COMPANY LORE:
SOUTH AFRICAN BUSINESS AND ITS DISCOURSE ON APARTHEID

by

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B.A. (Hons), University of the Witwatersrand, 1985

A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF
THE REQUIREMENTS FOR THE DEGREE OF
MASTER OF ARTS
in the Department
of
Sociology and Anthropology

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SIMON FRASER UNIVERSITY
September 1987

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ABSTRACT

Apartheid in South Africa remains recalcitrant despite increasing local and international resistance to its fundamental tenets. South African private-sector corporations claim to be in the forefront of such resistance to apartheid. This thesis examines the discourse directing their purported opposition by elaborating upon an existing debate in two ways. First, it depicts apartheid as far more pervasive than government policy. Thus the relationship between business and apartheid is explored directly instead of deferring this to an examination of the links between business and the state. Secondly, this analysis describes the formation and perpetuation of perceptions which business people employ when approaching apartheid. Unlike dominant themes in the literature, which use such concepts as 'economics', 'race' or 'class', I focus on 'power-knowledge' relations derived from the later work of Michel Foucault. Power-knowledge refers to the social hierarchy in which knowledge is produced and to the ways in which limits are set around thought and action in society. The endeavour has practical political applications in as much as it exposes these social limits, and their underlying assumptions, in order to transgress them. Understanding everyday assumptions is the first step in overcoming their self-imprisoning tutelage.

A hermeneutic method is used to explore social limits through qualitative analysis. Its quest is not the discovery of absolute meanings but an interpretation of existing meanings in relation to the transient, social conditions from which they emerge. Hence an attempt is made to depict the business community's 'knowledge' of apartheid with specific reference to the power relations which generate this. The thesis contends that business is not presently an effective force bringing about the demise of apartheid, despite its claims to the contrary. This is due to the restrictions of the assumptions...
which govern business people's view of apartheid. Substantial changes in the power
relations which produce their 'knowledge' of apartheid are required if they are to
become more adept at dismantling the racial structures that still pervade so many facets
of South African society.
Those who claim a monopoly of truth
Blinded by their own discoveries of power,
Curb the thrust of their own fierce vision.
For there is not one eye over the universe
But a scething nest of rays ever dividing and ever linking...

('On the Nature of Truth' by Mazisi Kunene (1986).)
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INTRODUCTION

In many respects, this analysis focuses on the relevance of sociological discourse in the current turmoil of South African society. As the struggles against apartheid have become more effective, the pillars which support racial separation are showing signs of decay. Yet with each piece that crumbles, the National Party seems more earnest in its efforts to keep the foundations intact. The tension in this situation, starkly reflected by the human blood which has already been shed, is heightened by the constant threat of the pillars collapsing inward, leaving permanent imprints on the society of tomorrow. In the long run, the conflicts of human agents will succeed or fail in casting the pillars aside to forge a post-apartheid society which has shattered and transcended the limits sustaining the society of today.

The reconstruction of social arrangements does not usually follow preordained, large-scale, patterns of change so often detailed in intellectual schemes. Change in society is more often the result of hard work done in local contexts which changes real people and the social conditions in which they operate. There is no grand design which miraculously moves society in a desired direction; rather the combination of a multiplicity of local level changes, and the unintended consequences of these, moves society along its haphazard paths. Attempts at directed change are accomplished through a sustained transgression of the limits in which present thought and actions are trapped and which give society its present form. These limits are simply the characteristic ways in which people think and act in any social context. It is human beings, in their autonomy, who are able to perform the historical task - as difficult as that might be - of reflecting on these limits for the purposes of possible transgression. If this is successful, then the emergent society will be different
from its predecessor.

Sociological discourse is relevant here in as much as it embarks on a critique of existing limits. It accomplishes this by prowling on the fringes of current patterns of thought and action, driving assumptions out of hiding. Such an activity is politically pragmatic in so far as its purpose is to make the silences that belie our everyday behaviour heard, to elucidate the limits in which we operate, and thereby facilitate the transcendence of these. Sociology cannot rightfully claim an ability to perform this task more effectively than others; it can merely claim relevance by being one amongst many areas of a social network engaged in the reflexive activity of examining limits. If, instead, it sees its role as one of perusing fragments of social history in the pursuit of elusive truths, perhaps to colour abstract academic worlds, then it has little relevance in a tormented society. It is then parasitic upon social misery for the gratification of the esoteric and must accept a reputation of "ivory tower" irrelevance.

The reflection on limits must occur simultaneously at various places in society to tackle the problem of apartheid on scale. This thesis, however, examines but one area of society, namely, the patterns of thought and action which direct the dealings of large, South African private sector businesses with apartheid. In particular, it is concerned with indicating how business produces its 'knowledge' of apartheid, what the form and content of such knowledge is and how this, in turn, influences their typical responses to apartheid. It also attempts to point out possible ways in which these might be altered. In other words, it explores the limits within which business operates with respect to apartheid for the purposes of possible transgression.
Like any pragmatic endeavours, the way the problem has been identified and addressed here is guided and informed by a prior theoretical orientation. Chapter one details a theoretical model by examining how social limits are created and sustained by "power-knowledge" relations. This concept is derived from the work of M. Foucault and is meant to highlight the inextricable link between knowledge and underlying relations of power: knowledge is produced by power relations in particular settings but at the same time power always operates in fields of knowledge. It is the interaction between power and knowledge which shapes and maintains the ways in which people think and act in social situations; it defines what is socially 'appropriate'. Power and knowledge intersect in what Foucault terms 'discourse'; that is, the interaction between power and knowledge gives rise to a discourse, an assumptive frame of reference. Discourse sets up limits, but in the same fashion different relations of power and knowledge, different discourses, can tear these down. This is a central point in the thesis and one which bears directly on the possibility of political practice in sociological discourse.

This may be confusing because it seems to make strange use of the concepts 'knowledge' and 'power'. To be sure, knowledge is broadened to include everyday common sense and is stripped of academic privilege or epistemological absolutism. It is seen to be no more than the product of power which ensures the social acceptence of particular discursive enunciations. In turn, power is not depicted as a broad mechanism which legitimate authority uses to repress subordinates. It is much more pervasive and is defined as the countless ways by which the actions of people are structured. In other words, power is reflected in the many local level manipulations and calculations that shape people's actions. These local tactics may give rise to wider strategies, but the central point is that power emanates from below and is not
simply enforced from the top downward.

In some respects, this approach is tangential to existing debates (such as those set out by Lipton (1985), Wolpe (1980), Yudelman (1983), etc.) on the relationship between business and apartheid. Chapter two rejects the tendency within some of these debates to reify the concepts 'business' (or 'capital'), 'state' (and sometimes 'government') and 'apartheid' and the relationships between these. It also takes issue with a rather prevalent deferral, namely, that of examining the relationship between business and apartheid through an analysis of the relations between business and the state. Implied here is the notion that the state has a monopoly over enforcing and perpetuating apartheid. So, the argument goes, to depict capital's involvement with apartheid is to establish what sort of relations it has with the state. However, this thesis contends that the presence of apartheid is much wider than state enforcement of certain policies. As a denial of equal formal political assimilation of all people, apartheid has come to exist in many areas of the social network. This is why it is necessary to examine the relationship between business and apartheid directly and not inversely through connections with the state.

These debates have also tended to focus their analyses of apartheid on issues like class, economic growth, race, ethnicity, ideology, Afrikaner nationalism, etc. Few have explicitly examined the role of power in the formation and perpetuation of apartheid and, to my knowledge, none have so far examined power-knowledge relations to explore the relation between business and apartheid. In addition, most theories in the debate explicitly use epistemologies that presuppose the existence of, and have as their final goal the discovery of, a final and absolute truth. They thereby fall close to emulating the patterns of irrelevant sociological discourse mentioned above.
It is suggested that the debate subordinate absolute epistemologies to pragmatism by taking a political stance and relating it directly to concrete events and historical actions; that is, reflecting on limits for their possible transgression.

The methodology appropriate to such an endeavour is a hermeneutic one which must construct a "working map" of the social topography in question. It must sensitively reconstruct limits to facilitate a possible breach of them. As a hermeneutic endeavour, it is concerned with depicting and understanding meanings, but not with the intention of finding underlying truths. It examines meanings from a (post-Wittgensteinian) perspective which explores meaning in relation to the social forms of life, shaped by power and knowledge, from which they emerge. Thus it attempts to understand business's meanings about, or knowledge of, apartheid by examining the power relations which produce these.

In attempting to describe these relations of power, chapter three identifies the local centres where capital's knowledge of apartheid is produced and depicts some ways in which power is exercised in these settings. In addition, it explores various connections between the local centres and the wider social network. Chapter four presents the form and content of the knowledge produced out of these settings. In these chapters, the thesis examines the limits of business by depicting that which erects and sustains these, namely, its discourse (power-knowledge relations) on apartheid. Chapter five attempts to show that despite much anti-apartheid content in the discourse, it has not been effective in bringing about changes to society that would assist with transgressing existing limits. Here, I argue that many areas of the discourse are compatible with the presence of apartheid in society and suggest, in order to breach these limits set up by the discourse, it is necessary to change the
existing relations of power which produce capital's knowledge of apartheid. Although some possible directions for transcending these are outlined, this chapter warns that an on-going monitoring of limits and their transgressions is required because even the best-laid plans go awry in social settings: the contingent nature of society precludes neat and tidy predictions.
CHAPTER 1
THEORETICAL ORIENTATION:
POWER-KNOWLEDGE AND THE FORMATION OF SOCIETY

Theoretical frameworks inform, direct and focus the gaze of discursive investigations. It is therefore important, if not mandatory, for a research venture to adumbrate its underlying theoretical approach. Without an explicit depiction of this assumptive foundation, this point of reference, perspicacity and sophism intermingle in an equivocal parody that inevitably leads to confusion.

In this thesis, society is viewed as a cluster of more or less coordinated relations spreading across a social network as it inscribes itself in history. Contrary to many traditional views in sociology, society is not depicted as a simple combination of interrelated structures which reflexively impose themselves on people. Nor are social arrangements at particular junctures in history considered to be the immutable effects of a priori principles that lead them down predetermined historical courses. Instead, their dynamic nature is seen as a much more tenuous affair, mostly due to the unintended effects of human intervention which obstinately seep through the grasp of deterministic reconstructions.

In short, the shape of society is contingent. Nonetheless, this contingency has a positive manifestation because particular kinds of relations emerge and thereby exclude an entire range of other possible kinds. Consider, for instance, our having 'appropriate', as opposed to inappropriate or unacceptable, ways of performing in particular social contexts. Such exclusions imply the existence of limits that must be upheld if one wants to perform, that is think and act, in socially acceptable ways.
But how are these limits erected in society? A central contention of this thesis is that a close interaction between power and knowledge defines and sets up the limits of thought and action in society; power produces knowledge, patterns of thought, and this informs action. The process is not a linear one, but one where power and knowledge directly imply one another. Power produces particular patterns of thought, forms of knowledge, but at the same time it operates in fields of knowledge. Thus knowledge is central in directing everyday behaviour. The following analysis attempts to demonstrate this by examining the concept 'knowledge', the connection between power and knowledge, and by providing a conceptualization of 'power'. Taken together, this constitutes the theoretical model which will inform and direct the gaze of this thesis.

**KNOWLEDGE**

In most societies, meanings are regulated and ordered through the imposition of discursive limits that demarcate 'intelligible' from 'non-intelligible' experience. Some of the intelligible thoughts are referred to as 'knowledge' and accorded a privileged status because they purportedly reflect the 'truth'. Such knowledge encompasses a wide range of thoughts and experiences but, in our society, there seems to be a division between two primary types: common-sense forms of knowledge which inform everyday actions, eg. one may 'know' that, say, Peter and Jane are friends; or more formal types where the application of so-called rigorous (scientific) methods is said to permit the discovery of verifiable facts and laws. In each of these cases knowledge is viewed as a reflection of veracity.

In the former, it is unlikely that explicit claims to the use of impartial methods would be made for depicting the 'reality' of Peter and Jane being friends; it is simply a matter
of 'common-sense'. However, a close look at this common-sense reveals the central position of socialization in the creation of 'sense' and the procedures used to ensure a common understanding of it. Indeed people in different social settings could conceivably not have a similar notion of 'friendship' and indeed may not even recognize the objects (Jane and Peter) in the same way. The point of this hypothetical illustration is to emphasize the profound influence of socialization - in the widest sense of the term - in constructing world views: it not only specifies the nature of objects (Jane and Peter) and the possible relationships between them (friendship), but it also implicitly defines a space for the observer and his or her relation to the reality. This form of knowledge, therefore, is not so much a reflection of veracity as it is an outcome, an achievement, of successful socialization procedures.

This point also applies to the more formal types of knowledge though in somewhat different ways. Despite some traditions in epistemology which claim to have means of depicting and gaining impartial access to an independent and absolute 'truth', it is my view that the notion of objectivity is a myth for two fundamental reasons. First, as theorists like Kuhn (1970) and Feyerabend (1975 and 1978) - in their respective ways - have so graphically illustrated, the impartial and rational methods that are purportedly used to reflect the truth are not actually adhered to in practice. The assumed rationality and absolute nature of scientific methods is an imposture that fails to capture the constitutive influence of social mediation in the practice of 'scientific' research.

Secondly, the Platonic vision of an absolute realm of truth, independent of human mediation, is but a dogma irretrievably surrounded by human belief. It is not possible to escape human mediation in discourse; even the desperate strokes of pens which attempt
to do so are themselves situated in, and contributing to, the omnipresence of human belief. Instead of trying to forge the impossible nexus between human belief and the 'truth', it seems more fruitful to examine the social conditions which produce 'true' belief. This implies an acknowledgement of Foucault's point that,

"Each society has its régime of truth, its 'general politics' of truth; that is, the types of discourse which it accepts and makes function as true; the mechanisms and instances which enable one to distinguish true and false statements, the means by which each is sanctioned; the techniques and procedures accorded value in the acquisition of truth; the status of those who are charged with saying what counts as true." (1980, p. 131).

If this is so, then knowledge is not an impartial and detached means of reflecting a socially extraneous truth. Instead it serves political intent by reflecting politically sanctioned truths which demarcate limits around 'appropriate' patterns of thought and action. The belief in an absolute truth then is politically expedient not only because it can encourage views of the world which accord with, rather than attack, existing social networks, but also because it disguises the processes which structure thought.

**POWER-KNOWLEDGE**

It is thus not by simple coincidence that people in similar social contexts share, and can understand, similar views of the world. There are more or less explicit patterns of regulation and persuasion which operate at various levels in society. In particular, these patterns are directed and shaped by social relations which are specifically concerned with structuring other relations; that is relations of power. Here the intimate connection between power and knowledge becomes apparent. "Perhaps", Foucault points out,

"we should abandon the belief that power makes mad and that, by the same token, the renunciation of power is one of the conditions of knowledge. We should admit rather
that power produces knowledge (and not simply by encouraging it because it serves power...); that power and knowledge directly imply one another; that there is no power relation without the correlative constitution of a field of knowledge, nor any knowledge that does not presuppose and constitute at the same time power relations.\textit{(1977a, p27)}

Together, power-knowledge relations structure the form of other relations in the social network by setting up and sustaining limits to contextually acceptable forms of thought and action.\textsuperscript{6} At the omnifarious points where power and knowledge converge, we find intricate webs of discourse which are scattered throughout the social network. Discourses are the means by which truth is produced, where the assumptive frameworks of a society are created and dispersed. Thus to understand the discourse of a particular area of society is to understand the ways in which limits on thought and action are erected and sustained. This requires an elaboration of the notion of power which, at this point in the analysis, is still obscure.

\textbf{TOWARDS AN ANALYSIS OF POWER}

Although social theories seldom agree on the precise nature of power, most regard it as important for shaping a society. Some theorists even suggest that the concept is, "ineradicably value dependent", an "essentially contested concept" (Lukes, 1974, p26). By and large though, theoretical positions tend to define it in a fashion which roughly corresponds to the emphasis that they place on two further concepts in social theory: agency and structure.\textsuperscript{6}

For the sake of argument, let us inspect some traditional definitions of power along a hypothetical continuum ranging from one extreme, where theories emphasize the role of
the agent in the formation of society, to another where structures or systems are accorded priority in this respect. One should not, however, make the mistake of carrying this continuum analogy too far. Positions at either end of the extremes acknowledge the role of both agency and structure - it is merely that they emphasize the conceptual priority of one or the other and depict the form of the interplay between these differently.

Some theorists equate power with the agents’ will in attaining aims. Bertrand Russell, for instance, defines power as, "...the production of intended effects" (1975, p25). Here, power is inextricably linked to the intention of an actor, a position which has drawn much criticism. It is not clear, for example, that ‘intended effects’ are necessary in the exercise of power because one can surely exercise it in unconsidered or routine ways. Moreover, how does one ascertain the (real?) intention/s of an actor or separate intended from other effects? And what about the case where A intends B to do E, but B willingly does E without any intervention by A? According to Russell's definition, an intended effect has been produced (E) and thus power, and certainly a strange version, has been exercised.

Moving somewhat along the continuum, we find Weber’s definition of power as,

"...that opportunity within a social relationship to carry out one's own will even against resistance" (1980, p117).

In the context of Weber's work, this is a somewhat more sophisticated definition of power but still one may ask how it is possible to establish what "one's own will" is; that is, to what does "will" refer and what does it mean to say that this is one’s own? In addition, this definition seems to ignore the rather frequent cases where people exercise power - for whatever reasons - against their "own wills".
Both the above definitions are founded on an implicit and uncritical assumption about the absolute existence of a subject who intends or wills; not an entirely innocuous assumption because it eclipses the role of power in the very formation of these 'subjects'. That power circles and produces limits around 'the subject' is amply attested to by discourses such as psychology. The latter, for instance, is explicitly concerned with demarcating "normal" from "abnormal" subjects and uses many political techniques (eg. confinement, drugs, electricity, etc.) to enforce its 'truth'. It would thus appear that the above definitions are circular in that they define power through one of its residual effects, namely, the subject.

Further along our hypothetical continuum, there is an emphasis on groups or structures in defining power. The important 'power over' versus 'power to' debate between C. W. Mills and T. Parsons is a case in point. Both protagonists are concerned with power on a collective level but in rather different ways.

Although Mills does not explicitly define power in a metaphysical sense, he assumes it to be an underlying fact of society that can take on different forms. For him, it "...has to do with whatever decisions men make about the arrangements under which they live, and about the events which make up the history of their times" (1963, p23). His work is thus primarily concerned with the ways in which people make use of power and, in particular, how a relatively small number of people can make decisions that affect so many others. There are groups ("elites"), he felt, in modern society which exercise power over others at the latter's expense through coercion, manipulation and authority.
Parsons rejects this so-called "zero sum" conception of power; that is, the all or nothing approach where those in power win and the subordinates inevitably lose. For him, power is, by definition, only exercised where legitimate authority exists. Hence, one party is not doomed to perpetual defeat because power is a "generalized capacity" to ensure that people meet 'binding obligations' which "are legitimized with reference to their bearing on collective goals" (1963, p103). It is seen as a resource, like money, to achieve collectively agreed upon goals. Since all parties agree on these normative goals, and power assists in the attainment of them, there is no loser in power relations. In this way, power is described as a 'systemic property' which helps to maintain the equilibrium in a social system.10

At this end of the spectrum one also finds neo-Marxist perspectives such as the one presented by N. Poulantzas. For him, power is, "...the capacity of a social class to realize its specific objective interests" (1973, p104). In a later book he suggests that, "class power is the cornerstone of power in class divided social formations" (1978, p44) but acknowledges that in these societies political power emerges from the state. The problem with this definition is that it is difficult enough, even within the domain of those theories which purport to be loyal to some overall Marxist problematic, to decide what a social class is in 'class based' societies and considerably more difficult to establish what their "objective interests" are. This, in turn, raises questions about the 'capacity' which power supposedly is.11

The latter three definitions seem to emphasize the role of groups or structures (eg. elites, systems, class or state) in portraying power. Thus, to a debatably greater or lesser extent, the subject is displaced by structural conceptions of power. Either way though, they have failed to account for the role of power in the formation of subjects
and/or structures and so leave themselves open to the charge of entering into a theoretical circle as portrayed above.

A wider problem for all of these definitions stems from their common underlying epistemological orientation. Despite implicit differences, there seems to be a uniform quest for a universal and absolute definition of power. Hence the remarkable unity across the continuum in defining power as an "opportunity", a metaphysical entity, a "generalized capacity" or simply as a "capacity". Aron (1964, p257) has stated this more explicitly by arguing that 'power', "...designates a potential and not an act...".12

However, as was previously pointed out, the quest for an independent and universal foundation, a truth, is futile. Yet it is also mistaken because it licenses the vicious circle of defining power as a function of absolute subjects or relatively stable structures. Apart from the already noted problem of defining power by referring to something which it helped create, the contingent nature of society ensures that these so-called points of origin change, and sometimes quite radically so. Presumably then, the nature of power must also change which contradicts the attempt at providing an absolute theory of power. Perhaps it is better to acknowledge that the contingency of society, and the changing nature of subjects, structures and power, are not problems for social theory to 'solve' or explain away. Instead conceptualizations of power should embrace social contingency by not requiring the existence of stable subjects or structures and by limiting their scope to particular places and times.

Foucault's later work on power is useful at this point precisely because he advances a method for the study of power, "...without relying on the concept of the subject or on the assumption that the structural relations he is identifying are not subject to change"
(Hoy, 1986, p128). For Foucault, "power is not an institution and not a structure; neither is it a certain strength we are endowed with; it is a name that one attributes to a complex strategical situation in a particular society." (1978a, p93).

Furthermore, he resists striving for a general theory of power per se and offers a grid of analysis, or a way of analyzing particular relations of power, instead:

"If one tries to erect a theory of power one will always be obliged to view it as emerging at a given place and time and hence to deduce it, to reconstruct its genesis. But if power is in reality an open, more-or-less coordinated...cluster of relations, then the only problem is to provide oneself with a grid of analysis which makes possible an analytic of relations of power" (Foucault, 1980, p199).

Thus unlike the above theorists, he is less concerned with formulating a universal theory of what power is than with attempting to show where to look for it. Of course, some conceptualization of power is implied here, but it is an open one which rejects the epistemological objective of providing a general theory of power. It advocates, instead, a "constant checking" to ensure its usefulness in specific socio-historical locations.14

FOUCAULT ON POWER

Foucault argues that power does not exist in a metaphysically universal sense - it only exists where it is exercised. It is not a capacity intrinsic to individuals or to social structures; instead it nominally refers to context-specific techniques, "political technologies", used to structure the actions of people. But power itself is a certain type of action which does not act directly on people but is focussed on their present or future actions. It refers to the calculations and manipulations which regulate, induce and structure specific types of action, modes of behaviour, from a potentially infinite array
of possible ways in which one might comport oneself. Power is a tactical attempt to govern possible fields of action by "guiding the possibility of conduct and putting in order the possible outcome" (1984, p221). In this way, socially appropriate ways of behaving, social limits, are defined and sustained.

In Foucault's parlance, power is,

"a total structure of actions brought to bear upon possible actions; it incites, it induces, it seduces, it makes easier or more difficult; in the extreme it constrains or forbids absolutely; it is nevertheless always a way of acting upon an acting subject or acting subjects by virtue of their being capable of action. A set of actions upon other actions" (1984, P220).15

In contrast to the 'power over'/'power to' debate where the images of violence and consensus are evoked as intrinsic to the definition of power, Foucault distinguishes violence and consensus from power. Nonetheless, violence and consensus (individually or in concert) can be instrumental in bringing particular forms of power relations into play. The spiraling flames of "necklaces" in South African townships is a form of violence, not power, but it can have the effect of unleashing more stable relations of power, such as the formation of "street committees" by the Soweto Civic Association in its quest to erect "people's power".16

If power is a set of actions directed at other actions then, by definition, power is only exercised over people who are capable of action. That is, it is only exercised over agents who are free,

"who are faced with a field of possibilities in which several ways of behaving, several reactions and diverse comportments may be realized" (1984, p221).

Freedom of action and power then, do not encounter each other as mutually exclusive
entities: the existence of one implying the absence of the other. Instead, freedom is a prerequisite for the existence of relations of power. The perpetual resistance that the intransigence of freedom offers to attempts at structuring actions is inherent in power relations. This tension, this continual provocation, can take on many different forms but in all cases it entails the subjugation of limits superimposed over the intransigence of freedom. Without the resistance of freedom, without the perpetual possibility of escape, power might just as well be equated with determinism of one sort or another. The contingency of society is reflected in this because power relations are faced with the continuous possibility of being haphazardly displaced and replaced by other power relations.

Usually power relations are relatively stable and govern the shape of other actions through preceding calculation and manipulation. However, they may be undermined by 'strategies of struggle' which lead to the termination of power relations and yield more unstable situations where opponents (collective or individual) confront each other directly as adversaries in a 'free play of antagonistic reactions'. Relations of confrontation are different from power relations because the parties involved in the former do not employ advance calculation and manipulation; they merely react ex post facto to events. Each side attempts to annihilate the other's means of combat so that it can set up more stable mechanisms of power and thereby structure and regulate the actions of others. But just as relations of confrontation seek to become power relations, just as the township rioters demand new power relations, the latter face a permanent threat of being displaced into confrontational settings.

Power relations may also be undermined in situations where the freedom of an agent is effectively reduced to impotence through conquest. Such impotence implies that a
necessary condition of power - the recalcitrance embodied in freedom of action - is absent. (Indeed, the frustration of impotence has been felt by, and scarred, many detainees and prisoners). In this way, relations of power fall within the limits of relations of confrontation and those situations where an agent's freedom of action is removed.

Having thus indicated some features of power relations, it is now important to examine the wider operation of power in societies. Power shapes the form of all social actions and, in turn, the shape of subsequent social relations (economic, sexual, familial, etc.). In this way, power is ultimately responsible for the shape of any social network (which, as noted before, is a collection of social relations). Indeed, it is endemic to all social existence: living in a society means living in a social network which is structured by relations of power.

Yet, power does not operate as a centralized mechanism of repression, of domination, which descends from the state (or a similar structure) to coerce and restrain the excesses of flagrant subjectivity. It is productive (not simply repressive) and is accepted precisely because, "it traverses and produces things, it induces pleasure, forms knowledge, produces discourse" (1980, p119); it creates spaces for social relations to infiltrate. Thus, it is not simply imposed from above and indeed is immanent in, or coextensive with, all other relations. In this way, power is ubiquitous not because it repressively subsumes everything, but because it emanates from so many different points.

The on-going regulations of actions in society ensures that power is exercised as a ceaseless series of struggles which inflame the social network at diverse points.
simultaneously. These struggles have two important dimensions to them. First, at a local (micro) level, "tactics" operate through numerous petty oppositions, calculations and manipulations by which people in concrete contexts attempt to structure the actions of others. Secondly, when viewed on a wider scale, the composite of these tactics yield (macro) "strategies" that emerge either as a result of the linking up of local struggles as they form chains of support or alternatively, from "the disjunctions and contradictions which isolate (local relations) from one another" (Foucault, 1978a, p92). In short, strategies are the terminal outcomes of the perpetually shifting substrata of local tactics. The ceaseless series of struggles assume a ramified character in which complex capillary-like tactics give rise to more general strategies. In this sense, power accounts for the emergence of structures and not vice versa. Of course, this is not to deny the existence or the possible, if not reflexive, impact of structures on power: it is merely an acknowledgement of the tenuous and secondary nature of strategies.

If power is not intrinsic to social structures (strategies), then nor is it something inherent in individual subjectivity, intention or will. Foucault's claim that power is "intentional but non-subjective" indicates that while power is always linked to objectives there is no simple correlation between individual aims and collective outcomes. The potential intrusion of unintended consequences of action forever lies between these. At the local level of tactics, people are usually aware of their intentions, calculations and manipulations, but what they cannot be aware of is the wider consequences of their actions. Thus even if the logic and aims of wider strategies can be deciphered, there is never one individual who has invented them. Strategies always embrace and reflect the aleatoric effects of unintended consequences of action. So, a clear distinction is drawn between the immediacy of local action (tactics) and the uncertainty of its collective manifestation (strategies). While the
possibility of human agents changing their society is affirmed, a realistic assessment of individual agents' potential is offered. If this is so, then it is inappropriate to speak of individuals 'possessing power' because it is neither a property which one can own, nor something with which one is endowed. It is simply a technique which, "is employed and exercised through a net-like organization. And not only do individuals circulate between its threads; they are always in a position of simultaneously undergoing and exercising this power. They are not only its inert or consenting target; they are always also the elements of its articulation" (1980, p98).

Power as a technique, as an action upon other actions which simultaneously acts upon and is transmitted by people, does not rest on an absolute depiction of the 'subject' for definition. Indeed much of Foucault's work has shown that the subject is a socio-historically produced effect of power-knowledge relations and is actually an important political technology employed by modern forms of subjection to regulate actions. The subject is a transient episode in the unfinished play of history, which power itself is continuously writing. Nonetheless, this definition of power does imply a limited notion of agency because agents are required for the deployment of techniques and for the manipulation of action. Is this a contradiction? It is only a contradiction if one equates agency with subjectivity. However, agency is distinct from subjectivity: it is something quite apart from the 'subject' as we know it.

Although Foucault does not sufficiently address this, there are certain passages in his work which point to a conceptualization of what agency might be. For example he talks of "bodily capacities" which stem, "...from aptitudes directly inherent in the body or relayed by external instruments" (1982, p217). Such capacities may be used in varying
formations, one such example being the 'subject'. So, the capacities embrace a wide range of possibilities and potentialities which find societal expression at different historical epochs. In short, at any historical moment a variety of capacities are displayed and employed in particular social arrangements. These may be replaced, complemented or supplemented by other capacities, but it is the multiplicity of these actual or potential capacities which reflect what is denoted by 'agency'.

The configurations of capacities at any point in history emerge as a direct function of power and knowledge relations. Thus, underlying the compilation of social networks is an ontological triad consisting of power/knowledge/bodily capacities. The elements of the triad directly imply one another and should not be seen as three separate domains; instead they coalesce historically in diverse ways to form a network of relations which reciprocally support, shape and ultimately result in particular forms of social action. That is they, "...overlap one another reciprocally, support one another reciprocally, and use each other mutually as means to an end" (op cit., p 218). Power always operates in fields of knowledge and presupposes bodily capacities; the latter are structured by power and knowledge and, in turn, knowledge is formed through an intricate articulation with power and bodily capacity.

In this conceptualization, the changing nature of power, subjects and structures is explicitly acknowledged; after all, the triad can take on an almost infinite variety of forms. Furthermore, the analysis of power has been shifted away from an examination of partners in a struggle to an analysis of the methods by which actions are structured. We must rid ourselves of the idea that there is always a unified point of origin from which power emerges because to understand the nature of power in any social context is to examine the multifarious techniques through which, and the fields of knowledge in
which, it is exercised.

**CONCLUSION**

The theoretical model outlined in this chapter has attempted to provide an approach that may be used in the analysis of business’s discourse about apartheid in South Africa. It has suggested that in any social setting relations are shaped by the influence of power-knowledge. Relations in a social network always operate between certain limits and these are created and sustained by power-knowledge relations, that is, by discourse. It is thus important to explore the surrounding discourse if we wish to understand the nature of specific relations. For instance, by understanding the discourse of business about apartheid, we are able to elucidate the limits in which it operates and thus open the way for a critical assessment of these.

Furthermore, the theoretical model has offered a (micro-analytical) way of looking at knowledge and power, and the relationship between them, without loosing sight of the wider social context or the contingency of this. It has also suggested that people’s views of the world should not be seen as reflections of an extrinsic truth; they are products of the complex intrusions of power relations which create, use and operate in, fields of knowledge. Under the guidance of this theory, the next chapter will attempt to formulate the research problem more precisely before embarking on a micro-analysis of power and its links with knowledge in one aspect of the South African social network.
NOTES ON CHAPTER 1

1. Although it is not the place here to entertain any detailed analysis of meaning, Wittgenstein (1980 and 1983) provides an analysis of meaning which is quite compatible with my use of the term here. For instance he argues that, "the meaning of a word lies in its use" (1983, 143) and that its use is determined by social convention. Thus the limits of intelligibility, of meaning and thought, are grounded in social convention ("forms of life").

2. For a more detailed analysis of the methods appropriate to empiricism see Hempel (1966), Popper (1972), etc.

3. For an introduction to some of these issues, the reader is referred to Pappas and Swain (1978) and Hamlyn (1977).

4. Also see Phillips (1977) and particularly Lakatos and Musgrave (eds) (1979) for an extended analysis of this point.

5. For a more detailed analysis of the concept 'power-knowledge', the reader is referred to T. Kegan's (1987) analysis of the "paradox" that it entails.

6. See Lukes (1977) for an analysis of this.

7. For instance in Lukes (1986) and Wrong (1979).

8. Mills (1953 and 1963) presents a 'power over' theory and Parsons (1969 and 1963) criticises and responds to this with his 'power to' conception of power. This debate has been extensively examined; for some recent evaluations of the debate see inter alia Giddens (1977), Wrong (1979) and Lukes (1986).


10. Although the debate is important in elucidating certain issues on power, I think Wrong correctly concludes that it "...does not appear to be a genuine theoretical issue in which two incompatible views confront one another" (1979, p256). Instead these are two extreme points of view which fail to notice that very often 'power to' entails 'power over' and visa versa.

11. For a more detailed analysis of this position see Smart (1983).

12. Wrong has also taken this up in his view of power as "...the capacity of some persons to produce intended and unforeseen effects on others" (1979, p2). This definition, though important in bringing unforeseen aspects, fails in as much as it locates the capacity as both a function of agency and structure.

13. I do not wish to get into the misdirected debate about which 'Foucault' I have drawn on here. Descombes (1987) rightly points to the numerous faces of his work, including some differences between the French and American debates on it. No doubt, there are also obfuscating passages and contradictions in his work. But this is all somewhat beside the point because I openly recognize that mine is but one
interpretation of some of his ideas and do not claim any special loyalty to either the author or his work. In short, the theory presented here, though strongly influenced by my reading of Foucault, should be viewed on its own terms and not, by inverse relation, as a conceptual surrogate for him.


15. Foucault's somewhat unfortunate use of the term 'subject' here should not be confused with the Cartesian views of a subject which were implicit in some of the previous definitions. Elsewhere, he notes that, "we must rid ourselves of the constituting subject, rid ourselves of the subject itself, which is to say arrive at an analysis which can account for the subject within a historical account" (1980, p117).


17. For a more comprehensive analysis of this point, the reader is referred to Cousins and Hussain's (1984) chapter on power.


19. See Foucault (1977a) and (1978a) for some concrete genealogies of the interaction of power-knowledge on the body. Dews (1984) offers a useful critique of these.

20. Here, I am probably stretching Foucault's theory beyond the limits of his own intention, but I think this is a necessary development.
CHAPTER 2
DEFINING THE DOMAIN OF INVESTIGATION

South African society, like any other society, should be viewed as a relational network with a particular historical form. This form has emerged and is sustained through many intricate interrelations of the power-knowledge and bodily capacities triad. My broad concern here is with one specific area of this network of relations, namely, the way in which 'business' construes 'apartheid'. I have elected to analyze this by exploring the power-knowledge relations, the discourse, of business around apartheid and the effects that this has on the existence of racial inequality in the society.

A prominent feature of South African society is the well documented existence of apartheid. As a working definition, this may be described as the shifting relational patterns which classify and divide "African", "Coloured", "Asian" and "White" people and then situate them in a social hierarchy that corresponds to the divisions. Since it does not permit an equal participation of all people in formal political decision-making, apartheid is simultaneously expressed in many social arenas through exclusions which advantage the Whites at the expense, to a greater or lesser extent, of the other groups. The constitutional and legislative codifications of apartheid are tips of a proverbial iceberg which extends to the furthermost corners of the social network. This renders a direct analysis of business's relationship to apartheid conceivable.

In many cases the terms 'business' and 'capital' are used by different political persuasions to denote a broad area of the social network. 'Capital' is usually used to refer to the owners, as complex as this might be, of "big business" including state-owned ventures. 'Business', on the other hand, is often used synonymously with the
notion of "private sector". For the purposes of this thesis, I shall use the terms 'capital' and 'business' interchangeably to refer to large, local, private sector corporations.5

Traditional debates around the relationship between capital and apartheid have tended to centre on the extent to which capital is linked to the emergence, perpetuation or even destruction of apartheid. This is an important debate in a changing South Africa because it focuses on the position of business in the process of change, i.e., on the extent to which it sides with the forces that wish to preserve apartheid or with those seeking its destruction. As a way of situating the present endeavour in relation to this debate, it is perhaps useful to profile some of the arguments presented in it.

THE PROBLEM EMERGES
Liberal theories in the debate are united in a common belief that ultimately capitalism and apartheid are incompatible. By drawing on classical economic principles, earlier liberal theorists suggest that economic growth develops according to discoverable and immutable natural laws (akin to those responsible for 'progress' in biological evolution). Apartheid is depicted as an unfortunate effect of one stage in the development of South Africa's economy. For instance, M. O'Dowd argues that the "injustice" of South Africa is,

"...not merely normal in a developing country, it is absolutely universal and if not inevitable has never yet been avoided." (1974, p34)

At root though, he feels apartheid is in conflict with the fundamental interests of capital and thus will inevitably disappear with economic growth and the concomitant emergence of new social forces, presumably as a function of underlying natural laws.
The inadequacies of, and oversimplifications in, such an account of history led mainstream liberal theory away from this determinism in arguing for its central thesis. For instance, Savage (1975) argues that capital does not necessarily benefit from the cheap, 'unorganized' and socially subservient labour which apartheid seems to provide. Indeed there are enormous costs - socially, politically and economically - involved in upholding the policies of apartheid. His thesis upholds the notion that capitalism is incompatible with the system of racial inequality because it contends that capital, in the long run, has much more to lose than to gain from apartheid. Still other theorists contend that economics does not necessarily constitute the foundation of apartheid; it is seen as a matter of 'race' which is best explained through the notion of "ideology". Thus it is not capital but the ideology of Afrikaner beliefs, with their Calvinist and nationalist overtones, which are responsible for the emergence of apartheid.6

More recent "neo-liberal" theories have countered the growing emphasis on race and ideology by stressing the importance of 'class interests' and 'ethnicity' in explaining the existence of apartheid in South Africa.7 While they acknowledge a close relationship between economics and politics, they reject the idea of a simple collusion between business and state. Lipton (1985) proposes that there are areas of more or less intense collusion and opposition depending on the interests and power of capital, both of which have varied considerably in the past. Thus only some sections of capital have wanted apartheid at different points in history, and those who have rejected it, have not always had the power to achieve their political goals.8

Lipton also returns to the 'economic growth' debate by rejecting simplistic arguments which contend that economic growth either supports or erodes apartheid. Instead, she argues, it depends on the type of economic growth in question: if growth is of the kind
that is based on cheap unskilled labour then it can co-exist with apartheid; but growth
needing, "...skills and a domestic market (as in the case of manufacturing and commerce)
does not require, and has difficulties coexisting with, apartheid" (1985, P10). There are
various forms of capital with different interests and thus only certain of these forms
are compatible with apartheid. Nevertheless underlying her position is an implied belief
in the fundamental incompatibility between capitalism and apartheid. Hence her
declaration that South Africa is only "predominantly capitalist" (1985, p2), which is
presumably meant to counter Marxist suspicions of a fundamental compatibility between
capitalism and apartheid.⁹

These suspicions are abundantly documented in the so-called "revisionist" histories of
apartheid in South Africa.¹⁰ For them, what appears to be racial in content, is simply a
manifestation of the class struggle in a particular capitalist context. As Johnstone notes,
"Capitalist business, far from being incompatible with the system (of apartheid), secures
high profits through very cheap, unorganized and rightless labour; white nationalists
and white workers obtain prosperity and the material strengthening of white supremacy" (1970, 136).

These earlier Marxist writings, depicted the state as a mere instrument, an
epiphenomenon, of capital with the specific purpose of creating favorable conditions for
the perpetuation of capitalism. By implication, capital is the ultimate perpetrator of the
policies which the state imposes; in this case apartheid.

Reflecting international neo-Marxist trends, other theorists developed and transformed
many of the themes contained in this position.¹¹ Most reject the crude economic
reductionism of the revisionists arguing instead for a certain 'relative autonomy' of the
state. At the same time there is a conscious effort to avoid the liberal ('pluralist') position which separates, to a greater extent, the political and economic realms in society. This is a tenuous theoretical path to maintain and perhaps one which, by the very nature of their formulation of the Marxist problematic, leads to significant problems.

For instance, D. Innes and M. Plaut (1978), whose approach falls within the wider "state derivation" orientation found in Holloway and Picciotto (1977), emphasize that the simple Marxist 'base-superstructure' model is inadequate for understanding the political realm in a society. They view the state as something which emerges out of complex combinations of the economic, political and ideological conditions necessary to perpetuate exploitative social relations in the accumulation of capital. Thus the state is recognized as an institutional apparatus which has an existence apart from, but is nonetheless closely related to, capital even though ideology might construe the two realms as completely separate. This relationship between state and commodity production is construed as a "separation-in-unity"; the unity is regarded as primordial because, underneath the apparent differences, both domains reflect certain fundamental contradictions of the class struggle. Given this fundamental unity between politics and relations of production (exploitation) Innes and Plaut argue that,

"One cannot understand the changing form of the capitalist state without locating the state in the relations of production determined by the development of the struggle between capital and labour." (1978, p52).

In a slightly different vein, R. Davies, D. Kaplan, M. Morris and D. O'Meara (1978–hereafter referred to as Davies et al) offer an interpretation of certain Poulantzian theses (especially 1975 and 1978). They take the "class-struggle" as a point of
reference, viewing it as the 'motor' of history. Although classes, for them, are primarily constituted at the level of production they become social classes through the effects of ideological and political factors as well. Class-struggles emerge because of the "structural determination of classes", but particular struggles may take on different forms depending on concrete contextual conditions.

Because capital is made up of various "fractions" with differing interests and roles, a contradictory unity is established within the dominant class. This, "is expressed in the concept of the power bloc, denoting the co-existence of several classes/fractions in the exercise of that political/ideological domination necessary to maintain relations of exploitation - a co-existence ensured and organized by the capitalist state" (1978, p5)

A power bloc is formed when one fraction attains dominance over other fractions of the ruling class and thus over the whole of society. This hegemony extends to political and ideological levels and is responsible for the form of the state. There is an intrinsic nexus between state and capital in that the state requires a certain 'organizational direction' to be effective and this comes from the ruling (capitalist) class which has a common interest in exploitation. Yet the state is accorded a certain "relative autonomy" in the sense that while it is structurally constituted in relation to capital, its particular form may be different in different contexts.

Here capital, or rather one fraction of capital, can be identified as the ultimate perpetrator of apartheid and Davis et al (and Bozzoli (1981)) have used this to inform their historical analysis of apartheid. However, the salience of Poulantzas' position has increasingly been questioned, as has Davies et al's interpretation of it. A particularly fundamental criticism comes back to the very definition of the concept
'class'. If the political realm of society is relatively autonomous from the economic realm, then there is no reason to accept that political classes necessarily correspond to, or overlap with, economic classes. If on the other hand classes are seen as an effect of both political and economic realms, then there is no reason to expect that the interests of a particular economic fraction will be served any more than say the interests of a political elite group.

In short, this theory does not supply a conceptual framework that will adequately reconcile its central tenet of economic primordiality with the preponderant recognition that politics cannot simply be reduced to economics. The state is not always a mere instrument of capital. Of course, this is not to deny that a fundamental link may exist between them, only that the form of this link cannot be assumed in advance.

Perhaps this explains some post-Marxist attempts, such as Wolpe (1980), to distinguish between 'structural' and contextual or "class practice" levels of analysis. That is, between the structural dimensions of classes and the diversity of class practices. Thus, for Wolpe,

"...the unity of a class as a social force is not given at the level of its definition in terms of the relations of production, although the differentiated forms in which classes exist can only be understood in relation to those relations of production" (1980, p413)

Classes may take on various forms ("organizations") in various social arenas yet these can only be fully understood with reference to the "determinate conditions of capital-in-general" (p413). In this way,

"...the relationship between the organizations through which a class exists inside the state apparatus (as a political party or otherwise) and outside of those apparatuses (for example, in a branch of production) cannot be conceived of in instrumental terms, but
must be seen as a relationship of articulation or disarticulation." (1980, p413)

Yudelman also emphasizes this distinction and argues that at an "institutional" level, state and capital may appear to be in opposition, but at a "structural" level, there is a fundamental symbiosis between them. Drawing on O'Connor (1973) and Habermas (1973), he suggests that,

"...the South African state was exposed earlier than most modern states to the necessity of resolving the tension between legitimation and accumulation" (1986, p4).

This produced a symbiotic relationship between state and capital because the state needed capital to maximize accumulation while capital needed the state to legitimate its activities. In these post-Marxist theories, both state and capital are seen as responsible for the emergence of apartheid.

In the more recent neo-liberal and post-Marxist theories, there is a progressive realization that the relationship between capital, state and apartheid is rather more complex than was originally supposed. But they appear to have overlooked the important insight which this complexity highlights, namely, the inadequacy of examining and exploring the problem within the restrictive framework in which it was previously discussed. The debate, in short, has outgrown the parameters in which it was originally cast. Perhaps the time has come to go beyond the original debate and I suggest this be done in the following ways.

RECASTING THE DEBATE.

First, theoretical preconceptions concerning the nature of the relationship between state and capital or, for the purposes of this thesis, between capital and apartheid must be questioned; this is a matter for contextual investigation. To postulate, a priori, that a necessary and over-arching structure underlies particular social contexts is tantamount
to assuming what one should set out to examine. The attempt at fusing purportedly universal concepts with changing social contexts is an epistemological imposture that too must be questioned. The dynamism and disjunctions which almost inevitably accompany the contingency of social being should be sensitively embraced and not treated as problems requiring theoretical "solutions". This implies an underlying epistemology which can cope with the theoretical ramifications of such contingency.

Secondly, the concepts 'capital', 'state' and 'apartheid' should not be treated as reified blocks; they must be deconstructed. That is, the complex contingent relations which comprise these areas of the social network need to be examined, and not simply assumed. This also means it is necessary to question the assumption that underlies many of the above theories: namely, that state power enforces apartheid on its subjects and thus to ascertain the influence of business on apartheid it is necessary to examine the relationship between state and capital. Apartheid is much more pervasive than this. For one thing, the state itself is not a unified source of power, a structure, but rather a changing pattern of relations resulting from prior power relations. For another, it does not have an exclusive monopoly on the perpetuation of apartheid. Apartheid reaches the furthest corners of the social network. In this way, it is much more pervasive than either the policies of state or the interests of capital; apartheid cannot wholly be understood through either of these though, no doubt, they do significantly influence its form.

Here, the area of investigation is simultaneously broadened and made more precise because it is heuristically split into three separate, but closely related, situational examinations: between relations of state and apartheid; between capital relations and apartheid; and between relations of state and of capital. In this thesis, I have elected to
deal with the power-knowledge relations of capital in its dealing with apartheid. This
does not entirely exclude relations associated with the state, but these are included only
in as much as they situationally impinge upon the domain under investigation.

Thirdly, the theoretical orientation of the previous chapter demands an analysis of the
constitutive role of power-knowledge in social formations, something which the above
theorists have not adequately addressed. By focussing on economics, ethnicity, class,
race, etc., they have largely eclipsed the role of power-knowledge in the formation and
perpetuation of apartheid. However, I have attempted to show that to grasp the form
of relational patterns in any area of the social network is to understand the power
relations and associated fields of knowledge in which people operate. This implies
investigating the points at which power and knowledge intersect, namely, in discourse.
Through an analysis of discourse, we are able to apprehend the limits which
simultaneously produce and encircle the thoughts and actions of people in social
networks.

My examination of capital's discourse about apartheid seeks to provide a critique of the
limits to the business community's thought (and action) in its dealing with apartheid.
This implies a recognition that thought,

"often hides itself, but it always animates everyday behaviour. There is always a little
bit of thought even in the silliest institutions, always some thought even in mute
habits" (Foucault, 1982, p33)

An analysis of these limits, through an examination of discourse, permits us to assess
their intended and unintended contributions to the formation, perpetuation or erosion of
apartheid.
The political pragmatism of this study consists of attempting to drive thought, "...out of hiding and trying to change it: showing that things are not as obvious as we might believe, doing it in such a way that what we accept as going without saying no longer goes without saying" (op cit, p34). In short, it tries to problematize (and perhaps change) what was previously assumed. In this way, the exploration of capital's social limits not only focuses on processes of exclusion which prop these up and ward off unwanted intrusions, but it also permits a glimpse of the silences that lie beyond them. Armed with this, we are in a better position to offer strategic assessments of how the limits might be transgressed and thereby more effectively contribute to the transformation so desperately required in South Africa.

Fourthly, an epistemology which is sensitive to the theoretical concerns of this thesis is required. In contrast to the theory of knowledge that peeks through the absolute statements of the above theories, let us reiterate some previously made points: knowledge is not a reflection of an 'eternal', 'absolute', 'objective' truth independent of historical and cultural mediations. Instead power and knowledge are intrinsically linked; just as knowledge is produced by power relations in particular socio-historical junctures, power relations always operate in fields of knowledge.

This might offend those seeking a detached position from which a theory of knowledge may be posited, because it implies that enunciations (including this one) are made from within, and are relative to, a particular socio-historical context. But if, as we have shown, there is no transcendental truth and it is not possible to have an 'impartial' perspective, then there is no point in seeking a detached position. Since all knowledge is tied to underlying relations of power, epistemology becomes a pragmatic issue of identifying the political environment in which a particular form of knowledge operates.
This is why Foucault, for example, describes his own work as "fiction", which is to say that it is awaiting a future political reality in which it might function as "truth". He acknowledges that his own claims are tied to power relations but suggests these are of a type qualitatively different from existing forms. In this, lie the roots of his subordinating epistemology to pragmatism for he takes seriously the notion that, "Discourses are not once and for all subservient to or raised up against it (power), any more that silences are. We must make allowances for the complex and unstable process whereby discourse can be both an instrument and an effect of power, but also a hindrance, a stumbling block, a point of resistance and a starting point for an opposing strategy. Discourse transmits and produces power; it reinforces it, but it also undermines and exposes it, renders it fragile and makes it possible to thwart it" (1978, p100-101).

The power-knowledge concept provides a foundation for Foucault's pragmatism which takes the form of a social critique. This embraces a rejection of what is and an acknowledgement of what might be. His version of a critique has been the subject of some debate; though, as Hilley (1985) correctly points out, Foucault's critics (mainly Fraser (1981), Habermas (1984) and Taylor (1984)) have mistakenly focused on the purported goal of this critique (enlightenment) when the major difference between them lies in, "the nature of critique and the nature of autonomy achieved" (1984, p74). In his social pragmatism, Foucault does not eschew the Kantian enlightenment quest for liberation from a self-imposed tutelage; what he does eschew is Kant's (and his critics') view of what enlightenment is. For him, enlightenment is not achieved through criticism which is designed to discover and erect limits around the "truth". Rather it is found through the liberating effects of a criticism which, "consists of analyzing and reflection upon limits...The point, in brief, is to transform
the critique conducted in the form of necessary limitation into a practical critique that takes the form of possible transgression" (1984, p45).

In this way, Foucault connects his critique to Kant and the enlightenment not through a vision that the light of reason and truth will free us from the tutelage of dark ignorance, nor does he equate enlightenment with humanism (indeed he argues for the death of the 'subject'). Instead what links Foucault to the enlightenment is an attitude of critique, a "philosophical ethos" which is a,

"critical ontology of ourselves...a historico-practical test of the limits that we may go beyond, and thus work carried out by ourselves upon ourselves as free beings" (1984, p 47).

Thus he advocates "a principle of critique and a permanent creation of ourselves in our autonomy" (1984, p44). If this appears to lead to nihilism, then let us recall that the ontological triad of power-knowledge and bodily capacity remains intact. The crumbling of one arrangement of the triad in a society is always replaced by another and so, depending on how one looks at it, nihilism is either impossible or inevitably ubiquitous.25

To reiterate, we are exploring the limits in which South African business operates when dealing with apartheid, so as to facilitate the historical-practical test of transgressing these. A transgression of limits held by such an important and even central web in the social network suggests significant changes for the entire social network.

METHODS AND PRINCIPLES.
The methodology employed here is a contemporary interpretation and not an analysis of the past; it is a current diagnosis of an aspect of South African society. Of course, this
is not to deny the importance of history in the formation of the present, nor to undermine the importance of historical analyses, nor even to suggest that a complete separation of past and present is possible. It is merely to state the primary focus of this thesis. Foucault’s genealogical method is not employed here, at least not in its entirety; only the initial dimension of the genealogy, a diagnosis of the present, is explored. Foucault, I think, dismisses this aspect of the genealogy too quickly and fails to see its crucial relevance for an ‘investigation of the present in terms of the past’, as well as its importance in establishing the limits in which current social activities are executed.\(^{26}\)

In practical terms, methods were selected on the basis of their ability to provide a sensitive "working map" of the of shifting social topography to assist the historico-practical test on the limits of the present. More specifically, they were used to sketch business’s discourse about apartheid to facilitate an assessment of ways in which existing limits might be transgressed and, perhaps, to bring about changes to the social network in which they operate.

The almost imperceptible nuances that alter the moods of social settings are not easily captured by rigid methods. In wishing to keep these well within my investigative gaze, I have tended to opt for a qualified form of hermeneutics. It is not a hermeneutics which seeks hidden and absolute meaning (in the foundationalist sense) by grounding it in subjective intentionality or unconsciousness, etc.. Instead it attempts to understand meanings, thoughts and actions through an analysis of the changing social limits in which these are found and which give them their socio-historical form. This, in turn, implies an examination of the ways that limits are erected and sustained. The theoretical model of the previous chapter has supplied the tools necessary for this analysis: since
Power-knowledge relations are central in building and sustaining social limits, our hermeneutic objective can be translated into an examination of discourse.

My interpretations were extensively guided and informed by the theoretical model and were based on content analyses of texts (e.g. speeches, annual reports, financial reports, minutes of meetings, meeting agendas, research reports, reviews, books, articles, etc.) and examination of text-analogues (e.g. in-depth interviews and observations). The model was transposed into a set of principles, a series of research questions if you like, which were used as pegs to support and guide the hermeneutic diagnosis. These are as follows.

1) Power-knowledge relations are caught up in the social network in which they operate. Thus it is useful to explore some 'systems of differentiations', some inequalities, existing in the network which facilitate the emergence of particular arrangements of power by allowing certain people disproportionate access to techniques that structure the actions of others (e.g. status and privilege, race or ethnic affiliation, linguistic or cultural differences, differences in skill etc.).

2) Apartheid is not an intrinsic feature of the social network to be explained in a neutral or detached way; it is constituted as an area of analysis through power-knowledge relations. In an effort to examine these, with particular reference to business, it is necessary to identify the "local centres" of power-knowledge (discourse) in the South African private sector.

3) The nature of power, or important ways in which actions structure the actions of others in these local centres, should be outlined to elucidate the ways in which capital's knowledge of apartheid is formed.
4) The local centres are not isolated from the rest of society. The tactics found in these achieve comprehensive results in the social network by being linked to wider strategies. The tactics and strategies mutually affect one another because there is a "double conditioning of a strategy by the specificity of possible tactics, and of tactics by the strategic envelope which makes them work" (Foucault, 1978, p100). It is necessary to examine the strategies, the forms of institutions, that impinge on the local centres identified by the previous principle (eg. the influence of the state, the role of chambers of commerce or industry, etc.)

5) Power and knowledge come together and intersect in discourse. But discourse is not a monolithic entity where acceptable and unacceptable (right and wrong) enunciations can be distinguished. Rather "...we must conceive discourse as a series of discontinuous segments whose tactical function is neither uniform nor stable" (Foucault, 1978a, p100). There are a variety of discursive fragments, some of which might even be contradictory, that could be appealed to by different tactics and strategies. In reconstructing business's discourse about apartheid the following guidelines suggest which issues should be depicted:

- capital's enunciations of what apartheid is and point out some which are forbidden or concealed;
- business's views of government;
- capital's conception of its role in, and the nature of, change in South Africa with respect to apartheid;
- the political techniques (to structure action) that emerge out of this discourse.
6) Finally, as a social critique, the implications and effectiveness of the discourse of business about apartheid in contributing to the perpetuation or modification of the social network need to be examined. In addition, possible avenues and ways of transgressing the limits in this area should be examined.

These are the principles which guided my analysis and are reflected in the rest of this thesis: the following chapter examines principles one to four; chapter four looks at principle five; principle six constitutes the subject matter of the conclusion.
NOTES ON CHAPTER 2.

1. The dynamic quality of apartheid is succinctly captured by Adam (1972).

2. Collectively I shall refer to these groups as 'blacks'.

3. As Lipton (1985, pp. 14-16) points out, there are various dimensions to apartheid: hierarchical ordering of structures on the basis of race; discrimination against Africans, Coloureds and Indians; segregation of races in many spheres of life; the legislation and institutionalization of this system.

4. There are numerous accounts which claim to document the nature and history of the formation of apartheid. Despite, or perhaps because of, the disputes and 'revisions' in these, it is perhaps best to read them in tandem to get a broader perspective on the issue. For instance: Moodie (1975); Yudelman (1983); Wilson and Thompson (1971); Davenport (1977); Bozzoli (1981); Davies et al (1978); Lipton (1985); Greenburg (1980); etc.

5. This will be further elaborated in the next section.


8. Lipton feels their power to achieve political goals has, "varied greatly over time, and by sector size, ethnic affiliation etc." (1985, p. 6).


10. For an elaboration and critique of some of the points raised by this school see Kantor and Kenny (1976). Actual revisionist theses can be found inter alia in Johnstone (1970), Legassick (1974), Wolpe (1972) and Trapido (1971).

11. This is not surprising given the contention that the South African situation, far from being anomalous, is simply another conjunctural manifestation of the class struggle in a capitalist society. For a useful account of wider trends in the analysis of the capitalist state see B. Jessop (1982).


13. There are certain problems with this approach which should be examined. First, one might question the validity of conceptually deferring an analysis of the relationship between state and capital to an analysis of capital-labour relations. Secondly, the theory smacks of the very economism that it claims to be rejecting; by according relations of production a logical priority, this approach theoretically concludes what it should situationally set out to investigate. Thirdly, the concept of 'separation-in-unity' to describe the relationship between state and capital is at best, obscure and at worst, a contradiction in terms. If by this one is to understand that the relationship in question is a complex one which is situation-specific having areas and degrees of unity and disjunction, then a plausible case can be made in the South African context. However, it seems that this position wants to advance
simultaneously that underneath an apparent bifurcation lies a fundamental unity. The conceptual leap from ideologically constituted separation to de facto unity is one that is surely impossible to verify. It remains an unsupported dogma.

14. Precisely how accurate this interpretation is, is questioned inter alia by H. Wolpe (1980).

15. That is, "differences in the form of state are determined firstly, by changes in the composition of the power bloc and its allied supportive classes, and secondly, by changes related to which class/fraction is hegemonic" (1978, p5).


17. For criticisms from other neo-Marxist approaches see S. Clarke (1978) - J. Solomos (1979) offers a reaction to this - B. Bozzoli (1978), Innes and Plaut (1978) and H. Wolpe (1980).

18. Clearly this constitutes a rejection of the Hobbesian leviathan: the king's head has been removed. The modern state is both an individualizing and comprehensive apparatus, but it is fundamentally a set of relations created by power relations. This point is amply made by inter alia Foucault (1979), (1981a) and (1982), Walzer (1982) and Pasquino (1978). For an interesting analysis of Foucault and Weber on government see Gordon (1987).

19. A notable exception is found in the work of Adam and Giliomee (1979) who use a rather different conception of power, viewing it as a function of (Afrikaner) ethnicity.

20. Foucault (1985) explores this theme further in a chapter entitled "Forms of Problematization". Quite literally this is concerned with ways that taken-for-granted assumptions become problematized and thereby set the stage for their possible transcendence.

21. Rorty argues that Foucault, "...has set things up so that he cannot have a theory of knowledge" (1979, p41).


23. This is perhaps a response to those critics (such as Hekman, (1986)) who feel that he does not provide an account of the position of the investigator.


25. See For instance S. Hekman (1986), and Hilley (1985).
26. For more about this genealogical method see Foucault (1977b) and for a commentary on this (and its relation to the archeology) see Dreyfus and Rabinow (1982). In addition the latter (pp104-125) offers a useful analysis of Foucault's methods which they term an "interpretive analytics".

27. The notion of text-analogues is extracted from Taylor (1979).

28. I used these methods in a way that is rather well documented in Williamson, Karp and Delphin (1977, pp164-218).

29. I have extracted, modified and adapted these from Foucault (1978, pp98-102) and (1982, pp223-224).
CHAPTER 3
THE POLITICS OF TRUTH: POWER IN CORPORATE SETTINGS

There are numerous power relations involved in the creation and reproduction of 'truth' in social settings. Indeed 'truth', as well as the subject matter of discourse, come to exist through an interplay of underlying power relations. Capital's discourse is no exception; apartheid has come to exist as a persistent object of analysis due to an overwhelming tide of local and international pressures. The rapid withdrawal of foreign capital, the plunging value of the rand, sanctions, curbs on investment, unrest, strikes and boycotts have prompted business to more vehemently identify apartheid as an anachronism and a threat to the "private-enterprise" system in South Africa. Indeed, business has rejected certain government's enunciations vis-a-vis the truth about apartheid and has ventured to create a truth of its own. A truth that will not offend but encourage international investment, that will quell the disquiet of the masses (and secure their labour power) and that will ease the tax burden placed on business by the expensive apartheid system. Although their truth is multifaceted with diverse shades of opinion, most companies have come to realize that, "Protestations of anticommunism are no longer a ticket to respectability in the Western world and, as has been realized even by the S.A. government and its supporters, racism has become the supreme and ultimate sin of the second half of the twentieth century" (Bloom, 1985, p131).
Thus, out of "enlightened self-interest", many businesses feel it is necessary to distance themselves and their modes of production from apartheid.

An attempt to map out business's discourse on apartheid requires an examination of how its knowledge of apartheid is produced. Initially though, it is necessary to peg out a
flexible and working boundary from which such an analysis might proceed. Because this study emphasizes the qualitative dimensions of social networks, it does not require rigid definitions that impose neat, clinical categories onto ambiguous and shifting relational networks. Nonetheless, an adequate working definition of 'large, private sector corporations', introduced in the previous chapter, is needed.

THE SOUTH AFRICAN PRIVATE SECTOR
The private sector in South Africa can be examined from various perspectives. As a heuristic point of departure, I have elected to examine it primarily through certain major stock holders in the Johannesburg Stock Exchange (JSE) without neglecting other larger companies (mainly subsidiaries of the former) that repeatedly demonstrated their significance in producing business's discourse on apartheid.

The ownership of capital in the private sector is highly concentrated with a few interconnected agglomerations dominating the scene. In a systematic analysis of this, Savage concludes that,

"All available evidence points to a mounting concentration of economic resources, a more concentrated pattern of ownership of these resources, and a growing centralization of significant economic decision making in fewer hands. In short, there is an increasing pattern of concentration of economic power in South Africa" (1985, p36).

If the ownership of assets of listed companies is used as an indicator of this concentration, seven groups of companies seem to dominate the market. For instance, they were estimated to collectively control 84.3% of the total market capitalization on the JSE in 1985. These are: Anglo American (53.6%); Sanlam (12.2%); Old Mutual and Barlow Rand (10.6%); Rembrandt (3.8%); AngloVaal (2.1%); and Liberty Holdings (2.0%).
These companies comprised the original point of departure for my research but subsequent interviews and content analyses pointed to the existence of other extremely significant contributors to business's discourse about apartheid. These included, Barclays National Bank, Premier Group Holdings and the S.A. Permanent Building Society. Collectively then, these groups of companies were used as a core for the mapping process. This core is not an absolute and static one due to the on-going shifts in patterns of ownership on the stock exchange and also because distinctions between groups of companies is blurred as a result of their dynamic and complex inter-connected directorships. Although this core might be denoted by terms like, 'capital', 'business' or even the 'private sector', it is clearly not a representative sample of the latter. It does however represent most of the large companies found on the JSE.

Capital, thus defined, is not a monolithic entity. There are changing divisions within it that have different impacts on the social network at different socio-historical times. First, as Yudelman (1986) points out, there are different sectors of capital: primary industries (eg. agriculture and mining); secondary industries (eg. manufacturing and construction); and tertiary or service industries (eg. commerce, trade and services). The resource sector is unusually large with mining accounting for no less than 21% of South Africa’s Gross Domestic Product in 1985. The significance of this division in our sample, however, is substantially offset by patterns of ownership which span across sectors. For instance, Anglo American has emerged primarily as a mining venture but has significant interests in both other sectors through its control of industries like Scaw Metals Ltd. and tertiary industries like Barclays National Bank or Southern Life Insurance Company.

A second division is an ethnic one between English- and Afrikaans-speaking capitalists.
Relatively fewer English-speaking directors adorn the Sanlam and Rembrandt boards and, conversely, fewer Afrikaans-speakers are found on the boards of Anglo American, Barclays, Premier, Anglovaal, Liberty life, etc. If this partially reflects the historical dominance of English capital, particularly in mining and manufacturing, then it also shows the increasingly substantial involvement of Afrikaans capital in the private sector. Traditionally, English companies are viewed as more "liberal" in political orientation when compared with their Afrikaans counterparts who are typically seen as more supportive of the Nationalist Government. But this division seems to be crumbling under the weight of common economic pressures which transcend ethnic boundaries. Various inter-ethnic calls for increased reform and, perhaps, the co-existence of a bilingual group in the Old Mutual-Barlow Rand arrangement illustrate this rather nicely. However, the smugness with which many English capitalists view their Afrikaans counterparts, and the skepticism with which many of the latter regard the former, should not be summarily discounted.

With these issues in mind, and using the above core groups of companies, this chapter attempts to present a step by step interpretative map of the power relations that contribute to the production of business's discourse on apartheid; the political processes which produce its truth about apartheid. Using the methodological principles outlined in the previous chapter, let us examine the social limits in which business constructs its discourse by focussing on: where such knowledge is produced in the companies; the power relations in these contexts; and some important ways in which these contexts are influenced by the wider social network. However, before attempting to identify the local centres in which capital's knowledge of apartheid is produced, it is perhaps useful to identify certain patterns of inequalities in the society which affect the composition of the local centres.
PATTERNS OF INEQUALITY IN SOUTH AFRICA

The private sector is inextricably linked to a particular socio-economic environment in which it operates. There are patterns of differentiation, inequalities, in this environment which affect and intermingle with power relations in the corporate setting. Differences in the social network afford certain people disproportionate opportunities to structure and manipulate the fields of action of others: history sets the balance of access to socially sanctioned techniques of power disproportionately in favour of certain individuals. The inequalities which seem particularly pertinent to our concerns are those that emerge through the existence of capitalism, racism and sexism in the South African social network. No doubt these inequalities can also be explored in the light of past power and knowledge relations, but they are significant here in as much as they contribute to producing particular forms of knowledge about apartheid. It is not the place here to explore them in any detail but merely to profile their central impact on the discourse in question.

Capitalism is indeed a turgid word that has been obscured by its equivocal use. In South Africa, it is seen as a way of life antithetical to 'communism' (another veritable candidate for equivocation) and is accorded a privileged status in society. Indeed, the government wages a widespread (propagandistic) war against the purported "total onslaught" of communist forces. By contrast, activities perceived as 'entrepreneurial' are cast in the protective shadow of existing arrangements and proceed with the tacit or active support of many structures. Although it would be presumptuous to claim an ability to outline the many features of the modes of production in South African society here (surely, the subject matter of a different thesis), suffice it to note that despite the ubiquitous presence of the government at various levels in the economy, there is a
general policy commitment to a "private-enterprise" system with: private property; capital accumulation; competitive labour markets; divisions of skill and labour; profit seeking; etc.\textsuperscript{11}

In such an environment, private enterprise is accorded an esteemed position which permits a great deal of manoeuvrability and influence in the social network. Moreover, the tacit desires and respect that large Sandton estates with their Mercedes Benz lifestyles evoke, indicates a prevalent equation of private wealth with success; success being the fruit that grows out of effective performance in the existing economy. This belief seems to draw people into the economy and does little to impugn the battery of inequalities that accompany the reward system; these are particularly perspicuous if one considers, say, the living conditions in Alexandra township on the other side of the highway. These inequalities not only impinge upon the very lives of people, but they also situate them disproportionately in their access to political technologies of manipulation.

In South Africa, another set of inequalities, namely, the institutionalized separation of races, is particularly pervasive. There are various formal (statutory) and informal regulations which classify people as either 'Black' (African), Asian, Coloured or White; these classifications are insidious and impinge upon so many aspects of an individual's life, regulating: where one may live; which schools and universities one can attend; available public facilities; citizenship; political representation; etc. By political design, the Whites are accorded a privileged position in all these spheres largely at the expense of the others. Education is directly relevant to company settings because level of skill is often determined by educational qualification. The history of separate systems of education for the different groups in which resources are unequally distributed, to a
greater or lesser extent, in favour of Whites is reflected in the decided paucity of faces other than white ones on the executive boards. Of course, though, it is not only education but an entire array of social impediments, from the effects of social regulation (such as the crowded home environments) to the formal and informal exclusions operative in work environments, which reflect the racial divisions and contribute to White dominance in the economy.\textsuperscript{12}

Women, and especially black women, are also seldom seen on the executive boards of corporations. The patriarchy of the South African society runs a complex course, existing within and across racial and economic levels simultaneously. As Bernstein puts it,

"South African women, black and white, live in a society that is not only racialist, but is also deeply sexist. The racialism and sexism are intertwined. Sexism in South Africa is not only revealed in cultural attitudes, but is embodied in the legal institutions" (1985, p10).

Like many other countries, sexism in South Africa differentiates between women with different skin colours and usually places black women at the bottom of the load of oppression.\textsuperscript{13} In spite of this, or perhaps because of this, women (particularly black women) play crucial roles in trade unions and the struggle against apartheid.\textsuperscript{14} However, in the generally patriarchal private sector, their position is decidedly subordinate and they are under-represented in sexist executive environments.\textsuperscript{15}

In concert, these patterns of differentiation, typically, have the effect of circulating wealthy, white men around points in the social network which are sanctioned to structure a wide variety of other people's actions: hence the dominance of white men on executive boards of companies. This has significant implications for capital's discourse
on apartheid because its knowledge of apartheid is produced out of power relations where white men are the principle actors. With this in mind, let us enter the company settings and attempt to identify the local centres of power-knowledge which are directly involved in the production of this discourse.

IDENTIFYING LOCAL CENTRES OF POWER-KNOWLEDGE

As previously indicated, power operates in a capillary-like fashion in the social network: it begins in local tactics which may link up to form wider strategies. In examining the power relations which produce capital’s knowledge of apartheid, it is necessary to identify the important local centres where business creates and produces its truth about apartheid; where power and knowledge intersect.

Perhaps the most important place where such knowledge is regulated is in the executive boardrooms of the various groups of companies. It is here that policies are formulated and developed in the various strategy meetings, ‘scenario’ planning sessions and so on. These policies firmly rest in, and respond to, a perceived ‘reality’ which, in turn, is grounded in what business executives take to be ‘knowledge’. Yet the very selection and demarcation of acceptable (valid, meaningful, etc.) knowledge is directed by many relations of force present at diverse points of negotiation. In the various meetings, power prowls relentlessly beneath the spoken premises, beneath the judgments, selections and negotiations which eventually provide a reality from which business can view its world. So, in the local contexts of formal or informal executive meetings and discussions, companies produce realities from an ambit of actual or possible information about issues, like apartheid.

But the creation of these realities is somewhat more complex, because executives have
little time to scout for information from which policies can be formulated. Consequently, the old executive ploy of "delegation" gives rise to departments that are charged with collecting and assimilating information upon which the executives may act. Most of the groups of companies in this study have fairly sophisticated Public Affairs Departments which have the important task of keeping the executives "informed" about "developments" in the social network and even of recommending which paths of action to adopt. These are especially important in shaping capital's discourse on apartheid and have profound inputs into executive meetings, executive speeches, chairperson's statements, articles, reports, etc., on the topic of apartheid.

Public Affairs departments are thus also important local centres of power-knowledge in which business selects and interprets data in its depictions of apartheid. While the heads of such departments are usually executives themselves, public affairs researchers are subject to the gaze, the rules and the regulations, of the company hierarchy which is usually reflected in the structure of the departments. In some departments, but not all, there are "reporters" who spend time in the field collecting data. However, most of their information is collected from articles in magazines, journals, newspapers, newsletters (mainly from the important bodies of industry) and various other sources. Leadership, The Sampson Newsletter and S.A. Indicator seem to be particularly popular sources of information and few executives do not subscribe to the weekly Financial Mail. In addition, many of the interviewed people pointed out that "networking", using personal contacts, was an extremely effective way of gathering and interpreting information.

The researchers in these departments are typically given assignments and projects (which may include writing executive's speeches) to investigate and are expected to
present results and recommendations in the form of: written reports (with executive summaries which further refine the process of selection for those who do not read the entire report); oral presentations in think-tanks, conferences, and the like; training seminars for other employees in the organization; etc. In these investigations, the researchers select, code, assimilate and interpret their data from the context of a corporate hierarchy; an environment with its own unique way of identifying and phrasing research problems and characteristic patterns of solving such problems. This is extremely significant in shaping the ultimate form that capital's discourse on apartheid takes.

At these numerous and uncertain negotiations around the sites of data collection, at the various stages of interpreting, formulating and reporting ideas, at the loci of attempts to get the report into executive hands, at the executive meetings and sub-meetings, the ubiquitous exercise of power operates like a ceaseless blind spot in the shadows of discourse. It is at all of these extremely diverse points, at these seemingly minuscule locations, that we find the local articulations of power and knowledge which spawns a discourse, a world view, for business. But, it might well be asked, how does power operate in these contexts? What precise techniques of power are used to structure the actions of others in corporate settings?

THE EXERCISE OF POWER IN LOCAL CENTRES

One might be tempted to explicate power as a mechanism of repression intrinsic to the hierarchical corporate pyramids so painstakingly detailed by company head offices. After all, the allocation of propensities to shape the actions of others is disproportionate, if one complies with the management structure that is. The executive office issues commands that often ripple and reverberate to large areas in the bureaucratic pyramid.
Seldom does the process reverse itself going from the lower ends of the hierarchy upwards, unless by executive consent. But viewing power in this way eclipses the profound level at which it operates: there are many more or less subtle techniques which entice and coerce, promoting conformity to the pyramid and thereby perpetuating its form. In this sense, the bureaucracies are terminal effects of micro-powers, of techniques that structure the fields of action of others, which function on many different planes simultaneously.

There are, I suspect, important differences between the exercise of power at an executive level and at the level of Public Affairs (or equivalent) researchers. In the boardroom, the vigilance of power ensures that 'things are done properly', that a certain set of procedures are followed. In other words, power imposes itself on actions to ensure that certain norms and codes of conduct are adhered to, that certain limits are not transgressed. The techniques used to achieve this would include the almost unobtrusive ones, like the setting of times and agendas or the seating arrangements around the tables, as well as more or less subtle examples like, the use of raised eyebrows, timely clearings of throats, rounds of applause, bursts of laughter, setting examples for subordinates, friendly collusions, subtle comments, outright reprimands, etc..

But relations of power also encourage the production of particular forms of knowledge. The intrusion of hidden agendas behind formal or open agendas in boardroom meetings is apparent in the petty clashes of personality, the hostilities, the collusions, the secret persuasions of ambition, the political and ethnic preferences, the inadvertant effects of impatience over the drawn-out meetings, etc.. These have an almost mysterious way of finding expression in the calculations, the taunting and reactions and the manipulations
that characterise meeting discussions.\textsuperscript{17} Yet there is a wider and more sinister system of regulation that is brought to bear around boardroom tables in South Africa. There are a series of exclusive collusions, cliques or 'old boy's networks', where an informal elitism operates. These stem from associations at elite schools, universities, clubs (like the Johannesburg Country Club or the Broederbond around the corner), etc., and typically have fairly rigid, and conservative, views of the world. They offer accepted members a system of well-placed connections in the social network with numerous advantages. However, those who break the rules and codes, or the patterns of seniority, may be 'disciplined' in various ways and may even be ostracized. Indeed G. Waddel's resignation from no less than sixteen directorships seems to reflect something like this. After all, he reportedly considered himself, "the 'odd man out' in a power struggle over the stance to be adopted by Anglo American in the political arena" and felt that he was, "out of line' in his left-wing radicalism even for the liberal philosophies expounded by the majority of Anglo directors..."\textsuperscript{18}

Moving to the ranks of the organization, to employees in public affairs departments, to the researchers who collect and assimilate information, there are rather different techniques which keep the structure operating and which influence the content of the knowledge produced. The working of management pyramids must be understood in the context of the discourse of management systems and accountancy where a premium is put on rational thought and the calculation of effective and efficient means to attain clearly enunciated aims. Most public affairs employees find themselves collecting and distributing information in these kinds of settings.

Various techniques prop up the structure of management by regulating the actions of employees. On the one hand, there are pleasures, 'positive' lures, that incite particular
choices and paths of action. For instance: the promise of increased rewards, a larger house, more prestigious car, etc.; the promise of greater responsibility and less controls over one's position in the organization; 'job satisfaction' and stimulation; the status and respect that accompany 'success'; the trips overseas or the lunch appointments; and so the list goes on. All of these must been seen in the corporate context, for this is where they are valued and can induce conformity to a desired path of action.

On the other hand, there are many techniques of sanction whose effect is also to structure action. Unacceptable actions may be deterred by sanctions which are often highly profiled. Included in this battery of techniques is the loss of employment, blocking of career progress, demotion, pegging of salary, more subtle glances, gossip, etc.. These affect the process of gathering information in that they encourage particular patterns of seeking, selecting and interpreting data; patterns which are not likely to venture too far from the accepted discursive line of the company involved. In such a situation self-censorship is not uncommon; it is often more expedient to tell the boss what she or he wants to hear than to take personal stands to the contrary. Privately, some of the public affairs employees interviewed in this study noted that, in certain instances, it would be unwise to question senior executive perceptions of reality for one's 'credibility' as a researcher might be fundamentally questioned.

Indeed, on a hot afternoon in an air-conditioned (and rather plush) suburban Johannesburg office, one interviewee candidly declared his opposition to the notion that communism might be a viable economic (or political) system for South Africa. This, he suggested, was just as well for if he were to present the contrary to his superiors, he was convinced of being "laughed out of court and chucked onto a task force" (a place in the organization where people are unlikely to further their careers).
In corporate environments, these positive techniques and the techniques of sanction are fused together in diverse ways, and are made to support one another and to operate more efficiently by a further political technology, namely, 'discipline'. Discipline continuously deploys relations of power on the fringes of action to guide the latter in a particular direction. An entire disciplinary framework is brought to bear on present and future actions and this structures the behaviour of employees in the corporate setting. Let us examine this in more detail.

A prospective employee is screened (eg. through interviews) on the basis of training, appearance, etc. before being selected in an effort to ensure competence, or perhaps, as a means of increasing the probable outcome of a desired set of actions. A personnel file is opened and thus begins an intricate system of surveillance that directs and regulates the actions of individuals until employment is terminated. Here, leave patterns are recorded, working contracts are written up, performance is evaluated (the all important progress reports of seniors), etc. As this implies, surveillance is subtle in its operation and draws on many areas of the corporate environment. Through it, the individual is simultaneously cast as an object of power (over which power is exercised) and its point of application (as say a public affairs officer).

Corporate discipline also acts directly on the countenance of individuals. The requirement of neat appearance for public affairs people prescribes certain dress codes: bodies are clothed in dark, conservative suits and certain hairstyles are favoured above others. Furthermore, postures, gestures, manners and etiquettes are also put under the ubiquitous gaze of discipline. Idle chatter, inarticulate rambling, insubordination and insolence too find their own penalties in an environment which places a premium on 'productive' activity. Negligence and a lack of enthusiasm are frowned upon and will
almost certainly find their way back to the personnel file. Conversely, there are numerous rewards for acceptable performance. The lures and sanctions combine in intimate, subtle and context-specific ways to sustain particular modes of comportments and thereby entrench the limits which surround ‘appropriate’ bodily actions.

If individual action is regulated, then so too is the space in which these actions occur. The structure and designation of offices usually reflects the management hierarchy. The areas of supervision are clustered together and related actions executed in a specific place. Supervisors typically reside in the larger and better furnished offices (especially corner offices with views) and have secretaries guarding access to their doors. If office technology seeks to make efficient use of floor space, then it also is most successful in hierarchically regulating the working environment. It reinforces the structure of management so that eventually the latter becomes nothing more than a matter of common sense, something that is not deserving of a second glance. Such is the silence in which discipline operates as it fills in the gaps that prop up the limits of action in company settings.

By confining certain actions in the organization to a specific place, the office permits the isolation of an individual’s actions to particular areas in the corporation. The physical placing of people in designated spaces has a counterpart in the hierarchical observation that it facilitates. This unleashes a capacity to observe and hold them accountable in the working environment and facilitates a type of surveillance which is simultaneously more subtle and more efficient. It is a partial surveillance in which observation is haphazardly staggered: supervisors of various levels in the organization can drop in at any time. The element of surprise has the net effect of perpetual self-surveillance because, even in the absence of direct supervision, the permanent possibility
of supervisory visits (or other forms of mediation) exists. Furthermore, in public affairs departments, there is a more direct system of accountability that operates which takes the form of putting a name to a report or presentation. This has its own way of extracting particular types of actions and thoughts from its authors.

Discipline not only regulates and situates actions, it also places them in a framework of time. It expects a certain number of hours in an individual’s week to be consumed by actions that are acceptable to the corporation. Too many late arrivals, early leavings or absences do not usually escape unnoticed. There are intricate calculations of costs which establish the financial value of time spent in these settings. The word ‘spent’ here reveals the economy of time that prevails in the corporate world.

This gives an idea of the types of disciplinary restraints which gatherers of information about apartheid in the corporate setting are typically caught up in. These techniques of power support and sustain particular limits to thought and action and, in turn, the knowledge produced out of this environment will be constrained by these limits. Power and knowledge converge to produce a particular version of apartheid, a vision which is inextricably connected to the corporate context in which it is born.

THE INSTITUTIONAL CONNECTIONS OF LOCAL CENTRES
The vision of local centres is also influenced by their connections to the wider social network. There are two important ways in which the local centres impress themselves on, and are influenced by, the wider society. On the one hand, these centres, the localized episodes which select, negotiate and formulate, remain minutiae until they link up in chains of support, in strategies, and thereby inscribe themselves in the social
network's history. On the other hand, the local tactics, or their strategic chains are associated with various other institutions (enduring strategies) in the social network. It is not the place here to explore the ubiquitous techniques of power which also operate in such connections, but it is important, at least, to profile the important links which further research might elaborate upon.

Turning to the first of these, the local centres link in chains of support to form wider strategies in many different ways. For instance, on the 29 September, 1985, ninety-one business leaders placed their names on a full-page advertisement in the Johannesburg Sunday Times, stating their belief in "a better way" and,

"...in the development of the South African corporate economy for the benefit of all of its people and we (the signatories) are therefore committed to pursue a role of corporate social responsibility and to play our part in transforming the structures and systems of the country toward fair participation for all".

The local centres had thus linked together in a strategy to state a particular position on apartheid. Recalling chapter 1, we may note that such strategies not only embrace but also give rise to unintended consequences. In this instance there was: a split in the business community that (perhaps temporarily) emerged between those companies who signed and those who did not; or perhaps, the advertisement that the United States Corporate Council on South Africa published in the Los Angeles Times (18th October, 1985) in support of this statement. This illustrates how local level intentions and the unintended collective manifestations combine to produce the tenuous and unpredictable strategies which infiltrate and shape surrounding social networks.

But the local centres also link up in more enduring strategies embodied in the chambers of mining, industry, and commerce and through various foundations. In these, local
tactics are funneled into quasi-coalitions by virtue of subscription membership. Such coalitions attain pre-eminence on those occasions where they are used, individually or by alliance, to spearhead tactics and function as lobby-groups for business. In 1985, for example, some of these made various representations at United Nations hearings in an attempt to retard the increasing pressure for international economic sanctions on South Africa. Yet, for the most part, business is far too disorganized and fragmented to consistently act in concert, giving partial credibility to the government's claim that these bodies are "hotheads" operating without the active support from all of their member companies.

What this claim overlooks, however, is the consistent influence of core subscribers who have greater access to their operations through representation on governing bodies (such as Old Mutual having H. Groom as the president of ASSOCOM). These core subscribers are usually larger companies, such as those of this study, and bodies of industry typically take heed of suggestions from their local centres. But just as companies use chambers and foundations as platforms for public enunciations of their views on apartheid, they also receive information (in the form of newsletters, reports, conferences, workshops, etc.). This two-way process permits a cross-pollination of ideas which affects the production of business's discourse and hence what it will decide to do and how it will act.

It is important not to treat these strategies, these institutions, as absolute or static. They are enduring but nonetheless contingent effects of historical struggles found in local tactics. Thus the strategies and their links with local tactics are rather tenuous as is demonstrated by the changing cleavages and rifts which characterise them. For example, while the Chamber of Mines has historically acted on behalf of mining
companies, with poignant effects on labour issues, it seems to be experiencing major rivalry in its ranks. A recent example is the case where Anglo American agreed to some of the demands of the National Union of Mineworkers (NUM) at, "the cost of bitter conflict with some of its competitors" who are also members of the chamber. Bitter conflict, no doubt, makes strategies more unstable and places their perpetuation at risk.

If the links within strategies are tenuous, then so too are the links between strategies. Let us take the most important chambers in the manufacturing industry as an example. The Associated Chambers of Commerce (ASSOCOM), the South African Federated Chamber of Industries (FCI), the Afrikaanse Handelsinstituut (AHI), the Steel and Engineering Industries Federation of South Africa (SEIFSA) and the National African Federation of Chambers of Commerce (NAFCOC) are related to one another in different ways on a variety of levels. To start off with, it should be noted that many companies belong to a number of chambers and foundations simultaneously (which is not surprising given that they may have stakes across primary, secondary and tertiary sectors of industry) which may sometimes facilitate and sometimes retard relations.

ASSOCOM, the FCI and particularly NAFCOC, a major representative of black business people, are usually viewed as more ‘liberal’ in political orientation. These organizations have fairly close connections, especially ASSOCOM and the FCI. The latter is reportedly experiencing some difficulties retaining its memberships, no doubt, on account of its ‘liberal’ public profile. The AHI was formed in 1942 with the explicit intention of directing and coordinating Afrikaans business. Historically, it has supported the Nationalist Government’s policy of separate development and, some say, would have preferred to see this work. Lipton suggests that, "as the costs and
difficulties of this became apparent they were driven to oppose it" (1985, p180). However, it seems to me, the AHI and SEIFSA more inclined to making minor concessions with respect to apartheid; certainly, they are not substantially opposed to the government.

Nonetheless, in 1985 all of the above groups (together with the Urban Foundation) offered a joint statement calling for reforms concerning inter alia education, influx control, freehold rights, constitutional development, etc.. Thus, even though there are substantial differences between these groups which plague attempts at enduring unification, particularly with respect to political matters, they are able to coalesce in different alliances around specific issues. But the links are not typically enduring and even the close relationship between the FCI and ASSOCOM has not, as yet, resulted in a merger.

The local tactics of business also link up in various foundations, such as the Urban Foundation of South Africa, the South Africa Foundation, the Free Market Foundation, etc.. The Urban foundation is particularly important for our purposes here because all, but one, of the chairpeople of the above groups of companies are on the board of governors of this foundation. Like the other groups, it circulates information, coordinates conferences, lobbies on behalf of business, etc., but it also uses business's money for projects and operations that are less contentious (eg. housing development in the townships). Indeed, some feel that it represents "corporate charity" that may ease the consciences of donors and provide a public relations alibi for business as usual, without significantly contributing to the demise of apartheid.

All in all, capital's contacts with these various organizations through the local centres
are diverse and have differing impacts on the production of knowledge. If these links provide a means of occasionally amalgamating business lobbies, they also divide business into camps with differing patterns of thought on varying issues. In all cases though, the articulations not only assist and influence the collection of information, but also provide easily accessible forums in which discourse can be collectively reinforced. In addition, they serve as mechanisms by which the local centres can make public enunciations and thereby extend the discourse to wider audiences, locally and overseas. They allow the local centres to link up and form wider strategies, thereby extending the discourse further into the social network which, in turn, impinges upon and influences the discourse.

Let us turn to the second issue, namely, the connections local centres, and their wider strategies, have with institutions (strategies) which already exist in other areas of society. Perhaps most important here are the areas in the network referred to as the state. Like Milliband (1969), I use the term 'state' here to denote various institutions including the government, the police, the military, various other bureaucracies, etc., but unlike him, I see it as a terminal effect of power and knowledge relations. The state is not a repressive pyramid legitimated through the voluntary surrendering of certain powers and rights by its subjects. Nor is there an all-powerful king (or president) at the head: the Hobbesian leviathan is a myth. State centralization is not a natural fact of social existence, but a hard earned achievement; an achievement of countless and continuous power struggles at local levels. Just as we have identified local centres of power in the private sector, so it is possible to identify these in the state. In addition, the state's multifarious local centres give rise to strategies and hence its shifting institutional form.
If this is so, then an examination of the interaction between business and the government, one area of the state, takes a particular form: it does not view these as two institutional blocks which confront each other in simple one to one relations of collusion, symbiosis or opposition. Instead a multiplicity of collusions, overlaps, disjunctions, oppositions, manipulations, coercions and conflicts exist between the diverse local tactics of business and government and in the wider strategies that these produce. It is clearly beyond the scope of this endeavour to entertain any detailed analyses of these links; besides it is exceptionally difficult to gain access to many of these links which often materialize behind closed doors. Our task here is merely to point to various broad features that are important for the production of capital's discourse about apartheid. These may be divided into formal and informal associations.

An obvious formal connection exists in the execution of the rule of law. With the daunting means available to the government in its declared state of emergency, and its demonstrated readiness to make use of these, self-censorship at the local centres is a real possibility which, in turn, affects discourse. The recent case where President Botha accused C. Ball (managing director of Barclays National Bank) in parliament of furthering the aims of the African National Congress (ANC), what he terms "the enemy", seems to be a warning for, and an attempt to isolate, politically active and vocal business people. This is but one example of the battery of political and police weaponry which government employs in its attempt to structure the actions of business people at local centres.

The Good Hope meeting, the Carlton conference and the recent Pretoria summit in November 1986 are further examples of formal links between government and business. The extent to which these affect capital's discourse is difficult to ascertain, but the
government certainly does have some impact on certain business people's way of thinking in these meetings. With an air of frustrated disbelief, one interviewee voiced his concern over the fact that business people such as, "Clewlow (deputy chairperson of Barlow Rand) and Meyer Kahn (South African Breweries) came out starry-eyed after the Pretoria summit." For him, the co-option strategies of government (for instance, at the meeting, the government showed some video tapes of the ANC's leadership making anti-private enterprise statements) too often dupe business people and clearly highlights their political ineptitude.

This may be so, but in many cases it is expedient for companies not to incur the wrath of government because it provides some extremely lucrative contracts. For instance, Barlow Rand's industrial operations procure substantial benefits in this respect which, perhaps, partially explains Clewlow's willingness to expound the virtues of the Pretoria summit on national Television. At the same time, however, Barlow Rand's chairperson, Mike Rosholt, is an outspoken critic of certain apartheid policies who does not wish to alienate Africans from the private-enterprise system. This bifurcated posture of having a friend and a critic of the government on one board may seem contradictory, but it has a strategic logic of its own in a divided society.

Another on-going formal connection is the president's Economic Advisory Council (EAC) comprised of appointed business people who advise the president primarily on economic matters but sometimes also introduce political issues. At the various committee and sub-committee meetings, there is certainly a negotiation of reality where government positions are heard. In all these formal settings, it is clear that the scale is tipped in favour of input from agents of government: statutes emanate from parliament; the agenda and format of the summits is set and regulated by them; the issuing of contracts
is their prerogative; the appointment of members to the EAC is regulated by the
government. Hence, those businesses who elect to participate in these connections are,
at least, cooperating with the government, whether they realize it or not. After all,
their input in these settings can only be of the type that government finds acceptable;
if unacceptable forms are offered they are simply ignored or used against the individuals
responsible for them. Those who engage in such interactions are inadvertently
subscribing to government decree and thus tacitly giving support to the existing status
quo. While this gives weight to the charge that many businesses cooperate with the
government, and thereby help to perpetuate apartheid, it does not support the
contention that business controls the state.

The informal connections between business and government are numerous. The private
meetings, the telephone calls, the cocktail parties, the sporting alliances and even the
underhand bribes are all examples of the diverse points of contact between them. It is
here that business, on occasion, performs a lobby function on certain issues. The often
cited example of this is the role that the Urban Foundation played in the government’s
modifying Influx Control regulations. It is generally acknowledged that Afrikaner
business is more successful in securing the ear, if not always the will, of government.
Although extremely difficult to assess, these have their own peculiar ways of leaving
imprints on capital’s formation of knowledge, on its negotiation of reality.

Aside from those mentioned above, two features seem to prevail in both these formal
and informal contacts. First, the rapport between agents of business and government is
reasonably sound on matters which are perceived to fall within the realm of economics.
Interactions with government departments, like Industries and Commerce, are usually
regarded in a positive light suggesting that a genuine dialogue exists here. However,
most also regarded their dealings with cabinet ministers, especially on issues perceived
to be 'political', as somewhat futile. One interviewee informed me that invitations sent to "political" cabinet ministers (by which I understood those holding positions directly involved with the formulation or implementation of apartheid policy) to attend think-tanks, discussions, cocktail parties, etc., were usually turned down. Indeed, Rosholt confirms that after the Good Hope and Carlton conferences business has been able to contribute more to the "socio-economic" sphere of society but that it has, "had very much less influence on the government when it comes to political issues" (1985b, p6).

Even though the Botha government has taken a 'softer' line than the previous Voster government on this issue, business people nonetheless venture into 'political' matters with trepidation.

Perhaps this is why capital emphasizes the, "interdependence of economics and politics" (Relly, 1986): the economic dimensions provide some shelter should government pressure for dealing in 'politics' reach unbearable proportions. The Chris Ball affair and the various attacks on A. Bloom, are good examples of the kind of pressure that politically vocal business people are likely to receive. As one business person astutely observed, in Ball's case, the government used deliberate smear campaign techniques followed by, "the all to familiar technique of guilt by association...to isolate individuals who have been particularly outspoken in their political opinions" (M. Hofmeyr, 1987, p87).

Secondly, it appears that the links between Afrikaner capital and the predominantly Afrikaans government are more frequent and more amicable than is generally the case with their English counterparts. Even though the government may view Afrikaans capitalists as "...'fat cats' who don't like sharing", there is an underlying loyalty which still accepts them as important to the "volk" (P. Steyn, 1986). Thus, ethnicity and language seem to pull the social network tighter around Afrikaans capital and
government especially when compared with the more ‘liberal’ of the English capitalists. But it is important to stress that when dealing with political orientation, which is quite different from contact with government, many English and Afrikaans businesses are indistinguishable.

Local centres of business also have contact with other aspects of the state through tele-communications, transport services, etc. But there is a more insidious connection with the South African Defence Force (SADF) which is made all the more ominous because it is shrouded in official secrecy. Whether this connection is advanced enough to be labelled a ‘military-industrial complex’ is debatable, but as Frankel succinctly asserts,

"it is an undeniable and clearly visible fact that the tentative organization of the S.A. economy as a permanent or semi-permanent war footing has today stimulated a greater degree of political mingling between economic, military (and governmental) elites than any previous time in S.A. history" (1984, p79-80).

It is well known, for instance, that Barlow Rand seconded one of its executives to the Armaments Corporation (Armscor) to assist with improving its management structure. Moreover, a Defence Advisory Council was set up in 1980 as a forum for business and military leaders to discuss various issues. The thirteen original members of this council included senior executives of Anglo American, Barlow Rand, Sanlam and Anglovaal. The links between the SADF and the private sector are strengthened by the promise of financial benefits (and this is a very lucrative market in depressed times) and by certain laws which may force specific industries (an official secret) to supply the SADF, in the interests of national defence. No doubt, this also impinges on the discourse and may well account for capital’s readiness to detach Armscor from the rest of government and view it as working for the benefit of private enterprise.
Another important area of the social network which is increasingly impinging on local centres of business is the growth of (registered and unregistered) trade unions, mainly due to the increase in black membership. This is especially the case in primary (particularly mining, through the influence of The National Union of Mineworkers-NUM) and secondary industry (eg. The Metal and Allied Workers’ Union - MAWU); though, of course, the effects of union action spill across sectors of the economy. The formation of a new federation of thirty-five unions (the Congress of South African Trade Unions - COSATU) in 1985 is a significant consolidation of tactics which, together with the recent federation of the Council of Unions of South Africa (CUSA) and Azanian Congress of Trade Unions (AZACTU), demonstrates the increasing degree of worker organization in the labour relations field. As is usually the case, there is a certain distrust between labour and management, but in South Africa this is compounded by racial divisions in the wider society which are largely reflected in the collective bargaining situation: labour is mostly African and management mostly white.

Nonetheless, as B. Godsell (industrial relations consultant to Anglo American) states, "In fact, new power relationships between management and workers - black and white - have been institutionalized in significant parts of S.A. industry...Trade unions have created joint structures of wage bargaining, discipline and grievance handling, health and safety, pensions schemes among other issues. These new structures define black/white relationships in terms of power equivalence for the first time in S.A's history" (1986, p62).

This link with unions is important because it is a continuous way through which (particularly black) worker's views, unmediated by the patronage of management, are pushed onto the bargaining table. In addition, unions often bring political grievances
(like the presence of troops in the townships) directly to the collective bargaining table even if only in the form of 'hidden agendas'. This impinges quite significantly on capital's discourse on apartheid because it brings companies face-to-face with the grievances of people who bear the brunt of that system. For the most part, interviewees revealed a certain sympathy towards some political grievances of labour, but their response to these was mostly of the "there is little we can do about it" kind. Perhaps as the unions become more organized, and their strikes more effective (such as the NUM strike in August 1987), management will become increasingly more responsive to grievances and less willing to separate political from economic aspects of people's lives; but that is something to be decided by the future.

Numerous local centres of power also have considerable links with diverse academic institutions locally and abroad. Contacts with universities are encouraged mainly to further what capital regards as its own interests: the training of future generations; the use of academics to co-ordinate and summarise think-tanks (eg. "Project Free Enterprise" (1986)); funding research into areas which it thinks are important; etc.. In addition, universities are used as forums to get the message of their discourse across to wider audiences, particularly at overseas universities where many executives have delivered carefully worded speeches in the hope of redressing the tide of international opinion calling for sanctions and the isolation of South Africa from world markets. Academics are also paid to conduct research on selected topics and are chosen on the basis of their credibility amongst the business community, which often means those who share the corporate line.

So far then, I have attempted to outline a map in which company boardrooms and the public affairs departments were identified as significant local centres of power where
capital's knowledge on apartheid is created and sustained. The operation of power at these centres in the corporate setting were examined to show how thought and action is structured, i.e., to apprehend the limits in which the discourse is produced. These local centres also draw on, and are affected by, various institutions that exist in the wider society. They are partially assisted in their information gathering by foundations and chambers of industry, but also link up to form wider strategies and lobby groups through associations with these. As was suggested, the links within and between strategies are complex but they nonetheless serve to publicly disseminate discursive enunciations. Connections between local centres and other areas in the social network were also profiled and identified as areas for further research. The links with the state which appear to have the most impact on this discourse were identified as the military and (especially) the government. Here it was shown that despite some political differences, many businesses cooperate, even if unintentionally, with the government and that there is a particular closeness amongst Afrikaans capital and government. Due to the strength of government and the relative disorganization of business, the former makes a significant impact on the discourse of the latter. It was also shown that local centres have significant links with trade unions and universities.

No doubt, many other institutional links impinge on the local centres of power-knowledge, but my research suggested that the above were most important in the South African context. They clearly demonstrate the capillary-like operation of power through local centres which amalgamate, in different ways, to form features in the shifting topography of the social network. It is these features which constitute the limits in which business operates and produces its knowledge about apartheid. To the extent that these are sustained, the emergent knowledge will be relatively constant in its content; but equally, if these limits are transgressed then it is extremely probable that the
associated patterns of knowledge will be transformed. This, in turn, is likely to have significant effects on the circumscribing relational network. Let us now turn to the form and content of the knowledge emerging out of the limits described in this chapter.
NOTES ON CHAPTER 3.

1. This is reflected in many speeches, articles and reports. The next chapter will address this in more detail, but a brief look through the references will bear out the validity of this claim.


3. In his analysis, McGregor (1985) assumes that Barlow Rand is under the control of Old Mutual and hence he identifies six groups of companies rather than seven. Whilst this is certainly a plausible assumption, our purposes here are best served by viewing Barlow Rand independently because its contribution to the discourse is significant - perhaps more so than the less vocal Old Mutual group. D. Carte ("All Quiet on the Takeover Front", Sunday Times, October, 5th, 1986, p2) provides a more recent analysis of the anatomy of corporate spheres of influence.


5. These are all large subsidiary companies of the above groups and offered somewhat different perspectives on the nature of apartheid and capital's relation to it.


7. For extended examinations of this see inter alia: Lipton (1985), Greenberg (1982) and Yudelman (1983).

8. Lipton (1985) rightly separates these and shows their respective historical contributions and limitations.


10. The world views of the two groups are different to the extent that socialization adumbrates different visions of the world. Given separate systems of schooling, there are no doubt differences but these are often not irreconcilable. If in some cases language is an obstacle to promotion, then there are also cases where it is advantageous, e.g. consider the strategic ploy of appointing Afrikaans directors who have the ear of government.

11. The current promise of privatizing certain nationalized services is a graphic case in point regardless of whether or not this is another attempt at private sector co-option by government. See, for instance, Botha (1986).

12. Although job reservation legislation has largely been removed after the 1979 Wichahn Commission's recommendations, there are still many informal discriminations which a director of the Premier group, B. Lombard, points out. He argues that, "What really accentuates employment discrimination and limits the occupational advancement of non-whites is not what a particular labour law prohibits, but what the South African employer will not permit through its values, attitudes, custom and institutional practices so as to protect its dominant market position" (1984-1985, p67).
13. The effects of sexual domination seem to be experienced differently between racial groups as is discussed in - inter alia - Cock (1980) and Bernstein (1985).


15. The sexist attitudes in corporate boardrooms is referred to by Savage (1985, p29) and is clearly evident in the sexist language that exists even in purportedly liberating documents like the Federated Chamber of Industries' "Business Charter of Rights" (1986) which recurrently confers such rights on men (using ‘his’, ‘him’) without explicit reference to women.

16. Some companies have departments which perform similar functions but are labelled differently, eg., ‘Human Resources departments’. Others use existing departments (like Industrial Relations departments) to do this and still others rely on the input of outside agencies like the Urban Foundation.

17. Consult Honour and Mainwaring (1982) for a macro perspective on this and Mangham (1979) for some interesting case studies.


19. In a society, such as South Africa, with high unemployment and no welfare system, the loss of a job takes on serious proportions for individuals.

20. My analysis here is in large part a transposition of Foucault’s analysis and use of the concept, ‘discipline’ (1977a, pp135-228). It shares some common features with Weber's analysis of bureaucracy (see Gordon (1987)).


24. See Lipton (1985), Bozzoli (1981) and Greenberg (1980) for examinations of the historical roles of these different chambers.


26. O'Meara (1983) provides a particularly useful analysis of the AHI and its position in the promotion of Afrikaner capital accumulation.

27. For instance, Lipton (1985, p180) suggests they initially supported, "by limiting African numbers and skill advance in the metropolitan areas and decentralizing industry to the Bantustans..."

28. This lends credibility to the earlier caution of not overemphasizing the division between English and Afrikaans capital.
29. See "Kennedy is Pre-empted on Reform Call" in The Star, 8 January, 1985.

30. See, "Mergers", (Finance Week, 28 August - 3 September, 1986, p530) which points out that it is mostly the FCI who is against this and also makes the point that the outcome is likely to be decided by common core subscribers.

31. See Adam (forthcoming).

32. See Pasquino (1978), Foucault (1979), Smart (1983) and Walzer (1986) for more detailed examinations of this.


34. See, for instance, Rosholt (1986c).

35. See for instance the EAC's report to Pretoria Summit which asserts that, "Further progress in the field of political reform...is essential if business confidence is to be restored and, therefore, the country's economic achievements are to improve" ('Proposals of the Economic Advisory Council of the State President With Regard to Long Term Economic Strategy' 1986, p35).

36. See D. O'Meara (1983) for an analysis of the historical roots of this.

37. For example, Barclays, Premier Group, S.A. Permanent and perhaps some factions in Anglo American.

38. Grundy (1986) provides further insights into this connection.
CHAPTER 4
CAPITAL'S DISCOURSE ON APARTHEID

Discourse is comprised of many fragments of meaning which emerge out of local relations of power. Since the local centres which produce capital's discourse are dominated by white men with no first hand experience of every day apartheid oppression, the emergent meanings often have more to do with manipulations in corporate settings than with the context to which they are ostensively directed. It is thus important to keep company environments, as outlined in the previous chapter, firmly in mind when depicting the content of business's discourse on apartheid. It is also important to realise that discourse itself gives rise to further fields of knowledge and associated relations of power; it informs, supports and directs other relations of power-knowledge in society.

Many strands of knowledge run through capital's discourse like a moving delta which splits the common stream into many fragments, some connected, some separated, some in open contradiction and others simply unaware of each other. It is a difficult feature to map because its patterns are in a process of continual transformation. However, there are some central themes and issues which tend to draw diverse opinions around themselves. My depicting of capital's discourse on apartheid will focus on the following central themes: the nature of apartheid; the South African government; the form of social change; how change should occur; business's role in social change; and capital's political strategies.

THE NATURE OF APARTHEID

"Apartheid is dead, but the corpse stinks and must be buried and not embalmed."¹
Business seems united, and even vociferous, in its rejection of apartheid, declaring it a "tragic aberration" (Ball, 1986a, p12) or, at least, outdated and obsolescent. Yet it provides little by way of extensive examination of what apartheid actually is, especially as it exists today. If it is simply a rotting 'corpse', then where does one find it and how does one bury it? Following decomposing clues might be difficult since the 'corpse' is scattered throughout the social network; besides few white executives have the time or the inclination to leave the security of oak panelled offices for the dust of township existence where the raw flesh of apartheid is exposed. It is this which perhaps most accounts for the abstract nature of the discourse.

In general terms, business construes apartheid as a 'system' in which,

"racial segregation is not only socially condoned but also meticulously endorsed and institutionalized in a carefully constructed statutory network of discriminatory legislation..." (Bloom, 1985a, p132).

Here, white people are "in power" and impose their rule over a majority of others in a situation where resources, land, economic rewards, political rights, etc., are disproportionately allocated by, and in favour of, the whites. This white domination has persisted largely due to the transfer of individual rights to unequal group rights on the basis of race. In turn, it is said, this has facilitated the Afrikaner dream of the "separate development" of the races which is embodied particularly in statutes like The Population Registration Act, The Group Areas Act, the various Land acts, The Separate Amenities Act, etc..

Capital's discourse seems to hold a very narrow view of apartheid. It is held responsible for, "domestic unrest, consumer boycotts and external sanctions and pressures," which have, "seriously undermined local and international investment and business confidence"
In this way, it has created an unstable business environment described as a "paradox" in which a revolutionary social climate is superimposed upon a context where the state is neither threatened nor able to "normalise" the situation. In this narrow view, even the personal costs of apartheid are typically described in relation to company ethics. Little is spoken about the harshness, the misery, the squalor, the crime, the everyday obscenities that accompany ordinary life in the townships or squatter camps; much more is said about the "immorality", the "absurdity", of blacks in senior positions being forced, by virtue of the Group Areas Act of 1966, to reside in areas reserved for blacks when many white subordinates, who earn substantially lower salaries and in some cases have their mortgages approved by blacks, can live in the more affluent and prestigious white suburbs.

Indeed most of the people I interviewed raised this issue and its perceived importance is confirmed by the results of a study entitled "Project Free Enterprise" which showed a 100% agreement amongst managers to repeal the Act and leave market forces to regulate "voluntary integration." With the promotion of blacks to executive positions, apartheid is seen as interfering with the symmetry of the corporate reward system and its demands for meritocratic fairness; it is in conflict with the "colour-blindness" of market competition and the, "fundamental principles of private enterprise and the freedom of choice" (ASSOCOM, 1986, p2). At present, this issue is high on the agendas of many executives who feel the removal of this act is potentially important for boosting business confidence, defusing growing tensions and permitting 'proper' labour force policies.

However, the widespread support for lifting the act as it is applied to the economy is accompanied by less certainty about its removal in residential arenas. Some sections of
business fear that, "third world standards would invade and overwhelm first world residential areas." Others suggest that such "undesirable trends" could be overcome in "private law". Yet the very acknowledgement of this fear as a legitimate topic for discussion indicates an underlying racial arrogance which becomes clearer if one substitutes 'black' for 'third world' and 'white' for 'first world'; a move which brings certain covert meanings into prominence.

The separation of 'third' and 'first' worlds is prevalent in capital's discourse about apartheid and is transposed not only to residential matters but to other areas of society as well. For instance, J. Steyn refers to South Africa's, "peculiar mix of First and Third World cultures and economies" (1984-1985, p34). Could this be reflecting a view of apartheid informed by the discipline of economics? Perhaps; certainly it is a distinction extensively used in depictions of the inequalities of the economic situation in South Africa. The South African economy is often divided into 'First' and 'Third' World components. In some cases these are viewed as interdependent, but in others they are seen as separate. For instance, H. Groom suggests that the rates of change in these two components, "are out of phase and thus carry further possibilities for conflict" (1986b, p15). The solution to this conflict is thought to lie in the rapid development of significant aspects of the Third World component to achieve a predominantly First World economy in South Africa. It is incumbent on the First World component, which "provides most of the foreign earnings and wealth generated in South Africa" (Financial Mail, 1986, p36/37), to finance and assist with the development of the former.

In parenthesis, an underlying paternalism is evident in this distinction because the value and importance of the 'First World' is tacitly assumed along with the dependence of the 'Third World' upon it. Since most of capital's enunciations are made by people who
comfortably exist in the 'First World', it is perhaps not surprising that the discourse should evaluate and depict the South African context relative to the 'standards' of this world. But many of the 'Third World' dwellers do not share a belief in the value of the 'First World' nor do they see it as a goal for their 'development'. After all, there is a strong case to be made for not wanting to emulate 'First World' patterns of exploitation which have inflicted such misery on the lives of so many people. Indeed, in an interview with Sampson, E. Mafuna (a Johannesburg market-researcher) claims,

"In the early 'seventies most blacks were aspiring to be part of the first world. But after 1976 many of them felt they did not want to be part of an artificially enriched world: they preferred to be in the third world." (in Sampson, 1987, p116).

The drive towards a reconciliation, even if only in economic terms, of the two worlds seems to underline a fundamental belief that capitalism, properly understood, and apartheid are not at all compatible. The implication is that government is responsible for the emergence and perpetuation of apartheid which is primarily a political, rather than an economic, phenomenon. Indeed, D. Gordon (chairperson of Liberty Holdings) claims,

"The government's continuing pre-occupation with maintaining or modifying the unacceptable system of institutionalized racial discrimination and apartheid has made the ability of the business community to defend our position at home or abroad virtually impossible" (Weekly Mail, 1987, 3:5).

To grasp how business depicts this incompatibility, it is necessary to decipher its view of what capitalism, "properly understood", is.

Many business people equate capitalism with a free-enterprise system, emphasizing neo-classical principles which regard unmediated 'market forces' as the most effective means
of regulating an economy. In addition, many feel, "free enterprise has been proven the
world over to be the most efficient creator of wealth" (Groom, 1986b, p18) and that
there is an, "unbreakable connection between economic and political freedom, both of
which may be lost if the state unduly expands its role in society" (J. Steyn, 1985, p6).
As one interviewee put it, a laisser-faire policy demands no more than a "benign
neglect" on the part of the state in society. It should only be concerned with aspects of
society which the private sector cannot effectively cope with, or which are too costly
and are likely to bankrupt sectors, eg. education, policing, etc.. The free-enterprise
system is seen as 'natural', arising out of, and satisfying, natural dispositions in human
beings. This belief underlies assertions like the one made by T. Molete (Barclays) who
suggests that South Africa's black majority should, "develop their natural entrepreneurial
skills by acquiring basic business skills" (1986, p7).

However, unanimous agreement does not exist on this issue because some, particularly
the Afrikaans and the more 'liberal' English business people, feel - perhaps for different
reasons - that, "the free market system sometimes does not lead to the optimal
satisfaction of people's needs and their welfare" (F. du Plessis, 1986b, p17).10 The more
'liberal' positions suggest that in South Africa the values of Keynes and Friedman must
be rejected to ensure "economic survival" and that, "market forces and raw competition
must be moderated" to help the "previously prejudiced so they are finally able to
compete on an equal footing" (Tucker, 1986, p30). While these positions reject a neo-
conservative free-enterprise system, and see the need for state interference in the
economy, they nonetheless condone the existence of private enterprise in society. Yet
they do not necessarily agree on the type of private enterprise that should exist in
society: some see value in the larger corporations, while others regard the concentration
of wealth in a few corporate hands as, "neither desirable nor morally defensible" (S.
Motseunyane, President of NAFCOC, (1986a, p32).

Capitalism then, is viewed somewhat differently by different sections of business, but few would dispute that there is a fundamental incompatibility between capitalism and apartheid. Indeed most business people would agree with G. Relly who suggests two levels at which apartheid and capitalism are in conflict: first, apartheid, "restricts such fundamentals of the free-enterprise system as labour mobility, the ability to choose where to live and educate one's children, and participation in the country's political life" (1986c); and secondly, apartheid "has become an ethnic, quasi-socialist system of government pursued by an Afrikaner oligarchy not hitherto imbued with free-enterprise principles" (op cit). By incorporating centralised bureaucratic tendencies often found in socialist systems, the system of apartheid is perceived as flying in the face of a free private-enterprise system.

In the light of this, capital's discourse sees the growing numbers of blacks who are opting for a socialist system as representing a rejection of their present situation under apartheid and not as a direct attack on the private enterprise system. Indeed, it is said, if more blacks were given access to the fruits of this system in proper operation, and not in its warped South African form, they would undoubtedly accept it; many interviewees cited the case of other places in Africa, such as Tanzania, to support this contention. Indeed, for Parsons, "there was also a time...when the Afrikaner flirted with socialism, as he felt he was not getting a fair deal. But the Afrikaner soon saw the advantages of the private enterprise system as it then operated, and seized the opportunities offered by the system. We must grant the same to the Black man. The private enterprise system will only survive if it continually widens to include all population groups" (Finance Week, April 16-23, 1985, p6).11
It is now clearer why there is an urgency about talks of ‘developing’ the Third World component of the economy.

So far, capital’s discourse on apartheid seems to point to an incompatibility between itself and the present government, but the previous chapter noted that the rift is not so great as to preclude formal and informal links between them. This apparent contradiction remains unresolved in the discourse and indeed constitutes an astute political manoeuvre, even if unintended, which allows business to speak to multiple and conflicting audiences from one discourse. It is able to address anti-apartheid audiences (particularly abroad) by emphasizing certain aspects of the discourse and can equally emphasize other areas when speaking to the South African government. Perhaps to grasp the nub of this issue, it is best to examine capital’s perception of government.

**BUSINESS’S VIEW OF THE SOUTH AFRICAN GOVERNMENT**

The Business Day\(^\text{12}\) reports that,

"The once-cosy relationship between government and the business community, which probably reached its apogee immediately after the Carlton Conference, has steadily deteriorated since, to the point where business leaders now exhibit excessive cynicism about virtually everything the government does." ("Comment", 6th February, 1987)

As might be expected from the previous chapter, capital is divided in its perception of the government. For instance, the more ‘liberal’ of the English business leaders have a tendency to view themselves as "terrified" spectators of, "a head-on clash of wills between obstinate and repressive Afrikaner nationalism and increasingly violent black nationalism" (Bloom, 1986b). These leaders thus distance themselves from government and often attack its policies publicly through speeches, press statements or by contravening government policy and meeting with banned organizations like the ANC.\(^\text{13}\) The Chris
Ball affair is another example of the kind of hostility between certain sections of business and government.

Other business leaders too may be critical of certain government policies, but there is a large section - English and Afrikaans - who have some sympathy towards the government's position and are more willing to adopt a 'cooperative approach' when dealing with them. This is especially the case with Afrikaans business whose approach, "to South Africa's Afrikaner-dominated government is based on an underlying loyalty" (Weekly Mail, 31 October - 6 November, 1986, p13). The same article reports that, for instance, F. du Plessis was invited to join the group meeting with the ANC in Lusaka, but withdrew after the government expressed its disapproval.

The split in the perception of government here seems to coincide with a similar split in the power relations depicted in the previous chapter. However, business is also united in some of its perceptions; for example, there is a prevalent feeling that it is in the anomalous position of being politically 'left' of the government. The emphasis here though must be placed on the term 'politically' because, as Adam (forthcoming) correctly notes, while this might be the case with respect to certain apartheid measures, "business unanimously stands to the far right of Pretoria as far as 'free enterprise' and other neo-conservative economic policies are concerned." This explains the dominant view that the present government overregulates in all spheres of life: the social, economic and political.

In the social arena, the government is said to hold a strong belief in authority and does not hesitate to impose this on society - its "throttling control" of television and its authoritarian policing methods are often cited as cases in point. For most, and
especially the free-marketeers, government intervention in economics is deemed excessive, and very often inapposite or even destructive.¹⁶ Although many believe the government is sincere in its explicit commitment to the principles of free-enterprise, they still feel that, "all companies and individual entrepreneurs should be subject to less government control...what is called for is a disengagement by central government" (Rosholt, 1986a, p5).¹⁶

On the political front, there is general agreement that the reforms which the government have made so far are significant, albeit, "slow and grudging and implementation has often lagged well behind announcement" (Rosholt, 1985d, p11). Motseunyane goes further and suggests that the reason why the "obviously positive adjustments" made by the government are not accepted by black communities is that they are, "seen as belated attempts at restoring legitimate rights which were unjustly denied from Blacks in their own land of birth," and are, "totally inadequate at the present time" (1986a, p36). A number of business people recently called for accelerated reform at the Pretoria Summit in November 1986; even the politically reticent chairperson of Old Mutual, J. van der Horst, states that the basic message of business to government on reform is: "Hurry Up!" (1986, p14). Many are skeptical, however, of the government's stated intentions about disposing of apartheid.¹⁷

On more general issues, there is a feeling amongst the business community that the government is not coping with the present situation competently. In short, the government is seen as having a "major credibility problem" locally and abroad (FCI, 1986a. p11). It has merely responded reactively to local (and international) pressures and poor economic conditions with policies which, "were mostly of an ad hoc nature and consequently only served to exacerbate the mood of uncertainty among business leaders
and consumers" (du Plessis, 1986a, p2). This mood of uncertainty perhaps explains the urgency of the often repeated calls by most business leaders for an explicit "programme for tomorrow" (van der Horst, 1986, p8), and for, "a long term strategy for South Africa's political and economic future" (du Plessis, 1986a, p3).18

While many business leaders translate the ad hoc reactions of government as incompetence, Ball offers a rather more insightful position which recognises that, "Politicians operate by feel, with their antennae always turning and twisting, avoiding commitment and trading favours in an ever-changing environment. We businessmen are in the happy position of having relative stability within our organizations and the luxury of long term strategies and loyal people" (1986a, p12).

This is an important realization that few business people acknowledge, or if they do, they still continue to deal with government from a corporate perspective where the value of rationality and long term planning are taken for granted. Thus even though Z. de Beer realises that business and government operate "under different constitutions", he insists that capital's view is, "a more realistic, a less racist view than his politician cousin" (1986a, p3). Claims to realism and rationalism, though laudable in business and academic circles, do little to fundamentally shape government action. For the government, business's preoccupation with research and 'rational persuasion' must surely be seen as a 'soft' form of protest that can easily be manipulated.

Since business claims to reject apartheid and keeps calling for changes in society, it is quite feasible to expect the discourse to offer views on the ways in which society should change.
CHANGE IN SOCIETY

Capital's discourse deems it necessary to change the existing social network in an effort to quell local unrest and allay pressures from overseas investors, thereby ensuring a stable commercial environment. Although not all companies agree on the precise ways in which society should change, some central issues have emerged in the discourse around which diverse opinions and stances coalesce. For the most part, these issues are roughly partitioned into "socio-political" and "socio-economic" categories.

On the socio-political level, many feel that, "what is needed is an unequivocal commitment to a post-apartheid order that respects the rights and dignity of all South Africans, regardless of colour. A more just society will also be a more stable society" (Bloom, 1986a, p11). This desire for stability has prompted numerous calls for the removal of institutional and statutory manifestations of apartheid. Moreover, there is a strong feeling that the current state of emergency should be terminated and the country returned to the rule of law. Apart from statutory changes relating to apartheid, business also wants the law to include a Bill of Rights such as "The Business Charter of Social, Economic and Political Rights" drawn up by the FCI. These rights should be conferred on all South Africans, including 'citizens' of the various homelands which would require a return of "full and equal citizenship" to all those who previously lost their South African citizenship when their supposed 'homelands' were given independence by the South African government. In another attack on this homeland system, there have been repeated condemnations of, and calls for an end to, the forced removal of people from their places of residence at the whim of government.

Another change business would like to see in the South African setting is the introduction of a more effective education system. Although business has paid much
attention, by way of time, effort and money, to this issue, there is not much agreement on the form South African education should take. Some feel that it should be totally integrated under a single ministry while others reject total integration at this time. Perhaps, the FCI's diplomacy best sums up the sensitivity surrounding this issue in its general statement that business wants to progress "towards a system of education acceptable to all population groups" (1986a, p7).

While there is widespread agreement on the need for constitutional reform in the country, the envisaged form of such reform is much more contentious. Few would dispute Z. De Beer's assertion that the, "remedy for our political conflict is government by consent, achieved through democracy," but there is considerable confusion and disagreement on what 'democracy' actually amounts to (1986b, p4). There are various views: NAFCOC supports a one-person-one-vote system of government; others are more concerned with the protection of "minority rights," such as A. Rupert (chairperson of Rembrandt) who believes, "that the Swiss canton system with its maximum local autonomy is the most successful of its kind for a country with a multi-cultural population" (1986b, p14); still others reject one-person-one-vote in a Westminster kind of setting but are part of what Rely calls a, "growing enthusiasm for a federal constitutional framework to accommodate the demand for universal suffrage from one section of the population and concern about minority rights from the other" (1986b, p74), i.e., for a federal system which protects minority groups against domination.

These substantial disagreements on the form of constitutional reform are united around a central desire to change the existing structure of society to open up channels for direct black political expression and action. This, it is felt, will "confront the issue of politically motivated violence" (Rely, 1986a, p5). Most business people agree that this
would entail negotiating and dealing with credible black leaders, many of whom are imprisoned, banned, exiled or otherwise restricted. Thus the various calls to release certain political prisoners and unban organizations like the ANC.25

Apart from the previously mentioned withdrawal of government from the economy, business would like to see various changes in the socio-economic sphere. Mostly the changes are guided by a desire, from all sections of business, to counter a prevalent black worker perception that capitalism is an extension of apartheid; that it is the vehicle by which blacks are exploited for the benefit of white managers.26 In short, there is a desire to, "undo the view that capitalism and 'Apartheid' are two sides of the same coin" (Parsons, 1986b, p5). In an attempt to achieve this, business wants changes that will make the economy more acceptable to blacks and will co-opt as many blacks as possible into the private enterprise system. The motivation for co-optation is markedly assisted by another (quite different) realization, namely, that there simply are not enough white people to manage the economy. The advancement of blacks to fill managerial positions is thus deemed a necessity.

Business argues that the creation of a sizeable black "business (middle?) class" will go a long way in resolving this issue.27 Hence, the repeated calls for: black advancement in the companies to management levels; the development (informal or otherwise) of the 'Third World' component of the economy; the deregulation of small businesses; the opening of central business districts to all races; the further development of independent trade unions; etc.28 In addition, there is much support for the active development of small business and for improving the 'living conditions' of urban blacks (eg. through financing various housing projects, its recent lobbying efforts in the government decision to amend certain influx control measures, etc.).29
There is then, a definite acknowledgement of an urgent need to redistribute the economic wealth and rewards of South Africa to all race groups, not only for the benefit of whites. But many business people feel that the state should not be used as a "redistribution tool" within the limited existing size of the economy. As du Plessis puts it, a redistribution of wealth which, "takes place only out of existing wealth...can only be done through a coercive political system, ie. in all probability some form of neo-Marxist society" (1987, p4). Instead there is a push for the stimulation of economic growth to increase the size of the 'economic pie' which would facilitate a more equitable distribution of wealth without altering existing patterns of ownership. In other words, blacks can get bigger slices of the bigger economic pie without taking much away from what the whites presently have.\textsuperscript{50}

In addition to these wider changes, the discourse reflects a concern with the need to improve local conditions in company settings. Many business people view their companies as "microcosms" of the social whole and reason that changes in company environments would have "spill-over" effects on the wider society. Thus one increasingly finds more dedication to codes of employment practices which attempt, amongst other things, to facilitate: equal opportunities for all; equal payment for equal work; the provision of on the job training; the advancement of blacks to management levels; the removal of discrimination from the work place\textsuperscript{31}; etc. Project Free Enterprise (1986) and FCI (1986b) provide detailed models to assist companies with the effective implementation of such codes of conduct.

So far then, I have attempted to depict the nature of capital's rejection of apartheid, its position with respect to the government and profiled some social changes that it
views as important for a stable society. Yet we must address precisely how business
thinks such changes should occur.

SOCIAL CHANGE: REFORM OR REVOLUTION?

With an overwhelming endorsement of stability in society, by which the pursuit of profit
may persist relatively unhindered, it is not surprising that business should be
apprehensive about large-scale social change and the disruptive patterns which usually
accompany it. However recent events have convinced many business people that change
in South Africa is necessary if long-term stability is to be achieved. In the light of
this, most have adopted what they see as the least disruptive and most moderate or
rational form of fundamental social change: reform.32

Capital's discourse views reform as a way of bringing stability and growth to society by
reconciling different interest groups in order to bring about a consolidated "community
of interests". C. Mennel (of Anglovaal) summarises business perceptions rather well in
stating, "reform occurs only when changes are intentionally introduced or encouraged
with a view to moving society in a particular direction - reform is, in this sense, 'change
with a purpose" (1985, p9). This partially explains capital's continuous calls on
government to provide unequivocal and 'clear' statements of intent and its condemnation
of government's so-called ad hoc reactions. Even in periods of change, they feel actions
must be organised and orientated towards a goal so that unfavorable events can be dealt
with in a planned, rather than reactive, way.33 Thus reform is depicted not as a series
of ad hoc reactions to crises, a piecemeal deliverance of change, but as a planned,
coordinated and intended series of interventions directed towards clearly defined
objectives. (It is perhaps useful to note that this is an overt rejection of relations of
confrontation spoken of in chapter one and an open acceptance of more stable relations
of power to bring about social change).

If there is relative agreement on the nature of social change, then there is rather less agreement on the speed at which such reforms should be implemented: some feel it should be 'evolutionary' and perhaps a little faster than the government's present pace; others want more rapid and "fundamental" reform; finally, there are some who advocate a combination of rapid reforms and even some revolutionary measures to increase change. Clearly though, these distinctions are imprecise matters of degree and perhaps Lombard and du Pisanic best capture an overall feeling in business by defining reform as, "the fine art of moving fast enough to prevent a revolution to the left, but not so fast as to spark off a successful revolt to the right" (1985, p72). In other words, the emphasis is on stability in society rather than on an unwavering commitment to reform objectives. Perhaps this best explains M. Hofmeyr's concern about how quick business leaders are, "to speak out when things are going badly, but equally quick to lapse into silence when things are going well."34

In this discourse, political and economic reform are seen as intertwined. The former is regarded as being possible in South Africa only if significant economic growth occurs, which will require economic reform, to finance the costly process and to satisfy the rising black expectations which reform is likely to unleash.35 Given this, the private sector sees itself as, "the engine-room of the economy generating the growth needed to fund the social and political development of our country" (Ball, 1985, p4); by securing itself a position in the heart of reform, it further distances itself from apartheid. If this position appeals to the 'socially committed' amongst the business community, then it is also acceptable to those who are exclusively concerned with a quest for profits; after all, they can argue that they are assisting reform by generating wealth. Perhaps this is
why some leaders and corporate bodies so strongly advocate the active involvement of business in society through various social responsibility programmes.\textsuperscript{36}

In addition, many feel that political reform can only take place in the country once all credible leaders are brought around a negotiating table. A joint statement by AHI, ASSOCOM, NAFCOC and the Urban Foundation (1985) depicts the process of arriving at a situation where such negotiations can occur in the following way. First, a pre-negotiation phase (which the country is currently in) sets up a 'working agenda' through the input of credible leaders in various communities. Secondly, the government must permit an open agenda to be brought to the negotiating tables, and, finally, when essential agenda points are accepted by all credible leaders, negotiations can begin. For business, the main obstacle standing in the way of negotiation is the mutual fear and distrust of the "primary" negotiators: on the one hand, there is the profound distrust of black people as a result of their being deprived of "political participation, economic opportunity and social dignity"; on the other, many Whites fear that along the loss of their privileged position, they will lose "their high living standards and may even be subjected to reverse discrimination and oppression" (de Beer, 1986c, p9).

In its own way, business has thus identified problems with South African society, suggested ways in which it should change and even has a notion of the form change should take. One might plausibly ask: why is business so concerned with reform in society? Perhaps this is implicit in much of what has already been said, but, more explicitly, the reason for their concern is that they regard themselves as operating in a non-ideal business environment; an environment haunted by a "crisis in confidence", locally and internationally, which is depressing the economy.\textsuperscript{37} Business has had to cope with international sanctions, unstable labour and consumer markets, political hostilities,
a plunging rand, high burdens of tax, and many other unfavorable events which they see
as largely attributable to, "the perceived reluctance of the government to bring about
fundamental political reform" (G. Waddel, 1986, p9).

All this has tended to make business people aware that the serious problems in the
economy, which they feel poses a direct threat to the private enterprise way of life, are
in large measure attributable to political events. Thus, for them, economic and political
issues, "are now so interlinked that neither can be solved in isolation" (Rosholt, 1986a,
p5), and as a result,
"the stance of business in South Africa stems from both a sense of public responsibility
as well as enlightened self-interest. These twin factors at present focus on the deep
concern of business that violence is a threat to stability and of a fundamental
awareness of what is at stake for the private enterprise system" (Parsons, 1986b, p2).
It is primarily out of 'enlightened self-interest' that business explains its involvement in
the process of 'socio-political' and 'socio-economic' reform; which leaves the issue of
the precise role that it has carved for itself in this process outstanding.

THE ROLE THAT BUSINESS HAS ADOPTED IN REFORM

By and large, the role which business purports to have adopted in reform is perhaps
best depicted in dichotomous terms: on the one hand, capital sees its role in "micro"
contexts as highly significant; on the other, it sees itself as being able to make a
contribution, albeit limited, to "macro" and national issues. On the "micro" level, it
evokes the previously discussed "microcosm" analogy, i.e., that the company environment
is a microcosm of the wider society. Here, business executives recognise their central
role because not only do they shape policy decisions, but they also have
disproportionate access to the many techniques of power used in the corporate context
(see previous chapter). Many see this as a case of cleaning up one's own micro backyard, as it were, ridding it of discrimination and making it more acceptable to blacks, in an effort to expunge apartheid from the wider society. In this sense, the macro and micro contexts are linked together giving greater significance to micro involvements. Thus Project Free Enterprise deems it "essential" for business people to acknowledge their, "key role that must be fulfilled in order to ensure that the work force starts to perceive business as being a process which offers substantial benefits to the worker as the supplier of labour inputs" (1986, p16). As with so many points in this discourse, perhaps it is the emphasis on efficiency, two birds are killed with one stone: one simultaneously co-opts workers and engages in the process of reform!

On the macro level, business increasingly feels its, "ability to change national policies at the centre (of government) via direct pressure is not very substantial" (FCI, 1986b, p1). This applies particularly to political matters because it does have an input into macro-economic planning and policy formulation (via the EAC and summits such as the one held in Pretoria, etc.). In the "purely political environment", many feel that business is virtually impotent because it does not have any effective sanctions. Thus, on the political front business people see themselves as relatively insignificant actors: they are merely "catalysts" or "mediators" to facilitate the complex process of negotiation in which the "primary agents", credible leaders, must work out a political solution for the country.39 This is a widespread perception, though some take it further to suggest that business's, "objective must be to facilitate the black communities, which are the primary agents, speaking for themselves through credible structures" (Tucker, 1986, p30).

Business takes its catalytic role seriously and suggests that it has been thrown into prominence in South Africa because of the government's credibility problem amongst
many blacks. Political leaders who may be inclined to engage in discussions with
government are likely to be rejected as "stooges" (by association?) of apartheid. As an
"interested party", business feels it can alter the balance of forces at play in this
stalemate situation by catalyzing, "informal and private discussions going with the whole
spectrum of important political leaders in South Africa" (van Zyl, 1986b, p6). It would
become a rallying point around which the various negotiators could communicate. Of
course, this assumes that business is sufficiently credible to weather and alter the
climate of distrust which presently characterises the situation. A difficult task indeed,
especially since many of the 'credible black leaders' regard business as cohorts of the
'apartheid regime'. On the other side, the government views their call for negotiation
as, "the old superficial story: find a political solution between dusk and dawn and
Utopia will suddenly and magically arise" (P.W. Botha, 1986, p3). Moreover, depicting the
South African situation as a stalemate is perhaps inappropriate at this time because
various factions are confident of victory; a stalemate presupposes that all opponents
recognise being in a strategic deadlock, in a no-win situation.

Despite these difficulties business is still optimistic about its ability to facilitate
negotiations and regards its involvement with the trade union movement as not only
insightful into processes of negotiation, but also as an opportunity to identify black
(union) leaders. In addition, capital sees its access to cabinet members as important in
persuading government to negotiate. However, most realise the difficulties of this task
especially since neither of the parties involved appears willing to speak to the other.

POLITICAL TECHNIQUES OF BUSINESS

So, this discourse provides 'world-views' for business to approach the social context in
which it finds itself. Our working map has so far profiled some of the power-
knowledge relations of business in the production of its discourse about apartheid. Yet this discourse, in turn, offers frameworks in which further power relations may operate; relations which are significant in as much as they reflect capital's capacity to restructure the fields of actions of people who operate out of different discursive environments. In particular, we are concerned with the ways in which capital, on the basis of its discourse, attempts to structure the actions of those who perpetuate the shadow of apartheid in society.

Of course, this topic spans many areas of the social network, because business is entangled in it at many different levels. For instance, we have referred extensively to the corporate context where some sections of business are attempting to use existing structures to accommodate their reform measures through the utilization of models such as the one detailed in Project Free Enterprise (1986). For the purposes of analysis here though, let us turn specifically to the area which business largely blames for the existence of apartheid: the government. In particular, it might be useful to examine the techniques which capital employs in its attempt to structure the actions of government away from apartheid, as business views it, to adopt the changes that were outlined in its discourse.

With capital's prevalent perception of being unable to affect national policies through "pressure" at the centre, comes an ill defined string of tactics and few effective strategies to manipulate government actions. It is not only difficult to get business to agree on how to approach government, but it is also difficult to get them to act in concert. The recent confrontation between M Hofmeyr and R. Ackerman denotes a significant rift between those business people who prefer to publicly and openly confront the government and those who view "quiet diplomacy" or "behind the scenes
negotiation" as the most effective way of dealing with government. The confrontationists charge the latter with "naivete" because they are so often duped by the government's tactics in their negotiations. In interviews some even suggested that quiet diplomacy was simply a technique that best suited the collusive, or at least cooperative, relationship between some areas of business and government. It is perhaps revealing that the politically conservative sections of business are more inclined to adopt diplomatic techniques. As Tucker aptly asserts, "One wonders, for example, whether the extremely important FCI, AHI, ASSOCOM resolutions, and Project Free Enterprise conclusions, are even recognised, let alone reinforced in the process of direct interface between business leaders and government" (1986, p30).

Yet it is not clear if the technique of public denouncement, particularly as it is presently used by capital, is any more effective than quiet diplomacy in structuring government action. Perhaps this is because if public statements are to have maximum clout, they must be supported by some sanctions. Since business does not see itself as having any sanctions in the political sphere, the government can simply ignore the statements or use them as evidence for splitting the business community into 'moderates' and 'friends of the enemy' (as in the cases of C. Ball and A. Bloom).

Perhaps the most sophisticated technique that has been used by capital is one that draws on both of the above techniques. Agencies like ASSOCOM, FCI, AHI and the Urban Foundation appear to use this technique in more or less formal ways. One of the interviewees detailed a four dimensional model which has been used in attempts at structuring government actions. First, extensive research is conducted around a particular issue in an effort to 'out-research' one's opponent, in this case the
government. This would include the use of "scenario planning" whereby, in the words of another business person, an attempt is made to, "grasp the future and translate it back to real action that we should be taking now" (Relly, 1986c). Next, a process of lobbying, through quiet diplomacy, in formal or informal meetings, is used to place the issue on the government agenda. Thirdly, the issue is made public in as many ways as possible and leaders are 'educated' into viewing the problem and solution in a particular way. Finally, alternatives are presented to the government and a concerted attempt is made to persuade them to follow a desired course of action.

This model is clearly the most sophisticated political technology used by the private sector and is said to have been important in encouraging government to amend some of its influx control measures. However, this model is deficient in so far as it emphasizes rational research and assumes that because the present government is more "secular" than its predecessors, it will respond to the dictates of reason. Besides the multi-faceted nature of reason (after all, was apartheid not conceived via academic reason?), this ignores the all important constituency-based reactions of government which have little or nothing to do with reason. Perhaps this explains the growing perception of, "a declining responsiveness in the government to private sector lobbies" (J. Steyn, 1986c).

In addition, the model relies on concerted private sector action (especially in the final phase), yet it is not always easy to obtain consensus on issues, which seems to be a pre-requisite for concerted action. Indeed the fragmented nature of capital's discourse reflects the complex divisions within the community. Still, bodies like the Urban Foundation are perhaps correct in suggesting that private sector alliances are more effective in lobbying government and, "are far better equipped to sustain a prolonged reform initiative through to successful conclusion than any effort, no matter how well
intentioned or determined, which is undertaken by a single individual, company or association" (J. Steyn, 1986b, p4). Any coalition has to be issue-related since it is unlikely that amalgamations around wider issues can be effected or sustained for any length of time in a fragmented and disorganized business community.

Business has other techniques in its current arsenal, including, ignoring and breaking certain laws. For instance, many companies transgress the Group Areas Act by purchasing their black executives houses in white areas. Another technique is co-opting black political leaders and communities since, business reasons, mutual cooperation, "will provide both with increased leverage on government which hesitantly recognizes the fundamental fact that no constructive solutions to South Africa's problems can be achieved which do not enjoy the support and participation of black communities" (Steyn, 1987).

All in all though, the techniques of business are not very effective in structuring government actions relating to the perpetuation of apartheid as laid out in its discourse. Most of the changes that business would like to see in society have not been adequately addressed by government or, indeed, are not even on its agenda. Capital's own political techniques are vague and haphazardly implemented, something which blatantly contradicts its own prescriptions of organised reform. Its political ineptitude stems from the limits from which it deals with apartheid. Business operates out of a discourse which advocates political impotence to its leaders, a strand of knowledge which is no doubt connected to a certain trepidation concerning the government's aggressive use of sanctions against leaders who venture into the political field. The discourse also contends that business leaders are "interested", but impotent, parties in the process of reform. Perhaps this is better seen as an attempt to have the best of two worlds: one
which tries to avoid the anger and pressures of both government and black communities. Their political "impotence" is a self imposed myth produced out of the social limits created by power-knowledge relations. In the next chapter, I shall pursue possible avenues for the transgression of these limits in an attempt to pave the way for more effective political technologies.
NOTES ON CHAPTER 4.


2. R. Parsons, Chief Executive of ASSOCOM (1986a, p8).

3. An exception is perhaps Tucker's (S.A. Perm) attempt to view the world from "Another Man's Shoes" (1986, p28-30), though the human costs need to be examined in much more depth.

4. The study was conducted by the University of South Africa's (UNISA) School of Business Leadership in conjunction with over 620 managers of more than a 100 companies or bodies. This point is reiterated by Relly (chairperson of Anglo American) who feels that, "the decision as to which race group the land should be developed for should be left to the developer" (1986a, p8).


7. For instance, ASSOCOM (1986, p6).

8. Lombard's (1986) notion of 'inward industrialization' (essentially pulling oneself up by one's bootstraps) to assist Third World development in South Africa is positively viewed by many business people.

9. See also Rosholt, chairperson of Barlow Rand, (1986a, p5).

10. A. Rupert also rejects the view that corporate responsibility is best served by exclusively following the "profit motive" ("In Sickness and in Wealth", Financial Mail, 14th November, 1986)

11. While black business welcomes inclusion in the market, it resents the "paternalistic" references to following the Afrikaner in the economy. Du Plessis found this out when he explored the theme in a speech to a NAFCOC conference. (see Financial Mail, 11 July, 1986, p84)

12. A daily newspaper whose audience is primarily business people.

13. In 1985, G. Relly led a group of business leaders who met with the ANC in Lusaka. Since then Relly seems to have backtracked somewhat (see H. Adam (forthcoming)) but others in the delegation, like A. Bloom, have not. Even after government reprimands in parliament, and other sanctions, Bloom is adamant that negotiations with the ANC are essential (see "Bloom Unruffled by Botha's Remarks", Business Day, 6 February, 1987).

14. For example, see Z. De Beer (1986a and 1986c).


16. The government explicitly espoused its position to business people at the Carlton Conference. See Rosholt (1983, p6) for more on business's perception of this.
17. See Z. De Beer (S.A. Forum, 1986, 9:7-10). This theme was reiterated in many of my interviews.

18. It is interesting that in spite of various speeches (and indeed the economic summit in Pretoria) made by P. W. Botha which appear to spell out such programmes, the calls by business continue.


20. FCI (1986a, p7).

21. For instance, Rosholt (1985b, p6). All the points mentioned above are stated by various leaders in a variety of contexts, but they are synthesized in a joint press statement by AHI, ASSOCOM, Chamber of Mines, NAFCOC, FCI and SEIFSA on 14 March, 1985.

22. Motseunyane, 1986b, p66

23. This position is also advocated by Louw and Kendall (1986) and has been widely lauded in the business community.

24. For instance a report, FCI (1986c), by J. van Zyl (from the FCI) and an ASSOCOM commissioned report by J. Lombard and J. du Pisanic (1985)

25. Calls for the release of prisoners and negotiations with leaders includes: Motseunyane 1986a, p415); "There is a Better Way" Sunday Times, 29 September, 1985; a joint press release by AHI, ASSOCOM, Chamber of Mines, NAFCOC, FCI and SEIFSA on 14 March, 1985; Bloom (1986a, p10); etc.. "What Top Brass in Business Say About Unbanning the ANC" (The Star, 6 July, 1986) and Esterhuyse (1986, p118) gives some indication of just how much support unbanning the ANC has from business.


27. This class would also increase black 'buying power' and thus increase consumer markets. A joint statement by the AHI, ASSOCOM, NAFCOC, FCI and the UF explicitly deals with these issues (1985, p5).

28. In particular see Project Free Enterprise (1986), FCI (1986b), Rosholt (1985b, 1985c, 1985d) and perhaps most graphic is the enormous support that NAFCOC and the Small Business Development Corporation are recieving.


30. See Lombard (1985) for an extended discussion of this.


32. In some contexts the term 'transformation' is used instead, but this is more a ploy to avoid the negative political connotations associated with the word 'reform' (many blacks see it as an excuse for upholding the status quo) than a denotation of something substantially different.
33. See Rosholt (1985d, p3), du Plessis (1986a, p3), Bloom (1986a) and so on.


35. See Relly (1986c).

36. See Tucker (1985, p106), Hofmeyr (op cit), etc.

37. See J. van Zyl (1986a, p65) for more on this.

38. This is documented in most detail in FCI (1986b) and Project Free Enterprise (1986), but the issue is raised (partially, tacitly or otherwise) in numerous speeches, articles and was raised extensively in my interviews.

39. This common theme is found, inter alia, in: Groom (1986c, p10); FCI (1986a); van Zyl (1986b, p5-6); Relly (1986b, p69); Rosholt (1985d, p20); Parsons (1986b, p9) and Tucker (1986, p30).

40. See Rosholt (1985c, p7-8) and Groom (1986b, p16). It is perhaps revealing that Groom feels trade union leaders need to be "guided" (op cit) and that Rosholt should note, "and incidently, of union leaders, we in the private sector are attempting to convert to the cause of free enterprise" (1986c, p6).

41. "Big Business: Searching for Relevance?" in Weekly Mail, 1987, 3:15. Some, like ASSOCOM, seem to adopt a position which draws on both of these (Parsons, in Finance Week, 16-23 April, 1985).

42. See "This Man is an Upwardly Mobile Black", Sunday Times, 7 December, 1986, p3.
CHAPTER 5
CONCLUSION: TRANSGRESSING SOCIAL LIMITS

By way of synthesis, the preceding chapters have attempted to map out capital's discourse on apartheid. Initially a theoretical orientation which examined the centrality of power-knowledge relations in the formation and perpetuation of social arrangements was discussed. This was used to recast some aspects of an existing debate on the relationship between capital and apartheid in South Africa; in particular, to examine the relationship through an analysis of the power relations which produce capital's knowledge of apartheid (that is, its discourse on apartheid). The attempt to systematically analyze these fragmented webs of power and knowledge prompted an identification of local centres of power. Based on the previous theoretical model, the nature of power in these centres was examined in an effort to show how the limits of thought and action are created and maintained here. In addition, certain primary links between the local centres and outside institutions were profiled. Then the form and content of business's knowledge of apartheid were presented showing that the discourse gave rise to less than effective techniques for structuring political actions.

In offering a critique of this area in South Africa's social network, it is necessary to pragmatically assess the limits created and sustained by capital's discourse. Implicitly, and from our previous observations regarding epistemology (in chapter two), this critique is situated in the context of its own set of power-knowledge relations. It is a form of knowledge which presupposes power relations different from those that sustain the present form of apartheid; to wit, it assumes relations which do not recognize any truth in dividing bodies on the basis of skin colour (or culture, tradition, etc.) for the purpose of hierarchically situating them in a society. Indeed, it regards any such divisive practices as false and damaging to society. From this perspective, let us try to
establish the extent to which capital's self-imposed discursive limits actually contribute, inadvertently or not, to the existence and perpetuation of racial inequality in the social network.¹

Some sections of business, especially the more enlightened liberal companies, have been fairly critical of apartheid.² However, even in the context of their own companies many business people admit not having fully achieved desired changes on discriminatory attitudes and practices, particularly in more remote sections of their organizations.³ In addition, they have not been successful in ridding apartheid from other areas of the social network and, perhaps, this is a conspicuous result of the more or less subtle restraints imposed by their discourse.

To begin with, the discourse provides somewhat naive and simplistic versions of the complex operation of apartheid in society, and often from an exclusively economic point of view. This severely restricts the way it construes apartheid which, in turn, is reflected in its ineffective tactical responses. These fail, through omission, to address the widespread operation of apartheid effectively. For example, business, like government, is quick to allege the death of apartheid. This bold claim is easy to make from the comfort of privileged positions in society; but there would be little agreement from those imprisoned in the oppressive webs that this horrific system has spun. For the less literate person who is subject to the brutality of forced removals, for the bright-eyed children with nowhere to go, for the migrant labourers separated from kin, for the ‘citizens’ of ‘homelands’ held for immigration offenses, and many others, apartheid is very much alive. To wit, the anger, violence and frustration in many townships is astounding but not often captured, unless in detached abstraction, by capital’s discourse. The oversight is not innocuous because it has the effect of
construing apartheid in a way which does not adequately grasp the nature and extent of its operation in society. This, in turn, restricts capital's responses to the 'problem', facilitating an overestimation of government reforms and a misjudgment of the many weapons still remaining in the arsenal of apartheid.

If this highlights simplicity, then other areas of the discourse show how it depicts apartheid from an economic perspective. As was noted before, many business people identify the Group Areas Act as a key statutory area upholding apartheid because it impinges upon company reward ethics. While it is clearly important, there are also other, perhaps more fundamental acts (such as the Population Registration Act), which should not be ignored. This tendency to view apartheid as it impinges on economics, leads to an inadequate grasp of its operation in other areas of society.

Indeed capital's separation of politics and economics, while of debatable heuristic value, should be used cautiously: after all, is it not one of the absurdities underlying apartheid which separates individuals as labour units from other areas of their lives? By concentrating reform efforts on 'economics', some sections of capital are dangerously close to emulating this pattern. Perhaps it should be realized that economic co-option and reform, alone, will not satisfy the social and political aspirations of employees. These are all closely entwined facets in the lives of people and should be treated as such when strategically planning the demise of apartheid.

In the final analysis, even though the discourse claims to oppose apartheid, vociferously protesting its presence and repeatedly calling for its end, it seems to reside quite comfortably alongside racial separation in society. This alone is enough to raise suspicions because if a discourse, a set of power-knowledge relations, is purportedly in
opposition to aspects of its surrounding network, then it should have great difficulty existing with those. However, capital's discourse (for the most part) is not in any danger of being silenced by the government or other proponents of racial separation. On the contrary, there are many similarities in the ways that certain business people and government officials formulate and address issues and problems relating to apartheid. Indeed many of their solutions (such as reform) are similar, which suggests a definite transfusion of knowledge at various points of contact in power relations.

One of the areas in the discourse which mirrors patterns of thought closely associated with apartheid is the way many business people formulate the constitutional problem in South Africa. Like government, the problem is formulated around the participation of blacks "at the highest level" of the political process without omitting protection for "minority groups" (e.g., the whites) through consociational or federal means. Unfortunately the identification of groups, in addition to individuals, as fundamental political units runs the risk of emulating the group emphasis of the current apartheid system. Perhaps constitutional debates should focus on ways to ensure that all South Africans decide on their constitutional future rather than on ways for a minority to cling onto its present position in society.

There are also other examples of this close association. For instance, ASSOCOM acknowledges the fear, presumably of many whites, that without the Group Areas Act "third world standards" (mainly black) would invade "first world" (mainly white) residential areas. It even goes further to depict such trends as "undesirable", which clearly reflects a form of racial arrogance that lies close to the foundations of apartheid. This is again reflected in the way that many business people view the development of the South African economy. Despite indications of wanting to assimilate
the 'First World' and 'Third World' components, there is an overwhelming assumption that these be merged in a particular way: the Third World should be developed to the 'standards' of the First World. In other words, the Third World (blacks) must be educated and guided in their development to First World (white) standards. Like the old apartheid pattern, the whites are charged - under different auspices - with taking hold of the destiny of blacks in yet another display of patronizing arrogance; a blind disdain which fails to see the multitudes who are suspicious of, and perhaps who reject, the standards of the "First World". It is this arrogance which must be discarded before apartheid can be subdued into allowing all South Africans to decide on the future of their society.

In other areas, capital's discourse displays a remarkable sympathy towards the position of the government, often implying that the latter's 'programme of reform' is significant. At times, the reforms are even exaggerated; for example, ASSOCOM suggests the government's conditional offers of release to Nelson Mandela demonstrates that, in one sense, it has already, "publicly negotiated with the ANC" (1986a. p2). As purported opponents of apartheid, their tacit support is misplaced because the government is a primary proponent of racial segregation in society. It is more fitting for those concerned with human rights (as the FCI's "Business Charter" seems to suggest) to lay their sympathies elsewhere, perhaps with the millions of lives which continue to be undermined, frustrated, degraded, ruined or simply lost through the policies of government. If this is so, then surely business should side less with the government and begin contributing more to the those political forces actively committed to expunging apartheid from the social network.

Furthermore, business's concern with stability and its emphasis on planned reform, even
if unintentionally, has the net effect of giving apartheid room to breath. It should take
greater heed of Z. de Beer's assertion that, "Gradual, comfortable change is no longer
among South Africa's options," if it is to avoid a greater disaster than has already
occurred (1986b, p4). In addition, social change cannot be made to follow rational paths
laid out in reform programmes, as if it were entirely possible to predict its course.
Change in society is simultaneously much more complex and less rigid because of the
ubiquity of unintended consequences of action. Capital's strategic planning then, if it is
to be effective, must take account of the contingency of society, which requires an on-
going monitoring of the situation to facilitate and allow spontaneous responses. The
sooner capital's discourse begins to embrace this the quicker it is likely to have a
greater impact on apartheid.

Perhaps though, it is expedient for many to believe otherwise since this provides a
shelter out of the firing range of government and offers them a secluded area in which
to continue making profits. It might also explain capital's belief in its political
impotence. At present, political detachment of this kind may be expedient as a public
relations exercise because it allows business to scorn apartheid without being involved
in potentially damaging political struggles. However, it also permits apartheid to persist
relatively unhindered and, in the long run, will give credibility to the theories which
align large sections of business with apartheid. Perhaps business would do well to
remember that today's seclusion is tomorrow's line of fire in a changing social
environment. Consequently, it is important that capital discard the notion of relative
impotence in the political sphere and begin to involve itself more effectively in the
political arena.

In parenthesis, the relationship between capital and apartheid is thus much less
sophisticated than many theorists have argued. Business is far too fragmented to permit neat relations of correspondence between sectors of industry, ethnic affiliation or the type of economic growth and involvement with apartheid. It seems to be more a matter of the political persuasion which individual companies adopt. These are not simply matters of opinion, but are fundamentally restricted and produced by the limits which discourse inscribes around business people. In short, company persuasions are moulded out of discursive frameworks which impart particular views of the world and this informs their approach to apartheid.

Although more examples could be found, those presented above sufficiently demonstrate the point being made here: by overlooking important aspects of the present operation of apartheid, by construing problems in ways similar to proponents of apartheid, by sympathizing with government and the notion of planned reform and by holding on to the notion that business is politically impotent, much of capital's discourse is able to rest, relatively unaffected, in the shade of apartheid. Although local (e.g., boycotts, trade union activities, etc.) and international pressures have made many capitalists aware of the costs of apartheid, these have not been sufficient, as yet, to initiate more active and effective opposition from larger sections of the business community.

So, a rather curious situation exists where capital's discourse is clearly anti-apartheid in some of its content, yet other aspects are quite compatible with racial separation in society. As Adam (forthcoming) observes, "South African business operates in an eclectic fools paradise", a paradise that stalls on socio-political engagement at its own peril. Yet capital's appraisal of the current situation in South Africa renders it unable to effectively manipulate and structure actions in political arenas. As a result, business strategies designed to rid the social network of apartheid are mostly ineffective. It has
failed to develop effective political tools, political technologies which could be used to structure actions in the wider social network away from the discriminatory practices of apartheid. What is needed for planning effective tactical and strategic actions is a comprehensive and accurate map of the field in which one is operating.

Business is remarkably adept in doing such groundwork for business ventures, but fails to transpose this logic when approaching apartheid. I would suggest that its political ineptitude, its self-imposed impotence, is a direct product of the limits in which business thinks and acts. Since these limits are created and sustained by power-knowledge relations, by discourse, it is these which must be changed before business can be more effective. The limits imposed by discourse must be transgressed, transcended, so that more effective tactics and strategies can be unleashed and directed at the ubiquitous operation of apartheid in society. This is best accomplished through sustained changes to the existing power relations out of which current knowledge about apartheid is produced; in other words, changes must be brought to the local centres of power-knowledge. The forms of change here are largely context-specific, with different companies requiring different changes at various levels. While this thesis has identified some broad limits in which business operates it is necessary to assess, on an on-going contextual basis, particular ways in which these can or should be transgressed.

Nonetheless, it is possible to point to general areas which must be altered. To begin with, the manner in which power is exercised in company settings was seen to foster analyses which do not stray too far from corporate lines. Here the exercise of power could be altered to encourage receptivity to different perspectives by placing the emphasis of public affairs research on accurate and sensitive monitoring of a demarcated strategic field, rather than on loyalty to an underlying company line (which presently
seems to be the case). The flexibility of 'discipline' in corporate environments should facilitate this task. Just as it is used to structure actions in the production of current forms of knowledge, it could be used to encourage accurate reconnaissance. (For example, rewards could be directed at reports and suggestions on the basis of their effectiveness in structuring actions in, say, the political sphere irrespective of whether they follow corporate lines or not). At this stage, the problem is getting company executives to agree that such changes are needed, and this may require the rather more difficult task of modifying the current domination of white men in executive positions.

The local centres should also be more selective in rallying behind lobby-groups, concentrating their efforts on those that are likely to be most effective. Alliances can be extremely important political tools assuming, of course, that they focus their attacks in a concerted way. Those alliances which are not sufficiently focussed, usually because they are held together by the fragile threads of extreme compromise, are often ineffective. For instance, the previously referred to statement of the FCI demanding an education system which is "acceptable to all population groups" is hardly likely to have any impact on the government since the latter accepts this anyway (1986a, p7). Local centres should ensure that concerted action is incisive and focussed on specific issues, even if this means that the size of the coalition is numerically reduced. In this respect NAFCOC, which has fewer political cleavages to contend with than the larger bodies and foundations, could initially provide a useful rallying point for effective action.

If there is room for change in the local centres and in the ways that these link up, then the form of the institutional links which business has with wider society can also be substantially altered. In particular, acquiescence in government interactions must be replaced with strategic contacts. This implies an effective grasp of the tactical field in
which government operates, and also means that business must acknowledge its substantial clout in political spheres. After all, it is a major financier of the apartheid edifice through taxes. While many business people do not view withholding tax as a viable strategy (because they fear government sequestration), there are other ways to avoid paying for apartheid. For instance, they can redistribute money that would have been paid in taxes to wages. Not only would this assist the redistribution of wealth in society (a social change deemed necessary by the discourse), but would have the added effect of withdrawing funding for the perpetuation of apartheid.

Besides this, there are numerous other ways in which capital can exercise its social muscle to counter the present trend of 'cooperating' with government. It is time for individual companies to develop effective political strategies that will permit them to manipulate and structure government actions more than is presently the case. In some instances this will mean a total withdrawal of services or a limiting of contacts, etc. In others it will mean more enlightened contacts, but in all cases it will mean that current support for government actions which endorse and perpetuate apartheid must be withdrawn. As Innes points out, "all examples of employer behaviour show that about 90% of business sides with government against unions. For instance, employers have not paid proper wages to detained workers, but they are paying conscripts." This is a situation which must be altered if business is committed to the removal of apartheid.

The relations between trade unions and companies is another area where power relations could be altered. Although companies often balk at the idea, local centres could form closer alliances with trade unions around political issues. Perhaps, as a starting point, they could work together against government infringements of existing industrial relations mechanisms, such as, the continual detentions of union leaders. It is, however,
particularly distressing that so few business people gave support to COSATU when the police recently blockaded their offices in Johannesburg. That large (purportedly 'enlightened') companies, such as Anglo-American, could stand back and watch the fiasco (only venturing to offer an enervated statement weeks later) serves to confirm, especially in the eyes of many workers, the view that apartheid and capitalism are inter-related. Indeed, the national organizer of MAWU, Dr. Fanaroff is of the opinion that,

"Both business and the present political rulers would like to maintain the present system where a small minority is extremely wealthy while the rest of the people are extremely poor" ('Big business in the Dock', The Star, 6 October, 1986)

Despite their different views, both business and unions claim to want to rid the society of apartheid. If this is so, then they have a cause that is *prima facia* common to them both. Indeed, this cause is likely to be more effectively dealt with if they operate in tandem because, as a combined force, they have more clout in the political arena. However, given the tensions usually associated with management/union relations, alliances between them would probably be most successful outside of the collective bargaining situation. For instance, public affairs officers not directly involved in union negotiations could meet with union officials or committees from umbrella organizations (such as, COSATU) to establish effective channels of information. This, in turn, could pave the way for strategic alliances on specific issues. A nexus of this sort would allow companies and unions to meet on relatively neutral territory to discuss issues common to them both. In this way, capital's discourse can be expanded to improve its understanding of the effects of apartheid, and of its own practices, on its workers. It will also allow a more effective way of coping with the legitimate political demands which unions are presently voicing.
Capital should also extend its links with black communities. At present links of this kind are primarily focussed around financing and administering projects. While certain of these are useful, they should only be supported if they are accepted, on an on-going basis, by the resident communities and if they are not guilty of perpetuating racial separation in society. Perhaps more important for their discourse though, the local centres should set up formal relations with community leaders in an effort to obtain an on-going flow of information into public affairs departments. The presence of black researchers in public affairs departments (who are also subject to corporate discipline), is no substitute for proper connections with communities. The nature of such links would differ from situation to situation, and may entail establishing links of communication, perhaps on a consultancy basis, with community research agencies, local township journalists and political organizations (such as the UDF, etc.). This does not mean that business must align itself with certain parties, though in some cases it might be politically expedient to do so, but it should use them to open further channels of information to refine its strategic map of current trends in all areas of the country.

If these changes are made to power relations at the local centres where business produces its knowledge of apartheid, then substantial differences to the form and content of that knowledge can be expected. In short, capital's present limits would be transgressed to produce a discourse which has an informed grasp of the social network and which has more effective political technologies to achieve political aims. It might also begin to erode the current emphasis on preserving the free-market system at all costs; after all, it is not only the political system which is under attack. Many people are discontented in all areas of their lives, particularly with the effects of economic exploitation.
In conclusion, large-scale social transformations are rooted in local-level transgressions of existing limits. It is a dream of some areas in social science to think that grandiose revolutions can rapidly change a society, and moreover that it is possible to predict its eventual form. No, it is the ceaseless reflection and transgression of limits at various levels in society which ensure social change at varying and unpredictable rates; the terminal forms themselves are constantly changing and in directions that we can never absolutely predict. Even so, the South African sun does seems to be setting amidst the dark shadows of exploitation and racial denigration, but we are all aware of the ambivalence of a sun sitting on the horizon: sunsets and sunrises are remarkably similar. And it all depends on whether human agents will allow the light of day to slip further into the dark night of civil war or whether they can raise the sun, through effective struggle, to cast its warmth onto the open veld of a post-apartheid society!
NOTES ON CHAPTER 5

1. The following assessment is not intended as a comprehensive account of the links between capital's discourse and the presence of apartheid, it is merely intended to offer possible directions for further research, possibly by individual companies who might wish to reassess their own positions in society.


3. Most of the people that I interviewed noted this and B. Lombard (1984-1985) provides a useful discussion of this.

4. This is a particularly contradictory position for those who advocate less regulation by government in society.

5. See ASSOCOM (1986, p3).

6. For instance, see Rosholt (1986a, p4), Relly (1986a, p3), Steyn (1986a, p5), etc..

7. Perhaps the example set by Bloom and Ball, who have drawn the fire of government because of certain political actions, has made many companies shy away from political involvement.


9. This is a point which is discussed in more detail in Adam and Moodley (1986).
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