

## ETHNIC UTOPIANISM AND MARKET REALITY IN SOUTH AFRICA

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The recent writing on South Africa generally expresses a sense of urgency regarding the necessity to dismantle apartheid and get on with a new regime. The analyses and discussion have often been of the "describe and deplore" variety in which South African social policy is excoriated as the prime example of white racism in the world. Typically, such analyses are based on a presumption of a total linkage of interests between the ruling classes of government and economy in a propertyless, mobile, and willing black labor force. What is rarely acknowledged, however, is that apartheid is a distinctly political creation that has caused an adversarial relationship between the powerful, centralized South African government and the business sector. Consideration of the essential elements of apartheid (more recently termed "separate development") and its compatibility with the usual pattern of capitalist development makes this adversarial relationship understandable.

The apartheid system of social development is conceptually based on a "national" model of group relations in which each "people" of South Africa is presumed to be a "nation" in search of a geographical, cultural, and political base. But the South African economy, still the most robust and diverse on the continent, offers no divisions that would give life or reason to such a political vision of separate nations. Such an extraordinary model of social development as apartheid could only be the product of grand ideology and a powerful political will. That ideology and will are contained in Afrikaner nationalism.

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This paper explores the nature and force of the Afrikaner nationalist movement that has been the source of the utopian vision of apartheid. This vision is the fundamental source of the disjuncture of economic and social reality that separate development requires. While the central question is how to disentangle the South African economy from the politics of apartheid and still leave the economy whole and sound, it is our view that the alternatives facing South Africa are best understood in the context of the country's history of ethnic nationalism. Apartheid is a specific set of social and political policies that reflects a peculiar construction of reality grounded in Afrikaner experience and myth. The successful future of South Africa, we hold, depends not only on the dismantling of separate development policy and the end of the Afrikaner political monopoly, but also on a reliance on free markets and a nonobtrusive government to restore economic stability and racial peace.

### Apartheid/Separate Development

Apartheid has a long history in South Africa. It is based on a central historical obsession with ethnic differences and assumptions about the nature of people as forming communities that possess permanent elements of "culture" that cannot, and should not, be eroded. This view took root long before the 20th century, but the basic elements of the assumptions about culture and community and the basic outline of apartheid are apparent in this century as early as the 1903 Native Affairs Commission report (Fredrickson 1981; Cell 1982). That report, informed in large part by the anthropology of the time, elaborates the necessity for a governmental policy that would preserve native African culture and protect white European culture (Tatz 1962).

Since 1903, the assumptions about culture and people and the perceived necessity to protect European culture, or its specific South African derivatives, have been refined into a social program that reached its height in rhetoric and governmental action during the early period of National Party rule, from 1948 to the mid 1960s, in the governments of Malan, Verwoerd, and Vorster. This period represents the culmination of the Afrikaner ethnic "revolution."

The basic elements of apartheid are those establishing the social, economic, and political context in which blacks may operate. These include the Black Land Acts (1913) specifying "homeland" areas reserved "exclusively" for occupation and tenure by Africans; the Blacks Consolidation Act (1945) creating influx control and pass law requirements for blacks outside homeland areas; the Prohibition of

Mixed Marriages Act (1949); the Immorality Act (1957) prohibiting sexual relations between whites and blacks; the Population Registration Act (1950) requiring classification into white, coloured, or black (revised to include several subgroups of coloured and African categories); the Promotion of Black Self-Government Act (1959) and the related National States Citizenship Act (1970) establishing all Africans as citizens of a self-governing "national" state; the Group Areas Act (1966) specifying the geographical areas outside the National States in which racial groups may reside, own or rent property, or work; and the Separate Amenities Act (1953) requiring segregation of public accommodations and services.

A set of political controls was added to this scheme of social engineering: the Political Interference Act, which prohibited mixed race political parties or activities; and the Suppression of Communism Act (1954), which allowed the Prime Minister (now State President) to name as a communist anyone who "advocated, advised, defended, or encouraged . . . any of the objects of communism" either actively or by "omission which is calculated" to advance communism.

The result of this grand design has been to reduce blacks to the status of guest workers, complete with non-South African citizenship passports and work and residence permits. This elaborate structure was constructed in order to preserve the fiction of a white European republic and to effect a functional one-party state controlled by Afrikaners via the National Party. Undoubtedly, the differential socio-economic status of white and black South Africans is not entirely a product of social planning and policy, but these policies have certainly made a substantial contribution toward maintaining the concentration of political and economic power among whites. There have been, however, some recent changes in the policy and administration of the apartheid system.

## Recent Developments

During 1984 and 1985, South Africa erupted with widespread internal disorder. Although the country has had regular periods of political unrest, particularly since the Sharpeville incident in 1960, the last major period of unrest occurred in 1976 primarily in Soweto. This recent unrest, though repeating many of the aspects of previous incidents, is distinct in two critical ways. First, the protests, school boycotts, and other related acts have been sustained over many months and have spread throughout the country. Second, the participant groups in Soweto represented a broad spectrum of South Africa's disenfranchised, not simply the black African majority population

groups. This was most evident in the Western Cape and Cape Town's coloured areas, in that many of the protestors were "middle class" and invested more materially in South Africa than had their black African counterparts. This would seem to bring into question the government's ability to build alliances with "elite" coloured and Asian groups that have benefited from economic growth in South Africa over the past decade. The government responded to the unrest by declaring a limited State of Emergency in July 1985 and extending it to Cape Town and the Western Cape in November. The State of Emergency remained in effect, overtly at least, until March 1986.

The unrest in Soweto followed four years of steady, if not always profound, reform efforts by the current National Party government headed by State President P. W. Botha. The government's reforms include legalization of black labor unions in major industries; constitutional changes creating three legislative houses, one white, one coloured, one Asian (or Indian); the removal of the Political Interference Act; partial desegregation of restaurants, theaters, sporting events, and railways; the repeal of the legal prohibition of mixed marriages; changes in administration of Group Areas legislation allowing some business presence of blacks in central urban areas; and, most recently, a promise of unified South African citizenship for all and suspension of the much despised pass laws. Many of these reforms are either cosmetic or a matter of bringing law into conformity with reality, but a few of these reforms promise to have far-reaching effects.

The constitutional changes creating houses of representation for coloured and Asian voters have been widely criticized for excluding black African representatives. Indeed, the current unrest in the country is directly related to the passage and implementation of the new constitution. But the "new dispensation," as the government likes to call it, incorporates governmental opposition into the national legislative system in content and scale quite out of character with previous National party governments. However limited a reform, it does move the South African government into a more modern governmental context in which the State President must act, in part, as a broker among competing political interests in order to be effective.

The governmental concept that has held sway in the National Party since it gained power in 1948 is one that emphasizes government as the extension and administrator of "truth," endowed with a sacred cultural mission (Adam 1971). Such a government is "good" and its opposition is "evil," so tolerance of political diversity is predictably low. The current governmental structure, however, seems to admit the possibility of legitimate differences of interest that can be incor-

porated into an institutional framework. The problem of black political representation will certainly be much easier for the government to deal with in the context of a pluralist-modern view of government as broker as opposed to the previously dominant view of government by "revelation."

The legalization of black labor unions in the mining industries has given rise to legitimizing black political and social interests expressed in the context of labor. Because South Africa is a nation in which there is considerable state ownership and participation in critical industries, the legalization of labor unions for blacks is, in fact, an avenue for political participation. The major black labor organizations are strongly anti-apartheid and anti-National Party and have recently joined forces in the potent *Congress of South African Trade Unions* (COSATU).

The April 1986 announced intent to abolish the pass laws also has potentially far-reaching consequences. The "influx control" measures are designed to regulate the movement of black labor to urban areas and prevent black workers from becoming permanent residents of areas officially designated as white. Such measures are often spoken of by the government as being necessary for orderly movement, but there is no evidence that the laws have substantially impeded geographic mobility to urban areas. They have certainly been the most intrusive aspect of apartheid for blacks, with arrests for pass law violations reaching into the hundreds of thousands by the early 1980s. The pass laws represent a central element in the apartheid system and most visibly carry the idea of blacks as guest workers in their own nation. The importance of their elimination would be second only to the abolishment of the Group Areas Act.

### Allocation of Resources Among Population Groups

*The Race Relations Survey 1984*, prepared annually by the research staff of the South African Institute of Race Relations (SAIRR), reported that South Africa's population (including all 10 of its homelands) was 32.6 million in mid 1984, with black Africans making up 72.8 percent of the total. Table 1 provides a breakdown of total population groups and shows the urban-rural distribution, and Table 2 shows demographic, welfare-related indicators of the South African population. Table 3 profiles the average monthly earnings and the household incomes for the different race groups for 1980-84, and Table 4 illustrates changes in public employment income by racial group from 1970 to 1981.

**TABLE 1**  
**THE URBAN RURAL DISTRIBUTION OF SOUTH AFRICAN**  
**POPULATION, 1980**

	Urban		Rural		Total	
Asians	743,820	90.6 <sup>a</sup>	77,500	9.4 <sup>a</sup>	821,320	100 <sup>a</sup>
Africans	6,809,660	32.6	14,094,100	67.4	20,903,760	100
Coloureds	2,002,300	76.6	610,480	23.4	2,612,780	100
Whites	4,002,000	88.4	526,100	11.6	4,528,100	100
Total	13,557,780	47.0	15,308,180	53.0	28,865,960	100

<sup>a</sup>Percent

SOURCE: Marais (1985, p. 23).

These data indicate a pattern of resource allocation that is replicated in many sectors crucial to South Africa's national development. Although in general inequalities between racial groups have declined during the last 20 years, the continuing major differences are a well-known dimension of South Africa. Some of these inequalities are directly a product of governmental action, others arguably are not; but to construct social policies and programs and to allocate the associated benefits along racial boundaries is in evident violation of the political philosophy and practice established in western societies. The usual explanation has been to describe the South African ruling white oligarchy as being concerned only with the ascendancy of whites and cruelly unconcerned with the fate of others. But "racism" as it is commonly understood is a painfully simple and inadequate concept in the South African context, and to understand the development of the peculiar vision of apartheid it is necessary to understand the context of ethnic (Afrikaner) nationalism in which it developed.

### Ethnic Utopianism and Afrikaner Nationalism

Arguments can be presented that the social development impetus and the supporting theory and method that have been so prevalent in the decolonial half of this century contain rather explicit utopian assumptions. Though South Africa's modern social development contains elements from the existent and mainstream developmental paradigms, it seems to owe more to 19th-century utopianism than to 20th-century developmental notions.

For many people the affective connotation of "utopia" will not fit well with the overall image that is assumed to be associated with South Africa. Traditionally, and in ordinary usage, "utopia" connotes

**TABLE 2**  
**DEMOGRAPHIC INDICATORS OF THE SOUTH AFRICAN**  
**POPULATION**

	Asians	Whites	Coloureds	Blacks
Birth Rate, <sup>a</sup> 1982	25.1	16.6	30.0	38.5
Death Rate, <sup>b</sup> 1982	5.9	8.3	9.9	11.0
Percentage				
Annual Growth Rate, 1970-80	2.7	1.8	2.4	3.0
Total Fertility Rate, <sup>c</sup> 1980	2.7	2.0	3.3	5.3
Life Expectancy at Birth, 1980	64.8 <sup>g</sup>	70.3 <sup>g</sup>	58.5 <sup>g</sup>	57.5 <sup>g</sup>
Infantile Mortality, <sup>d</sup> 1982	17.6	13.6	58.4	90.0 <sup>g</sup>
Dependency Ratio, 1980:				
Children (<15) <sup>e</sup>	61.8	42.9	65.2	70.9
Aged (>65) <sup>f</sup>	4.3	12.1	5.1	5.4

<sup>a</sup>Number of births in a particular year per 1,000 of the population in the middle of that year.

<sup>b</sup>Number of deaths in a particular year per 1,000 of the population in the middle of that year.

<sup>c</sup>Denotes an index indicating the total number of children that a woman will give birth to if the fertility pattern for the particular calendar year or period does not change in the course of time.

<sup>d</sup>Calculated by expressing the number of deaths occurring among infants under the age of one year during a particular calendar year in relation to the number of live births during that year. The rate is expressed per 1,000 live births.

<sup>e</sup>Population 0-14/population 15-64 × 100.

<sup>f</sup>Population 65+/population 15-64 × 100.

<sup>g</sup>Estimates (mainly by the Institute for Sociological and Demographic Research of the HSRC).

SOURCE: Marais (1985, p. 23).

a positive ideal: "Utopia as [the] ideal . . . the perfect society, has long exerted a powerful influence upon the thinking, feeling, and action of human beings" (Richter 1971, p. 11). But apartheid was very much a positive ideal pursued chiefly by Afrikaner and academic social engineers of South Africa who held with a firm belief in the greater good of separate development for all "groups." If utopia involves "the willed transformation, in which a new kind of life has been achieved by human effort" (Williams 1980, p. 196) and the "utopian mentality [is] a state of mind that is incongruous with the state of reality within which it occurs" (Mannheim 1936, p. 192), then South African development is well within the utopian tradition.

From the perspective of the ruling National Party, the South African nation and the apartheid policy represent a "willed transforma-

**TABLE 3**  
**AVERAGE MONTHLY EARNINGS AND HOUSEHOLD INCOMES,**  
**SELECTED YEARS**

Average Monthly Earnings <sup>a</sup>				
	African	Asian	Coloured	White
1979	R156	R278	R210	R665
1980	R189	R336	R254	R767
1981	R228	R412	R309	R936
1982	R272	R513	R365	R1,093
1983	R310	R584	R417	R1,210

  

Household Incomes <sup>b</sup>				
	African	Asian	Coloured	White
1980	R136	R505	R344	R912
1981	R174	R591	R417	R1,134
1982	R204	R819	R548	R1,380
1983	R220	R934	R558	R1,630
1984	R273	R1,072	R624	R1,834

<sup>a</sup>The National Manpower Commission gave these figures regarding average monthly earnings of workers in all sectors of the economy excluding agricultural and domestic service.

<sup>b</sup>The figures for the claimed monthly average household income (in money terms) for the different race groups were acquired from Market Research Africa.

SOURCE: Cooper et al. (1985, p. 241).

tion” that has been explicitly implemented since 1948. These policies and programs rest on a foundation and a rationale anchored in an overt historical, social, and religious mythology developed prior to 1948.<sup>1</sup> From the perspective of outside observers, as well as a significant portion of the South African population, these developmental policies and programs and their proponents surely possess a “state of mind” that is wed to a vision “incongruous with the state of reality.”

Mannheim (1936, p. 191), among others, has observed the disruptive character of utopian ideas:

[T]hose orientations transcending reality [are] Utopian . . . [and] when they pass over into conduct, tend to shatter, either partially or wholly, the order of things prevailing at the time.

<sup>1</sup>See Moodie (1975), Adam and Gilliomee (1979), van den Berghe (1967a, 1967b), Hexman (1981), and Adam (1971).



TABLE 4

## WAGES AND SALARIES OF PUBLIC EMPLOYEES BY RACE GROUP, SELECTED YEARS

	Whites			Coloureds			Asians			Blacks			
	Number Employed	Average Earnings R.p.a.	Wage Index	Number Employed	Average Earnings R.p.a.	Wage Index	Number Employed	Average Earnings R.p.a.	Wage Index	Number Employed	Average Earnings R.p.a.	Wage Index	Benefits Accrued to Lower Income Group R'000
1970	99,313	3,262	100,00	30,745	1,350	100,00	7,304	1,745	100,00	135,465	536	100,00	108,779
1975	106,768	5,304	162,60	42,227	2,335	172,96	8,706	3,885	222,69	114,686	1,280	238,81	238,023
1981	129,858	9,240	283,26	60,089	4,178	309,48	13,011	8,437	483,50	132,064	2,842	530,22	626,424

SOURCE: *South African Statistics 1982* (Pretoria: Central Statistical Services).

Goodwin and Taylor (1982, p. 138) made a similar observation:

Utopias are not to be defined simply as idealistic "wish-images"; they are wish-images which, *when put into practice*, shatter the existing order and work instead to establish an alternative system in which they believe they [and possibly everyone else as well], can achieve complete happiness and fulfillment.

During this century, the utopian goal has become a secularized end attainable by conscious human efforts rather than an other-worldly ideal brought about through divine intervention. Utopian political movements have very much expressed the "will to power" that has been such an apparent feature of 20th-century social development (Berger 1976; Johnson 1983). This is not to say, however, that religious rationales do not provide important support for concrete secular policies and actions, as the South African case reveals quite clearly.

The specific content of the utopian vision that has dominated in South Africa is manifest in the social, political, and cultural intentions of Afrikaner nationalism. That national movement is based on a concept of the historic cultural mission of the Afrikaner people. The essence of the controlling idea is expressed in the following quotations:

History so decided that of all countries of Africa and Asia colonized from Europe there was to be one, and only one, that cradled a new nation with a new language and a distinct culture, allied to but at the same time different from its countries of origin [Pienaar 1960, p. 3].

White nationalism and Black nationalism must be diverted into confluent channels. There must be a White South Africa and Black South Africa politically divided but peacefully and cooperatively coexistent [Pienaar 1960, p. 12].

Apartheid comprises a whole multiplicity of phenomena. It comprises the political sphere; it is necessary in the social sphere; it is aimed at in church matters; it is relevant to every sphere of life [Davenport 1977, p. 270].

In 1948, the National Party won a narrow electoral victory, placing it in control of the South African government. The ascendancy to political power signified by this electoral victory was the culmination of a steady process stretching back into the 19th century when the Afrikaners in the Cape Colony conducted their "Great Trek" to establish the Orange Free State and the Transvaal. Although the bitter Boer War was lost to the British, Afrikaner nationalism was never effectively suppressed; by the 1930s, it had reached great social influence with its emphasis on Afrikaners as "poor whites" with a distinct and valuable culture.

The years following World War II and the Nationalist political victory were marked by a rapid consolidation of political, bureau-

cratic, and economic power by Afrikaners through their National Party. Prior to 1948, numerous legislated antecedents had defined the nature of inter-group and ethnic relations in South Africa. Primary among these were the Natives Act of 1923 which stipulated residential segregation between blacks and whites; influx control measures for urban areas; and the explicit assertion that Africans were to be "visitors" to white man's territory. During the mid 1920s and into the 1930s, a Civilized Labour Policy developed that gave whites preference, particularly in urban areas and in mining and industrial employment. Much of this policy was implemented as a result of labor union pressure, which was itself tied to the larger Afrikaner nationalist movement. In 1936, the Cape Province voting franchise for blacks was removed. All of these actions were relatively uncoordinated, but they served as the underpinnings for what would ultimately emerge as the set of social development policies and programs subsumed under the label of apartheid. As W. H. Hutt (1975, p. 57) noted, "Race discriminations in S. Africa had their *origins* in history . . . [but] their *perpetuation* has been due to the quite natural use of State power and trade union collusion to preserve the status quo." Since 1948, the apparent interest of policy has been to perpetuate the inferior status of non-whites in an "almost sadistic affront to the dignity and self-respect of the non-white races."

Between 1910 and 1948, a process of mythology-building was initiated that unified the indigenous frontier Afrikaner colonizers. This development of Afrikaner nationalism and its attendant social vision promoted the post-1948 social development in philosophy and program. Afrikaner nationalism as a force has evoked extensive debate and speculation concerning its foundations and its precise content. There is relative consensus that religion, specifically Dutch reform doctrine, was critical; it combined with inter-group conflicts and a significant colonial experience to become a particular political and social ideology. Economic factors, especially the discovery of gold and diamond deposits and the emergence of a labor movement during the 19th century, also contributed to the emergence of Afrikaner nationalism. The complex interplay of these elements combined during the 20th century to create an Afrikaner sacred history to explain the past and a doctrine of civil religion that would provide cultural energy for the present (DuToit 1983).

After the Afrikaner elective victory in 1948, the basic elements of the "national" model of ethnic relations set into place before World War II were extended and refined through the set of interlocking laws and regulations discussed earlier. The peak of political support for this nationalist social development model was reached during the

tenure of Prime Minister H. F. Verwoerd from 1958 to 1966. Verwoerd gave apartheid a philosophical and conceptual structure, and his forceful and charismatic personality greatly assisted in the political struggle to carry these ideas forward. Verwoerd, former head of the Department of Sociology at Stellenbosch University, was able to breathe life into the myths and aspirations of Afrikaner nationalism. In his roles as Minister for Native Affairs and then Prime Minister, he achieved the logical social development program implications of that myth. It is notable that academics dominated the "age of social engineers," as T. R. H. Davenport refers to it.

Thompson (1985, p. 1) has provided a useful delineation of myth that is relevant to South Africa and the role myth plays in the political arena:

[P]olitical myth [is] a tale told about the past to legitimize or discredit a regime; and . . . political methodology [is] a cluster of such myths that reinforce one another and jointly constitute the historical element in the ideology of the regime or its rival.

Afrikaner nationalism is mythological in form and is used in support of utopian ends. Labeling Afrikaner nationalism as mythological is not a matter of judgment but of description; it recognizes the status of this central aspect of the ideology that has informed this century's social development in South Africa. Thompson (1985, p. 8) made another useful observation regarding the nationalism mythology and the reach for utopia it has engendered: "Myths originate in specific circumstances as a product of specific interest, and they change within the changing interests of successive generations and successive regimes."

The myth of Afrikaner nationalism contains three major elements (Moodie 1975): sacred history, civil theology, and civil ritual. Sacred history consists of history given meaning by God and, therefore, it carries a clear sense of purpose and mission for the Afrikaner Volk. This history has unified Afrikanerdom and has provided the rationale for the social and economic policies promulgated by the Volk once temporal power was acquired. This sacred history is replete with communal suffering and martyrs, and most of these events and people have served to provide historical evidence for the notion of Afrikaners as a chosen and blessed people.

Afrikaner theology is anchored to an Old Testament God and to Calvinist-related doctrine. As Moodie (1975, p. 11) pointed out, "The Lord of Afrikanerdom is sovereign and intensely active, present at every turning point in the affairs and nations of men." This civil theology was functionally powerful as it served to "explain" the

communal sufferings; in this way it linked the past to the present and offered sure promise for the future. The "civil" portion of the theology was the Republican ideal, the rule of the people represented in the two Afrikaner republics defeated and absorbed as a result of the Boer War. This was "the suffering," which would presumably pass and lead to the reestablishment of a new "nation" if the Afrikaner Volk remained cohesive. As Moodie (1975, p. 17) concluded, "[E]verything which emphasized Afrikaner uniqueness—their language, their Calvinist faith, their customs and conventions, their very dress—took on sacred significance."

Just as the United States and other social and political entities have developed civil rituals as occasions to assert a communal bond, Afrikaners developed these rituals from both sacred history and civil religion. These rituals served to assert and solidify the Afrikaner's claim to cultural and communal uniqueness. For Afrikanerdom, several monuments serve as the focus for the civil ritual and represent its sacred history: the Blood River *Laager*, the *Vrouemonument* (National Women's Monument) near Bloemfontein in Orange Free State, and the *Voortrekker Monument* overlooking Pretoria. These physical entities stand like the monuments in Washington, D.C., as reminders of a not so distant past and its meaning for the present; each one commemorates an Afrikaner victory over forces that would undo them.

The effective establishment of Afrikaner history, civil religion, and ritual took less than half a century. All of these elements were developed, actively promoted, and combined so that they "united Afrikaners in their sense of unique identity and destiny, inspired the faithful, converted the skeptical, and even reminded them of *their sacred separation from English and black African*" (Moodie 1975, p. 21).

So it was that this foundation was firmly in place when the Nationalists gained political control of South Africa in 1948. On this complex and fervently held world view and supporting belief system the Afrikaner nationalists set out to establish their utopian vision. It was from this perspective that social development drew its energy and quite logically took the form of apartheid/separate development with its emphasis on "peoples" as "nations."

As Banton (1983, p. 232) has observed, Afrikaners see themselves "as a *Nasie* (nation) or Volk, rather than a race . . . and the arguments they use to defend their policies depend on assumptions about the distinctiveness of peoples and the essential qualities of nationhood, and not upon typological or selectionist theories of racial inequality." The Afrikaner nationalist movement sought, and obtained, political legitimacy and power through the National party. Similar to political

vehicles of such movements elsewhere, the party and the people it represented were presented as one: "die party is die volk and die volk is die party." There is precious little room in such a view for the sort of tolerance of political variation more typical in western democracies. The governments of the National Party have never seemed comfortable with the idea of government as broker between competing political interests; they have preferred the notion of government by "revelation" and "truth." The Botha government acknowledges more overtly than any since pre-war Union Party Smuts that it must bargain, but it has not been able to do so gracefully.

South African history during this century is best understood as a product of ethnic revolution. As Adam and Giliomee (1979) argued, it is a revolution that has successfully captured and enhanced a powerful central government, it has informed that government's policies with an ideology of Afrikaner nationalism, and it has pursued policies and programs that establish Afrikaner culture and people as recognizably superior in important symbolic and material ways.

### Ethnic Nationalism, Government, and the Free Market

If South African history is viewed in terms of ethnic revolution with powerful elements of a history of domination and a distinctive religious and ideological system, then South African history is perhaps not so unique as is commonly believed. There is evidence of a somewhat similar mixture of government, ethnicity, and cultural idealism in other places in the world, including elsewhere in Africa (Meredith 1985). Cyprus, Northern Ireland, Lebanon, Pakistan, Sri Lanka, and India are all nations that have experienced ethnic conflict; in these countries, control over government has been an element in institutionalizing or often exacerbating the conflict. In Africa, it is the rare nation in which ethnic, ideological, and religious boundaries do not have great political meaning. If South Africa is a "state without a nation," unable to establish a central and common identity that conforms to its political boundaries, then the same must be said for many African nations that have found genuine nationhood to be elusive.

The phenomena of disharmony in racially and ethnically pluralist societies are so widespread that certain generalizations are possible. There are numerous theories of race relations, many of them variations on the themes of capitalist development and class conflict; but some place special emphasis on the distinctive roles of economy and politics in producing harmonious or disharmonious relations among

people. Michael Banton (1983), for example, applied a variation of social exchange theory to argue that individual competition dissolves group boundaries and group competition hardens group boundaries. Because individual competition occurs in economic markets and group competition occurs primarily in the political realm, often requiring the government to be an agent of group interest, the argument implies that the role of government in race relations is generally negative.

In a review of the process of social "boundary maintenance" in Uganda, Northern Ireland, Britain, Malaysia, the United States, and South Africa, Banton (1983) developed his "rational choice theory" of race relations. He argued strongly for the position that racial politics, even when perceived to be favorable to "minority" groups, tends to harden racial identity and worsen human relationships. Alvin Rabushka (1974, p. 69), basing his argument on the economic theory of market relationships and public goods theories, came to a similar conclusion: "Racial tensions and conflicts are kept at a minimum under conditions of voluntary exchange in free markets." Banton's and Rabushka's arguments would seem to question whether or not any overtly racial policy that is the product of group political competition would not undermine community relationships.

Many researchers have found evidence of the central role of governmental policy in institutionalizing, conflictual ethnic group relations.<sup>2</sup> This would seem to support Banton's and Rabushka's conclusion that group competition is fostered in politics and that politics in multi-racial societies becomes all too often a vehicle for racially defined interests. Following this logic, for racial harmony of governments in multi-group societies to exist, there must be a decentralized structure that does not lend itself to ethnic "take-over," a scale of government that would not reward racial politics, and reliance on an economy largely free of governmental control.

The South African economy is sufficient to produce a per capita income in excess of \$3,000 (more than three times Zimbabwe). The Republic draws over 1.5 million black workers from its southern African neighbors. In addition, the government has created and funded education, health, and welfare programs that in structure and purpose look much like those in the developed West. The distribution of benefits under such programs is skewed unacceptably; but if the franchise is broadened, the probability is that the distribution of governmental benefits will become more equal (placing an even

<sup>2</sup>See Morrison and Stevenson (1972), Becker (1957), Degler (1971), Fogel and Engerman (1974), and van der Berghe (1967a, 1967b).

higher tax burden on the already rather highly taxed middle and upper income groups). One cannot resist the observation that the South African government has the opportunity to move toward a repudiation of apartheid and social engineering and to embrace a decentralized, less powerful, and less important government that will oversee a free economy and a free people. To do so, however, it must give up its ethnic nationalist dreams, be content with the Afrikaner's place as one of many, and adopt the position that what Afrikaners foisted upon South Africa no subsequent ethnic group shall be in a position to repeat.

### Reform and the Business Sector

Apartheid is a political creation, a utopianism made impossible by economic forces that inevitably run counter to the establishment of geographic and political communities based on ethnic identity. One would expect, therefore, that the business community, despite its traditional apolitical character, would be less than supportive of apartheid. In the South African context, there are rather extensive and well-organized business groups that have little interest in centralized governmental authority or apartheid. As is evident by the recent delegation of South African businessmen to Lusaka to visit with Oliver Tambo and other leaders of the African National Congress (ANC) as well as the frequent pleas for reform that emanate from the national South African Chamber of Commerce, businessmen are interested in political stability, a non-politically polluted investment climate, a non-politicized labor force, and increasing disposable income for all South Africans. The "middle"—those who seek a non-racial, less-intrusive government—may not be so apparent in South African politics, but it is readily visible in South African society as any visit to Cape Town, Johannesburg, or Durban will attest.

In recent years, business firms, particularly international firms, have had a high profile in reform efforts. Perhaps the major example to date has been the support American firms (especially Mobil) have given to the Sullivan Principles. Lesser examples are General Motors' promise to provide legal support for its employees in Port Elizabeth who are prosecuted for violating beach segregation laws and Coca Cola's \$25 million trust fund for black education. In addition, American businesses in South Africa have contributed more than \$80 million to community work. This may appear to be moral protection money, but virtually all business publications, including the influential *Financial Mail* and *Business Day*, support the dismantling of apartheid and the creation of a broadly representative government.



Gavin Relly, chairman of the Anglo-American mining conglomerate, recently said that apartheid is an "albatross" that has "demeaned the white man as much as it has degraded the black man" (*Raleigh [N.C.] News and Observer*, June 1, 1986). In June 1986, the American Chamber of Commerce in South Africa, under the leadership of such companies as IBM, Coca-Cola, Citibank, and Union Carbide, ran full-page newspaper ads calling for sweeping reforms and pronouncing apartheid "totally contrary to the idea of free enterprise" (*Raleigh News and Observer*, June 3, 1986). A recent survey of over 900 business leaders by Project Free Enterprise, based at the University of Pretoria's School of Business Leadership, found that only 17 percent supported the Botha government's process of negotiated change and 93 percent endorsed a political structure inclusive of all groups in the central government (*Charlotte [N.C.] Observer*, June 9, 1986). Because of the current state of things, many American firms have threatened to pull out of South Africa, and quite a few have already done so. Some of the concern is due to disinvestment pressure by educational institutions and public employee groups, and some is due to the worsening economic climate; but much also seems based on the view that the social engineering of apartheid is just not compatible with modern economic development.

The business sector wants reform, but it does not want another Mozambique or Angola or Zimbabwe. It wants what is difficult to find elsewhere on the continent: a stable, non-racial, non-intrusive government for a prosperous market-oriented multi-ethnic society. The business-oriented do not seem to embrace any precise social vision that is to be brought about by the government. What is needed, according to the business community, is for the natural forces of commerce and culture to work free of governmental direction. But such a viewpoint does not lend itself well to South Africa's charged political climate.

Conor Cruise O'Brien recently wrote that "African Socialism has no success stories to tell." If socialism is in essence the confusion of society and state and the presumption of the power and responsibility of the state to fashion a society, then South Africa is surely in both the socialist and African tradition. It is troubling, however, that one of the principal devices used to influence South Africa may undermine the very sector of the society that has the greatest appreciation for the governmental and social structure that would most likely produce social harmony.

Disinvestment, widely advocated and increasingly implemented, is a strategy that chooses as its initial target private business and corporate interests. But what is its purpose? Is it the intention of

disinvestment to prod the business sector to higher levels of political activism? Is it based on the view that the economic and governmental sectors are some sort of interlocking directorate? Or is it simply founded on the Marxist-derived notion that governmental policy in South Africa has reflected business class interests in a mobile, willing, powerless, and large supply of black labor? If disinvestment is effective it will cause general economic harm in South Africa, slowing economic growth and retarding labor opportunities. If disinvestment is successful, it will reduce the presence and importance of international business in South Africa and punish the economic sector generally. Literature and logic would seem to hold that racial harmony is not enhanced under such circumstances. Apartheid is not a creation of the economic sector; it is a politically imposed and quite artificial arrangement that surely would not flow from the workings of an unhindered economy.

### Conclusions and Implications

In his "Afrikaner Nationalist Perspective," John Seiler (1979, p. 3) wrote:

Whatever change comes about in South Africa—short of a prolonged civil war augmented by external invasion—will be defined by Afrikaner nationalist perceptions, shaped by Afrikaner national interests, and processed by institutions monopolized by Afrikaner nationalists.

From the perspective of several years later, his assertion seems somewhat less certain. Granted that anti-South African governmental interests get more rhetorical than material support from either the West or the East, and granted that South African society is still very much intact; still, both the pace and the character of change seem quite different from that of the late 1970s. Which direction or directions South Africa will take is beyond the power and knowledge of most to predict, but certain lessons might be drawn from the country's social and political history.

If the Afrikaner ethnic "revolution" model is accepted as an explanation of the development of apartheid and the specific centralized/utopian character of the South African government and if the rational choice theory of race relations is accepted, the implications for South Africa's future would seem to be rather clear: The political structure must allow expression of various and conflicting interests, but it must be structured in a way that will not allow similar ethnic or other narrowly ideological movements to gain such authority. In essence, a less powerful, more decentralized governmental structure without

an overarching social vision or ideology (and without the power to implement it) combined with freedom of labor, contract, and investment would have the greatest promise of establishing a government most able to fulfill its capability of achieving a high standard of welfare for its people, including the establishment of political freedom, civil rights, and long-term stability as a more just and non-racialist society.

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