



First building in ALexandra, 1912

Mala-Mogodu

Until it was destroyed by the colonisers gun, game was plentiful in South Africa, and therefore meat was plentiful. Apart from game, there were large herds of cattle, these being central to the economy of most tribes. Van Riebeeck speaks of 'a camp of Saldanha men with fifteen huts and fifteen or sixteen hundred cattle, and sheep besides . . .' Food included game meat, wild vegetables, mabele and milk.

Making profit

Today meat is still a major industry, but under capitalism the system of producing and distributing it is very different from what it once was. Previously the purpose of killing either game or cattle would be to eat; and things were shared pretty equally. Today the purpose of all production is to make profits. The task of distributing food so that everyone in society may eat properly, is not regarded as important.

Who's in control

The supply of meat is controlled by a few very large firms in South Africa, among them VLEISSENTRAAL (which is a gigantic farmers co-operative) and IMPERIAL COLD STORAGE. These Big Business operations have investments in the production of meat from before

the time it is born until after it has been squeezed into tin cans. They make money from maize, which is the chief food for cattle that are being fattened; from fertiliser, which feeds maize; and from hides and bones. The high price of meat today is no doubt a direct result of their control over the market, and the policies which they can impose.

In Alex

The first two buildings in Alexandra were a small mud-brick house, and a zinc covered butchers shop. These were standing in 1912, near the old Pretoria road. As the township grew, so did the number of butcher shops, so that in 1941 the Medical Officer of Health reported that there were 40 butchers in Alexandra trading under licence (and no doubt others trading without licences, as today). No mention is made in those times of any large scale market in offal. Even ten years ago offal was not a common food, most of it being discarded immediately after slaughtering.

Offal

Today red meat is too expensive for most families in Alexandra, and offal has become the major source of animal protein in the diet of residents.

How does offal compare with red meat? It is equally rich in protein, in iron, in vitamins A & B. It has no fat; it has a stronger flavour. In fact it is very good

food. Nevertheless, people eat what they are used to. Red meat is preferred: the only reason why so many people today buy offal, is that they have had to give up red meat which is expensive, and get used to this cheaper substitute.

The question of price

Offal is cheaper than red meat: but we may ask, why is this so? And why is it not even cheaper? It is quite hard to find out the reason for the price of things. We notice prices changing from time to time, usually going up, but even sometimes coming down (as in the case of paraffin this last month). But the way prices are determined remains hidden. We just accept that prices are what they are, and if we can afford, we pay. It may help us understand at least some of the things that influence price, if we outline the way a product is produced and distributed. In this article we will deal with the product offal.

Process of production

Stock farmers send cattle, sheep etc to the abattoir (slagpaal) for slaughter. The animal's carcass, the frame of bone and red meat, is put on a hook. The offal (that is the insides, the head, feet and tail) and the hide, are stripped away and sent to a separate building known as the Offal Pool, where they are cleaned and trimmed and prepared for sale.

Auction price

The carcasses of red meat are sold by auction 'off the hook'. Dealers and wholesalers make their bids, and the highest bidder sets the price of each grade and kind of meat. Offal, on the other hand, is not auctioned, but sold at fixed prices.

Fixed price

With the auction system, whoever bids highest gets the product. Where the price is fixed, however, there must be either a queue or a quota system to determine who is to get the goods. For example, to buy mala from Wynberg Chicken Co people have to join the line early, and wait. In the case of offal at City Deep (slagpaal), certain people are allowed a quota, which gives them a right to a certain quantity of offal each day.



margin on tinned food high. Certain mining interests and some canning companies are part of the controlling group of the Offal Pool. No doubt it is the influence of these groups that keeps the price of offal controlled and low.

We should also ask why, if there is a great demand for offal, the supply does not increase. Usually, if many people want a certain product, more of it is produced to satisfy the demand. However in this case offal is actually only a by-product. It is produced at the same time as red meat, being nothing other than the insides of animals that are bred and slaughtered for their meat. The supply of offal is linked to the supply of slaughter animals for meat.

Beef has it all — especially profit

What the big firms want, is a high price for quality beef, mutton etc. They can get this from rich white consumers; and so the supply is deliberately limited, or carcasses are withdrawn from sale, in order to keep these prices high. And since the supply of meat is limited, the supply of offal is necessarily limited too.

Is offal cheap?

The fact that the price of offal is low at the Pool, does not mean that it is still low when someone buys it in a location



Mala/Mogodu — the last stage.

street. Between the Pool and the final point of sale (hawkers table) the price rises a lot. The dealer, who gets his stock at the pool at fixed price, adds on a profit when he sells to the retailer or the hawkers. He might add a profit of 40% or so, paying himself for his truck, his time, his labour, and something extra to put in the bank. Then the hawker also adds on something to get a profit, often as much as 100%. He too has to make a living.

Example

A dealer buys 1 kilo of sheep stomach for 64c
 He sells this same kilo to a hawker for 90c
 The hawker sells it to a hungry person for 1,87c
 Thus the dealer and the hawker have taken R1,23c in trading profits.

Rakgwebo kapa mmereki

This brings us to the question of traders. Are they part of the working class, or are they part of the capitalist class, profiting at the expense of workers? Actually it seems that their class position is uncertain, some of them going the one way and others the other way. For this reason they are said to belong to the 'middle class'. This includes people who do not own capital (and therefore cannot be called capitalists), but on the other hand they do not do productive labour, that is, labour that results in goods being produced. This middle class thus includes teachers, officials, secretaries, traders and so on. And all of these people are a bit uncertain whether they favour the workers or the bosses. Those who remain, like the workers, poor and in difficulties, are likely to regard themselves as part of the working class. But those who are able to accumulate wealth, who buy maybe a shop, or a taxi or some machinery, and begin to employ workers themselves, these become more and more like capitalists, and give the capitalist class their support.

Among hawkers, some sell large quantities, while others sell only a little. To see why this difference is important, we must say something about 'profit margin' and 'turnover', which are the most important things in a business.

Who gets these quotas? The mines have the largest quota; then companies that make other products out of offal, such as pet-food, or tinned meat for export to neighbouring African states; then the wholesalers, who sell to retail butchers and hawkers; and lastly hawkers themselves, on condition they have a trading licence. In this last case, the amount they get is based on how much they sell during summer, when there is less demand for offal.

This system of quotas and fixed prices makes the offal market a controlled one. Even great demand for offal, as in winter, does not lead to a rise in prices at the Offal Pool. It is said by officials that it would be too difficult to auction offal: firstly because it has to be distributed fast, since it quickly gets bad; secondly because there are many different items, such as heart, lungs, stomach, tripes, liver, brain etc. and they all have different prices. To auction each and every one of these would be quite difficult.

The policy suits whom?

But no doubt the main reason for a fixed price policy is that it suits certain industries, like the mines and canning companies. The mines, which depend on cheap labour, keep down the cost of feeding their workers by buying offal in bulk at low prices. Canners also need cheap raw materials to make their profit

Profit margin is the amount of profit you can get on the things you sell. If you buy something for 50c and sell it for R1,00, your profit margin is high, being 100%.

Turnover refers to how much of your stock you can sell over a period of time, say one day. If you sell all your stock in a day, your turnover is higher than if you sell only a small part of the stock in that time.

These two things together determine whether you earn a lot or a little. Take the case of two hawkers, who both pay 60c for a kilo of mautwana, and sell for R1,20.

Their profit margin is the same. But one hawker sells 10 kilos a day, bringing him a profit of R6,00: while the other sells 100 kilos, bringing him a profit of R60,00. You can see that the first person will stay poor, while the second will soon get rich and will buy a truck, do transport business, then get part shares in a petrol station, and finally become a Tshabalala of a tycoon!

Many hawkers in Alex are of the first sort. They buy just a little offal, and they spend the whole day before it is all sold. Others buy a lot, and many different types of offal, spread it over many tables and attract the crowd by their appearance of doing well. These are the ones who look forward to living in new houses even if the rent is high.

Ukushunqula

One of the biggest problems faced by hawkers who do not have trading licences, is the high cost of feeding the police. They are raided regularly, and made to pay fines. It is commonly said by hawkers that they are not given receipts, which means that the money probably goes into the pocket of a policeman. Not that it matters to the hawker who takes his money. The fine is regarded as a kind of tax; and hawkers feel that so long as the police can count on getting a bit of extra pocket money from them, they will not actually prevent them from trading.

Interview with a hawker

- Hawker** *This bag is ox offal, that one sheep offal. I buy them from the Chinaman in West Street. They won't sell to me at City Deep because I don't have a trading licence. I applied long ago for one – do you think you could help me there...?*
- Hawker** *If I ask for one they say I should come back in the afternoon. And then when I go back, those very people can't be found. No one knows anything about it.*
- Izwi** *How do you travel to get this offal?*
- Hawker** *By bus. I go there and back almost every day. It's quite expensive.*
- Izwi** *How much profit do you make selling this stuff?*
- Hawker** *I don't know. I spend money for coal, pay fines to the police, there's rent, food...*
- Izwi** *How much are the fines?*
- Hawker** *Last year they were R20 but this year they are not so high. The police are giving us a discount.*
- Izwi** *Do you get a receipt?*
- Izwi** *But they let you continue selling...*
- Hawker** *They know we help the people here get food. And the police too must live. If they stopped us, where would they go when they run out of cash? (laughs)*
- Izwi** *Do you have a family?*
- Hawker** *Sure. Five children. And we only have one room, divided. It's not good.*
- Izwi** *Could you afford a rent of R50,00 if they let you have one of those new houses, ko-dizozo?*
- Hawker** *No. Even now it is hard to find enough money each month to survive. We are suffering.*

IZWI LASE TOWNSHIP is published by Ditshwantsho tsa Rona. It offers notes and views about events of today and of the past. Though mainly concerned with Alexandra, because that is the home location of Ditshwantsho, we hold that Alexandra is but a part of South Africa, and shares in the general struggle in this country. We reject the ghetto status of the township, and we reject strategies that attempt to divide it from other parts of the nation.

It is necessary to understand society in order to change it. We invite the public to participate in this paper, by carrying out research and by contributing discussion.

Letters, articles, comments and enquiries should be sent to our address:
PO Box 720, BERGVLEI, 2012.