Capitalist Agriculture and the State
1924-48

William Finlay

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Introduction:

The significance of the rural constituency in the National Party's (NP) election victory of 1948 is beyond doubt; thus Heard (1974) points out that it was in the Cape and Transvaal rural areas that the United Party (UP) was defeated most decisively in 1948, with the number of NP seats in those areas rising from 27 in 1943, to 44 in 1948. In order to appreciate the importance and implications of this election, it is necessary to place it in correct theoretical perspective. In this case it involves making the distinction between the "political scene", which concerns the parliamentary activities of political parties, and political practice, i.e. the struggles between the dominant classes, of which party political relations are only one aspect. The dominant classes have access to the State through their combination in a "power bloc", whose contradictory unity is revealed by the struggle between the dominant political classes for hegemony within the power bloc. The State articulates and maintains this contradictory unity (and therefore should not be reduced to one of the classes as does the construct "State monopoly capitalism"), and consequently only change in the "form of the state" can only be seen in terms of changes in this contradictory unity i.e. a change in hegemony. A change in the political scene (e.g. the 1948 election) does not necessarily involve a change in the form of state (although it might any), it only involves a change in the "form of regime". (3)

These distinctions are essential for a rigorous theoretical comprehension of the "facts" (changes in the form of regime, party coalitions etc.), and for clarity with regard to the form of state (our primary concern): it is crucial to avoid any form of reductionism which sees as identical party political conflict and political practice - e.g. identification of a class with a particular party, and arguing therefore that since that party is in power, that class must be dominant - since it obscures the dislocation between the classes' political practices on the one hand, and their representation in political parties on the other. Representation in political parties involves questions of organisation, electoral support, etc. and in fact a class may disappear from the political scene while remaining in the power bloc. Recognition of the dislocation permits a correct positioning of the relationship between political practice and the political scene and illustrates the fundamental importance of the concept "power bloc": "The power bloc of a stage sets the limits of the various relations of the parties, relations which mark the rhythm of that stage in the political scene. These relations correspond to a form of regime, itself
situated within the limits posed by the form of state corresponding to the power bloc. The power bloc and the relations determined by it between the dominant classes and fractions thus allows us to locate and decipher the real (class) significance of the strictly party relations within a stage, and after that to decipher their dislocation from political class relations". (3)

This paper focuses on a particular fraction in the power bloc, capitalist agriculture, during the period from 1924 to 1948, and attempts to identify agriculture's political interests and political struggles (these terms refer exclusively to political practice within the power bloc, and should not be confused with party political activity) during that period. It concentrates particularly on the years 1937 to 1948 - with the discussion of the earlier years essentially of a more general nature - in an effort to comprehend the political practices which defined the party struggles of the 1940s. As far as agriculture was concerned the main issues of the 1930s and the 1940s were firstly marketing (prices) and secondly labour. This paper will concentrate mainly on the first issue, and the question of labour supplies will not receive detailed attention. (4).

In order to understand the major struggles within the power bloc during the 1940s it is necessary firstly to be aware of the manner in which capitalism has developed within the South African social formation, in so far as this concerns agriculture, and secondly the position of agriculture within the power bloc during the 1930s and 1940s. Clarity on this second point is essential in view of the changes in the political scene/form of regime during this period (Fusion and its break-up).

The Development of Capitalism in South African Agriculture

As Morris (1976 b) points out, the development of capitalist agriculture in South Africa has been characterised by two distinguishing features: (1) The uneven development of capitalism in general which disadvantages agriculture in particular; (2) The fact that capitalist development in South Africa has taken the "Prussian path".

(1) The uneveness of capitalist development in South Africa was basically a result of the introduction of large-scale mining in the latter decades of the 19th century and the relative lag on the part of commercial agriculture - then still in transition from feudalism - in adapting itself to these new conditions. This uniqueness manifested itself...
during the depression (1929-32) when a severe dislocation between agriculture and industrial prices developed, to agriculture's detriment. This dislocation should be seen in terms of South African agriculture's dependence on external markets for both domestic and export prices. The State was ultimately able to stabilise the prices of products destined mainly for the local market by introducing protective tariff barriers, but could not stabilise export prices. Agricultural surplus conditions continued after the depression (in many cases farmers responded to the low prices by increasing production) as did the price differentials, with the result that the unevenness of development between the various sectors was if anything exacerbated by the post-depression boom conditions enjoyed by mining and industry. Thus as the following table illustrates, agriculture was hardest hit by the depression and recovered the least:

**TABLE - ESTIMATED SOUTH AFRICAN NET NATIONAL INCOME (£m)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>1927/8</th>
<th>1929/30</th>
<th>1931/2</th>
<th>1932/3</th>
<th>1933/4</th>
<th>1935/6</th>
<th>1936/7</th>
<th>1937/8</th>
<th>1938/9</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farming, Fishing, Forestry</td>
<td>49</td>
<td>39</td>
<td>29</td>
<td>28</td>
<td>42</td>
<td>41</td>
<td>49</td>
<td>45</td>
<td>50</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>35</td>
<td>39</td>
<td>34</td>
<td>31</td>
<td>38</td>
<td>53</td>
<td>61</td>
<td>66</td>
<td>70</td>
</tr>
<tr>
<td>Mining</td>
<td>50</td>
<td>34</td>
<td>39</td>
<td>56</td>
<td>53</td>
<td>67</td>
<td>72</td>
<td>73</td>
<td>81</td>
</tr>
<tr>
<td>Commerce and Finance</td>
<td>48</td>
<td>43</td>
<td>31</td>
<td>34</td>
<td>47</td>
<td>57</td>
<td>67</td>
<td>63</td>
<td>64</td>
</tr>
</tbody>
</table>


This uneven development (expressed in a crisis of prices) forms the conditions in terms of which the struggles of the 1930s and 1940s between agriculture and other capitalist sectors took place; the two main issues - marketing and labour - were the direct result of this crisis. Marketing will be discussed in a following section, while I want to look at the labour question now.

(2) The development of capitalism in South African agriculture from above (the "Prussian path"). This signifies the combined activity of feudal landlords and the State in transforming landowning peasants paying various forms of feudal rent into landless peasants and labour tenants providing wage labour, a process which had virtually been com-
completed by the 1920s. However the emergence of large-scale capitalist agricultural units employing wage-labourers increased the dependence of farmers on market-prices: "the presence of the native farm worker...has led to a greater concentration on production for the market. The European farmer became the organiser of the farm enterprise and the overseer of labour rather than the actual worker and producer. The individual farm developed into a relatively large-scale unit with an emphasis on one or two major farm enterprises almost exclusively for market production and relying almost entirely upon the monetary return from these enterprises to meet the requirements of the operator and his farm requirements. The questions of market and price are thus dominant and spell the very existence of the South African farmer." The crisis of prices during the 1930s meant that not only did rural wage levels fall well behind the urban wage levels, but that farmers also resorted to squeezing labour tenants in an attempt to cut the costs of production. This involved, for example, cutting down on the amount of cultivable and grazing land granted to labour tenants, whilst not increasing the cash wage to a corresponding degree. This resulted in an increased migration of labour tenants (i.e. from white farms) to the urban areas which in turn severely aggravated the existing labour shortage. Hertzog's "Native Bills" were intended to deal with this problem.

**Capitalist agriculture's position in the power bloc**

Kaplan (1974) has argued that the question of surplus reallocation and reinvestment "is to be located centrally in any analysis of the process of capitalist development in South Africa." Focusing particularly on the 1920s and 1930s he points to the significance of the election of the Fact Government in 1921 in terms of a "qualitative and quantitative shift in surplus diversion". The beneficiaries of this shift were agriculture (price support policies) and to a lesser extent industry (industrial protection), while the main burden fell on gold mining (increased taxation). The shift was reflected by a radical break in price support policies after 1925: before that date agricultural legislation was specifically aimed at promoting the efficiency and quality of agricultural production. After 1925, there was a change of emphasis: legislation was enacted to increase the domestic prices of wines, sugar, tobacco and beef. The drastic drop in agricultural price...
during the depression years hastened this process, and price-maintenance legislation was extended to dairy products, maize, wheat and livestock.

(10) The cost of the price support measures were by no means insignificant; C.S. Richards estimating them at £7.4m in 1933, which was between 1/4 and 1/6 of total agricultural production. (11) Kaplan thus concludes (1974, 1976a, 1976b) that the Pact Government of 1924 represented a change in "the political scene" but also a change in the hegemony within the power bloc with this passing from the "foreign" or "metropolitan" fraction of capital (primarily Mining and secondary Commerce) to the "national" fraction (primarily capitalist agriculture and secondary industry). (12)

As we have seen the State increased their support of agriculture during the depression and post-depression years, this support eventually culminating in the Marketing Act of 1937. In other words aid was stepped up during the years of the Fusion government, which because of the alliance ("entente" - cf Poulantzas p 252) between the Smuts and Hertzog parties represented a change in the political scene. Despite the representation of Mining within the ruling party, mining taxation was also increased during this period - e.g. the imposition of the Excess Profits Tax in 1933 in terms of which the State took approximately 50% of the gold premium resulting from the abandonment of the Gold Standard. Consequently the Coalition/Fusion government by no means reflected a change in the form of State, only a change in the regime produced by a "crisis of political representation". This crisis resulted directly from the Gold Standard issue and represented a severe dislocation between the political interests (practice) of the national capital (supported on this issue by foreign capital) who wanted to abandon the Gold Standard, and their political party representation, namely the Hertzog party, which wanted to maintain it. The formation of the Fusion government and the abandonment of the Gold Standard resolved this crisis by overcoming the dislocation between national capital and its party representation. At the same time it introduced other fractions of the power bloc into the dominant political party, which in terms of political practice represented a limiting, but not an upsetting, of national capital's position. (13)

Despite the party political alliance in 1933/4 I think it is correct therefore to argue that in general the basis of state policy (a result of the political struggles) remained unchanged during the 1930s. This
view is supported by the passing of the Marketing Act in 1937 which represented a major victory for agriculture. The Act was to provide for the controlled marketing of agricultural products in order "to ensure for farmers a reasonable share of the national wealth of the country and a civilised standard of living." (14) It has come to be regarded as the farmers' 'Magna Carta' - "In the Union, the Marketing Act of 1937 may well be looked upon by producers as their 'Magna Carta' ... it is the first recognition on the part of the state that the producer is entitled to receive a fair reward for his labour." (15) Although at the time some representatives of Organised Agriculture went even further: "A Marketing Bill is a form of internal, economic, civil war. The object - to secure for the farmer a greater share of the spending power of the country's population." (16)

The Marketing Act was eventually passed after a struggle extending over two parliamentary sessions. Opposition stemmed mainly from the Chamber of Mines who felt it would lead to the chain reaction of an increase in food prices, an increase in the cost of living, and ultimately demands for higher wages; and secondly Commerce who objected to the principles of price-fixation and producer majorities on the proposed Control Boards. One of the main factors in securing the Bill's passage was the support given to it by the Federated Chamber of Industries: initially far from enamoured with the Bill, (18), the FCI agreed to throw in its weight behind Organised Agriculture in return for SAAU's support on industrial protection, then also in the balance. An agreement to this effect was negotiated between the FCI and SAAU (17), and in January 1937 the FCI announced itself to be in favour of the Marketing Bill. This agreement probably "clinched the deal": early the following month the Minister of Agriculture referred to the conversion of formerly antagonistic interests with the exception of mining. (19)
Political struggles during the 1940s

In this section I hope to demonstrate that as a result of the major political struggles over the questions of marketing (and labour) that took place during the 1940s, particularly in the immediate post-war period, agriculture came to feel increasingly insecure about its position in the power bloc, and about the State's willingness to support agriculture at the expense, if necessary, of other fractions in the power bloc.

The departure of Hertzog from the UP and Smuts' accession to premiership, over the question of entry into the Second World War, constituted a change in the political scene that was hardly to the advantage of national capital; and while I do not think it entailed a change in the form of state - as will become clear there was a basic continuity in the agricultural policies, at least, of the Smuts Cabinet and its predecessor - nevertheless it did affect agriculture's ability to enforce its political interests to the extent that it would have liked: "Smuts was certainly not agriculture's favoured son". (20) This was reflected in the threats agriculture felt to its economic position; despite the above-mentioned continuity, agriculture wanted a guarantee that its economic position would be maintained and strengthened. From their point of view this involved a satisfactory long-term marketing and pricing policy, and a resolution of the farm labour problem. The Smuts government was increasingly seen to vacillate on these issues, and therefore unable to offer an economic policy consistently favourable to agriculture. This is revealed particularly by the discussion concerning the future of the Marketing Act.

The Marketing Act of 1937 did not actually set up formal control schemes for the various farm products. It only laid down certain general principals - e.g. producer majorities on the commodity control boards, stability of agricultural prices, reduction of the price spread between producer and consumer - in terms of which a marketing scheme for a particular commodity could be drawn up, after which it was submitted to the National Marketing Council (NMC) who actually drafted the scheme submitted to the Minister of Agriculture for approval. This lengthy process meant that by the outbreak of war in 1939, not
one of the five schemes then set up had been in operation for more than a year. (21) As such the Marketing Act's power was both potential and problematic therefore problematic: the Reconstruction Committee of the Department of Agriculture and Forestry for example recommended that control boards should not limit themselves to the mere marketing of agricultural produce, but should take over the food processing industries as well. (22) On the basis of this report, the Prime Minister's Social and Economic Planning Council concluded that the Department of Agriculture and the Control Boards had the power to nationalise one-fifth of the Union's economy - something which they did not incidentally support. (23) However it was particularly the effects of the war years, on prices, which were to bring the Marketing Act and the marketing schemes under so much scrutiny, that the Chambers of Commerce were to declare in 1948: "The volume of argument, the heat engendered and the tenacity of the opposing forces have made the Marketing Act the most celebrated controversy in the economic history of South Africa." (24)

The marketing schemes were originally intended to deal with the agricultural surpluses which had been a characteristic feature of production from the late 1920s. During the war, however, shortages of dairy products, meat and maize developed, with the result that producer prices were raised in order to stimulate production - the resultant increase in producer prices was particularly marked in the case of commodities like maize which before the war had been primarily an export crop and therefore less amenable to control. By 1941 the price structure in agriculture (in terms of price levels and price ratios) was noticeably similar to the position in the late nineteen-twenties. After 1941 producer prices continued to rise roughly in proportion to their fall during the 1930s. A further distinguishing feature of the 1940s as compared to the previous decade was that during the war world prices rose above domestic (South African) prices; during the latter years of the war and in the years immediately following, controllers of domestic prices balanced on the tightrope of both encouraging production so as to meet local consumption - in order to prevent the importation of agricultural products at high prices - and at the same time of preventing local prices from rising too high. The struggles within the power bloc which came to a head with the passage of the Marketing Amendment Bill in 1946, were
played out in terms of these conditions.

The political struggles began in earnest in 1944 (prior to that there had been minor skirmishes) when at their annual congress, ASSOCOM adopted a number of resolutions with regard to co-operative privileges (26), and the control boards in general. In the case of the control boards ASSOCOM recommended the repeal of the Marketing Act, and the adoption of a new method of control; they suggested as a possibility that control boards should consist of two producers, one distributor and one consumer, with an independent chairman. (27) Agriculture responded vigorously to ASSOCOM's suggestions. G.J. Rossouw (the President of the SAAU) declared: "I trust, however, that the Government will make no changes in the Marketing Act without previously consulting the two chief industries concerned in the Act - agriculture and secondarily industry"; while A. Cramer, the Chairman of the South African Co-operative Citrus Exchange Ltd., argued: "From the resolutions passed recently by Commerce for submission to the Government, it is clear that an attempt is being made to disintegrate our Co-operative Organisation and to repeal the Marketing Act. This must be prevented at all costs. We have built progressively over a long period of years. If we have differences among ourselves they are small indeed compared with dangers I see on the co-operative horizon. Agriculturalists generally and ourselves, must hand together or we shall 'hang simply'. (28) Precisely these sentiments were soon to be echoed at numerous farmer's congresses, as was support for a 'United Front' of all farmers, incorporating both farmer associations and the co-operatives in a single body, in order to combat the attacks launched on organised agriculture. (29)

Nevertheless the Smuts Cabinet supported the existing Marketing Act and in fact advocated its extension: the Government White Paper on Agricultural Policy declared that it, the Government, was "basing its agro-economic policy on the continuance of the existing commodity marketing boards and on the extension of the system, whose development was arrested by the war, to other major products which lend themselves to such control". (30) The report did not go as far in its proposed policies as the Reconstruction Committee had suggested but nevertheless it satisfied Organised Agriculture; Primary Producer (Organ of the Co-operative Movement and SAAU)
declared: "the White Paper ... might be termed a triumph of common sense over vested interests and a victory for Organised Agriculture. At long last the principles embodied in the SAAU's economic policy have been accepted by the Government ..." (31)

Agriculture especially welcomed the Government's decision to go ahead with the Marketing Amendment Bill - to make provision for a control scheme under the Marketing Act for meat - in the 1946 Parliamentary session. This was seen by Organised Agriculture as the Government's keeping of a "pledge": they argued that the control boards had favoured consumers of agricultural products more than the producers, since at a time of shortage domestic prices had been kept below world prices. References were made to "the millions price control has saved the country on its food bill", and the "sacrifices farmers have made for its benefit during the past five or six years", since without control, "speculation would have driven prices sky high." (32)

In fact as the following table shows prices of products controlled under the Marketing Act did increase at a slower rate than prices initially uncontrolled, and then controlled under War Emergency Regulations:

**TABLE - AVE. PRICES OF TWO GROUPS OF PRODUCTS (base 1936/7 to 1938/9 = 100)**

<table>
<thead>
<tr>
<th></th>
<th>Marketing Act</th>
<th>Emergency regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(introduced 1942/3)</td>
<td></td>
</tr>
<tr>
<td>1936/7</td>
<td>103</td>
<td>99</td>
</tr>
<tr>
<td>1937/8</td>
<td>100</td>
<td>103</td>
</tr>
<tr>
<td>1938/9</td>
<td>97</td>
<td>98</td>
</tr>
<tr>
<td>1939/40</td>
<td>96</td>
<td>104</td>
</tr>
<tr>
<td>1940/1</td>
<td>110</td>
<td>121</td>
</tr>
<tr>
<td>1941/2</td>
<td>127</td>
<td>144</td>
</tr>
<tr>
<td>1942/3</td>
<td>153</td>
<td>166</td>
</tr>
<tr>
<td>1943/4</td>
<td>163</td>
<td>189</td>
</tr>
<tr>
<td>1944/5</td>
<td>180</td>
<td>188</td>
</tr>
</tbody>
</table>

Source: Annual Report of the NMC 1943/44 p.10
In return the Government's side of the pledge was the maintenance of the principles contained in the 1937 Marketing Act. Hence the Amendment was viewed by Organised Agriculture as no more than their due: a vote of confidence in the farmers' 'Magna Carta', the Marketing Act.

The Marketing Amendment Bill was rejected by mining, industry and commerce through their respective organisations: ASSOCOM, the Federated Chamber of Industries, the Gold Producers' Committee. They called for the postponement of the Bill until at least after an investigation had been conducted into marketing control; into the desirability of limiting the boards' powers (a proposal made by the President of ASSOCOM who felt that the boards should revert to being purely regulatory bodies); into moderating the Marketing Act's principle of producer majorities so as to give producers on the one hand, and distributors and consumers on the other, an equal voice; and into curtailing co-operative societies privileges. However one non-agricultural body did support the existing Marketing Act as it stood - the Afrikaanse Handelsinstituut; at its national congress it adopted a resolution which, after referring to recent "great agitation against the Marketing Act", pledged support in principle to the methods of controlled marketing of farm products as embodied in the control board system. (33) Within Parliament considerable hostility towards the Marketing Act was expressed by many Government supporters; they were eventually compelled to vote for the Bill under party pressure. (34) The Bill eventually was passed with the Government making one major concession - a review was to be carried out of the whole system of organised marketing in the light of the reports of the Distributive Costs Commission and the National Marketing Council by a Parliamentary Select Committee during the next session.

The appointment of the Select Committee made Organised Agriculture aware that their "victory... (was) but a temporary one and merely a prelude to the big fight that must develop between now and the end of the 1947 session of Parliament. Temporary victory is of no value to the farming community... A complete victory over the opponents of these two essential needs (orderly planning and price stability) must therefore be gained during the next twelve months and the whole system
of Organised Agriculture be concentrated to this end ... (since) the temporary victory of today will be the defeat of tomorrow." (35)

Such an argument rested on the belief that opposing interests would express their position on the Marketing Act through "party politics", specifically the urban vote in which regard they were strategically situated. Thus the Primary Producer commented after the appointment of the Select Committee: "This virtually means that the whole question of marketing control may continue to be the shuttlecock of party politics as well as a bone of contention between the various sections of the community concerned" (36) The theme that the following months would be make-or-break for the Marketing Act and hence agriculture, was clearly expressed in a speech by G.J. Rossouw (the SAAU President) at the Co-operative Conference in September 1946: "We have to face the facts and we must realise that we are in a transition period and are engaged in creating new policies. Unless we are content to fall back into the old rut of the past, which thrust many a good Afrikaner (37) family into poverty and misery besides impoverishing our soil, we shall have to cling determinedly to our resolve to create an ordered economy which will ensure stability in agriculture and other industries and which will facilitate greater production of foodstuffs ... (38); it was at this conference that the United Front finally came into being, in terms of which the co-operatives became an integral part of the SAAU through their affiliation with SAAU and the provincial agricultural unions.

During the post - 1946 period the continuity in the price structure altered the conditions of struggle slightly. Both domestic and world prices of foodstuffs continued to rise, and in the case of wheat and maize the world prices rose considerably above the domestic price. This was in marked contrast to the Government's expectations; the White Paper foresaw that in the post-war period "some downward alignment of prices will have to occur in the Union"; (39) while two years previously the Social and Economic Planning Council had anticipated a decline in world prices, the scaling down of protective tariffs and devices aimed at keeping up internal price levels, and a downward realignment of domestic prices to world price levels. (40) Underlying the two questions posed here, namely the alignment of domestic prices and the future of protective tariffs, was a basic issue: how high or low were agricultural prices to be? When the reports of the Distribution Costs Commission (1947) and the National Marketing Council appeared they both recommended the maintenance of
of the control boards system (41) and ruled out the possibility of repeal of the Marketing Act. In the words of Primary Producer, "the principles of marketing control by boards can be considered as almost unassailable". At the same time agriculture was well aware that future threats and conflict would now revolve around the questions of producer-majorities on the control boards and pricing, particularly in view of the increased voting-power of urban interests; as the Primary Producer wrote: "Farmers must from now on expect strong attacks on their majority on the boards and the use of urban political power to enforce a 'cheap food' policy". (42)

In their evidence to the Marketing Act Commission both Commerce and Mining came out in favour of a 'cheap food' policy, with the Gold Producers' Committee of the Transvaal Chamber of Mines arguing that food prices were the "initial or stimulating factor" in increasing costs - "the necessity for paying higher wages and allowances to mine employees was largely due to the rise in food prices in the Union". (43) Commerce suggested that "artificially high food prices are the chief factors in keeping up the cost of living" and called on the Government to "discard the monopoly marketing system". (44) A 'cheap food' policy also required the removal of import restrictions on, for example, cereals: "if all the restrictions on the import of cereals were removed the price of these commodities would be reduced" (45) This was an attack on one of the traditional planks in agriculture's platform - the setting of prices so as to ensure agricultural self-sufficiency - and its corollary - the export, if need be, of surpluses. It became apparent that the Smuts government was not strongly committed to this principle; the SEPC had come out strongly against self-sufficiency in 1944 (46), while the Distribution Costs Committee wrote: "...we have noted with satisfaction declarations on behalf of the Government to the effect that the export of so-called surpluses of basic foodstuffs may be regarded as a thing of the past. We conceive that an important task of the control board system henceforward will be to adapt itself even more rigorously than in the past to this new and more enlightened policy". (47)

On the other hand however support for the self-sufficiency principle was expressed by both the NMC and the President of the PCI. (48)

What was particularly irksome to Organised Agriculture was the Government's unwillingness to commit itself to this debate: this to-
gether with the delay in the Marketing Act Commission's Report, was interpreted as vacillation on the part of the Government with regard to the final destiny of the Marketing Act, vacillation and uncertainty that was unacceptable: "We will direct our immediate efforts to the speedy, if not immediate assurance as to the future of the Marketing Act, and we will state further that any change in the Act likely to undermine its efficiency, as well as the efficiency of the Marketing Board system, will be entirely unacceptable to agriculture". (49)

This uncertainty was compounded by the rift that had developed between the State and Agriculture over pricing. Two separate disputes were involved although there was a common underlying fear. Firstly there was the refusal of the NNC and the Department of Agriculture to guarantee the maize price in advance, i.e. before planting, (as they had done during the war) despite requests to this effect from both the provincial and the central agricultural congresses. Secondly farmers felt that the prices they were receiving for their products - which were well below the world prices on the whole - were too low. Particularly irksome was the reduction of the maize price in 1947 by 1s 3d a bag (set by the Minister of Agriculture who accepted the NNC's recommendations) when both the SAAU and the Maize Control Board had recommended a price of 25s. Dissatisfaction was also expressed by wheat growers and dairy farmers. The fear expressed was that the Government in the face of pressure from "vested interests" and an "unenlightened consuming public", might expect agriculture to bear the brunt of the weight of controlling the rising cost of living. Allegations were made of a Chambers (Commerce, Mining, Industry)-Cabinet 'cheap food' conspiracy (50), while one motion submitted to the SAAU congress in 1947 suggested that "the Department of Agriculture, by fixing low prices for agricultural products, ... still persists in encouraging those practices which have been condemned, thus compelling the farmer to carry the rest of the population on his back". (51) Similarly the Government's reluctance to guarantee prices in advance was seen as an unwillingness to pledge themselves on behalf of agriculture against such 'cheap food' pressures. (52)
The rift between agriculture and the State over marketing and pricing was paralleled by a further major cleavage between the two over the resolution of the farm labour shortage. This shortage had reached crisis proportions during the Second World War, and agriculture requested of the State that it take definite steps to halt the migration of farm labourers to towns, and secondly take out action to phase out labour tenancy, in favour of full-time wage labour. These two proposals formed the basis of the SAAU’s ‘Native policy’. (53) The United Party government, conscious of the needs of mining and secondary industry, responded by suggesting an increase in wages in the rural areas. This was completely rejected by the farmer bodies, but it did have the effect of linking agriculture’s two main struggles: ‘Every move towards efficiency will be frustrated unless a national effort is made to stop what is now a fast flowing current of labour from the country to the town... Undoubtedly greater efficiency will permit the payment of higher wages to farm workers... but farmers need money to attract the efficient workers... and this is why the price stability provided by the Marketing Act and Control Board system is essential. (54)

Conclusion

In conclusion two points ought to be stressed. Firstly my concentration on the political struggles of the 1940s is an attempt to demonstrate that the development of both the South African social formation and South African capitalism (if indeed the two can be separated) have in no way been pre-determined. Much ‘revisionist’ literature is implicitly deterministic and teleological — hence the notion of the “laws of capitalist development” and the much-discussed “conflict/non-conflict between socio-political considerations and economic development” — in the sense that it implies that capitalist/economic development is autonomous and self-generating. This I hold to be fundamentally incorrect and instead I have attempted to specify the features of the uneven development of capitalism in South Africa in their internal relationship to the dominant fractions. Thus the ‘path’ taken by capitalism in the post-1943 period — and the particular role of the State in this regard — is incomprehensible without an understanding of the improvement to an extent of agriculture’s economic position during the war, the position of the fractions in the power bloc, and the new conflicts generated by agriculture’s
economic position. In this sense then any path of capitalist development is problematic.

The second comment relates to the change in the form of regime in 1943. As has been shown the rift between the Smuts Government and agriculture was basically one of emphasis rather than reflecting any fundamental and deep-seated antagonism between them. Popular inevitably exaggerates changes in the form of regime. Agriculture had in fact for a number of years been represented at the parliamentary level by more than one party. However in the years between the end of the war and the election of 1948 the United Party - wracked by internal divisions - was unable to 'deliver the goods' that agriculture requested.
REFERENCES

1. HEARD, K. *General Elections in South Africa*. 1943-70. p 39
2. POULANTZAS, N. *Political Power and Social Classes*. pp 243-7
3. Ibid. p 248
4. The two issues of agricultural prices and the supply of labour are in fact connected, as will be subsequently pointed out.
5. ORRIS, M. *The Development of Capitalism in South African Agriculture* 1976a. p 17. In this article it is clearly shown that labour tenancy during the 1920s and 1930s was a capitalist form of appropriating surplus labour.
7. ORRIS. 1976a. p 24
8. MORRIS. *Apartheid, agriculture and the State*. 1976b. pp 2-3
10. Ibid. pp 9-10. These price support schemes enjoyed varying degrees of success since it was considerably easier to control the prices of those agricultural commodities which were largely for domestic consumption (e.g. wheat, sugar), than it was to control the prices of export-products (e.g. maize) Domestic prices could be stabilised by the mere adjustment of the protective tariff - the import duty per 100lb of sugar was raised from 8s in 1926 to 12s in 1930 to 16s in 1932 - and consequently the domestic wheat price for example, remained both stable and, on average, double the world price. Maize price control on the other hand was a fairly complicated business, and in fact until the passing of the *Marketing Act* in 1937, maize prices followed the world prices.
11. IOHANNS, C.S. *Subsidies, Quotas, Tariff and the Excess Cost of Agriculture in South Africa* in *SAJE* 3, 3, 1935. p 386
13. Ibid. pp 5-6
14. F.J. Viljoen (Secretary for Agriculture) at the Natal Agricultural Union Congress. 1938. *Farmers Weekly*. 4/5/38
15. Reconstruction Committee Report. p 28
16. Letter by S.A. Hunt (President Northern Agricultural Union) to the Farmers Weekly. 17/2/37
18. See the speech by Major E.A. Hunt (SAAU President) to the SAAU Congress. Farmers Weekly. 4/11/36
19. Farmers weekly. 10/2/37
20. MORRIS, ... 1976b. p 4
22. Reconstruction Committee Report. p 29
25. ASBEDIJK, T. 'Agricultural Prices and Price Policy' SAJE 22, 1, 1954. p 163
26. The marketing Act was explicitly intended to encourage the co-operative handling of agricultural products, and consequently the co-operatives were able to expand, in terms of membership and turnover, at a rapid rate: membership rose from 70,119 in 1936 to 96,548 in 1940 to 184,655 in 1948; while their turnover rose from R28,5m (1936) to R55,7m (1940) to R161,9m (1948).
28. Farmers weekly. 17/5/44
29. 'For example the SAAU Congress in 1945: "Agriculture's urgent need of a united front was the key-note of the reports submitted to last week's congress of the South African Agricultural Union. It also figured prominently in the presidential address."
(Farmers weekly. 3/10/45)
30. Hate River on Agricultural Policy. 1946. p 10
31. Primary producer. 3/4/46
32. Farmers weekly. 10/2/47; 27/10/48
33. Farmers weekly. 4/9/46
34. For which they were slated by ASSOCOM's journal Commercial Opinion which accused them of being "rubber stamps" of Government action. "The Members of Parliament ... must now decide whether they will leave their power-of-attorney indefinitely in the hands of the Minister to make pledges here and there to sectional interests. It will be a betrayal of democracy if they do". (June 1946)

35. Primary Producer. 12/6/46

36. Primary Producer. 26/6/46

37. Interestingly enough the Farmers Weekly (4/9/46) report of this speech does not contain the word "Afrikaner".

38. Primary Producer. 18/9/46

39. White Paper ... p.8


41. "... we are emphatically of opinion that as a foundation for the future it should be maintained ... it would be fatally disruptive to scrap the system ... " (DCC Report. p.2)

42. Primary Producer. 5/3/48

43. Farmers Weekly. 10/12/47. According to the South African Mining and Engineering Journal the cost of feeding mining's labour force, expressed in pence per ton milled, rose from 7d in 1935 to 1s 1d in 1944. 26/1/46

44. Commercial Opinion. July 1947


47. DCC Report. 1947. p.33

48. G.E. Williamson, at the FCI Annual Convention: "We must not however fall into the error of assuming that the possible further expansion of our manufacturing industries is unlimited. There are many possible limiting factors, but the most serious must always be the availability of food supplies. I am not one of those who view with complacency the possibility of relying on imported foodstuffs for the nourishment of our people. We dare not rely on outside sources of supply - that has led country after country to destruction". Commercial Opinion. October 1947.
49. G.J. Rossouw (President SAAU) Primary Producer. 23.7.48

50. Primary Producer. 19/12/47.

51. Motion submitted by Transvaal Agricultural Union. Primary Producer. 3/10/47.

52. Primary Producer. 29/8/47. Editorial discussing the question of prices in advance: "What the Government can guarantee today it may not be able to guarantee tomorrow, whereas the farmer who is about to embark on a long-term soil conservation programme involving him in heavy expenditure during the first two or three years, needs some assurance that he will be reimbursed for that expenditure once the soil conservation work has been completed. It is not that the farmer seeks the guarantee of a definite price, but rather a Government pledge, to the effect that marketing control will continue to be based on a remuneration to the reasonably efficient producer. In other words, a pledge that the Marketing Act will not be upset by interests seeking to re-establish the open market and restore the speculation an open market engenders. Such a pledge future governments could not easily ignore."

53. MORRIS, M. 1976b. pp 5 - 9

54. Editorial Primary Producer. 16/10/46