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Family Members Participation in Botswana Settler Family Enterprises - The Case of Tuli Block

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Introduction

A striking phenomenon among the Tuli Block settler enterprises is the sharp contrast between the success and expansion of family firms on the one hand, and the frequent contraction and collapse of individual firms on the other. That this contrast needs serious and intensive investigation is indisputable, especially in view of the fact that many Batswana have recently bought farms in the Tuli Block, which, until Botswana's independence in 1966, was a preserve of settlers. Batswana farmers in the Tuli Block tend to take for granted the participation of their families in the enterprise of freehold ranching. This is not surprising, given the structure and operation of a traditional Tswana or indeed other African families in the sub continent with respect to family labour deployment. Notwithstanding that, recent socio-economic transformations, while they may not be said to have conspicuously changed the structure of a traditional Tswana family, have quite noticeably necessitated a restating of ways in

which family members relate among themselves with respect to family property.

No longer can the age old traditional norms and practices which regulated family labour be taken for granted. Within this context of social change, this paper takes as its main problem the analysis of conditions under which members of family are successfully coopted into family firms. The paper does not pretend that the successful cooption of family members is the only factor in the success and expansion of the settler ranch enterprises. [See I.N. Mazonde's doctoral thesis for a discussion of other factors].

To illustrate my argument I use two cases of Tuli Block settler farmers, one an Afrikaner, the other, an Englishman. The facts of the cases are real, but only pseudonyms have been used so as to protect the identification of the settlers in question. I begin by presenting cases and then proceed to analyse their material. The thrust of my argument is that the active participation of especially the sons in a family firm depends to a large extent on the management of the firm by the father - particularly the way he involves them in it. Such involvement is sometimes referred to as prestation, while the positive response of the sons to the father's overtures to involve them is referred to as counter-prestation (see Benedict 1968).

The successful involvement of sons in the family firm brings with it another dimension in the structure of the family at large. As I demonstrate below, there is greater cohesion among family members who are all involved in a family firm than there is among family members who are not all involved in it. Such cohesion has the effect of pre-empting some tensions among family members, thus paving the way for further expansion of the family enterprise. The obverse is true: in this paper the individualist family firm - one that does not involve all its sons in the family business - collapses essentially because it lacks the cohesion that obtains in the familist family firm - one that involves all its sons.

Cases of Two Alternative Settler Entrepreneurs

This paper concentrates on two case studies of settler ranching. Each case is a microhistory of change in a family firm, over at least three generations. Each case culminates in the emergence of an extreme type, the paternalist entrepreneur in the case of the familist firm, the technocrat in the case of the individualist firm. My primary concern here, however, is to describe the cases in depth and thus to provide the analysis with a substantial empirical basis.

A central theme of both cases is expansion under a changing political economy. The first half of each profile is about change under the management of the oldest living member in the generation, in the second half, focus is on developments introduced by a younger member of the family ranch.

Vorster: The Paternalist Entrepreneur

This case is divided into two phases, according to the development of the family firm from generation to generation. The case highlights the division of labour within the family and the diversification of members' contributions to family enterprise. Much attention is paid to the importance of clientage or paternalistic entrepreneurship, and a kinship ideology - an ideology of incorporating the firm within the family. Clientage and kinship are combined to bring about a positive force in the expansion of commercial entrepreneurship. The focus in phase (i) is on the present head of the family, Vorster. Phase (ii) focuses on his eldest son.

Vorster, Phase i

Vorster, an Afrikaner now in his mid-70s, came, roughly in 1934 from the Transvaal. His father bought a 4230 ha Tuli Block farm, having sold the family's small Transvaal

farm with its main crop of groundnuts. At the beginning, the times were hard, Vorster remembers. In South Africa, they had been poor farmers, marketing their groundnuts through the cooperative in Potgietersrus. No sooner had Vorster settled in Botswana than the great cattle trade between Botswana and the Transvaal began, after the end of the 1929-1934 depression.

There was a general pattern among white settlers in the cattle trade at this time. Initially, cattle were bought at kraal auctions or at settler owned stores in villages. Later on, stores on some farms were also introduced. The cattle were either trekked immediately to Johannesburg or kept first on the farms, awaiting trekking. The cattle were officially allowed to cross only at the border post manned by veterinary personnel and equipped with weighing bridges. There were only two such border posts; one at the southern tip of the Tuli Block in Sikwane, and the other at Ramatlabama in the southern part of Botswana.

When the sanctions against cattle from Botswana into South Africa were lifted in 1941, the family firm diversified its interests by building a hotel on their farm near the Limpopo river and a border post. Apparently, the immediate aim was to occupy its manager, Vorster's mother; at that time she had been relatively idle. As Benedict says, family firms sometimes venture into new enterprises in order to occupy idle family hands (see Benedict, 1968:11-13). The hotel's patrons, at least in the public bar and restaurant, are mostly the ranchers from both sides of the frontier. The family sold the hotel in 1962 once it was evident that easy traffic across the frontier was to end. The border fence was constructed on the Transvaal side of the frontier, and Botswana's independence was imminent.

In terms of social organisation, Vorster has developed a commercial network for cattle purchasing in the commercial areas that is important for distinguishing him from other ranchers. He buys cattle on all the three auction days of the week, Monday,

Wednesday and Fridays, in the villages around his ranch. Each of the three villages has only one day a week to auction cattle. That gives him the chance to attend all the three auctions. If he cannot attend, his eldest son attends on his behalf. His African proteges do not miss such auctions. They negotiate prices on Vorster's behalf among their fellow Africans before the auction sale. During the auction, these proteges merely support Vorster's bids. In return for their services, Vorster ploughs their arable fields for substantially reduced charges and also employs their children at slightly higher wages than usual. This symbiotic relationship reinforces the philosophy of clientage between Vorster and his proteges.

In 1954, the Protectorate's owned abattoir was opened in Lobatse, bringing to an end the live cattle sales by individuals across the borders, especially to South Africa. Cattle from Botswana, particularly from South Botswana, of which the Tuli Block is a part, had to be sold to BMC abattoir. However, the abattoir was unable to kill all cattle offered for sale. But this was so because of the abattoir's small size, and pressure was too great, notwithstanding the reduction in the volume of trade occasioned by the withdrawal of the Johannesburg livestock agents in the months preceding its opening. Incomes from ranching dropped and ranches held livestock for longer times than before.

In order to cope with the post 1954 changes in the cattle industry, Vorster came to devote much of his time and effort to trading in consumer goods and agricultural equipment. At present he buys his merchandise from his home town in the Transvaal. The consumer goods are then distributed through Vorster's wholesale-cum retail outlet on his farm. Delivered to his stores in the nearby villages, they are retailed for cash and they have even been bartered for cattle and goats.

In terms of a ranching strategy, Vorster is a multiple entrepreneur who has purposely chosen not to be a specialist breeder of exotic breeds. He has made his choice

despite recognising the high social and economic values of exotic breeds. His breeding of improved bulls with traditional Tswana cows is very limited. He prefers instead to rely more heavily on speculation or grazing. His ownership of 40,000 ha (1986) makes him one of very large ranchers in the northern Tuli Block. The vastness of his ranch also allows him enough land to stock and fatten great numbers of cattle traded from the communal areas. Vorster barter ox ploughs, donkey carts and other machinery in exchange for cattle and goats.

I now turn to the kinship ideology which is the engine that drives Vorster's enterprise. The nature of Vorster's enterprise at this phase is an outgrowth of an Afrikaner familist tradition, which owes much to a peasant history (on Afrikaner farming in the 19th century see Wellington, 1932; Russell and Russell, 1979). Vorster runs this family enterprise as a whole with his sons. I know of no other Afrikaner farmer in the Tuli Block who has managed such family unity. Vorster's enterprise is undivided in terms of profit taking according to fixed shares for family members. Wages are not paid to Vorster's sons. They merely draw money from the enterprise according to their needs. The joint arrangement of the firm assures them of a high standard of living, reflective of the success of the firm as shown by cars that are maintained by the enterprise.

Each of the first two sons has a house in his own part of the ranching estate. The last unmarried son, who completed his schooling in 1986, is named after his father, and lives with him in the main house. In different parts of the hinterland covered by Vorster's merchant trading, each of the three sons co-manages a store with Vorster. The last son co-manages the store on the ranch; the middle son the one in the nearest village, and the eldest son the store in the farthest village from the ranch. This physical separation of their trading concerns is meant to obviate conflict that could arise from competition among themselves. In co-managing his stores with his sons, Vorster deliberately intends that his sons appreciate the need to continue to link ranching with merchant trading. After he and his wife have died, the ranch is to be

shared in three equal parts by his sons, the youngest occupying the main house. The stores are to be shared according to the pattern of management. Vorster's sons say that their sister was given her share of inheritance when she married. This, they say, is 'the Dutch way' of giving out inheritance. A cross checking of the validity of this statement across the border in the Transvaal suggested that this is no longer the practice, although it was perhaps an ideal some time ago. In part, the change is due to the fact that the South African law prohibits the partitioning of land beyond a certain minimum size.

I am not sure what would happen if Vorster's wife survived him. Perhaps the enterprise would be run somewhat as it is now. In family firms elsewhere, during the survival of one parent, division is often postponed (see Long, 1974). It remains to be seen whether Vorster's property will be divided according to plan in the event of both parents dying.

Vorster, Phase II

In discussing this phase I intend to stress some of the increasing responsibilities of Vorster's eldest son, Verlem, within the overall business of this family firm. This part of the case also brings to the fore problems that are faced more generally; how this family firm's multiple enterprise is further connected with the rest of the Tuli Block. The link is made by different family members in the performance of their various duties. More importantly, perhaps, this second half of the case documents the expansion of the family firm beyond its previous domain into a new geographical area. This occurs when a member takes advantage of a new state-backed economic opportunity which he pursues within his own area of specialisation.

Verlem is now 33 year old, married, and has two daughters. His wife, an Afrikaner, is from a neighbouring farm. With a diploma from a Transvaal technical school,

Verlem has the formal training as well as practical experience to enable him to repair and service all vehicles and mechanical equipment in his father's enterprise: tractors, cars, trucks, caterpillars, borehole engines and other farming equipment. This drastically reduces the cost of vehicle maintenance for the entire family firm.

Within his wide technical training, Verlem's main interest has been in arable production, initially in growing groundnuts by dryland farming. Following the completion of a Limpopo river weir for the ranch, he has begun to grow groundnuts under irrigation as well. In 1986 he was increasing his cultivated area to more than 4000ha. He cleared more land on the river bank in order to make full use of the weir. Verlem and his affine on the Transvaal side of the river shared the costs of constructing the weir and now share its use. It is worth noting that settlers are at an advantage in the use of shared resources, like river water, that span their countries. Such bordermanship gives them benefits which are beyond the reach of indigenous ranchers.

For harvesting groundnuts, Verlem uses the very expensive and sophisticated harvester which is beyond the means of other ranchers in his neighbourhood set. His scale of crop production makes his use of the harvester economical. It may be that one reason for buying the harvester was to reduce the number of hired workers. But then seasonal labourers are employed to pick what the harvester misses. The harvester is not efficient enough for the task as a whole, though it is much faster and ultimately more economical than labourers, given Verlem's large scale of cultivation. There is also a prestige aspect to its use. Its high cost makes its ownership a proof of economic differentiation among Tuli Block farmers, many of who opt for growing maize and sorghum, both of which are produced more cheaply with less sophisticated machinery.

By offering the family's wide ranging machinery for hire, Verlem also extends his

family's influence to other settler and indigenous farmers beyond his father's neighbourhood. For caterpillar services such as bush and boulder clearing, he charges his clients P30 per hour. He is also on hire to do other tasks which require the use of heavy machinery. In 1986 for instance, a prominent farmer from the African national elite contracted Verlem to build him a weir across the Limpopo river for irrigation purposes. Verlem is well spoken of by his clients who praise him for his speed and thoroughness when doing their jobs.

The settlers's policy has always been to market their food grains where prices are higher. Indigenous farmers are restricted by their use of state resources which force them to market only in Botswana. Until recently, with a Botswana government permit, Verlem has sold his groundnuts to a marketing cooperative in Potgieterus, his Transvaal home town, because of the higher prices and the bonus given when the cooperative has made a profit. More recently, he has sold his groundnuts to a local cooperative in a nearby village near his brother's store. This has been the more profitable alternative for two reasons. First, the South African rand collapsed relative to the Botswana Pula. Second, due to the 1979-85 drought over Southern Africa, the Transvaal cooperative made no profit and consequently paid no bonus. Because he does not use the state credit but his own resources, Verlem is able to take advantage of higher prices of grain in either country.

Notwithstanding the higher prices of groundnuts which attracted Verlem into arable production, Botswana's priority is the production of staples like sorghum and maize. The government recently opened up state land in north western Botswana for the sole production of staples by farmers who are given certain subsidies as incentives. The State, through its Agricultural Marketing Board, has undertaken to buy all food grain from this project. Following his youngest brother's completion of a diploma in agriculture in the Transvaal and his subsequent return to the Tuli Block, Verlem left for north western Botswana to take up the challenges to produce staples.

Clark: From Speculator to Technocrat

The Clark family firm has a history which, perhaps more than any other in the Tuli Block, illuminates an extreme in the development of ranching among settlers of British origin. It is the extreme which culminates with expansion into the most highly specialised ranching free of a diversified portfolio in wholesaling, trading stores or secondary services. This culmination brings with it, ultimately, the liquidation of the firm itself. The contrast to Vorster's family firm is striking. Vorster's family firm, I have shown, reaches its peak with a collective emphasis on the undivided firm under the family head. The members of that capitalist family firm see themselves to be keeping up, in their familism, an Afrikaner way of life. We may say that they have a familist or kinship ideology which harks back to Afrikaner peasant origins. The Clarks, like other settlers of British origin, take individualism within the family firm for granted. They never operate the family firm as a collective among adult members under a family head. Instead, at their peak, in accordance with their individualist version of a capitalist ideology, they form a company, with each member being a shareholder. In their efforts to get the most profit, they maximise their autonomy, even at the cost of having to liquidate the company.

The case history of Vorster's family firm and this one differ in much more than ethnicity, although that is important, of course. The difference which my account documents extends to personal networks, to life styles, to management practice, to firm organization, among other things. The method of presenting the case of the Clarks is also somewhat distinct. The reason is that I have to bring the contrast between the family firms into perspective. Hence in the Clark's case, I present the case in phases, not so much according to generations as in the first case, but according to the level of enterprise developed. This development is from the lower level of minimal specialisation and non-professionalism, the level of cattle trading and speculation, to the higher, specialised level of exotic breeding. Each level is achieved

by the family firm at a different phase, the first during the colonial period, the second more recently in the post-colonial phase.

Clark, Phase i

The Clarks' family firm began shortly before the First World War, when Arthur and his son Brian came from Bournemouth, England, and started farming in the Transvaal. In the Protectorate, to which they moved in the early 1920' s, the firm's first venture was dairying, with production of cheese for export to South Africa. This was on a Gaborone Block farm bought in the 1920's with the proceeds from selling the Transvaal farm. After a few years, the venture collapsed, and no more cheese was produced by the Clark family.

A further change came with the later boom in the Johannesburg cattle market and, in turn, the boom in the export of cattle from Botswana. The Clark family firm responded, as did other settlers including Vorster's family, by expanding its lucrative speculation in cattle bought for fattening from Africans in the Protectorate's tribal reserves. This expansion required two further investments, first in building a bigger ranch and second, in trading stores, at least one within the reserves.

Some idea of Brian's personal development at this time can be gained from the fact that in 1938, the year he married a distant cousin, he completed a *Junior Certificate*. This gave him a formal educational qualification of a high order, relative to those of his farmer contemporaries. His wife had been a clerk in the Bechuanaland Protectorate Government in Mafeking, where she was born. It is worth noting that in his old age Brian liked to give the impression of having learned primarily not from formal education but from people and experience. This was the main point, also, of the heroic stories about Brian and his local knowledge which his university educated son told me.

In 1939, the Clarks bought one store in a very large village fifteen miles away, and they established a second store near the farm gate. For most of the next thirty years these stores were a source of vast profit. Through the stores the Clarks were brought into close contact with African cattle producers and gained local knowledge that was valuable for speculation. In times of major disaster, such as drought or a foot and mouth epidemic, the Clarks were better placed to buy hundreds of cattle cheaply through the stores. The village store was sold in 1968 when the government increased cattle prices by 12 percent and speculators were forced to raise their purchase prices accordingly. The government's concerted effort to promote marketing cooperatives put an end to the farm gate store in 1974: it lacked sufficient trade in grain. In periods of drought during the colonial era, settlers exchanged cattle and grain. This placed them at an advantage in relation to the Africans. The move of the government to widen the scope of cattle marketing resulted in the closure of many settler stores. Such stores had mainly engaged in the barter of cattle with grain. Only the wholesalers such as Vorster were able to continue trading through stores (see Hubbard 1983:240 for a fuller discussion on stores in the colonial era).

The actual marketing of the ranch's cattle, like the overall export cattle trade, was controlled from South Africa. The South African financiers who backed the Clarks' firm with capital directed the marketing through particular border posts which they considered to be least congested. Through Brian the financiers rented a cattle-holding ranch in Molopo, where they received cattle deliveries from Arthur's African foreman. Their control from Johannesburg was in accord with what Hubbard calls the 'reserve nature' of the Protectorate's cattle industry (1983:119).

Direct South African control of the Clarks' ranching came to the end under the impact of South Africa's sanctions against the Protectorate's cattle exports from 1939-1941. The Johannesburg financiers refused to bear the burden of renting the cattle-holding ranch in Molopo. Instead, the Clarks bought the 7400 hectare ranch in 1944. The

Clarks' expansion into a second ranch beyond the Tuli Block was thus similar to Vorster's early expansion within it: the circumstances largely depended upon the manipulations of financiers.

The Molopo ranch had a strategic importance for increasing trade, and thus the continued expansion of the Clarks' firm, which Brian perceived clearly. The relative ease with which cattle were crossed into South Africa at the Ramatlabama border post gave the Clarks an advantage over settlers who marketed their cattle through the more congested Sikwane border post. Having enough alternative buyers from Johannesburg, the Clarks no longer needed to rely upon the firm's past financiers.

The strategic value of the Molopo ranch looked to be all the greater, after 1946. It became known that there were plans for an abattoir to serve the whole Protectorate. Lobatse was to be the site, less than fifty miles from the Molopo ranch. However, once started in 1955, the abattoir was for some years unable to handle all the cattle offered for sale under the terms of its monopoly over the export of beef as well as livestock on the hoof. Hence, during this period the Clarks were not able to realise their hopes of taking advantage of closeness to the abattoir. The Clarks' lack of adequate family labour, which I discuss more fully in describing a later phase, exacerbated the situation, and in 1969, following shortly before Arthur's death, Brian sold the Molopo ranch.

So far I have related the development of this family firm to South African finances. The shift I have shown was from control by South African finance to greater autonomy and yet sustained dependence upon the Johannesburg market. What must now be seen is the firm's special relation to the state. Here I discuss the relation to the colonial state and later the post-colonial one, in my account of the second Phase. It was a privileged relation, tied to public service and political influence, yielding valuable information, windfall profits, and technical advantages for the firm. From one

generation to the next the Clark's have had the benefits of insiders, first because of political office, and later because of professional ties with the bureaucracy of the state.

On the Protectorate's European Advisory Council, Arthur served as the elected member representing the entire Tuli Block for some 10 years. This was at a time when the influence of the Tuli Block farmers upon the Protectorate's officials was at its peak. A prominent, prosperous, and effective spokesman for settler interests, Arthur had access to the inner-circle of senior officials in the Protectorate. His reputation made him a person these officials could rely upon. He was well-placed to receive inside information, early, about speculative opportunities due to shifts in state policy. Having Arthur and Brian working together meant that the family firm had both the man of public affairs and the man of practical entrepreneurship working in co-operation.

It is a commonplace that the death of a family firm's founder, especially one who had a dominant, pioneering personality with a considerable public reputation, brings about a crisis. It is a crisis that usually goes beyond the obvious difficulties over inheritance and the devolution of an estate. As a result, some members of the family firm put an end to their interdependence; they separate, and sometimes they move apart, creating not only social but physical distance between themselves. The Clarks were no exception to this. Following Arthur's death, his eldest grandson took his share of the estate, left the country to farm in Zimbabwe, and married there. Similarly, Arthur's son, Brian, was considered by Arthur's African foreman to be a harsh taskmaster, less generous than Arthur; and the foreman also left. The foreman had been the mainstay of the firm's labour force, the son had been important in management for the firm's expansion. The loss of both together meant a significant shortage of critical labour for the firm at a time when the firm was beginning to encounter serious difficulties.

In response to these difficulties, the Clarks' firm maintained its own basic policy of

pursuing advantages from the state and accommodating to state-backed projects. This time the opportunity was state backing for a guaranteed market of pure exotic breeds. To capture a share of that market, perhaps a bigger share than that of any other Tuli Block firm, the Clarks needed substantial capital and had to liquidate some of the firm's fixed assets. The two stores, no longer so worthwhile given the decline in fattening and speculation, were sold to raise capital for buying exotic breeds. The Tuli Block ranch was converted to full specialisation in the pure breeding of exotic cattle. No further cattle from the communal areas were brought to this ranch. Indeed, the direction of the trade, though not of the major profit, was reversed. The ranch produced some cattle, the pure-bred exotic bulls, for sale to the communal areas.

Charles, Phase ii

This response in specialisation marks the beginning of the firm's second phase. In discussing it, I concentrate upon the career of Arthur's grandson, Charles, because in this phase, Charles's technocratic career was as important as the career of Arthur and Brian were in the first phase. In my view, Charles was the most active force in remaking the family firm and in moving its development towards the higher level of specialisation. It was partly at his instigation that the family firm was eventually turned into a company, with himself as the paid manager of its Tuli Block ranch and with other members of the family receiving shares from the profits.

Four related interests have to be brought together in order to appreciate Charles's career as a technocratic rancher. The first concerns professionalism, the advanced training and technocratic that equips a rancher to compete successfully for new opportunities in an innovative political economy. The social links which are effective and expedient for successful ranching are our second interest. The third arises from the cyclical nature of the climate to which all present forms of agricultural production in the Tuli Block are vulnerable. Finally, our interest is in a contradiction which appears

to be inherent in a certain type of capitalist family firm when it becomes a company with absentee shareholders.

The first professional training Charles received was at a South African University, where he completed his B.Sc. in agriculture in 1970. Charles, like his father Brian before him, was thus highly educated by comparison to most of his contemporaries among the settler ranchers. The post of animal production officer in Botswana's Ministry of Agriculture was his first upon qualifying at the university, and he remained in the Ministry for only a year. Manager of the grazier scheme at the Botswana Meat Commission, a parastatal post even more beneficial to the family firm, then became open to him, a post he kept for five years. After that, with the formation of the family firm as a company, he managed its Tuli Block ranch until that had to be sold in 1986. During this period, his father Brian remained a signatory of the firm's bank account, but drew only as much money as he needed personally, and gradually handed virtually all authority over to Charles.

For the Clarks' family firm the grazier scheme was a special opportunity, given Charles' management post. The grazier scheme was designed by the parastatal agency in the wake of the 1972-73 drought. Thin and immature stock were then being sent to the abattoir. The intent of the scheme was to assist capable farmers to rear immature and lean animals, fattening them for sale to the BMC. His management post enabled Charles, quite legitimately, to help restock the family's ranch with grazier scheme cattle. Charles, like his grandfather Arthur before him, used his public office and inside knowledge of a state-sponsored development project to promote the family business.

Having considered the importance of professionalism, of technical development, and of social links, I turn now to consider some implications of a climatic cycle. The roughly twenty-year drought cycle reached its worst at a very opportune time for the

rationalisation and specialisation of the Clarks' ranch. The drought, which began in 1979, within half a dozen years of the major expansion into specialised breeding, continued through 1985. In this period the calving rate dropped from 95% to below 50% in 1984. The fall in income due to reduced calving was especially unwelcome, following the recent heavy increase in capital investment. At first, the shortage of grazing was met by hiring an empty ranch nearby. But the persistence of the drought into a second year meant that cattle feed had to be bought for the herd of roughly 1200 animals. The cost was prohibitive; the herd had to be reduced to 800. The result was a 33% drop in income and yet a rising cost of feeding the cattle with manufactured and imported feed. Further reduction to 500 head had to be made. In 1984, the firm spent 60,000 Pula on cattle feed alone. Since the drought covered South Africa as well, the firm's farm there could not alleviate the hardship and provide cattle feed, despite the heavy subsidies enjoyed by farmers in that country. By 1983, the income from the Clark's Tuli Block ranch was virtually nil. The ranch was sold in 1986.

The Dynamics of Family Labour

The participation of family members in a family firm has been analyzed by among others, Benedict (1968), Long (1972), and Bennet (1969). A basic issue that they ponder is why mature grown up sons participate full time in the enterprises of their parents in certain instances, while they stay away from family firms in other instances. A suggestion for their participation is that the work in the family firm is commensurate with their own economic interests (Long 1972:17).

A conspicuous strategy of the familist firm is the sharing of work among family members. Looking at the tasks done by the sons in such a firm at its peak, one might easily agree that they fulfil their own economic interests in the firm. There are enough tasks and challenges for the sons.

However, such an answer is inadequate because available tasks and challenges may not necessarily be a fulfilment of the economic interests of the workers concerned. Here, Benedict's observations (1968), are helpful for further illumination of the problem. Benedict examines different ways of involving sons, the methods of obliging them to remain in the firm as well as the advantage of early child involvement in the family enterprise. He considers that to keep family members within the family firm, they must be incorporated into the family firm during their early age while the business is still controlled by their father, who, as head of the family, is also head of the business. The father uses his fatherly authority (which is not challengeable by his sons at this time), to involve his sons in his business. His main aim, however, is to make prestations. The father's prestations which demonstrate his confidence in his children, puts them in certain kinds of obligations.

The consequent reciprocity between father and son is a force in the expansion of the firm. This generates trust and confidence without which the family firm is not likely to grow. Transactions have to be made. During these transactions, the father-son role is not just between parent and child but between business manager and business associate. When these transactions are successfully carried out, the sons are bound by considerable commitments to the family enterprise before they are old enough to make significant alternative choices (Benedict 1968: 45). A further advantage in incorporating sons before their maturity is that the family firm profits from unpaid labour, and this makes a capital gain.

This enables us to clarify a two-fold process, first how the family firm expands upon the basis of trust and confidence, and, secondly, how the firm incorporates sons. The process of expansion can be seen even in the absence of sons. It is achieved through the bond with a dependant neighbour. In the case described earlier, this bond was established with a fellow Afrikaner settler. In time, he was turned into a son-in-law through his marriage to a daughter of the family.

The Afrikaner son-in-law was needed only in the minority of the sons of Vorster and ceased to fulfil that role once they matured. Given a need for male family labour in the enterprise, the sons of the paternalist entrepreneur are trained specifically for farming, and sent to a technical, and not a grammar school. This type of training tailored their careers for farm work. Together with other factors which I highlight in the literature review below, the training precluded the sons from developing an interest in paid jobs outside their family enterprise.

Recruitment into trading partnership is a key phase in the two fold process. I cannot fully show how trust and confidence is generated during the sons's minority, between son and father. However, the familist entrepreneur's action to co-own a store with each of his sons during their maturity is a forceful instrument for generating such trust and confidence. Ownership with their father and head of the firm makes the sons his committed and interested business associates. The timing of this phase is revealing. In Vorster's case, it seems to have been in the sons' youth or even minority. The fact that the youngest son while he was still at school already co-owned a store with his father suggests a settler's usual practice, and I infer that his elder brothers were also drawn into such partnership with their father during their schooling days or even earlier. All such early commitment to the family firm would seem to have been forged to bind the sons to the family firm such that after their training they would not wish to work elsewhere.

The timing of co-ownership has a further implication which casts doubt on part of Benedict's argument. Benedict argues, in my view, dubiously about a sanction against failure of the son to return to the family firm after their training: shares in the family firm are given on condition that the son returns to work for the firm (Benedict 1968:5). Here, a weakness of Benedict's argument emerges. The weakness is that Benedict does not say the type of a family firm (i.e. familist, individualist or other) to which his views apply. The evidence on the family firms of European settlers in the Tuli Block

does not support his view. In the familist firm the division of the entire enterprise into three equal parts for the inheritance of the sons is based on the assumption that each son has a natural right to receive an inheritance from his parents. This division was apparently done before the sons completed their education, thus dissociating it from their actual contribution to the firm. It is doubtful that failure of a son to return to the family firm after training would have lost him his share. Nor does the practice of the individualist firm lend any more support to Benedict's observation. A son settling in another country was given his fair share of inheritance; he did not lose it because he left the family firm.

Instead of the sanction which Benedict posits, on first principles, and merely on the assumed logic of the prestation, what actually operates is reward and promise of reward. The size and success of the multiple enterprise of the paternalist entrepreneur presents an attractive bait for his sons to return to the firm. The sons are conscious of the pre-eminence of their family firm along other firms in their neighbourhood. Such awareness gives them a strong sense of security. And while the success of the family firm continues and the atmosphere of co-operation within the family remains unchanged, pursuing a job opportunity outside the family firm is hardly imaginable for the sons.

The specialised training of sons in a family firm can be viewed comparatively in the light of Benedict's general account. After pointing out that the first practical step in career training is mostly achieved within the family enterprise itself, Benedict considers the specialised training which is achieved outside the family enterprise, mostly in training institutes. In order to analyse the social issues involved in special training, it is necessary to distinguish between the paternalism of the entrepreneur and the familist organisation of the firm. Although in the case study the two come together, they do not necessarily have to do so. In the paternalist entrepreneur's case, it is the familist organisation of the firm which provides the context for

specialised training. This is because at the centre of specialist training is prestation and counter prestation, i.e. training sons not for their own benefit as might be the case with an individualist firm, but training sons for the expansion of the firm. This is the familist principle. As Benedict explains, in family firms training is yet a transaction based on reciprocity between sons and the family firm itself (Benedict 1968:5). The son, he continues, must come back to the firm to apply his training as a counter prestation.

Whereas training on the job is necessary to keep the business going, specialised training is required for successful expansion of the family firm. For that reason, most successful family firms spend considerable sums of money in training members. Where sons are neither involved nor trained in the family business, the tendency is that they disperse to other economic activities. Whereas trained sons bring new ideas into the business, they also want a greater say in how it is run. This has potential conflicts since father and son may not share the same views regarding the management of the enterprise. To resolve the problem, a compromise has to be reached between the two parties, and for the firm to persist, the father must give more responsibility to the sons, according to Benedict. Yet, another potential conflict could exist where the professions of the sons differed markedly so that the sons do not have much in common. In such a case their lives would develop in different directions and the result would be a greater conflict (Long 1972:19).

Benedict suggests alternative ways of resolving conflict among sons over the control and management of the family firm. If conflict arises because a younger son is actually managing the firm, it is resolved either by making his father appear to be in control or by opening branches of the firm so that each son becomes a manager (Benedict 1968:8). While the individualist firm might not have been pre-empting such a conflict by acquiring another firm which is managed by another son in South Africa, this expansion certainly served to pre-empt such a conflict between the two sons. The

father remains a central authority who maintains unity even though after transferring his shares to his children, he has no effective power left.

With respect to specialised training, the situation in the familist firm seems to conform to the analytical model of Benedict. In the case of Vorster's farm, for example, a large sum of money has been invested in training all three sons. As a result of this specialised training, the firm has expanded, even to the north west of the country. Nor has the question of potential conflict arising from trained sons been ignored. Precautions have been taken to pre-empt such potential conflicts in a number of ways. Through joint ownership of stores by father and son, for example, the familist firm has also made provision for trained sons to have a greater say in how the firm is run. They have become business associates. Also, by providing all the sons with the same technical education, the familist firm has lessened their likelihood to develop in different directions professionally. Their education has been selected specifically for the needs of the firm.

A final note on the cohesion of family members of the familist firm is in order here. The closely knit family of the familist firm ensures one very crucial concern in family business - the guarding of secrets. Because the family and the business are one and the same thing, business secrets are family secrets (Benedict 1968:5). Family members keep family secrets more tightly than non family members. A reluctance of members of the familist firm to welcome strangers or to freely discuss with non-acquaintances even the general affairs of the firm is predicated by the desire to guard all information about the firm.

By contrast to the closely knit family of the familist firm, the more loosely knit individualist firm is more welcoming to strangers. Family members discuss the firm's general business affairs more freely with no-acquaintances. This openness, however, does not extend into discussing other family members with strangers. To the extent

that business dealings impinge upon the privacy of other family members, they are kept secret. During my field work I was freely shown around the main ranch house and taken around the farm. I was also given as much information about the firm as I asked for as long as it was general and not sensitive. But for various reasons, some matters were shrouded in secrecy, including the involvement of other family members, and the discussions about the fate of the family company even though they took place and were concluded during my stay with the family.

Just as the familist organisation of the firm is not synonymous with the paternalism of the entrepreneur, so too, the individualist organisation of the firm is similarly distinguishable from technocratic type of entrepreneurship. It can be seen that whereas on the one hand the familist firm shares work among all its family members and is also one coherent family entity, on the other hand the individualist firm does not involve all of its family members. This failure to involve all the family members results in a less cohesive family as demonstrated by the settling of the individualist firm's eldest son in Zimbabwe. The less cohesive family option of the individualist firm is in fact a manifestation of the individualist principle. Thus for the familist as for the individualist firm, the principles which constitute the firm rather than those which constitute the entrepreneurship, are central to the analysis of family labour, especially its participation or lack of participation in the firm.

My information about the childhood and youth of the sons of the individualist firm is too scanty to enable me to discuss their incorporation into the firm over time. Notwithstanding that, it does not seem likely that before the individualist firm specialised in breeding it had involved its young sons into its business to the same extent that the familist firm had involved its own sons at comparable ages. On the surface, the failure of the individualist firm to involve its young sons substantially might have been due to the fact that the firm's work, which was basically to buy trade cattle through its town stores and then fatten or simply hold them before selling them to the

abattoir, could be handled successfully by the three adults (Brian, his wife, his father) - with the assistance of the African foreman). But more deeply the failure of this firm to involve its young sons had to do with its indecision over the question of succession and the structure of authority during the life time of Brian's father.

Except for the five or six years when he was conscripted, Brian's father exercised authority on the family firm until his death in 1969. His long working life which coincided with the growth of his grandsons seems to have undermined whatever contribution they may have wanted to give to the family firm. Any prestations and counter prestations would have been between him and Brian; and not between him and Brian's sons, since Brian did not wield any direct influence on the firm during his father's lifetime. The departure of Charles's brother may be explained in this context; when sons are not involved in the family business, they tend to disperse and pursue other economic activities (Long 1972).

I have associated the training of sons according to the needs of the firm with the familist principle. Yet both firms, the individualist and the familist, do tailor the training of their sons according to the needs of their firms. This paradox is because the individualist firm has developed from a familist organisation. To show how this occurred, I go back a little in the history of this firm. In the initial phases of the firm, Brian and Arthur seem to have upheld and been guided by the familist principle. This inference is sustained by Brian's complete takeover of his father's estate. Of course, Brian was the only child, there could not have been an alternative arrangement of succession. On the other hand, to say that the firm became individualist when Charles took over as paid manager is only correct in the legal sense and not in the economic sense, since he had been employed outside the firm before.

The process by which such a firm can develop from a familist to an individualist principle seems to start with the firm's failure to involve its maturing sons in its work.

As a consequence, also, even with appropriate training, a son may spend a long period working outside the firm. The firm's eldest son may even emigrate when the firm most needs his services.

As it has been observed already, the father must give more responsibility to the sons for the firm to persist (Benedict, 1968). Failure to do so may change the nature of the family firm completely as I have demonstrated above. The case of the familist firm has clearly demonstrated that the most successful ways of giving such responsibility is by a gradual process which must begin during the youth of the sons and increase with their age. This is different from a process whereby a son, albeit his appropriate training, abruptly returns to the family firm in order to manage it after some years of detachment from it as was the case with the individualist firm.

The situation is quite different among Batswana Tuli Block farm owners. In their case, it is more difficult to distinguish clearly between familist and individualist family firms, although features and tendencies of these organisational structures can be observed occasionally and in different measures in some of their firms. A pervasive phenomenon among virtually all local ranchers is that they are first generation freehold ranchers. As such, they lack that wealth of experience which the settlers, who are mostly third generation freehold ranchers, have collected over the years. Local ranchers have bought very small farms which are unable to sustain their vast herd sizes, even for short periods of time. In particular, the unviable sizes of the farms seem to be one of the main reasons for the apparent failure of the grown up sons of the Batswana farmers to participate in the farm activity to the same extent as do the sons of the familist settler farmers.

A key consideration of this failure is the way Batswana farmers use their freehold farms. The vast majority of them convert their farms into some kind of glorified cattleposts. In this conversion, where the normal standards of conventional freehold

farming are very much relaxed, farming becomes extractive and the expenditure on the farm is greatly reduced. It is significant that the conversion from the ranch to a glorified cattlepost has the effect of greatly reducing the need for herding labour. Settlers, as conventional ranchers, employ herders according to the size of their herds. Usually, it is one herder for every 60 head of cattle. On the other hand, Batswana Tuli Block ranchers employ not more than two herders, what ever the size of their herd, as do their counterparts in the communal areas. It is clear that in such a situation, there would not be much scope in ranching for the full time participation of grown up sons. What obtains generally, however, is that in a number of occasions, grown up sons who are in paid employment assist their rancher parents financially from outside the farm (see Kabagambe 1985 for comparable practices among the Swazi farmers).

The case of Batswana farm owners, therefore, is that the farm is a part of the family's investment in livestock. The conversion to a glorified cattlepost makes it physically one with the farmer's cattleposts in the communal areas. Consequently, the organisational arrangement of the settler firms i.e. individualism or familism, do not quite fit the situation of the Batswana farm owners. Hence, the difference in the arrangement of the involvement of the grown up sons of Batswana farm owners in the family's farm activities.

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