

WHITE MONOPOLY CAPITAL: ITS IDEOLOGICAL AND HISTORICAL DEFICIENCY

By Luntu Sokutu

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In this critical assessment of white monopoly capital the author dismisses the use of the phrase as deficient and ideologically flawed. He contends that it does nothing to advance the national democratic revolution pronounced by the African National Congress.

A strange phenomenon has arisen within the national liberation movement, where some within our ranks seek to sow ideological confusion with the aim of distorting our historical and present reality. The consequence is that in the construction of revolutionary theory – which sees society as a



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dynamic, contradictory, and changing process – incorrect tactics meant to advance our strategic objective will be embraced. This will favour the parasitic network that seeks to use the African National Congress (ANC) as a direct route to looting the state.

This group of individuals understood three principles which the neoliberal project grasped in order to advance their narrow agenda: weaken the capacity of the ANC as a national liberation movement and a centre of power and decision-making; fragment the Alliance; and redefine the content of our national democratic revolution (NDR).

There are glaring similarities between the 1996 'neoliberal project' and the rent-seeking parasitic network. The difference between the two are the methods employed. At the core of the methods used by the rent-seeking parasitic network is corporate capture of the organisation, through the use of money and patronage, in order to subvert or influence the democratic practices of the organisation.

This article will focus on the efforts of this organised network to distort the content of our NDR in order to advance

their narrow ends of looting the state. It will explain the concept of ‘capital’ as a productive force in South Africa, and how as a result of our colonial and apartheid past, it developed as a strategic opponent of the revolution. The article will then provide a critique on the concept itself – white monopoly capital – and illustrate, through explaining the content of our NDR, why white monopoly capital cannot be a principal opponent of the revolution. It will lastly conclude that the phrase ‘white monopoly capital’ is ideologically and historically deficient, and used by those who seek to sow ideological confusion in their efforts to distort the content of our NDR.

CAPITAL AS A PRODUCTIVE FORCE IN THE SOUTH AFRICAN CONTEXT

Capital is a factor in the process of production in previous and present societies. As Karl Marx and Frederick Engels explained in the Communist Manifesto, “Capital is a collective product, and only by the united action of many members, nay, in the last resort, only by the united action of all members of society, can it be set in motion”. They go on to explain that it is therefore not only a personal but also a social power. Of course, in the process, capitalism reasserts its dominance in society, and in the context of an evolving and changing process of production, this classical condition of the motion of capital may alter, but this is not the point. The point is to explain the essence of capital whose character is defined fundamentally in relation to the mode of production, and to some extent the political order in each society.

In South Africa, capital as a productive force developed three main identities, namely: private foreign multinationals,



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local monopoly and oligopoly capital, and the non-monopoly sector. Local monopoly and oligopoly capital in South Africa is dominated by a white section of the population in relation to ownership and control. These three identities developed as a result of the historical mode of production (capitalism), and colonialism of a special type.

In our characterisation of the South African situation as colonialism of a special type, we have always understood that capitalism in South Africa did not develop organically, but through colonial and imperialist control of, for instance, extraction of raw materials for processing and sale in the imperialist core. This dominance of

foreign capital continues in our current economic situation.

A CRITIQUE OF THE CONCEPT OF WHITE MONOPOLY CAPITAL

The selective description of the racial character of capital in terms of the ownership and control of the South African economy is a deliberate focus on one historical consequence of racial oppression, and a disregard of the essence of South African capital which many analysts have called super-exploitation.

The monopoly character of our economy, particularly its concentration in a few white hands, is a legacy of colonialism and apartheid. Despite attempts to deracialise the economy through the narrow Black Economic Empowerment (BEE) programme and its successor programme, Broad-Based Black Economic Empowerment (BBBEE), the dominance of a white section in the economy remained unchanged.

However, the deliberate focus on racial dominance does not take into account the male dominant ownership patterns of the South African economy which are a result of patriarchal relations of power. In other words, it is canvassed by those who have no problem with the monopoly and oligopoly structure of capital as a productive force, but have a problem with who it is that occupies the boardroom, in this case a minority section of the white community. The use of the term ‘white minority section’ is deliberate. This term encapsulates the enormity of wealth, influence and power that only a fractional proportion of the white population holds.

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control and ownership of the economy to the entire white population is hardly accurate. The owners of wealth are largely drawn from the same fraction linked by family, current or past political affiliation or connections, church, school old boys networks, golf and country club memberships and so on.

The Oppenheimers and Ruperts are family dynasties; Naspers and Sanlam are Broederbond/National Party products. Both have little in common with Jan van de Merwe or John Smith who work as artisans at a mine or railways workshop, or Susie van der Walt or Joan Brown who are shop assistants at Hemingways Mall. Even whites who own/run their own businesses (small and medium), seldom enjoy monopoly status – they too are subservient to the monopolies. All these whites (those who are workers and those with some capital who nonetheless suffer at the hands of monopoly capital) objectively can benefit from a democratic initiative to break the monopoly character of capital.

Another problem is that the white monopoly capital concept tends to restrict analysis within South Africa's reality, history and borders. Proponents of white monopoly capital deliberately turn the focus away from the international character of monopoly capital, thus avoiding the encounter with globalisation and the neo-liberal paradigm. For example, the international listing/relocation of Old Mutual and Anglo-American; the domination of South Africa's steel industry by Arcelor-Mittal; the Australian-based global aluminium giant Billiton, and its favourable apartheid-era cut-price electricity agreements with Eskom are all brushed under the carpet.

These are some of the limitations of the concept for describing our reality, and it would therefore be a strategic and revolutionary error to base our



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theory on an inadequate concept such as white monopoly capital. White monopoly capital as a 'phenomenon' cannot be the strategic opponent of our revolution. Perhaps an important exercise to further illuminate this point is to remind ourselves about the content of our NDR; what is it that the NDR seeks to achieve?

CONTENT OF OUR NDR

In its Strategy and Tactics programme, the ANC has always articulated the objective of the NDR as the resolution of the three primary contradictions in South Africa: racial oppression, class-super exploitation, and patriarchal relations of power.

The 'N' in the NDR is the struggle to overcome national oppression, and ensure nation building and national sovereignty. It is not a struggle for cosmetic nation building, but a struggle to undo the racial injustices of our colonial and apartheid past, to create a united South Africa.

The dominance of transnational firms in the market threatens our national sovereignty. We have witnessed this through the vulnerability of our economy to international rating agencies and speculative investment camouflaged as investor confidence, which are opposed to state-led development.

The struggle to overcome national oppression is not merely about ensuring political and social rights,

but also about addressing the socio-economic bondages of Black people in general, and Africans in particular.

The 'D' in the NDR is the struggle to overcome illegitimate minority rule through democratising key levers of the state and the economy, and the struggle to change patriarchal relations of power. The struggle to democratise the economy is to fight against the monopoly and oligopoly structure of the economy in all forms. It includes, for example, the transformation of the financial services sector through forms of state ownership, co-operative banks and financial institutions. It includes capacitating the public service to be able to deliver services to the people and the 'de-tenderisation' of the state.

White monopoly capital as a theoretical and strategic construct ignores the historical need to transform gender relations in the economy. It is a deliberate effort to focus on the racial character of monopoly capital in order to employ tactics (and consequently policies) that only seek to reverse the white dominance in the ownership structure of capital and do nothing about male dominance. It is not about addressing the preponderance of women workers in vulnerable occupations such as domestic and reproductive work and the small, medium and micro-sized businesses such as street vendors.

The 'R' in the NDR defines the character of our revolution, which remains the fundamental restructuring of society. This is not the objective of the promoters of white monopoly capital as a strategic enemy of the revolution, since they have no interest whatsoever in transforming the essence, ethos and values of the boardroom, but are rather seeking a seat at the dinner table.

When we portray white monopoly capital as the main adversary of the revolution, the result is that we may seek to replace what we perceive to be

the enemy and neglect the essence of that which needs to be transformed.

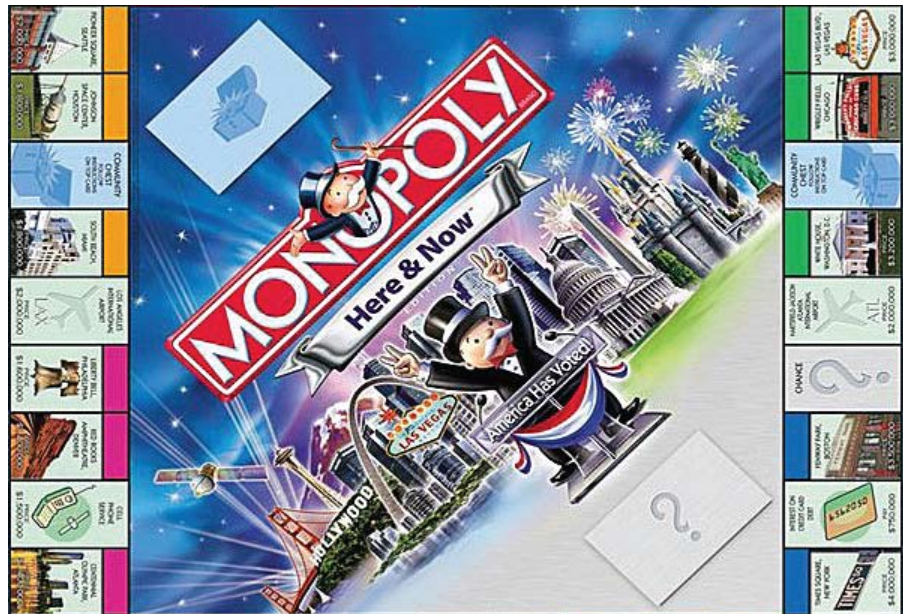
Apartheid and capitalism were mutually reinforcing as political and economic levers for dominance over, and super-exploitation of, the Black majority as cheap labour for profit maximisation. The intent and purpose were to oppress and exclude Blacks from political and economic participation. Therefore, the historical grievance against socio-economic exclusion remains outstanding in the democratic dispensation and a thorough transformation of the structural and systemic features to make the economy serve the poor majority remains the strategic objective.

CONCLUSION

Capital in the hands of private ownership, whether White, Indian, Chinese or African, exploits in order to maximise profits and reinforces the apartheid model of uneven development. Capital in the hands of the collective, or when it is democratised, is developmental, progressive and responds to the socio-economic problems faced by our society. It seeks to advance our NDR.

White monopoly capital is an historically and ideologically flawed concept. Historically, because it ignores the other categories of our national oppression, and ideologically because it presents a monolithic identity of capital, which we have shown to be composed of private, foreign capital (transnational corporations), local monopoly and oligopoly capital, and the non-monopoly sector.

White monopoly capital is not a coherent position on the current challenges of the NDR and class struggle in South Africa, nor is it applicable to SADC relations, to globalisation and internationalism, on Africa-China relations, or any of the questions of bi- and multi-lateralism such as reform of the UN, the World Bank, IMF and WTO, or on ecology and



the environment. It instead narrows its focus to what seems like mere resentment of historically-derived white privilege over domestic capital.

It is a concept invoked by a rent-seeking parasitic network whose objective is to distort the content of our NDR in order to advance their agenda of looting the state. This network does so by forcing us to push out the white community from the ownership and control of the economy, and replace them with a ‘new Black elite’, with no real aim of transforming capital and the mode of production in which it thrives. Their agenda has nothing to do with the struggle to democratise the economy and change



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gender relations. There is nothing revolutionary or militant about their slogan which borders on the backward racial chauvinism that the Morogoro conference dismissed.

In his address titled ‘The Weapon of Theory’ Amílcar Cabral explained that “the development of a phenomenon in a movement, whatever its external appearance, depends mainly on its internal characteristics”. He goes on to describe the ideological deficiency within national liberation movements, which he argues “is basically due to the ignorance of the historical reality which these movements claim to transform – and constitutes one of the greatest weaknesses of our struggle against imperialism, if not the greatest weakness of all.”

The onus is therefore upon those who accept the NDR as the theory of our struggle, to defend its gains against those who wish to distort its content, deliberately and as a result of their ignorance of the historical reality of South Africa. Dismantling the monopoly character of the economy remains an urgent necessity, one which requires political will, as well as ideological and strategic consistency to implement. [NA](#)