CAPITALISM OR SOCIALISM: A SPURIOUS DILEMMA

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ABSTRACT

With references to statements made by various political figures the author comes to the conclusion that the general view is that Socialism and Capitalism are regarded as alternative developments for South Africa. It would seem then as if Christians at most have the choice of opting for an alliance between Christendom and Socialism. The paper will attempt to critically evaluate the attempt to effect an alliance of this kind. The first part of the paper deals with the possibility of the golden mean of African Socialism, and the author points out tension present in the philosophy of Himmer in this context, for example. The second part of the paper deals with contributions from the reformational approach in science and scholarship towards an alternative to Socialism and Capitalism. He finds that the dialectics of sin culminates in a tunnel society, and feels that only a Biblical view of man can offer a way out of the cul-de-sac of individualism versus collectivism. This leads him to the section on the Biblical heritage of the Reformation, which is situated in the concept of stewardship, and he finds the solution to the problem in this concept, so that he can conclude by saying that "the important contribution made by the rejection of the false choice between Socialism and Capitalism in

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SA is situated in the emphasis on the kingship of Christ also in the economic sphere of the kingdom.

**INTRODUCTION**

In the *Sunday Express* of 12 August 1984, under the heading *Capital vs. Labour*, there appeared summaries of two papers read during the series of Senate Special Lectures at the University of the Witwatersrand in August 1984. In his defence of capital Mr. Michael O’Dowd, a director of Anglo-American, criticized the Marxist and non-Marxist socialist ideologies, while Prof. Eddie Webster (Department of Sociology, University of the Witwatersrand) in his defence of labour made his target the free-market ideology. That this contrast and ideological opposition between Capitalism and Socialism is of more than academic interest for South Africa can hardly be denied. On the one hand there are those (especially in the private sector) who share Owen’s confidence (*Sunday Express*, 14 October 1984) in capitalism as a solution for the political and economic problems in our country: “The less government interferes the more chance we have of unleashing the creativity, inventiveness, drive and ability upon which capitalist societies depend for growth, prosperity and security.” On the other hand there are those who believe that some or other form of Socialism will offer the solution. It is interesting to note that *The Freedom Charter* states clearly that: “The mineral wealth beneath the soil, the Banks and monopoly industry shall be transferred to the ownership of the people as a whole. All other industry and trade shall be controlled to assist the well-being of the people.”

In accordance with this one of the most important leaders of the ANC (who may not be quoted by name) said during the Rivonia Trial in 1964 that although Marxism/Communism was rejected, the ANC nevertheless accepted the necessity of one or the other form of Socialism. According to Kotzé (1984) the UDF also vaguely claimed to be on a socialist road, although not, apparently being Marxist-inspired. He feels, however, that the *National Forum* and AZAPO support a Marxist-inspired Black consciousness.
Socialism and Capitalism are therefore regarded as alternative developmental routes for South Africa. Beukes (1983) feels that the debate about developmental strategy in Southern Africa has not extricated itself from the contrast between these two opposite poles of the East-West conflict, which, in conjunction with the intersecting North-South problem issues (development problems), has torn apart the continent of Africa since the end of the colonial era. The uniqueness of the South African situation is, to his mind, situated in the fact that both these intersecting axles of the conflict are present in one and the same country.

In the rest of Africa people have not been able to escape a choice with regard to Socialism and Capitalism. Next to the Marxist-Leninist Socialism of South Africa's neighbouring states Angola, Mozambique and Zimbabwe, a form of Socialism can be distinguished of those leaders who had already, during the Dakar Conference of 1962, rejected Marxism and Capitalism in favour of going their own way - following a route of African Socialism which had to build on the traditional African communalism. On the one hand they rejected the individualism of Capitalism and on the other hand they opposed Marxist-Leninist materialism and atheism. In the origin of African Socialism Christendom has played a significant role which can be discerned clearly in the Christian Humanism of Kaunda and the Christian Socialism of Banana. Banana (1981) felt that in the New Testament (Acts 2 and 4) there are clear proofs for a development in the direction of economic Socialism and he stresses that the example of the early Christians who practised Socialism should be taken seriously.

Without going into more detail with regard to the this somewhat uncomfortable hermeneutic leap from Acts to the nineteenth and twentieth century forms of Socialism, there is the fact that this viewpoint by Banana presents to Christians the issue of a choice between Socialism and Capitalism. In South Africa it is precisely the alliance between Christianity and Capitalism which is seen as the root of all evil: "The Black majority regards itself as the victim of the vicious system of a rampant racism that has been able to claim respectability by aligning itself apparently with Christianity and with Capitalism" (Tutu, 1982). In the light of this dilemma it would seem as if Christians at most have the choice.
of opting for an alliance between Christendom and Socialism. But what then of the viewpoint of those who feel that Capitalism and all its positive contributions (for which even Marx had appreciation), as part of Christian-Western civilization, could be reconciled quite adequately with Christianity on condition that its outgrowths could be properly controlled from the basis of Christian values? Or is the solution of this dilemma situated in the fact that from a Christian viewpoint the bad elements of Socialism and of Capitalism should be rejected and the good elements of both accepted? Subsequently in this paper an attempt will be made to evaluate critically the attempt to effect this.

2. THE POSSIBILITY OF A GOLDEN MEAN: AFRICAN SOCIALISM

The "All-African Students' Congress" on the theme Money or Marx? A Better world for all! was the instigation for the writing of a book (Hirmer, 1982) in which the author offers African Socialism as an alternative to Marxism (to which he at times refers with the more generalized term Socialism) and Capitalism. In the course of this congress there were basically three main trends among the students. The delegates from Tanzania, Guinea and Zimbabwe supported Socialism, while those from Nigeria and Kenya sought a Capitalist solution. The students from Angola, Mozambique and Ethiopia, on the other hand, were convinced that Marxism-Leninism offered the way to the creation of a better world for all. In the confusion which arose because of the claims of speakers from the various ideological camps, Hirmer in his book seeks to offer illumination and to find a solution. "This is the purpose of this book. We want reliable information about Capitalism, Marxism and African Socialism. Only solid knowledge about these 'ideologies' can help us to find our way. It will be the Gospel of Christ which will assist us in addressing ALL of them" (1982:3). Capitalism is criticized, amongst others, because the capitalist feels that he is not bound to God and his Commandments, but only to the rules of economy as they are applied in practice within society. Free enterprise and the free market system, therefore, are accepted as self-regulating forces, and therefore all political or religious interference in the field of economy is rejected. Hirmer is critical of Marxism
because man, as master of his own fate, his own history, does not need
God, but goes up in the collective group in which he then finds
self-realization. In his discussion of African Socialism, however, Hirmer
does not foreground any dangers or any one-sidedness - in fact, he sees
African Socialism and Christ as natural allies, because "most of the way
they go hand in hand" (1982:125). He does not, however, offer any
indication of where their paths diverge: "African Socialism has still a long
way to go. Its point of departure, however, is ideal from a Christian
point of view. If Africa does succeed in mobilizing society through the
ideal of family solidarity, it will render a wonderful contribution to the
development of the human race. It has the historic possibility of learning
from both Marxism and Capitalism, of examining both and keeping the

When the content ascribed to African Socialism by Hirmer is examined
more closely, it would seem to be problematic from a number of angles.

1. In the development taking place in Africa from traditional structures
to a "specialized society" the solution which he finds in Nyerere's Ujamaa
(Familhood) Socialism for the problems emanating from this complex so-
ciety is situated in "an extension of the basic family unit" (1982:84).
The family spirit and family solidarity which are characteristic of the
communalism of African society must be extended "beyond the tribe, the
community, the nation or even the continent" (1982:125). The basic
family unit as a model for a complex differentiated society, however, is
very problematical, seeing that in this way one among many societal forms
is elevated to being a stencil for the others (which will then become parts
of a larger whole). In the following section an indication will be given
of one of the traps in which Socialism and Capitalism land precisely be-
cause they strive to elevate one societal form to a model for the whole
of society.

2. The way which should be followed in order to face up to the chal-
 lenges which the creation of a complex society in Africa offers touches,
according to Hirmer, on the one hand the task of the church, and on
the other hand the task of the state. In conjunction with Nyerere he
feels that the state is "a secular institution" which effects external changes, that is, changes in the structure of society, in its efforts to reconcile the interests of the most important groups in society, so that the majority of the population should be satisfied. The church, on the other hand, is the institution which has to see to it that internal change is effected - the conversion of hearts. Without this religious and spiritual contribution from the side of the church Socialism will, according to Hirmer, not be able to work. This division between external structural change through the secular state and internal change of hearts through the church is unacceptable on Biblical grounds because it seeks in a dualistic fashion to effect a division which limits the salvation in Christ to a change of heart. The structures within society are excluded from this process through this division.

3. The question as to the direction and the nature of structural changes in society Hirmer answers by judging in the light of the Gospel which elements in both Marxism and Capitalism are unacceptable and which are not. The positive elements in both are then implemented to serve as the basis for structural change in society. Hirmer distinguishes three levels in Marxism, viz. social analysis, the plan of action (revolution) and philosophy (the atheist-materialist religion). With the aid of this distinction Hirmer comes to the conclusion that Marx's atheism, "however, is not the basis of his Social Analysis or Plan of Action. For instance, it is not a matter of faith how to describe the difficulties between employer and employees. It is also not a matter of faith how to organize production in the best way" (1982:98). Faith thus has nothing to do with social analysis, because faith touches on the internal change of heart and social analysis touches on the external changes of structures in society. He thus comes to the conclusion that "there is nothing evil in the Marxist analysis of society which can open our eyes to social evils and suffering. Marx's social analysis can be taken as one of many theories of social analysis" (1982:129). Hirmer, however, contradicts himself with this division of change of heart and structural change, and the concomitant division between faith and social analysis. In the light of the Gospel he wishes to judge what we can accept within Marxism and Capitalism, and what we cannot accept. The Gospel, however, can only function in...
our lives and in our thoughts as a criterion if we accept it in faith. On the one hand he feels that faith has nothing to do with social analysis, and on the other hand he feels, in contradistinction to this, that the light of Gospel has to be accepted in faith as the criterion for the acceptability of the positive elements of social theories. This contradiction in Hirmer's thought, however, is not an incidental error of reasoning. It is the result of his own presuppositions which are characterized by a dualistic vision of reality and a dualistic vision of society. Through his division between change of heart (which has to be effected by the church) and structural change in society (which has to be effected by the state as a secular institution) the salvation in Christ is limited to the terrain of the church, of religion, theology and faith. In line with this, faith and social analysis have nothing to do with each other. In spite of all this, however, Hirmer wishes to retain the relevance of Christ for the rest of society, seeing that he, as a Christian, will have no criterion, otherwise, to reveal injustices in society. The tension in his philosophy is situated in this dichotomy, and from this emanates the contradiction which has been illuminated above.

3. CONTRIBUTION FROM THE REFORMATIONAL APPROACH IN SCIENCE AND SCHOLARSHIP - TOWARDS AN ALTERNATIVE TO SOCIALISM AND CAPITALISM

In line with Calvin and Kuyper the "Amsterdam School" has, since the twenties made contributions to the ongoing reformation in scholarship which has also borne fruit in the area of economics as a subject discipline. In this section attention is given to a number of important contributions which have flowed from this tradition in the search for an alternative to Socialism and Capitalism. The most important representatives of this "paradigm" in the economic sciences are the Dutchmen Goudzwaard (1972, 1975, 1979), Kouwenhoven (1965, 1981), Haan (1971, 1975) and the South Africans Beukes (1983) and Fourie (1981).

3.1 Socialism and Capitalism are offshoots from the same branch
In the light of the Biblical view that man in all his actions either serves the true God of the Scriptures or an idol, the religious, philosophical and economic-theoretical roots on which Socialism and Capitalism feed are as important as the socio-economic results. Kouwenhoven (1965) points out that Socialism and Capitalism are both rooted in the form of economic philosophy which emanates from the humanist world view which has its point of departure the self-sufficiency and autonomy of man. In line with this Goudzwaard (1975) feels that the duel between them does not take place on a neutral battlefield, because Socialism has chosen as its religious point of departure the glorification of man-in-society, while Capitalism has opted in the same framework for man-as-individual. In this is to be found the fundamental similarities and differences between the two: "Whether primacy is given to the individual or the community, in either case it is given to an autonomous man who - alone or in community with others - in a sovereign way determines his own destiny" (Goudzwaard, 1979:116). A choice between Socialism and Capitalism can thus be a false choice for a Christian. Beukes (1978) points out the meaninglessness of a choice which has to be made within the framework of the traditional debate between Socialism and Capitalism seeing that the same underlying points of departure can be found at either side of the argument. Kuyper (1889) already felt that the point at which the Socialists and the Capitalists found each other was to be found in the fact that they themselves would like to build without knowing God's ordinances, or acknowledging them, and both in their social striving do not keep account of man's eternal destiny.

Socialism and Capitalism also both need untrammelled technical and economic development in order to attain their aims. It is thus, according to Kouwenhoven (1965) and Goudzwaard (1979) not surprising that Socialism and Capitalism have, in the course of time, grown nearer to each other in their practical policies. Both revisionist neo-Socialism and neo-Capitalism on the one hand reject totalitarianism and the unequal distribution of economic power, and on the other hand they reserve for government the task of ensuring a market-conforming course in the economic process. Troost (1976) nevertheless speaks of the two powerful
economic idols which, locked in mortal combat, are at present emerging in Western culture. The Capitalist Baal of greater prosperity and the Socialists Astarte of shared prosperity absolutize these human responsibilities and one or the other of these idols is always expected to produce the salvation or the humanization of life.

3.2 The dialectics of sin culminates in a tunnel society

Goudzwaard (1979) uses the term closed tunnel society to indicate the societal form which has already been attained in the countries behind the iron curtain and towards which the Western societies are on their way very rapidly. The result of the striving for domination and the trust in progress which underlie the dialectical struggle between Socialism and Capitalism is a society in which all men, institutes, norms and actions have to serve in order to move as rapidly and soundlessly as possible towards the light at the end of the tunnel which will for ever remain out of reach in spite of the fact that it keeps everybody and everything constantly on the move.

The one-dimensional character of this closed society emerges in the adamant demand for functional streamlining which serves as a restraining corset for the whole society. Only that which is serviceable to this movement within the tunnel is regarded as being meaningful and valuable. Unbridled autonomous self-determination in economic matters is the encompassing criterion. In a closed tunnel society the impression is created that an essential and irrevocable process is in motion: “Within that context the laws of the dialectic of progress are indeed ironclad. There can be no absolute individual freedom which does not in due time conjure up, through its consequences, the necessity of central control and domination” (Goudzwaard, 1979:209). Classical Capitalism (which advocates decentralized, autonomous freedom of progress for free enterprise) of necessity leads towards growing central control of society. In this way, according to Goudzwaard, the centralization of social responsibility in the state constitutes the natural complement to the autonomous and decentralized freedom of the production sector of society. Classical
Socialism (which aims at centralized responsibility) is thus, for him, not only the opposite of Capitalism but also the result of it:

"It is precisely in their opposition that they presuppose one another" (Goudzwaard, 1982:209).

The struggle for free entrepreneurship which should be subjected to as few limitations as possible, and which is founded in the faith in the self-determination of the individual in practice leads to a materialistic culture and commercialized patterns of behaviour which come into being on the basis of manipulative advertising methods and artificially created needs. In this way it becomes possible for the enterprise openly to neglect the needs for development of life of his neighbour (the consumer and the competitor). In opposition to this, from the same humanist faith in the autonomy of man there originates a reaction which leans towards the other extreme, viz. the idea that the private enterprise in its entire has to be taken over by the national community. Behind this vision of freedom too there is a religious conviction which wishes to elevate the humanist faith in man-in-society to being the source of all social happiness: "In this view, it is not the individual but the community that can lead mankind to true freedom and true happiness" (Goudzwaard, 1975:39).

Only a Biblical view of man and of society can, according to Taylor (1966) offer a way out of this cul-de-sac of individualism versus collectivism, seeing that it makes it unmistakeably clear that man is an individual who lives with other human beings in a variety of societal forms. While collectivism absolutes one of these societal forms and degrades the others to parts only, individualism constructs a society out of the atomistic relations between sovereign autonomous individuals. Subsequently a look will be taken at the contribution of a Reformational view of reality and the view of man and society based on that.

3.3 The Biblical heritage of the Reformation: Stewardship
According to Goudswaard the Reformers (and especially Calvin) rejected the idea that economic was sinful in itself, seeing that it constitutes an integral part of God's creation, and seeing that the whole of life falls within the scope of Christ's salvation: "Economic activities were no less holy, no less sanctified than spiritual or ecclesiastical activities" (1975:12). He also distinguishes two underlying views in Calvin's approach to economic life. In the first place exchange and economic interaction have to reflect the fact that God has granted the riches and resources of this earth to the whole of mankind, and that all men have to be able to enjoy of them. In the second place man is a steward who has to accept that economic life is a creation of God which constitutes an integral part of his calling. This calling implies God's mandate to man to love God and his neighbour, and therefore man is not permitted to use the resources of the earth as if he were the sole possessor and ultimately the owner of it all.

3.4 The meaning of a Reformational vision of reality, of man and of society for economics and the economic sciences

3.4.1 No natural laws for economy

As opposed to the non-Christian faith which expresses the conviction that the whole of society is the product of autonomous human activity, Troost (1968) postulates the testimony of the Christian faith within the framework or context of God's creation and salvational will in the whole of life, and therefore also in the economic activity of mankind. The confession of Christian faith that man has been created in the image of God and that in his relationships with people man is bound by the love commandment is also an internally economic given of creation. The so-called economic laws are therefore no natural laws but the obedient or disobedient structuring by man of the frameworks of creation which God has set up for man with regard to his economic activities and forms of life. The normative nature of the interpersonal economic activities and forms of life are seen by Dooyeweerd (1946, 1955), Troost (1976), Goudswaard (1968) and Haan (1971, 1972, 1974, 1975, 1979) as an important foundation for a true insight into the responsibility of man in the
sphere of economics. The idea of an "impersonal and mechanical economic system, driven forth by its own internal dynamics" (Haan, 1979:195) is present in the work of Adam Smith already, and for that reason Marx offers no new contribution in this respect.

3.4.2 The characteristic, nature of economic and non-economic forms of life

In order to escape from the false dilemma of individualism and universalism/collectivism which, amongst others, underlies the struggle between Socialism and Capitalism we may, according to Haan (1974, 1975), not ignore the important contribution of Reformational thought to the insight in the structural characteristics of the various societal forms. Freedom and responsibility reveal typical and characteristic traits in each of the various societal forms, so that their nature within the enterprise can to large extent differ from freedom and responsibility within the university, the family, the church or the state. The reason for this lies in the fact that these norms "do not float somewhere above this earthly life, but time and again direct themselves concretely to various societal relationships. For example our duty to act responsibly towards our neighbours holds for all of life, but in a business enterprise it assumes a different form than in the family or in the relation between government and subjects" (Goudzwaard, 1975:37). The rich variety in God's creation emerges in this, and the direct relevance of his Word and his Law for these societal forms attain its own shape which in every instance depends on the characteristic nature that is displayed. Seeing that the Bible is not a scientific handbook on the subject of economics, one cannot expect to find in it the scientific answers to the question about the characteristic nature of the enterprise: "Quoting and applying certain Scripture passages is in itself not sufficient to arrive at an intrinsically Christian view of the enterprise. That can be attained only by letting ourselves be governed by the Spirit of God's Law. the Spirit which also drives us to carefully examine and evaluate the nature and operation of the modern enterprise" (Goudzwaard, 1975:37).
According to the views of Goudzwaard (1972, 1979) Griffioen (1982), Huizenga and Kee (1982) and especially the penetrating study by Fourie (1981) the enterprise has an idiosyncratic structure of authority between employer and employee which implies managerial authority on the basis of economic (capital) power. They stress that the enterprise cannot belong to somebody because the provider of capital only makes a particular input for which he received dividends. They also make a clear distinction between the striving for profit of the enterprise which is a particular objective of the company and its characteristic nature. Identification of both has in many instances led to a dehumanizing structuring of enterprises. Stewardship in the enterprise thus implies for all those involved that, in being bound to the love commandment of God they owe responsibility for the way in which they deal with others, but also with the precious resources of the earth.

4. CONCLUDING REMARK

The important contribution made by the rejection of the false choice between Socialism and Capitalism in South Africa is situated in the emphasis on the kingship of Christ also in the economic sphere of his Kingdom which has to be sanctified through the obedient stewards who realize that in this too they live in the sight of God and not only when they are in church. This realization will put us on our guard not only against the ideologies of Socialism and Capitalism, but also against the ideologies of White and Black nationalism which often in South Africa go hand in hand with the former two. Goudzwaard (n.d.) warns not only against the absolutized identity of the cultural community of the Afrikaners but also against the danger that African communalism will be ideologized into a Black counter-ideology which reacts to the ideologies of the Whites. Stewardship in the economic sphere means that we, as Christians, should not take sides in the ideologically polarized society of South Africa and then in smug complacency claim God for our side - it means, rather, that in humility we shall be salt and yeast in our dealings with people of all kinds while we seek for the way of the Kingdom of God and his justice in the economic life of South Africa.
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