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CLASS IN WHITE SOUTH AFRICA.

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This paper sketches the broad lines of class structure in the white community in South Africa. Aside from the efforts of a small group of scholars, this issue has not received the attention it deserves in recent years. Indeed there is an implicit assumption that because there are no class parties, class is a negligible factor in white politics.

While a general discussion of the literature is beyond the scope of this paper, the major assumptions which are embedded in recent analyses by liberal and conservative historians and sociologists might be summarised briefly as follows: Whites are members of a broadly egalitarian caste divided politically along language and cultural lines within a system of racial stratification. Political power reflects cultural groupings rather than class formations. Political elites are the representatives of cultural formations rather than dominant class interests. Class and community constitute alternative and exclusive bases for political action. Racial prejudice is seen as the determinant force in the present configuration of power.

Because it has been empirically established that the majority of Afrikaners are more "prejudiced" than the English, and that lower-class whites are more "prejudiced" than upper- and middle-class groups, it is easy to conclude that the sources of power and of prejudice are the same. This variation on the thesis of working-class authoritarianism supports the case that the mass of whites dictate the major political decisions in the society. The irrationality of racism has its sources in the irrationality of the average white.¹

While the empirical findings which support such conclusions may be accurate, they conceal the fundamental dimension of the structure of power in South Africa. Hegemony resides in the great interests -- mining, agriculture, manufacturing industry -- which drive the engines of capitalist production and investment, and in the political institutions which maintain and protect those interests. White workers and the rural lower classes, civil servants, soldiers, policemen, urban wage- and salary earners provide the mass support for these dominant interests. But they do not dictate the major political decisions in state and economy, nor do they affect the framework within which these decisions are taken.

It is sometimes argued that white workers achieved "power" in the great conflicts between capital and labour during the 1920's. The opposite would be nearer the

truth. The "rapprochement" between capital and labour which was reached after the Rand revolt had been crushed gave white workers protection from black competition and thus laid the foundations for the relative prosperity of white workers. But an equally important effect was that white workers were eclipsed as a significant political force. The body of legislation which consolidated the peace in industrial relations made it difficult for white workers to use the central device of working class action -- the strike. Perhaps more important (for legislation is never entirely effective against determined resistance) the strike became largely otiose as an instrument of trade union action. Conflicts between capital and white labour would be reconciled through the machinery of the Industrial Conciliation Act in a system in which the state actively participated.

The effect was to diminish the political functions of white worker organisation. As in other capitalist societies, white workers were incorporated into the capitalist system through the institutional separation of economy and polity. The consequence was the consolidation of the hegemonic role of capital. White workers became co-opted into the ensemble of capitalist enterprise. Their cooperation in economic development became an important factor in the expansion of industry under capitalist auspices.

Certain political institutions became critically important in engineering the basis of consent among whites. Political parties, with minor exceptions, have been parties of property and business. Ideological disputes among them have ranged over a wide area, reflecting the conflicts of interest between dominant groups. But the key institutions of capitalism have never been the subject of a systematic attack or of far-reaching proposals for reform. It is true that parties have attacked specific capitalist interests -- the mining interest has provided a favourite target -- and in doing so have attracted support from lower-class whites. Indeed it was precisely in this way that mass support for the institutions of capitalism was co-opted.

The groups which have made these attacks have normally acted on behalf of rival capitalist interests, and in such a way as to preserve the hegemony of capital. White workers have frequently been the beneficiaries of these conflicts. Indeed white workers have gained some representation in political parties of the right. But this representation has been nominal rather than real. Workers were incorporated on the condition that they accepted the basic framework of capitalist power. The Labour Party alone contained socialist elements, but these had begun to move outside of the orbit of legitimate politics by the end of the First World War. The elements which remained in the party, and came to dominate it as it declined, were with few

exceptions reformist rather than revolutionary, oriented towards trade unionist activity, and by and large uncritical of capitalism in a systematic way.

Closely aligned to the parties was an array of cultural groups which included trade unions under the umbrella of their associated organisations. These became particularly important in organising the great waves of urbanising Afrikaners for middle-class leadership. A key function of these cultural groups was to minimise class conflict.

In sum, despite wide variations in objectives, interests and methods, the dominant political institutions have worked to reduce the possibility of class conflicts among whites. The consequence of this collective effort has been to deflate, divert, fragment, and canalise conflicts in directions which have served to maintain the basic fabric of capitalist institutions and to create the political infra-structure necessary for economic expansion.

The effort has been largely successful. Political movements on the left, even of a moderately reformist character have had little appeal among whites. Few white workers allied themselves with the opposition to proscribe the Communist Party in 1952. The white working class has by and large supported subsequent attacks on left-wing political organisations.

This brief preamble seems necessary in order to clarify the scope of this paper. Aspects of the political relationships between classes will, hopefully, be discussed in a later paper. The concern here is to delineate the core of class relationships -- the distribution of rewards between different groups, and the relationship between the source and size of rewards.

It is not the intention to "define" class at this point. Rather it is hoped that the paper will suggest the value of class analysis in delineating political relationships. The problem of what constitutes the essence of these relationships will be left open. The trend in the most valuable recent contributions to class analysis would seem to me to be the one that insists (i) that the problem is not to be whether one can or cannot speak of classes, but of the extent to which class consciousness is exhibited in political situations; (ii) which recognises that even those situations in which class antagonisms are muted or non-existent are pivoted (in capitalist societies at least) on specific class relationships; (iii) which recognises that classes are not strata, nor are they specific entities like institutions.

The guide-lines I have tried to observe in discussing white classes are not limited to trying to specify an economic structure, but rather to understand class as the product of relationships generated in the market, including political relationships. The assumption is that the relationships which I try to measure are the social product of innumerable conflicts, negotiations, determinations and compromises among groups and institutions.

The paper is based mainly on the report of the Secretary for Inland Revenue for 1950 and 1966, the census report for 1970, and reports of the Department of Labour for September 1971. (It is unfortunate that more recent reports of the Revenue Department were not available, but the intention is not to make rigorous comparisons between different sources. Rather it was hoped to present material reflecting the era of greatest white prosperity.)

The late 1960's and early 1970's were perhaps the period of greatest white affluence in South Africa's history. Whatever promise capitalism may hold out to the most privileged community in the country would seem to have been fulfilled by the 1970's -- while not claiming prophetic insight, it would seem unlikely that such good times will soon come again.

Indeed, the affluence of whites during this period sustained something of a celebration in the upper echelons of government and business, including some spokesmen hitherto fearful of the jeopardy in which material riches placed the spiritual prospects of the Volk. The signal event in white politics during the late 1960's was the extrusion from the Nationalist Party of the Hertzogites who continued to insist, against the mainstream of opinion, upon unfashionable theses connecting poverty, strife and national virtue. The mainstream itself joined both in the celebration and the accumulation of secular benefits. The basis of the celebration is the subject of the paper.

TWO

Compared with blacks, whites in South Africa enjoy a degree of affluence which makes inequalities between whites seem trivial. Something like five million Africans were economically active in 1970, according to the census of that year. In 1966, the Revenue Department assessed the incomes of 3524 Africans, from which it may be concluded that they constitute an insignificant proportion of individuals paying income tax. Few whites live in abject poverty. Relatively few are unemployed. The diseases associated with poverty occur infrequently among whites. A network of social services

comparable to social security in metropolitan countries mitigate the sufferings of the white unemployed, aged poor, chronically sick and destitute. Yet the conclusion which is sometimes drawn that whites constitute a "middle class" community conceals a number of structural features which are central to the understanding of white politics.

In particular such a view conceals the presence and significance of a tiny minority of individuals enjoying a degree of wealth and power disproportionate to their numbers and the source of this wealth in their command over the institutions of private property. It also minimises the political significance which may be attached to the market situation of the majority of whites. The largely unexamined assumption that whites constitute a "middle class" or that the affluence of white workers rivals that of the property-owning classes conceals the source of conflicts and alliances. In consequence, factors other than class, such as "language" are given an exaggerated significance. The analysis which follows was not undertaken out of a sentimental concern to attract attention to the existence of poverty among whites, (indeed it reinforces the view that most whites enjoy a remarkable degree of affluence) but rather to delineate the contours of capitalist society as it affects the most privileged community in the country.

Whites enjoy a considerable range of incomes on the upper slopes of a pyramid with a tiny apex rather than on the top of a plateau. Moreover, the positions which they occupy in the income structure are, it will be shown presently, closely connected with the position they occupy in relation to the ownership of private property. Official data on family incomes gathered for the 1970 census indicate the wide variations in white incomes. A minority of around five per cent enjoyed high incomes, while a group of comparable size had very low incomes. The great majority of family incomes were distributed between these extremes. More than half of pre-tax family incomes were below R4,000 per annum, and nearly one-fifth were below R1600. In other words, more than half of white families had incomes of around one-third of the smallest income of the top twentieth.

TABLE I:

FAMILY INCOMES OF WHITES

	<u>1960</u>	<u>1970</u>
Over R10,000	1.39	4.73
R6999 - 9999	3.08	14.25
R4000 - 5999	7.32	26.04
R3000 - 3999	11.05	20.33
R2000 - 2999	28.68	16.76
R1600 - 1999	16.04	-
R1200 - 1599	11.12	8.57
R 800 - 1199	8.31	4.10
R 400 - 799	7.41	2.68
Under R400	4.23	1.76
	<u>99.99</u>	<u>100.00</u>

Source: 1970 census. A group of families whose incomes was not known was excluded.

Census material on personal incomes affords substantially with the material on family incomes. Less than 3 per cent of the pre-tax incomes of gainfully employed whites exceeded R10,000 a year, while more than half of all incomes were below R3,000. One fifth of incomes were below R1,200. This is particularly revealing as the census material probably understates the degree of inequality between different groups. The incomes of farmers, professionals, and businessmen were net incomes after current expenses - incurred in earning the incomes had been deducted, while the incomes of salary- and wage-earners were gross incomes before tax, pension and other deductions. Moreover, the highest income group listed by the census was R10,000 and above which lumped together all incomes above the level of modest affluence, thus concealing the existence of the very rich and the extent of their wealth.

TABLE II:
PERSONAL INCOMES, 1970.

Over R10,000	2.49
R6000 - 9999	6.22
R4000 - 5999	14.07
R3000 - 3999	17.48
R2500 - 2999	8.78
R2000 - 2499	12.23
R1600 - 1999	8.80
R1200 - 1599	11.54
R 800 - 1199	8.75
R 400 - 799	5.04
Under R400	4.70
	100.10

Source: 1970 Census. A group classified as "other" was excluded.

Because the census did not indicate the sources of incomes, it reveals the shadow rather than the substance of class relationships. However, it provides one crude index of class in that it distinguished between the incomes of "employers" and "employees". It is thus possible to compare roughly the incomes of entrepreneurial classes and salary - and wage earners.

TABLE III:

	<u>Employers</u>	<u>Employees</u>	<u>Proportion of each income group.</u>		
			<u>Employers</u>	<u>Employees</u>	
Over R10,000	11.79	1.30	53.68	46.32	100.00
R6000 - 9990	15.29	5.06	27.86	72.14	100.00
R4000 - 5999	16.01	13.82	12.89	87.11	100.00
R3000 - 3999	14.49	17.90	9.39	90.61	100.00
R2500 - 2999	6.25	9.11	8.06	91.94	100.00
R2000 - 2499	9.98	12.52	9.24	90.08	100.00
R1600 - 1999	4.42	9.35	5.69	94.31	100.00
R1200 - 1599	5.93	12.16	5.86	94.14	100.00
R 800 - 1199	7.23	8.94	9.36	90.64	100.00
R 400 - 799	5.43	5.00	12.19	87.81	100.00
Under R400	3.18	4.90	7.66	92.34	100.00
	100.00	100.06			

Source: 1970 Census.

TABLE 4:

<u>INCOME GROUP</u>	<u>PERSONS ASSESSED</u>	<u>INCOME (Losses deducted)</u>
	%	%
Over R17,999	0.3	3.6
R16,000 - 17,999	0.1	0.8
R14,000 - 15,999	0.2	1.1
R12,000 - 13,999	0.3	1.5
R10,000 - 11,999	0.5	2.2
R 9,000 - 9,999	0.4	1.5
R 8,000 - 8,999	0.6	2.1
R 7,000 - 7,999	0.9	2.9
R 6,000 - 6,999	1.7	4.4
R 5,000 - 5,999	3.0	6.7
R 4,600 - 4,999	1.9	3.9
R 3,800 - 4,599	6.4	11.0
R 3,000 - 3,799	11.2	15.7
R 2,400 - 2,999	11.5	12.8
R 2,000 - 2,399	8.5	7.8
R 1,600 - 1,999	8.6	6.4
R 1,200 - 1,599	10.4	5.9
R 1,000 - 1,199	6.5	2.9
R 600 - 999	13.4	4.5
R 0 - 599	12.0	1.5
Losses	<u>1.6</u>	<u>0.5</u>
	<u>100.0</u>	<u>99.7</u>

The highest income group (above R17,999 per annum) constituted 0.3 per cent of persons assessed, but enjoyed 3.8 per cent of incomes - nearly 13 times the share of incomes they would have enjoyed were incomes equally distributed. The top 1 per cent obtained 7 per cent, the top 5 per cent 16 per cent, and the top 10 per cent 42 per cent of all incomes. The bottom one-fifth received 7 per cent of incomes, about the same as the top one per cent.

Comparison with income distribution in 1950, suggests that income distribution among tax-payers is becoming less equally distributed.

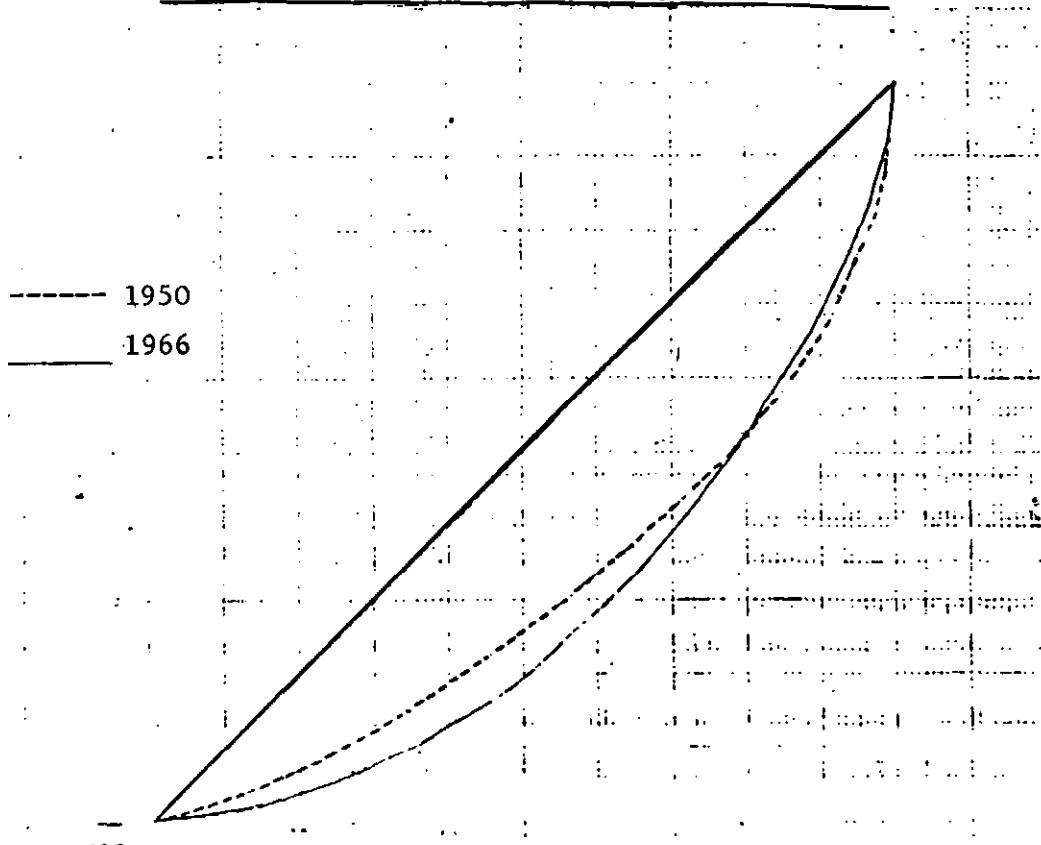
TABLE 5:
CHANGES IN INCOME DISTRIBUTION, 1950 - 1966.

		<u>1950</u>	<u>1966</u>	<u>CHANGE</u>
Top	1%	8%	7%	-1%
Top	5%	25%	16%	-9%
Top	10%	34%	42%	+8%
Top	20%	52%	52%	-
Bottom	20%	7%	4%	-3%
Bottom	30%	12%	8%	-4%
Bottom	50%	25%	20%	-5%

These proportions are rough percentages due to the difficulty of correlating whole percentages exactly.

In 1965, the top one per cent received about the same proportion of incomes as they did in 1950 - 7 per cent compared with 8 percent, but the share received by poorest groups declined quite markedly. The share of the poorest 20 per cent declined from 7 per cent of incomes to 4 per cent; the poorest 30 per cent from 12 per cent to 8 per cent, and the poorest 50 per cent from 25 per cent to 20 per cent. In 1966, the top one per cent received about the same as the bottom 30 per cent and nearly double the income of the bottom 20 per cent, but the real beneficiaries of the change in income distribution of tax-payers would seem to have been the top 10 per cent rather than the very rich. The top 10 per cent increased their share of income from 34 per cent to 42 per cent. Put another way, the top one per cent declined from having 8 times the share of income they would if incomes were equally distributed to 7 times this share. The top 10 per cent increased from 3½ to 4 times their equal share.

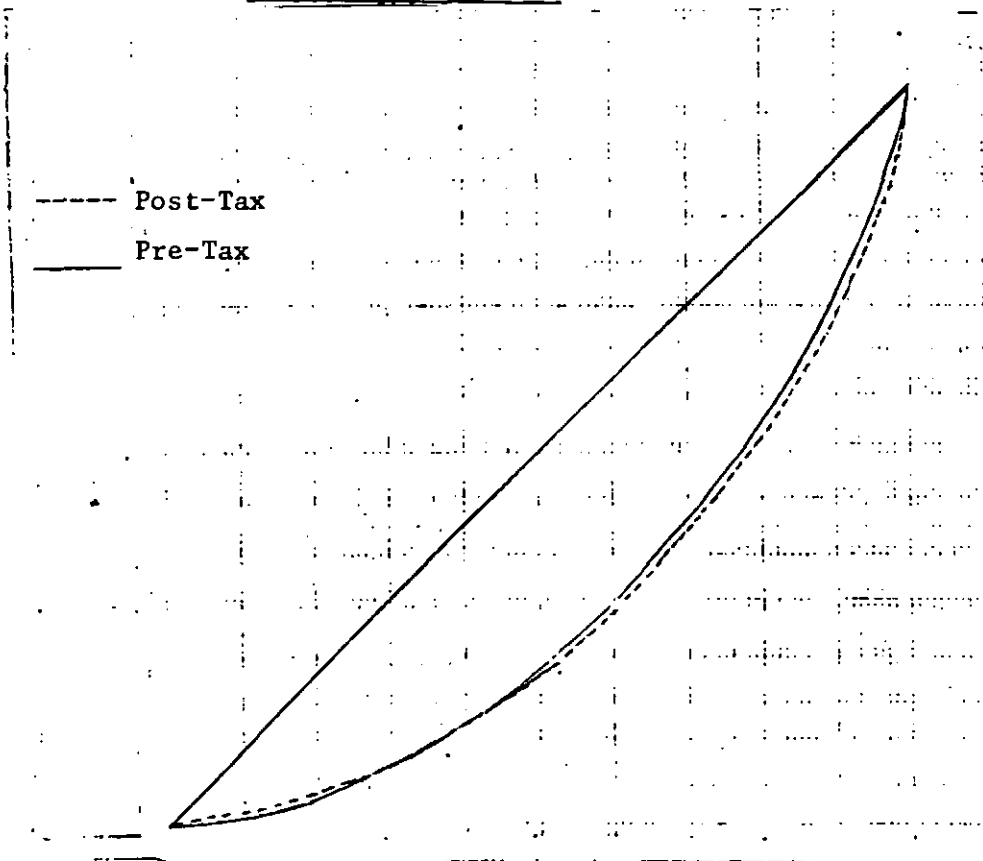
FIGURE 1 : INCOME DISTRIBUTION, 1950 - 1966.



The bottom 30 per cent declined from having three-fifths to less than one-third of the income they would receive if incomes were equally shared. Of course, the value of these shares was probably increasing, but what seems to have been happening may be compared to the process of squeezing a toothpaste tube from the bottom. The location of the hand doing the squeezing and the toothpaste being squeezed are both out of range of this paper, but it seems from this discussion that whatever benefits were being gained by whites were accruing disproportionately in the upper rather than the lower income groups. This does not mean that the poorer groups were becoming poorer in absolute terms, nor is it necessarily the case that white tax-payers in the lower income groups were losing. The report for 1950 does not differentiate between different "racial" groups, and accordingly no distinction can be made. While "Africans" constitute a negligible minority of any group assessed in 1966 (0.29 per cent of the lowest group and 0.57 per cent of all persons assessed) they can be ignored as insignificant. "Coloured" and "Asian" persons did however constitute quite a sizable proportion of the poorest groups - 12.65 per cent of all persons assessed and 13.96 per cent of the lowest income group. It is possible, therefore, that what is in part being registered is the decline of an "Asian" petit-bourgeoisie under the impact of the Group Areas Act and of "Coloured" workers as a result of job reservation.

The immediate effect of direct taxation should be briefly considered. Despite the progressive character of taxation, it does not function to redistribute effective income as far as I can make out. After deducting taxes and losses (i.e. giving loss-heavy groups a double benefit of the doubt), the top one per cent of individuals came out with 6.8 per cent of incomes in 1965; the top 5 per cent with 17 per cent; and the top 10 per cent with 27.8 per cent of incomes. The overall effect may best be seen in Figure 2.

FIGURE 2: THE EFFECT OF DIRECT TAXATION ON INCOME DISTRIBUTION, 1966.



The Lorenz curves for distribution of income before and after tax suggest that there was little or no transfer of income as an effect of direct taxation. Indeed, aside from a small benefit to the lowest income group - around a quarter of persons assessed, it would seem that on the whole incomes were slightly redistributed upwards rather than downwards.

Two additional effects would have to be considered before this point could be decisively established. The first is the effect of indirect taxation which would probably fall more heavily on poorer groups than on the wealthy. The second issue is the effect of public expenditure on the distribution of resources among different groups. I have not yet examined this issue, but the discussion of estates later in

the paper lends credibility to the argument that the relative position of different classes is not affected by any possible reallocation, though it is possible that the mobility opportunities of particular groups of individuals might be affected by, for instance, expenditure on education.

High incomes are closely connected with the possession of capital. Only 0.24 per cent of persons assessed in 1966 who derived their incomes from employment had incomes over R17,999 per annum, and such incomes constituted 1.23 of incomes from employment. Income from employment provided 26.9 per cent of the incomes of the top income group, compared with 82.4 per cent of the incomes of the lowest income group. By way of contrast top incomes from investment -- defined as interest, dividends, rents, including royalties, and financial adventures -- accounted for 18.1 per cent of all investment incomes. Indeed the income on the investments of the top income group counted 1.64 per cent of all incomes. More broadly, incomes from sources other than employment enjoyed by groups with incomes over R10,000 per annum (amounting to 1.36 per cent of tax-payers) constituted 6.20 per cent of all incomes.

Investments as defined by the Revenue Department accounted for 45 per cent of the incomes of the top income group, and averaged 30.9 per cent of incomes of more than R10,000. By way of contrast, groups earning less than R5,000 per annum gained on average 5.6 per cent of their incomes from investments. The poorest income group (under R600 per annum) drew 8.6 per cent of their incomes from investment, which was more than any other group with incomes under R5,000 per annum. Presumably this indicates a number of pensioners, widows, and similar groups, living on "investments" like rents from property, savings and insurance -- 88.4 per cent of the investment income ^{of this} group was derived from interest and rents on fixed property. Income from dividends, which amounted to 6.7 per cent of the investment income of the top income group, constituted only .01 per cent of the investment income of the lowest income group.

The dead offer eloquent testimony on the distribution of property (as distinct from incomes) among the living. Estates valued at R100,000 and over accounted for 26.5 per cent of the value of all estates of persons who died in 1965. Fixed property, shares, and other expressions of property were highly concentrated in the biggest estates:

TABLE 6:

PROPORTION OF VALUE OF ALL ESTATES IN ESTATES OF R100,000 AND OVER:

Urban immovable property	16.2 per cent
Agricultural or pastoral immovable property	30.1
Rural immovable property	30.3
Cash	20.0
Claims in favour of estates	31.5
Government and municipal stock	44.4
Other movable property	27.2
Fiduciary, usufructury and other like interest	23.6
Insurance policies	12.6
Donations by deceased	47.8
Other	22.1
	<hr/>
All estates	26.5
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Estates of over R100,000 constituted, on my somewhat rough calculation, something between 1.0 and 1.5 per cent of all estates, and could not have exceeded 3.25 per cent of all estates. This means that the wealthiest group enjoyed anything up to 20 times their "equal share" of property overall, and certainly not less than 10 per cent of their "equal share". (The form in which the information on estates is presented in the Revenue reports does not permit a precise calculation.)

In South Africa, as in other capitalist societies, property is the key to wealth. The evidence of the class base of income inequalities may be supplemented by referring to the earnings of white workers. Contrary to a myth popular among middle-class whites, no significant group of white workers enjoyed top earnings. Table 7 covers a somewhat arbitrary sample of the wages of white workers in 1971. It is intended to show the position of the labour aristocracy, skilled workers served by powerful unions. Two groups of poorer workers -- blockmen in the meat industry and operators - were included for comparison.

As the wages referred to here are for September 1971, and are the weighted averages of eight urban areas, any comparisons with the 1970 census exaggerate their position in the income structure. The translation of weekly wages into annual incomes to facilitate comparisons with the census material may also exaggerate earnings in that it ignores fluctuations in earnings and the possibility of periods of unemployment. Because these distortions may overstate earnings, the material clearly indicates that the wages even of skilled workers fell into the middle and lower range of white incomes.

The highest income group listed was R140 per week, and over (i.e. R7280 per annum, assuming continuous employment and a stable income over the period) but an almost negligible proportion of workers attained such earnings. Only in the case of boilermakers did more than 2 per cent of incomes exceed R140 per week, and in most trades the proportion was lower than one per cent.

TABLE 7:
WEEKLY WAGES OF WHITE MALE ARTISANS, SEPTEMBER 1971:

	-R50	R50- 59	R60- 69	R70- 79	R80- 89	R90- 99	R100- 109	R110- 119	R120- 129	R130- 139	+R140
Fitter & Turner	1.3	4.4	8.2	14.4	18.5	18.6	13.2	8.5	7.1	3.9	1.9
Welder	3.4	8.9	17.7	20.7	15.6	13.5	8.2	4.9	3.2	2.5	1.4
Boilermaker	2.0	4.3	10.2	14.8	17.5	15.6	14.7	9.5	6.3	3.0	2.1
Blacksmith	3.4	8.7	12.6	15.1	16.9	12.9	11.1	7.7	6.3	5.3	-
Sheetmetal worker	4.8	6.8	12.8	21.3	27.5	16.7	4.7	3.5	1.2	0.1	-
Moulder	6.4	13.1	17.1	19.5	16.2	12.7	5.5	4.8	2.0	1.8	0.9
Patternmaker	4.1	6.8	8.4	26.1	19.6	15.8	9.5	5.7	2.0	1.3	0.7
Electrician	2.3	6.3	15.9	28.2	24.7	14.0	4.2	2.4	1.5	0.5 ^x	
Building trades (a)	2.5	5.8	11.2	19.2	20.9	22.9	11.6	2.7	1.2	1.7	0.3
Printing journeymen	2.8	6.1	11.5	16.2	17.0	16.1	12.3	8.2	5.6	4.2	-
Machinist	9.8	15.3	21.4	16.8	12.8	10.4 ^{xx}	7.1	3.5	2.0	-	-
Operator	19.6	22.4	28.6	15.6	9.3	4.5 ^{xx}					
Blockman	45.6	28.8	17.5	6.1	1.6	0.4 ^{xxx}					

^x Over R135
^{xx} Over R 95
^{xxx} Over R 90

(a) Carpenter, bricklayers/plasterer, painter, plumber.

Source: Reports on Labour Statistics, 1971.

Although earnings in different trades varied considerably, something like three-quarters of workers, even in the best-paid occupations, had wages below R110 per week (i.e. R5720 a year.) A significant proportion of workers in each trade, ranging from one-third of fitters and turners to nine-tenths of blockmen in the meat industry received less than R80 per week (R4108 per annum.)

Two main points are apparent. No workers had earnings approximating to R10,000 a year in 1971. The clear implication is that the 1.30 per cent of employees with earnings in this income bracket in 1970 were professional or administrative workers. The widely-held belief that white workers enjoy top incomes is sustained by the likelihood that a number of self-employed tradesmen - building and plumbing contractors, for instance - who do earn top incomes, had backgrounds in the relevant trades.

It is however possible to exaggerate the extent to which such groups constitute a sizable or secure component of the upper classes. The category headed "construction" in the Revenue report for 1966 included a fair sample of this group - for instance, construction, plumbing, and glazing contractors. Only 21.7 per cent of this category had incomes over R5,000 per annum, and 4.00 per cent had incomes over R10,000 per annum. Forty-three of them - 0.5 per cent - had incomes of more than R17,999 per annum. This tiny minority enjoyed, however, 4.10 per cent of the total income of the group. (By comparison, top incomes from financial ventures, including stock-broking and underwriting, were enjoyed by 48 individuals, but these constituted nearly a quarter of individuals gaining incomes from such ventures.) But in any case, mobility out of wage employment does not affect the basic structure of rewards for the workers that remain.

The second point to be made is that only a small proportion of workers in the occupations referred to fall into the lowest white income group. Only a very small minority of the most poorly paid group of workers referred to in Table 7 received less than R35 per week (R1820 per annum). While the wages of blockmen and operators were much lower than artisans in the engineering and building industry, they nevertheless earned more than the bottom 20 per cent of white wage and salary earners.

Before trying to identify some of these groups, it is perhaps worth repeating the caution that these figures might be inflated. But they are not likely to be grossly inflated. Below artisans lies a group comprising nearly one-fifth of the gainfully active, whose earnings in 1970 fell below R1200 a year.

Part of this group no doubt consists of the walking casualties of industrial society: the blind, people whose earnings were affected by ill-health, alcoholism, etc., the partially disabled, as well as marginal groups like ex-prisoners. Others with very low earnings are probably immigrant shop assistants, who exist in a parochial complex stretching into the eastern Mediterranean and Portugal's former

African empire. Others again are probably the newly-employed and part-time workers, working students and schoolchildren and so on. But the most significant group among them are women.

Overall, the incomes of women recorded in the census were lower than men. Women, constituting nearly one-third of the gainfully employed, made up more than half of the lowest income group, but just over 2 per cent of the top income group, and this pattern was reflected over the whole range of incomes. Whereas only 5 per cent of men had earnings less than R1200 a year, 42 per cent of women fell into this category. The pattern of discrimination against white women is reflected even more markedly in the degree to which they were excluded from authority positions in the economy. Women constituted 31.76 per cent of employees, but only 8.55 per cent of employers. Only 2.42 per cent of employees in the highest income group were women.

The second aspect of income distribution which is noteworthy is the relative poverty of the rural areas compared with urban areas. According to the 1970 census, fewer than 10 per cent of urban employees but 13 per cent of rural employees earned less than R800. Correspondingly 1.00 per cent of urban employees, but only 0.86 per cent of rural employees earned R10,000 and above. Where 13.59 per cent of urban employers were in the top income bracket, only 9.68 per cent of rural employers earned top incomes. The implications of this comparison becomes clearer when it is recognised that wealth is extraordinarily highly concentrated in agriculture.

The second report of the Commission of Inquiry into Agriculture (RP 84 of 1970) illustrates the remarkable concentration of agricultural value in a tiny minority of farms. The report classifies farming units according to their gross value of sales in 1962/63.² It shows that 1.1 per cent of farming units had gross sales valued at more than R50,000 (averaging R80,000), and accounted for 14.1 per cent of the total gross value of sales. Farms with sales grossing more than R10,000 comprised 16.4 per cent of farming units and accounted for 65.2 per cent of all gross sales. At the other end of the scale, 36.5 per cent of farms had gross sales of under R2,000 - 4.5 per cent of all gross sales. A somewhat nebulous footnote to the table in which the Commission records these statistics suggests that the smallest gross sales came from small-holdings. While conceptions of what small means is relative to what big means, the average area of the farms with gross sales under R200 was 203 morgen. There was, however, a connection between size and gross sales: farms grossing over R50,000 had an average area of 3,647 morgen.

These figures refer to the number of farming units, not to the number of farmers, so it does not offer direct evidence of the concentration of wealth. Once again, the Revenue reports offer clarity. Income distribution in agriculture, notwithstanding the immense losses of the top income group were sharply concentrated - the half per cent of agriculturists with earnings over R17,999 in 1966 received nearly 4 per cent of incomes. Individuals with incomes over R7,000 constituted 6.66 per cent of persons assessed, and gained 28.07 per cent of incomes. Just under 80 per cent of individuals assessed received under R3800 - 43.96 per cent of incomes. The bottom half had incomes under R1600 and 15 per cent of all incomes.

Read in conjunction with the material on farming units, this seems to add up to a picture of wealth very highly concentrated in a tiny minority of individuals. Before leaving agriculture, it is worth noting several features which add a certain picquancy to its political sociology and which may go some way in explaining the functions of an ideology which renders class invisible. On looking through the income distribution of particular economic regions in the 1970 census, it is noteworthy that high incomes are very thinly spread. In many regions, the number of individuals with incomes of R10,000 and over are tiny minorities. The power of such individuals is enormously enhanced by the fact that they are small in number.

At the same time, the potentiality of conflict between classes is also obviously a problem. Two levers of consensus would seem to be available. The one lies in the institutions of the community - church, party, cultural organisation - which serve as a direct forum for moulding brotherly relationships in a community in which property is the key to wealth and power. The other would appear to lie in the constraints which are available when access to a very small number of jobs can be controlled from a single centre. It is often the case that rural industry provides a link between agricultural property and industry processing agricultural produce, e.g. in the canning industry agricultural cooperatives virtually control employment opportunities in small towns.

The concentration of wealth in urban situations is not very different in gross terms. In rural areas, however, the stark contours of a social structure based almost exclusively on land, contrasts with the urban situation where mobility opportunities are more available, and where the sheer complexity of economic and social structure tends at once to modify and conceal the distinctions between different classes. These factors probably go some way to explaining different ideological patterns. In urban areas, ideology does not obliterate the class structure in popular consciousness, but rather rationalises and justifies it in terms of promises of improvement to the energetic and the able. Such promises cannot be fulfilled

except in a token form, but they are plausible enough to explain why the maps of reality traced out by the folk mythologists of urban capitalism exhibit and extol, rather than conceal some of its contours. (The opprobrium currently being visited on a Johannesburg property tycoon who has the temerity to sail as close to the wind as possible provides an instructive instance of the defensive mechanisms which come into play when property reveals its unacceptable face.)

The preceding analysis would seem to support the view that racism does not generate equality among the privileged racial minority. During the period 1950-1966, racial privileges were systematically entrenched without effecting any significant changes in the distribution of income or of wealth among whites. Indeed it is possible that the poorest classes might have deteriorated relative to the richest, though this has not been adequately demonstrated here.

It is perfectly true that the incomes of whites relative to blacks increased considerably over the same period. There are, however, important implications to be drawn about the political relations in the white community which might be overlooked by concentrating exclusively on this aspect of the gap in wealth. Many popular analyses of "the" income gap assert that the incomes of whites are four or six or eight (or whatever) times those of blacks. This kind of analysis, valuable though it may be in delineating one important aspect of racist societies, may be positively misleading in the interpretation of white political structure. Among other things, it ignores the class base of wealth in the country (including the wealth, or lack of it of blacks.)

By suppressing the inequalities among whites and the source of these inequalities in the class structure, the central dimension of inequality is hidden from view. What stands out from the analysis of the upper slopes of the pyramid of wealth is the structural base of inequality. "Perfect" racial equality is conceivable in a form which would not in any sense modify this structure.

The continuing sharp inequalities in the white community reinforce the impetus towards maintaining racial privilege and hence the racism which continues to be manifested in political expressions. White men measure themselves against other white men, not against other racial groups. In the absence of any general tendency towards equality, their main prospects for "advancement", given the framework of capitalism, would seem to lie in excluding blacks from effective political and

and economic rights. Keeping up with the Joneses would seem to be a more effective target when interpreted as keeping the Tshabalalas down, and the machinery for such repression has incidental advantages for the Joneses of keeping intact the sacred institutions of capital. Whatever potential has existed for an assault on capital has been transformed into a claim to a privileged bargaining position in the market.

Even those aspects of racial society which probably confer a benefit on lower class whites relative to the rich have the effect of reinforcing the institutions of capitalism. The most important of these is the (probably) high degree of inter-generational mobility that is available to particular groups. It was suggested earlier that white workers probably do not enjoy the high degree of mobility, either intra-generational or inter-generational, which is sometimes assumed. But there are probably other groups - e.g. teachers, clerical workers, and government servants - who enjoy opportunities for some upward mobility. Others again, like traders, and particularly liquor dealers may enjoy benefits through bringing political resources into play - access to licensing boards and group areas boards may be real levers to wealth which may explain the redistribution of incomes from the top one per cent to the top ten per cent. All these serve, of course, to provide capitalism with a broader base among whites.

There are other ways in which capitalist institutions are entrenched and the capitalist ethic emboldened. The conversion of potential assaults on capital into claims on privilege makes possible the simulacrum - without its substance - of a welfare state. The possibility of entrenching whites in jobs and of increasing white wages have served to reduce pressures towards the development of a welfare state in that demands for unemployment benefits and a broad range of social services are rendered otiose. It is interesting that the most publicised response to the crisis of the early seventies has been a weak form of populist consumerism. Admittedly, on the experience of Britain and other welfare states, welfare institutions would not necessarily involve any significant redistribution of income between classes. But in such states, the rhetoric of equality poses some danger to the ideological hegemony of capitalism.

POSTSCRIPT:

After completing this paper I began reading Christopher Jencks, et al, Inequality, the study of American education. I found it clarified some of the assumptions I made in the paper, and also offered me a justification for looking at inequalities among whites which I had not thought of except in terms of the rather thread-bare notions of "relative deprivation". It also contradicts some other assumptions.

"During the 1960's, many reformers devoted enormous effort to equalising opportunity. More specifically they tried to eliminate inequalities based on skin colour, and to a lesser extent on economic background. They also wanted to eliminate absolute deprivation: 'poverty', 'ignorance', 'powerlessness', and so forth. But only a handful of radicals talked about eliminating inequality per se ... There was no significant effort.. to make taxation more progressive, and very little effort to reduce wage disparities between highly paid and poorly paid workers. Instead, attention focussed on helping workers in poorly paid jobs move into better paid jobs. ... Even in the political arena, 'maximum feasible participation' implied mainly that more 'leaders' should be black and poor, not that power should be more equally distributed between leaders and followers." (pp. 3-4)

"Consider the case of equal opportunity. One can equalise the opportunities available to blacks and whites without equalising anything else, and considerable progress was made in this direction during the late 1960's. But equalising the opportunities available to different children of the same race is far more difficult..." (p. 4)

"During the Depression, many people could not afford indoor plumbing and 'got by' with a privy. Those who could not afford an indoor toilet ended up in buildings with broken toilets. For this they paid more than their parents had paid for privies. Examples of this kind suggest that the 'cost of living' is not the cost of buying some fixed set of goods and services. It is the cost of participation in a social system. The cost of participation depends in large part on how much other people habitually spend to participate. Those who fall far below the norm, whatever it may be, are excluded. It follows that raising the incomes of the poor will not eliminate poverty if the incomes of other Americans rise even faster. If people with incomes less than half the national average cannot afford what 'everyone' regards as 'necessities', the only way to eliminate poverty is to make sure everyone has an income at least half the average. This line of reasoning applies to wealth as well as poverty. The rich are not rich because they eat filet mignon or own yachts.... The rich are rich because they can afford to buy other people's time... These are not privileges that become more widely available as people become more affluent... If the distribution of income becomes more equal.... the number of people who are rich in this sense of the term will decline, even though absolute incomes are rising. (pp. 5-6)

"....we have virtually nothing to say about the very rich...Such people do not show up in most surveys, and their incomes have a negligible effect on statistical analyses of income distribution. This does not mean they are unimportant. It simply means their contribution to inequality in America is more political than economic." (p. 13)

FOOTNOTES:

1. Cf. for instance, Leo Kuper, Race, Class and Power, especially "Theories of revolution and race relations", and "Race, Class and Power: Some comments on revolutionary change"; S.J. Morse and S. Peele, "The white electorate as a potential source of political change in South Africa: An empirical assessment", in S.J. Morse and C. Orpen, Contemporary South Africa; H.W. van der Merwe et. al., White South African Elites.
2. Table 4.1, P. 30 of the Commission of Inquiry into Agriculture.