

BOOK REVIEW

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Outposts of Monopoly Capitalism: Southern Africa in the Changing Global Economy. Neva Makgetla and Ann Seidman. Westport, Connecticut: Laurence Hill & Company and London: Zed Press, 1980.

Neva Makgetla, who is Ann Seidman's daughter, and Seidman have collaborated on a book which gives detailed and well-documented evidence of the transnational corporate and finance capital involvement in the countries of southern Africa, in particular South Africa. They have also projected a regional development scheme for southern Africa. Both Makgetla and Seidman have lived for considerable periods of time in various African countries, including South Africa, thus they bring a personal as well as an academic commitment to their work.

The reasons why the transnationals became involved in South Africa, how this involvement is different from their involvement elsewhere in southern Africa, and how this effects the economies in the frontline states--Mozambique, Zimbabwe, Zambia, Botswana, and Angola--are delineated in Parts I and II. In Part III the elements which have and can lead to a further transformation of the economies of the frontline states are outlined. These include a plan for regional cooperation, which the authors see as a way to break South African and transnational control over the economies of the other African countries. (Note: Robert Mugabe won the election in Zimbabwe while this book was being printed, therefore, Zimbabwe is referred to as Southern Rhodesia in the chapter devoted to that country.)

In the Prologue, Makgetla and Seidman have stated their purpose in writing *Outposts*: "It is our hope that the explanation embodied in this book will help to illuminate the way the struggle for liberation in southern Africa fits into the larger process of social transformation taking place throughout the world today." (p. ix)

The liberation struggles are examined in terms of being a result of how the transnationals have tied the economies of other southern African countries in with those of South Africa and the investing countries. What problems this poses for newly independent countries, and how a few countries--Tanzania, Mozambique, and Angola--have chosen to deal with the situation leads to the authors' projection of an integrated regional development plan. The transnational involvement is shown to be so broad that whatever happens in southern Africa will be influential in the larger process of social transformation. For

example:

*Anglo affiliates penetrated throughout southern Africa in mining, a limited amount of manufacturing, trade, finance and real estate. An Anglo affiliate managed the huge copper mines that dominated Zambia's economy. Anglo became the largest foreign investor in Southern Rhodesia, with interests ranging from coal mines to sugar plantations. It opened mines in Botswana, Swaziland, and Namibia, in virtually every case exporting unrefined material to Europe, the U.S. or Japan. The assets of Anglo's group members totalled nearly \$10 billion in the late 1970s. One Anglo affiliate, DeBeers, controlled 85 percent of the international production and sale of rough diamonds. . . DeBeers mined diamonds in South Africa, Namibia, Lesotho and Botswana. It bought them from Zaire, Ghana, the Central African Republic and Sierra Leone. (p. 96)*

The migrant labor system is the major reason Anglo has been such a profitable operation:

*By the mid 1970s, wages constituted less than a tenth of the mining companies' total income . . . . Over half the wage bill went to the white miners who comprised barely a tenth of the labor force. . . . To hold labor costs down, the companies hired blacks almost solely as migrant workers on long-term indentures. (p. 101)*

If the independent countries, where Anglo affiliates operate, refuse to allow Anglo to continue exploiting their natural resources, especially refuse to continue exploiting their people as migrant labor, the countries of southern Africa could lessen Anglo's control over their economies. Then these countries could unite to use their natural resources for the benefit of their people. The success of a regional development plant could aid black South Africans in their struggle for majority rule, which in turn would further loosen Anglo's control.

All the background and substantiating materials are given for the transnational involvement. This information is a valuable resource for political activists, as well as academicians, and can be used to refute any number of reasons usually given about why it is important for the transnationals to remain in South Africa. The trickle-down theory of economic development is thoroughly exposed as the repressive measure that it is. British, French, West German, Japanese, and United States involvement in the South African industrial/military complex is

documented, including the giving to South Africa of a nuclear capability.

Because of the difficulty in obtaining statistical information which has not been edited by the Pretoria government, and the quantity and variety of other sources used to put together the charts and tables, the references given at the end of each chapter are an additional wealth of information. It is recommended that the reader consider these carefully.

In Part III, *Towards the Transformation of Southern Africa*, the authors give Tanzania, Mozambique, and Angola as examples of countries moving towards a socialist transformation. They point out, rightly, that the difficulties the concept of *Ujamaa* encountered in Tanzania were the result of socialist concepts being instituted from top government levels down to the peasants; whereas, the success of the socialist movements in Mozambique and Angola has been the result of years of grass-roots organizing prior to independence.

The transnational involvement in Southern Rhodesia and the way that involvement has tied the country into the South African industrial/military complex is given in great detail in a chapter entitled "The Seeming Paradox of Southern Rhodesia." This may be fuel for Robert Mugabe's supporters but it is also a prime example of the intricacy of transnational involvement in Africa. From the destruction of the traditional agricultural economy (to provide labor for white-owned farms), to agribusiness, to mining, to oil supplied by transnational oil companies through refineries in South Africa, to a manufacturing sector supplied with materials through South Africa, independent Zimbabwe has inherited an economy dependent upon transnational and South African cooperation for its survival. However, Makgetla and Seidman think that the greatest weakness in transnational control is the exclusion of the foundation of the system--migrant labor--from being able to participate in the system except as labor.

Thus, the independent African countries, in withdrawing the low-cost (migrant) labor from the transnationals, will play on this "weakness." Without the low-cost labor, the transnationals will be forced to pay a living wage or go out of business. If companies pay the Africans a living wage, they will be able to buy goods and services which will stimulate the countries' economies. If the transnationals go out of business, the African people will be able to develop their own economic structures. Either way the African workers benefit. This reasoning is being applied on a regional basis as the key to overriding and diminishing transnational and South African control. The Arusha Coordinating Conference (July 1979) was convened to initiate regional cooperation and the Southern Africa

Regional Transport and Communications Commission (Maputo) is coordinating the planning of regional infrastructure.

The concept of regional development has real possibilities for success; however, there is one all-important question--that of land redistribution--which has not been discussed. Since the people of the region can have no control over their lives until the means of production (the land) is in their hands, this is a serious omission. Talk of building local factories to produce farm tools which the people can use is a workable idea, but first the people must have land to work. Once the peasantry (subsistence farmers) can feed themselves, they can grow a little extra food to sell, and this can be the base which provides the demand for goods and services which will in turn support the manufacture of goods and provide additional jobs. This same process will enable African countries to stop being food importers which will free the money being spent for imported food to be spent for roads or other building projects.

Many Africans, including Amílcar Cabral, have spoken strongly about the land question. In countries like Zimbabwe, Namibia, and South Africa, which have been divided into African reserves (Bantustans), where the majority of the population has been restricted to a small percentage of the most useless land, this is particularly important. In countries, such as Angola and Mozambique, which were settler colonies, the majority of the best land was also restricted to Europeans. Since independence actions have been taken to rectify this situation; however, the process is far from complete.

Another omission in this virtual mine of information is that no attempt is made to define class structures. Underdevelopment theory is used, correctly, to show the center-periphery relations of unequal exchange between the home countries of the transnational corporations, South Africa, and the southern African countries, but no attempt is made to define the class structures within these sectors or to see how these might be contributing to the process of social transformation.

These two omissions should not detract from the usefulness of *Outposts* as a resource for all those interested in southern Africa and its relationship to the global economic system. The ideas concerning regional development and the possibilities for this to weaken transnational and South African control serve as points of departure for endless discussions. The steps taken toward regional cooperation augur well for the future of the people of southern Africa, as long as the 'land question' is dealt with before trying to consolidate resources. Otherwise, a situation may evolve where the leaders of some countries will be trying to use this regional cooperation effort for their personal benefit.

The authors' explanations help to illuminate the struggles for liberation in southern Africa as a result of the present global economic system. In this context, these struggles can be seen as part of the larger process of social transformation. The transnationals have worked themselves into a position of weakness by excluding the majority of the population, the Africans, from participation in the economy as anything but workers. Their limited position, along with pressure from the liberation forces and from the regional development group, could be a motivating factor for the transnationals to finally force South Africa to accept majority rule.

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