

**The apartheid regime faces new dilemmas. There is a growing challenge from the far Right and widening resistance from the black community. South Africa is changing . . .**

## Harold Wolpe **Apartheid's deepening crisis**



*Apartheid in action at Durban golf club.  
Blacks and Asians on the roof, whites in the  
clubhouse.*

There seems to be general agreement on the South African Left that in the early 1970s (beginning with the 1973 strikes of black industrial workers), South African capitalism entered a phase of deep crisis, which has continued into the present, deepened and penetrated into the economic, political and ideological spheres of society. That the crisis is as profound as some have argued may be open to doubt, but one thing is clear: changes of considerable importance have occurred in South and Southern Africa over the past ten years and these changes are of the utmost political significance, although their full implications are, as yet, not clear in all respects.

In this article my purpose is to set out the parameters of the crisis, to examine the state's response (in particular the so-called Total Strategy) and to analyse the effects of this response on the state and on the relations between classes.

### **THE 'CRISIS' OF SOUTH AFRICAN CAPITALISM**

The problems facing South African capitalism in the 1980s have their roots in a series of crises which emerged, at different moments, in both the political/ideological as well as the economic sphere, in the 1970s.

#### **The economy**

The manifestations of the economic crisis are to be seen in the stagnation, indeed, negative growth of the economy, massive and rising unemployment, the ever present adverse balance of payments and the decline of both foreign and local investment in the private sector. The dramatic but temporary rise in the price of gold in 1979 did no more than briefly interrupt the secular decline in the economy.

The condition of the economy in the 1970s has been summarised as follows:

The real growth rate, which averaged 5.7% in the 1960s, was negative in the first half of 1976, and zero in 1977; the volume of manufacturing output fell by about 6% from mid-

1974 to mid-1975 and, after a small pick-up, by even more during 1976-77. Private sector investment in manufacturing began to drop from 1974, while total investment declined by about 13% between 1975 and 1977 as the state was forced to cut back spending on its projects. Slow growth meant that black unemployment rose even more quickly than during the 1960s, while the number of white, coloured and asian jobless, increased by 250% in the three years from January 1974. Meanwhile, there was mounting balance of payments difficulties, largely the result of high import requirements of state expenditures on defence and investment projects (these also being a primary cause of rising inflation rates). Such difficulties were compounded by the fall in the gold price from early 1975 and reached a breaking point by the end of that year. A full 25% of foreign exchange reserves were lost during the first quarter of 1976, forcing the government to turn to the IMF for an emergency loan and to apply deflationary policies at home, thereby plunging the economy even further into crisis. The drying-up of foreign capital inflows in June of that year, after the start of the Soweto events, merely exacerbated this situation' (J Saul and S Gells 'The Crisis in South Africa, *Monthly Review* July-August 1981 p23)

The 1979 rise in the price of gold improved the balance of payments position, the level of investment and the real growth rate. But this improvement did not last long. As the *Financial Mail* (6.10.1982) reported: '... the balance of payments current account was transferred from a surplus of almost R3billion (\$1.53bn) in 1979 to a deficit of R3.7bn (\$1.89bn) in 1981. The deficit is now running at an annual rate of R5.4bn (\$2.8bn)'. And similarly foreign investment and economic growth are once more on the decline.

### Specific problems

While the difficulties of the South African economy must, of course, be seen in the context of the current economic crisis of capitalism on a world scale, nevertheless, there are a number of conditions which are specific to South Africa and which both exacerbate her problems and make them intractable. Firstly, while South Africa has a highly developed industrial manufacturing sector, production in that sector is predominantly of consumer goods — indeed South Africa is all but self-sufficient in the production of these commodities. However, the fact that manufacturing is so heavily weighted in favour of consumer goods has the result that the economy (not only in the manufacturing sector, but also in gold mining, power, transport etc) is heavily depend-

ent, for its functioning, on imported capital goods.

Traditionally, gold sales have met, at least to a large extent, the deficits created by the importation of capital goods, but, given the fall in gold prices, this solution becomes less and less available. The alternative is for South Africa to win external markets for the sale of agricultural and consumer commodities. The success of this strategy depends on the capacity of South African manufacturing to compete with the goods produced in other countries, including the advanced capitalist economies. This, in turn, is dependent on developing the productivity of South African manufacturing which requires increased capital imports, again putting pressure on the balance of payments. It has been argued by some that this is the path which South African monopoly capital is intent on following and which accounts, in part, for the measures of the Total Strategy. I will return to this later.

Secondly, notwithstanding the above, important sectors of the South African economy — mining, agriculture and non-monopoly manufacturing — remain dependent on cheap black labour. This, together with the problems generated by the huge army of black unemployed (estimated at over 2 million) and the measures entailed (security and military forces) in maintaining political domination over the black population, have involved the state in massive and growing expenditures which have fuelled inflationary tendencies. This, in turn, has worsened the conditions of the labour force and has provided the context for the resurgence and growth of black industrial militancy. Since 1973, South African industry has been faced by strikes on an unprecedented scale and this has been accompanied by the growth of an independent and militant black trade union movement which, despite legal and police harassment and persecution, has expanded its organisations, engaged in organised strike action and struggled for recognition and the abolition of the constraints which the state attempts to impose upon it.

### The political sphere

Four developments in the political sphere have threatened the stability of the regime, and, some have argued, white domination. In the first place, the industrial action of the black workers at the point of production has been accompanied by the resurgence and intensification of black political struggles. A number of features of this renewed political activity need to be emphasised. The emergence of the black consciousness movements and other political activity in the late 1960s

and early 1970s signalled a renewed entry of the masses into political struggle and culminated in the 1976 uprisings in Soweto. This marked only the beginning, for since then mass action has taken place in relation to political trials, funerals following the death in detention of trade union and political detainees, and on a host of other issues, in particular relating to conditions of life in black communities.

In the second place, these struggles have gone beyond the limitations of black consciousness and have become increasingly linked with the policy and strategy of the African National Congress. This has occurred in two ways. The ANC itself has strengthened its internal organisation and expanded its directly political activities and, at the same time, spontaneous actions by the people as well as organised action under the auspices of various organisations have increasingly adopted the ANC, its leading personnel (in particular Mandela) and its policies as their own point of reference.

Thirdly, the trade union and community struggles have frequently become fused into a single struggle with the communities providing strong, active support for union demands. And finally, Umkhonto We Sizwe (the armed wing of the liberation movement) has shown increasing capability, intensified its activities and scored many important successes.

In brief, then, today the state faces an increasingly organised and open political challenge in both the industrial sector as well as within the state established apparatuses (Bantu Education, Bantustans, etc), in mass action in the communities and, at the same time, an escalation of the armed struggle.

The problems facing the regime through these internal pressures are compounded by the changes in the Southern African region and by the pressures from South Africa's main foreign friends. In the Southern African region, the threatened defeat of Portuguese colonialism drove the regime into a policy of detente with the front line states which, however, collapsed with the failed intervention in the Angolan war. This was followed by the establishment of the People's Republics of Angola and Mozambique and the defeat of the racist regime in Zimbabwe. Internationally, South Africa's isolation has been accentuated by the pressures put on her by the USA and other countries to carry through a minimum policy of reforms.

### Ruptures in the Afrikaners community

This is not all however, for the political crisis of the dominant forces has been fur-

ther fuelled by the crystallisation of deep divisions within the ruling Nationalist Party and within the social base of the regime in the Afrikaner people.

The National Party has, until recently, organised a class alliance of the Afrikaner petty-bourgeoisie, white workers, non-monopoly industrial, commercial and finance capitalists and capitalist agriculturists under the banner of the 'Afrikaner Volk'. Despite this alliance of classes the 'project' of Afrikaner nationalism was primarily geared, by the dominant classes within it, to the development and consolidation of a class of Afrikaner monopoly capitalists. Of course, this project required for its success that the subordinate classes in the alliance should have their interests met in the course of the struggle. Hence the nurturing of the Afrikaner petty-bourgeoisie against, for example, Indian traders and the opening of civil service jobs etc; hence similarly the protection of white workers and the support and aid granted to white farmers.

By the 1970s the 'real' project of Afrikaner nationalism had been achieved. The rise of Afrikaner monopoly capital laid the basis of a convergence of interests with English speaking monopoly capital at both the economic level (shift from cheap to skilled black labour necessitated by the mechanisation of production) and at the political level (need to ensure stability by giving some blacks a material stake in the society). This, some writers have argued, entailed an abandonment by Afrikaner capitalists of their former allies and signalled the break up of the class-alliance organised under the ideology of Afrikaner capitalism. This leads to the attempt to redefine the ideology of the 'Afrikaner volk', in a direction which will fit with the newly constituted interests of Afrikaner large-scale capital. The collapse of the old alliance is manifested in the fissures within the Afrikaner people and the emergence of new Afrikaner parties to the right of the Nationalist Party; protests against the Party's and the regime's policies from workers and others; and shifts of allegiance in parliamentary elections away from the governing party.

### THE TOTAL STRATEGY

These, then are the features of the crisis facing South African capitalism. As has already been pointed out, this has been characterised as a 'deep' — or 'organic' — crisis by the Left — that is a crisis which requires fundamental steps on the part of the regime to safeguard capitalism in South Africa. As one writer has put it, the crisis has to be met by an attempt

'to restructure certain fundamental relation-

ships between and within classes, between classes and the state, between the state and the economy, and within the state itself. (G Moss 'The Total Strategy' *Work in Progress No 11*)

The Nationalist regime itself, although expressing the situation in very different terms, also seems to have recognised that it faces problems of major, crisis, proportions. Indeed, it claimed to be meeting the 'Total Onslaught' on the existing system with a 'Total Strategy'.

It will be necessary later to return to the question of how total the Total Strategy is, since this is relevant to an assessment of the depth of the crisis and the nature of the regime's response. Here it can be simply noted that the term refers to a series of policies which were devised, at different times, to meet problems of diverse origins which arose at different points in the 1970s and after — precisely the elements of the situation which were described above. What then are the ingredients of the Total Strategy?

Firstly, as I pointed out above, monopoly capital depends increasingly upon the development and expansion of the technological basis of industrial production. This, in turn, generates a powerful demand for more skilled black labour (since this need cannot be met from the white or immigrant populations). The state thus erodes job reservation and begins to promote measures for the training of blacks and for the creation of a stable, urban black population which is said to be an essential condition of a skilled industrial labour force. Implicit here is the contention that the monopoly sectors no longer need cheap black labour; they need skilled black labour. Hence, the state: i makes a sharp demarcation between urban blacks and migrant labourers; ii begins to attempt, by 'modernising' and intensifying the law and enforcement agencies, to create a 'legal' urban population of workers and at the same time to make still more difficult

access for other blacks to the urban areas.

The aim, that is, is to create a stable class of 'privileged' black workers with, as the state has expressed it, 'a material stake in the society'. As a complement to this and as a method of institutionalising industrial relations, black trade unions are both subjected to severe regulation and offered recognition under certain conditions.

### Incorporation and differentiation

Secondly, the Total Strategy is also concerned with the black petty-bourgeoisie. In this sphere, the almost exclusively restrictive policies which the state pursued in the 1960s and 1970s are beginning to give way to measures which are, indeed, leading to the growth and to some extent the enrichment of various fractions of an African petty-bourgeoisie. Thus in the urban areas, certain of the obstacles which previously restricted the growth of black businesses have been modified, there is increasing intertwining of black and white merchant capital, and financial institutions have been created by black businessmen. The National African Chamber of Commerce (NAFCOC) is a vocal and strong agent of a small but burgeoning black, urban petty-bourgeoisie class. Furthermore, in the Bantustans the petty-bourgeoisie have been provided with the political and some of the economic means for their self expansion — control of subordinate state structures, access to financial resources through these structures and through private loans, granting of licences for trade etc. Here too the state has provided a black class with limited means to obtain a 'stake in the society'.

Thirdly, the Total Strategy encompasses proposals concerning the political representation of the different black communities outside of the Bantustans. Within African townships attached to the urban areas, provision has been made for the establishment



of elected councils with extremely limited powers. These councils have been strongly opposed by the ANC and other organisations and have gained very little support from the people as shown by the paltry turn out at the elections. Nonetheless, the state sees these elected councils as the major mechanism of African representations inside 'white' South Africa. In addition there are proposals under discussion to create a tri-racial-tricameral parliament for whites, asians, and coloureds. These proposals have to be understood in the context of the recent changes designed to weaken parliament generally in relation to the executive. This will be touched on later.

Fourthly, although a much earlier development, the Bantustan policy is explicitly projected as part of the Total Strategy, particularly in three respects: the Bantustans are intended to provide the areas in which Africans excluded from 'white' South Africa can be located. There they will exercise the political and citizen rights which as already stated, will not be available to them in 'white' South Africa. Furthermore, Bantustans constitute the means for the expansion of a fraction of the black petty-bourgeoisie. Finally, the Bantustans are intended to constitute part of the 'constellations of Southern African states', that is to say, together with the independent states of the region the Bantustans will be brought into stable and supposedly mutually supportive economic and political relations with South Africa.

### A BASIC RESTRUCTURING

These, then are the basic elements of the Total Strategy. It is, of course, possible to get into the game, which has occupied so much space in the media, of asking whether the measures described are really reforms or merely cosmetic changes. To pose the question in this way is, however, entirely irrelevant. The important question is not whether a certain policy amounts to a reform, but rather why it was introduced and what are its

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effects? How does it sharpen the contradictions and affect the contending forces? If a new measure provides increased 'space' for struggle against the regime, so much the better.

More generally, the question is how policies and other developments may bring about new conditions of class relations and provide a basis for new class alignments. As was pointed out above, it has been strongly argued by some that the Total Strategy is

aimed at bringing about a more or less fundamental restructuring of classes. It is important then to examine the strategy, not as 'reform' but in terms of the possible restructuring of class alignments and of the state.

One line of argument is that the effect of the Total Strategy has been to set in train a process of deracialisation of South African capitalism. Thus, on the one hand, the recognition of black trade union rights and access to skilled work are seen as the beginning of the breakdown of racialism in production, and, on the other hand, and more importantly, the concessions made to the black petty-bourgeoisie are seen as resulting in something of a convergence between the interests of this class and white capital. Hence, the struggle for national liberation has become relegated to history and the black workers are increasingly becoming involved in a 'pure' class struggle against both white and black capital.

This position can be argued at all only upon the condition that the focus is restricted to the measures which the state itself includes under the label of the Total Strategy. That is to say, the deracialisation thesis is plausible only if the regime's characterisation of its Total Strategy is taken at face value. But the point is that the label Total Strategy serves an ideological/political function in the sense that it describes as 'total' that which is only partial. That is to say, it includes some of the state's policies under that title but, by silence, excludes others. What it excludes, and what the deracialisation position thereby also neglects, is precisely those government and state policies which contradict the deracialisation effect which may, however, modestly be entailed in the policies discussed above. That is to say, the Total Strategy measures must be analysed together with the entire range of state policies of which the Total Strategy constitutes only a relatively small part.

### What has not changed

Thus, while it is necessary to recognise the importance of the changed conditions of the struggles of the black workers — the new possibilities for the organisation of black workers and the space for trade union struggles *and* the further differentiation, in terms of skills, of the black working class — at the same time it is of the utmost importance to place these changes in the context of the expansion of the apparatuses of coercion and the accompanying intensification of repression of *black people*, the application and further development of the measures of control of urban *blacks*, and of rural-urban

migration of *blacks* workers, the deprivation of *blacks* (mainly workers) of South African citizenship, the continued elaboration (albeit with changes) of laws applying specifically to *black* workers and so on. In short, whatever the internal differentiation among black workers, the black working class as such continues to stand in a quite specific relation of subordination to capital and the state.

The black petty-bourgeoisie, however, now emerges in a more contradictory position than before. Undoubtedly its economic development tends to draw it away from the black working class and, perhaps, to make it fearful of the revolutionary intentions of the liberation movement. On the other hand, the structure of racial domination blocks the possibilities of its incorporation into the social structures which are defined in racially exclusive terms and hence there are severe limits on possible alliances between this class and the dominant white classes.

So far the effects of the Total Strategy on black classes have been addressed. What, however, is the situation among the white classes? It has been strongly argued by some writers that a major restructuring of classes has taken place within the white population. Paradoxically, it will be seen that this view must also rest, if it is to make any sense, on the assumption, which I have already disputed, that the black classes' position *vis a vis* capital has altered in some major way.

### Rupture amongst the whites?

The argument about white class restructuring takes as its starting point the convergence of Afrikaner and English monopoly capital and the supposed collapse of the class alliance which constituted the social basis of Afrikaner nationalism.

The basis of the argument that there has been a major restructuring of white classes is that the economic interests of Afrikaner capital and its former allies among the Afrikaner people are now so divergent that, in the common interests of all fractions of monopoly capital, Afrikaner capital's former allies must be abandoned — this is necessary because the 'reforms' that monopoly capital requires (a skilled, stable, black labour force etc) contradicts the interests of the white subordinate classes and can only be secured for the blacks at the expense of the white workers. Similarly, the contention is that the interests of the black petty-bourgeoisie can be advanced only at the expense of the white petty-bourgeoisie. Here we see the convergence with the 'deracialisation' thesis — the common basis is the view that the black classes are entering a new, more favourable, relationship with capital.

If this is correct, it follows that the ruling party can no longer properly represent the multiplicity of white class interests which were expressed by Afrikaner nationalism and its ideology. For the subordinate white classes there is a crisis of representation.

The difficulty with this approach, however, derives as in the case of the 'deracialisation thesis', from the fact that the analysis is again based primarily only on those policies which the regime defines as part of its Total Strategy. In this case, however, in restricting attention to the measures which are claimed to favour the black working-class and petty-bourgeoisie, what is forgotten is that almost the entire range of political and economic structures and policies which serve to reproduce the advantaged position of the white fractions of the class structure continue in operation. In this respect, there is little to suggest that the political/economic interests of monopoly capitalism involve a general undermining of the position of white subordinate classes. On the contrary, increasing income differentials in favour of whites, upward job mobility, education, status, business and other advantages are still the order of the day.

#### Cosmetic or substantive

The argument that the Total Strategy, by granting black classes a stake in the society creates a basis of support among blacks for the dominant classes and, at the same time, involves abandoning the support of the white classes who already have, not only a stake but also electoral and other forms of power, is, to say the least, curious. This position is arrived at because changes which affect sections of the white classes are assumed to be of general application. It is quite true that the uneven pace of change in the industrial division of labour has left a section of white workers vulnerable to competition from black workers; likewise, mobility out of industrial and/or low level white collar jobs has not been available to all whites in these spheres. The entry of large-scale capital into agriculture has adversely affected sections of Afrikaners in agriculture; similarly, in commerce, not all Afrikaners have prospered. Undoubtedly these fractions of the Afrikaner classes do find themselves in opposition, from the right, to the Nationalist Party and government as do other sections of the population who define the changes in the ideology of Afrikanerdom which the regime projects, as a betrayal of the Volk. These oppositional forces, however, by no means encompass the major sections of the Afrikaner subordinate classes.

There is, then, nothing to suggest that monopoly capital has been driven into a



position of abandoning its class allies among the whites in order to stave off the imminent collapse of capitalism in South Africa. The dominant forces in South Africa still present themselves as the representatives of the national (white) interests.

Does it follow from this that we must dismiss the changes which have been and are occurring in South Africa as cosmetic and unimportant from the point of view of the strategy of the liberation movement? The answer is already clear — the vulnerability of the developing black petty-bourgeoisie to co-option, the increased power of the black working class, the emergence on an enlarged scale of even more extreme elements of white classes, the entry of the military and big business into the state apparatuses, the alignment between English and Afrikaner monopoly-capital — these are all extremely important changes to which reference has already been made.

#### A central contradiction

In this brief account of the conditions of the present situation in South Africa, reference has been made to a number of contradictory tendencies, such as those relating to the position of the black petty-bourgeoisie, and to the establishment of a stable skilled black labour force exercising trade union rights and thus threatening the conditions of reproduction of the system of cheap labour. These, and other contradictions, have found expression in the state and in the relationships between different state apparatuses. In this respect the conditions which have been outlined have given rise to a major contradiction at the political level.

On the one hand, the composite pressures operating throughout the 1970s have had as their result the modification of the state's all but exclusively coercive management of mass opposition, by the introduction of some policies which, however hedged around with restrictions, have opened up

terrains of political struggle which were simply not available in the 1960s. The ideology of 'reform' within which the Total Strategy does not merely mask continued violent domination; it also signals the development of new and/or reinstated arenas of political struggle — the trade union front, within education and the student movement, inside the black communities, the struggle for women's rights, the cultural front, in the churches and so on. That is to say, the political opposition has won diverse terrains of political action which, despite a degree of state interference, continue as important bases of mobilisation.

On the other hand, as has already been pointed out, not only is there a continuous development and expansion of the power of the state repressive apparatuses but, and this is the new feature, this occurs under a process of increasing militarisation of the state.

Thus, at one and the same time, we have the opening up of new possibilities of mass political action and the massive strengthening and militarisation of the state coercive agencies. Indeed, the militarisation of the state has become a dominant feature of the current period with the military intervening not only internally but more particularly, at present, in the attempt to destabilise and bring about the collapse of the socialist regimes in Angola and Mozambique.

Significantly, these developments are being accompanied by measures which have the effect of increasing the independence of the executive arm of the state from both parliament and also the organisations of the ruling party. These, in brief, include: i the steps taken by the leadership to deprive Nationalist party conferences of the power to determine policy — the party conferences are restricted to the discussion of matters of principle not of policy; ii the measures introduced by the prime minister to sever parliamentary control over the executive by the establishment of cabinet committees responsible to the prime minister; the setting up of the president's council over which parliament has no control; iii the involvement of the military in the State Security Council and in a growing number of state apparatuses; iv the inclusion of representatives of big business in a variety of state apparatuses.

Whatever the explanation for this process of concentration of power in the executive of the state, it is clear that the state is becoming equipped to meet a double threat — the most determined opposition from the far Right and the increasingly well organised and growing mass movement and armed struggle (supported by some neighbouring states) from the side of the working class and national liberation movement.