lasting set of solutions by pointing to questions lost in the emotional war being waged against apartheid, both in South Africa and abroad.

# Acknowledgments

Insomuch as racism has been a dominant feature of South Africa, the country provides an excellent laboratory to examine various economic hypotheses. Like most Americans, my knowledge of South Africa had been limited to vague glimpses from news clippings; and it was not until 1978 that I met a real live South African—albeit in Hong Kong—in the person of Leon Louw, director of the Free Market Foundation of South Africa.

After our meeting, Mr. Louw helped arrange for my first visit to South Africa in 1979, to participate in a one-week conference sponsored by the University of Witwatersrand in Johannesburg. Having had my interest piqued by that experience, I accepted an engagement in 1980 to speak before most of South Africa's universities, business groups, student groups, clubs, and local organizations. This was a chance to meet and exchange views with nearly all of South Africa's divergent factions.

It was not until 1986, when I accepted an invitation by Professor Duncan Reekie of the University of the Witwatersrand to attend his conference on "How Business Transcends Politics" that I came up with the idea of writing this book.

Therefore, I owe a major debt of gratitude to Leon Louw—a lawyer by training—and his wife, Frances Kendall, for whetting my interest in South Africa and providing the many introductions that have assisted me in understanding some of the actual issues of the situation.

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Marion Friedlander, my assistant/secretary, cheerfully typed numerous versions and updates of this manuscript, traced down data and publications, and brought my attention to matters of syntax, clarity, and style—for which I owe many thanks.

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