

PRIMITIVE ACCUMULATION AND CLASS FORMATION IN THE MAKING OF AGRARIAN CAPITALISM IN SOUTH AFRICA

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In recent times there has been an upsurge in debate over rural matters amongst scholars of South Africa, characterized by sharply differing theoretical and methodological approaches and not a little vituperation. In a sense this is a welcome and inevitable development, triggered by the publication of a number of rural studies penned by academic historians. [1] The 1980s have been characterized by the rise of a "new social history" of industrial South Africa which has borne rich fruits, much of which has retained an implicit concern with larger structural questions, but much of which has tended to draw attention away from issues of political economy and has become a substitute for engagement with fundamental political and theoretical questions. But what has emerged recently has been a recrystallization of conflicts between those loosely (and not necessarily accurately) defined as structuralists, whose primary concern has been with questions of theory, and those who have been characterized (equally loosely) as "social historians".

It is perhaps inevitable that these schisms have been revived by consideration of rural history, for it is in the conceptualization of agrarian transformations that we might begin to reopen central issues relating to the way we interpret South Africa's past, and also by extension its present and its future. South Africa unquestionably has undergone over the course of this century an industrial revolution, and the economic, social and political aspects of that industrial revolution have received a great deal of attention. But accumulation and class formation in the pre-industrial colonial economy are still little understood, and rural transformations in the industrial age have also until recently been very sketchily and unsatisfactorily investigated. My contention is that it is in understanding longer-term dynamics of rural change that we are likely to proceed further in our macro-explanations of South Africa's peculiar political economy.

Of course, it is important to reach beyond the parochialism that still tends to bedevil South African historiography; but the question arises of what might be the appropriate comparative framework for approaching South African agrarian studies. For the most part, theoretical considerations of these matters have been marked by Eurocentrism. Much criticism of the rural historians has referred back to the work of Mike Morris as the bench-mark against which more recent work must be measured and in relation to which it has been found wanting. [2] It is thus perhaps necessary to re-examine briefly Morris's approach before proceeding to more substantive issues. I do this not in a spirit of sectarianism but in the belief that the conceptual inadequacies of past work (my own included) must be the starting point from which new starts can be made.

Morris's Eurocentric foundations lead to some dubious conclusions when applied to South Africa. [3] He uses analyses of the European transition from feudalism to capitalism as the bases of his explication of transition in South Africa. Thus he posits a transition from a "semi-feudal", "squatter peasantry" who paid rent, "either cash, kind or, sometimes, labour rent" (p 293), the latter corresponding to "feudal corvee labour", "completely bound in a serf-like manner to the soil" (296). In this semi-feudal economy, in which production was limited and not oriented toward exchange, we are told, this free labour service was typically given for two days a week throughout the year and tenants' own oxen and implements were used.

A capitalist mode of production emerged out of this semi-feudal system, becoming dominant, says Morris, by the second decade of the century. Thus by the 1920s "continuous yearly bondage" no longer operated. Service was now continuous for three to four months of the

year, and landlords' oxen and implements were now used on landlords' fields - and also frequently on tenants' plots as well. This form of labour tenancy, according to Morris, (in contrast to the preceding "feudal corvee labour") was equivalent to the wage form (albeit paid predominantly in kind) (303). He thus sees this transformation as leading to greater mobility for tenants, as tenants now could sell their labour elsewhere for wages during a considerable proportion of the year: they were no longer "totally bonded ... to the landlord for the whole year" (305). Furthermore, the union of the direct producer with the means of labour had now been severed - they now belonged to the employers, and the tenants set them in motion under the organizational control of the employers. Morris quotes Lenin in stressing the centrality of who owns the means of production in distinguishing between "capitalist labour service and feudal labour service".

All this is a convincing exposition of the essential conceptual difference between feudal and capitalist property relations, drawn from work that has European transitions as their point of departure, but it has little to do with what actually happened in South Africa, and Morris makes little effort to provide evidence to suggest that it did. The only evidence that Morris has for this idealized picture of South African feudalism is the work of Lenin, Hindess and Hirst, and Poulantzas. I would suggest that his Eurocentric approach is inadequate, and misrepresents both the nature of pre-capitalist rural relations and the significance of the transformation to capitalism. Not least, Eurocentricity suggests an inevitability about the emergence of capitalist relations (whether this took place "from above" or "from below"). In this it resembles a kind of Marxist variant of modernization theory. Indeed, there are distinct strains of dualism in Morris's analysis (semi-feudal production equals production for use; capitalist production emerges with the emergence of a market economy). It is because Morris assumes that South Africa has autonomously and autochthonously followed a variant of a universal model of transformation that he can plaintively ask: If capitalist relations were not dominant in agriculture by the 1920s, what was the ruling class, what was the form of the state? - implying that, if capitalist relations were not dominant in agriculture, then the ruling class and the state must have been pre-capitalist in character. [4]

South Africa cannot be isolated from the uneven and combined history of capitalism as a world system in this way, as if it has simply replicated earlier European transformations and not been formed in structural relation to them. In the non-European world, capitalism was manifested as an alien imposition and was initially experienced through the mediation and domination of merchant capital. In short, the problem of capitalist transformation in this colonial context is qualitatively different - a transformation of rural relationships in a setting which had already been penetrated and conquered by capital, first merchant capital and then advanced industrial capital in the form of monopolistic mining industry. Further, the view from the "underdeveloped" world suggests strongly that this transformation to a capitalist rural class structure needs to be problematized. There was nothing inevitable about it. Why, indeed, did such a transformation take place in South Africa?

In short, the whole problem needs to be retheorized. Getting back to theoretical basics, Morris is quite right to seek the points at which capitalist production becomes predominant, and his theorization (following Lenin) of the capitalist nature of certain forms of tenancy is convincing. [6] There is more than a mere formal significance in the transition to capitalist relations in agriculture, for it is only with generalized commodity production, when labour itself becomes a commodity, that the extraction of relative surplus value becomes possible, that is the continual tendency for labour productivity to be increased through the development of the forces of production. [6] When the direct producers (the peasantry) still control the means of production and set them in motion, surplus appropriation takes extra-economic forms and wealth remains external to the processes of production. Hence the revolutionary historical significance of the moment when capital lays hold of production and sets about ceaselessly transforming the conditions of production themselves. It is at that moment that capitalist transformation takes place.

However, any consideration of how capital invaded the colonial world requires a consideration of the nature of merchant capital. Clearly, merchant capital predated the rise of capitalism as a mode of production. [7] Prior to the emergence of capitalism, merchants enjoyed a large degree of autonomy in their activities stretching across the world, operating outside the realm of production. [8] But a qualitative change in the nature of exchange relations resulted from the break-through to capitalism in western Europe. Global exchange relations were subordinated on an ever-widening and more intensive scale to the reproductive needs of industrial capital. [9] It was during the nineteenth century, in particular, that these transformations were fully manifested. Industrial capitalism (initially English), using merchant capital as its vector and its agent, set about infiltrating and subordinating societies in every corner of the globe. New sources of raw materials and new markets were sought, and new fields for capital investment were conquered. Merchant capital became subordinated to the operations of industrial capital, and became its tool, its handmaiden, in its ever-widening assaults on the non-capitalist world. Merchants, the advance guard of this expanding field of capitalist penetration, found themselves being squeezed out and their functions changed as industrial capital followed merchant capital out of its home base into far-flung corners of the globe.

In its role as the tool of industrial capital, merchant capital has played an anomalous and contradictory role worldwide. Despite its innate conservatism, its parasitic quality, it has indirectly had a revolutionary impact in reorienting, transforming, or strengthening the pre-capitalist systems it has penetrated, and in spawning new productive systems based on non-capitalist productive relationships. This is the anomaly to which the Genoveses have pointed: "capitalism, which rested on free labour and had no meaning apart from it, not only conquered, absorbed, and reinforced servile labour systems throughout the world; it created new ones, including systems of chattel slavery, on an unprecedented social scale and at an unprecedented level of violence". [10] Thus capitalism spawns and sustains, in a state of dependence, different non-capitalist productive systems, all structured under the mediation of merchant capital, all participating in the processes of development of capitalism as an integrated, articulated world order. [11]

But the shape of these subordinate productive systems was not determined solely by the operations of merchant capital. Their precise shape was defined by the local dynamics of struggle and class formation. Colonial ruling classes which arose on the back of merchant capital tended to pursue their own class interests, which were not reducible to the merchant capital that had spawned them. Indigenous pre-capitalist social and political forces that predated the rise of industrial capital also had their own internal dynamics. Indeed, over large areas of the tropics, what is remarkable is the limited extent of capitalist impact in reshaping indigenous formations. Much recent Marxist writing on Africa, for example, in sharp contradiction to the universal teleologies of the 1960s and 1970s, such as underdevelopment theory, takes as its starting point the weakness and inefficacy of the imperial impact, and the failures of metropolitan capital to infiltrate fully, and thereby to restructure, pre-capitalist formations. [12]

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This discussion of conceptual issues provides a framework for the analysis of agrarian South Africa. What was the nature of the order that was being created in South Africa under the dominance of merchant capital prior to the mineral revolution of the late nineteenth century? The impact of merchant capital was, regionally, extremely uneven. Certain areas in the older colonies closer to colonial ports were integrated early on into international commercial networks, and thus developed their own specialized economies and labour systems (capitalist as well as non-capitalist). Elsewhere, regions further north and further inland were inhabited by indigenous cultivators who fiercely resisted dispossession and displacement, and (from the 1830s) by white pastoralists. Here merchant capital infiltrated very unintensively. Although indigenous groups, their division of labour and patterns of accumulation and differentiation were being reoriented as new trading networks developed, no radically new

systems of commercial production were set up before the last years of the nineteenth century. Nevertheless, it was in the high veld region of the interior that South Africa's industrial revolution was to take place and where the rural economy and rural relations were radically to be transformed in keeping with the demands of the rapidly increasing home market, from the 1870s onward. In the process, the high veld was to become the agricultural heartland of industrial South Africa.

From the early days of settlement, the settlers and other independent groups thrown up by the settler society, most notably the Griqua, were forward representatives of merchant capital in their trading and transporting activities - unspecialized, under-capitalized, *ad hoc* and part-time perhaps, but involved in supplying markets with a range of commodities (ivory, skins, cattle, wool, etc) often acquired from indigenous pre-capitalist societies. They were also involved from early days rather more directly in their own forms of primitive accumulation - looting and raiding for labour and livestock, undertaking military adventures (in the nineteenth century often riding on the back of imperial power) for the purpose of dispossession and land alienation. The processes of primitive accumulation moved sporadically further inland during the nineteenth century, developing in intensity in one region and then in another. [13] Thus processes of military dispossession at work in the eastern Cape beginning prior to the Great Trek are to be seen north of the Orange in the 1850s and 1860s, and in the 1870s they spread out dramatically on the back of a newly rampant imperialism after the discovery of diamonds, resulting in the subversion and conquest of virtually all independent chiefdoms throughout the subcontinent by the end of the century. These processes corresponded to different phases in the penetration of capital, developing quite slowly during the period of dominance of merchant capital (itself formed by the changing nature of metropolitan industrial capitalism) and speeding up dramatically as industrial capital invaded the subcontinent in the last third of the nineteenth century.

In pre-industrial South Africa there was no readily identifiable, mature, dominant set of productive relationships. A variety of forms of labour coercion and control (including slavery) were spawned by merchant capital in a situation in which labour in sufficient quantities was not sufficiently divorced from the means of production to constitute a viable wage labour force. Production was based on slavery, clientship, indenture, debt bondage, etc. Much of this can hardly be identified as capitalist; but at the same time wage relationships were widespread, in some areas predominant, particularly after the abolition of slavery. Throughout the sheep-farming districts of the Cape interior, Khoi labour was thoroughly proletarianized, even if subject to non-economic coercion. Throughout the areas of white settlement, also, African migrants searching for wages in order to acquire livestock, firearms and other European commodities, were widely employed on farms from at least the third decade of the nineteenth century onward. [14] Even the "tenancy" relations which were established by Boers who pushed into the areas of African settlement on the high veld and beyond, which Morris characterizes as semi-feudal, as corresponding to "feudal corvee labour" in which tenants were supposedly "completely bound in a serf-like manner to the soil", were, more realistically, arrangements based on greater or lesser degrees of reciprocity or coercion whereby elders in independent black communities essentially outside the colonial economy entered into arrangements for the deployment of junior members in lineage societies.

In fact, it would be wrong to assume that rights to landed property and authority over those living on it were established and clear-cut. In the interior regions where whites sought to establish claims to land on which black agriculturalists lived or on to which they subsequently moved, there was an ongoing struggle to turn formal rights (only recognized in the coloniser's law) into control over the indigenous peoples. Landownership itself passed through different phases. For a long time, ownership rights to land granted by colonial states bore little direct relationship to the occupation or exploitation of the land. Most land in all new regions wherever colonial states extended their sway in the nineteenth century (no matter how tenuously at first) was speculatively owned by merchant and finance capital; and land was widely used as a form of state patronage and compensation for services. A close

correlation also existed between public office and landownership. [15] On the other hand, the Boer economy was not closely tied to landownership, which was not necessary for independence as a pastoralist or for access to labour on a modest scale. Non-ownership of land was not a disabling economic disadvantage in settler society until late in the nineteenth century, when formal land rights were becoming more closely synchronized with class membership, and non-landowners began to sink to proletarian status. [16]

We can see the "pre-history" of capitalism in the activities of Boer accumulators who operated alongside independent black peoples in these interior regions. What emerges is as wide a variety of forms of surplus appropriation, tribute-taking, mercantile enterprise, and downright looting as can be imagined in frontier regions of colonial settlement. Of crucial importance was control over the instruments of the local state. Administrative, judicial, policing and military functions were commonly integrated. Thus Abel Erasmus in the eastern Transvaal and C J de Villiers in the north-eastern Orange Free State (to name two examples who have been subjected to examination) [17] struck alliances of convenience with local black chiefs, enabling them to exact tribute in labour and cattle through mixtures of coercion and reciprocity, combining also the exaction of rent in their capacities as land barons over land which they owned or over which they claimed to be agents, with the levying of tax (often arbitrarily) in their capacity as local state functionaries (albeit with very loosely defined duties and rights). Both Erasmus and de Villiers benefited from hunting game (de Villiers exacting half the booty in return for issuing passes for this activity). In de Villiers's case, institutional power was combined with a sharp eye for land fraud. The land over which they exercised their authority included land owned by absentees as well as African-occupied land not yet alienated but over which the colonial state claimed to exercise some degree of dominion. Of course, the extent to which this authority was exercised was determined by the size and cohesion of the black communities: certainly, the stronger black chiefdoms could up to a certain point hold the balance of regional power vis-à-vis white settlers before the mineral discoveries brought a renewed injection of imperial military muscle to bear.

Such accumulators were also men of war, holding military office in the Boer commando system and occasionally leading local commandos in war against independent African peoples in search of booty. On top of all this they were also usually very considerable cattle farmers. If this was clearly not yet a capitalist economy, there was also nothing feudal about it. If we are to characterize it at all, we would have to see it as a frontier economy being shaped under the dominance of merchant capital, operating very unintensively on the margins of the world capitalist economy. Black communities were being penetrated and reoriented and often brought within the orbit of tributary relations; but the fundamentals of their independent economic systems were still intact. Surplus appropriation before the late nineteenth century was sporadic and arbitrary. Most of the black population, whether they lived on land which was owned by whites or not, were as yet very marginally integrated into new productive relationships under the authority of the colonisers.

As internal markets grew and transport facilities improved in the final decades of the nineteenth century, so opportunities for investment in productive enterprise (by black and white alike) intensified - as they had at an earlier date in more export-oriented regions nearer the coast. Older forms of accumulation faded. Closer white settlement and more intense exploitation of the soil to feed the new mining communities brought greatly heightened pressure to bear on black agriculturists. Through the higher-lying arable regions of Natal, the Orange Free State and Transvaal, these transformations were under way in the 1870s after the first substantial concentrations of industrial capital on the Diamond Fields had dramatically increased markets for rural produce in the interior regions, and had brought an influx of money capital for productive and speculative purposes alike. The extraction of tribute from African societies greatly intensified, and at the same time their dispossession and the expropriation of their resources began to be pursued with unprecedented vigour. But further afield, in much of the area north of the Vaal, older forms of accumulation persisted much longer. Thus the local processes of primitive accumulation themselves evolved, corresponding to different phases in the development of merchant capital as a structuring

force.

The consequence of processes of primitive accumulation as they developed in pre-industrial South Africa was the rise of accumulating settler elites of the sort we have described (although their rise did not yet add up to capitalist class formation); and the rise of settler elites implied also the rise of settler state structures. At an earlier date in the eighteenth-century Cape Colony there would have been a tendency for differentiation in trekboer society to be dissipated in a display of conspicuous consumption. The development of merchant capital as the ultimate structuring force in settler society had to have reached a certain point before processes of primitive accumulation could yield an accumulating elite, and before that accumulating elite could begin to build state structures to legitimize and sustain their activities. Eastern Cape separatism in the nineteenth century was, arguably, one manifestation. [18] The process was clearly to be seen in the rise of the Orange Free State Republic as a direct successor to the colonial state that gave it birth in 1854, and in the more gradual emergence of foci of state formation north of the Vaal, especially in the south-western Transvaal. [19] The Boer republics were, in a sense, offshoots of British informal imperialism. Indeed, they were at times and in places engines of primitive accumulation geared to the succouring and sustaining of colonial ruling classes emerging on the margins of the expanding capitalist economy of the nineteenth century, with its epicentre in Britain. Although they were relatively weak, these colonial states, in their expansive phases, were concerned to legitimize white land claims at the expense of black agriculturists, issuing title to unalienated land on a massive scale for speculative purposes, providing a legal system (albeit still usually quite ineffective) for the control of labour and the extension of a commercial system, seeking opportunities to make war with a view to shaking free black land and labour for more "efficient" purposes, and imposing boundary lines that constituted large-scale alienation of land on which blacks lived (although it was a different matter to turn paper boundaries into actual authority over such black people and control over their labour power).

It is out of these processes of primitive accumulation and state formation, also, that a state-initiated and state-sustained political economy of racial supremacy began to emerge in the interior regions of pre-industrial South Africa. The racial exclusiveness (if that is what it was) of the Boer economy and society did not imply a systematic capacity to dominate, subjugate or dispossess on a large scale (although those impulses were there from the start). Indeed, blacks such as the Griqua indulged in their own early forms of accumulation: these were not racially exclusive processes. It was only when primitive accumulation (and thus also the emergence of colonial elites and local state structures built on such accumulation) had reached a certain point of development that these impulses were translated into a full-scale ideology of racial supremacy, not only on the parochial level of the farm or the homestead but at the level of state policy, and not only in relation to those directly incorporated in the settler economy but also in relation to entire populations. [20] Black communities were expropriated and dispossessed as emergent white elites, using the power of the emergent local state, were able to accumulate resources at their expense. This process of primitive accumulation was, for example, very clearly to be seen in the wars against the Basotho between 1851 and 1868.

However, the processes of primitive accumulation might never have yielded a fully capitalist agriculture in the interior regions, given the absence of any single export product of sufficient value to merchant capital to give birth to a fully fledged, mature and export-oriented productive system (whether capitalist or not). By the turn of the century, however, the mineral revolution had occurred, which in turn had created a home market for agricultural produce unparalleled in Africa. But even so, the processes of primitive accumulation were not to be completed for a long while yet, for not only did colonial land claims have to be turned into *de facto* control over the land by individual owners and lessees (a process that could not be taken for granted) but a labouring force had to be forged out of those pre-capitalist agriculturists living on the land. If colonial land rights were largely confirmed in fact as well as in colonial law in the early twentieth century (at the same time as the

remaining areas of independent black settlement were being brought under state authority and being transformed into "reserves"), the struggle to dispossess blacks on alienated land and subjugate them in the interests of capital accumulation proper was to last a lot longer.

Primitive accumulation in this particular context implies a particular process of struggle, that cannot be reduced to the notion of a struggle between classes fully formed. A working class had to be created from a population which was still in large degree external to the emergent productive system. Of course, at the same time there were (and always had been) struggles over specifically class issues being fought - struggles over remuneration, working conditions, etc. But, in the early twentieth century, these struggles were still subsidiary to the struggles for primitive accumulation and against dispossession through much of rural South Africa. African agriculturists, even when living on land to which whites held legal title, did not necessarily recognize such title nor the exercise of control or surplus appropriation that such title sought to legitimize. Their struggles against dispossession often took the form of resistance against excessive commoditization of their peasant production itself - against the commercialization inherent in sharecropping relationships, for instance. Keeping markets at arm's length also meant keeping surplus appropriation by alien colonizers at arm's length. This, in part, meant a determination to maintain herding as the basis of their economy and the main means of access to markets, in the face of efforts to turn them into intensive commercial cultivators, to the profit of white landlords. [21]

Such struggles typically revolved around the structure of the African community. Wherever the grid of white landownership was laid, black people fought to maintain intact the extended, kin-based, multi-generational community as the fundamental unit of production and of social life in their lineage system. White landholders, on the other hand, were sooner or later bound, as large landholdings were subdivided, as land became a scarcer and more valuable resource, and as market production intensified, to seek to displace and break up such communities and their often considerable stock holdings. The elders of such communities (at an earlier date crucial allies in directing and controlling the labour of juniors), often became foci of resistance against the dispossession of productive resources such as livestock and against the alienation of more and more labour power from within the tenant communities. Indeed, Bradford demonstrates that in the 1920s a strong peasant consciousness still informed black struggles on the land (that is, access to land and other productive resources was of greater importance than proletarian class issues such as remuneration), and she demonstrates that this is crucial in understanding the whole dynamic of capital accumulation on the land at this time. [22]

The nature of rural struggles also had its effect on the nature of political struggles more generally. African nationalism, in its earliest phases, was very concerned with the land question, and the early educated elite was very often concerned to forge alliances with chiefs, as the embodiment of communal land rights in their struggles. [23] In the process, in the early twentieth century a degree of ethnicity-building was indulged in by black people, politicians, chiefs and peasants alike - not least on the farms - in their attempts to legitimize land claims, according to rules laid down by the white state (for example, in the 1913 Natives Land Act). Hence the ideological ambiguities of early African nationalism: the mix of national and class elements, the bonding of new elites and "traditional" authorities, the striving for super-ethnic identity while struggling for protection of "tribal" resources and political institutions. The nature of rural struggles also explains in some degree the ambiguities of black attitudes toward segregation as a repressive and as an apparently potentially liberating dogma, reflected in the fact that many saw the Land Act as having possibilities for the reclamation of land lost through conquest. [24]

Merchant capital itself was being transformed with the influx of industrial capital. The former lost its relative independence and became a subordinate adjunct to the latter. Previously merchant capital, with its base - its sources of credit and finance - in Britain, was relatively colour-blind, battenning on to non-capitalist productive systems wherever it could find them and setting new ones in motion to service metropolitan needs. But it now became

directly subservient to the drive for a racially exclusive industrial order. [25] Thus the independent black commercial peasantry of the eastern Cape, for example, who had for a time been incorporated into the political processes of the Cape Colony in collaboration with their merchant patrons, found themselves now in an increasingly friendless and predatory world. [26]

But what were the actual transformations taking place on the farms in the wake of the mineral revolution? First, the extraction of absolute surplus value through extra-economic means characterized rural relations through much of the agricultural heartland right through the first half of the century. Thus the conquest by capital over indigenous agriculturists living on the farms, their initial integration into the capitalist economy, took the form of the increasingly intensive commoditization of their peasant production and the increasingly efficient siphoning off of their surpluses as an essential source of profit to landholders, rather than their outright dispossession and the expropriation of their productive resources. Family structure changed radically as extended, kin-based communities - the essential element in their lineage economies - broke up and were replaced by much smaller and more atomized family units, which were more vulnerable to landlord exactions. In the process, peasant society for a time became more differentiated as some took advantage of new opportunities for accumulation and greatly expanded their productive base, investing in education and developing new forms of class consciousness. But this was a transitional phase and was not sustained. Rather, landlord control over their means of production and over their labour was steadily intensified. The direct producers, in consequence, experienced diminishing economic manoeuvrability and fewer and fewer options. Impoverishment was the long-term, inevitable consequence.

Thus rent tenancy (most obviously at first in the form of sharecropping) was enormously intensified, both in terms of the absolute output of agricultural commodities and in terms of the surpluses appropriated by landlords, as a result of the commercialization of the countryside. Of course, at the same time capitalist production was also intensifying as finance capital became more readily available and new settlers arrived in larger and larger numbers. The two developments were not mutually exclusive. Indeed, they often occurred together on the same tenantry, some being able to maintain (and for a time extend) their viability as tenant producers more successfully than others. But capitalist production remained stunted and fragile (as in other settler economies in Africa) until state-initiated mechanization revolutionized the productivity of agriculture after the Second World War. Appropriation of absolute surplus value, in which capital subsumed labour in only a formal sense and stopped short of taking hold of production and directly transforming it, was maintained as long as the productive technology at the disposal of landlords was essentially the same as that at the disposal of tenants - namely ox traction and manual harvesting. There was nothing in this technology which required capitalist transformation, nor was it apparent that capitalist transformation would greatly increase productivity or profits in the absence of access to more advanced technology. However, since the 1940s all major productive processes have been mechanized, firstly and most importantly with the coming of the motor tractor, and capitalist production has ousted the peasantry as a significant factor in commercial farming. [27]

Capitalist transformation in South Africa did follow certain familiar patterns: it took place "from above", in a late-industrializing economy in which capitalism arrived ready-made in the form of large-scale industrial production, with a strong state exercising heavy extra-economic coercion over a peasantry being transformed into a proletariat. It is the existence of these patterns that has led to the use of the well known Prussian analogy by some scholars. [28] The Prussian model has validity for the analysis presented here if one analyses east-Elbian Germany (and eastern Europe more generally) historically as a colonial dependency of capitalist western Europe, and hence being shaped by forces of external capitalist expansion (albeit at an earlier date) similar to those in other parts of the colonial world (such as Latin America - or South Africa). Indeed, Laclau has made just such an analogy in pointing to the phenomenon whereby heavily settled, marginal regions

experienced a strengthening of servile relations to increase production for markets (e.g. the second serfdom of eastern Europe). [29]

This approach is quite unlike Morris's, for he sees "semi-feudal" relations as being characterized by production for use rather than for exchange, the implication being that capitalist relations emerge with the commercialization of production and integration into capitalist markets. [30] But, if one sees such economies as being structured by an external and invading capitalism through the mediation of merchant capital (rather than as autonomous and autochthonous variants of a universal model of capitalist transformation established initially in Europe), then one, arguably, begins to see the true significance of the recurring patterns that have been noted. The haciendas of Latin America, the nineteenth-century seigneurial economy of east-Elban Germany, and (on a much smaller scale and over a dramatically shortened time-scale) the sharecropping economy on the South African high veld in the twentieth century, can be seen as different types of non-capitalist, highly commercialized productive systems, extracting absolute surplus value and employing extra-economic forms of surplus appropriation, all dependent on and subsidiary to metropolitan capitalism. [31] That is the real significance of the Prussian model, and that is why capitalist transformations (where they occurred) in these situations have shown such structural similarities.

Why did capitalist transformation eventually take place? The intrusion of advanced industrial capital into regions which, in terms of rural class structure, were largely non-capitalist did not imply that a process of capitalist class formation in agriculture would inevitably be fully carried through; and, indeed, the failure of such rural transformations is a central index of underdevelopment in the late twentieth century. A glance at Latin America will illustrate the point; and it is now abundantly evident that incipient capitalist farming in other parts of Africa (such as that which settlers tried to establish) has mainly been marked by stagnation, failure and ineffectuality. [32]

Wherein lies South Africa's particularity? The answer might lie in comparative study of Latin American countries - Chile, for instance, also a country in which the first influx of industrial capital took the form of mining enterprise, and which came to incorporate large numbers of pre-capitalist agriculturists as a dominated and dispossessed class in the process of state formation. In Chile, the families who owned the land also controlled the state. Agriculture was stagnating by the end of the nineteenth century, and Chile was becoming a food importer. An abundant and ill-paid labour force was locked into primitive technology at the same time as grain production elsewhere (in the USA, Australia, and later Argentina) was becoming mechanized. There was no shortage of capital and credit available to these politically powerful landowners - in part from the nitrate revenues of the state. But rather than invest in rural production, they channelled funds massively into mining enterprise both in Chile and in neighbouring Bolivia. Denoon comments: "Landowners could regard stagnant rural production with equanimity: the purpose of owning land was not to extract wealth from it, but to control the mass of the rural population, and to provide access to state revenues." Thus, he concluded: "the expansion of mining had entrenched, rather than shaken, the political control of the landowning bourgeoisie, providing larger incomes through opportunities of mining investment, and exempting landowners from the need to transform rural society in order to increase rural production." [33] The question to be asked is: Why were the class interests of the (extremely prosperous) ruling oligarchy in Chile compatible with rural stagnation and a low level of economic development generally, while the interests of those who controlled (or had direct access to the patronage of) the very differently constituted South African state required a transformation to a more advanced capitalist order in town and countryside?

In South Africa, in contrast to Chile, there were from the beginnings of industrial capitalism deep contradictions within the racially defined ruling bloc. It is in understanding the nature and origins of the racial order and the racial-democratic state that embodied it that we are likely to begin to understand the drive for capitalist transformation. Of crucial importance

was the challenge posed from below by rising black productive elites, for example the sharecroppers of the high veld, many of whom were beginning to hire labour and thus become petty capitalists. Many of the beneficiaries of new opportunities for accumulation in the interstices of the early industrial economy were black people. Simultaneously, large numbers of rural whites found that they no longer had access to the resources necessary for independent existence. Older economic activities were either impermanent (like raiding, hunting and transhumant grazing) or were no longer viable once finance capital started surging through the countryside (like trade and transport). Important social groups which were incorporated (on the basis of racial belonging) in the hegemonic racial order were being robbed of their independent status and their control over accumulative resources. All over the place big capital ousted small capital. Thus many members of the racially defined ruling bloc were vulnerable to impoverishment and proletarianization. The radicalization and alienation of these elements were perceived as a grave threat to the hegemonic racial order as a whole. The way in which this profound disaffection was expressed was in a kind of racial populism, combining an explosive hostility toward both blacks and big capital. All this meant that there were profound imperatives driving the state to take up an activist role in the promotion of a more advanced, racially defined capitalism in both town and countryside. The drive for racial supremacy was the cement that held this hegemonic order together. And a political economy of racial supremacy could be secured and extended and elaborated only in an economy that was generating profits and wealth and privilege on an ever-expanding scale.

Agrarian capitalism in South Africa developed within a social formation that was already formed in the crucible of industrial capital and as an integral part of a world that was already in an advanced stage of capitalist development. The profit-generating capacity of capitalist production was self-evident. The model of capitalist farming based on mechanized methods and proletarian labour had a powerful ideological hold as an ideal. [34] Agrarian capitalism did not emerge willy-nilly as the contingent outcome of historically specific local developments. [35] It was imposed from above in a process of struggle under the auspices of a strong state. The state not only played the crucial role in creating the conditions for the entrenchment of capitalist property relations but also played a major role in supplying the money capital on the basis of which landholders could seize control of production and revolutionize productive processes. [36] Conceptualizing this racial-democratic state remains a task of the utmost importance.

The development of a racially exclusive industrial economy, built on the capitalization of enterprise both rural and urban, cannot be assumed; it needs to be explained historically. What made it inevitable in South Africa's case was the fact that many who enjoyed privileged access to the resources of the state on the grounds of racial belonging (whatever the ultimate origins of and explanation for the nature of the state might be) were not the beneficiaries but the victims of the processes of primitive accumulation; and only a state-initiated - and sustained - process of capitalization and industrialization could save them from the consequences of their economic ineffectuality.

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Notes

- 1 W Beinart, P Delius and S Trapido (eds), *Putting a Plough to the Ground: accumulation and dispossession in rural South Africa 1870-1930* (Johannesburg, 1986); T Keegan, *Rural Transformations in Industrialising South Africa: the southern Highveld to 1914* (London, 1987); H Bradford, *A Taste of Freedom: the ICU in rural South Africa* (New Haven, 1988); W Beinart and C Bundy, *Hidden Struggles in Rural South Africa: politics and popular movements in the Transkei and eastern Cape 1890-1930* (London, 1987). See also special issue of *Africa Perspective*, 1, 5/6 (1987).
- 2 E.g. M Morris, "Social History and the Transition to Capitalism in the South African Countryside", *Africa Perspective*, 1, 5/6 (1987); B Freund, "Rural Struggles and Transformations", *South African Historical Journal*, 19 (1987).
- 3 M Morris, "The Development of Capitalism in South African Agriculture: class struggle in the countryside", *Economy and Society*, 5, 3 (1976).
- 4 Morris, "Social History and the Transition to Capitalism in the South African Countryside", p 21.
- 5 V I Lenin, *The Development of Capitalism in Russia*, Collected Works, Vol 3 (Moscow, 1964). See G Cohen's comments in *Karl Marx's Theory of History: a defence* (Oxford, 1978), p 72.
- 6 The revolutionary historical significance of capitalist productive relations is spelled out very clearly by R Brenner, "The Origins of Capitalist Development: a critique of neo-Smithian Marxism", *New Left Review*, 104 (1977). Also see E Laclau, "Feudalism and Capitalism in Latin America", *New Left Review*, 67 (1971).
- 7 R Hilton, "Capitalism - What's in a Name?" in R Hilton (ed), *The Transition from Feudalism to Capitalism* (London, 1976), p 149.
- 8 This is a central thesis in M Dobb's seminar *Studies in the Development of Capitalism* (London, 1946).
- 9 E Wolf's *Europe and the People Without History* (Berkeley, 1982) is an exceptionally clear exposition of the changing historical nature of merchant capital.
- 10 E Fox-Genovese and E D Genovese, *Fruits of Merchant Capital: slavery and bourgeois property in the rise and expansion of capitalism* (Oxford, 1983), pp vii, viii. Also see G Kay, *Development and Underdevelopment: a Marxist analysis* (London, 1975), pp 104-05. Note Marx's words: "If we now talk of plantation-owners in America as capitalists ... this is due to the fact that they exist as anomalies within a world market based upon free labour." K Marx, *Pre-Capitalist Economic Formations* (London, 1964), p 119. Note that the analysis here is being rooted in the sphere of production rather than of exchange. See references in note 6 above on this crucial distinction. Some who have written on South Africa have followed a widespread but erroneous trend in confusing capitalism with production for long-distance markets. See D Denoon's important *Settler Capitalism: the dynamics of dependent development in the southern hemisphere* (Oxford, 1983); R Ross, "The Origins of Capitalist Agriculture in the Cape: a survey" in Beinart *et al* (eds), *Putting a Plough to the Ground*.

- 11 Of course, the difficult problem of the precise mechanisms whereby "underdevelopment" has underwritten, served the interests of, or been a prerequisite of capitalist development are still much disputed. See A Brewer, *Marxist Theories of Imperialism: a critical survey* (London, 1980).
- 12 See T Keegan, "The Dynamics of Rural Accumulation in South Africa: comparative and historical perspectives", *Comparative Studies in Society and History*, 28, 3 (1986), pp 628-29.
- 13 The essential point about primitive accumulation is that it represents more than merely an accumulation of wealth. Money wealth (derived from commerce, financial dealings or speculation) had to be transformed before it became productive capital. In so far as productive capital is, firstly, a relationship of surplus appropriation, a property relationship, it requires the large-scale availability of labour power as a commodity, and the concentration of productive resources (most importantly land at first) in the hands of the holders of wealth. Primitive accumulation thus entails processes of dispossession as much as the accumulation of money wealth. In fact, in South Africa primitive accumulation of pre-capitalist wealth by settlers did not necessarily feed directly into capitalist production, and the intervention of the state was required in the twentieth century to provide the money capital necessary for capitalist transformation to proceed. But over a period of generations the preconditions had already been achieved: the private appropriation of land and labour power as a result of dispossession.
- 14 See, e.g., P Delius, "Migrant Labour the Pedi, 1840-1880", in S Marks and A Atmore (eds), *Economy and Society in Pre-Industrial South Africa* (London, 1980); P Harries, "Kinship, Ideology and the Nature of Pre-Colonial Labour Migration: labour migration from the Delagoa Bay hinterland to South Africa, up to 1895" in S Marks and R Rathbone (eds), *Industrialisation and Social Change in South Africa: African class formation, culture and consciousness, 1870-1930* (London, 1982).
- 15 T Keegan, "The Making of the Orange Free State, 1846-1854: subimperialism, primitive accumulation and state formation", *Journal of Imperial and Commonwealth History*, 17, 1 (1988); S Trapido, "Reflections on Land, Office and Wealth in the South African Republic, 1850-1900", in Marks and Atmore (eds), *Economy and Society in Preindustrial South Africa*; H Slater, "Land, Labour and Capitalism in Natal: the Natal Land and Colonisation Company, 1860-1948", *Journal of African History*, 16, 2 (1975).
- 16 Keegan, *Rural Transformations*, ch 2.
- 17 P Delius, "Abel Erasmus: power and profit in the eastern Transvaal", and T Keegan, "White Settlement and Black Subjugation on the South African Highveld: the Tlokoa heartland in the northeastern Orange Free State, 1850-1914", both in Beinart *et al* (eds), *Putting a Plough to the Ground*. Also Keegan, "Dispossession and Accumulation in the South African Interior: the Boers and the Bathaping of Bethulie, 1833-1861", *Journal of African History*, 28, 2 (1987).
- 18 B A Le Cordeur, *The Politics of Eastern Cape Separatism 1820-1854* (Cape Town, 1981).
- 19 Keegan, "The Making of the Orange Free State"; Trapido, "Reflections on Land, Office and Wealth in the South African Republic".
- 20 Here is evidence of the fact that the precise shape of the productive system was never determined by the operation of merchant capital alone, but by local processes of struggle. Merchant capital was colour-blind, but the local colonial ruling classes it spawned identified themselves and structured their accumulative drives along racial

lines. For recent restatements of the alternative view that the the origins of racial-supremacist policies are to be found on isolated and uncommercialized frontiers - that they are a function of distance from markets and capitalist influences - see G Fredrickson, *White Supremacy: a comparative study in American and South African history* (Oxford, 1981); and L M Thompson, *The Political Mythology of Apartheid* (New Haven, 1985).

- 21 Keegan, "White Settlement and Black Subjugation". Of course, the opposite was happening as well: the rise of a stratum (particularly in the heart of the arable high veld) of highly commercialized black family farmers. Keegan, *Rural Transformations*, ch 3.
- 22 Bradford, *A Taste of Freedom*.
- 23 C Bundy, "Land and Liberation: popular rural protest and the national liberation movements in South Africa, 1920-1960" in S Marks and S Trapido (eds), *The Politics of Race, Class and Nationalism in Twentieth-Century South Africa* (London, 1987); Beinart and Bundy, *Hidden Struggles in Rural South Africa*; W Beinart, "Chieftaincy and the Concept of Articulation: South Africa, ca 1900-1950", *Canadian Journal of African Studies*, 19, 1 (1985).
- 24 The life stories in T Keegan, *Facing the Storm: portraits of black lives in rural South Africa* (Cape Town, 1988), provide evidence of the ongoing importance of access to land in strategies of survival under apartheid.
- 25 This transformation is evident in the history of Frasers, which began as a trading business in the grain-rich lowlands of Lesotho in the 1870s. Soon they had a large chain of stores, controlling a major share of the export trade in grain, and entered the grain-milling business. But by the 1890s they were also heavily involved in the recruitment of labour for the gold fields. During the twentieth century they increasingly transferred their business to the mining areas, and today the company, based in Johannesburg, owns a substantial string of concession stores and eating houses on the mines of South Africa, where migrants are encouraged to spend their money before setting off home on completion of their contracts. T Keegan, "Trade, Accumulation and Impoverishment: mercantile capital and the economic transformation of Lesotho and the Conquered Territory, 1870-1920", *Journal of Southern African Studies*, 12, 2 (1986).
- 26 S Trapido, "'The Friends of the Natives': merchants, peasants and the political and ideological structure of liberalism in the Cape, 1854-1910" in Marks and Atmore (eds), *Economy and Society in Pre-Industrial South Africa*; C Bundy, *The Rise and Fall of the South African Peasantry*, 2nd ed (London, 1988).
- 27 Evidence on all this is analysed in Keegan, *Rural Transformations*, chs 3, 5, 6, and in Bradford, *A Taste of Freedom*, ch 2. Bradford argues that Morris is wrong in asserting that capitalism predominated in rural relations by the 1920s, characterizing relations as being dominated by processes of primitive accumulation.
- 28 B Moore, *Social Origins of Dictatorship and Democracy: lord and peasant in the making of the modern world* (London, 1967), remains the seminal recent study of the alternate paths to capitalism. Apart from Morris, another important use of the model in the South African context is S Greenberg, *Race and State in Capitalist Development: South Africa in comparative perspective* (Johannesburg, 1980).
- 29 Laclau, "Feudalism and Capitalism in Latin America".
- 30 Morris, "Development of Capitalism in South African Agriculture", *op. cit.*, p 196.

- 31 The main difference is that Prussian feudalism was discovered ready-made by metropolitan capital - which it pre-dated - which helped to preserve it while intensifying and commercializing it; whereas, in non-European areas of colonial settlement these productive systems were more directly the creations of merchant capital, and hence were feudal only in external appearance.
- 32 T O Ranger summarized the findings of a 1978 conference on whites in Africa along these lines, in "White Presence and Power in Africa", *Journal of African History*, 20, 4 (1979). Also see references in Keegan, "Dynamics of Rural Accumulation in South Africa", *op. cit.*, pp 629-30.
- 33 Denoon, *op. cit.*, pp 86, 89.
- 34 Ross, in "Origins of Capitalist Agriculture in the Cape", stresses the historical importance of this metropolitan ideal.
- 35 See the comments of M Murray, "The Triumph of Marxist Approaches in South African Social and Labour History", *Journal of Asian and African Studies*, 23, 1/2 (1988), p 86.
- 36 It is certainly not the case, as is often assumed, that the ready availability of finance capital automatically and unproblematically leads to capitalist agriculture, as is commonly assumed. Agriculture, except in certain forms of capitalized plantation production, is likely to be quite unattractive to finance capital, especially under the conditions of arable farming in South Africa.