

CHAPTER 10

CONCLUSIONS AND RECOMMENDATIONS:

PSYCHOLOGICAL CONTRIBUTIONS

TO POLICY APPROACHES AND FORMULATIONS

10.1 INTRODUCTION

The core of the cultural diversity which is so characteristic of the South African society, is a complex array of human values which is of particular relevance to the work place. It is at the work place, more than anywhere else, where the different interest groups with different cultural and value systems, are in interaction with another. As was pointed out earlier in the study, the exploration and study of work related values have consequences for organizational policy formulation in a number of areas, i.e. industrial democracy, leadership, decision-making, management, motivation as well as company ownership and control. It also has implications for other economical, political and social policies.

The main aim of this study was to do a comprehensive analysis of work values (Hofstede's Work Values) expressed by means of the Value Survey Module as well as the loci of control (Rotter's Locus of Control), as expressed by Levenson's (1974) Activism and Powerful Others-scale, utilizing a particular part of the labour force in the South African mining industry, namely a labour unit which is presently involved in an industrial training scheme.

Hofstede's four value dimensions, viz individualism, uncertainty avoidance, masculinity and power distance and Levenson's three dimensions of locus of control, viz internality, externality and powerful others,

served as dependent variables. The independent variables were divided into two groups, viz those factors relating to culture and those relating to organizations. The cultural factors were language, religion, country of origin and ethnicity. The organizational factors consisted of educational qualifications, years of formal schooling received, age, income, occupational level and sector of the economy employed in.

The independent as well as dependent variables were observed to determine their impact on the structure and functioning of organizations and industry, on economic growth and on the political context that allows for such economic growth and industrial development and to redress the asymmetry in relations between the so-called "haves" and the "have-nots".

10.2 CONCLUSIONS BASED ON THE LITERATURE STUDY

Change in the Republic of South Africa (RSA) is obviously necessary. South Africans themselves have to develop domestic accord. Successful domestic reforms require a purposeful engagement of the international community as well. Sanctions have definitely accelerated the pace of political change but unfortunately at the cost of increasing internal unrest. Pressing economic considerations make it impossible for the RSA to turn its back on the world community because the only way to lessen domestic turbulence and halt the slide towards political oblivion is to seek international markets and engage expeditiously in international trade which will hopefully stimulate economic growth which is a prerequisite for a stable democratic government.

However, the underlying problem is the accommodation of the different cultures in a constitutional/social system in order to live in harmony and peace and also to produce a stable and productive labour force. Cultural differences are deep-seated, thus leading to the creation of groups which either fit or don't fit in social, organizational and corporate life. The individual has to link up with these limitations. A unitary state, federation or confederation are options to be considered as possible ways to resolve the multi-cultural conflict and to accommodate the different cultures with their conspicuous group differences. Of course, psychology cannot pass judgement on the suitability of constitutional models but it is the privilege and duty of psychologists to judge human behaviour and to put human behaviour in perspective in a given constitutional model, and to strive for the improvement of the quality of life, especially work life, especially in regard to values held collectively by both a particular cultural group and different cultural groups. Values and value structures bring about the parameters for and influence the actions and behavioural patterns of people and groups and are also responsible for the social changes which take place over time. For example, Blacks from the rural areas with value systems alien to Western technology, have to adapt to this technological culture.

Moreover, technological advances have an influence on the composition of the labour force: for example, the change from the so-called "fordism", derived from the system of mass-production pioneered by Henry Ford, to an entire new system of production increasingly based on the quick transmitting, storing and retrieving of data, minimizing the amount of space necessary for productive activity and the cutting down on the deployment of human labour. Technology has thus had a marked influence on the labour force, leading to big changes in this force's structure. The potential

workplace is shrinking as technological advances cause a decline of manual jobs in manufacturing. The introduction of mechanised mining into the gold mining industry is leading to radical changes in mine layout and, together with improved stoping techniques, are expected to improve labour productivity substantially. Productivity is another key factor in the fight against rising costs. The increased stabilisation of the labour force with trained workers returning on a planned basis to the same mines and even the same shafts, has already produced a degree of improvement in productivity.

Hofstede's four value dimensions, viz power distance, individualism, uncertainty avoidance and masculinity as well as the three dimensions of the locus of control, viz internality, externality and powerful others, do have some possible effects on and consequences for the South African situation. The great power distance between superior and subordinate and that between the more powerful and the less powerful are problems in the present set-up. As the different cultural groups have different power status, they also have different perceptions in regard to equality and thus their experience of equality in the South African society also differ. A small power distance is necessary to maximise individual access to government, allowing greater participation by the electorate in decisions affecting their life choices.

The privileged cultural group (Whites) with their high power status, performing the role of the powerful, has access to the structures of government, better educational opportunities and also more lucrative jobs in commerce and industry. However, the higher income of Whites leads to overtaxation and

consequent underproductiveness. The result is a weak pro-industrial directedness, both among the white in-group and the black out-group, albeit for different reasons. The underlying challenge is the narrowing of the power distance gap.

The Blacks, however, in turn want to reduce the power basis of the Whites and to replace the white dominated industrial set-up with their own model. Blacks view white people as in command of scarce resources and they question the legitimacy of the (white) system which they link to inequality and oppression. Blacks view mass action as the ideal modus operandi to break down the power distance between themselves and Whites. This strategy is the long-deliberated policy of "rolling mass action", designed and developed to forcibly remove any government from power. The mass action strategy was originally intended to reinforce the negotiation process at Codesa. Its proponents believed that it would give Blacks an outlet for their frustrations as well as the reassurance that the "leaders of the people" were fully in touch with the popular opinion. However, misdirected and ill-conceived mass action has caused a revolutionary fervour that already on a limited scale, has led to violent confrontation in Boipatong and Bisho, with a possibility of similar developments in Ulundi, Mmbatho and elsewhere - so characteristic of the revolutionary zeal and fire of the African National Congress (ANC) in the forties and fifties.

The individualism - collectivism dimension, which is in keeping with the capitalism - socialism confrontation in the RSA causes obvious problems in the South African situation. Again, the psychologist cannot judge the appropriateness of economic models

for the South African situation but can put human behaviour in perspective in regard to values held by the different cultural groups and the relation of these values to economic models. Although socialism is discredited all over the world, it is still popular within a big section of the African National Congress/South African Communist Party/Confederation of South African Trade Unions - alliance (ANC/SACP/Cosatu-alliance). The popularity of socialism may be traced to the root causes of poverty, i.e. the conquest of the indigenous people which determined the distribution of land between Whites and Blacks and a tailor-made but inferior and inadequate educational system for Blacks which did not prepare them adequately for entry into modern industrial life.

In regard to uncertainty avoidance, the perceptions on the short and long term differ. There is a long term tendency towards security and stability in developed sectors of a country, i.e. to avoid uncertainty. This tendency towards security and stability, noticeable in a high uncertainty avoidance index, ought to go hand in hand with an upsurge in nationalism and conservatism and tolerance for law and order. Whites may have accepted the inevitability of majority rule when they voted "yes" in the March 1992 referendum but the apparent political immaturity of the masses participating in mass action irritated Whites. People are concerned with their physical, social and financial well-being. There is a pervasive sense of uncertainty that things may and can go very wrong and that therefore a desire for security among Whites is noticeable. The vested interests of Whites in the RSA cannot be denied, unless any future government does not care if the country follows the demise of many other African countries since the inception of the process of Uhuru.

The "yes" vote in the referendum has not brought the promised investment and foreign capital on an unprecedented scale, that are all needed to rescue an ailing economy. This lack of foreign investment is based on international perceptions on the probability of South Africa's chances of coming to a peaceful solution and expected future prosperity. Too many intangibles remain unanswered which may scare off foreign investors, viz both the government's opportunistic minority-orientated proposals at Codesa and the ANC's insistence on a mass action programme, designed to make the country ungovernable. The tiresome inconvenience of negotiations may cause conflict and competition which can and indeed did unleash uncontrolled aggression as is obvious from the massacres at Boipatong and Bisho. Also, the ANC'S economic policy causes uncertainty and discomfort with foreign investors. The ANC has not (yet) completely divorced itself from nationalization by stating that it will nationalize or privatize, depending on the state of the economy.

The ANC's mining strategy involves public ownership and joint ventures where appropriate. The two main pillars of the ANC's policy is:

1. Channeling funds into social development to redress imbalances of the past.
2. Consulting employers and trade unions to decide details of economic policy.

In the above sense, the mining industry seems to be a lucrative target for nationalization efforts of the ANC/SACP/Cosatu alliance as it will guarantee the reaching of these two objectives. The breakdown in constitutional negotiations between the ANC and the

government happened at a time when the country was struggling to provide an increasing number of people with work opportunities, especially for those concerned with requirements of life. Any future government may find itself desperately short of funds to meet rising expectations which may lead to instability.

There is also a tendency among subjects towards masculinity. The masculinity-femininity dimension is related to individual versus group decision-making. Group decision-making is much more risky than individual decision-making as the group members become so concerned about keeping a high degree of consensus and cohesiveness that they fail to critically evaluate ideas. The group mind may also develop in common with cultural values and traditions of any cultural or ethnic group which among other things, contribute to illusions of invulnerability, group members perceiving themselves as having a high degree of morality and sharing common stereotypes. This may be the reason for the failure of Codesa to address the fears of the broad South African populace.

The trend towards greater democracy in the world, is possibly mainly due to increased activity among women's movements. Women's assertion of equal rights has led to the politicizing of economically active women. The phenomenon of working (economically active) women in the early stages was due to the affluence of Western capitalism which created expanding opportunities for employment, economic independence of and purchasing power for women. In 1948, the advent of the Nationalist administration led to the politicization of Black women. In 1952 the Abolition of Passes and Co-ordination of

Documents Act compelled women to carry reference books. The relative degree of freedom from official regulation was something of the past by the fifties. From 1970 onwards economic deterioration has necessitated the employment of women in order for the survival of the family and the labour force expanded.

Also of importance in regard to the masculinity/femininity dimension, is population growth. The Whites' population growth is already below the replacement rate. That of the Blacks is higher than the Whites'. This implies a radical restructuring of the South African labour force if the economy is to be modernized any further. The substituting component, however, is inadequately trained and culturally and ideologically ill-prepared to serve as replacement in an advanced economical and technological environment. The potential labour force will become increasingly younger, with a growing share of workers drawn from the Black population. The economy has to ensure that real growth in the Gross National Product matches the average growth rate of the population. The ratio of white workers to black workers could possibly have been more realistic were it not for the Influx Control Regulation prohibiting Blacks to move to the cities since it is known that urbanization has a stunting effect on human fertility.

The three dimensions of Levenson's Locus of Control, viz internality, externality and powerful others also emphasize intercultural differences. Nowadays, workers tend to be unsure about their control and influence of their own lives. There is an obvious tendency away from externality towards a belief in the role of powerful others in the subjects' (workers') lives. These cultural differences in

regard to locus of control as it relates to behaviour in organizational settings, may be due to perceptions of procedural justice in the fairness of wage settlements and the settling of disputes involving employers and employees. An employee's locus of control orientation also has an influence on motivation which in turn has an effect on productivity. Increased productivity is the engine of economic development. Strong evidence links productivity to investment in human capital and the quality of the economic environment.

Internals usually expect effort to lead to performance and performance in turn to rewards. Externals seem to be insensitive to pay incentives. Internals comply less with coercive supervisors and perform better than externals in complex task situations.

10.3 PSYCHOMETRIC CONSIDERATIONS

The Value Survey Module proved to be a useful, valid and reliable cross-cultural research instrument especially to the investigation of cross-cultural differences in values and value-dimensions. A split-half reliability coefficient with a Spearman-Brown correction for unequal length of 0,97, was obtained from the data of the present study. The overall coefficient alpha was estimated at 0,90.

10.4 RESEARCH DESIGN

The four main criteria by which national cultures differ were empirically determined and can in future serve as a useful reference framework for showing synergy among cross-cultural studies as these four

real problems. It was however, felt that the use of field workers to administer the questionnaires

value dimensions are conceptually linkable to many variables and issues in the social, economic and political environments. It needs to be pointed out however, that the results of the factor analysis differed from those obtained by Hofstede which may be due to an aggregation of different ethnic and occupational groups.

As regards Levenson's Activism and Powerful Others-scale, which is a refinement of Rotter's Locus of Control-scale, the three dimensions of internality, externality and powerful others are also related to important social, economic and political issues and have implications for these spheres. Locus of Control is defined as the generalized expectancy that rewards, outcomes or reinforcements are contingent upon one's own behaviour (internality) or are determined by other forces (externality and powerful others). The internal structure of the Levenson's scale was investigated by means of a factor analysis (principal axis factoring with varimax rotation) and the same three dimensions as those of Levenson were obtained. The internal consistency proved adequate as a split-half reliability coefficient with a Spearman-Brown correction for unequal length of 0,94 was obtained from the data of the present study. The overall coefficient alpha was estimated at 0,91.

10.4 RESEARCH DESIGN

10.4.1 ADMINISTERING THE QUESTIONNAIRE

The administering of the questionnaire caused no real problems. It was however, felt that the use of field workers to administer the questionnaires

during personal interviews or formal psychological testing sessions, would enhance the response rate, especially among those groups who are not well-versed in the use and application of psychological tests.

10.4.2 REPRESENTATIVENESS OF THE SAMPLE

The comments made in section 10.4.1 obviously also have implications for the representativeness of any sampling procedure. The sample taken in this study provided useful scientific information, although it showed obvious limitations. Further research work needs to be done on the research topic of work values but quite an elaborate sample should be used for this purpose. Subjects should be drawn from all the cultural (ethnic) groups and all occupational levels including the head office of the mining companies concerned to include all professional and technical ranks. Also, attempts should be made to secure a greater number of female subjects. The sample should also include subjects in sufficient numbers, not only from neighbouring states but also from states in Western and Eastern Europe, Israel and the Americas. This would allow significant comparisons across international boundaries and evaluations to be made in regard to ethnicity, religion, democratic versus authoritarian systems, freemarket versus socialist systems and the influence of latitude on value systems. A shortcoming of the present study was that head office personnel were not involved, whilst insignificant number of females, small numbers of Xhosas, Asians, foreigners were surveyed while no subjects of, for instance, Jewish descent, were attracted to the research project.

The inclusion of all major religious groups in future research projects is a necessity as religion proved to be rather a decisive factor. Education also have a profound influence on one's perceptions and behaviour, as judged by the results of the present investigation. Therefore, an adequate number of subjects of different education levels should participate. Education of a high standard is a necessary prerequisite for development, elimination of poverty, higher productivity and the fostering of a stable middle class.

There is one limiting factor of a statistical nature. Advanced analysis of variance, as was used in this study to analyse the research data, is more accurate when the number of subjects in subgroups are similar rather than dissimilar. Although the inclusion of multiple independent variables are important, their sheer numbers often lead to cumbersome advanced statistical calculations and to severe problems in the presentation of data. Is this perhaps a case where the well-known law of parsimony in psychological research could have a useful application? If so, this would imply a careful screening as well as useful and purposeful selection of possible independent variables for inclusion in future research projects.

In future, research should also be done on a bigger scale within the subsidiaries of large freemarket companies and parastatal organizations as these organizations have differentiating implications for the humanization of work, leadership, motivation, industrial democracy and the guiding of low-waged employees (and unemployed) into meaningful jobs and the provision of suitable training.

10.5 CONCLUSIONS BASED ON EMPIRICAL RESEARCH

Regarding the value dimensions, there is a tendency towards individualism among subjects. Scores also indicate a tendency towards masculinity. However, results illicit prove of a great power distance between superiors and subordinates. There is also a tendency to avoid uncertainty, i.e. an unwillingness to face risk and uncertainty.

In regard to loci of control, the results indicate a tendency to be unsure about the subjects' control and influence of their own lives. However, the scores also indicate a tendency away from externality. Subjects also tend to believe that powerful others play a role in their lives.

10.5.1 INDIVIDUALISM

Language has quite a determining influence on individualism. The Afrikaans speaking group differed significantly from the English speaking Whites and the Sotho-speakers on individualism. The English speaking Whites differed significantly with the vernacular users as did the Sotho-speakers and the vernacular users. The Afrikaans speaking Whites (Afrikaners) and the users of an African vernacular are quite similar to each other on individualism while the English speaking Whites and the Sotho-speakers are in turn close to each other on this dimension. A comparison between the Afrikaners and the users of an African vernacular, proved insignificant while a comparison between the English Whites and the Sotho in turn was non-significant.

This convergence between the values of the English Whites and the Sotho on the one hand and those of the Afrikaners and the vernacular users on the other hand are noteworthy. These trends suggest that English speaking Whites are in a better position to make important negotiation breakthroughs internally in the RSA while the Afrikaans speaking Whites in turn are in a better position to make breakthroughs to the African States north of the RSA. It would probably be easier for the Afrikaner (and thus the National Party government) to make a breakthrough in the independent African states while the English speaking Whites would possibly break through to the indigenous Blacks.

The viability of a centrist political party to the left of centre is therefore quite possible taking into consideration the division in value systems between the English and the Sothos on the one hand and the Afrikaners and vernacular users on the other. The difference between the Afrikaans speaking Whites and the indigenous Blacks could possibly centre round the reconciliation of the Ubuntu Value System and the individualism so descriptive of a capitalistic approach.

10.5.2 MASCULINITY

The subjects in the investigation showed a tendency, to a reasonable extent, towards masculinity. Cultural factors did not have any noticeable influence on the masculinity dimension as these variables, viz language, ethnicity, religion and country of origin yielded no significant differences. The same argument holds for the independent variables relating to

organization. The tendency towards masculinity may (perhaps) be observable in the underdeveloped social conscience that is characteristic of the mining industry. Mining houses for example, have only made money available for housing and education under concerted pressure from interest groups. But then it should be borne in mind that in a freemarket economy the organization generally has a limited responsibility towards its employees.

Masculinity as a value was influenced by two interaction factors, both of economic importance, namely the number of years of formal education received and the economic environment (i.e. freemarket or parastatal). The RSA at present has an obvious freemarket economy with emphasis placed on profitability. However, the caring function (feminine pole) is more evident in the parastatal organization.

10.5.3 POWER DISTANCE

Although the aggregation of scores in the lower class intervals indicates awareness of great power distance between superiors and subordinates, the independent variables relating to cultural and organizational influences did not yield any significant results. This awareness of large power distance does not augur well for a stable democratic government in any future political dispensation. The power struggle between the more powerful and the less powerful, between superior and subordinate, led to the failure of Codesa II. Also, the viability of industrial democracy in such circumstances, is doubtful.

All forms of industrial democracy are in essence ways of reducing power distance. The reduction of power distance is more natural in smaller power distance cultures while it is a necessary condition of economically developed and technologically advanced large power distance cultures. More direct resistance against any form of industrial democracy may be expected because the democracies are in conflict with the present political situation characterised by the erosion of civil order and of already pernicious individual liberties.

However, the non-participation of top-management left a gap with regard to firm scientific conclusions in this regard. The participation of management groups could perhaps have led to more applicable results. Also, an educational system training the rank and file of society to secondary school level may lead to a reduction in power distance and the formation of a stable but undersized middle class of Blacks.

10.5.4 UNCERTAINTY AVOIDANCE

As the scores tend to aggregate in the lower middle class intervals, it may be inferred that subjects revealed a tendency towards security and stability and a reduced willingness to face risk and uncertainty. Factors relating to culture have no significant influence on uncertainty avoidance. However, organizational factors, viz educational qualifications, income and occupational level, had significant influences on uncertainty avoidance. Also, the two-way interactions educational qualifications by age,

educational qualifications by years of formal schooling received, years of formal schooling received by income and years of formal schooling received by economic sector employed in, yielded significant differences.

In regard to educational qualifications, the lower educated differed significantly from matriculants and also from graduates on uncertainty avoidance. This is thus an indication that the attainment of educational qualifications is a strong divisive factor in the South African society in terms of uncertainty avoidance. The higher the person's qualifications, the better his or her chances for promotion and for an accompanying comfortable lifestyle and thus the greater the propensity towards security and stability.

As regards income, the lower income group and the lower middle income group differed significantly. So did the lower income group and the higher middle income group. The higher middle income group also differed significantly from the high income group on uncertainty avoidance. However, no significant differences existed between the low income group and the high income group and between the lower middle income group and the high income group. This implies that the high income group and the lower income group generally had the same value perceptions. The perceptions of the middle income groups differed significantly from the low and high income groups.

In regard to occupational level, the labourers differed significantly from the managers and consultants. Also, the administrative staff

differed significantly from the managers and consultants. The managers and consultants in turn differed significantly from the supervisors. The management component is quite conspicuous as the percipient factor. Managers and consultants are more inclined to uncertainty avoidance which in the present climate of instability in South Africa is quite understandable. This may be due to the fact that managers are more aware of poor economic growth and the long term trend towards greater unemployment and poverty due to inconsistent economic policies and lacklustre economic management.

As the sample was predominantly White, the role of income grouping, professional or organizational status and years of formal education received, emphasised the fact that the taken sample in general represented the in-group and that members of out-groups were underrepresented in this study. The lack of well-educated out-groups will be an added handicap in any future new political dispensation. This may lead to pressure for quick mass education at the expense of high quality education which is necessary for freemarket economics. The problem is further compounded by the fact that economic realities very often dictate social, political and other realities.

10.5.5

INTERNALITY Educational levels were less favourably inclined towards internality. Younger subjects Independent variables relating to culture and to organization do not have significant effects on internality. Afrikaans speaking subjects as well as Sothos originating from other countries, tend toward internality. English speaking Whites showed the least inclination toward internality.

The users of an African vernacular, originating from other countries, showed a tendency towards externality. However, subjects using a vernacular originating from South Africa, tend towards internality. Two possible explanations are offered. Firstly, prevailing political circumstances may perhaps be responsible for this tendency towards internality among the indigenous Blacks.

The tendency towards internality among Afrikaans subjects may be an indication that Afrikaans people still harbour the thought that they are going to control events and thus the future, as was borne out by the breakdown of Codesa which was ascribed to the Afrikaners' insistence on a minority veto if the emerging new constitution is not to their liking. They also insisted on extending the period of interim rule indefinitely. Secondly, the influence of psychological selection procedures and westernized managerial training can also not be discounted. The problem is further compounded by the unsuitability of large masses of untrained and unemployed Blacks in the RSA.

Among organizational factors, the significant two-way interactions, i.e. educational qualifications by age reveal that younger subjects with lower educational levels were less favourably inclined towards internality. Younger subjects with a tertiary education were conspicuously favourably inclined towards internality. However, beyond the age of 45, these subjects were less inclined towards internality, possibly due to increased awareness of social responsibility toward out-groups. Age and education tend to have

a decisive influence. In the first instance the need for a broad middle class with secondary education is underscored as this is a necessity for economic and political stability and progress. The case of graduates of 46 years of age and older, revealing a tendency towards externality, may also be a token of desperation at the prevailing circumstances in the country, i.e. the erosion of the internal order and a worsening of the economy.

Also, occupational level by age yielded a significant interaction. Marked differences among the occupational groups beyond the age of 45 was conspicuous. Managers, and to a lesser extent administrative staff, revealed a tendency to be less favourably inclined towards internality while labourers and especially supervisors tended toward internality. This may be because supervisors are in direct control of people and labourers who are usually members of the Black groups, experienced new zest for dominating and controlling others in the prevailing political situation.

The two-way interaction economic sector employed in by educational qualifications, also had a significant influence on internality. Graduates in the parastatal sector were more favourably exposed towards internality than those in the freemarket sector. The reverse pattern holds for subjects with a lower educational qualification (Std. 8 or less). This may also be due to a tendency of despair among these subjects being less sophisticated. This tendency is also borne out by those with a high income in the freemarket sector (tends less towards internality) and the

low income group (more favourably disposed towards internality). The prevailing political situation once again gives new zest, life and hope, especially to those Blacks with a low income. The opposite holds true for the parastatal sector of the economy. It is thus obvious that income has an influence on internality.

10.5.6 EXTERNALITY

Scores tended to aggregate in the higher class intervals which indicates a tendency away from externality. Three cultural factors, viz language, ethnicity and religion had a significant influence on externality. Also, the two-way interactions language by country of origin and religion by country of origin yielded significant differences.

The Afrikaans speaking subjects and members of the three Afrikaans sister churches scored high on this dimension. The Afrikaans subjects differed significantly from most other churches (three sister churches excluded) on the Scheffé-comparisons.

These comparisons bring Afrikaner identity into prominence in regard to externality. The Afrikaans speaking subjects are more sensitive to internality than the other language groups who are more externality orientated. The English speaking Whites positioned themselves in regard to the indigenous Blacks. Although the English are less sensitive to internality, they do not differ significantly with the Afrikaners on externality. This tendency towards externality may be the reason why the English Whites have played a

subdued political role. The difference between the English Whites and the Sothos are quite dramatic.

The Dutch Reformed Sister Churches, were more internally inclined. The Calvinistic doctrine and values are diametrically opposed to externality. It is thus evident that the Dutch Reformed Churches do not have a strongly developed social conscience although they are aware of the need for social contact.

The Methodist/Presbyterians were more externally inclined than the Anglicans and Roman Catholics but did not differ significantly from the Pentacostal/Apostolic faiths. The Methodist/Presbyterian Churches were favourably disposed towards externality and have accordingly developed a strong social conscience. This may be the reason for the leading figures in the South African Council of Churches being Methodists, their strong social conscience is quite conspicuous in public or social life. Apparently the absence of the Calvinistic doctrine with its emphasis on predestination, leads to a greater and deeper awareness among Methodists/Presbyterians and Pentacostal/Apostolic adherents of the role of fate and chance.

The value system of the English speaking people does not yield significant differences in regard to religious orientation within the cultural environment. However, in regard to ethnicity in cultural context, significant differences were observed. English identity is more evident in ethnical/cultural context than in religious context. Church membership in regard to

externality thus does not play as important a role as ethnicity in regard to the formation of the English identity.

Four of the six independent variables related to organization, viz educational qualifications, years of formal schooling received, income and occupational level, had a significant influence on externality. The organizational milieu also yielded significant interactions between educational qualifications and age, educational qualifications and sector of the economy employed in, age and sector of the economy employed in as well as between occupational level and sector of the economy employed in.

Especially in the RSA the highly developed economic environment determines group membership. This is a special feature of the South African case and stresses the importance of sound educational qualifications and adequate schooling in the development of potential in order to attain high status occupations and the accompanying high incomes.

Three options are open to the RSA in regard to economic policy and economic systems which will determine economic performance as well as the stability of future government, viz (1) a dual economy, (2) maintaining and extending the freemarket system (capitalistic economic philosophy) which, of course, requires an ideological about-turn from the ANC/SACP/Cosatu-alliance which is highly improbable and (3) a change-over of the

welfare system. However, Masodorp (op.cit, p 19) argues that the successful functioning of a social democracy presupposes an efficient state

RSA economy to a socialist economy, accompanied by the curtailing of economic activity over a broad spectrum - also in the mining industry. At the present the RSA seems to be moving towards a dual economy.

Regarding a dual economy (mixed economy) the strong feelings of political, social and economic injustice and deprivation demand a redistribution of income, wealth and property to rectify the historical legacy of extreme inequality and the attended poverty and the defective and unpopular education system, housing and social services for the disadvantaged groups. It is doubtful whether a centrally planned economy would be suitable to a post-apartheid South Africa in rectifying these extreme inequalities. Central planning has clearly failed to increase labour productivity and consumption and to eliminate poverty and inequality - all of which were important objectives in Marxian terms - in Eastern Europe. But it is also doubtful whether the libertarian model of a freemarket economy would be appropriate for the future South Africa. Any future government could be compelled to play an interventionist role in economic affairs in an attempt to remove the distortions which results from the country's racially based past (Maasdorp, 1989, p 18).

A social democracy may offer a model for a post-apartheid South Africa. Maasdorp (1989, p 19) cited West Germany and Sweden as examples of social democracies combining a highly efficient private sector with a well-developed social welfare system. However, Maasdorp (*op cit*, p 19) argues that the successful functioning of a social democracy presupposes an efficient state

apparatus, an integrated market, good flow of the information and a level of income sufficient to sustain the welfare system. In South Africa the last of these conditions is hardly met and the other aspects are defective. However, high economic growth would be an essential precondition for any move towards a West German-type "social market economy".

Regarding the second alternative, namely the maintaining and extension of the freemarket, it needs to be pointed out that the economy won't pick up without a political settlement at home and world markets for key exports. If there could be agreement in principle among the main players, viz the National Party and the ANC, that a future government would follow a broadly liberal, freemarket approach, it would affect investors' confidence and economic activity positively, facilitating economic growth and creating new jobs.

Regarding the third alternative, viz the bringing about of a socialist economy attended with the curtailing of economic activity, the ANC/SACP/Cosatu-alliance at present is succeeding, to a certain extent, in curtailing economic activity and growth. Also, the alliance's policy of nationalization which features so prominently in their political programme, is not conducive to investors' confidence which is so crucial for a favourable investment climate. The time has now arrived for the alliance to decide if there are any differences between the ANC and the SACP on such vital issues as democracy and the economic policy as it is only fair that the South African voters and foreign investors should know it

10.5.7 beforehand. If there is no differences, then the alliance partners should stop the pretence that there are marked differences.

As Van Zyl Slabbert (Vryeweekblad, Nov. 9, 1992) so forcefully argues, it is of no avail that individual members of the ANC say that militant communism is not the ANC's official standpoint. In practice the SACP and the communist-controlled unions are the most coherent and organized faction while the rest of the alliance is basically powerless. Marxist activists should realize the longterm harm that such absurdities as mass action will do to a climate of investment, economic growth and the creation of jobs. The creation of jobs is of paramount importance in the light of the high Black population increase. The confidence of foreign investors is of absolute importance in order to encourage economic growth.

Instead of talks about nationalization, the alliance should rather co-operate with the large South African conglomerates and multi-national corporations, encouraging them to step up their equal opportunity employment and social responsibility programmes, especially in such a field as education in order to provide adequate quality education and training to activate the energy and talent latent in the population. Instead of antagonizing these conglomerates and rendering them impotent by means of nationalization, future government should rather work with them. A social democratic model may offer a post-apartheid government the opportunity to be represented on the boards of the conglomerates and multi-national companies, enabling the state to exercise a say in the accumulation of capital and investment.

10.5.7 POWERFUL OTHERS are also a special feature of the South African case and are mainly due to the The scores tend to aggregate in the lower class intervals which indicates a tendency towards a belief in the role of powerful others in the subjects lives. This is indicative of an awareness of the influence of authority. Three of the independent variables relating to culture, viz language, religion and ethnicity, have a significant influence on the dimension of powerful others.

In regard to powerful others (awareness of the influence of authority) the Afrikaans and English speaking subjects differ mostly from the indigenous Black language groups. Significant differences especially become obvious when members of the High Churches (Anglican and Roman Catholic) were compared with the Methodist/Presbyterian Churches. The latter reveal an awareness of the influence of authority (tend towards powerful others). However, no significant differences were obtained between the English and the Afrikaans speaking subjects but both White groups differed significantly from the Blacks.

10.5.8 DISTINCTION BETWEEN THE FREEMARKET SECTOR AND THE As regards organizational factors, three of the six independent variables, viz educational qualifications, years of formal schooling received and income have a significant influence on the dimension "powerful others". The organizational milieu also yielded significant interactions between age and occupational level, educational qualifications and sector of the economy employed in and occupational level and economic sector employed in. Especially, differences in regard to income are highly significant and are very prominent.

Income differences are also a special feature of the South African case and are mainly due to the distortions which result from the country's racially based past, viz the poor state of Black education and the inequality in employment opportunities. Regarding educational qualifications and sector of the economy employed in, the attainment of higher educational qualifications leads to less awareness of the role of powerful others in both the parastatal and freemarket environment but more so in the parastatal environment.

Regarding occupational level and sector of the economy employed in, awareness of the role of powerful others occurred among labourers and managers/consultants in both the parastatal and the freemarket spheres. Administrative staff and supervisors in the parastatal environment are less sensitive to powerful others than their counterparts in the freemarket environment. Supervisors and administrative staff in the freemarket sector tend to be sensitive of the role and influence of powerful others.

10.5.8 DISTINCTION BETWEEN THE FREEMARKET SECTOR AND THE PARASTATAL SECTOR OF THE ECONOMY

The distinction between these two sectors of the economy is based on the four value dimensions of individualism, uncertainty avoidance, power distance and masculinity. Subjects in the parastatal economy were slightly more inclined towards individualism when compared with those in the freemarket economy. In both sectors there is a tendency towards masculinity. A large power distance also exists in both sectors of the

economy. Uncertainty avoidance, however, is quite a decisive factor. Subjects in the parastatal sector are more inclined to avoid unnecessary uncertainty while subjects in the freemarket environment are more prepared to face risk and uncertainty.

10.6 CONSEQUENCES AND IMPLICATIONS FOR COMPANY POLICY AND PRACTICE

This research has implications and consequences for company policy and practices in a number of areas.

1. Motivation - the existing motivation theories, viz Maslow's Need - hierarchy theory, Herzberg's Motivation - hygiene theory, Vroom's Expectancy theory, Adam's Equity theory, the Porter-Lawler extension of Vroom's theory and McClelland's Achievement - affiliation theory are applicable and employable to industrial-psychological research. But these theories seem only applicable to and valid in developed countries. It is therefore less applicable to cross-cultural research in developing countries such as the RSA.

In the RSA the problem however, is the interaction between the developed sector and the underdeveloped sector. This underdevelopment is mainly due to the historical legacy of extreme inequality between the different cultural and ethnic groups.

However, the Ubuntu-value of the Blacks with its emphasis on community, cooperation and humaneness, should always be kept in mind. The Japanese, for example, stress the importance of good human relations. Next to achievement motivation South Africa also needs Pareek's (1968) extension

motivation which implies a concern for other people or society as a whole. A synergy between achievement motivation and extension motivation could transform labour resources into productive units leading to a flexible and well-diversified trading base characteristic of a modern economy. In the same vein, what is of utmost importance is a broadly based educational system to turn out the necessary technical and professional manpower necessary for development and to encourage individual effort. There are, however, two shortcomings. Firstly, there is the earlier mentioned possibility that South Africa may develop a dual economy with both capitalistic and socialistic components because of the two totally different segments (sectors) of the economy. Secondly, any attempt to bring about mass education presently, can only be successful if attended with a lowering in educational standards. This of course the RSA cannot afford, socially as well as economically.

2. Leadership - The key to leadership according to Hofstede (1980a, p 378) is consideration of subordinate expectations. Successful leadership has to take the values of subordinates into account. A successful leadership theory by definition implies high power distance and tendencies towards masculinity and uncertainty avoidance. Blacks prefer a democratic style of management and Whites a consultative style. These differences in approach suggest a possible impasse in business management or at least frequent interruption in business functioning. The mining industry is very susceptible in this respect. The present calm in the industry is more the result of the general low gold price and the threatening or

- actual job scarcity in the industry. However, leadership approaches should allow for grievance channels (grievance procedures) by which lower-level employees could bring their grievances and complaints to the attention of top management.
3. Management by Objectives (MBO) - The present value system - high power distance and uncertainty avoidance - negates against a successful MBO system. The MBO system implies a cybernetic control-by-feedback philosophy. The power distance in the mining industry is too large to allow for meaningful negotiation between subordinate and supervisors. MBO also demands risk taking but the uncertainty avoidance is too large for risk taking.
4. Organization Design - The organization type that fits the mining industry now is the full bureaucracy with its large power distance and uncertainty avoidance. The implicit model of organization is pyramid-like. Because of the volatile and uncertain labour and economic climate, rising operating costs, the general state of unrest in South Africa over the past few years, inter-union and tribal rivalry which have brought sweeping changes to the fabric of life on the mines, illegal strikes and racial incidents between White and Black miners, gold debased to the status of just another commodity and the emergent trade unions with which the mining industry has to deal, have led to uncertainty and insecurity in its fields of operation. It necessitates a pyramid-like organization with its large power distance in order to secure stability and certainty. But the possible successful transformation of South Africa to a

post-industrial society with stable government and freemarket system which encourages economic growth accompanied with a prudent amount of redistribution of wealth, demands an implicitly structured organizational type with small power distance and weak uncertainty avoidance. The implicit model of organization is of course, the freemarket system. The educational system should also or rather ought to contribute to a reduction in power distance and uncertainty avoidance.

5. Industrial Democracy - The results revealed a large power distance. Witte (1980, p 3) views Industrial Democracy as "a set of decision-making mechanisms based on a reasonable assumption of political equality. These mechanisms might include decisions reached in mass assemblies; referenda; elections of representatives to councils, committees, or assemblies and direct participation in the work unit itself." Support for participation requires a belief in and a desire for democracy. Lemmer (1989) sees Industrial Democracy as a useful approach in the free enterprise and political systems in South Africa. It is a link between industrial and political elements in a free society, and, according to Lemmer, serves as a training ground for South Africans, enabling them to participate fully in the political democracy which is currently expanding.

Industrial Democracy is increasingly used to administer industrial relations by peaceful means of resolving disputes such as the Industrial Court and conciliation boards. Le Roux (in Natrass and Ardington, 1990, p 26) defines social democracy as "a system committed to a process whereby an

attempt is made to develop a consensus on economic policies acceptable to a wide spectrum of groups and classes in society. The twin goals of this exercise are to enhance overall economic welfare and to create a much greater degree of economic equality, or to put it differently, eliminate economic dominations."

This has found expression in European social democracies such as the welfare state, social investments ensuring equal access to a high standard of education and health services, intervention in the labour markets, consumer protection and environmental protection. Social democracy (according to Le Roux) are more concerned with how the economic benefits are distributed than with who owns the means of production. Social democracy in modern language does not imply the socialization or nationalization of the means of production or use of central planning. The intervention in the labour markets are to regulate negotiations between the trade unions and industry and commerce. There is obviously a broad correspondence between Industrial Democracy and Social Democracy. Both Black and White, managers as well as labour prefer some form of democracy. These parties, however, may have different conceptions of it. These are nevertheless viable conceptions in the culture of the mining industry and the chances are good that through negotiation some or other democratic system acceptable to all parties, may emerge.

6. Company ownership and control - Ownership of business enterprise has frequently been seen as the principal key to control the organization of

production and the division of labour (Poole, 1990, p 2). It is also the key to economic and political power. There is a close historical link between capitalism and individualism.

Conventional socialist wisdom, on the other hand, dictates that a more just, equitable and egalitarian society can only be reached by way of purposeful nationalization of the mining and banking sectors. In the Soviet Union and the countries of the Eastern bloc nationalization was not the ultimate answer.

Any effort towards facilitating and guiding an egalitarian restructuring of South Africa, must also be sensitive to the existing infra-structure and resources. Increased productivity in the mining industry as well as in the remaining economic spheres in the Republic of South Africa is of utmost importance in this restructuring. It is fairly obvious that control of vital sectors of the South African economy through nationalization, will not lead to a more efficient running of the economy. This is so much more obvious because of the high growth rate in the Black population. In order to effectuate this restructuring, companies have to accept and encourage profit sharing schemes for employees and greater participation of all stakeholders in its endeavours. State ownership will not help the huge deprived population in any way. What is badly needed, is economic growth and accompanying opportunities for employment. Bethlehem (The Star, Oct. 25, 1991, p 13) so aptly puts it: "I don't believe the haves need to be hurt at all. If the state is going to be a leader in this transformation, it is not going to do so by direct intervention in the economy but by acting through market forces and

creating incentives for the private sector to deliver the wherewithal of improving the position of the deprived masses".

Hofstede (1980a, p 389) ascertains that the relationship between the individual and an organization in an individualistic society is calculative and in a collectivist society, it is moral. In terms of Hofstede's theory, the simultaneous presence of lower power distance, an increasing trend towards masculinity and an equality in individualism among ethnic groups, is conducive for sustained economic growth. Thus the chances of freemarket capitalism with accompaniment of the profit motive and a prevailing calculative labour contract between employer and labour, are great.

10.7 SOME FINAL COMMENTS

Should the politicians succeed in providing the necessary stability and security, the mining industry could provide the necessary momentum for economic growth and development. The political developments of the past four months, viz increased violence, mass action and talks of such damaging absurdities as rent and tax boycotts have led to a general slump of attitudes with economic despondency. The executives of mining houses are stricken with uncertainty caused by the low gold price, strikes and stayaways, rising operating costs and the unstable and volatile political climate.

South Africa's economy is mainly built around the mining industry and should the political climate improve, the mining industry is well poised for a significant contribution to the overall development

of the South Africa. South Africa is a developing economy with a developed sector but also a subsistence (underdeveloped) sector. The mining industry could contribute, over the longterm, to the development of this latter sector which would also benefit the Southern African region, using modern technology and freemarket principles. Freemarket principles require a low power distance which goes hand in hand with individual initiative and a high, adequate educational system which is a prerequisite to release the energy and talent that is latent in the South African society which is so absolutely essential for economic growth and increased productivity.

A high masculinity orientation is essential as it suggests an environment conducive to achievement orientation. The mining industry should also be inclined to take risks for economic development, eliminating unemployment and poverty and providing the necessary motivational profile. This value system and motivational profile could lead to a positive job experience giving rise to a majority of any future work force strongly identifying with work ethics, increasing the economic power of the Blacks and giving access to material resources and thereby removing inequalities.

Economic realities also provide an answer for a constitutional policy of federation/confederation. The South African economy is an interlocking web binding Whites and Blacks together. The successful future of the Republic of South Africa possibly lies in the blending of economic integration and limited racial integration, thus resulting in continued social separation which for the foreseeable future at least, will remain unchanged because of the underlying differences. Thus the working environment

could be more conducive towards any desired change than the social and physical environments in which the inhabitants of the RSA live. In terms of human behaviour a federation/confederation seems to be the ultimate solution.

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