

IDEOLOGY AND THE MANUFACTURING CLASS IN SOUTH AFRICA: 1907-26

by

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I

Ideology, Class Formation and Protectionism, 1907-1914

In 1904 there were 4,778 factories in the four colonies of South Africa, which together produced goods valued at £19.3m. (1) In the same year, surprisingly, the gross value of gold and diamonds produced in the region was only slightly more than this, though extractive and manufacturing sectors are not comparable in certain respects. (2) But there is no doubt that local industries, which processed local agricultural products, or imported raw or semi-processed materials, had multiplied under the stimulus of the natural protection provided by the Boer War. Based largely in the Cape (3), the industries were small and relatively undercapitalized. (4) Their owners, however, did not lack ideological vigour and articulateness; in 1883, Cape manufacturing was considered important enough to warrant a Commission of Enquiry (5), and one was held in Natal in 1905. (6) Under the threat of losing their war-time gains when the post-war depression began, manufacturers began to identify with one another between colonies, and make their point of view more widely known.

In the Cape, the South African Manufacturers' Association had been formed in the 1890s (7), but it gained support and increased its influence after the war, particularly through the launching of its official journal in 1907. In the same year, the Transvaal Manufacturers' Association was formed (8), as were the South African National Union (9), the South African National Alliance (10), and the Colonial Industries Protectionist League. (11) In London, Sir Pieter Bam, who had been instrumental in an exhibition to promote South African products, formed the South African Organisation Union to encourage British-South African trade (12), while the South African Native Affairs Commission (13), the coming 1908 Cape general election, and the Intercolonial Customs Conference, encouraged manufacturers to express their viewpoint. The primary aim which manufacturers hoped to fulfil through these various pressure groups was full protection for their products. What little protection there was was perceived by them as inconsistent, biased towards agriculture, irrational and insufficient.

This growing self-consciousness was accompanied by the appearance of ideologists who sprang from, or addressed themselves to, the manufacturers. As being a manufacturer came to mean more than being simply an individual factory-

owner, or even simply a "protectionist", so the ideologist of manufacturing undertook the task of expressing and clarifying the growing area of identification between individuals. Amongst the two dozen or so important ideologists of manufacturing in the pre-protection period, W. J. Laite was the dominant figure.

Laite's arrival in South Africa in 1901 meant that manufacturers were provided with an organizer and ideologist precisely when they needed and were able to respond to one. He was an Englishman who had been apprenticed as a compositor at 7, and who on qualifying had made several unsuccessful attempts to start his own printing business. On his arrival in South Africa he tried and failed once more, but this time was convinced by his failure of the need for a protectionist, industrializing policy in the region. It was he who started the Cape Manufacturers' Association journal, South African Commerce and Manufacturers' Record; he also organized a local association in the Eastern Cape, encouraged the existing organization in the Transvaal, and in 1908 became the full-time secretary of the Cape association. (14) As a journalist and paid official, he could devote most of his time to the cause of manufacturing, and as a result attained a high degree of ideological sophistication.

Other ideologists were usually less committed to the role, perhaps because the class was as yet too small to afford to sustain many full-time thinkers. Large and wealthy manufacturers in each of the three manufacturing colonies tended to express ideology in their roles as public or political figures, usually regardless of party allegiance. Sir Thomas Cullinan dominated the Transvaal association; the even grander figure of Sir James Liege Hulett was prominent in Natal. In the Cape Sir D. P. de Villiers Graaff and his brother were protectionists within the Afrikaner Bond. But the smaller manufacturer was nearer to the grass-roots of ideological creativity: large industrialists were already, for one reason or another, successful (15); it was the small man whose horizons were most limited because of the absence of a protective tariff, and whose existence was most threatened by the post-war depression. The ideologists who sought their audience amongst these - the office-bearers of interest groups, the speakers at local meetings, the casual writers of articles, editorials and even poems - were not important or well known outside manufacturing circles. As the sector grew, a third group of ideologists began to develop - non-manufacturers. In many cases these were politicians or members of the Government, such as F. S. Malan, Smuts, or Warrington-Smyth; but they also included academics, such as H. E. S. Fremantle, scientists such as H. J. van der Bijl, or Labour Party spokesmen.

In fulfilling his first task of clarifying the nature of a class in the process of formation, the ideologist tried to communicate to his audience some sort of self-definition. As John Rothes wrote, in an important protectionist article, compared to commerce:

the manufacturers, as a class, have occupied a very different and less influential position. Indeed, the designation 'class' for many years would have been misleading, so few were they in numbers, and so little considered were they by the commercial community. (16)

The fact of being or becoming a "class", however, did not depend solely on numbers, as Rothes and other writers and speakers recognized; by outlining life-

histories, discussing the origins of, and analysing the position of individual manufacturers whenever they were able, they could give to their audience a more substantial impression of what kind of people manufacturers were.

From these, it emerges that they were in fact a petty-bourgeoisie. (17) Most of them were either immigrants who possessed artisan skills, or Colonials who had accumulated a little capital from trading. In both cases, it was common for the owner of the business to work in the "factory" with his employees, at least in the early stages of the business, when the actual manufacturing often took place in the back of a shop. Most goods were those which, for one reason or another, were under no threat of cheap competition from overseas; but many manufacturers led a precarious existence and felt themselves to be under a constant threat of bankruptcy, for what protection they did enjoy was not permanent or guaranteed. Many of them lived in small towns, where their social proximity to other members of the white petty-bourgeoisie and artisan class was again significant. In Cape Town, and the Cape Province in general, there was a fairly significant Coloured manufacturing class too, which had somehow been squeezed out of existence by the end of the period.

The ideologists attached great importance to the petty-bourgeois nature of their class. Writers of potted biographies in journals would lay emphasis on the artisan origins of what they called "Pioneers of Industry", and would describe how they had "risen" through "perseverance", or call them "self-made men". (18) By calling the ordinary individual manufacturer a "pioneer", they were offering him a concept of himself which transcended the economic and social limits which were placed on him: the area of definition was extended back into the past, his origins, and also forward into the future, for the sake of which the "pioneering" had been, or was being, performed. Perhaps incidentally, by justifying his past for him in terms of his future, the ideologist also opened the way for the simultaneous development of the ideology of progress.

Besides its ability to transcend time and social limits, the idea of "pioneer" was useful for it could contain ideas about what kind of people made the "best" and most successful manufacturers. Laite maintained that besides perseverance manufacturers needed "Business aptitude, merit, the determination to create a market ... and cooperation with the dealer and consumer". (19) The ideal manufacturer was said to possess "fairmindedness" (20) and to need idealism, purposefulness, firmness, a sense of duty, and hard work. Rothes, once again, captured the rugged individualism which the pioneer was supposed to possess: they were, he wrote

mostly men who, by strength of character and superiority of brain power, had risen above the artisan class to which they had originally belonged. (21)

The ideologist's next task was to depict the totality of the class which was in the process of forming. The first indication that this process had begun was when, as we have seen, the post-war depression stimulated the formation of pressure and interest groups. After the depression these groups persisted; manufacturers in all colonies pressed for Union, which they saw as being in their overall interest (22), and later for a protective tariff in the new Union constitution. They tried unsuccessfully to unite local manufacturers' associations, but because of conflicts of interest between the colonies on the

issues of labour costs and railway rates, succeeded only in meeting to discuss common problems in 1911 and 1912, at what they called the "Industrial Parliament". (23) Their pressurizing bore some fruit, however, in the form of the Cullinan Commission of enquiry into industries and protection, which the Botha government appointed soon after its election. (24) But when it reported in 1912 it disappointed manufacturers, because its minority report opposed industry absolutely while its majority report was only "half-heartedly" in favour of protection.

During 1913, despite a lack of public support, manufacturers continued to act together. In response to the Cullinan Commission, Laite published an important statement of the manufacturers' case (25), a pamphlet in which pre-world war I ideology was expressed most coherently. Later in the year a "great Producers Congress", where manufacturers and agriculturalists met to discuss their common interests, was held. Some response was obtained again from the government, who appointed F. S. Malan, a liberal protectionist, Minister of Mines and Industries. But, in general, the response of politicians remained "half-hearted"; manufacturers were to be appeased but not accommodated. Parties were not united on the issue - the Labour Party, for example, split in 1912 on the issue of protection - and public figures tended to waver over it.

While admiring the individualism of pioneers, ideologists also made sure of emphasizing this willingness amongst manufacturers to act collectively in certain situations. No sooner did a group of entrepreneurs unite to act in their common interest than the ideologist adopted them into the category of "us". Once an organization was formed, its annual reports and minutes became "our" property, and matters for "our" interest. (26) If the structure and limits of the class were in doubt for any reason, the ideologist tended to smooth over cracks, and play the role of identifying "friends" or "enemies" of the class. (27) But at this stage individualism and collectivism existed side by side in spite of the contradiction involved.

The nature of their perception of "outside society", as opposed to their self-perception, was largely determined by the manufacturers' position of relative disadvantage. They had long recognized that to change their economic position they would have to change the political configuration of forces. As they became increasingly aware of the extent to which their ambitions were thwarted by the absence of protection, so they looked more and more to the economic groups whose political position could help bring it about. Ideologists developed specific ideologies in relation to each class or group involved; and they also developed an overall social ideology which, on the one hand, combined the individual ideologies and, on the other, provided their audience with a social vision to which they could refer in justification of their ambitions.

The foremost of the classes to whom specific ideologies were directed was commerce. This was the domain of large importing houses owned by eminent and wealthy members of a social and political elite. The "merchant princes", as they were called, such as Jagger, Cowie, and Martin, frequented the exclusive social clubs of the large towns and, if not actually born in England, had imperial connections:

The majority of men have been educated and trained in Great Britain, and in whatever community they may be, we find them taking the lead in public affairs. In some cases these merchants are looked

up to as oracles on every question under the sun and their influence is almost absolute. (28)

They opposed protection physically, by preventing storekeepers from trading in locally produced goods (29), but also politically and ideologically, with the use of the ideology of Free Trade, the rhetoric of their status, and their parliamentary platform. (30) In response, manufacturing ideologists compared the decadence and selfishness of the parasitical life of the importer unfavourably with the patriotic, pioneering production in which the manufacturer was engaged. (31) Their "pragmatism", too, was compared with the "dogmatic beliefs" of the Free Traders:

Free Trade or Protection is not a moral question at all.... It is simply a matter of business policy - of national business policy. (32)

Such concepts were appealing to the audience of worker-producers, who liked to think of themselves as "down-to-earth" - Laite used to provoke his upper-class acquaintances in commerce and mining by wearing evil-smelling South African-made "velskoene" to meetings. (33) In relation to commerce, manufacturers' separateness from the rest of upper-class English-speaking society was most apparent; the espousal of the cause of protection could create enemies (34), and factory owners were scorned for their absence from the membership lists of social clubs.

White agriculture was peripheral both physically and ideologically to manufacturing, despite their partial coincidence of interest over the issue of protection. Farmers held a considerable amount of power, and to that extent were part of the consciousness of manufacturers seeking access to the state; but they were more remarkable for their absence from the ideology than their presence. As Laite wrote:

The aristocracy of the land is very old, very conservative and very insistent upon its rights. (35)

Complete protection remained something which the old ruling elite did not support; perhaps they did not take to the relative radicalism of industrialists.

Mineowners regarded protectionism as an expensive fantasy, which they could not support if it meant higher prices for them, the country's largest consumer. This pragmatic opposition was partly a reflection of the more fundamental difference between the interests of imperial, or imperialistic (36), and local capital.

The aim of the Mining Houses is capitalistic control and the truth of this is being realised at last in all its nakedness. Capitalistic control of free government has so far been an impossibility, under the British flag, and Progressives in the Transvaal feel that the wholesome condition should be continued (37),

claimed one writer, appealing to manufacturers' resentment of the size, foreignness and crude power of the industry, which they saw as a relatively unproductive, elitist, privileged monopoly. (38)

The politically and economically dominant mining industry had gained a degree of ideological dominance too, and this fact helped shape much of the rest of manufacturing ideology. Because of the similarities between the two sectors as employers and capitalists, their spheres of activity coincided to a degree. Yet those similarities were in fact outweighed by differences of interest, and in relation to groups such as white and black workers, or the state, manufacturers found it desirable to develop alternative attitudes to those which prevailed.

In relation to white workers, for example, ideologists found their audience responsive to their depiction of mine-owning attitudes as caste-like and manipulative, or paternalistic and confrontationalist. (39) Manufacturers themselves were either originally workers or worked and lived very close to them, and they preferred to develop a distinctly "manufacturing" attitude, which was more tolerant and in which the boundaries between employer and worker were more blurred.

This was reinforced by the fact that manufacturers needed to woo, and not to antagonize, their white employees, who were also consumers and voters. Whereas mineowners and the politicians who represented them became increasingly afraid of the potentially large white working class which protection would create, through immigration and proletarianization, manufacturers could not afford to entertain such fears. After the 1913 strike, Laite wrote of Smuts, for example:

The recent industrial upheaval has got on the Minister's nerves. He knows that the introduction of an adequate protective tariff would mean the advent of new industries which would necessitate the importation of skilled artisans and their families from overseas, and apparently he fears that such a step would ultimately strengthen the Labour Party - a contingency he is not prepared to face. (40)

But there were two reasons why manufacturers could not allow themselves to see this as a potential threat. Firstly, they recognized that the potential power held by white workers might be useful to them if they could convince them to support protection. This was never an impossibility, as there was a strong protectionist lobby within trade unions and the Labour Party itself. (41) Secondly, they argued that they needed a large white working class, to add to the small market which they had in Southern Africa; and that workers needed to be well paid, for the same reason. (42) At the same time, they needed to educate their potential market, for South African-made products were looked down upon, to an idealistic buying policy. All of these factors led to the elaboration upon the fact that manufacturers identified with workers, into a coherent ideology of conciliation.

This ideology recognized the existence of a class relationship between worker and employer, but denied that it was based on conflict:

The average fair-dealing manufacturer is too often misled into believing that the archfoes to his progress are they of his own household... The mechanic and factory hands of today are sufficiently educated to realise that to so hamper a good master

as to eventually effect his ruin, and the closing up of his business, would be also disastrous to their immediate interests, but that by doing their best to help on and increase the business, they are also improving their own prospects of advancement. (43)

This article continues with an elaboration upon this early conciliatory ideology, which resembles modern ideas of "personnel management", although it is less successful in hiding the class relationships underlying it. He concludes with a neat link to the "pioneering" ideology of social mobility:

The master in nearly every case makes the man. Display to your servant selfishness, want of consideration and disregard for his comfort and general welfare, and he pays you back in your own coin. To get consideration, you must give consideration.... Working men and women nowadays are not the vassals working for the right to live they once were. With education spreading, the workers of today are thinkers, with hopes and ambitions in life such as the workers of a century ago were incapable of. The turner at your lathe might be the Prime Minister of your country in a few years. (44)

This was the ideology which was later to prove useful to manufacturers confronted by a militant industrial working class after world war I.

Blacks impinged upon the consciousness of manufacturers as workers, and as consumers who were far more willing to buy local goods than whites. "Who earn the bulk of the millions of wages in South Africa? Ask Kimberley, ask Johannesburg, ask every farmer ... and he will tell you his workman is the native." (45) But the fact that blacks were needed in both these roles did not lead to a more tolerant attitude towards them. It had to be reconciled with the ideology of appeasing whites, and the result was a conception of society which resembled modern racism. Not only did ideologists depict blacks as being at the bottom of a social and industrial hierarchy, and at the beginning of "evolution", but they also separated them from the unified white race, which consisted of workers and industrialists, and other groups, moving forward together towards "white civilization" through industrialization:

[the natives are] as a rule of splendid physique and vitality. They are the country's hewers of wood and drawers of water, and for them work must be found ... the most we can hope for today is to develop the best side of the white race and keep the natives under control, and to this end industries should be encouraged to apprentice white labour and train boys in the high arts of industry so as to maintain supremacy. (46)

The constant process of reconciliation between ideas of whites as workers, and of blacks as workers, was to characterize this aspect of manufacturing ideology for a long time to come.

Towards the State, ideologists found it appropriate to adopt a petulant, somewhat plaintive tone, while they attributed to it qualities of benevolence,

kindness, generosity and the desire to act in the interests of all. This notion contrasted sharply with the prevailing idea, which, influenced by imperial mining ideology, depicted the State simply as a means to the ends of those who wished to use it. Because of their size and powerlessness, it was not possible for manufacturers to believe in using the state thus; nor was it desirable, for their aims were not imperial, but concerned with the establishment, for whites, of a sort of "participatory capitalism". The first "duty" of government, wrote Laite:

is to develop their various countries by encouraging immigration, settling people on the land, and fostering developing industries. There the end in view is the building up of well-organised, self-supporting and prosperous nations. (47)

Not only was the idea of governmental "duty" distinctive, but so was the linking between the concepts of "development", "prosperity" and "nation". It would seem that manufacturers required a greater degree of legitimacy in the state for the fulfilment of their ambitions for society, and as a result they probably needed substantially more ideological buttressing than that which prevailed.

What were their ambitions for society? Their vision was simply one of capitalism. But was it clear and well thought out, and legitimized by comparisons with other capitalist countries and other settler colonies, such as Canada and Australia, which had begun to industrialize? Protectionism was the means to this end, and the ideologist tried to convey that the struggle to obtain it would be worthwhile by placing it in its historical context, and reinterpreting it in evolutionary terms:

we are passing through successive stages of growth through which our sister colonies ... have passed before, and we shall probably continue to be guided by the same conditions which influenced them. At first the farmers are the only protectionists, the town dwellers, mostly importers, agents and distributors, feel no need of local manufacture. But as the population increases and becomes more settled in the country, the varied fields of occupation found in every civilised State become a necessity. A growing number of persons become associated with the local supply of local requirements, and soon the towns also demand that the budding industries of the people shall not be crushed out by the huge organisations of foreign factories. This is the stage at which we are arriving ... (48)

The terms in which their overall practical aim was interpreted by nearly all ideologists of manufacturing constituted an overall ideology. The idiom was that of "evolutionary progress", a notion contained in nearly all the ideas discussed so far. Its core was contained in the concept of "mutual interdependence".

This concept had been created by thinkers to bridge the gap between manufacturers' ambition and reality. This required the conversion of all groups with power of one sort or another, to the cause of national capitalism. In addition to the individual ideologies which related to commerce, mining, agriculture and white labour, therefore, the overarching idea was developed of a

greater whole, of which each was only a part, such as a cog in a wheel. The values of the whole were those of co-operation and mutual interdependence, and these were depicted as being more important than the parts. The "whole" could be used by ideologists to mean anything they cared to emphasize; sometimes it meant "the State", or sometimes an abstraction, such as "non-racialism" or "South Africanism". (49) A. B. Reid shows how an ideologist used the ideas of the "whole" and its "parts":

our wish for South Africa is for a united people, mutually interdependent, and as far as possible, politely [sic] independent of overseas friends. To this end each person, each class, each locality, must do his and its share to promote the well-being of the whole country. The Manufacturer, the Farmer, the Merchant and the Miner, must work in close and cordial harmony producing for one another, helping one another ... giving and receiving, offering and accepting, always in the spirit that everything we do, we do for South Africa and the Empire. (applause) (50)

As a conclusion to this section, the analysis of the pre-war ideology in terms of its component parts needs to be balanced by an examination of it in its totality. A. B. Reid, in a speech to the South African Manufacturers' Association in 1911, once again illustrates the unity and coherence of the ideology, and the rapport between audience and ideologist at this early stage. Reid alerts his audience to the fact that he is about to "ideologise" by linking the concept of protection, a matter of self-interest to his audience, to that of patriotism, an ideological but theoretically non self-interested concept which was part of the prevailing ideology of the time, and to which any ideologist could safely refer:

The fact is the system of Protection ... is not a class policy, but a national policy. It is for national reasons that we urge its adoption and it is for national reasons that we seek a method of administration which will ensure continuity of policy ... (51)

Having slipped in a reference to the moderate way in which manufacturers approach the State, he then refers obliquely to mining and its lack of patriotism:

it is a plain question of the duty of a nation to encourage the industry of its own people in preference to the industry of overseas people. (hear hear)

He then expands upon this theme, equating manufacturing with "good", populism and progress, and, by implication, mining with foreign-ness and evil. He looks enthusiastically to the future, listing the benefits associated with the "good" policy, and linking them to particular sections of the community - consumers, workers, commerce and, ultimately, "the common weal":

It is a question of the duty and interest of a nation to develop all its resources rather than allow some of the most important of them to remain undeveloped. (applause) It is a question of diversified employments and unbounded possibilities for a country capable of great achievements, rather than a limitation of its powers to such occupations

as will prevent it from becoming independent and its people from going forward. This is our protective policy. It is ... the foe of all monopolies, domestic and foreign.... It is not the instrument by which one class of the community is to be benefited at the expense of another class, for it seeks the common weal by affording employment to all classes. It is not a tax upon one industry for the benefit of another industry, for its design is to impose taxes upon foreign producers, that domestic consumers may obtain cheaper commodities.... It is not a hindrance to commerce, but a help to it, for it will stimulate internal commerce when it stimulates the development of resources which could have no value if not exchanged for other products ...

In conclusion, he once again refers to manufacturers' self-conception, this time the "pioneer" image, linking it to key slogans of the period:

It is the policy of patriotism, of progress, of civilisation - a policy that defends the weak against the strong, and stands resolutely for one's own against all assailants.

II

The War and the Achievement of Protection

The war gave manufacturers the opportunities for expansion they wanted, and they were ready to seize them. Laite wrote in 1914:

With war in the air in Europe, South African manufacturers have the opportunity of making war upon the market which naturally belongs to them.... Manufacturers, the opportunity is yours. Rise and take it. (52)

Under this, their third major stimulus in three decades (Cape protection and the Boer war providing the other two), manufacturers were probably in a position to make more of the protection offered to them than equivalent classes in other unprotected colonies; not only were they a growing and enterprising class, but they were ideologically equipped for expansion.

Before the war was over, such expansion had indeed taken place. From 1915-16 to 1917-18, 1700 new factories were opened; between 1915-16 and 1919-20, the gross value of manufacturing output increased from £35.7m to £76.8m, and the net value from £13.9m to £27.9m. (53) By 1917 it was generally realized that a significant change had taken place in the economy, and Laite could write:

What a change has come o'er the scene! The European conflagration resulting in the upheaval of the world's economic fabric has completely changed the outlook of both merchant and consumer. No longer does the producer exist by virtue of the

grace of the merchant! Both he and the consumer are now prepared to humble themselves before the all-necessary producer. (54)

In that year, the South African Federated Chamber of Industries was formed, with Laite as General Secretary, and several hundred member firms; it was an important step towards complete unity of interest, ideology and action amongst industrialists.

Thus the change was not simply quantitative, but qualitative, in two respects in particular: firstly, the industrial working class had grown considerably and had not only become outspoken but more organized. In 1915-16 the number of manufacturing employees totalled 101,178; this rose to 155,008 in 1919-20. (55) Soon after the war, this newly expanded class faced a severe economic depression which provoked confrontation between them and their employers. Strikes were so frequent that one journal ran a column on "strikes of the week", while both blacks and white articulated powerful alternative ideologies to those of employers. This had a profound effect on manufacturing ideology. Until the war, the central economic need for protection had given rise to a particular ideological pattern; now protection began to move into the background, and employer/employee relationships into the foreground. The economic and ideological battleground of the next decades was prepared during the war-time growth of industries; the new concerns of ideologists were to be with such matters as the position and education of white workers, the "role of the native", and the new ideology of personnel management. The detailed examination of this change in structure is not pursued here; suffice it to say that the new ideological forms which resulted were built upon the old.

The second qualitative change related to the decline of protectionism. By seizing their chance for expansion, manufacturers had created the conditions for the removal from their control of decisions concerning their future. Far from having to preach protectionism constantly, manufacturers found that after the war others preached it instead. Perhaps the evidence provided during the war of its ability to grow under protection, its potential for employing landless blacks and whites, and its relative cheapness, contributed to the new and growing awareness amongst many important groups of the possibility and desirability of manufacturing. Perhaps, too, changes within Britain contributed to this, as evidenced by a new interest there in South African industries. In 1917, the British Trade Review reported that, although it was mainly a producer of raw materials, "the manufacturing industries of South Africa are on the eve of great developments". The Dominions Royal Commission reported in the same year that

South Africa possesses practically all the elements essential to the development of manufacturing industries. Coal is very cheap ... other raw materials abound, labour is plentiful, and, what is enormously important, the captains of industry are distinguished for their zeal and initiative. (56)

Commerce, too, had begun to waver on the issue of protection: in 1916 the Association of Chambers of Commerce had passed a resolution advocating local industries (57) and by 1918 the Minister of Posts and Telegraphs, Sir Meiring Beck, could say that "hitherto unsympathetic bodies", such as Chambers of Commerce, had changed their views about protection. (58) As far as agriculture was concerned, full protection continued to win support, although when in 1922 the South African Agricultural Union voted in favour of industries the Farmers'

Weekly expressed extreme disapproval. (59) Mining, it seems, continued to object on the grounds of high prices (60), but the notion that mining was to be short-lived gained support, adding to the weight of the protectionist case. (61) A new source of support came from academics, who began to support the case for industrialization, and lend it respectability. Articles by them on the virtues of it began to appear in manufacturers' journals and elsewhere (62), and in 1924 the foremost of them, Professor H. E. S. Fremantle, proposed the formation of an "Economic Society of South Africa" to "bring the economic thought of the country to expression". (63)

The need for capital began to concern many industrialists during the war and post-war periods. In 1917, several institutions had combined their resources to form the Industrial Development Company, Ltd, which, with its initial capital of £100,000, aimed to support new undertakings. (64) But many felt it was the State's role to provide capital, and in 1918 the FCI pressed the government to establish a national industrial investment board. (65) In 1919, E. C. Reynolds, manager of the National Bank of South Africa, proposed that the State should also cultivate an "atmosphere of industrial investment" to induce private owners of capital to assist. (66) But for some time to come, private capital was all that new industries could hope for; the IDC and the National Bank of South Africa formed the enlarged National Industrial Corporation of South Africa Ltd, with £1¹/₂m capital to fulfil their needs.

Although the State did not help with providing capital, in 1917, when the FCI was formed, manufacturers found that among the most important people of all - members of the government - the balance of opinion had begun to change. The Department of Industries of the Botha government of the time started the South African Journal of Industries in that year, whose stated aim was to explore the possibilities of industrial development. When Smuts became Prime Minister, he lent ideological support to protectionists in several speeches:

... I would ask us to recognise that the great task before us is no longer racial, but has become industrial. The great world war has resulted in conditions which give us a unique opportunity to develop this country, and to push ahead with a forward industrial development policy. Let us honour and preserve our sacred national traditions, but let us also go beyond that and let us join in the great work of the world. (67)

Perhaps it was the spreading depression which made him propose industrialization as a panacea to all political ills; it would, he said,

solve most of the difficult problems now facing South Africa, the Government and the people of South Africa. The Native problem, the racial issue, industrial unrest, and all the accompanying ills directly traceable to these factors in our social and economic life, would vanish if the scope of employment was widened, and plenty of work at good wages was offering on every hand. (68)

The State had already indicated some willingness to co-operate by setting up the Advisory Board for Industries and Science, and creating the Victoria Falls Power Co, which set up power stations throughout the country. (69)

They also began to express interest in two other major industrial projects: at the end of 1922, Smuts declared the government's intention to set up an iron and steel industry on a national basis. This idea remained unfulfilled under his government. But in 1923, the Electricity Supply Commission, Escom, was created. (70) The State also expressed growing interest in the need to establish and secure markets for industrial goods in the sub-continent. In 1920 F. S. Malan, long a supporter of industrial development in South Africa and then Minister of Mines and Industries, talked of how an external outlet for surplus production would be a "tremendous stimulus". (71) When he visited the Congo in 1922, the editor of the journal of his department wrote:

... when it is remembered that the Union of South Africa is Africa's great manufacturing centre, the actual or potential producer of most of the finished goods needed by the Continent's huge population, and that the Union might well draw upon the rest of Africa for much of the raw materials which her factories need, it is evident that the development of inter-African trade relations ... follows logically upon the Union's geographical position. (72)

The manufacturing interest had become powerful, therefore; but it was not yet powerful enough. In 1922, they expressed disillusionment, saying that "an influential section of the cabinet is opposed to protection". (73) It became evident that, despite repeated verbal support for protection, the government was not going to introduce it. Thus, although the period between the war and the advent of a new government was one of considerable improvement in the status and position of manufacturing, and of the increasing acceptability of protectionism and industrial expansion, manufacturers continued to see themselves as disadvantaged and struggling against reactionary forces.

These factors affected ideology and ideologists. The old ideologists, such as Laite, found their ideas of evolutionary progress reinforced by the great development of industries, and all ideologists reiterated them constantly. (74) But they, and a crop of new ideologists, both within and outside of the manufacturing class, were active in modifying old ideas in the light of new demands upon their audience.

The idea of the pioneer was the first to require modification, as manufacturers moved further and further from the circumstances which created individualism. Now that their ideology and ideals were becoming public property, and the general support which they had so anxiously sought was coming about, a clearer relationship between the individual and his society had to be posited. The "pioneers" of industry were not discarded, but given a place in the new histories of manufacturing which had begun to be written. (75) They were not living heroes any more, but a historical point of reference to a new generation. Instead, the "responsibilities" and "duties" of manufacturers began to be emphasized:

Every man, no matter what his calling, who assumes a position of authority in any undertaking in which a number of human beings are employed, assumes also ... moral responsibilities the range of which is increasing with the science of citizenship. That science ... emphasises ... a steadily increasing dependence of individual upon individual and it

recognises the necessity in certain cases of the subordination of individual interests to the interest of the community ... the individual in a civilised community has growing responsibilities towards his fellow-beings ... if he is an employer of labour, his responsibilities are so much the heavier. (76)

Significantly, it was the State and its members who began to exact this ideological tribute from their clients, by using the concepts of citizenship and duty to link the individual manufacturer to the "nation":

there is a growing consciousness today that the man who has brains, education or skill, owes something of the product of what he has acquired and developed under the aegis of the State to the service of the State which protects him.... The great employer is no longer a private person building up a private fortune, but is a trustee holding his privileges in trust for the nation and for others than himself. (77)

This ideology was not entirely an imposition upon the consciousness of manufacturers, however; there must have been an increasingly willing response to it from a group whose own ideology had never been far from its basic ideas. H. E. King, for example, shows how close the idea of non-individualism was to the old one of mutual interdependence:

If all the people were determined to make the Union of South Africa a great country, it would be bound to go forward. But as long as we continue to be wrapped up in parochialism and individualism, there cannot be a sustained common effort to weld together supposed conflicting influences. (78)

Not only did manufacturers adopt the State ideology in this respect but members of the State began to speak in terms of the manufacturers' ideology; Warrington Smyth, for example, spoke in terms of mutual interdependence when he said that industries were

unquestionably as essential in the growth of the modern state as the steel reinforcement is essential to reinforced concrete. Without the binding qualities of commerce, industry and manufacture, the concrete fabric of the state cannot carry the heavy burdens or stand the rending stresses to which it will be subjected. (79)

But already signs of the rejection of the State and its imposing ideology were beginning to show amongst manufacturers; in spite of their pleasure at the conversion of powerful bodies and individuals to their cause, they were aware of their potential vulnerability if the state became so anxious to industrialize that it usurped their function. Reynolds wrote, in the article already quoted, that:

Outside key industries, the less the Government interfere with such matters the better it will be for all concerned. The traditions of the inhabitants of this country, or at least those of

them most likely to engage in industries, are all against a policy of Government interference. (80)

This was the beginning of an eventually coherent ideology of laissez faire.

It was ironic, as far as manufacturers were concerned, that the 1924 government, a pact between Labour and Nationalist parties, should finally introduce protection. The government of workers, farmers and shopkeepers had not, it seems, entered manufacturers' visions of how protection would be achieved, despite their ideology of interdependence. No doubt pragmatists in the manufacturing class had not ruled out the possibility, but the tone of surprise which entered manufacturers' writings when it became clear that the new government was fully protectionist seems to indicate that they had pinned their hopes on the eventual conversion of the previous government. When protection came, they accepted it gratefully. Of course, it again reinforced their ideology of evolutionary progress:

The country and the Government have realised the wisdom of this policy.... The need for propaganda work, as understood in the past, has therefore ceased, and the time has come to cater for the industrial and commercial needs of this rapidly developing country.... Manufacturers, in spite of adverse conditions, have risen from small and humble beginnings to become a mighty factor in the country's economic activity. (81)

Conclusion

A combination of factors had led to the creation, growth and eventual acceptance by the State of a class of manufacturers with distinctive characteristics. South Africa, agricultural and colonized, on the one hand, dominated by imperial capital, on the other, was an unlikely environment for the nurturing of local industries. Ironically, it was two imperial wars, however, that stimulated individuals to start manufacturing on a small scale, and then to grow to become a relatively powerful class.

The ideologists of this class attempted to capture its essential, if changing, nature, to give expression to its inherent needs, and to resolve some of the problems and contradictions it encountered because of its position. When it was small, disadvantaged and legislatively discriminated against, they developed the idea of pioneering individualism; concepts of progress towards an idealized protectionist future were intermeshed with those of a harmonious nation-state in which all groups held a similar vision, under a benevolent government.

Pioneering individualism could not persist once this class had grown larger, and more cohesive, and was replaced by an ideology of collective social responsibility, which members of the State itself, in their new role as patrons of manufacturing, encouraged. But other elements of the early ideology, such as progress, social harmony and interdependence, were reinforced by at least some of the events of the war and post-war periods, and finally by the introduction of protection itself.

But, despite the achievement of their goal, manufacturers were already involved in the problem which was to concern them for the following decades - that of relationships between themselves and their workers. To help in solving it, therefore, a new ideological pattern was being developed from the old.

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Notes

Abbreviations:

SAC - South African Commerce and Manufacturers Record
SAJI - South African Journal of Industries

- (1) See W. J. Laite, The Union Tariff and its relation to Industrial and Agricultural Development: the Case for Manufacturers (Cape Town, 1913) (hereafter known as "Laite - the Case for Manufacturers"), pp. 11-12. The value given is gross; net value was only about £8m.
- (2) This figure must have been distorted by the increase in manufacturing and decrease in mining output during the Boer War. According to Laite (op. cit.), of the whole value of industrial produce, gold and diamonds were worth 34%, manufacturing 33%, agriculture 17.2%, and pastoral 9.8%. This must have been derived from gross value of manufacturing production, which is much smaller if net value is used. But primary industries have no gross and net equivalent as the materials they use do not have to be paid for. This leads to ambiguities in the interpretation of comparative data, for whereas if net figures are used manufacturing overtook mining in value only after World War II, if gross figures are used it overtook it earlier; manufacturing ideologists tend to use the latter figures, mining ideologists the former. The actual figures are:

Value of production in £ million

| Year | Manufacturing | | Mining | Year |
|---------|---------------|------------|--------|------|
| | <u>Gross</u> | <u>Net</u> | | |
| | | | 43.1 | 1910 |
| 1915-16 | 35.7 | 14.0 | 43.8 | 1915 |
| 1919-20 | 76.8 | 27.9 | 61.8 | 1920 |
| 1924-25 | 66.3 | 28.8 | 54.8 | 1925 |
| 1929-30 | 78.4 | 34.2 | 56.7 | 1930 |
| 1934-35 | 95.4 | 42.6 | 84.7 | 1935 |
| 1939-40 | 161.7 | 70.8 | 129.5 | 1940 |
| 1944-45 | 304.1 | 137.8 | 128.2 | 1945 |
| 1949-50 | 608.5 | 256.0 | 196.7 | 1950 |
| 1954-55 | 1110.4 | 482.1 | 286.8 | 1955 |

Source: Union Statistics for Fifty Years - jubilee issue, 1910-1960, Pretoria.

- (3) Almost half of the goods were produced in the Cape, one third in the Transvaal, one fifth in Natal, and only 1 $\frac{1}{2}$ % in the Free State (Laite, op. cit., p. 11). According to M. H. de Kock, the reason for the relative advancement of Cape industries lay in the fact that, after responsible government in 1872, customs duties, whose overt aim was to raise revenue, were used to encourage certain subsidiary manufacturing industries which were useful to the extractive industries: see Selected Subjects in the Economic History of South Africa (Cape Town, 1924), chapter 10. According to Knowles, 1884 marked the "birth-year of South African protection" because it saw the first conscious use of duties in this way: see L. C. A. Knowles, The Economic Development of the British Overseas Empire, Volume 3, p. 297.
- (4) The average value of machinery and plant per factory was £1200 in 1904: Laite, op. cit., p. 11.
- (5) Report of the Select Committee on Colonial Agriculture and Industries, 1883, cited in Knowles, op. cit., p. 296. It, too, was the result of a slump, when "infant industries clamoured for protection against foreign competition", and led to the above-mentioned high duties of 1884.
- (6) See S. Marks, Reluctant Rebellion (Oxford, 1970), p. 49. One was also held in the Transvaal in 1908 - the Customs and Industries Commission.
- (7) Perhaps this was another result of the "protection" of the 1880s.
- (8) As reported in SAC, Vol 1, No 2, June 1907; other reports claim that it was formed in 1910.
- (9) This was made up of MPs and public men of the Bond, Progressive and Independent Parties, under F. S. Malan and George Duncan; but there seems to have been confusion between this and the SAN Alliance. See SAC, Vol 1, No 6, October 1907.
- (10) Ibid.
- (11) Based in Port Elizabeth, this combined manufacturers, artisans and the "grocer's association", but I cannot find any other mention of it besides SAC, Vol 1, No 5.
- (12) Perhaps because he tended to take an interest in agricultural products, Bam, despite his own ideological fervour, did not endear himself to manufacturers particularly.
- (13) See Marks, op. cit., who says that Natal manufacturers got together specifically to give evidence to the Commission.
- (14) These and other biographical details about Laite are taken from Harold J. Laite, Portrait of a Pioneer: the life and work of William James Laite, 1863-1942 (Cape Town, 1943).
- (15) The greater success of some industrialists needs explanation; they had usually acquired capital from other sectors (Cullinan from mining, Graaff from agriculture) and might have been able to use what power they had to get their particular products protected. Smaller producers needed to unite to obtain the same effect.
- (16) John Rothes: "The Truth about protection of Colonial Industries", SAC, Vol 1, No 4, August 1907.
- (17) Unfortunately, space does not permit the detailed description of some of their lives; in many ways, Laite was the epitome of a manufacturer, though himself a journalist.
- (18) Thomas Kirk, for example, was described as having risen "through perseverance", from being a mill worker in his childhood and adolescence, to the position of manager and director of Buffalo Roller Mills of East London: SAC, Vol 3, No 34, February 1910.

- (19) W. J. Laite, "Editorial", SAC, Vol 1, No 1, May 1907.
- (20) G. J. Bruce: "Manufacturers and the Regulation of Wages", SAC, Vol 1, No 1, May 1907.
- (21) Rothes, op. cit.
- (22) See anon. "The Commercial Aspect of Closer Union", SAC, Vol 2, No 14, June 1908.
- (23) The deepest division between colonies was between the Cape and the Transvaal; the latter resented the former's use of "cheap Coloured Labour", while they had to use expensive whites.
- (24) The Commission on Trade and Industries, TG 10, 1912.
- (25) Laite: The Case for Manufacturers, op. cit.
- (26) This occurred with all the interest groups discussed here, and with individual manufacturers who were praised if ever they acted on behalf of the class.
- (27) The Transvaal-Cape conflict (see note 23 above) was continually being "smoothed over" by speakers and writers, who called it "parochialism" and implied it was irrational and undesirable "local jealousy".
- (28) See Rothes, op. cit.
- (29) See, for example, F. G. Trevor, "The Industrial Development of South Africa: an Historical Sketch. Part One", SAJI, Vol IV, No 2, February 1921, in which he describes how he wanted to start a blanket factory, but was told by local storekeepers that the houses to which they were bound would not allow them to trade in locally produced goods.
- (30) They would ridicule manufacturers and the goods they produced; Rhodes used to call them "bastard industries", while everybody used the pejorative "kaffir goods".
- (31) See, for example, Laite, The Case for Manufacturers, op. cit., pp. 7-10.
- (32) Ibid., p. 8.
- (33) See H. J. Laite, op. cit., p. 38.
- (34) Ibid. "Manufacturers were hardly regarded as respectable people; bank managers were sceptical of their bona fides and traders turned away from their wares." (p. 37)
- (35) SAC editorial, February 1914.
- (36) The distinction is meant to throw light on the way in which mining capital developed its own quasi-imperialism, as distinct from the imperialism usually associated with a politico-economic entity.
- (37) Anon. article, SAC, Vol 1, No 9, January 1908.
- (38) See, for example, Laite, The Case for Manufacturers, op. cit.; even mine managers were of a higher status than industrialists: they were more likely to belong to social clubs, and be named in "Who's Who".
- (39) The SAC supported a minimum wage policy to protect white workers and prevent them from leaving (Vol 5, No 66, November 1911). In 1907, it supported the miners in their strike; the editorial ran: "For years this country has been the plaything of a few alien mineowners.... The increase of dividends and the manipulation of the share market have been the only objects of their solicitude ... unless those responsible are content to adopt a policy of common sense, and to remember that the interests of the whole people take precedence of the interests of the few, we fear that drastic measures will have to be taken." SAC editorial, Vol 1, No 2, June 1907.

- (40) SAC, Vol 7, No 85, 1914.
- (41) Workers, too, supported protection if they believed it would prevent the unemployment caused by landlessness, but also if they thought it would shield them from black competition by removing the incentive for manufacturers to lower their wages. See Report of the first meeting of the Transvaal Manufacturers' Association, SAC, June 1907, particularly the speech by H. W. Sampson, delegate for the Typographical Union.
- (42) Whites disliked local products: "Oh I never drink kaffir soda", the consumer would say, according to Trevor, op. cit., and so the enlargement of the white market would have to include a scheme of public education. See anon. "What South African Newspapers can do for South Africa's Prosperity", SAC, Vol 3, No 34, February 1910.
- (43) G. J. Bruce, op. cit.
- (44) Ibid.
- (45) C. W. H. Kohler, "The Truth about the Wine Industry", SAC, Vol 2, No 14, July 1908. For a later example, see anon. "The Native as Market", SAJI, Vol 2, No 2, February 1919.
- (46) Anon. notes, SAC, Vol 4, No 46, February 1911.
- (47) Editorial, SAC, August 1907.
- (48) J. M. Buckland, speech at first annual general meeting of the Transvaal Chamber of Industries, August 1908: SAC, September 1908.
- (49) See, for example, editorial SAC, Vol 3, No 34, February 1910, or article by F. S. Malan in the South African National Union Annual, 1908.
- (50) A. B. Reid: chairman's address to "The South African Industrial Parliament", May 1912.
- (51) A. B. Reid: chairman's address to the annual meeting of the South African Manufacturers' Association, January 1911.
- (52) SAC editorial, September 1914.
- (53) Union Statistics for Fifty Years, op. cit.
- (54) SAC, No 127, November 1917.
- (55) Union Statistics for Fifty Years, op. cit. Of these 51,695 were whites, 14,359 women, and 103,313 "non-whites". Significantly, the number of whites employed in mining in 1921 was only 33,330. The buying power of workers had also increased, as a corollary; white manufacturing workers alone had a spending power of £9.2m that year.
- (56) Dominions Royal Commission Final Report, Cd 8462, 1917.
- (57) They also advocated the establishment of a separate government department of Commerce and Industries; in earlier years Assocom, as it is known, had passed resolutions advocating commissions of enquiry into promoting local industries, but this was the first clear advocacy of them.
- (58) Speech to South African Federated Chamber of Industries first annual convention, 1918: SAJI, Vol 1, No 11, July 1918.
- (59) Industrial South Africa, Vol 17, No 187, November 1922, and Vol 18, No 189, January 1923. (In 1918 SAC became Industrial South Africa.)
- (60) See E. G. Saunders, "Mining and Manufacturing", Industrial South Africa, Vol 19, No 210, October 1924, for an indication of how mining clung to this argument.
- (61) Ibid.

- (62) See, for example, Professor H. Leslie, "Government Assistance to Industrialists", SAJI, February 1920; Professor G. H. Starley, "Iron and Steel in South Africa", SAJI, September, October and November 1920. Laite had recognized the trend earlier when he wrote in 1916: "Today we have our learned professors each vying with each other to achieve distinction by the advocacy of the value of scientific research work in its relation to industrial development." SAC, December 1916.
- (63) H. E. S. Fremantle: "Industrial Development in South Africa", lecture at the University of Cape Town, June 1924.
- (64) Its managing director was Alex Aiken, later a prominent financier; the South African National Union was one of the bodies involved at the inception of the company.
- (65) Resolution passed at the first annual convention of the Federated Chamber of Industries, 1918, op. cit.
- (66) E. G. Reynolds: "Financial Resources of South Africa available for Industrial Expansion", SAJI, July 1919.
- (67) Parliamentary speech, September 17, 1919.
- (68) Ibid., (?) , quoted in SAJI, October 1919.
- (69) See F. G. Trevor, op. cit.
- (70) See SAJI, April 1923. Its first chairman was H. J. van der Byl, who was succeeded in his civil service post in the "Industries division" by H. S. Caldecott, an important intellectual and ideologist for the state.
- (71) Speech to FCI annual convention, July 1920.
- (72) SAJI, Vol V, No 11, November 1922.
- (73) Industrial South Africa, anon. note, Vol 17, No 177, January 1922.
- (74) See, for example, H. E. S. Fremantle: "Industrial Destiny of the Union: the Way to Production. Our Great Resources, but Inadequate Population", Industrial South Africa, April 1923. Frank Gibaur: "Wanted: a National Industrial Policy", speech to the Cape Province Manufacturers Association, January 1922.
- (75) For example, F. G. Trevor, op. cit., but also H. E. King, "The South African National Union: its part in development", SAJI, Vol 2, No 2, February 1919.
- (76) Editorial, SAJI, Vol 3, No 11, November 1920.
- (77) H. Warrington-Smyth, Secretary for Mines and Industries, speech to the National Conference of Employers and Employees, 1919. In this and other examples, state ideologists addressed themselves consciously to industrialists.
- (78) H. E. King: "Why is South Africa Not Progressing More Rapidly?", SAJI, Vol 7, No 1, January 1924.
- (79) H. Warrington-Smyth, speech to FCI annual convention, 1918, op. cit.
- (80) Reynolds, op. cit.
- (81) Industrial and Commercial South Africa, editorial by W. J. Laite, Vol 20, No 222, October 1925. This was the new title of Industrial South Africa, formerly SAC.