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1983-09
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A F R I C A N S T U D I E S I N S T I T U T E

African Studies Seminar Paper
to be presented in RW
4.00pm SEPTEMBER 1983

Title: Aspects in Monopoly Capitalism in South Africa.

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No. 141

ASPECTS IN
MONOPOLY CAPITALISM IN SOUTH AFRICA

by Duncan Innes

INTRODUCTION

The main argument of this article is that capitalism in South Africa has undergone a fundamental change over the last few decades. Essentially, it would seem that the economy has been transformed over this period from being based on conditions of small-scale competitive capitalism to conditions of large-scale monopoly capitalism. As we shall see, this has involved significant changes in the structure and form of production, in the nature of the firm and in the relationship between companies and the workers.

However, before starting the analysis we need to ask precisely what we mean by the term "monopoly capitalism". That is, what are the distinguishing features of a society which is called "monopoly capitalist"? Over the years various theories have been developed to explain the term. The main features by which we can identify a "monopoly capitalist" society can be summarised as follows:

1. Concentration of production and capital gives rise to monopolies which play a decisive role in economic life.

2. The emergence of finance capital (and a financial oligarchy) out of the merging of bank capital with industrial capital.

3. The development of imperialist tendencies, such as the export of capital, formation of multinational combines and the territorial division of the world among states.

In answering the question of whether South African capital today is monopoly capitalism I want to concentrate on the first two features outlined above: the emergence of mopolies and the emergence of finance capital, since these are most closely related to the issues facing the workers' movement in this country.

THEORETICAL ISSUES AND HISTORICAL BACKGROUND

Large companies (or monopoly companies) have in fact been an important feature of South African society for almost 100 years: The De Beers Consolidated Mining Company, for example, was formed in 1888 to exercise a decisive influence in South Africa's diamond industry. Similarly, the development of deep level underground gold mining in the 1890's saw the emergence (albeit often under different names) of most of the great gold mining monopolies, such as General Mining, Rand Mines, Central Mining, JCI and Union Corporation. There can be no doubt that these monopolies played an important role in South Africa's social development (the Anglo-Boer War bears witness to that, as does the migrant labour system, pass laws, unitary state, etc).

However, the question I want to consider is: how do we distinguish between the role of monopolies in these early years and their role today? Or is there perhaps no difference? If we say that large corporations existed in SA in the 1890's and played a major role in promoting the emergence of a mining economy, does that mean that SA's economy should be characterized as monopoly capitalist from then on? Given the level of economic backwardness in SA at that time it would seem a grossly inaccurate characterisation to make.

But how then do we explain the significance of these large corporations at this time (the 1890's)? They were in fact a product, not of the development of monopoly capitalism in SA, but of the development of monopoly capitalism in Europe. It was monopoly capitalism in Europe which established these giant corporations in SA in the 1890's. It was the European financiers who provided the finance for De Beers to take over the Kimberley Company, who provided the finance and technology for deep level underground gold mining to begin. It was thus European monopoly capitalist interests which established these large corporations in SA to organize mineral production.

But to argue that a particular society (like SA) began to take shape in response to the penetration of a few overseas-controlled monopolies - and therefore that it was located in a world system dominated by monopoly capitalist relations - does not necessarily mean that that society was itself thoroughly monopoly capitalist.

For the development of capitalism on a world scale is a process of combined and uneven development: combined in the sense that the expansion of

monopoly relations encompasses every corner of the globe, drawing them all within the overall orbit of capitalist domination; uneven in that some countries and sectors grow at the expense of others and economic development takes varying forms in different parts of the system.

Consequently, although from relatively early in South Africa's capitalist history there were clear signs of monopoly capitalist relations in South Africa, - and to go even further, although the form of social relations to emerge in the 20th century in South Africa was directly related to international monopoly capitalist requirements - this was not incompatible with the continuati in the society of relations of competitive capitalism such as occurred in industry, commerce and sectors of white agriculture, nor even with the continuation of pre-capitalist relations, such as occurred in black agriculture and sectors of white agriculture.

Posed in these terms the question with which we are concerned now becomes: at what historical point do these earlier forms of capitalist and pre-capitalist relations become largely supplanted by monopoly capitalist relations throughout the whole society? That is, at what historical point do monopoly capitalist relations come to permeate all the major spheres of production and distribution in South Africa and in that sense become decisive in the economy?

Posed in this way it is clear that South Africa in the pre-World War II period did not conform to our requirements for being a monopoly power. Though monopolies did exist - in mining and in finance - and though they were important in these sectors (and indirectly throughout much of the economy) they were in general isolated pockets in the society. That is, the other major economic sectors, especially agriculture, but also commerce and industry remained relatively free of monopoly penetration at this time. Furthermore, although at this time there were links between the different mining and financial monopolies, in organizational terms mining and banking capitals remained separate and finance capital was not apparent as a capitalist form.

THE PHASE OF MONOPOLISATION BEGINS

During and immediately after World War II a number of important changes occurred in the structure of the South African economy which were to have a profound effect on the development of capitalist relations in the country.

1. Mining underwent a phase of major expansion as three new gold fields were opened up (Far West Rand, Orange Free State and Evander) and as base metal production (including uranium) got underway. This expansion, together with mechanisation in the industry, encouraged a process of concentration and centralisation of capital (involving serious competitive battles among the various monopolies). Out of these developments the Anglo American Group emerged in the mid-1950's as the dominant monopoly in the industry and as a major force in the whole economy. Monopoly relations in the mining undustry were thus considerably strengthened by these developments.

2. Agriculture expanded its productive base in the early 1950's in response to the high prices for agricultural commodities on world markets and also underwent a phase of mechanisation as the number of tractors, combine harvesters, etc. in use rose steeply. These changes also involved the increasing concentration and centralisation of capital, which led during the early 60's to the emergence of monopolies in agriculture as well.

3. In the manufacturing industry, however, conditions were different. Although manufacturing expanded during the War due to the "War Effort", the resumption of industrial production in Europe by 1950 brought with it increasing competition for South African industries and a subsequent industrial decline in the country during the 1950's. In response to this a limited tendency towards the concentration and centralisation of capital began slowly to take shape in industry as well, as corporations merged together in order to defend themselves, beginning at the same time to mechanise using imported capital goods. However, these developments were much less pronounced in industry than in mining for example and by 1960 conditions of small scale production were still the dominant form in industry.

What is of particular interest here about the emergence of those relatively few monopoly corporations in industry is that by the late 1950's many of the more important ones were a product either of state investment or of foreign capitalist investment or of investment by the mining monopolies. For instance, AE and CI (jointly owned by Anglo American and ICI) established a monopoly for itself at this time in the fields of ammoniated fertilizers, calcium

cyanide (for the mines) and established the first paints and PVC plants in the country. Boart and Hard Metals (also Anglo-controlled) established a monopoly over the manufacture of drilling equipment and began (as did AE and CI) to expand internationally. At this time Anglo also began to manufacture zinc dust (essential to the gold recovery process) for the first time in South Africa and took over the only vanadium pentoxide producer in the country to form Highveld Steel.

Nor are these by any means the only examples of mining capital's investment in industry giving rise to new monopolies. Pretoria Portland Cement and its two subsidiaries (owned by Rand Mines) emerged as major cement producers in the country, expanding into Rhodesia as well, while RMB Alloys and Southern Cross Steel (both Rand Mines-owned) became specialised producers in their respective fields. JCI developed a number of new engineering concerns, capturing a virtual monopoly of mining business in the OFS, as well as manufacturing specialised timber packs, etc, for the new underground workings. Furthermore, JCI through its substantial interests in the monopoly breweries group, SA Breweries, in the large retail group, Greatermans, and in the Argus Printing Group, was heavily involved in the monopolisation process in industry. Union Corporation's control over the giant SAPPI group which dominated paper and pulp production in South Africa is a further illustration of this phenomenon.

Thus it is clear that during the 1950's you began to get a significant merging together of mining and industrial capitals in South Africa which subsequently produced some of the giant industrial monopolies we know today.

Yet it is not just between mining and industry that this merging of different capitals was occurring. During the 1950's the first signs of a merging of mining and bank capitals began to occur. In 1949, for instance, the Anglo Group was involved with the state in the formation of the National Finance Corporation designed to hold funds destined for ultimate investment in the gold mines and to employ them on a short term basis in industrial investment. The National Finance Corporation is important in that it was the first attempt in South Africa to provide a direct organisational link between industry and mining via finance and it led to the emergence of a local money market in the country.

In 1955 Anglo went even further in this process when it formed its own merchant bank, UAL. UAL was formed by Anglo in conjunction with a London-based finance

house (Lazard Bros) and Barclays Bank and represented an organisational group merging capitals from banking and mining for employment throughout the economy, but especially in industry. It is thus the first organised manifestation of finance capital (in the strict sense of the term) in South Africa.

It was thus during the late 1950's that the South African economy really came to exhibit monopoly characteristics for the first time. Not only were monopolies emerging as decisive influences in all the major sectors of the economy, but also the merging of mining and industrial capitals and mining and bank capitals was beginning to materialise, giving rise to finance capital. (At the same time one can also notice significant shifts in South Africa's foreign policy, reflecting imperialist characteristics).

THE EXTENSION AND CONSOLIDATION OF MONOPOLY POWER

I am not going to trace the development of monopolisation through the 1960's and 1970's in any detail in this article.[1] However, it needs to be pointed out that these developments cannot be isolated from the conditions of class struggle in the society. On the contrary, these conditions were crucial to the subsequent economic and social developments in the country and I want briefly to examine their relevance.

The period of the 1950's was in fact a phase of large scale, open and often violent conflict between the state and the popular masses in South Africa. It was a phase of South Africa's history which ended with the smashing of the organisations of the people, including the organisations of the black working class and was therefore a severe set-back for the class as a whole.

An important element in the struggles of this time was the state's attempt to discipline the black working class to make them more susceptible to the "rigours of the new era of machine production". Such a process (with which the 1958 Viljoen Commission in particular was concerned) involved not just the disciplining of labour for the requirements of a more mechanised shop floor (eg, some education to acquire a level of operative skill, learning regularity of attendance, learning punctuality and general subordination to the pace and demands of machines), it also involved the wider establishment of new forms of black labour control to cope with the requirements of an industrialised and mechanised economy. Thus the Commission recommended the extension of black labour controls so as:

1. to make black labour more mobile;

2. to increase the efficiency of black labour administration;

3. to overcome the problem of black 'vagrancy' or unemployment in the urban areas (this latter problem arose at this time as much out of the extrusion of labour from production due to increasing capital-intensity as out of the more traditional problem of starvation in the reserves).

The political defeat inflicted on the popular movement in the early 1960's - and in particular on the black working class - paved the way for the state to carry through these reforms. Consequently, that defeat should be seen as the moment when monopoly capital establishes its political domination over the working class, thereby entrenching its hold over the whole society.

The result is not only the massive economic boom which characterised all sectors (but especially industry) during the 1960's, but the sudden acceleration of the rate at which monopoly relations spread through all sectors of the economy. By the late 1960's the South African economy was thoroughly cartelized (especially in industry) as the tendency twoards concentration gave rise to a vast array of industrial monopolies.

However, the boom did not last and by 1970 the South African economy was heading into recession. Yet this process did not restrict the advance of monopoly relations; on the contrary, it intensified it as large corporations merged with one another to protect themselves against the ravages of the recession as well as taking over smaller struggling concerns. That is, during this phase centralisation of capital as opposed to concentration became the dominant tendency leading to the creation of monopolies.

Another interesting aspect of this phase is that it took place in different ways. First, within particular sectors, such as General Mining's take-over of Union Corporation in mining. Also, the emergence of the Sigma Group in manufacturing out of the amalgamation of a number of smaller motor companies (making Sigma the second largest motor producer in the country); the merger of the fertilizer marketing sectors of the two leaders in the field, AE and CI and Triomf Fertilizer; and the joint plastic-from-coal undertaking (Coalplex) developed by the giants in this field, AE and CI and Sentrachem. In finance the merger of Western Bank with Barclays Bank and the merger of UAL with Syfrets and Nedbank to form the giant Nedsual group are spectacular

examples of this process. Second, however, it also occurred between sectors - ie, between mining and industry such as the merger of Thos Barlows and Son and Rand Mines to form the giant Barlow Rand Group.

Some idea of the extent of cartelization of the South African economy by the late 1970's may be guaged from information supplied by the 1977 Monopolies Commission. According to the Commission:

+ a mere 5% of the total number of firms in the manufacturing sector between them accounted for 63% of the sector's turnover;

+ only 5% of those in the wholesale and retail sector accounted for 69% of turnover;

+ 5% of those in construction accounted for 63% of turnover;

+ and 5% in transport accounted for 73% of turnover.

By the end of the decade of the 1970's a handful of companies - often closely interconnected - dominated the South African economy. In the private sector (ie, excluding state-controlled concerns) the combined market capitalisation value of the top three companies quoted on the Johannesburg Stock Exchange had almost reach R10 000 million. These companies (De Beers, the Anglo American Corporation and Amgold) were all part of the Anglo Group. In fact seven of the top twelve companies were Anglo-controlled (the above three plus Vaal Reef,Anamint, Western Deep and AECI) and Anglo had substantial minority stakes in the remaining five. Or, to extend the analysis even further, Anglo American had interests in 22 of the top 30 private companies in South Africa (ranked in terms of market capitalisation value).[2]

And if one looks at the value of the total assets of both private listed companies and state-controlled concerns then some idea of the extent of the wealth of these few giant corporations may be gained. By the end of 1979 the combined value of the total assets of the top ten private and public concerns in South Africa stood at a massive R50 268 million. Of these ten companies, four were state-controlled (SAR and H, Escom, South African Reserve Bank and Iscor - ranked first, third, sixth and ninth respectively); two were foreign-owned (Barclays and Stanbic - ranked second and fourth respectively); two were Anglo-controlled (Anglo American Corporation and De Beers - ranked fifth and eighth respectively); and one was controlled by Afrikaner private interests

(Volkskas, ranked tenth). What is of interest is that if one combines the value of assets held by the two Anglo companies (as one should as they are part of the same Group) then their combined total (R8 582 million) surpasses SAR and H's R8 265 million and puts Anglo at the top of the league. (In fact Anglo had substantial interests in at least sixteen of the top fifty companies in South Africa.) On the question of the relationship between private and state-controlled corporations it is interesting that during the 1970's Anglo American and Iscor got together with the British Steel Corporation to form IPSA. This company, which effectively links the largest public and private steel producers in the country together, represents a much closer liaison between state and private monopoly interests - a tendency which may well intensify in the future.

The dominance of the Anglo Group is also evident from a survey of the various economic sectors. In 1979 Anglo had large interests in three of the top five industrial companies (Barlows, South African Breweries and AECI - ranked one, two and five respectively); or, to extend the analysis, in five of the top ten (the above three plus Amic and Tiger Oats). In finance Anglo had a substantial minority interest in three of the top four banks (Barclays, Standard and Nedbank - ranked one, two and four respectively); or in ten of the top twenty banks. Even in property Anglo controlled two of the top ten property companies (Sorec and Amaprop - ranked five and seven respectively). In mining, of course, its position was even stronger: Anglo controlled five of the top ten gold mines in South Africa and held minority stakes in the other five; while outside of gold mining it was the largest coal producer in the country and, through De Beers and JCI, controlled two of South Africa's top three mining companies (De Beers and Rustenburg Platinum).

Despite the recession which hit South Africa during the 1980's the tendency towards further monopolisation in the economy has not faltered but has rather gathered pace over the last few years. Again, Anglo American featured heavily in these developments. In mining it captured a 30% stake in Consolidated Gold Fields, the London-based company which inter alia controls South Africa's second largest mining house, Gold Fields of South Africa. Then in early 1982 Anglo American announced the merger of two of South Africa's leading sugar producers, Tongaat and Huletts, giving rise to a R1 000 million giant company which brings the sugar industry firmly under Anglo's control. Shortly afterwards Anglo announced the formation of yet another R1 000 million company, Anglo American Life Assurance. This company immediately became the largest life assurer in the country. Nor was Anglo absent from the next

extension of monopolisation as Barlow's C G Smith company (with annual sales valued at R1 200 million) took control of the Anglo-controlled Tiger Oats (with annual sales of R1 175 million). This move will undoubtedly lead to an even cosier relationship between the two already intimately connected giants, Anglo and Barlows. Shortly after this deal was secured Tiger Oats took control of the Monis and Fattis company.

Undoubtedly all of these mergers were prompted by the recessionary conditions prevalent in South Africa during the year. With profitability being hit it was inevitable that the larger companies would seek to merge together thereby doing away with dangerous competition between themselves and rationalising production and marketing so as to secure the maximum advantages from larger economies of scale. However, it would be wrong to assume that these moves are always unambiguous victories for the corporations involved. In fact where two or more companies compete for control of another they can do each other considerable damage in the course of the battle. For instance, when Tiger Oats took control of Monis and Fattis it had to pay R5,4 million to Premier Milling to get them to withdraw from the fray. Even more damaging from capital's point of view was the battle between South African Breweries and the Natie Kirsch group for control of Edgars and Greatermans. After ten months and even more lawsuits both sides withdrew from the fray to lick their wounds and count their losses, Breweries having won Edgars and the Kirsch group having finally taken Greatermans.

By April 1982 the extent of monopolisation in South African industry was formidable: ten of the top 100 industrial companies in South Africa accounted for 45% of the latter's total market capitalisation value. Or, to extend the analysis: twenty of the top 100 companies accounted for 61% of the total; and thirty of the top 100 accounted for 70% of the total. These figures suggest a massive concentration of assets among a handful of companies in the economy. Furthermore, if one looks at the interlocking directorships among these top handful of companies the close linkages that exist among them appears more obvious. Five of the top twenty companies in South Africa had three or more directors on the board of one other company in the top twenty; two of the top twenty had directors on the board of two other top twenty companies; and four of these companies had directors on the board of another three top twenty companies. In other words, there are interlocking directorships among at least eleven of the top twenty industrial companies, suggesting an enormous concentration of power in this sector.[3]

Undoubtedly, it is the Anglo American Group which has emerged in control of the lion's share of South Africa's economic wealth. In 1982 Anglo American held 52,5% of the total number of shares listed on the Johannesburg Stock Exchange. That is, the Group was in effective control of seventy listed companies in South Africa whose total share market value was a massive R47 000 million. Second in line was the Afrikaner-controlled Sanlam group controlling 38 companies with a total share market value of R8,4 million. This represented only 9,4% of the total number of shares on the Stock Exchange and shows how far ahead of its rivals Anglo actually is. Of interest, too, is the fact that in third place with 7,4% of the total was another Anglo associate, Barlow Rand, while in seventh and tenth places respectively were two other companies with which Anglo is closely associated, South African Breweries and Nedbank. Through Sanlam (in second place), Rembrandt (ninth) and Volkskas (fifteenth) Afrikaner monopoly interests were also well represented as was the state in eighth (through the Industrial Development Corporation) and twelfth positions (through Iscor). Yet none came near to challenging Anglo American's position with over half the shares on the market under its control.[4]

The question I now want to address briefly is that of how, in very broad terms, these developments actually affect the working class in South Africa.

IMPLICATIONS FOR THE WORKING CLASS

Two of the most obvious phenomena to accompany the transition to monopoly capitalism are an acceleration in the rate of inflation and a rise in the number of unemployed. These phenomena have a common base in the process of monopolisation and have a common social impact: they undermine the position of the working class and the poorer sections of the population and therefore may be seen as an attack on their economic, social and political position.

The causes of inflation are manifold, yet many of these causes may be directly linked to the evolution of monopoly conditions. For instance, price-fixing agreements among monopoly companies and the diminution of open competition among concerns tends to raise prices as companies no longer seek to undercut the prices of their rivals' products in order to capture a larger share of the market. Instead, agreements are arrived at whereby prices are fixed and markets are divided up among the large corporations. Second, large monopolies tend

to develop their labour processes along highly mechanised lines so as to increase productivity and raise production levels. The vast majority of this capital equipment has to be imported and, since the prices of these goods tend to rise sharply, South Africa is importing inflation. Third is the fact that large corporations tend to be heavy borrowers which results in interest rates being kept inordinately high. For these and other reasons inflation has become most marked in the era of monopoly capitalism on a world scale. Nor has South Africa escaped the inflation net: a rising rate of inflation has plagued the South African economy relentlessly since the late 1960's and even last year, in the midst of an economic recession, the rate of inflation according to government sources was 13,6% (the actual rate was probably higher).

A rising rate of unemployment has also become endemic to capitalism in its monopoly phase. Again one can see how the increasing mechanisation of the labour process results in the extrusion of labour from production as management seeks to replace the labour-power of the living labourer with the dead labour of machines. As output expands under the impact of mechanisation so the proportion of the labour force employed in production decreases while concomitantly the proportion of the labour force which is unemployed rises. South Africa has experienced a rapidly rising rate of unemployment since the 1960's and today over 20% of the black labour force is estimated to be unemployed.[5]

The effect of these dual processes constitutes a savage attack on working people and on the poor in general. As the workers seek to organise to prevent the gradual erosion of their pay packets through inflation, so the mechanisation process intensifies their job insecurity, threatening at any moment to cut them off from any income at all. As a result managements' power over the workers' lives is extended: workers must now toe the line - or join the ranks of the reserve army of labour waiting outside the factory gates!

In South Africa this form of intimidation has been applied against virtually the whole work force in factories such as Eveready, Fattis and Monis and, more recently, Ford's and General Motors. The twin sisters of the era of monopoly capitalism - rising rates of inflation and unemployment - thus become weapons in the hands of the employers which they can turn with devastating effect against the working class.

Furthermore, the increasing concentration and centralisation of capital which occurs under monopoly conditions strengthens capital financially, giving it greater staying power in any dispute or strike with a united labour force in

the factory. Again, Eveready provides a useful illustration of this. With 75% of its work force on strike, Eveready opted to lock the workers out and recruit and train up new workers; in order to do so though, production was virtually at a standstill for a month and it took at least six months for Eveready to regain pre-strike production levels. However, the workers' organisation in the factory was virtually smashed in the process. The fact that Eveready is part of an international group, with immense financial resources, able to draw on stocks and raw materials from the parent company, was undoubtedly an important factor which helped it to ride out the crisis. (It is interesting to note in this regard that the Fattis and Monis group, which is much less powerful as a monopoly, was not able to sustain its attack on the strikers and suffered eventual defeat at their hands.)

These, then, are some of the most important ways in which the emergence of monopoly conditions strengthens the hand of capital against labour.

However, the other side of this process is that under monopoly conditions increasing numbers of workers come to be concentrated together on a single shop floor. This concentration of workers at the point of production provides a material basis for the unity and organisation of the workers on a mass scale in production itself (from where it is possible for wider organisational links to be built into other aspects of society). In this sense monopoly conditions can serve to strengthen the workers' position.

Clearly, the emergence of monopoly conditions in South African industry has had this effect. Small factories employing 10 - 20 workers have given way to factories employing hundreds and often (in heavy engineering for instance) 2 000 - 3 000 workers under a single roof. While these numbers do not yet compare, say, with comparable employment figures in Europe and America, nevertheless they represent an important advance for South Africa.

This raises an important point for organisation among workers. For instance, one of the remarks often cited about current trade union organisation among black workers in South Africa is that these new unions are exceptionally strong (by South African standards) in terms of shop floor organisation with democratic workers' structures emerging in the factory itself .

However, these new forms of organisation are often compared with the forms of trade union organisation that existed during the 1940's and 1950's and we are told that in those cases shop floor organisation was neglected. While this criticism is, I think, correct up to a point, it is important that the comparison

is not carried too far, for the material conditions for factory organisation in South Africa were very different in the 1950's than they are today.

According to the analysis I have put forward here monopoly conditions only began to establish themselves on a significant scale in South African industry after 1960. Consequently, this early organisation occurred at a time when in general the black industrial working class in South Africa was divided into thousands of fragmented factories, and it is not altogether surprising that organisation occurred largely in those areas where black workers were concentrated - i.e. the townships rather than on the shop floor. Consequently, if we are looking for a broad cause of the 1973 Natal industrial workers' strike and for the subsequent upsurge in factory organisation, we must in addition to factors like low wages, high inflation, etc, also locate these within the context of new and better conditions for working class solidarity and unity based on the shop floor.

Another way in which monopoly capitalist conditions can favourably affect the working class is in terms of the change of their position within the labour process itself. Under small-scale competitive capitalism the labour process remains undeveloped, relying largely on a small elite of skilled workers or artisans and a mass of unskilled workers to function effectively. In SA this division of labour historically has taken a racial form with white workers in general occupying the skilled positions and black workers in the unskilled positions. The move towards monopoly capitalism is inevitably accompanied by the modernisation and development of the labour process based on the transition to machine production and automation. This transition in its turn opens up the need for a massive layer of semi-skilled workers (machinists, assembly line workers, etc) who intervene between the skilled and unskilled and who develop into the largest group within the labour process. It is these semi-skilled positions that black workers have come increasingly to fill since the 1960's. Although it is true that training for these positions remains very poor, nonetheless the emergence of this layer of more skilled workers does give the black working class a more powerful position in industry since the productivity of these workers is higher than that of unskilled workers and their replacement more costly for capital. This in turn strengthens the bargaining position of these black workers quite considerably.

CONCLUSION

These, then, in very broad terms are some of the contradictory implications of the transition to conditions of monopoly capitalism as far as both the

employers and the labour movement are concerned. The important point to grasp is that the change in the material conditions under which the labour movement exists necessarily implies a change in the organisational strategies and tactics which that movement has to adopt against management. While this article does not deal at all with the question of such strategies, it does argue that in order for such strategies to be developed one must fully understand the nature of the fundamental changes in the conditions of our society. To grasp this is to lay the basis for future policies.

REFERENCES

1. For a detailed analysis of the tendency towards monopolisation in South Africa over this period see my forthcoming book, Anglo American and the Rise of Modern South Africa (Heinemann Educational Books, Monthly Review Press and Ravan Press, London, New York and Johannesburg, 1983)

2. Financial Mail Special Survey, Top Companies, 25/4/1980. All data in this and the following two paragraphs is taken from this source.

3. All data in this paragraph is taken from a report in Business Times, 9/1/83 (pp 1 and 3) on an article by F E Halse in the Investment Analysts Journal, January 1983.

4. All data in this paragraph is taken from a report in Business Times, 20/2/83 (p 3) on "McGregor's Who Owns Whom".

5. See Jeremy Keenen's article in this collection.