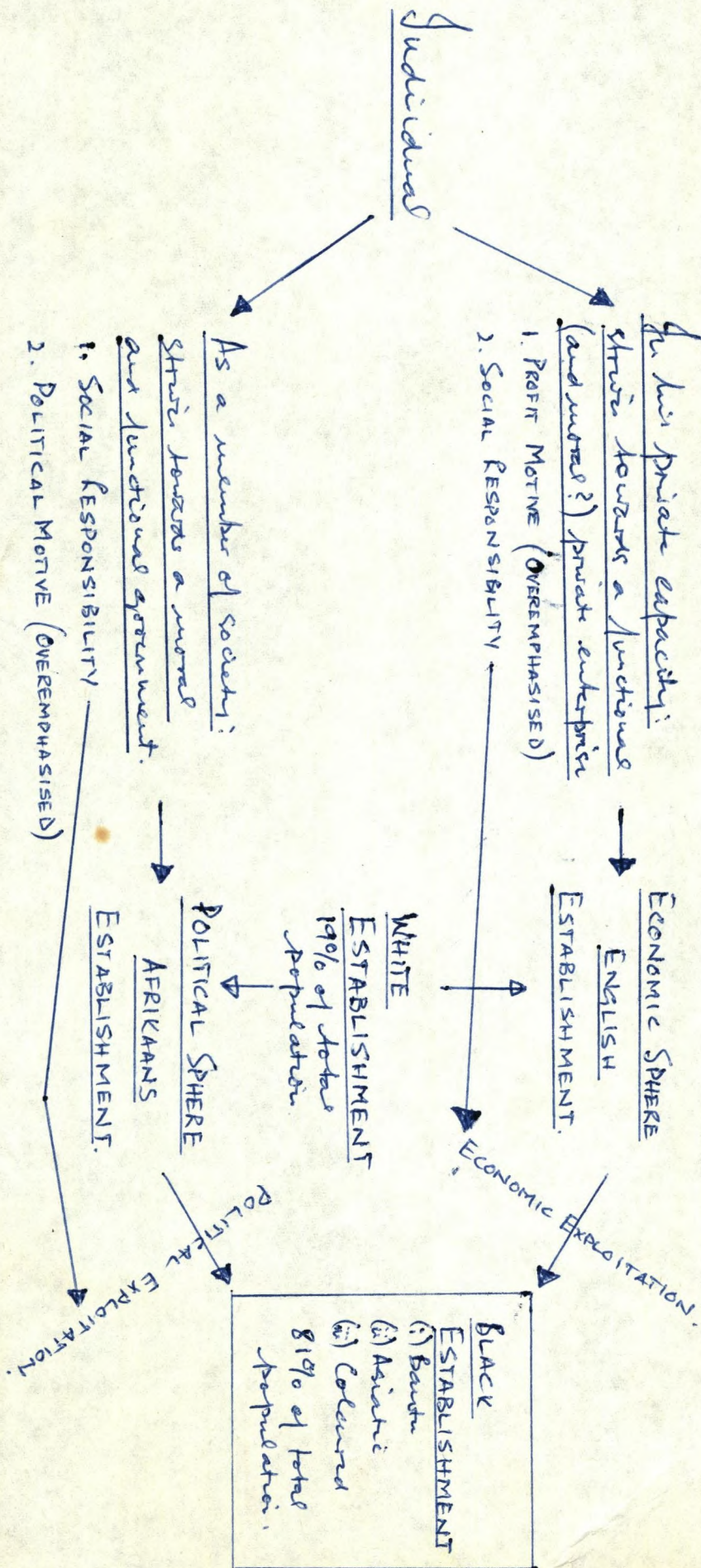


1970's

In answering this question I would like to make use of the accompanying diagram.

SOUTH AFRICAN CAPITALISTIC SOCIETY.



Before we can even attempt to have an exercise in priority thinking we must realize that we must have a certain amount of insight into the structural actuality in South Africa. In order to do this I have made an attempt at a generalized representation of the South African Actuality at present.

As I see it the Economic sphere is, or can be considered to be analogous. to the English Establishment. This is due to the fact that the English Establishment receives 70% of the national income that flows to the White Establishment.

The Political sphere, historically and at least for the immediate future, can be considered to be analogous to the Political sphere.

The Economic sphere, owing largely to its capitalistic origins, has a grossly overemphasized profit motive, leading to the lack of emphasis on social responsibility: The Afrikaans establishment, due largely to its ideological and principle type thinking, has caused the Political sphere to place far too little emphasis on the social motive as well. The Political sphere in South Africa tends to have got itself enmeshed to a large extent in ideological, or ideologically orientated, petty and party political involvement.

With this as a background, we can see that the dual lack of emphasis on the motive of social responsibility has led to exploitation of a dual nature; both economic and political, of the Black Establishment which makes up 81% of the total population of South Africa.

The above is a generalized sketch of the political and economic structure at present in South Africa, and against this actuality I feel that priorities can be discussed.

The main priorities which fall under discussion against this contextual background are those of production, allocation, stability and justice.

Of importance to us is what these priorities entail as well as the relative position they should be placed in in the South African context.

In South Africa at present production is of prime importance as well as the economic growth which goes hand in hand with it. Growth in South Africa is of great importance in that it plays a role in the increasing of the effectiveness of reallocation, stability and justice. It must be made perfectly clear, however, that growth or a high growth rate per se is not a good thing.

Although growth is important in that it must assist South Africa to create more and more job opportunities for the large number of, chiefly, non-white unemployed, or unproductively employed, it must be borne in mind that the labour force has a twofold nature. Although large quantities of labour are available and are, in fact, unemployed, the quality is of a low standard. Of major importance here, therefore, is the improvement of the quality of labour through education and government subsidized in service training.

Growth must also take place at a rate which will not endanger the economic, social and political stability in South Africa. The question of stability is I feel the most important priority in South Africa.

Stability can, of course, be aided to a large extent by a relatively high growth rate. Growth will enable a greater allocation of resource to defence for example which will increase South Africa's external stability to a large extent. The question of stability has of course many facets which cannot be discussed in detail here. I must suffice with the fact that whatever our order of priorities may be, we must not do anything to endanger the stability of South Africa.

As far as allocation is concerned we come to the question of how to allocate the available factors of production, of which human resources is the most important. Large scale investment must be undertaken by the ~~mandate~~ government in education in order to improve the quality of the human resources available. At present far too little expenditure is aimed at improving the quality of our human resources, the most important of all resources.

It must be remembered that it is only from the arrangement of our priorities that we can prescribe objectives that will lay down the course we should follow. Many of these objectives will clash and it is at these points that trade offs will have to be made between the clashing objectives.

The objective of justice is one of those most likely to precipitate clashes amongst itself and other objectives. It is here that I feel trade-offs will have to be made in order to maintain stability.

The trend in modern capitalistic societies has been towards greater government intervention in the free market economy in order to maintain movement towards prescribed objectives.

The role of the government must

in South Africa especially

in the sense of programming as effectively as possible our achieving of our prescribed aim.

The white establishment in South Africa is going to have to sacrifice large amounts of income, in the form of taxes, in order to enable us to achieve the objective necessary.

As far as the justice objective is concerned, where we have to do with redistribution of income, removal of poverty, and the closing of the wage gap, especially, as well of course as education; if the government is to be able to play a large role in the attaining of these objectives, taxes will have to be raised.

The spending of large sectors of the population on particular needs, which cause exaggerated wastage will have to be curbed. Large amounts must be raised in order to make funds available for investment. People must rid themselves of the unnecessary discriminatory attitudes which they have inherited from the older generation, and a far greater future consciousness and orientation must be adopted.

In closing I would like to say that I consider that our order of priority should be as follows; stability objective, allocation, production and justice. Rather than place justice last, however, I feel that justice must be as an integral part of the other objectives.