Suggested Title: Decolonizing State Capture | South Africa

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Over recent years there has been much talk and coverage of ‘state capture’ in South Africa.[[1]](#footnote-1) This means that private and commercial interests are involved in systematically influencing the political decision-making process of the South African state to their benefit.[[2]](#footnote-2) In this context, it is crucial to recognise that such strong involvement between state governance and commercial interest are not a new phenomenon particular to the post-Apartheid era.

These entangled political, economic, and social relations have a long history that reaches back to the creation and constitution of the modern colonial South African state. This is best illustrated through the English East India Company’s (EEIC) relationship with the British Cape Colonial government at the turn of the 19th century.[[3]](#footnote-3) By highlighting this historical link, we can better understand underlying capitalist structures and systems that still influence oppressive and exploitative relations in Post-Apartheid South Africa. [[4]](#footnote-4) In a system of capital relations labour-power is exploited to produce value, in the form of financial profit, from the control of wage based human social relations.[[5]](#footnote-5)

The EEIC was initially created as a commercial trading company in 1600.[[6]](#footnote-6) These English merchants were granted exclusive trading rights eastward of the Cape of Good Hope and westward of the Straits of Magellan by the British Crown government against domestic English and European trading competitors and rivals. The agreement between the EEIC and British Crown government was designed to protect and promote the pursuit of commercial trade and profit.[[7]](#footnote-7)

Over a 257-year period, EEIC commercial, political and military activity drove its development into a powerful autonomous political and military authority from St. Helena to Mughal Asia. This transnational activity established the foundations for the global British empire.[[8]](#footnote-8) This involved establishing its own colonial and trading settlements and stations, enforcing its own judiciary’s and civil constitutions, creating its own private military force of at 150 000, and making war and diplomacy on its own behalf, and controlling and administrating extensive terrestrial dominions under its own authority, such as Company controlled India.[[9]](#footnote-9) The EEIC used its expanding economic and political resources to significantly influence British and Indian Ocean political institutions to support its commercial and military interests. Here, the Company cultivated purposeful relationships to promote its continued security for its continued prosperity.[[10]](#footnote-10)

During the first British occupation of the Cape, c.1795 to 1803, the colony was strategically located between Atlantic and Indian Oceans for European maritime powers. The EEIC and British Crown government had worked together to take and secure the Cape from the Dutch and French imperial enemies and rivals. The primary goal of this action was to protect Company trade and ships which had become crucial to broader maintaining broader British imperial prosperity.[[11]](#footnote-11) The EEIC had a monopoly on trade at the Cape, only EEIC ships or those persons who had received permission from the Company were allowed to legally export and import people, food, and goods at the colony from British and allied transoceanic settlements. This positioned the EEIC crucially to the colonial Administration to protect the British colony from colonial and imperial threats.[[12]](#footnote-12) This included appointed government officials whom distinctly threated Company interests and the Company-Crown relationship. For instance, when Governor George Yonge pursued administration policy to the detriment of EEIC commercial interests, he was swiftly recalled from his position and replaced with acting-Governor Henry Dundas whom ensured the continued promotion and protection of EEIC prosperity.[[13]](#footnote-13)

As such, the British colonial administration was uniquely configured to protect EEIC commercial interests. This crucially embedded the Cape Colony within global British transoceanic networks and structures.[[14]](#footnote-14) Through its Agent John Pringle, the EEIC significantly influenced the British Cape governance to protect its interests, which consequently secured the broader British empire.[[15]](#footnote-15) This collaboration between the EEIC and British Crown government resulted in oppressive and exploitative systems and structures at the Cape Colony to protect its interests.

For instance, an important function of the Cape colony was to supply other British settlements with food and goods to support broader military and commercial campaigns. The export of grain proved detrimental to the colony as it undermined the sustenance of the colonial society. The coincidence of grain exports with poor harvests moved the colonial government to implement stricter regulation to control Cape society.[[16]](#footnote-16) Additionally, the prohibition of foreign ships from trading at the Cape created in shortages of essential food and goods entering the colony to relieve ongoing crises throughout the occupation.[[17]](#footnote-17) Through the exclusivity of its political and economic arrangement with the Cape government, the EEIC benefited commercially at the expense of the well-being colonial inhabitants.[[18]](#footnote-18)

We see that at the inception and constitution of the British Cape colony the EEIC was significantly cooperating with the Cape British administration to influence Cape colonial society to effect state policy and the distribution of resources to its continued commercial benefit.[[19]](#footnote-19) This also highlights that the Cape colony was constituted and embedded into a transnational exploitative system and structure designed to extract human and material resources for commercial and government interests outside South Africa.[[20]](#footnote-20) As we consider this, we find that the colonial ‘State’ was not ‘captured’ but collaboratively formed to oppress and exploit society for interests that are detrimental to the holistic well-being and prosperity of its inhabitants.

The legacy of this collaboration between state and commercial interest in Southern Africa is further traced through Cecil Rhodes’ British South African Company at the end of the 19th century.[[21]](#footnote-21) This commercial company also collaborated with the British imperial state, and was invested with political powers and that allowed to administer territories directly in Northern and Southern Rhodesia (Zimbabwe, Zambia, and Botswana) for oppressive and exploitative commercial benefit.[[22]](#footnote-22) Although the arrangements differed from the EEIC at the Cape, we can see that corporations continued to be involved in South African colonial governance and ‘African colonialism’ to the detriment of the governed societies.[[23]](#footnote-23)

To critically find practical solutions to the problem of ‘State capture’ in Post-Apartheid South Africa it is crucial that we acknowledge that this embedded relationship between commercial and state interest is not a new phenomenon. In acknowledging this historical relationship, we can identify particular enduring transnational capitalist systems and structures that continue to conflicting and exploitative interests governing South African society. If we do not, then tragedies like Marikana will be repeated without recourse.

At the time, current South African President, Cyril Ramaphosa was a non-executive director at Lonmin and sided with the mining company’s business interests over the plight of the mine workers. The Marikana mineworker community is still fighting for accountability and their dignity.[[24]](#footnote-24) Lonmin was incorporated in 1909 as the ‘London & Rhodesia Minding & Land Company’ and was long listed on the London-Stock Exchange. It operated at the same time as Cecil Rhodes’ British South African Company and developed into an extensive transnational corporation with Pan-African operations that served its British based board of directors.[[25]](#footnote-25) In June 2019, Lonmin was acquired by Sibanye-Stillwater, now one of the world’s largest platinum suppliers, who continues Lonmin’s profit seeking legacy.[[26]](#footnote-26) President Cyril Ramaphosa remains at the centre of the ongoing Marikana enquiry and highlights the enduring conflicting involvement between state governance and commercial interest.[[27]](#footnote-27) In this way, we are able to recognize and better understand long and detrimental imperial and colonial historical relations and resonances between state governance and commercial involvement that have existed since the constitution of the British South African colony. This allows us to take informed steps to contest and decolonize this exploitative history and its enduring legacies to work toward a more just and equitable society in South Africa, and beyond.

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4. Federici, Revolution at Point Zero :Housework, Reproduction, and Feminist Struggle, p.94; Federici,S., Caliban and the Witch (New York: Autonomedia, 2004), p.113. [↑](#footnote-ref-4)
5. Federici, Revolution at Point Zero :Housework, Reproduction, and Feminist Struggle, pp.4, 32. [↑](#footnote-ref-5)
6. Keay, The Honourable Company: A History of the East India Company, pp.4, 75, 196, 230, 261. [↑](#footnote-ref-6)
7. Keay, The Honourable Company: A History of the East India Company, pp.4, 75, 196, 230, 261. [↑](#footnote-ref-7)
8. Robins, N. The Corporation that Changed the World, pp.5-14. [↑](#footnote-ref-8)
9. Robins, The Corporation that Changed the World, pp.3, 157. [↑](#footnote-ref-9)
10. Chaudhuri, The Trading World, pp.123-124; Bowen, The Business of Empire: The East India Company and Imperial Britain, 1756–1833, p.30. [↑](#footnote-ref-10)
11. Letter from Sir Francis Baring to Right Honourable Henry Dundas, Devonshire Square, 4 January 1795 in RCC, Vol I, p. 17. [↑](#footnote-ref-11)
12. Letter from Sir Francis Baring to Right Honourable Henry Dundas, Devonshire Square, 12 January 1795 in RCC, Vol I, p. 23 [↑](#footnote-ref-12)
13. Letter from Lord Hobart to Right Honourable Henry Dundas, Downing street, 7 April 1801 in RCC, Vol III, p.466. [↑](#footnote-ref-13)
14. Address from the British Officers to the inhabitants of the Cape colony, Cape Town, 22 September 1795 in RCC, Vol I, p. 153; Letter from Admiral Elphinstone to Right Honourable Henry Dundas, Table Bay, 10 October 1795 in RCC, Vol I, p. 185. [↑](#footnote-ref-14)
15. Letter from John Pringle to Marquis Wellesley, Cape Town, 16 May 1801, BL: IOR G/9/1, p.87-89. [↑](#footnote-ref-15)
16. Minutes of Special and Supreme Commission appointed by the Governor for regulating consumption of colony grain, and for supply provision during present scarcity, Cape Town, 27 February 1801 to 27 January 1802 in RCC, Vol IV, pp. 149-215. [↑](#footnote-ref-16)
17. Letter from John Pringle to EEIC Secret Committee, Cape Town, 30 July 1796, BL: IOR, G/9/6. p. 29. [↑](#footnote-ref-17)
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