

other Department or agency merely upon written request of the top man. (26 June 1972)

In a statement which was no doubt intended to be reassuring, William L. Dickey, deputy assistant Secretary of the Treasury, said: "Enforcement will be highly selective." *WALL STREET JOURNAL* (29 June 1972).

Since the government has chosen to use the banking system as the vehicle for financial surveillance, this will put a premium on the use of nonbank channels for moving wealth.

While reports must be made by banks on currency transactions of more than \$10,000 (or a lesser amount, if the Secretary of the Treasury so decides), it will still be possible to accumulate currency in small transactions and export them (e.g., by mail) in amounts of \$5,000 "on any one occasion" (once

again, subject to the apparent power of the Secretary to require reports for lesser amounts) so as to avoid the need to report. However, in an inflationary economy, the loss in purchasing power of wealth held as currency exacts a premium on such an arrangement. Also, the money would have to be sent to someone other than a financial institution, as defined by the new law.

The export of wealth in forms other than monetary instruments is not covered by the Act. For example, a valuable painting, bullion, rare stamps, etc. . . . would not be covered, although there is always the need to be sure that there would be no duty charged in the receiving country.

The major nonmonetary instrument which is covered by the act are bearer securities, i.e., securities payable to the bearer rather than a named individual, which are transferable by delivery, and

whose ownership is not a matter of record. While bearer securities (other than debt instruments) are uncommon in the United States, they are popular overseas for various reasons, including tax avoidance.

Harvard law professor Arthur R. Miller, author of the book *THE ASSAULT ON PRIVACY*, has this to say about the Bank Secrecy Act:

This legislation, in effect, creates a financial dossier on nearly all Americans and may well contribute to the widespread feeling of alienation, paranoia and mistrust that seems to exist. □

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## foreign correspondent

### Pretoria, South Africa

In order to come to any rational conclusion on the controversial racial or so-called "apartheid" issue in South Africa, it is necessary to examine certain facts and premises which provide the framework and background from which the system should be viewed. The whole structure of society in the long run depends on ideas held and believed in, rightly or wrongly, by the average individual in that society. One of these ideas that has prevailed for the last few centuries in the Western World has been the concept of "democracy". Democracy may take the form of an unlimited majority rule or a demarcated or limited majority rule. The fact that this power of the majority has been wittingly and unwittingly used and is still being used to enslave the whole of mankind, should be well known to libertarians.

### THE SOUTH AFRICAN SITUATION

The South African political system is based on unlimited majority rule (for the whites, that is). There is no equivalent of the American "Bill of Rights". The result is an advanced stage of government interference in the economic as well as in the social sphere. We have our fair share of import and export controls, wage controls, price controls, rent controls, production quotas, an increasing rate of inflation (approximately 12% per annum at the moment), a government controlled

broadcasting system, and all the other paraphernalia accompanying a ballooning welfare and socialist state.

My point can best be made by quoting from a book (*A VERY STRANGE SOCIETY*) written by the American author, Allen Drury, published in 1968 after an extended tour of South Africa.

Several basic truisms emerge from the journey. Some are in the Republic's favour, some are not. Those that support the Republic's point of view are these:

1. The major black ethnic groups lumped together under the general term "Bantu" are as distinct from one another as Germany and France. They are largely illiterate, largely uncaring, mutually mistrustful, mutually antagonistic. They are not the great single black mass yearning to be free that sentimentalists and self-servers in other lands try to portray them.
2. They are as a race distinctly different from the whites, not only in traditions, practices, laws, but in the way they think, feel and react. When the traveler hears from liberals, conservatives, Afrikaners, English-speakers and American missionaries
3. They are at this stage, and perhaps for generations to come, totally incapable of managing or leading the vigorous, booming, industrialized Western society that now exists from the Limpopo to the Cape. It may not be their fault, but it is the fact.
4. Nor are they native to South Africa, with some mystical claim forever upon a land they came to late, and then only to slaughter, plunder and lay waste. The only native South Africans on the ground in 1652 were a scattered handful of Bushmen and Hottentots long since absorbed in the general population. South Africa was the white man's country before it was the Bantu's country.
5. When the Bantu eventually came down from the north, they had the same chance initially at the open veld. They destroyed it because they never learned the most elemental principles of grazing, farming or land management. Why did they not learn them? Why have they not

alike how different they are, how unpredictable, how baffling, how difficult to unify and work with, one must give credence to such comments. Sentimentalists and self-servers again to the contrary.

learned them anywhere in Africa? Why are conservation, good husbandry and the simplest principles of prudent living unknown to them? Who knows? But the fact is that they are not.

6. The Whites, given the same opportunity, applied themselves with skill, determination, intelligence and discipline and in time erected a major Western civilization that is today one of the world's most viable and sophisticated states; far and away the most viable from the Cape to Cairo and possibly beyond.
7. Confronted with the twin facts of white enterprise and Black sloth, and having created such a society from scratch, the Whites cannot understand why they must be expected to *abdicate and give it up*. [My emphasis.] They will not do so.

And in those underlined words Mr. Drury has, probably unintentionally, put his finger on the dilemma. What can make one "abdicate" and "give up" what one has created? Can it be that Mr. Drury understands the dangers inherent in unlimited majority vote? (The bulk of his book unfortunately does not show this—at least not explicitly.) In South Africa the chickens of democracy have come home to roost. Here we have the tragic example of a people paying lip-service to this ideal of democracy while frantically trying to evade its practical consequences.

#### WHY APARTHEID?

South Africa has a population of approximately 4 million whites and 16 million "largely illiterate, largely uncaring" Blacks. Table I will give an indication of the education situation. For an American citizen to imagine the colour situation in S.A. he would have to imagine an overnight influx into the U.S.A. of 800 million people of whom 300 million cannot either read or write, for whom ownership of property is mostly communal and concepts like individual liberty practically nonexistent. Combine such a situation now with the democratic notion of unlimited majority rule and the idea of an American "apartheid" might not seem so

far-fetched!

The fact that the majority of S.A. blacks are ignorant, uneducated and uncivilized does not indicate that they do not have the *potential* to be the equal of any white person. There are many individual blacks in S.A. who qualify as medical practitioners, teachers, lawyers, technicians, etc. Many of them are studying at American and other overseas universities and in S.A. the number graduating yearly from universities is increasing. It is only in a collectivist society that terms like "white enterprise and black sloth" can be used. In a society based on individual liberty such terms become nonsensical.

If one bears in mind now that the S.A. political system is based on unlimited majority rule, the reluctance to extend the vote to the blacks on the principle of one man one vote can be understandable. Recent events in the Belgian Congo, Nigeria, Kenya and Uganda have strengthened this reluctance. It may sound paradoxical that extension of "freedom" to some may result in more slavery for all. Modern socialist countries bear witness to this. The "freedom to rule" is a contradiction in terms.

The system implemented by the S.A. government to circumvent this dilemma has been called "apartheid"; the Afrikaans (English and Afrikaans are the official languages in S.A.) translation of the word "separation". Under the political cover and whitewash offered to the public in the form "every race must conserve its own identity", "we owe it to the nonwhites to express themselves politically", "emerging black nationalism", etc., the government has set aside certain areas for the blacks where they can, theoretically, develop into completely independent states. (The reader must remember that there are seven different identifiable black ethnic groups in S.A. each with different language, customs and traditional "home land".) To each group a "home land" has been allocated. Influx into "white areas" is strictly controlled by means of the "pass book" system and blacks are considered "temporary visitors" in these areas. The idea behind this forced separation is of course to counteract the one

man one vote concept of democracy.

#### CAN IT WORK?

At the moment the rate of increase of the Blacks is much higher than the rate at which jobs are created in the home lands. A reverse in this trend in the near future is impossible. In the magisterial district of Johannesburg, our biggest city, the number of blacks in relation to whites has increased from 1.34:1 (1951) to 1.59:1 (1960) to 1.66:1 (1970). The major metropolis has thus become "blacker" during the last 20 years in spite of apartheid.

Industrialists are reluctant to move long established industries into new areas. (This has been partly overcome by proclaiming "home lands" adjacent to big cities.) Next to Johannesburg with approximately half a million whites is a "black Township", Soweto, with nearly a million inhabitants. The majority of these people have never known any other home but their township. To them a homeland is a name on a map. They have no ties with it whatsoever. By government decree they are "temporary visitors". Is it conceivable that they will work and live in this city without ever demanding political power at their place of abode?

Apart from these problems there is the added difficulty that S.A. has a "twilight" people, the "Coloureds". The result of black and white interbreeding they number over 2 million (half as many as the whites). They have no homeland and no real political say. Add to these the three quarters of a million Asians also without political say and one has a problem with no foreseeable solution within the framework of majority rule.

All the "unjust" laws passed in S.A. like the "Immorality Act" which prevents marriage across the colour bar, the 90 and 180 days detention without trial, job reservation for whites etc., can now be interpreted as an effort to perpetuate the status quo—that is, to stop the majority from voting.

Bastiat has rightly said in *THE LAW*: "Imagine that this fatal principle has been introduced: Under the pretence of organization, regulation, protection, or encouragement, the law takes property from one person and gives it to another; the law takes the wealth of all and gives it to a few—whether farmers, manufacturers, shipowners, artists, or comedians. Under these circumstances, then certainly every class will aspire to grasp the law, and logically so. The excluded classes will furiously demand their right to vote—and will overthrow society rather than not to

TABLE I

	Total	White	Coloured	Asian	Bantu
Population (1972)	22,987,000	3,958,000	2,144,000	668,000	16,217,000
Population 5 years and younger (1970)		383,000	319,000	82,000	2,153,000
Illiterates (older than 5)		151,000	451,000	96,000	6,416,000
Educated: Form III and higher	1,745,000		99,000	78,000	315,000

obtain it." Blacks in S.A. are gradually demanding that "right".

#### CONSTITUTIONAL ENTRENCHMENT AND FRANCHISE

There are three major political parties in S.A.: the ruling Nationalist Party, the United Party (the major opposition) and the slightly libertarian Progressive Party. The Progressive Party advocates voting for people of all races above the age of 18 and with certain educational and economic qualifications.

"The Progressive Party believes that Parliament should be so constituted that it will always protect the interests of all sections of the population. It believes that the best way of ensuring this is by having a truly multiracial Senate. It therefore proposes that the Senate be directly elected by voters and that to gain election, a candidate will have to obtain at least one fifth of the votes cast by the members of each racial community in the constituency concerned. This means that candidates and political parties will have to appeal to all races and multi-racial government will be assured" (from a Progressive Party circular to voters).

These requirements will be embodied in a constitution. But people tend to forget that a constitution is an undertaking written on a piece of paper the implementation of which depends on the attitude of the majority of the population.

It can be changed, furthermore, and it does not guarantee protection of minority rights. An example of the inadequacy of a constitution has been supplied by our black ruled neighbour states: King Sobhuza II of the newly independent Swaziland has *just scrapped their constitution*, dissolved parliament, and now rules with "supreme power" after arresting the leader of the *banned* opposition party, Dr. Ambrose Zwane, under that country's 60 days detention without trial regulations; Dr. Kenneth Kaunda of Zambia, another black ruled neighbour state, has declared Zambia a one party state and has outlawed all opposition. Of what value is a constitution under these circumstances?

#### CAN LIBERTARIANISM OFFER ANY SOLUTIONS?

Throughout this article I have remained uncritical of the apartheid situation and this may leave me open to some severe criticism from other libertarians. I consider myself to be in the position of somebody who has to choose between a more severe or a less severe dictatorship. The dictatorship in this instance is unlimited majority rule. The less severe dictator is a group of 4 million mostly educated people. The more severe dictator is a group of 16 million, mostly ignorant people. The fact that the average person of the one group is distinguishable from

the average person of the other group is an accident of nature. The object of criticism should be the dictatorship, and not the colour of the dictator. Abolish the source of all the evil: omnipotent government, whether in black or in white hands!

Separate development or "apartheid" in S.A. will, I believe, eventually lead to sporadic revolutionary action among the blacks. This will be due to the fact that on the one hand it is economically unfeasible and cannot be implemented quickly enough, and on the other hand that political and economic interference from abroad is awakening in the blacks an acute awareness of their disenfranchisement. Already foreign pressure has resulted in changes in black-white relationships which would have seemed inconceivable 10 years ago. But will anybody gain from this newly acquired "freedom"? If so, this gain will have been bought at a price: our present creeping socialism will become running socialism!

On the other hand, the libertarian ideal of individual liberty under limited government will have little chance of success. What will keep the government limited?

The solution *could* be a Rothbardian system of anarcho-capitalism. How one gets from here to there—that is the question . . .

Marc Swanepoel

## book review—

THE IMPERIAL ANIMAL, by Lionel Tiger and Robin Fox (New York: Holt, Rinehart & Winston, 1971. xii + 308 pp.)

The furor in the popular press over B. F. Skinner's *BEYOND FREEDOM AND DIGNITY* is disconcerting because, when not indulging his grandiose fancies, Skinner remains a notable scientist. Unfortunately, the public has no way to distinguish plausible, limited applications of operant conditioning[1] from utopian schemes and science fiction. But the limits are inherent: by definition, an "operant" is an emitted act, which can be reinforced/conditioned/shaped only *after* it has spontaneously appeared. We have to ask, then, what makes the act appear for the *first* time. What makes the pigeon peck or the infant coo? How far can we expect to distort or encumber these characteristic behaviors before the animal will rebel or break down? In the human

context, what are the limits of—and what are the conditions that limit—the well known flexibility of man's behavior and the countless variations of his culture?

The authors of *THE IMPERIAL ANIMAL* do not claim to know the limits of contemporary human adaptability, but they declare that the limits exist and that we ignore them at our peril. They believe they can show where the limits came from and how they have been genetically "wired into" the typical newborn babe as dispositions to learn certain practical and social behaviors very easily.

Canadian sociologist Lionel Tiger and British anthropologist Robin Fox have put their heads together in an American

university (Rutgers) to consider the implications of zoology and evolutionary biology for the emergence of common themes from human cultures the world over. They derive the gross outlines of a human behavioral "biogram" from observations of the subhuman primates (particularly wild hamadryas baboons and laboratory rhesus monkeys) and from theory about the hunting ethos of Upper Paleolithic man. A thorough index and a forty-two-page multidisciplinary bibliography, deftly marshalled by three hundred consolidated footnotes, alert the reader to the fact that this is no hit-and-run operation. Though *THE IMPERIAL ANIMAL* is informally written and easily read, Tiger and Fox intend to be taken seriously.

Reviewed by Richard de Mille