

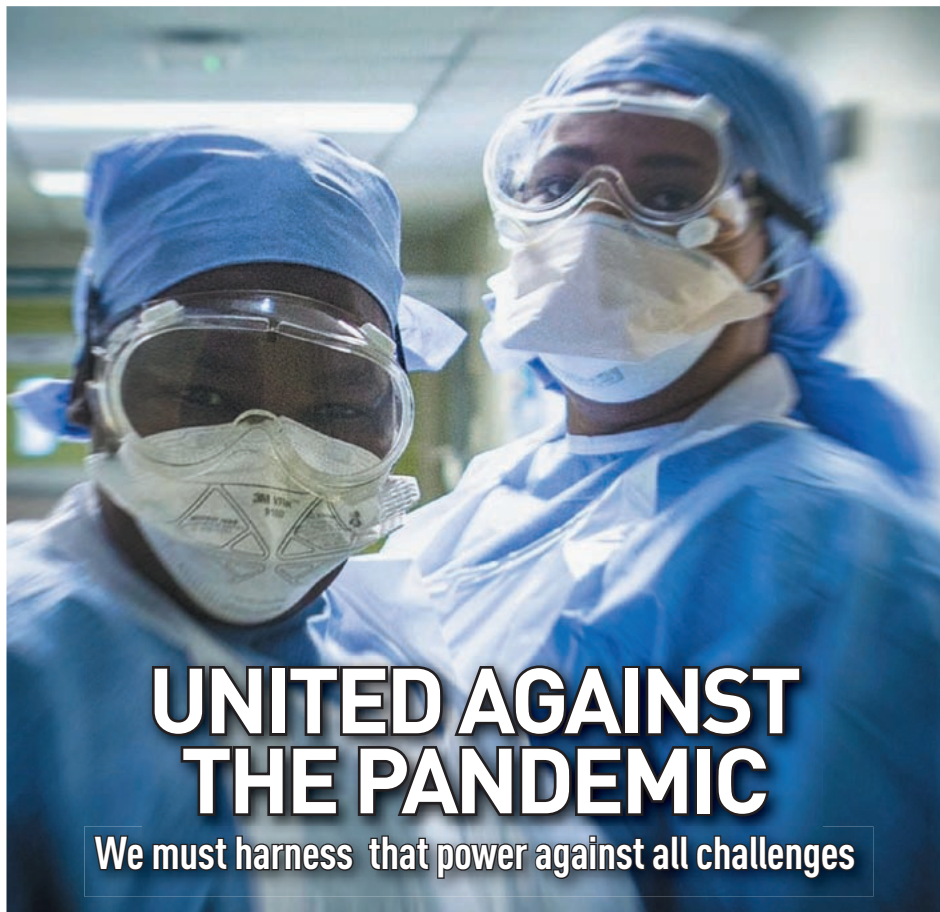
**REBUILD OUR MOVEMENT
– CC POLITICAL REPORT**



African Communist

1st & 2nd Quarters 2020

Issue 202



**UNITED AGAINST
THE PANDEMIC**

We must harness that power against all challenges



African Communist

First & Second Quarters 2020

Issue Number 202

- 3 Editorial Notes**
- 11 Rebuild our Movement – political report to the SNC**
- 55 Joe Slovo – 25 years on & still with us**
Jenny Schreiner
- 64 Slovo's vision – a yardstick to assess the NDR**
Nathi Theledi
- 90 Vanguard role of the SACP – KZN PEC report**
- 104 Formalising informal work – from below**
Pat Horn
- 130 Co-ops: a stepping-stone to socialism?**
Sonwabile Ngxiza
- 148 Communists' role in alliance building**
Mandla Radebe
- 156 Book review: Desperately seeking socialism**
Tony Sutton
- 161 Capitalism & fundamentalism's unholy alliance**
Reneva Fourie
- 167 Brexit & Britain's working class**
Mark Waller
-

The African Communist is published quarterly by the South African Communist Party as a forum for Marxist-Leninist thought.
Send editorial contributions to: alex@sacp.org.za, or to African Communist, PO Box 1027, Johannesburg 2000.

EDITORIAL NOTES

We welcome decisive state power on Covid-19!

We must harness that power against all challenges facing South Africa

On 15 March President Cyril Ramaphosa, in a wide-ranging and comprehensive address to the nation, announced a national state of disaster in the face of the coronavirus (Covid-19) pandemic. Ramaphosa's address was widely, and correctly, commended across most of the social and political spectrum. It has once more underlined that, at its best (and it has not always been remotely at its best), a collective national-democratic leadership spearheaded by the ANC-led movement is the only force capable of providing cohesive, nation-building mobilisation in the complex and often fractious, post-apartheid reality of South Africa.

We will, of course, not escape the pandemic. It is still too early to assess just how effective the measures announced will be in helping to moderate the dire impact. But without a state-led, common effort within the context of these emergency measures the situation would become immeasurably more difficult.

Nation-building mobilisation based on a shared sense of solidarity, of an injury to one is an injury to all, is essential. It is needed not just to confront the Covid-19 pandemic but our country's numerous and interrelated developmental challenges – poverty, inequality, unemployment and the scourge of crime and gendered violence. Imagine, for a

moment, if this pandemic had struck South Africa under a President John Steenhuisen, or a President Helen Zille. Both might well be relatively competent centre-right politicians. But they would simply not have the social stature or breadth of authority or broad movement and solidaristic history behind them to harness the country behind the tough but decisive measures now required. (In their heart of hearts, even the most ardent DA supporters know this).

But this is not a time for narrow, party political partisanship – still less arrogance. Those of us in the ANC-led Alliance need only imagine where we would be as a country in the face of the Covid-19 pandemic if we were still under a Gupta-Zuma axis ruling in the name of the ANC and evoking a pseudo “radical economic transformation” agenda as a cover for laundering their loot in Dubai.

Ramaphosa has moved decisively and in detail. A national state of disaster has been declared. This gives the state important powers to close borders, to refuse visas, to close schools, to stop gatherings of more than 100 people, and much more. But an important feature of the presidential announcement is that it does not rely on state power alone. It is appealing to all South Africans to do their bit to take care of ourselves, to self-isolate where appropriate, to show solidarity with those most vulnerable, and not to panic. Time will tell how effectively we are able, collectively, to follow this approach – but it is the only feasible response to a pandemic that will affect us all.

But then a question arises. If our government is able to declare a national state of disaster with stringent measures including determined state interventions to restrict travel and other personal freedoms, and still receive widespread social support – why are we not able to declare a national state of disaster in the face of a 50% plus youth unemployment rate, for instance?

Part of the answer is, of course, that Covid-19 strikes rich and poor

alike. Indeed, the introduction of Covid-19 into South Africa has come through those wealthy enough to take overseas holidays. There are, therefore, objective grounds for a broad, cross-class consensus on moving with urgency.

But a further part of the answer is a growing global awareness that some countries have got their responses relatively right – China, South Korea, Taiwan, Vietnam, Singapore. These Asian countries (with quite different ideological stances among them) have all, historically and now again, not been afraid to use state power to intervene actively in what they variously regard as the public interest. Other countries, the Nordics for instance, where social democratic public health systems have not been entirely gutted by the neo-liberal turn, have also been able to respond relatively effectively.

The contrast between these Asian and Nordic responses and those of bumbling, friends of the mega-rich, political leaderships in Italy, the UK and the US has been all too obvious. In these latter countries, doctors, epidemiologists, public health specialists and the public at large have been deeply critical of their governments.

South Africa isn't China, South Korea or Sweden – but there are lessons to be learnt. We have been far too timid in driving forward a comprehensive National Health Insurance. We have allowed our public health system to be hugely overstretched long before the arrival of Covid-19, allowing the bulk of health resources to be enjoyed by the 16% of South Africans with access to private health care. Poverty, unemployment, deep inequality and public health are all interacting realities.

If we can close many of our land ports, if we can shut down schools temporarily, if we can prevent visitors from most affected countries from entering our country – then why have we been so timid about introducing prescribed assets on a financial sector awash with billions

of rands playing in the casino economy?

If we can use decisive state power in the public interest to deal with the Covid-19 pandemic, why have we not used state power to shut down massive illegal capital flows out of our country? Why (see the next editorial note) did we not long ago build up a major, buffer sovereign wealth fund by imposing, amongst other things, a windfall tax on Sasol when it was still making super-profits out of its sale of petrol on our local markets? Why have we been so timid with urban land reform, perpetuating apartheid spatial patterns that will now expose millions of South Africans to crowded and potentially highly infectious minibus commutes?

Of course, it is pointless crying over lost opportunities. The point now is to learn honest lessons, and to follow the example set by President Ramaphosa on 15 March by expanding state decisiveness and broad popular mobilisation into the wider socio-economic crises.

We must move faster against the state capture networks

In 1807, with Napoleon's army closing in on Lisbon, panic set in among the Portuguese royal family. A huge armada of ill-prepared ships was hurriedly assembled to carry the queen, prince regent, numerous courtiers, their vast store of wealth, and thousands of servants off to the colony of Brazil. There was sheer pandemonium along the water front. Worried this frenzy would arouse the general populace who were being left behind, the queen advised: "Go slower! They'll think that we're running away." Which is, of course, exactly what the royals were doing.

In the context of South Africa's historic democratic breakthrough and in following years we have experienced a similar massive outflow

of accumulated wealth by our own oligopolists. It is wealth that was accumulated through centuries of colonialism and decades of super-profiteering under white minority rule. This time the flight of wealth is not from a metropole to the colony, but back towards the assumed safe bosom of the dominant capitalist powers in the North.

Our post-apartheid fleeing armada has been carried on the winds of financialisation, by means legal and illegal – off-shoring, aggressive tax avoidance, money-laundering, dividend outflows, transfer pricing, and much more. State capture has, of course, played a major role – but so, too, have ill-advised Gear-related policies around trade liberalisation, privatisation, and the slashing of exchange controls.

Not all of this wealth will easily be recouped, but certainly the wealth that has disappeared under the reign of state capture can and must be discovered and returned. And that is why the exact opposite advice proffered by the Portuguese queen on the eve of her hurried departure is required. We need to deal decisively with the criminal networks that have proliferated with state capture in South Africa. We need to say to the agencies responsible for criminal prosecutions: “Please go faster – or they will think that we’re running away.”

Of course, the Director of the National Prosecuting Authority, Shamila Batohi is clearly dealing with a massive challenge. The NPA was a prime target for the state capture agenda and its former head, Shaun Abrahams was an active and willing accomplice in striking a huge blow to the capacity and morale of this critical institution. We also need to appreciate that much of the state capture looting involved relatively sophisticated money-laundering and other financial malfeasance. This was often assisted by some of the biggest global corporations, among them Deloitte, KPMG, McKinsey, Bain & Company, not forgetting the role of Chinese state-owned enterprises, like China South and China North Rail, the Indian state-owned Bank of Baroda, and what looks

very much like foot-dragging and tactical blindness by some of our major local banks.

The complexity of some of the cases is appreciated. We certainly cannot afford for amateurish cases to be brought to courts, only to be thrown out or withdrawn – something that happened (deliberately?) earlier with the notorious Estina dairy case. But this is why Batohi's hesitation to draw on forensic and financial skills from outside of the NPA is of concern. She has said that doing this will open up the agency to allegations of state capture itself. Of course, the state capture scoundrels will promote any fake news – but, again, we cannot be bullied into indecisiveness by demagogic accusations.

In the past several weeks Batohi has publicly urged patience: “We are trying to fix a plane while flying, we can't land...” She has also pointed to the complexity of much of the crime involved, as well as the beginnings of some early successes with the Special Investigating Unit finalising 18 municipal sphere cases and bringing 24 to court. All of this is to be welcomed.

But the big fish are still out there. More worryingly there is now even talk of offering amnesty to state capture perpetrators. While we might appreciate that the amnesty idea proposed by corporate lawyer Robert Appelbaum and others was well-intentioned, it is exactly not what is now required. It will be seen by the perpetrators as a sign of weakness. Without at least some of the big fish sentenced and sitting in jail in orange overalls, there will be little motivation to apply for amnesty.

As one legal expert has correctly noted, we must also not confuse a general amnesty with the offering of conditional indemnity to those providing effective evidence in specific cases on the way to the courts. This latter, divide-and-rule strategy is widely used, and should certainly be part of the anti-state capture armoury.

Already, the royal court of the Guptas has fled to their gilded apart-

ments in Dubai carrying their ill-gotten billions with them. Billions of more rands pilfered from our state owned enterprises are sitting in tax-havens, or are still being actively laundromatted to disguise their origins and owners.

Let's move faster – or more of these scoundrels will think that we are running away from the necessary decisiveness.

Sasol should be socialised!

In just one single day in mid-March this year, Sasol lost 45,6% of its share price, with R76-billion of shareholder equity being wiped out in one week. In an attempt to reassure its shareholders, creditors and the markets more generally, Sasol put out a statement valuing its underlying assets at R23,3-billion. That's no small sum, but it represents a huge collapse in value for this synthetic fuel company that was worth more than R400-billion just six years ago.

The immediate cause of the mid-March collapse was the impact of the Covid-19 pandemic on global oil demand and the stand-off between two of the world's major oil producers, Saudi Arabia and Russia. The oil price dropped to around \$US35 a barrel. This is close to what the SACP (and others) have long assumed to be the cost to Sasol of producing oil from coal – a cost which, until now, Sasol has kept a closely guarded secret for reasons we will elaborate below.

But behind Sasol's March 2020 troubles lies another story, and behind that story lies yet another. Before the advent of Covid-19 and the oil price collapse, Sasol was already in major trouble.

But let's first travel back 14 years.

In February 2006 the SACP Central Committee put out a statement welcoming then Minister of Finance Trevor Manuel's announcement that he was setting up a task team to investigate the possibility of im-

posing a windfall tax on Sasol. The announcement was, in principle, an important step forward in the campaign that the SACP had been leading for some years for the socialisation of Sasol and its huge accumulation of profits.

Sasol was established in 1950 as a public entity. It was subsidised from the fiscus for many years to cover the difference between the global price of oil which hovered around \$25 a barrel and Sasol's cost to produce oil from coal (which we long assumed to be around \$35). This arrangement was a key part of the strategic intervention of the apartheid regime to ensure that South Africa's industrial development was not entirely at the mercy of external oil producers (and later, of course, oil sanctions). This strategic intervention was successful. Today Sasol still supplies around 35% of South Africa's petrol needs.

Following the global oil price shock of 1973, in which OPEC countries collectively combined to limit production and drive up the global price, oil prices soared. Sasol became immensely profitable as it sold (as it still does) its oil on the South African market at the same price as imported oil. In 1979 Sasol was privatised and sold at a discount to established South African monopoly capital.

But through the 1980s and 1990s and 2000s the global price of oil, sometimes moving above \$100 a barrel, was way above Sasol's production cost. Over many decades, the South African economy and general public, not just car owners, but taxi and bus commuters, farmers using tractors and food transporters have been subsidising mega-profits for Sasol's private share-holders – paying at the pump for Sasol petrol as if it were imported all the way from the Middle East.

It is in this context that the SACP has called for the return of Sasol to public ownership and, as a first step, for a variable “windfall tax” to be imposed on Sasol for any time the global oil price tracks significantly above the \$35 a barrel – the amount that we believed was the cost to

Sasol for producing oil from coal. We also argued that this windfall tax could be the basis of a South African sovereign wealth fund.

So, in 2006 as the oil price hovered around \$60, the central committee welcomed Trevor Manuel's announcement that he was finally establishing a task team to look at the windfall tax proposal. Sasol's executives went ballistic. "The company is concerned that its ability to reinvest profits into its operations will be compromised if a windfall tax is imposed," it proclaimed. Sasol CEO at the time, Pat Davies, made veiled threats about "re-thinking" its local investment plans.

To its credit, in 2007 Manuel's task team, after detailed consideration, brushed aside this howling and strongly recommended a windfall tax on Sasol.

Instead, however, and inexplicably Treasury reached a "gentleman's" agreement with Sasol – in exchange for not imposing the windfall tax, the company committed to investing some of its mega-profits in a new coal-to-oil plant in Limpopo (the so-called Mafutha project).

In 2012, with the global oil price around \$120 a barrel, Sasol's net profit for the year was R24-billion, but there was still no Mafutha! Then in 2013, Sasol announced a R200-billion investment in a gas to liquid plant, not in Limpopo, but in faraway Louisiana, USA.

Even the conservative *Business Day* journalist David Gleason was outraged: "Born courtesy of taxpayers...South Africa's biggest company and world leader in various critical energy technologies is investing ever more deeply in the US than it is here. This may be the right thing for the company, but is it right for the country?"

Gleason was right, but he was also wrong – the decision to disinvest massively into the US has now proven to be a disaster for Sasol and its shareholders. The Louisiana project has run years over schedule and billions over budget. Sasol's debt has ballooned and creditors are nervous. Before the Covid-19 outbreak, before the oil price collapse, Sasol

was in trouble. It joins a list of former pillars of the apartheid economy that disinvested out of South Africa and that have now run into trouble. Old Mutual burnt its fingers in London, Anglo American is a pale shadow of its past, SA Breweries got eaten up, Woolworths is limping from its Australian ventures.

And now to add further insult to our injury, Sasol has put out a statement reassuring its creditors and investors that even at \$28 a barrel, the company can cut it. The blighters! All these years they have kept their cost of producing oil from coal a deep secret, disguising from the South African public the actual amount we have been subsidising mega profits over decades.

The wealth and world-class technical capacities of Sasol need to be socialised and harnessed for the overall development of our country. A windfall tax in 2007 would have been an important step forward in that direction. The task of socialisation has become a whole lot more complex, but no less critical. ●

SNC POLITICAL REPORT

Rebuild our Movement – socialism is the future

This political report was delivered to the SACP fourth Special National Congress in December 2019

On behalf of the SACP 14th National Central Committee (CC), I welcome our SACP delegates, our distinguished guests from Alliance formations and fraternal parties, both national and international, and members of the diplomatic corps to this Special National Congress (SNC). I also welcome distinguished guests from other sections of our society here present. We are gathered over the next few days in this SNC, our mid-term congress, to review progress made in implementing the resolutions of our 14th National Congress in 2017, and map a way forward.

It is important also to remind ourselves that we are perhaps also meeting in a conjuncture that is not exactly the same as the one during which we convened our 14th National Congress in July 2017. This means that, in assessing and evaluating the implementation of the resolutions of our 14th National Congress, we have to factor in and carefully assess the current conjuncture. Time and space matter seriously in Marxist-Leninist considerations.

Domestically, there have been a number of important developments. We met in July 2017 at a time when there was huge political uncertainty and concerns in the wake of the 54th National Conference of the ANC in Nasrec in December 2017. The divisions and tensions inside the

ANC were so deep that we were not even certain the ANC was going to survive Nasrec. Nasrec has now come and gone. Fortunately the ANC, our historical ally, has come out as a single organisation. Unfortunately, it has not yet overcome many of the fissures of the pre-Nasrec period. We have a role to play not only in the unity and organisational renewal project of the ANC but also of our entire broad movement inclusive of the trade union, student, youth and civic movements, and in building a progressive women's movement.

In our entire history as the SACP we have never stood aside to watch internal divisions and tensions inside the ANC and our allies. We have always sought to make our own modest contribution as an ally and in our own right as members of these mass formations. We have never prescribed to the ANC what it must do, and we have no right to do so, but we have always sought to be a dependable and reliable ally. As members, we have robustly exercised our rights as members. The reason for this is that the national democratic revolution (NDR) still requires the ANC – but a united ANC. None of the Alliance partners can currently replace the others. The SACP is not an ANC or Cosatu and it cannot be either. Even if the ANC were to disappear tomorrow, our country would still need to build an ANC type organisation. The SACP would still need to organise the masses and unify them politically.

It is partly due to these challenges that the CC is directing the whole of the SACP to understand that one of the primary tasks of the period is to build and strengthen a united ANC.

There are also challenges in relation to some of the affiliates of Cosatu, especially but not exclusively its industrial unions. Again we cannot fold our arms. We have to work with Cosatu to confront these challenges.

We are also meeting at a time in which Sanco is divided into virtually two parallel structures.

Furthermore, the progressive student movement is facing serious

cracks and divisions. It is also faced with the challenge of parallelism – it is also divided into parallel structures counter-organising each other.

All these call for the SACP to play its vanguard role. At the centre of this role is unity.

The opposition in crisis

The parliamentary opposition is in disarray. The main opposition, the Democratic Alliance (DA) faces deep problems. What has always been the crisis of the dominant trend of white liberalism in the DA (and in South Africa) and the undertones of its racial organisation have been exposed for all to see. What we are seeing in the DA today is the unravelling of both the Tony Leon agenda to reposition white liberalism post-1994, and Helen Zille’s attempts to try to make it appeal to the African majority. Both these attempts were part of the same agenda – to whitewash the DA, without changing its core mission as an organisation that emanates from, and is still essentially stands for, the protection of white privilege.

The DA’s fightback election campaign of 1999 aimed at reaching out and incorporating former National Party voters into the DA after the implosion of the National Party. Zille attempted to reach out to the townships with very little success. These fissures in the DA illustrate that white liberalism has always opposed majority rule. The dominant section of white liberalism argued for educated or propertied blacks (in other words “those like whites”) to be given a qualified franchise. Unfortunately the black leaders in the DA have been seen as nothing more than black franchisees, an appendage rather than fully accepted members. Even Zille now regrets having reached out to black membership and leadership. So what is happening in the DA is that what its black leadership has been saying about things like affirmative action, in trying to imitate the ANC, have alienated the former Nats, who, at the last

election, started deserting to go back home to the FF plus. The “black franchisees” have been put back in their place. White liberalism cannot withstand their independent views. Its priority now is to recover the conservative ground lost to the Freedom Front Plus.

The less said about the proto-fascists¹, the better. A black chauvinistic organisation, which left the ANC aggrieved, has been seeking to exploit the weaknesses in the Progressive Youth Alliance and promising a better life for young people in a truly populist faction.

What these show is that our movement still remains the only true home for non-racialism and for the working class and poor. The challenge is that as a movement we need to act as such. We cannot spend time discussing our opponents, other than to understand the crises they are facing, and the challenges and responsibilities these place on us.

The global context

We are meeting in an international situation whose key feature is the rise of austeritisation – that is, the imposition of austerity in fiscal policy with wider implications. In most cases this is done without regard to national circumstances or negative consequences.

The outbreak of the global economic crisis in 2008 dealt neoliberalism a big blow and discredited its policy regime. The rising tide of austeritisation has emerged in the context of the persisting effects of the 2008 crisis, and is used as part of the neoliberal rescue package. What is clear is that the international atmosphere is still crisis-ridden. It is an atmosphere that continues to be characterised by the endemic capitalist crisis.

The wave of austeritisation also reflects, over and above the fiscal crisis in which many governments find themselves, the dominance of global finance monopoly capital and international financial institutions. The conditionalities demanded by the global finance monopoly capital

and international financial institutions on national economies effectively undermine national democracies or usurp democratic national sovereignty. Policy making, a crucial instrument of change, is used to codify neoliberal conditionalities into a policy regime. This is typified by what happened in Greece.

The role played by global finance monopoly capital and international financial institutions is conveyed via national treasuries, especially those pursuing a neoliberal agenda. This is replicated by the domestic commercial banking and financial sector. The question is whether we are immune from these global developments. The way the South Africa Airways, SAA was systematically driven into a rescue situation contains the answer. Our response to the National Treasury's economic blueprint released in August 2019 also reflects on this important question.

It is important to underline at this stage that our critique of austerity neither means we do not care about national debt, nor that we are calling for financial recklessness. What we stand for is proper management of national resources, taking into account that we have an economy to transform and develop, and therefore domestic productive capacity to build. Economic policy must therefore be informed by our developmental agenda, by our national imperatives.

We have to fund our national priorities, while simultaneously being prudent and dealing corruption, fruitless and wasteful expenditure a decisive blow. This is why we place emphasis on getting our national priorities right. In particular, this means orientating and co-ordinating national revenue policy towards supporting public investment into employment-creating productive activities, and measures aimed directly at reducing and therefore systematically eliminating poverty, uneven development and inequality. We also need to support the development of co-operatives and foster a thriving co-operatives sector, as well as small and medium enterprises. Policies that will not resolve

the plight of our people and empower them towards collective prosperity are bound to generate a crisis of governance.

Neoliberal austerity has also been about supporting the wealthier classes. Austeritisation has often been accompanied by tax cuts for the rich and bailing out of commercial banks that have collapsed due to reckless lending and other negative banking, management and governance practices. Austeritisation often calls for austerity in relation to the masses, the workers and the poor, but using state resources to bail out the rich.

The global economic crisis has become a crisis of governance in democracies dominated by the bourgeoisie as the ruling class. In the political arena, the response to this crisis has included the emergence of right-wing and populist leaders and movements. The US and most parts of Europe are typical examples. In the Brics countries there has been a shift to the right in India and Brazil. In South Africa, the National Treasury's economic blueprint is actually signalling a shift to the right?

Our fight against the parasitic networks of state capture and other forms of corruption was certainly not meant to create conditions for a rightward shift or a return to the policy regime of the neoliberal Gear class project. What the recent developments in the sphere of economic policy point to is that our work is cut out for us in defence of the NDR, the most direct route to socialism in our historical conditions. In particular, we must advance and deepen the strategic perspective of a second radical phase of the revolution.

Internationally, the US-led imperialist offensive is now concentrated in Latin America. Left and Left-leaning governments in Latin America have been placed under the heightened imperialist offensive. As a result, there are serious reversals of Left or progressive advances in that region, underpinned by a push to right-wing regimes through imperialist backed counter-revolutionary regime changes. In this regard, we re-

iterate our revolutionary solidarity with the people of Cuba, Venezuela, Bolivia and Nicaragua.

International trade is another front on which US-led imperialism is driving its offensive.

In his newly published book, titled *The politics of trade in the era of hyperglobalisation: A Southern African perspective*, Cde Rob Davies, member of our CC and our former Minister of Trade and Industry, looks at international trade as one of the major determinants of global politics. As he observes, the so-called trade wars started by the US are increasingly defining relations between the US and China. In addition, as our CC noted in its post-meeting statement of 9 June 2019, the fundamental issue at stake for the US, is that it sees its global hegemony being under threat.

South Africa has not been left untouched. We have been affected by the earlier rounds of the US “trade wars” offensives. While accepting exemptions from a select group of countries, including Brazil, the US imposed punitive tariffs on South African steel and aluminium exports. The “trade wars” waged by the US do wide collateral damage. This has far reaching implications that go beyond China, contrary to what is reported in most media coverage. The heightened imperialist offensive and its “trade wars” is indeed broadly defining the sphere of international relations.

What is clear in the case of China is that its leadership role in the roll-out of 5G technology does not sit well with the US. More particularly Huawei, a Chinese company, is considered to be ahead in the rollout of 5G, a key enabler in deepening and widening digital technological industrial advances. The response of the US has been to use “national security” measures to curtail access by Chinese companies both to the US market and that of other countries. In this way, the US is also acting extraterritorially. The “trade wars” launched by the US, as Cde Davies

observes, could also underpin a multi-dimensional “rivalry” that could be a central feature of international relations for years to come.

Moreover, imperialist countries have simultaneously sought concessions from developing countries in trade rules. The concessions could severely curtail essential space necessary for industrial policy. These include mounting pressure on countries like South Africa to renounce our status as a “developing country” – a status that entitles us to less onerous obligations in global trade rules.

In Europe, Brexit has become a key development in the current global era. It is reshaping politics both in the United Kingdom and Western Europe. As Cde Davies suggests, by definition Brexit stands for a rejection of a regional integration arrangement. What it has also revealed are undercurrents profoundly shaped by the outcome of a broader trade-driven process both in Europe and globally.

Conversely, in Africa a key development on the trade front is a movement towards regional integration. This is typified by the recent establishment of the African Continental Free Trade Area. The SACP needs to pay increased attention to this development and its wider implications.

As we do so, we must remain unwavering in our stance for the African revolution and solidarity towards the completion of independence and liberation from imperialism and other forms of foreign machination on our continent. In this regard, we reiterate our revolutionary solidarity with the people of Swaziland, Western Sahara, Sudan and Southern Cameroon.

We also reiterate our revolutionary solidarity with the people of Palestine.

It is against this global context that we need to understand the threats and opportunities in our revolution, including the kinds of domestic policies we need to adopt.

The state and popular power

It is important that much as we know that songs are like poetry and catch phrases, we must nevertheless not be lost in song about what the state and state power are. In other words, as our 14th National Congress resolved, we must maintain analytical alertness.

Electoral victories, important as they are, do not necessarily constitute control of state power. Therefore, contesting elections alone does not necessarily amount to contesting state power as a whole. It is important for this SNC that as we report on and discuss our state and popular power resolution to understand that there is a difference between state power and elections. Much as electoral victories can lead to access and control of certain levers of state power, it is not the totality of state power. More is certainly required. That is why for instance, in the latest example, President Evo Morales of Bolivia would win an election but be told by an army general to step down, and he does so.

It is for the above reasons that our Party Programme, the *South African road to socialism*, talks about the need to unite the working class and struggle for working class hegemony in all key sites of power and struggle.

We now report back on the implementation of the Road Map as adopted by our 14th National Congress on the matter of state and popular power. Let us recall what our resolution, the “SACP and State and Popular Power” resolution and the road map it pointed out to called for. This is the full text of the resolution:

The SACP and state and popular power

Believing:

That the issue of state power is a central question of any revolution;

That the state cannot be transformed and that progressive state

power cannot be consolidated or defended without active popular and working class power organised both within and outside of the state;

That a central strategic challenge of the current South African revolution is the consolidation of state power and popular power capable of driving a radical second phase of the national democratic revolution as the most direct route to socialism in South Africa;

That, while the ANC historically has played an outstanding role as the major vehicle for unifying the key components of a national democratic movement, the ANC does not own the NDR and its leadership role is one that has to be earned in practice;

That in the current fluid reality the SACP must be guided by:

- Strategic Consistency – not free-floating opportunism or short-termism
- Analytical Alertness – what Lenin described as the capacity to provide a “concrete analysis of the concrete situation”.
- Tactical flexibility – the ability not to be caught flat-footed while still being guided by revolutionary strategic consistency.
- That Lenin’s observation that a “Victory cannot be won with a vanguard alone” is relevant to our own reality, and that throwing “the vanguard into the decisive battle” before the “entire class, the broad masses” are ready would be a grave mistake.

Noting

The important revolutionary advances of the mid-1990s, the abolition of the institutions of White minority rule, the inauguration of key elements of majority rule via the ballot, and the passing of a progressive Constitution are now threatened with erosion.

The danger of the erosion of our constitutional democracy is a consequence of both the failure to use the democratic bridgehead

to advance decisively on a second radical phase of the NDR to transform the structural political economy legacy of colonialism and apartheid, and of a subjective deterioration within much of government and the liberation movement.

This deterioration is epitomised in its most aggressive form by the phenomenon of “private corporate capture of the state”, involving the parasitic looting of public resources.

These realities have, amongst other things, contributed to a declining electoral trajectory for the ANC, which, unless arrested, can lead to the ANC losing its majority party status to an opportunist coalition of opposition forces with further deeply negative consequences for the advance, deepening and defence of the NDR.

Further noting:

That the SACP has a long history of electoral engagement and that, since 1994, the SACP has actively engaged in successive national, provincial and local government elections within the context of the ANC-led Alliance. The SACP has actively contributed to the development of ANC election manifestos, to the list selection processes, and to active electoral campaigning. The SACP has also campaigned for and with the ANC with our own independent Red Brigade cadres, and with our own electoral poster and flyers.

That there is a strong feeling within the SACP that too often the SACP is used by the ANC during election campaigns, only to be marginalised post-elections. While this feeling may be more or less strong in different localities, it is a widespread and commonly shared view within the ranks of the SACP.

That the 2007 12th National Congress of the SACP resolved that, while “the SACP is not, nor will it become, a narrowly electoralist formation”, “the SACP must contest elections within the context

of a re-configured Alliance.” The resolution left open different modalities under which the SACP might contest elections – either on an ANC but within a reconfigured Alliance, or, in the context of a re-configured Alliance, under the banner of the SACP but with a view to post-election coalitions with the ANC.

That the 13th National Congress in 2012 reaffirmed these resolutions.

That initial but uneven progress after 2007 in driving forward a re-configured Alliance has now stalled, and in many respects has broken down. That even the earlier progress in re-configuring a more effective Alliance was never implemented in many sub-national levels.

The capacity of the ANC in particular to lead a process of self-renewal and regeneration, and therefore to effectively play a unifying role in a re-configured Alliance remains uncertain.

That, once more, the SACP has played an active and sometimes leading role in the recent period in building patriotic and united fronts in the struggle against state capture and rampant corruption, for instance.

Therefore resolves:

That the SACP must actively contest elections.

That the modality through which we contest elections may, or may not be, within the umbrella of a re-configured Alliance

That, in principle, we remain firmly committed to a revolutionary national democratic Alliance, and a re-configured Alliance that re-affirms, in policy as well as in practice, the ANC’s own 2007 National Conference resolution that “The Alliance is the strategic political centre” (and not the ANC on its own).

That the SACP has a leadership role in the struggle to build a re-

configured Alliance, while recognising that we cannot place all of our hopes and expectations solely on a favourable outcome in this regard;

That both for electoral purposes and for defending, deepening and advancing a radical second phase of the NDR, the SACP must play an active and leadership role in the consolidation of a left popular front of working class and progressive forces.

That to take all of this work forward, the 14th Congress mandates the CC to establish a Road Map that must be adopted, with clear, indicative time-lines, by the forthcoming Augmented CC. This Road Map must include the following elements:

A programme of active engagements with our Alliance partners, and with a wide range of working class and progressive forces to share and to test the SACP's perspectives. Particular, but not exclusive, attention must be paid to Cosatu and its affiliates. These engagements must be at all levels, national, provincial and local. Based on these engagements, the SACP must play a leading role in developing a common platform for a Left Popular Front of working class and progressive forces

Linked to the SACP's organisational renewal review process, conduct a thorough and ongoing audit of the SACP's organisational capacity, involving a scientific, fact based evaluation of the strength and influence of our formations, including of our VD-based branches. Regular reports must be tabled in each CC and lower structures must be continuously briefed on progress.

The SNC of the SACP must receive a comprehensive report on the Road Map process and resolve on the way forward.

We fully reproduce the resolution both because it is important to remind ourselves of what the resolutions says and because the CC has

been concerned that in some of our structures this resolution has either been either misread or misinterpreted.

To recap the essence of our resolution: we reaffirmed the importance, relevance and the need to maintain our Alliance, but which we resolved must be reconfigured to move with the times. The resolution also emphasises the necessity to build not just the SACP, but the motive forces of the NDR, and to mobilise wider progressive sections of our society. It emphasises the need to unite the working class and build working class power. That is why the resolution is on both state and popular power, and therefore calls for building working class power both inside and outside the state, and in all other key sites of struggle and power. The resolution reminds us of what Lenin said: it is suicidal to throw the vanguard Party into decisive battles alone, without the rest of the working class.

This political report tables some of the progress made in implementing this resolution. The “State of the Organisation Report” gives details on the other parts of the resolution, mainly on the SACP’s organisational renewal process, and a thorough and ongoing audit of the SACP’s organisational capacity, involving a scientific fact-based evaluation of the strength and influence of our Party organisations, including of our VD based branches, as the resolution requires. The report will also cover the question of a Left Popular Front in detail.

Following the adoption of the SACP and state and popular power resolution, the SACP started engagements within the Alliance for its reconfiguration, as directed by the resolution. Four discussion papers were produced. The first was a base document developed by the SACP while the second was produced by Cosatu in support of the reconfiguration. The third paper was produced by the ANC in response to the SACP and Cosatu papers. These papers are part of the Congress documentation for reference purpose. The engagement continued until the

Alliance came up with a common framework on the reconfiguration.

The Alliance common reconfiguration paper takes us forward.

The core of what we agreed upon at the last two Alliance Political Council meetings includes:

- The NDR as our shared strategy of struggle and societal transformation, and the Freedom Charter as its basic programme;
- The strategic centrality of the Alliance and collective leadership in driving the NDR;
- Meaningful consultation that seeks to attain consensus on policy direction and other major decisions, especially in relation to organs of state;
- Regular Alliance meetings to give practical effect to consensus-seeking consultation in driving the NDR, thus developing and implementing common programmes and joint campaigns;
- The regular meetings include monthly Alliance Secretariat meetings, quarterly Alliance Political Council meetings, at least one strategic planning Alliance Summit per annum, the convening of other focused Alliance summits as and when it is necessary; Alliance bilateral sessions; and the establishment of joint Alliance committees, working groups or task teams on policy, programmes and campaigns;
- Establishment of the Alliance Deployment and Accountability Commission and building technical capacity to support its work;
- Approaching elections as an ANC-led common Alliance platform, with Alliance presentation on electoral lists and related deployments;
- Recognition of the class leadership of the working-class as the main motive force of the NDR, and organisational leadership of the ANC; and
- The reconfiguration of the Alliance and all its structural modalities.

ties and modus operandi at the national level must be replicated at all sub-national levels.

The Alliance Political Council framework is part of the SNC documents, although it is still to be endorsed by each Alliance formation.

As the SACP, we believe that what is primary and should unite the Alliance is collective leadership of the NDR, holding those deployed to account, and joint programmes and campaigns, including elections as a common Alliance platform.

We must re-affirm the resolution adopted by the 14th National Congress. The CC is of the view that in line with our resolution on state and popular power and the framework for the reconfiguration of the Alliance, we must seek to maintain ANC-led electoral lists in the forthcoming local government elections. However, where the agreed-on spirit of the reconfiguration of the Alliance and consensus-seeking consultation is undermined, our structures in the affected areas should produce and submit reports to the CC, with recommendations, for evaluation on the way forward. We need to make it clear at this SNC that there must be an agreement on the manifesto for the elections and that we would not accept imposed and unpopular candidates representing factional interests.

The state consists of a variety of institutions in which the SACP must take active interest and seek working class organisation and influence. Building working class hegemony, power and influence in the state cannot and should not be limited to electoral politics, important as they are. It is for this reason that the political report also focuses on other important and related terrains of struggle contained in the *South African road to socialism* and work we have done and still need to do in these areas.

Motive forces and their state of organisation

The *South African road to socialism* underlines and commits the SACP

to intensify the struggle to build working class hegemony, influence and power in all key sites of struggle and centres of power. Perhaps the best way to report about progress in the implementation of our own programme is to reflect on some of these sites of struggle.

The community

One key site and terrain of struggle identified in our Party programme is the community. In the recent period the SACP has correctly resuscitated the Marxist perspective of social reproduction. The perspective of social reproduction enables an understanding of the impact of the crisis of capitalism on households, communities and society. In this regard we pointed out that we are in the midst of a crisis of social reproduction, arising of the systemic problems of high levels of unemployment, poverty and inequality. The concept of the ‘crisis of social reproduction’ basically refers to increasing inability of households and communities to make ends meet as a result of, in our case, the poverty, inequality and unemployment daily reproduced by the structural stagnation of our economy that is still largely on a semi-colonial trajectory in the context of an ongoing global economic crisis.

Social reproduction is a “complex set of relations and activities that create conditions that enable society to sustain itself and its social relations. The relations between human beings within the context of the mode of production create a whole network of non-productive relations to protect and reproduce their privileged position. Social reproduction therefore incorporates the reciprocal and dialectical interfaces between the base and superstructure, as well as how this interplay is shaped by objective and subjective material conditions.... In a class stratified society, social reproduction is a substantive part of what sustains and reproduces class relations.” In much simpler language social reproduction refers to the struggles and process of daily sustenance and meeting

of daily needs in a household, community and society.

The burden of social reproduction in a class divided society, especially under capitalism, is normally carried by women, who are often tasked, in working class and poor communities, to look after children, do household chores, and look after the sick and vulnerable. Social reproduction in capitalist society reinforces and is reinforced by patriarchal relations, the subordination of women in society to men.

Most of the organisational efforts directed towards sustainable livelihoods for social reproduction in our communities are women's unpaid labour and other social activities. These range from church societies, to active participation in school governing bodies, stokvels and burial societies. It is mostly women who are active in these structures and activities. These are the energies that our SACP or ANC or Alliance structures should be harnessing towards addressing developmental goals in communities. It should be on the foundation of these activities or terrains that strong women's organisations should be built. This should be made a platform to wage an effective struggle against gender-based violence.

The burden of the crisis of social reproduction is also carried by the youth in our communities. In all community protests it is young unemployed people who are in the forefront. It is the youth in our communities who are often unemployed, being sunk into drugs, substance and alcohol abuse, as well as facing the harsh realities of the HIV-Aids pandemic. It is the youth who are carrying the brunt of the crisis of capitalism and its manifestation and reproduction in our communities. This is a burden that the legacy of the apartheid regime and the capitalist class has left on the shoulders of the democratic government. In other words, the burden of the crisis created by capitalism has to be resolved by the democratic government that is without most of the resources in the hands of the capitalist class.

It is also young people who are victims of and purveyors of some of the moral decadence brought about by capitalism. This is also reinforced by some of the accumulation tendencies of sections of the tenderpreneurial youth. It is for this reason that the CC takes the view that ours was perhaps a political revolution without a cultural revolution and of course complete social emancipation!

There are also very minimal linkages between political youth organisations in communities and grassroots sports, arts and cultural activities. Yet it is where most of our young people are to be found.

Working class and poor communities in South Africa are today characterised by deepening levels of violence, including gender-based violence. It is a violent behaviour that gets generated by extreme levels of poverty. Many of our communities are also characterised by what is often referred to as service delivery protests. These are often generated by a number of factors. The primary factor is the depth of frustration from social conditions of high levels of unemployment, poverty, inequality and uneven development, as well as certain levels of political alienation from the structures of society and governance.

Even the minimal government services that are brought into these communities are often ‘delivered’ without community participation and often with a “middleman” who has been awarded a tender from a municipality or provincial government. In cases of even big projects that can bring about improved jobs and other opportunities for sustainable livelihoods, these instead become sources of conflict. The two examples, for instance, that the CC has reflected upon are the N2 Wild Coast bridge and road project, and the disputes around mining in Xolobeni. Both of these are located in the Eastern Cape. Often in these projects tenderpreneurial interests are linked and fuel different factions in our organisations, especially in the ANC.

Yet in all these also genuine community interests are often buried

beneath the factionalised money interests. It should be the task of our Alliance structures to harness, defend and advance these genuine community interests.

Also active in many of our communities are donor-funded NGOs, some of which play an important role in taking up issues affecting our communities. Some of these NGOs have been part of important struggles around provision of ARVs to deal with the HIV-Aids pandemic; struggles on access to water; protection of the environment, and so on. But NGO work in the absence of mass-based progressive community organisation often degenerates into the NGO-isation of important community struggles.

Often the pattern and rhythm of NGO-led struggles are shaped by the imperatives of protecting donor funding sources. It is on this altar of donor driven activism that mass struggles are sacrificed, as the survival of the NGOs concerned become paramount. Some NGOs oppose genuine attempts by government to address the many challenges facing our communities, because for them it must not be the government but the NGO that must be seen to have come up with solutions. Certain NGOs become inherently oppositionist to government and its programmes, instead of pursuing a sophisticated strategy of critical engagement with government programmes.

Often these challenges are a reflection of weak political organisation, basically from all the Alliance structures that operate at a community level. Many ANC branches are characterised by inward looking practices focusing on capturing of branches by various factionalist groupings supporting this or that faction at leadership level. Branch meetings are normally held only in the run-up to conferences, or if there are to be nominations for local, provincial or local elections. Often such branches never call community meetings or actively take up issues that affect communities. Thus they increasingly become insulated from communities in which they are based. There is often huge gate-keeping that

does not allow access to an ANC branch by members not associated with a faction in control of a branch.

Many of our own SACP voting district (VD) branches are often disconnected from communities and are not consistently taking up issues that affect communities. In other instances, our own branches are deeply caught up in the very factionalist battles in the branches of the ANC, if not used as platforms for those aggrieved or feeling marginalised from ANC structures. This is also impacting on debates and considerations in the SACP.

There has also been a serious decline of civic or residential organisations that patiently organise communities and take up the many challenges facing residents.

In most of the post-1994 period our working class struggles have lost one of their most important and crucial weapons –worker-community alliances in both workplace and community struggles.

The combined effect of these problems as also led to the creation of a huge distance between government and communities. The electoral setbacks suffered by the ANC in the 2016 local government elections were also an expression of this distance, over and above the objectives conditions in which our people finds themselves pressed in without relief.

Taking into account the situation, the CC has made a clarion call that every communist must be a community activist. The most important part of this activism is to organise the motive forces for community development to address the many challenges communities find themselves in. Much as women, youth and other sectors of our communities face many challenges because of the crisis of social reproduction, they cannot just be reduced to victims. With mobilisation they can act as a conscious motive force for transformation and local development.

The challenge for the SACP is to build a cadre of communist cadres capable of organising communities, building community activism and

rebuilding the motive forces of the NDR to carry out the many tasks of the development needed in our communities. This underlines the importance and absolute necessity to rebuild our local branches as part of rebuilding our movement. It means embarking on our Know and Act in your neighbourhood campaign and building strong structures of the SACP. However communist cadres with strong roots in community activism must also build particularly ANC branches and a progressive civic movement that are responsive and rooted in their communities. This is also why the issue of building Sanco is very important.

Much as we need both ANC and SACP branches in our communities, perhaps these have distinct albeit complementary roles. The ANC branch should seek to remain a mass structure in the local community it is organised in, whilst the SACP organises cadres in a locality that are capable of operating on all the important fronts in communities. The SACP must, in building itself, also act to build the motive forces of the revolution, including the ANC and Sanco in communities. It is for this reason that the CC is of the view that communist cadres rooted in community activism can also act to rebuild relations between Alliance structures and communities and also act to destroy gate-keeping and overcome the distance between the ANC-SACP-Sanco and communities.

The building of the progressive trade union movement and linking workplace and community struggles is equally important.

These are the tasks of the SACP in this important arena of the community. The SACP should build popular power by firmly and deeply rooting itself among the masses, ensuring its ties with the masses is inviolable.

The economy: Neither the parasitic nor the neoliberal networks, but a democratic developmental path

In *Capital* (Vol. 1) Marx recognises that public debt and the fiscal sys-

tem corresponding with it have played a great part in the capitalisation of wealth and the expropriation of the masses. He writes: “National debts, *i.e.*, the alienation of the state – whether despotic, constitutional or republican – marked with its stamp the capitalistic era. The only part of the so-called national wealth that actually enters into the collective possessions of modern peoples is their national debt... Public credit becomes the *credo* of capital.”

In the modern era, the exploitation of public debt as a lever of capitalist accumulation is enforced among others through the conditionalities attached to the loans given to nation states, including the behaviour of rating agencies.

The observation by Marx is a very important point of departure in framing our analysis of the economy in our country in the current period. The major economic debate in our country currently is about how we deal with the current high levels of debt. The dominant approach is not concerned with the material basis of the debt and does not seek to build a sustainable alternative for the state to build its own participation in the banking and financial system to generate revenue for developmental purposes. In South Africa our banking sector is overwhelmingly a private commercial affair. Its international aspects characterised by the dominance of finance monopoly capital considered, this approach is among the forces that have firmly placed our state in the yoke of private lenders and is in no small measure responsible for austeritisation. This is reflected in the national budget and the strident behaviour of rating agencies and institutions like the World Bank and the International Monetary Fund.

What faces South Africa today economically is not a new phenomenon.

Much as it has its own specific South African features, the economic situation South Africa is faced with should also be understood in the

context of the crisis-ridden international economic context. In addition, our situation is also a situation that has faced many of what has been referred to as “post-colonial” states. We use this concept of the “post-colonial state” reservedly, for illustrative purposes only, because the meaning of the word “post-colonial” can give a wrong impression that such states have completely transcended colonialism.

The fundamental reality has been the nature of the transitions from colonialism and colonial regimes to a “post-colonial” order. In many cases, new elites rose and accessed political power whilst the economic power remained with old domestic and imperialist ruling classes and the masses remained subject to continuing economic exploitation (neoliberalism has deepened the exploitation) and relatively impoverished on many fronts of the social spectrum while realising some and even commendable progress in others.

Some of the above “post-colonial” weaknesses were a reflection of the general experiences of liberation and independence movements to build the productive capacity of their economies. A related causal factor has been that of the ballooning of debt as a result of the combination of poor policy choices, and spending without developing the productive capacity of those economies.

One of the instruments used by imperialism to undermine the national sovereignty of developing countries is that of a debt trap.

Our answer to this must include a sovereign development of our own economic policies and financial systems to deal with the debt crisis and the challenges of development. For example, the SACP in 2000 launched a hugely important campaign focusing on the transformation of the financial sector. We made important gains through this campaign, including regulation of the credit bureau, prevention of over-indebtedness through pushing for the National Credit Act, expansion of banking services initially through the Mzansi account, and so

on. Interestingly it was through the SACP campaign that the predatory behaviour of our banking oligopolies were exposed, thus laying the basis for the emergence of new banks targeting the unbanked.

However, our financial sector campaign did not achieve systemic transformation of the financial sector. This was because of weak regulatory and oversight mechanisms over the financial sector, and lack of sufficient support from the trade union movement to tackle the systemic features of South African financial architecture. Part of the struggles for systemic transformation should include investments of workers' pensions and provident funds to build the productive sector of our economy. The importance of de-monopolisation and building a publicly owned developmental banking sector cannot be overemphasised.

In South Africa, powerful and relatively developed and industrialised economic enclaves still exist side by side with an underdeveloped countryside and peri-urban areas. However, these two spheres of relative development and underdevelopment were deeply interconnected with the underdevelopment of the countryside and peri-urban areas being a condition for the development of the powerful capitalist economic enclaves. This is what the SACP characterised as the economic features of colonialism of a special type and persisting uneven development.

With our democratic breakthrough of 1994, the post-apartheid government was bequeathed with an unfunded mandate. As the democratic government was established, the state-owned enterprises (SOEs) that had played a hugely developmental role for the white minority were re-oriented and corporatised.

They were redirected to focus on their "core" business, excluding the other developmental roles they were playing before, like the training of artisans. Much as this corporatisation and privatisation of the SOEs had started during the late apartheid era, which saw the selling off of Is-

cor and Sasol, further attempts to expand and extend privatisation was embarked upon by the democratic government through its adoption of the neoliberal Gear class project. In certain areas the partial privatisation that started in the late apartheid years was completed after 1994 under the auspices of the democratic government, well into the early 2000s. This also included the partial privatisation of Telkom in 2002. This is in part the genesis of the current problems we face with our SOEs, and also the reason we must not allow a return to the 1996 Gear class project in dealing with SOEs.

It is uncritical not to look at the impact and cost of the liberalisation of the domestic airspace or aviation sector and tenderisation on SAA.

It was the planned privatisation of entities like Eskom after 1996 that led to lack of recapitalisation of existing power stations and the building of new generation capacity. This laid the basis for part of the current crisis at Eskom. Instead the 1998 government energy White Paper made a choice of “introducing competition into the industry, especially the generation sector... and encouraging private sector participation”. Could we be back to where we were 20 years ago?

In the private capital sphere, the combination of the end of sanctions and liberalisation led to massive capital flight and divestment by major South African conglomerates, with some shifting their primary listing to New York and London stock exchanges. Billions of rand left our shores during the first 10 years of our democracy, resulting in the currency crisis in the early 2000s.

The combined impact of the restructuring and privatisation of SOEs and capital outflows left the democratic government with an unfunded mandate to tackle huge socio-economic challenges without adequate financial resources. Democratic South Africa was left with a progressive, but largely aspirational Constitution, without adequate resources to drive development and a transformation agenda on a sustained basis.

However, the first decade of our democracy also saw massive improvements in the lives of millions of South African through some important socio-economic measures. Interestingly, this acted to cushion the poorest from some of the effects of the harsh economic conditions created by some of government's neoliberal policies.

The socio-economic progress achieved was based on the repeal of apartheid laws and their replacement by the Bill of Rights and its enshrinement in our Constitution. This opened educational, trades and occupational opportunities, improved access to health care and freedom to join trade unions, among other workers' rights. In addition, government provided mass housing for the poor, mass electrification, social grants and access to water.

The mid-2000 saw the growth of the South African economy at around 5%, and an increase in socio-economic provision, but persistent high rate of unemployment remained a serious problem. This was proof that neoliberal economic policies and its growth path cannot address the interests of the majority of workers and poor. At most they enriched existing capitalist conglomerates, including the financial sector, as well as a small stratum of black sections of the capitalist class.

It was the cumulative impact of the above developments that led to huge tensions inside the movement and the Alliance. This was also accompanied by the marginalisation of Alliance formations from key decision-making bodies both inside the movement and government. Interestingly, this also led eventually to the marginalisation of the ANC itself from major government decisions.

The situation produced what became known as the Polokwane revolt, through a coalition of the SACP and Cosatu, and those feeling marginalised inside the ranks of the ANC. Among those inside the ANC who felt marginalised, grievance was not so much about dissatisfaction with neoliberal policies, about isolation from opportunities of accumulation.

The uneasy coalition between the Left and those feeling excluded from opportunities of accumulation became dominant in the movement arising out of Polokwane in 2007. But it was to unravel by 2017, precisely because it was not based on principled unity to advance a revolutionary agenda. The one part of the uneasy coalition, largely represented by the SACP and Cosatu, wanted significant policy changes, while significant sections from the other component of the coalition wanted their turn to accumulate.

The uneasy coalition seemingly had some similar goals, important among which was the necessity to stop privatisation and keep SOEs in the hands of the state. But there were vastly different intentions behind this commonality. Whilst the SACP and Cosatu wanted SOEs to drive a developmental agenda, the significant other sections wanted to keep the SOEs in the hands of the state in order to loot them.

It must nevertheless be acknowledged that the 4th administration, inaugurated after the 2009 elections, started on a very progressive path in many respects. For instance, not only was privatisation of SOEs abandoned, but there was an important commitment to invest in infrastructure to the tune of R100 billion in five years – the highest ever such investment in South Africa’s history in such a short space of time. This cushioned us from some of the worst effects of the 2008 global economic crisis. In addition, the 4th administration provided ARVs to treat HIV, thus bringing an end to an era of government denialism. This saved lives and increased life expectancy in South Africa by a number of years.

However, the massive looting of state resources that was to follow, led in the first instance to deepening of tensions and fuelling of factionalist battles within the movement as a whole, with these concentrated mainly inside the ANC. It was these divisions that were carried into the NASREC conference, with the SACP and Cosatu preferring to align itself

with those forces inside the movement who seemed committed to fight against state capture.

At this point, as the SACP and Cosatu, we must reflect on our experiences of sometimes supporting one faction to win an internal election in the ANC and thereafter a while dumping us. Part of the challenge here to avoid this situation is to enter into principled Alliance relations whilst independently building working class power and hegemony.

Neither parasitic nor neoliberal agenda

The principal task of the working class in the transformation of our economy now is to intensify the struggle against the parasitic state capture networks. In combating the state capture parasitic networks we must at the same time not open space for a return to the era of neoliberal dominance. Conversely, in waging struggles against a return to neoliberal dominance we must at the same time not re-open space for another round of looting. We are for a democratic developmental path and state. As the SACP we must be guided by our programmatic slogan, *Socialism is the future; Build it now* – building momentum towards, capacity for, and elements of, socialism in the here and now.

Our tasks in the context of the preceding discussion should include the following.

Financial sector transformation

- A return to the Financial Sector Campaign on a more heightened scale;
- Building a publicly controlled, developmental banking sector;
- Building a co-operatively-owned banking and broader financial sector;
- Continuing to campaign for low cost banking and financial services and against financial exploitation by commercial banks;

- Strict regulation and management of the capital account;
- Prescribed assets for productive and developmental purpose;
- As sovereign wealth fund to support and increase the levels of public investment;
- Expansion of the mandate of the South African Reserve Bank to explicitly target employment growth and explicit, inclusive, balanced and sustainable high growth target.

Broader economic transformation

- Linking economic and social policies, thus advancing a comprehensive socio-economic policy approach targeted at employment creation and therefore a radical reduction of unemployment, and poverty, inequality and uneven development;
- A high impact, comprehensive industrial policy, including digital industrial and innovation strategies, aimed at developing our domestic productive capacity;
- Revitalisation of the publicly owned sector of our economy, in particular but not exclusively requiring turnaround of our SOEs and systematic expansion of the sector to thrive;
- Combating state capture and other forms of corruption in the public sector and the economy at large on a more intensified extent;
- Development oriented poverty eradication strategy, with emphasis on support for productive activities and building sustainable livelihoods:
 - Acceleration of land redistribution and support for productive land use, especially for the poor and the working class – to this end Parliament must complete the process to amend section 25 of the Constitution;
 - Increased economic and social infrastructure spend, and therefore also a stimulus package;

- Review of the fiscal policy framework to boost state revenue to support industrialisation and development;
- A state-owned pharmaceutical company;
- National Health Insurance; and
- In line with the commitment made by the Alliance in the ANC May 2019 general election manifesto, overall alignment of our macro-economy policy framework to support the above, the objectives of the second radical phase of our democratic transition, and the other commitments made in the manifesto.

Rebuilding our movement and the vanguard role of the SACP

The CC, in reflecting over the past two years since our 14th National Congress, and in its analyses of the current challenges facing the NDR, has come to the conclusion that the most urgent task of the NDR, our Party, the Alliance, and the broader democratic forces is that of rebuilding our movement. Hence the theme of this SNC, *Rebuild our movement; socialism is the future – build it now*. In essence we are also firmly locating the vanguard role of the SACP within this task.

The working class and the SACP are not going to be able to achieve the social, economic and community objectives, and a number of the other tasks that we have outlined, without rebuilding our movement.

Given the state of the ANC in recent years, and some of the internal organisational challenges it is facing, communists must devote serious attention to the rebuilding of the ANC. The CC believes in this, not just for the sake of the necessity for a united and organisationally renewed ANC, but primarily because the NDR, and its radical phase, requires a strong, united and revolutionary ANC free of the many ills that characterise it, including divisions, factionalism, gate-keeping, isolation from communities, and marginalisation of its allies. The task of communists therefore is not to celebrate the poor state of the ANC, but do what we

have always done since the adoption of the native-cum-workers-and-peasants republic thesis in 1929.

Let's briefly go back to the current relevance of the essence of our call in 1929 which laid the basis for our Alliance:

“While developing and strengthening the fight against all the customs, laws and regulations which discriminate against the native and coloured population in favour of the white population, the Communist Party of South Africa must combine the fight against all anti-native laws with the general political slogan in the fight against British domination, the slogan of an independent native South African republic as a stage towards a workers' and peasants' republic, with full equal rights for all races, black, coloured and white.

“The Party should pay particular attention to the embryonic national organisations among the natives, such as the African National Congress. The Party, while retaining its full independence, should participate in these organisations, should seek to broaden and extend their activity. Our aim should be to transform the African National Congress into a fighting nationalist revolutionary organisation against the white bourgeoisie and the British imperialists, based upon the trade unions, peasant organisations, etc., developing systematically the leadership of the workers and the Communist Party in this organisation... The development of a national-revolutionary movement of the toilers of South Africa against the white bourgeoisie and British imperialism, constitutes one of the major tasks of the Communist Party of South Africa”.

We have gone a long way in the 90 years since adopting this thesis towards achieving this goal. But the task remains incomplete. Its completion is now a necessary part of driving a second, more radical phase, of our democratic transition.

Part of the CC's call, that every communist must be a community activist, also has to with contributing towards building an ANC that is

rooted in communities, and whose branches express the interests of communities rather than the narrow self-centred interests of factions. Principled community organisation by the Party and the Alliance will go a long way towards reversing all the regressive tendencies found in some of our structures, like gate-keeping, factionalism and isolation from the communities.

Some of our own members have asked, and may still ask, should we not be prioritising building SACP structures? Yes, we must prioritise building the SACP structures, but the Party has never, in its entire history, only focused on building its own structures outside of building the organisational capacity of the motive forces of the NDR as a whole. That is why from the 1930s, as the Party built its own structures, it continued to build the ANC and the trade union movement and threw its weight behind the squatter movement. With the likes of Dora Tamana, the Party became deeply involved in organising around the provision of crèches for the poor and also building the co-operatives movement.

It has always been the task and vanguard role of the SACP to build itself as it builds the motive forces of the NDR and as it advances political organisation of the masses. In fact, rebuilding the movement must mean rebuilding the organisational capacity and strength of the motive forces of the revolution!

The second biggest challenge to rebuild our movement is to rebuild and strengthen the progressive trade union movement, with priority being our ally, the Congress of South African Trade Unions (Cosatu). The CC, since our 14th National Congress has been discussing this question extensively, including continuing engaging with Cosatu and its affiliates. We have, together with Cosatu, identified the urgent task of rebuilding industrial unions, as one of the key tasks in helping to strengthen the federation.

The biggest and relatively most stable unions inside Cosatu are pub-

lic sector unions – something to be welcomed but not taken for granted. One of the biggest threats to Cosatu affiliates, and the rest of the trade union movement, is that of being corrupted and co-opted to capitalist agendas. Trade union investment arms can be used to compromise and corrupt union leadership, destroying the union movement and fragment it. Much as this is a threat to all trade unions, public sector unions are also particularly vulnerable to being co-opted by the state capture and other corrupt agendas.

However, in line with Cosatu's call for broader trade union unity in action, the SACP should consciously seek to reach out to all progressive trade unions as part of its contribution towards unity in action by the trade union movement.

The CC is also proposing to this SNC that we engage Cosatu and the entire progressive trade union to convene a conference or summit of trade unions, to discuss and come up with a joint programme of action on matters affecting workers. Whilst as the SACP we would not like to prescribe an agenda for such a gathering, it must at least seek to thoroughly reflect on the gains, advances and losses by South African workers over the last 25 years; new threats to trade union organisation; the state of our economy; and identify common campaigns around jobs and decent work as well as the challenges facing the SOEs.

By April 2016 South Africa had 187 organisations registered as trade unions. The total number of workers organised in these formations was about 3,6-million. This meant that only 33% of workers recognised as employed were organised in trade unions, while the unorganised workers constituted 67%.

In the same year, four new organisations were formed and registered as trade unions. This brought the total number of registered trade union up to 191. The number of newly formed trade unions continued to increase thereafter.

The increased number of trade unions do not necessarily organise the unorganised. Trade union proliferation is mostly concentrated in the ranks of the already organised sections of workers. This has given rise, in all sectors, to trade union competition and rivalries, or even what can be described as ‘scope wars’. In worst-case scenarios, it is possible to find one trade union achieving membership growth while another is suffering continuous killings of its members, leaders and officials, and thus declining membership. It is almost impossible to not see these as somehow connected

Apart from the many challenges facing workers domestically in South Africa, the state of the global challenges, including the negative impact of new technologies on work, requires broader trade union unity in action, as well as to deepen trade union international solidarity.

The importance of working hard to achieve trade union unity and to build working class power cannot be overemphasised, nor can the connection between workplace and community struggles.

The crisis of social reproduction also calls for the intensification of organisation at community level in order to unite the broadest range of forces to attend to the varied needs of our communities.

The CC proposes that, coming out of this SNC, we should lead an effort to bring together, first through a national gathering, varied community, mass, and NGO formations to discuss an organisational and mobilisation strategy to confront and deal with the many crises affecting our households and our communities.

We are therefore committing to work with other interested parties to convene a broad gathering of community-based organisations, student, youth and trade union formations, churches, women’s organisations, progressive NGOs with demonstrable community support, commuter organisations, civic and residential organisations, and other progressive formations. The purpose of such a gathering should include seeking to

lay a basis for addressing the many challenges facing our communities, including:

- Waging the fight against gender-based violence;
- Tacking youth unemployment;
- Fighting drugs and substance abuse;
- Intensifying the fight against corruption;
- Advancing poverty eradication strategies and building sustainable livelihoods;
- Continuing the struggle for the implementation of the National Health Insurance (NHI); and
- Pushing community driven development, including driving the district development model from below.

Through our Red October Campaign, it has become clear to the SACP that the many scourges afflicting our communities, including gender-based violence, cannot be defeated by separate organisations in an isolated way. It requires not just women's organisations, but all communities and the whole of society.

The many service delivery protests are largely disjointed, characterised by destruction of public property, even if they raise legitimate issues. This is largely because there is no proper and principled political leadership.

Also, the important Presidential district development model campaign will not succeed unless we mobilise and build strong community organisation. Effective participation in the district development programmes and projects offers a huge opportunity to revitalise not only our branches, but our districts as well. In fact, there is no reason why districts should not be waging local campaigns on a sustained basis to deal with the many challenges facing working class communities in particular.

What the CC is calling for is neither an electoral front, nor an oppo-

sitionist movement. It is also not a call for a mechanical return to the rebuilding of the United Democratic Front of the 1980s. This is a call for the mobilisation and organisation of the motive forces of the democratic revolution, so that the people themselves and our communities are at the centre of their own development. This is also aimed at liberating our communities from the clutches of factionalist activity.

The central importance of revitalising progressive community activism is that it can create a crucial platform for worker-community joint actions as engines for local development. For instance, there are a number of common interests between organised workers and communities. These communities are where workers come from. There is a need for principled organisation of co-operation between progressive trade unions and community formations. For example, both the trade unions and communities have an interest in the functionality of Eskom as a provider of electricity. Yet often when the issue of Eskom is taken up, it is either workers or communities on their own, without co-ordination on the two fronts. At times there are contradictions between the two centres.

Building the political capacity of the SACP as a vanguard party for socialism

It is absolutely important and essential that we frankly reflect on ourselves, including on whether we do have the capacity to do all the things we are committing ourselves to do. Most importantly, we need to ask whether we do have the capacity to act as a truly vanguard Party for socialism, a Party of the working class.

The SACP must prioritise and institutionalise political education. Regular political classes does not call for much financial resource for our branches. The branch I know best is my branch, Esther Barsel, in Johannesburg District. The branch holds political classes every week, under the banner of Red Thursday. All SACP branches should do the same.

However, political education without involvement in practical campaigns and activities of the Party and communities is not enough. Political education must include building an activist and vanguard SACP. Political education without practical campaigns and activities is not enough to produce seasoned Party cadres. Some of our detractors used to discourage the SACP from leading mass campaigns, saying our role was restricted to theory and analyses. In fact, throughout our history, we have never been a Party of theory alone. We have always been a Party of action. No other Party has played the role of building the trade union movement as we have done in South Africa.

We have also played a huge role over this period as ANC members and activists to build that organisation. The SACP was a co-founding organisation of uMkhonto weSizwe when our Alliance launched the armed struggle in 1961.

Communists were active in our four pillars of struggle between 1960 and 1990 – in the underground, mass organisation, on the international front, and in the armed struggle. In the post-1994 period, the SACP, since 1999, launched and has been leading the Red October Campaign, notching some very important victories on a number of fronts, for the benefit of workers and the poor of our country. Communists have also played an important part in governance, both in executive and legislative arms of the state, and in other structures of the state. It is this activism that makes and also builds the capacity of the SACP to play its vanguard role.

Another reality is that the SACP must always strive to produce more cadres inside its organisational structures. There is always a difference between a member and a cadre. A cadre is the backbone of the Party, who is clear about the Party tasks, always among the first in battle, highly disciplined, and characterised by ideological and political clarity and maturity. A communist cadre does not elevate oneself above the

organisation or lower structures above higher structures. Over the past two decades, we have had to deliberately and significantly grow the size of our Party. This has brought about its own challenges.

We deliberately grew the size of the SACP for two main reasons. Firstly, to build capacity to defend the Party from our enemies and its detractors. Growing the size of the Party has helped us to navigate some of the big challenges we have had to face, including a political offensive by neoliberal forces against the Party. Secondly, we grew the Party in line with our medium-term vision, to build working class influence, power and hegemony, in all key sites of struggle and significant centres of power. To have an effective presence in most parts of our country, we needed numbers. As we state in the *South African road to socialism*: “The fact that the Party is in an alliance must not lead to the dissolution of the Party into that alliance, nor should it seek to duplicate the role of any of its alliance partners. Similarly in leading or participating in sectoral mass struggles and other mass formations we should not turn the party into a sectoral mass-based formation. We seek to build a large, but vanguard Party. A large party is not necessarily a mass party, as the size of the Party is not a fixed number of members, but is determined by the tasks at hand. Whilst our Party was underground between 1950 and 1990, it was necessary that its size be small. Conditions in the wake of the 1994 democratic breakthrough dictate that the size of the Party must be significantly increased whilst not sacrificing quality and its political and class character.”

Nevertheless, we have grown faster than we have been able to grow the number of high quality cadres in the SACP. We have not been able to back the rapid growth of our Party with increasingly effective and institutionalised political education to raise the level of quality on the part of every member. We still have members who we have not yet raised to the level of high communist attributes and capacity. We need

to look at the adverse impact this has started generating in the Party and accelerate the pace of developing communist cadres. A large Party with no political education can easily begin to lose its direction. Building the capacity of the SACP as a vanguard Party also means transforming ourselves from quantity to quality and building the SACP as a Party of vanguard cadres.

It is also important to remind ourselves that playing a vanguard role does not necessarily mean occupying an organisational leadership role or being always in the frontline. Vanguard leadership can be provided through strategic, programmatic and ideological leadership, regardless of your location in the movement or in any struggle. Being a vanguard is also not a stamp that you carry forever. Being a vanguard has to be continuously earned all the time, by also having cadres that are the most dedicated, disciplined, loyal and exemplary wherever they are located.

Perhaps the most serious challenge that faces the SACP is that of its financial sustainability and access to resources. Let us face it, there are just too few people who are able to raise resources needed to run the SACP. All what we are talking about will be hot air without resources. We would not be able to undertake a single programme, let alone to think about that contesting an election.

The most important requirement in building the capacity of the Party to play its vanguard role is its internal unity. Without unity there can be no Party able to play its vanguard role. The last three to four sets of the CC, have placed a premium on Party unity. We have sought to emphasise engagement and consensus in electing Party leadership, for example, without at the same time suppressing debate. We have continuously expanded space for inner-Party democracy while fostering consensus and building Party unity and cohesion. In this way, we have pushed centralism on the basis of democracy and continuously widened space for inner-Party democracy under central guidance.

One of the prime requirements for Party unity is the creation of internal democratic space for any Party member or structure to raise any matter for debate. But in addition, and most importantly, such matters must be raised inside the Party following due Party process and procedures. The day Party matters start to be raised through the media, we are on a slippery slope to disunity. That a Party member feels strongly about an issue cannot be the reason to raise such matters in the media or outside Party structures. In fact that is what Lenin referred to as infantile disorder and childishness. It is important therefore for the Party to consciously work to defeat all regressive tendencies within its ranks, including factionalism, populism and opportunism.

In addition, in times of difficulties, like we have in our country at the moment in terms of the state of our economy, we must avoid simply telling our people what they want to hear. Such populist tendencies must be discouraged within the ranks of the Party.

To foster unity it is important to respect and adhere to the principle of democratic centralism and also respect the leadership authority of higher structures. Higher structures listen to lower structures before arriving at their decisions. This is provided for in the constitutional composition of the leading organs of the Party. Once decisions are made and taken, they must be respected. Decisions of higher structures are binding on all lower structures. In addition, lower structures must desist from commenting on matters that are a responsibility or in the sphere of higher structures.

Lastly, the SACP must at all time act to unite itself even as it debates complex and difficult matters. We must not approach issues in a divisive manner. If you raise a point that you know is divisive, you must know that there will be other contrary views and in the end you may not win your view.

But what we must also always remember is that we are not build-

ing the SACP for the sake of it, but for the working class. This is not a Party just of its members and its leaders, but it is a Party of the working class!

Our Party building tasks will not be complete without at the same time building a strong Young Communist League of South Africa that is visibly leading the youth and is followed by the youth and in every key site of the struggles of the youth. The tasks of building the YCLSA include precisely what we have already said about the Party: political education, political education, and political education; action, action, and action and in every key site of struggle where the youth are. We need to build a vibrant and campaigning YCLSA. Everything we have said about building Party unity also applies to the YCLSA, an autonomous but integral organ of the Party.

Let us use this SNC to build a unified Party and debate in a manner that is comradely and builds unity. There is no prize bigger than Party unity. Let us commit to having a robust but successful SNC.

Amandla! ●

Endnote

- 1 The Economic Freedom Fighters (EFF)

JOE SLOVO

25 years on – but still with us

Jenny Schreiner reflects on Joe Slovo's life and legacy in the liberation struggle and in building the road to socialism

On 25 January, more than 500 Party members congregated from across Mpumalanga to celebrate the lives of two dedicated SACP cadres, Cde Joe Slovo, SACP General Secretary who died 25 years ago, on 6 January 1995, and Cde Jimmy Mohlala, whose life was cut down in an organised hit because of his anti-corruption stance on the Mbombela Stadium and other issues. The photographs of these two much-loved and respected comrades show something very special – both could be your favourite uncle, both have warm and friendly smiles, and both were driven by a deep commitment to serving the people, to building a society designed to liberate and develop the full potential of each person, and to serving with discipline and integrity.

A quarter of a century is a long time. But Cde Slovo's contributions to our struggle were so enormous and so tangible that it sometimes feels that he is still with us. Driving to the venue, I passed many new houses being built in the townships of Mpumalanga – it is not surprising the KaNyamazane heard the proposal that RDP housing should be renamed as Joe Slovo Housing in honour of our first Minister of Housing in a democratic South Africa.

There are six attributes that I most closely associate with Cde Slovo. These are attributes that as SACP members we should reflect on and

ensure we instil in our lives and practice. These are the six outstanding attributes - leadership, humaneness, intellectual ability, discipline and integrity, revolutionary strategy, and internationalism.

Leading from among the people: As we seek to rebuild our movement, it is important to remember that Cde Slovo was very clear that as a Party leader he could never fail to be where the people were facing challenges. His style of leading from among the people was a clear manifestation of the Leninist principle that a revolution without the working class is not a revolution at all. His approach was to go to where the people were and where the action was and provide leadership and strategic guidance.

Cde Slovo joined the CPSA as a probationary member in 1942, having been advised two years earlier when he tried at the age of 14 to sign up to wait a little. By the 1946 African mineworkers' strike, he was already on the Johannesburg District Committee. He was part of the group that organised the first underground conference of the Party at which the Central Committee of the SACP was elected. Cde Slovo served on the Central Committee from then until his death, and on the Political Bureau from at least 1977. Cde Slovo took over as General Secretary of the SACP in 1984, succeeding Cde Moses Mabhida.

He was Joint Commander of MK with Nelson Mandela when it was launched in 1961 and later become its Chief of Staff. He served on the ANC NEC and the National Working Committee from Kabwe Conference in 1985 until his death. He served in the first ever Cabinet of democratic South Africa.

Cde Slovo's life and organisational practice reflected his understanding of the importance of the Alliance in the execution of the national democratic revolution. Cde Slovo's life was a consistently reconfiguring alliance in action!

Collective leadership was fundamental to Cde Slovo's practice as it should be for all members of the SACP, and our allies. Revolutions and building a new kind of society can never be done by or even led by an individual, no matter how wonderful that man or woman may be. Inherent in the concept of collective leadership is the belief that many perspectives and one line of march are much stronger than one clever individual.

With that goes the principle of criticism and self-criticism, and this is what our movement has largely lost in the recent period. With criticism and self-criticism goes the commitment from each one of us to hear and think about criticism that is directed towards us, whether individual criticism, collective criticism or criticism of our organisation.

A strong sense of organisational discipline and revolutionary integrity: Cde Slovo never shied away from saying what needed to be said to comrades who may have erred. But you would never find Joe Slovo in a corner or outside of a meeting attacking a comrade. His was to raise any concerns in the constitutional meetings of the organisation. This practice, which we need to embed in our practice in this new decade, was overtly and deliberately anti-factionalist. When gossip is not tolerated, and issues are put on the table in organisations, learning takes place, solutions are found, consequences follow, but most importantly the unity of the organisation is protected. As we return from our 4th Special National Congress in December 2019, we know how important it is and we have recommitted to the building and protecting of the unity of the Party. The unity of the Party is an essential precondition for it to be able to serve the working class and play a vanguard role.

Cde Slovo was at all times a disciplined and principled comrade. This did not mean that he did not relax, that he did not socialise with his friends over a bottle of his favourite drink, that he was not a family

man, and that he did not have fun. But he was alert at all times to anything that could open a crack in the unity of our Party, our army and our liberation movement. He at all times lived by and expected others to live by the principle of democratic centralism.

Robust debate and disagreement were part of his life – after all he was married to Ruth First, a powerful intellectual and activist in her own right, and someone with whom he was known to engage on all revolutionary matters. But Cde Slovo also knew that once the collective had engaged and the decision had been taken, the next step was for all cadres to implement to the best of their ability, no matter what the position you had held in the debate prior to the decision.

Cde Slovo's integrity would have made him proud of the Red Card to Corruption stand of the Party in our 2009 Red October campaign, in which our slogan was *Roll back the corrupting intersection between private accumulation and public service!* and in the campaign for the full investigation of corporate capture of the state and corruption that led to the Zondo Commission. In fact, Cde Slovo would love the stand taken by the SACP in Mpumalanga, he would salute Cde Jimmy Mohlala and continue to stand with Cde Jimmy's family in the search for closure and the prosecution of his assassins.

Humaneness, humility, a caring spirit – and humour: Cde Slovo was driven by a belief in social justice that shaped how each person lived. His ability to relate to everyone no matter what language, age, country, gender, level of education is in my belief a true Communist attribute. It is often when one sees a cadre with small children that one sees their true self. What General Secretary of a Party would travel to China on an official trip and return with a battery operated panda toy for a two-year-old boy, the child of a party member who worked next door to his office? That panda still graces the shelves in our house – no longer able

to walk across our floors, but ever present as a reminder of what it is to think of others.

Cde Helena, Cde Slovo's second wife, reflected at the 25th Memorial in January 2020 that he liked simple things, he was so unpretentious, and commented that he would have been more comfortable on the chairs covered with black material, than the white and gold chairs laid out for the dignitaries. A man of the people!

This is a man who weathered the grief and the anguish of losing his beloved wife to a gruesome death by parcel bomb. Cde Slovo was devastated by Cde Ruth First's cowardly assassination, and found himself unable to function effectively. But as is recorded in the introduction to his autobiography¹, he realised that the apartheid regime would have claimed two lives, one physically and one psychologically if he did not turn his life around. Here is the experience of the hardships of life, and an inspiration to all families who have lost loved ones at the hands of apartheid forces, or current day thugs and criminals about how to acknowledge your loss and your pain, but also strengthen your commitment to the very fight that your loved ones lost their lives for. Again, a link between the Slovo family and the Mohlala family, and our commitment as a Party to stand with the families who have lost loved ones in the course of our revolution.

He was an intellectual giant with both theory and practice, and yet absorbed and engaged the views of others enthusiastically. We just have to look at the role that Cde Slovo played in the drafting of so many of the movement's and the Party's key documents to realise just how clever and articulate he was. He was actively involved in the drafting of the Freedom Charter, the MK Manifesto, and so many other documents. Liberation movement publications, *Sechaba*, *Dawn*, *Umsebenzi* and the *African Communist* are also full of his contributions.

In early 1986 Cde Slovo had an article in *Umsebenzi* which posed

the question of what colour the flag that flew over the Union Buildings on Freedom Day would be, arguing that it would be determined by the strength of working class organisation and consciousness. This was in draft form when I first met Cde Slovo on a trip to London. I was knocked sideways by Cde Slovo asking me to read it there and then and comment on whether this correlated with conditions on the ground and whether I had any comments on the analysis. Having read it and made my few hesitant comments, Cde Slovo engaged with what I had said, and expanded on my understanding into a profound political education intervention. Leadership at its best – listen, absorb, engage and teach, all rolled into one interaction!!

Our 14th Congress requires us to be strategically consistent, analytically alert and tactically flexible. In Cde Slovo Slovo's writings one sees this in practice. Pallo Jordan had this to say about Slovo's paper *No Middle Road* as he said goodbye to Cde Slovo in January 1995: "an outstanding essay, titled *No Middle Road*, which we later learnt was the virtual bible of activists in the mass democratic movement and the underground during the 70s and 80s. The significance of that piece of writing has unfortunately not been fully appreciated, either by South African Communists or by most of their critics on the left. For decades the South African left has wrestled unsuccessfully with the articulation between the capitalist and pre-capitalist modes of production within the borders of one country. This debate oscillated between sterile formalism, that insisted that South Africa was a capitalism like any other, and a left-leaning populism, that suppressed the class dimension of the struggle. *No Middle Road* for the first time solved this conundrum by laying bare the contradictory unity between capitalist productive relations and racial oppression thus offering a dialectical exposition of colonialism of a special type. It was *No Middle Road* too that offered a coherent explanation for the liberation movement's designation of the black working class as

the leading force in our revolution.” Mine is a battered, browned and fragile paperback version, but it is now that we should be re-reading this powerful foundational analysis of our revolution.”³

So we recognise Cde Slovo as one of our leading theoreticians, but importantly his analysis, true to his Marxism-Leninism, informed his crafting of revolutionary strategy and so it is not surprising that the 1969 Morogoro *Strategy and Tactics*, the *Green Book*, the *Four Pillars of the Revolution* are all infused with Cde Slovo’s thinking and words.

Courageous political and revolutionary strategist: Cde Slovo’s 1988 paper *The South African Working Class and the National Democratic Revolution*⁴ outlines how the national democratic revolution would or should implement economic measures which go far beyond bourgeois-democracy and so “erect a favourable framework for a socialist transformation but will not, in themselves, create, or necessarily lead to, socialism.” This is clearly an approach that the SACP has developed further in our conceptual slogan Socialism is the Future Build It Now, in full recognition that there is no Chinese wall between the national democratic and socialist revolutions. In the 25 years of democracy have we implemented economic measures that go beyond capitalist-dominated democracy, or have we largely been trapped within the neoliberal economic paradigm?

The collapse of the Soviet Union posed ideological challenges to all socialists and communists and Cde Slovo provided leadership in this anxious time, in writing in 1989 *Has Socialism Failed?*⁵. Cde Pallo Jordan has said that he never heard Cde Slovo publicly express criticism of the Soviet Union, and yet it was he who led the way in providing direction at this critical time, acknowledging weaknesses and excesses, but maintaining that socialism remains the necessary answer to capitalist exploitation and oppression, and expressing his confidence in the in-

herent moral superiority of a socialist future.

In 1992, it was Cde Slovo who courageously raised the thorny topic of Negotiations: *What Room for Compromise?*⁶, which we wrongly call the “sunset clause” article. It is far more than a proposal of a sunset clause, much as it does raise the issue of compulsory power sharing for a fixed period immediately following the adoption of the Constitution. It also proposes that the issue of regional boundaries could only be addressed through the Constitution-making body, that there must be consideration of a general amnesty, and that the restructuring of the public services, including the SAP and SADF, that would take into account existing contracts and possible retirement compensation. These views were expressly articulated as his own, not those of the leadership collective, and it took great courage and integrity to provide leadership on the thorny question of where and how we might compromise in the negotiations process, and head off destabilisation from the right wing. Again leading from the front!

Cde Slovo, born not in South Africa but one of the most patriotic South Africans I know, was an internationalist not just in ideology and words, but in practice. Apart from the false allegation that Cde Slovo was a KGB Officer, Cde Slovo was indeed a strong internationalist. A comrade from the Communist Party of Russia has recently reflected on the respect that the Communist Party of the Soviet Union (CPSU) had for Cde Slovo, and how important it is for the younger generation of Russian Communists to know this part of their history and the relationship to the South African revolution.

Cde Slovo was also at the forefront of forging the relationship between South Africa and Cuba, and never missed an opportunity to educate us on the internationalist solidarity that Cuba gave to us, to Angola, and to other countries, despite themselves being on the receiving end of imperialist aggression. Cde Slovo studied and learnt from the revolu-

tions of other peoples, while at the same time mobilising comrades to stand at all times in solidarity with oppressed people across the world. This spirit of internationalism is inherent in our approach as the Communist Party. In the current period of intense imperialist aggression against peoples and countries who chose to find alternate solutions to development other than the global capitalist road, we should follow in the internationalist footsteps of Cde Slovo Slovo.

As we salute Cde Slovo and dip our revolutionary banner once more in his memory, we celebrate an all-round cadre of the liberation movement, of the Communist movement, an intellectual and revolutionary giant, and a man of integrity, humility and absolute dedication, and one who enjoyed life to the full. Taken from us way to soon, and cherished by all South African revolutionaries.

Long live the revolutionary spirit of Cde Joe Slovo! Long live! ●

Cde Schreiner is an SACP Politburo member, Umsebenzi and AC Deputy Editor, and former MK combatant and political prisoner.

Endnotes

- 1 *Slovo: The Unfinished Autobiography* Ravan Press 1995
- 2 Slovo, J 1976 "South Africa - No Middle Road" in Segal R (ed) *Southern Africa: The New Politics of Revolution* Pelican Books
- 3 Jordan P in *African Communist* No 139/140 First Quarter 1995
- 4 Published by the SACP as a Umsebenzi Discussion Pamphlet
- 5 Published by the SACP as an Umsebenzi Discussion Pamphlet
- 6 *The African Communist* 3rd Quarter 1992

JOE SLOVO

Testing our progress against Slovo's vision of the NDR

Nathi Theledi assesses South Africa's performance over 26 years of political democracy against Joe Slovo's expectations of the post-apartheid trajectory

The sixth day of 2020 marked the 25th anniversary of the death of former SACP General Secretary Cde Joe Slovo. At the time of his death, Slovo was the National Chairperson SACP. This article assesses of progress in transforming society since 1994, measured against drawing extensively on Joe Slovo's 1990 *The South African working class and the national democratic revolution*.¹ Slovo wrote this as the struggle's accelerating pace stirred a great deal of theoretical debate and political dialogue among those on the front line. Its main proposition was about certain fundamentals, namely: class struggle and national struggle, the stages of the struggle, inter-class alliances and the role of the working class in the liberation front. Clarifications are also drawn from what Slovo penned in various important political publications and what he understood in the struggle for a post-apartheid South Africa.

Slovo articulated the political shape and content of an anticipated post-apartheid society and the political role of the working class. He pronounced the national demand for the eventual destruction of the capitalist structure and that, preceding this, there were critical factors to be addressed. Key among those was the extent to which the most

revolutionary class, the proletariat, was politicised. The proletariat had to actively participate as a leading force in the ensuing struggles, including in the state forms which had to replace the apartheid state. This article also addresses his contentions on the class and national questions. He made reference to the SACP's 1984 constitution, which defined the main content of the national democratic revolution (NDR) as: "The national liberation of the African people in particular, and the black people in general, the destruction of the economic and political power of the racist ruling class, and the establishment of one united state of the people's power in which the working class will be the dominant force and which will move uninterruptedly towards social emancipation and the total abolition of the exploitation of man by man" (Slovo, 1988). As per the SACP's commitment to gender equality, the use of the phrase 'exploitation of man by man' should be read as meaning 'person by person'.

Slovo thrived brilliantly to set up an entirely concrete, rounded evaluation of the meaning of the NDR. He envisaged post-apartheid South Africa as determined by the NDR, putting put an end to every sort of race discrimination and privilege, restoring the land and the wealth of the country to the people, guaranteeing democracy, freedom and equality of rights, and opportunities to all. That was to be a South Africa based on universal adult suffrage, which would be an inviolable or unbreakable strategic approach. This would forge one South African nation, at the time already in the making. Forging one sovereign nation would be an integral part of the objectives of the NDR. Within this ambit, the national liberation movement, wielding together millions of South Africans, was already a major dynamising factor in the struggle to build a unified South Africa.

Slovo created the class-alliance basis of the NDR, citing Lenin: "the advanced class ... should fight with... energy and enthusiasm for the

cause of the whole people, at the head of the whole people". This dialectical perspective provided the foundation for a struggle designed to organise all oppressed classes and strata as contributors in the national liberation alliance. The main drive of his contention was for the working class to devote its energies, in alliances with other nationally oppressed classes, for the immediate undertaking of winning national liberation. He referred to the SACP's 1962, *The road to South African freedom*² which regarded the Freedom Charter as the common thoroughfare to address immediate aspirations of all the classes of the oppressed people. The programme spelt out the main aims and lines of the NDR as defined in the Freedom Charter, and qualified that the Freedom Charter was not a programme for socialism, but a common programme for a free, democratic South Africa, agreed by socialists and non-socialists. He maintained that the NDR should support implementation of economic measures which go far beyond bourgeois-democracy and consequently, create a favourable framework for a socialist transformation but will not, in themselves, construct, or necessarily lead to, socialism. In an article in *the African Communist* in 1986, "The SACP, one of our great pillars of our revolution", he wrote: "In South African conditions you don't have to be a doctrinaire Marxist-Leninist to believe that a liberation which deals with a rearrangement of the voting system and leave undisturbed the white race monopoly of 99% of our productive resources is no liberation at all".³

Visualising post-apartheid South Africa, Slovo responded to the question as to which path South Africa would activate to take in the morning after hoisting the liberation flag in the Union Buildings. He believed that would be decided by the material connection of class forces taking power. He was a revolutionary strategist who was exceptionally considerate and benign about social transformation. He was one of the central figures behind South Africa's transformation and one of

apartheid's most persistent – and daunting – opponents. He dedicated his life to contributing to change South Africa. This view is reinforced by the Congress of South African Trade Unions (Cosatu), which described Slovo as a modest and disciplined revolutionary, who dedicated his entire life to fighting not only for national liberation but also for radical social transformation.⁴

The problem presented by the apartheid system was not just the division and separation of people (particularly the creation of ethnic enclaves) but primarily the oppression of black people. The main thrust and content of the immediate struggle was based on the Freedom Charter, which provided a minimum platform for a non-racial, united democratic South Africa based on the rule of the majority. Embedded in such a democratic victory, would be the immediate need to begin directing the economy in the interests of the people as a whole. This had to involve immediate measures on the land question and against the giant monopoly complexes that dominated mining, banking and industry. Post-apartheid South Africa required drastic reforms to restore the land to the people; widespread nationalisation of key industries to break the grasp of white monopoly capital on the main centres of the country's economy; radical improvements in the conditions and standards of living for the working people; answering the pressing and immediate needs of the broader society. Critical assessment is made in this article of the road travelled by the ANC government since 1994 vis-a-vis what was envisaged by Cde Slovo.

New South Africa – were majority of South Africans' expectations tackled?

The marshalling of democratic rule in 1994 epitomised the new beginning for the new South Africa. There were widespread expectations and hopes from the majority South Africans that the establishment of democratic institutions would create policies that would progressively

relieve poverty and inequality. Did the ANC government deliver what was envisaged by Slovo? The ANC is not a socialist movement and could thus not implement a socialist state. However, the document adopted by the ANC during the struggle, ANC's 1969 *Strategy and tactics*, stated that the main content of the present stage of the South African revolution was the national liberation of the largest and most oppressed group – the African people.⁵ This strategic aim must govern every aspect of the conduct of our struggle, whether it be the formulation of policy or the creation of structures. Among other things, it demands in the first place the maximum mobilisation of the African people as a dispossessed and racially oppressed nation. This is precisely what Slovo was articulating. Making reference to the similarities of future political aims of the ANC and SACP, Slovo, writing as Sol Dubula in an article, *The two pillars of our struggle*⁶ said: “at the 1969 Joint Meeting the main Party spokesperson, referring to the 1961 decision of both leaderships at home to chart the new way of armed struggle, said: ‘In this historic step – as in many others – we have worked together as intimates, brothers and equals. This is not surprising for nothing separates us from the immediate and foremost tasks – the destruction of the white domination and the winning of the NDR whose main content is the liberation of the African people...’”

Clearly, nothing in what Slovo was advocating was conflicting or antagonistic to the political objectives of the ANC, except the fact that the ANC was not for socialism. This assessment will ascertain whether the policies developed by the ANC managed to direct the economy in the interests of the people as a whole. In other words, did the post-apartheid economic and social policies manage to deracialise and demolish the class divisions of the late-apartheid distribution regime?

In the SACP's 25th Joe Slovo annual commemoration statement⁷, SACP General Secretary, Cde Blade Nzimande, described successes

made thus far by the ANC government. He referred to the massive social progress made, benefiting millions of recipients, the country's Bill of Rights enshrined in the Constitution, expansion of access to housing, electricity, clean drinking water, health care and built clinics and roads in communities that were previously marginalised. He further alluded to massively expanded access to education at all levels. To alleviate poverty, millions of people are now on social grants. Clearly, life in South Africa is better now than before our victory over the apartheid regime in 1994.

Having spelt out these successes, Nzimande mentioned the unresolved contradictions and increasing challenges which undermine these achievements. The country is severely affected by the legacy of colonialism and apartheid, coupled with factors such as bad governance, poor oversight, state capture and other forms of corruption, in a world dominated by the imperialist agenda of neoliberalism and global capitalist crisis.

In his research dissertation, Ntuthuko Mbuli found that post-apartheid South Africa continues to show a persistent correlation between poverty and the following factors: race, age, gender, poor education, unemployment, large household size (with a high dependency ratio) and inadequate access to basic services. He went on to argue that, while it is not confined to one racial group, it is concentrated mainly among Africans.⁸ And Wits mathematical scientist and social justice activist Zama Mthunzi wrote in *City Press* that, black South Africans are struggling to reconcile how the country achieved political freedom but remained mired in unemployment, inequality and poverty, arguing that large sections of the black population are asking about the real meaning of freedom⁹. In 2010, Daniel Schensul and Patrick Heller noted in the *International Journal of Urban and Regional Research*,¹⁰ that the rich and diverse literature on race and class in post-apartheid South Africa

has generally drawn a picture of, at best, no progress towards social and economic transformation and, at worst, increasing inequality and fragmentation

Since the advent of the democratic dispensation, the ANC government has developed policies focused on poverty alleviation and improving economic growth. Significant progress *has* undoubtedly taken place. But recent political changes and the violence associated with contemporary protests and outbursts draw attention to the fact that these changes have not met many poor South Africans' social and economic expectations. Several dynamics have constrained the awaited improvements of working and living conditions. Politically, does this frustration led to a blunt repudiation of the country's stewardship under the ANC? Did the ANC adopt neoliberal policies leading to the current social ills in the country?

For the better part of three decades (from the early 1960s to the early 1990s), the dominant theoretical basis for the ANC's liberation struggle had been cast within the necessity for the revolutionary seizure of power. Whether or not this applied to the smashing of apartheid and the attainment of majority rule or as a springboard to a transition to socialism, the revolutionary seizure of power was presented as a necessary pre-condition for movement forward.¹¹ Economic strategies that encompassed privatisation and deregulation, where the market would be left to its own devices, had been rejected by the ANC for most of its history. There was to be a significant role for the state and for regulation of the key markets. Redistribution was to form the central element of post-apartheid economic strategy.¹² The ANC thus supported an economic model which held redistribution as a central theme with an interventionist state addressing injustices of the past. The ANC was also opposed to De Klerk regime's initiative of privatisation and deregulation, threatening to re-nationalise all those public utilities pri-

vatised and stressed the need for expanding the public sector and re-orientating it towards meeting the basic needs. In 2000, Paul Williams and Ian Taylor noted of the ANC's pre-1994 economic policy plans: "Its purposefully vague anti-capitalist rhetoric gave the ANC leadership considerable ideological leeway successfully to stitch together a loosely defined coalition of interest groups that included workers and aspirant entrepreneurs, Christians and communists, and the unemployed and middle class, around a shared objective of dismantling apartheid".¹³

This talks directly to Cde Slovo's 1976 "South Africa – no middle road"¹⁴ in which he contended that there is a distinction between the creation of the state and the building of a new socialist economic formation. The former is made possible by a revolutionary seizure of power; the latter, through the exercise of that political power by a class whose interests are unconditionally served by a socialist order. With the ideological and economic posture spelt out above, the ANC was almost the only hope for the oppressed majority – denied a voice and universal suffrage in their country, persecuted for standing up against repression and subjugation, and excluded from partaking in the fruits of the wealth of their motherland. Was the radical party-political and economic posture of the movement carried through up to ascension to state power? How did the ANC drive the country's political, economic and social processes? The major problem seems to be the policy shifts that the ANC pursued post-1990.

As Slovo argued in his 1988 publication, the Freedom Charter represented the ANC's vision for a future South Africa. This being the case, where did the deviation come from?

In analysing the draft constitutional guidelines for a future South Africa, Daryl Glaser suggested that some aspects of the Freedom Charter's economic vision were subject to re-evaluation for possible variation within the ranks of the ANC during the late 1980s.¹⁵ And indeed, the

ANC's 1988 constitutional guidelines made no mention of the nationalisation of key industries and started speaking of the mixed economy. However, the demands of the charter remained deeply embedded, at the very least within the rhetorical repertoire of the ANC. By implication, an idea of a policy shift was already something for positive consideration.

Fast forward to September 1990, the ANC issued a discussion document on economic policy. The document, taking its lead from the Freedom Charter, emphasised redistribution and the intervention of the state and called for “the reconstruction and the restructuring of the South African economy”.¹⁶ It proposed to streamline the economy by way of a policy of growth through redistribution in which redistribution acts as an incentive to growth and in which the fruits of growth are redistributed to satisfy basic needs. This proposal was centred on the central policy idea that the state needed to boost demand, primarily by ensuring that greater amounts of income would be received by the poorer section of the population, which in turn would stimulate output and hence economic growth. The document generated passionate debate equally within the ANC and in the business community. An article by Dennis Davis stated that an economist from Old Mutual at the time, Trevor Moll, argued that growth through redistribution comes uncomfortably close to macro populism.¹⁷ By implication, he meant that the proposed approach of growth through redistribution was a mere political doctrine chosen to appeal to a majority of the electorate. This form of critique from business had the desired chilling effect. It did not take long for the ANC to articulate a pragmatism that was reflected in a systematic progression of distancing itself from aspects of the discussion document.

The nature of the debate was uneven and potholed. Throughout the years of struggle, the ANC's policy line of march had been based on

the proposition that South Africa was a ‘colonial state of a special type’ (CST), and that a national revolution would have to precede any move to socialism for the latter to take hold. The CST was nevertheless, first articulated by the SACP in 1962 under the programme, *Road to South African freedom*.¹⁸ This was expounded in the ANC’s 1969 strategy and tactics which stated that South Africa’s social and economic structure and the relationships which it generates are, perhaps, unique. It is not a colony, yet it has, in regards to the overwhelming majority of its people, most of the features of the classical colonial structure. Conquest and domination by an alien people, a system of discrimination and exploitation based on race; these, and more, are the traditional trappings of the classical colonial framework. While at the one level it was an ‘independent’ national state, at another level it became a country subjugated and dominated by a minority race group. The document explained that what made the structure exclusive or unique and added to its complexity was that the exploiting group was not, as in the classical imperialist relationships, situated in a geographically distinct mother country, but was settled within the borders.¹⁹

In the context of this political vision, by 1990 disagreement over economic policy had arisen between differing factions within the ANC. Liberals welcomed the guidelines as an affirmation of the centrality of liberal-democratic principles and as a programme involving pragmatic economic change. But from a left perspective, such a line of attack suggested a ‘bourgeois’ and ‘reformist’ approach, proof of the absence of genuine socialist commitment in the congress movement, and as a sign of a neocolonial sell-out of capital and its allies. Neither response is adequate, especially for those concerned with a democratic socialist future for South Africa. Habib and Padayache contend that between 1990 and the 1994 elections, the ANC policies on redistribution slowly became softer. In 1992, the ANC’s policy conference effectively removed

nationalisation as a policy option and radically changed their stance on foreign investment from cautious to supportive. Cosatu's Economic Trends Group and the ANC Economics Department convened a workshop in 1990 on "Economic policy for a post-apartheid South Africa" to come up with recommendations on economic policy. The significance of that workshop was that it introduced the concept of a **growth path** in the policy discourse of the democratic movement.²⁰ Taking the process further, Cosatu proposed in 1992 a growth path framework to deal with six distinct areas: principles of economic policy; redistribution; industrial policy; the role of the state; building workers' power, and Southern Africa.

In 1991 the ANC had set up Macro-Economic Research Group (Merg) to develop a new macroeconomic model for South Africa.²¹ Merg developed with proposals to respond to a whole range of inherited problems that have plunged the economy of the country into the gravest crisis in its history. The problematic issues included the disturbing levels of unemployment, the mass of the people living in absolute squalor and deprivation, and crisis in education and many other social services. These were all the inevitable legacies of almost 50 years of apartheid, although these problems did not start with the 1948 National Party takeover. The impact of African underdevelopment precedes apartheid. The colonial government had long started with segregation and even took away African access to land in 1913.

The Merg report detailed a progressive proposal on macroeconomic policy, social and economic infrastructure, labour market policy, rural development and food policy, industrial, corporate and trade policy, banking and finance, and the role of the state. It recommended state investment in social and physical infrastructure (housing, school education, health services, electrification and road development) in the first phase, accounting for more than half economic growth in that

phase, triggering a sustained, growth-inducing effects throughout the economy. In addition, it proposed that the state strategically apply a mix of incentives and regulations to restructure and improve industrial performance and recommended a national minimum wage (pegged at two-thirds the subsistence level for a household of five). It saw a need for the state to “provide leadership and coordination for widely-based economic development” and to “intervene directly in key areas”.²² To a great extent, the proposals were informed by the resolutions of both the ANC and Cosatu. Conversely, by the time the group presented its final Merg report called *Making democracy work*, to the ANC in late 1993, its proposals were well out of line with the dominant anti-working class ideological think-tanks within the ANC. Thus, the Merg report was ultimately not endorsed by the ANC leadership.

The report was precipitously abandoned, even though economists such as Nicoli Nattrass acknowledged that the recommendations were carefully costed and situated in what appears to be a sound macroeconomic model. According to the IOL News in 2010, the Merg proposals were apparently inadvertently leaked in spite of all attempts to completely shelve it. To quell that situation, the proposals were quickly described and labelled as just another discussion document. The ANC then presented a rather anodyne economic commentary – and arranged to draw up a policy document more acceptable to the World Economic Forum (WEF) and the international financial institutions.²³ Despite the abandonment of the Merg report, most of those detailed recommendations ultimately found expression in the 1994 Reconstruction and Development Programme (RDP). The RDP outlined the six principles that made up the political and economic philosophy of reconstruction and development policies in South Africa:

- An integrated and sustainable programme;
- A people-driven process;

- Peace and security for all;
- Nation-building;
- Link reconstruction and development; and
- Democratisation of South Africa.²⁴

Hein Marais later argued²⁵ that there was a change in policy positions from the side of the ANC by late 1993 and that the language and tone of ANC and business policy documents were so similar that at times they appear interchangeable. During the political negotiations, the ANC's consultation with its membership and political allies was patchy and perfunctory, and the formal relationship between the negotiations and economic policy formulation virtually non-existent. Pressure from ANC and trade union activists had kept on the agenda demands such as restructuring the financial sector and progressive taxation – but only until 1992, when they were dropped from ANC resolutions.²⁶ This assertion is supported by Eddie Webster, who said it had become orthodox wisdom on both the left and right that South Africa's “political miracle” was purchased at the price of leaving the economic pillars of apartheid capitalism intact.²⁷ On the right it has been argued that South Africa has accepted the inevitability of the market and that it has pragmatically adapted to the new international economic order – removing exchange controls, embracing an export-oriented development strategy, practicing strict fiscal discipline and committing itself to privatisation. He insisted the ANC had also begun mooted the need for property-rights guarantees and privatisation. This is reinforced by Patrick Bond, who noted in 2000 that not only were free enterprise and property rights enshrined in every major economic policy statement and the constitution itself, but also that full-blown neoliberal compradorism became the dominant (if not universal) phenomenon within the ANC policy-making elite.²⁸

In the media, meanwhile, the labour movement was ridiculed as a

narrow and privileged interest group. It was a caricature that resonated in the ANC's growing middle-class constituencies.

Emphasising the need for job creation and for redistributing access to health, education and housing, Cosatu pushed for a stronger institutionalised role in economic and industrial policymaking. It wished to see decision-making on key economic issues transferred into a forum where trade unions could exercise influence. Key ANC figures at the time, such as Trevor Manuel and Tito Mboweni, openly objected and insisted that economic policy was the domain of government. William Freud noted that Manuel was called upon to partake in a short course at the World Bank in Washington early in 1992 and was joined before it concluded by Thabo Mbeki, who had organised this delegation. From this time on, Manuel spoke with conviction about the policies he would promote. This was followed by the establishment of training course relations with the investment brokerage firm of Goldman Sachs.²⁹

The compromise between Cosatu and the ANC was to set up a National Economic Forum (NEF) in 1992. Cosatu saw it as a negotiating body, but the ANC and corporate leaders preferred it to be an advisory body. These tensions would plague the NEF in its later incarnation, the National Economic Development and Labour Council (Nedlac), which became little more than a 'consultative structure' with indistinct and weak influence on policy decisions. Potentially much more important was the development of a Reconstruction Accord, which Cosatu wanted the ANC to adopt as a government programme once it assumed power. In return, Cosatu would campaign for an ANC victory. The accord would eventually ripen into the Reconstruction and Development Programme (RDP), which formed a central plank in the ANC's 1994 election campaign. Unfortunately, the hope implanted by the RDP trickled away as it was soon to be permanently abandoned.

A question immediately comes to mind: was the ANC really inter-

ested in transforming society for the better, as Slovo argued, or as per the ANC's own commitment?

The transitional period was remarkably successful in drawing in political elites and taming some of once-radical technical supporters, leaving dissidents like those from the trade union ranks outside the net. It was during this period that neoliberal policies were parachuted into the ANC folds. As per Slovo's articulation, the correct working class oriented policy in a capitalist class society requires the full mobilisation of the working class and allied forces to shift the balance of forces and force the implementation of such policy. And clearly from this perspective, the real fight for progressive policies had, at this stage, lost focus.

Brief background of the RDP and how it was abandoned

Cosatu initiated the RDP document to secure a political and programmatic commitment by the ANC government to meet the basic needs of workers and the poor. The process involved numerous workshops within Cosatu and meetings between Alliance leaders (ANC, SACP & Cosatu) and activists, independent experts, and international solidarity groups. Four different drafts were produced in the process and the RDP document emerged publicly in early 1994. Despite those in the ANC who wanted it dead, it was broadly hailed by the Alliance leadership as the new "people's programme" which provided an integrated, coherent and viable socio-economic policy framework, geared to meeting the needs of a new, democratic South Africa and its people. The RDP envisioned an important role for the state in regulating and leading the economy through government spending aiming at redress of the imbalance of power.³⁰ It rapidly achieved the status of an ANC electoral manifesto on which the ANC subsequently rode to victory in April 1994. With the RDP seemingly emerging triumphant after the first democratic elections, the dominant position taken up by the left

forces has been to chain a socialist project to what was seen as the radical content of the RDP. By doing so, the left attached its strategic hopes to the institutionalisation of the RDP's documented promises and opportunities through a process of people-driven implementation. The final RDP document adopted by the ANC was altered many times to make it more acceptable to the business community, deviating inordinately from the position agreed by the Alliance .

Soon after the elections, Deputy Minister of Finance, Alec Irwin stated that a “basic tenet of the RDP” would be private sector and not public sector-led works programmes. This was a direct U-turn because one of the ‘basic tenets’ of the RDP was that economic growth would be premised on job creation in the public sector. Dale McKinley recalled later that RDP ‘Minister’ (former Cosatu General Secretary) Jay Naidoo told a mid-1995 Nedlac meeting that South Africa needed R129-billion over 10 years to deliver the ‘basics’ of the RDP. Naidoo stated there is no way the government could provide even the basic services. That is why we have to help local government structures to access capital from the markets at favourable rates.³¹ This was the death blow for the progressive programme.

In 2012, the SACP outlined its perspective on how this happened: instead of being institutionalised as the overall strategic programme of government, the RDP was marginalised into a ministry within the presidency headed by a Minister without Portfolio. The highest ranking official was a Deputy Director General (DDG). Attempts by the RDP Ministry to coordinate work across government were resented by line departments who saw it as trespassing on their turf and the respective departmental DGs easily outranked the RDP DDG in the ensuing battles. The budget of the RDP Ministry was relatively limited, much of it donor funding and project-linked... what was meant to be the integrative transformational national democratic programme (was reduced

to) ...a list of discreet projects many of them chosen or favoured by external players.³² In early 1996, the office of the RDP was completely shut down and the incumbent Minister, Jay Naidoo, redeployed to Posts and Telecommunications. The gap created at the centre of government in terms of the key strategic planning, integration and coordination, and monitoring functions by this marginalisation of the RDP Ministry was then filled by the Treasury. It is clear that there was never any intention on the part of the ANC to implement the RDP. Former President Thabo Mbeki predicted the RDP's death when in November 1995 during a intergovernmental summit he warned against the RDP's almost biblical character and cautioned that its priorities would have to be subjected to realistic macroeconomic considerations.

Emergence of the controversial Gear

The first major public contestation over the neoliberal drift occurred in December 1995, when the government announced its intentions to privatise important state assets. The government threw a potential knockout punch to the RDP, introducing Growth, Employment and Redistribution (Gear) which served to confirm the government's growth-first path and assumed that market-oriented policies would yield the desired outcomes of job creation, investment, growth reduced poverty and general inequality. How did the Gear come about? In *Thabo Mbeki and the battle for the soul of the ANC*, Mervin Gumede writes that after shutting down the RDP office, Deputy President Mbeki moved all the functions to his office, giving him, for the first time, unfettered control over economic planning. He was now able to work out a new economic plan that would please the markets.³³ Gumede writes that Mbeki and his trusted allies, including Manuel, Erwin and Joel Netshitenzhe hand picked Gear's architects. The team was led by Iraj Abedian (former economics lecturer at UCT), Richard Ketley (seconded by the World

Bank), Stephen Gelb (senior research fellow at the Overseas Development Institute in London), André le Roux, Andrew Donaldson (Deputy Director-General in the apartheid-era Department of Finance in 1993), Brian Kahn (ICT at UCT) and Ian Goldin (Development Bank of Southern Africa). As a group, Mbeki saw them as economists with liberal instincts who understood some kind of redistribution strategy. All were sworn to secrecy and the whole procedure was shrouded in secrecy lest the left got wind of Mbeki's plan.

Gumede's assertion is substantiated by Marais, who characterises Gear as having been developed in "somewhat secretive conditions". It was released after perfunctory 'briefings' of a few top-ranking ANC, SACP and Cosatu figures who, according to one participant, were shown 'only the section headings'. During the drafting of Gear, the ANC was kept out of any knowledge as Hein Marais further stated that Cde Nelson Mandela, President at the time, would admit later that even the ANC learnt of Gear far too late – when it was almost complete. Marais quotes Gear team member Stephen Gelb: "Close affinity with the Washington Consensus characterised not only the substantive policy recommendations of Gear, but also the process through which it was formulated and presented publicly ... This was 'reform from above' with a vengeance, taking to extreme the arguments in favour of insulation and autonomy of policymakers from popular pressures".³⁴

On the other hand, the IMF and World Bank kept a close eye on progress. All of this meant an individualist-corporatist approach to capitalist accumulation and development. Former Finance Minister Trevor Manuel introduced this policy position in June 1996 and quickly declared the plan was non-negotiable in its broad outline. Gear became the centrepiece of South Africa's growth path and, consequently, its broader development path. The ANC, as an organisation, was not even aware of it. The ANC's National Executive Committee sanctioned Gear

even though quite considerable numbers of SACP and Cosatu leaders were on the NEC. Astonishing levels of discipline were imposed on the ANC's top ranks and among its allies. So firm was the ANC's hold over SACP leaders at the time that the SACP issued a disordered media release validating the objectives of the plan.

The internal SACP debates and disagreements on Gear was prevalent during this era – those who supported it versus those who stood firm against neoliberalism. A year would pass before the SACP would toughen its position and call for Gear to be scrapped and substituted with a 'coherent industrial policy'. It was left to Cosatu to criticise the policy. Cosatu's stance emerged publicly in a story in the *Mail&Guardian* in 1997 referring to Cosatu's 6th National Congress having deep-rooted mistrust between the labour federation and the government on Gear.³⁵ The meeting saw Cosatu affiliates uniting firmly behind the federation's total opposition to the macro-economic policy. Even affiliates that had earlier called for a more open approach towards Gear unexpectedly changed from possible compromise to absolute rejection. The dominant view came from influential affiliates advocating a programme to map out an alternative economic model to advance Cosatu's stated commitment to socialism. President Mandela twice tried to get Cosatu to give Gear a chance, but was openly snubbed by angry delegates who saw the strategy as an ideological shift by the ANC from its left-wing orientations to the right.

IMF and World Bank direct role

The World Bank and the IMF are imperialism's parasites of the developing nations. Assad Ismi writes of how they have forced third world countries to open their economies to Western penetration and increase exports of primary goods to wealthy nations. Their weapon in this process are structural adjustment programmes (Saps) – requiring govern-

ments to cut public spending, (including eliminating subsidies for food, medical care and education), raise interest rates, thus reducing access to credit, privatise state enterprises, increase exports and reduce barriers to trade and foreign investment such as tariffs and import duties.³⁶ The approach in engaging the ANC was modelled on this predatory programme, designing or directly influencing Saps are precisely South Africa's economic path – with help from within the ANC. They vigorously promoted neoliberal policies and a thick web of contacts began to develop between their representatives and ANC policy makers and intellectuals, particularly economists. These contacts included a flurry of private conferences and workshops as well as short-term secondments of key officials to the World Bank, the IMF, and Western banks. Others were invited to participate in economics stimulant or refresher courses and graduate programmes in Washington and elsewhere. The result was a powerful ideological shift in the thinking of key policymakers in the ANC. Researches note that: “While the IMF delivered sharp prescriptions about what was ‘reasonable’ and ‘realistic’, the World Bank began discussions with the ANC and its liberation partners. The Bank enjoyed considerable access to the ANC elite and, ‘even by World Bank standards’, its presence in South Africa during this period represented ‘an unusually large ... effort’. Consequently, “big business, the IMF and the World Bank (became) increasingly influential in the top ranks of the ANC leadership”. Indeed, one World Bank representative later boasted that “this is the only country in the world where we speak to the opposition”.³⁷

In November 1993 the ANC negotiators signed a US\$850-million IMF “compensatory and contingency financing facility”. The loan was conditional on an undertaking that the economy would be responsibly managed and South Africa would sign the General Agreement on Trade and Tariffs (GATT).³⁸ This locked the ANC into “prudent”

economic policies, including maintaining the independence of the Reserve Bank. This destined the new government's parliamentary control over the critical areas of economic policy to be comprehensively undermined. "The pro-business policies of the ANC government in recent years seem to confirm a picture of the ANC's gradual alienation from workers, just as during the national liberation struggles across Africa, nationalist politicians invariably made good use of workers and then abandoned them," wrote Chitja Twala.³⁹ He further contends that many politicians in many countries, including South Africa, tend to leave behind the policies, such as those enshrined in the Freedom Charter and the RDP that aimed to create jobs, safeguard health and the environment, and protect worker rights – as the ANC abandoned the collectivist-oriented RDP in favour of the neoliberal Gear strategy and to a certain extent, embraced free-market capitalism.

It is clear that there was a complete policy shift among the high-ranking leaders in the ANC and they had a commitment to pursue and implement neoliberal policy shifts. Eddie Webster concludes that the most important factor in this shift was the changing locus of international influence arising from the collapse of the Soviet Union. Not only did this discredit left economic policy, it also ensured that the most important international actors in South Africa's transition were to be the United States and its allies, Britain, Germany and Japan. The price these powers demanded for disciplining the apartheid government and extending promises of material aid to the ANC was a commitment by the ANC "to embrace western-style free-market principles".⁴⁰

Conclusion

Slovo envisaged that South Africa's crisis would be resolved by a revolutionary change in the social system which would overcome the conflicts by ending the colonial oppression of the African people. He was

of the opinion as the SACP programme outlined that to guarantee the abolition of racial oppression and white minority domination, the route to follow was the one realistically determined in the Freedom Charter which called for profound economic changes. The anti-monopoly provisions of the Freedom Charter would also open up avenues for the relative growth of black business in the post-apartheid phase. This was to be carried out through the NDR which would overthrow the colonialist stale of white supremacy and establish an independent state of national democracy in South Africa. He believed that the immediate content of the struggle was the national liberation of the entire population and the process could not be completed without social emancipation.

The end of apartheid produced great expectations for the majority of South Africans in major political, but also social and economic, change. Despite the significant progress, 26 years into democracy, after a fifth free general election, many South Africans feel that their expectations have not been met. Their frustration frequently turns violent. The outbursts draw attention to the fact that the changes have not met the social and economic expectations of many poor South Africans. The country's current social ills are a direct consequence of ANC's adoption of adopted neoliberal policies. ●

Cde Theledi is General Secretary of the Police and Prisons Civil Rights Union

Endnotes

1 Slovo J. "The South African working class and the national democratic revolution". *Umsebenzi* 1988 .

2 *The road to South African freedom 1963*, programme of the South African Communist Party. Inkululeko Publications, London 1963.

- 3 Slovo J 1986. "SACP, one of the greatest pillars of our revolution". Speech at the 65th Anniversary Meeting of the SACP in London on July 30, 1986. *The African Communist*, No. 107, 4th Quarter, 1986. p20.
- 4 Cosatu Press Statement. 2016. "*Joe Slovo's Teachings Still Resonate*". 07 January 2016.
- 5 African National Congress Document, 1969. "*Strategy and tactics of the African National Congress: Morogoro, 1969*". p8.
- 6 Dubula . 1981. "The two pillars of our struggle". Reflection on the relationship between the ANC and the SACP in the liberation struggle – some lessons from the past and pointers to the future. *African Communist*, No. 87, 4th Quarter. Inkululeko Publications, London. p31.
- 7 Nzimande B 2020. "SACP 25th Joe Slovo Annual Commemoration Statement". Speech Delivered by SACP General Secretary Comrade Blade Nzimande, Avalon Cemetery, Soweto, 6 January 2020. p4.
- 8 Mbuli BN 2008. "Poverty reduction strategies in South Africa". Thesis submitted in fulfilment of the requirements for the degree of master of commerce in the subject economics at the University of South Africa. p5.
- 9 Zama Mthunzi, *City Press*, 2 February 2020. "The long shadow of apartheid's regime".
- 10 Schensul D & Heller P 2010. "Legacies, change and transformation in the post-apartheid city: towards an urban sociological cartography". *International Journal of Urban and Regional Research*, Published by Blackwell Publishing. 9600 Garsington Road, Oxford, UK and 350 Main St, Malden. p2.
- 11 Mckinley TL 2004. "Democracy and social movements in South Africa" – Paper for UKZN School of Development Studies Conference: 'Reviewing the first decade of development and democracy in South Africa': 22 – 24th October 2004, Durban, p1.

12 Habib & Padayache, 2000. "Economic Policy and Power Relations in South Africa's Transition to Democracy", *World Development*, Volume 28, No 2.

13 Williams P. & Taylor I. 2000. "Neoliberalism and the Political Economy of the 'New' South Africa", *New Political Economy*, Vol. 5, No. 1, 2000.

14 Slovo J 1976. 'South Africa – No Middle Way', *In Southern Africa: The New Politics of Revolution*, Pelican 1976.

15 Glaser D. 1990. Democracy, socialism and the future: Assessment of the draft constitutional guidelines for a future African National Congress's South Africa.

16 African National Congress 1990. "Discussion Document on economic policy", Johannesburg, African National Congress department of Economic Policy, September 1990.

17 Davis D. 1990. "From the Freedom Charter to the Washington Consensus", p34.

18 *African Communist* (1963), "The road to South African freedom", programme of the South African Communist Party. VOL 2, No.2. Jan - Mar 1963. Inkululeko Publications, London

19 African National Congress Document, 1969. "Strategy and tactics of the African National Congress: Morogoro, 1969". p8.

20 Draft Discussion Document. 1990. Workshop on economic policy for a post-apartheid South Africa – "A Growth path towards full employment policy perspectives of the Congress of South African Trade Unions", Harare 28 April – 01 May 1990.

21 Pons-Vignon N, Segatti A & Bush R. 2013. Revisiting the South African developmental impasse: the national neoliberal revolution – Volume 40, Number 138, Routledge Taylor & Francis Group – December 2013. p522 – 523.

- 22 Merg Report, 1993. "Making democracy work: a framework for macroeconomic policy in South Africa". A report to members of the democratic movement of South Africa from the Macroeconomic Research Group. Centre for Development Studies. p281.
- 23 IOL News (2010). Tripartite conference treads same old economic ground – Opinion/ 19 September 2010, 4:00pm.
- 24 Cosatu Discussion Document. (1990)., Workshop on economic policy for a post-apartheid South Africa – "A growth path towards full employment policy perspectives of the Congress of South African Trade Unions", Harare 28 April – 01 May 1990. p6.
- 25 Marais H. 2011. *South Africa pushed to the limit: the political economy of change*, Zed Books. London.
- 26 Webster E. 1998. Towards a class compromise in South Africa's double transition: bargained liberalisation and the consolidation of democracy –Seminar on labour and popular struggles in the global economy, Columbia University New York City, 17 November 1998.
- 27 Bond P. 2000. *Elite transition from apartheid to neoliberalism in South Africa*, London, Sterling, Virginia. p16.
- 28 Pons-Vignon N, Segatti A & Bush R. (2013). Revisiting the South African developmental impasse: the national neoliberal revolution – Volume 40, Number 138, Routledge Taylor & Francis Group – December 2013. p527.
- 29 Habib & Padayache, 2000. "Economic policy and power relations in South Africa's transition to democracy", *World Development*, Volume 28, No 2. p245 – 263.
- 30 McKinley D.T. 1997. "Sounding the retreat: The left and the Macro-Economic Battle in South Africa" Published in *LINKS*, Number 8, July – October 1997.
- 31 SACP Augmented Central Committee, 2012. "Report of the work of the

South African Communist Party Central Committee Commission on the Party and state power", November 2012.

32 Gumede W.M. 2005. *"Thabo Mbeki and the battle for the soul of the ANC"*. Zebra Press. p87

33 Marais H. 2011.

34 *Mail & Guardian* 1997. "Solidarity in opposition to Gear", 19 Sep 1997 00:00. Sechaba Ka'Nkosi.

35 79 Ismi A. 2004. *Impoverishing a continent: the World Bank and the IMF in Africa*.

36 Williams P. & Taylor I. 2000. "Neoliberalism and the political economy of the 'new' South Africa", *New Political Economy*", Vol. 5, No. 1, 2000. p27.

37 Gumede W.M. 2005. Thabo Mbeki and the Battle for the Soul of the ANC. Zebra Press. p77.

38 Twala C 2014. "The African National Congress and its ideological shifts over time: attempts to define or re-define its ideological identity"? *Mediterranean Journal of Social Sciences*, Vol 5 No 20, MCSER Publishing, Rome-Italy, September 2014. par, 4.5.

39 Ibid.

KZN PEC REPORT

The vanguard role of the SACP

This is a shortened version of a recent KZN PEC Secretariat political report

The South African Communist Party (SACP) is undergoing a renewal process that seeks to reposition the Party to face and withstand serious challenges confronting the working class and its organisation, the Party. This is happening in a period where our economy is weak and teetering on the edge of recession. A weak currency, high inflation, high unemployment (worse among the youth), increasing poverty and inequality, increasing gender-based violence, “xenophobia”, family, economic, cultural, socio-political and environmental violence — the list is endless. Ours is a country in crisis.

There is a general feeling, felt most strongly on the left that there is an atmosphere of counter-revolution. Therefore, the Party has an urgent revolutionary duty and responsibility to correctly characterise what is deemed as counter-revolution that is engulfing South Africa. What is currently taking place in South Africa is not different from the form of destabilisation agendas unleashed by imperialism on Venezuela, Brazil, Bolivia and other Latin American countries .

What is imperative now is that the ideological and political role of the SACP in our national democratic revolution processes be enhanced. The aggravation of economic crisis, possibilities for anti-monopoly struggles and the growing need for joint action by all the forces op-

posed to imperialism increase the need for a broad or united front.

The deepening of capitalism's general crisis is increasingly undermining the foundations of state-monopoly systems which has obviously exhausted the possibilities for self-preservation that it had temporary given the capitalist system.

This crisis has entered a phase in which the phenomena that formerly accompanied only the most acute periods of its development are becoming chronic. Inflation, which has turned into an explosive political problem is a permanent feature of modern capitalism. In view of the economic interdependence of the capitalist countries, the domination of international monopolies – increasingly more powerful than nation states – the continued rise of prices, the ever rising unemployment, the unilateral changes of exchange rates of national currencies and other destabilising factors are speedily spreading beyond the boundaries of individual countries and acquiring an international character.

The continued energy crisis shows that the relations of imperialist states with countries that have started out on the road of independent development cannot be continued on the former basis. Shackling agreements, the sale of manufactured goods in the former colonies at exorbitant prices and the supply of cheap raw materials from these countries not only perpetuate backwardness, but widen the margins in the economic levels of the industrialised and developing state. The struggle of the developing states against monopoly pillage, is changing the established system of world economic relations. The policy of saving one's skin adopted by the industrialised states during the energy crisis has demonstrated how far the inter-imperialist contradictions have deepened.

The aggravation of all the internal contradictions of the imperialist countries and the growing conflict between the imperialist states themselves are leading to capitalism's political instability.

In many capitalist countries the instability of governments, which are compelled to rely on small majorities or even minorities in parliament likewise mirrors the changes that have taken place in the mood of all strata of the population. Realistic possibilities for putting fundamental social changes into effect are appearing in this situation, and it is no accident that the problem of the correlation between the objective and subjective factors of revolution has again come into prominence in the ideological struggle in the progressive forces.

What must be understood is the fact that the subjective is not the direct reflection of the objective, and no urgent economic requirement can be immediately and directly mirrored in the consciousness of the masses. Lenin wrote that “history does not move along an easy road, such as would imply that every historically ripe change means ipso facto that precisely the class which stands to profit most by it is mature and strong enough to carry change into effect.”

The SACP faces the mammoth task of overcoming complex choices in taking the working class struggle forward in South Africa. The Party remains the number one enemy of any capital formation, international or domestic. It appears some in the Party could not comprehend the implication of the above in pursuing our struggle and application of our strategy and tactics, debate on the SACP and popular and state power is an example.

The biggest threat to the Party is posed by what is now referred to as “stand alone regime change proponents”, and the aggressiveness in enforcing a non-Marxist approach on strategic questions. This is a challenge and debate that always confronts communist parties operating in a bourgeois environment. It was no surprise at the Augmented Central Committee when the biggest threat in confronting this situation is the one posed by the petty-bourgeois mode of thinking in the working class and in the Party in particular. Contesting the working class mode

of thinking is one of the most effective weapon used by capital in winning over the working class against a proletarian mode of thinking.

All this takes place under constant ideological pressure from the bourgeoisie, which day after day drowns people's minds with its ideas of morals and prestige, its base ideals. Inputs largely from Young Communist League of South Africa comrades at the last August Central Committee confirmed this phenomenon.

The school, the church and the innumerable mass media instil definitive notions, whose purpose is to mystify reality, conceal the actual sources of social conflicts and reconcile people to the existing way of life. The day to day practical experience being accumulated by workers, by all working people, in the course of their work, in production and their struggle for their vital requirements do not tally with what the omnipresent means of ideological brain washing keep telling them, and inevitably evokes doubts and protests and gives risk to ideas that differ from those that are being so harassingly forced upon them. Replenishing and renewal of the Party will not succeed without consistent struggle over the mode of thinking. It is a necessary practice by any Marxist-Leninist organisation in order to extricate itself of alien influence that can dilute or offset proletarian ideology and thinking.

Coming back to the threat of a non-Marxist approach to strategic matters in the Party: it is a big concern to realise how the state power resolution of the 14th Congress is being either ignored or vulgarised of its content and essence. Key to its essence is an emphasis on concrete analysis of a concrete situation. In fact the post-congress debate on the resolution should be/have been centred on the concrete analysis of the situation.

We must remember the method applied by Marxist-Leninists to investigate objective reality, to predetermine expected future developments and timeously prepare our forces for this development: concrete

analysis of concrete situations. It cannot be the frustrations and disappointments experience in our Alliance with the ANC. Lenin called the concrete analysis of a concrete situation “the most essential thing in Marxism, the living soul of Marxism”. This method is nothing but the application of Marxist-Leninist theory to the concrete situation.

Yes, we must completely avoid any dogmatic appliance of Marxism-Leninism, taking it literally, without being concretely related to the objective reality and the practice of the class struggle, because that will directly counteract the essence of Marxism-Leninism. The Party must start from the actual situation, our national peculiarities; only in this way can strict objectivity of consideration be retained and wishful thinking be excluded.

But concrete analysis must not be confused with an arbitrary gathering of facts because that is completely different. Again Marxism teaches us that nature, society, human thinking all of this is in constant transformation and the forms of movement are subject to particular laws.

The capitalist mode of production today is characterised by contradictions between the social form of production, with its highest moulding in state-monopoly capitalism, and private capitalist expropriation of the fruits of this socialised production by a handful of monopolies. It is precisely this contradiction which necessarily generates periodic economic crises, even though the concrete cycle of the crisis changed as a results of the merger of the monopolies organs with those of the state and the complete subordination of the state to monopolies.

Therefore key and critical to the debate on SACP and state power through the concrete analysis of the concrete situation must be examination of current imperialism. Prabhat Petnaick, a political economist, in his article *Whatever happened to imperialism?* raised the issue of the abandonment of the critique of imperialism by the left. Any strategic options by a Communist Party that does not place at the centre the

question of imperialism is bound to falter and likely to veer away from Marxist-Leninist analysis and plunge into revisionism or reformism. John Bellamy Foster, the editor of *Monthly Review*, wrote in his piece on “Late Imperialism”

“The persistent failure of many on the left, particularly in the advanced capitalist states, to acknowledge the development is largely the result of a growing abandonment of the theory of imperialism, substituting more reified conceptions related to globalisation, seen as dissolving former imperial hierarchies.”

Another characterisation to consider seriously in our analysis is what Utsa Patnaik and Prabhat Patnaik characterised as “Neoliberal capitalism at a dead end”.

They claim that contemporary imperialism has to be discussed within a notion that the neoliberal regime itself has reached a dead end. They gave two reasons why the regime of neoliberal globalisation has run into a dead end. The first is an ex ante tendency towards global overproduction; the second is that the only possible counter to this tendency within the regime is the formation of asset-price bubbles, which cannot be conjured up at will and whose collapse, if they do appear, plunges the economy back into crisis.

The tendency toward overproduction arises because the vector of real wages across countries does not increase noticeably over time in the world economy, while the vector, of labor productivities does, typically resulting in a rise in the share of surplus in world output.

They write:

“Finance is usually opposed to direct state intervention through larger spending as a way of increasing employment. This opposition expresses itself through an opposition not just to larger taxes on capitalists, but also to a larger fiscal deficit for financing such spending obviously, if larger state spending is financed by taxes on workers, then it

hardly adds to aggregate demand for workers spend the bulk of their incomes anyway, so the state taking this income and spending it instead does not add any extra demand. Hence, larger state spending can increase employment only if it is financed either through a fiscal deficit or taxes on capitalists who keep a part of their income unspent or saved. But these are precisely the two modes of financing state expenditure that finance capital opposes... As long as finance capital remains national- that is, nation-based-and the state is a nation state, the latter can override this opposition under certain circumstances, such as in the post- Second World War, period when capitalism was facing an existential crisis. But when finance capital is globalised, meaning, when it is free to move across country borders while the state remains a nation-state, its opposition to fiscal deficits becomes decisive. If the state does run large fiscal deficits against its wishes, then it would simply leave that country en masse, causing a financial crisis.

“The state therefore capitulates to the demands of globalised finance and eschews direct fiscal intervention for increasing demand. It resets to monetary policy instead since that operates through wealth holder’s decisions, and hence does not undermine their social position.

“Therefore, it follows that state spending cannot provide to the ex-ante tendency towards global overproduction within a regime of neoliberal globalisation, which makes the world economy precariously dependent on occasional asset-price bubbles, primarily in the US economy for obtaining at best, some temporary relief from crisis. It is this fact that underlies the dead end that neoliberal capitalism has reached it.”

Egyptian Marxist Samir Amin argued that, in what he calls the new imperialist structure, contemporary capitalism is a capitalism of generalised monopolies: monopolies no longer form islands in an ocean of competing corporations, and consequently are relatively autonomous

but an integrated system, and consequently now tightly control all productive systems. Small and medium-sized companies and even large ones that are not themselves formally owned by the oligopolies, are enclosed in networks of control established by the monopolies upstream and downstream. Consequently, their margin of autonomy has shrunk considerably. These production units have become subcontractors for the monopolies. This system of generalised monopolies is the result of a new stage in the centralisation of capital.

Amin further asserts that the major aspect of the transformation involves the degree of concentration in control of capital and the accompanying centralisation of power. The centralisation of power, even more marked than the concentration of capital, reinforces the interpenetration of economic and political power.

The political system of contemporary capitalism is now plutocratic. It adapts itself to the practice of representative democracy, which has become “low intensity democracy”. You are free to vote for whomever you want, which is of no importance since it is the market and not the Congress or Parliament that decides everything. A plutocracy also adapts itself elsewhere to autocratic forms of management or electoral forces.

Samir Amin continues and characterises new forms of political domination as follows: “Transformations in the economic base of the system and its accompanying class structures have changed the conditions for the exercise of power. Political domination is now expressed through a new- style ‘political class’ and a media clergy, both dedicated exclusively to serving the abstract capitalism of generalised monopolies. The ideology of the ‘individual as king’ and the illusions of the ‘movement’ that wants to transform the world, even ‘change life’ – without posing the question of workers and peoples seizing power – only reinforce capital’s new methods of exercising power” .

Starting from Amin's assertion we can start to look at the true real meaning of the Party contesting elections. Under current conditions and circumstances, it means contesting elections is more about contesting to be a new "political class" rather than contesting state power. Without posing a question of workers and peoples seizing power, it is mere reinforcing of capital's new method of exercising power! That is why it is more important and critical to carry out concrete analysis of the concrete situation other than shouting slogans of demanding state Power.

The SACP subscribes or subject itself to Marxist-Leninist theory, and therefore is a Marxist-Leninist Party. The guiding theory is Marxism and our practice is informed by Leninism. Lenin contributed significantly in development of implementation of Marxism in practice through a series of polemics which are now generally constitute what is now regarded as Marxist-Leninist strategy and tactics. Among these polemics or works are *What Is To Be Done?*; *Two Tactics of Social Democracy*; *Leftwing Communism, an Infantile Disorder*; and *State and Revolution*.

It is imperative that in our practice of class struggle we must apply this interpretation of revolutionary theory. Strategy and tactics are the concrete application of Marxist-Leninist theory in practice. Marx and Engels' *Strategy and Tactics of the Class Struggle* teaches us that class struggle develops or takes place in small, quantitative steps up to the qualitative leap, from evolution (development) to revolution (upheaval), a process proceeding in stages from the

- Stage of the non-revolutionary situation (stage of the strategic defensive of the working class) through the
- Stage of the acute revolutionary situation (the stage of the strategic offensive of the working class) to
- The stage of armed struggle and uprising (the stage of strategic decision)

As a Marxist-Leninist party, our strategy and tactics on every question of strategic options, including on the SACP and the state and popular power, should be guided by objective dialectics – we must consciously implement the dialectical method to conduct our class struggle and to develop it further.

The SACP must not lose its objective view of the class struggle, independent of human will, while aware of subjective aspect – the spontaneous social development in the consciousness and the fighting spirit of the masses. The Party must consolidate and advance its activity guided by the Party's strategic main, complying with the respective aim of the stages of development of our class struggle:

- Winning over the decisive majority of the working class for the struggle for socialism;
- Carrying out the revolution; and
- Conquest of power and establishment of the dictatorship of the proletariat.

This assists us so that no matter how the crisis manifests itself and the class contradictions sharpen, the transition to a revolutionary situation is not possible without winning over the decisive majority of the working class. “To disregard this due to revolutionary impatience, means becoming subject to wishful thinking.” This is what defines the differences in the Party on the strategic and tactical options the Party ought to take, particularly on the question of contesting state power. There appears to be a tiny, but highly vocal, minority who are prepared to aggressively push a different line deviating from the mainstream.

The Party must now give serious attention to this attack, whose criticisms include:

- The leadership are frustrating democracy or freedom of criticism, particularly on question of the Party and state power, thus members are denied complete freedom of revolutionary and philosophical

thought and direction or options;

- The Party should relinquish in meaning and in essence and practice its vanguard role; and
- The current leadership is dogmatic, conservative and has lost revolutionary oomph, hence a need for regime change.

Crying for democracy and freedom to criticise, while rejecting centralism is at odds with democratic centralism. In reality it is a struggle for ultra-democracy and freedom of criticism. Mao Tse-Tung spoke on this in *On Correcting Mistaken Ideas in the Party*: "... the danger of ultra-democracy lies in the fact that it damages or even completely wrecks the Party organisation and weakens the Party's fighting task and thereby causing the defeat of the revolution.. the source of ultra-democracy consist in the petit-bourgeoisies individualistic aversion to discipline. When this characteristic is brought into the Party, it develops into ultra-democratic ideas politically and organisationally. These ideas are utterly incompatible with the fighting task of the proletariat."

The current situation in which the Party finds itself makes it vulnerable to many internal and external pressures. Particularly in times of difficulty in any working class movement, of disarray in the workers organisations, in times of heightened reaction, opportunism unfolds, not only doubting the correct ideological-political line of a proletarian organisation like that of the SACP, but also revising Marxism-Leninism – all this under the slogan of "freedom of criticism".

Lenin points out at this in *What Is To Be Done?* "If we judge people, not by the glittering uniforms they don or by the high-sounding appellations they give themselves, but by their actions and by what they actually advocate, it will be clear that 'freedom of criticism' means freedom for an opportunist trend in social democracy, freedom to convert social democracy into a democratic party of reform, freedom to introduce bourgeois ideas and bourgeois elements into socialism."

This “freedom of criticism” has nothing to do with Marxist dialectical criticism, which is the law of development of the proletarian party.

“Freedom of criticism” means opening the Party to bourgeois ideology for the purpose of undermining proletarian ideology and, eventually, liquidation.

There is also an undercurrent of resistance to continuing with the Alliance in a reconfigured form. Approaching this phenomenon of apparent differences on the question of strategic and tactical options of the Party in its concentrated form, is the difference on the vanguard role and the task of the Party in the current complex period. It is therefore important to spend some time defining the vanguard role and the task of the Party in the current epoch.

To be a revolutionary vanguard means not only to be in the forefront, but also to look ahead, to see not only the immediate but also what lies beyond the horizon. The vanguard acquires this ability if it is armed with a scientific theory that correctly interprets phenomena.

Why is the Party’s option of a reconfigured alliance with the ANC and COSATU while building a strong broad front is correct?

Capitalism’s deepening general crisis, which is embracing all areas of the life of bourgeois society, is widening the foundation for the emergence of the most divisive moments, many of which become massive. The action of workers for higher pay, better working conditions and assured employments, the movement of peasants against the high prices of machinery and the low prices of farm produce, which monopolies sell at exorbitant prices, the mass protest of all the strata of population against inflation and the rising cost of living, the general anxiety caused by the problems of town, medical care, education and lack of environmental protection are not aimed directly at achieving socialist goals. But all these movements inevitably encounter resistance from the common enemy, who hinders any progressive change. This enemy

is monopoly capital, whose actions are always motivated by the receipt of maximum profit.

Communists are convinced that the transition to a socialist system is the only sure and dependable way out of the calamities of capitalism, but they actively support any struggle directed against monopoly domination and consistently press for unity among the different contingents of the working people, of broad masses participating in this struggle. This unity is vigorously promoted not only by internal but also by foreign political conditions.

It is important to note that socialism cannot be built successfully without safeguarding the democratic gains of the people, without satisfying their pressing needs. The many democratic tasks to be carried out on the road to socialism are not a hindrance to the society of the socialist revolution. Given certain conditions, they expedite that victory, because where big capital is in power even purely democratic tasks cannot be carried without significant steps in the direction of socialism.

Today, by virtue of the logic of historical development no progressive social movement, whether it set itself broad or limited partial objective, can avoid coming into conflict with state monopoly capital, and this create the objective possibilities for the militant unity of the broadest forces in the struggle against monopolies.

Communists strive, the International Meeting of Communist and Workers' Parties has noted, to "merge in a single stream a wide range of movements, political trends and organisations, and give the struggle a maximum of purpose. In the course of joint actions the anti-imperialist front will move from the realm of slogans and conferences into the area of daily political practices".

Experience of the class battles provides evidence that even where large workers' parties and democratic organisations exist, pressing social changes cannot be put into effect by the efforts of any single or-

ganisation. United efforts are an indispensable condition for any noteworthy success.

With the radicalisation of the masses, including the petty bourgeoisie, increasing urgency by the question of the Party's contacts and cooperation with all organisations enjoying influence among various strata and capable of making a definite contribution to the development of the revolutionary process.

In conclusion, a reconfigured Alliance will require huge efforts, since some in the ANC, in the Party itself and in the broad anti-communist front, will do everything to ensure its failure. The Party needs patience and perseverance, the ability to settle differences and, most importantly, to end the bias against communists, a bias fanned by imperialist reaction, right reformist leaders, and the innumerable schools of leftist anti-communism. ●

INFORMAL WORK

Nothing for us without us! Formalisation from below

Pat Horn analyses the state of play and challenges, plus the role of the SACP, in transforming informal unregulated work into formalised employment complete with full labour rights

A growing number of workers worldwide work in the informal economy. Most new jobs are informal jobs – including new forms of work, such as those in the “platform” and “gig” economy. These new forms of work are being informalised as fast as they emerge, as policy-makers fail to re-regulate creatively to normalise and integrate these new forms of work into the changing labour market.

Stats SA defines and enumerates informal workers, both waged and non-waged. However our core labour laws make no distinction between informal and formal waged workers. All waged workers are employed and are covered by the same basic statutes, with a few important exceptions that remain unaligned – for example, domestic workers are not currently covered by the Compensation for Occupational Injuries and Diseases’ Act. This means that for all waged workers, whether formal or informal, the formalisation process is linked directly to compliance with the law by the employer. There are however millions of workers in South Africa who are “formal” in law, but “informal” in fact and in the understanding of our labour statistics, because many workers either do not know their rights, protections and benefits afforded by laws and ap-

plicable sectoral determinations or are afraid or unable to access them, and many firms (both formal and informal) are non-compliant. In contrast to what is required for waged informal workers, for own account workers significant legal changes are required in order to align with the International Labour Organisation's Recommendation 204 (R204)¹.

To work in the interests of informal workers, formalisation has to offer benefits and protections – not simply impose the costs of becoming formal on the workers. Formalisation has to restore the universal rights from which workers in the informal economy have been marginalised by the neo-liberal model of governance over the past 40 years, and re-integrate them into legal and regulatory frameworks.²

This is primarily a trade union task. But much has been written about the failure, at worst, or slowness, at best, of the trade union movement globally to organise workers in the informal economy and prioritise these issues. So we have seen an emergence, ever since the establishment of the Self-Employed Women's Association (Sewa) in Ahmedabad, India in 1972, of self-organised worker-controlled organisations of workers in the informal economy. This movement of membership-based organisations (MBOs) in the informal economy includes organisations which self-identify as trade unions (e.g. Sewa, which is now a registered trade union with just more than 2-million members) or cooperatives, or national federations or associations, and is really led from the Global South (in contrast to the formal trade union movement, with its industrial character, which de facto is led from the Global North). The most progressive trade unions today recognise that they can only address these challenges if they either merge with or work in close partnership with the self-organised MBOs of workers in the informal economy. In South Africa, Cosatu established a Vulnerable Workers' Task Team (VWTT) in 2014 which brought together Cosatu affiliates (including the South African Domestic Services & Allied

Workers' Union) and sister organisations outside of Cosatu such as StreetNet International, Women in Informal Employment: Globalising and Organising (Wiego), the South African Informal Traders' Alliance, migrant workers' unions, etc. into the VWTT. ³

In March 2013 the Governing Body of the International Labour Organisation (ILO) took the decision to place an item on the agenda of the 103rd and 104th sessions of the International Labour Conference in 2014 and 2015 for the discussion of an instrument on transitions from the informal to the formal economy. Wiego and the global sectoral networks of organisations of informal workers⁴ then sprang into action. Through consultations and workshops around the world, they started to prepare to participate in this discussion from within the ILO Workers' Group. ⁵ In South Africa, an Africa-wide consultation was organised in Johannesburg through the VWTT. The global aim was to secure the strongest possible ILO instrument in support of informal workers. And on 12 June 2015, R204⁶ was adopted with overwhelming support in the International Labour Conference (ILC) plenary.

R204 has been framed as broadly as possible, by the broad description of the informal economy at the outset in Clause 2(a) as referring to “all economic activities by workers and economic units that are – in law or practice – not covered or insufficiently covered by formal arrangements”⁷. This ensures that the recommendation applies across different sectors of the informal economy, both rural and urban, and irrespective of citizenship or immigration status.

In Clause 4, it is specified that the recommendation applies to “all workers and economic units in the informal economy”⁸, including own-account workers and those in subcontracting and in supply chains. The use of the term “economic units” as opposed to “enter-

prises” ensures the inclusion of a wide range of employment relationships, as is actually encountered in the informal economy, including in subcontracting and supply chains.

Different groups of informal workers

Because of the broad application of R204 to all sectors of the informal economy, every organised group is able to use it in the way that is most useful to their sector. It was not deemed necessary to list all the different sectors and groups of informal workers who should benefit from R204, as this would have run the risk of some groups being left out. In one of the preparatory discussions there was a debate about the fact that organised sex workers, while not specifically mentioned anywhere in the text, are also technically covered by R204 according to the above broad description, even in countries where sex work has not been legalised. Indeed, any group of informal workers could benefit from the provisions of R204. However this is only likely to occur where they organise collectively to make demands from below about implementation of particular provisions.

Four pillars of decent work

Apart from the fact that in all ILO instruments in general the term “worker” includes workers in the informal economy, R204 is based on the foundation of the 2002 ILO Conclusions on decent work and the informal economy⁹. It therefore recognises that decent work deficits are most pronounced in the informal economy, and is grounded in a rights-based approach, including freedom of association and collective bargaining – as opposed to another approach often encountered in the ILO of focusing on governance and productivity problems in the informal economy — and that in such interpretations the workers in the informal economy are implicitly regarded as the authors of their own

misfortune and decent work deficits, a rather negative angle which is fortunately not pursued in R204.

Realising fundamental principles and rights at work

This Decent Work pillar is strongly promoted throughout all the Sections of R204. Guiding Principles (Section II)¹⁰ – (f) covers “the fulfilment of decent work through respect for the fundamental principles and rights at work, in law and practice”, and further in the same section, (i) covers especially vulnerable categories including “women, young people, migrants, older people, indigenous and tribal peoples, persons living with HIV or affected by HIV or Aids, persons with disabilities, domestic workers and subsistence farmers”.

Legal and Policy Frameworks (Section III)¹¹ recognises the need for member states to “adopt, review and enforce national laws and regulations or other measures to ensure appropriate coverage and protection of all categories of workers and economic units”. This section goes on in Clause 11 to detail a comprehensive list of elements for such an integrated policy framework, including legislative and regulatory frameworks, fundamental principles and rights at work, elimination of discrimination, access to social protection and participation in social dialogue, access to skills development, access to services such as markets, business and financial services, local development strategies, income security and effective access to justice. Clause 13 further mentions the provision of means to formalise property rights and access to land.

Employment Policies (Section IV)¹² promotes the implementation of a comprehensive employment policy framework including (e) “labour migration policies that take into account labour market needs and promote decent work and the rights of migrant workers”.

Rights and Social Protection (Section V)¹³ is entirely devoted to the

fundamental principles and rights at work, occupational health and safety and social protection for the workers in the informal economy and their families.

Incentives, compliance and enforcement (Section VI)¹⁴ has been framed in an attempt to avoid enforcement measures which penalise the workers for their lack of formality. So there is a focus on “reduc(ing) where appropriate, the barriers to the transition to the formal economy and take measures to promote anti-corruption and good governance” (Clause 23). Clause 27 specifies that labour inspection coverage should be extended “to all workplaces in the informal economy ... to protect workers”. Clause 28 urges Member States to provide “assistance in complying with the relevant laws and regulations, and capacity building for relevant actors”. It will really remain to be seen whether these provisions in R204 will be able to mitigate the harmful implementation of the more traditional provision that “civil or penal sanctions provided for by national laws for non-compliance are adequate and strictly enforced” (Clause 30).

Freedom of association, social dialogue and role of employers’ and workers’ organisations (Section VII)¹⁵ addresses the rights in principle of workers and employers to freedom of association, to organise and to bargain collectively – without qualification – in Clauses 31 and 32. However, this right is limited “according to national practice” in Clause 34 dealing with “designing, implementing and evaluating policies and programmes of relevance to the informal economy”, and again in Clauses 38 and 39 in Section IX (Implementation)¹⁶.

In South Africa, for example, our Labour Relations Act only recognises trade unions if they represent “employees” and therefore the right of such trade unions to participate in collective bargaining. In practice, this excludes new forms of unions representing own-account workers or any other workers who are not employees.

Creating greater and better employment and income opportunities

This decent work pillar is comprehensively dealt with in Section IV (Employment Policies)¹⁷ and the enabling environment which would make this possible in Section III (Legal and Policy Frameworks)¹⁸. There is plenty of material in these two sections to guide Member States in starting their transitions from the informal to the formal economy in the interests of workers in the informal economy. These two sections are underpinned by Clause 1(b) & (c) in Section I (Objectives and Scope)¹⁹ which establish the basis for promotion of decent jobs in the informal economy and prevention of the informalisation of formal jobs.

Extending social protection

This decent work pillar is comprehensively dealt with in Clauses 17 – 21 of Section V (Rights and Social Protection)²⁰ and reinforces ILO Recommendation 202 on Social Protection Floors²¹. The following elements of social protection are specifically mentioned: extending occupational safety and health protection, extending social security and minimum wages, national social protection floors paying “particular attention to the needs and circumstances of those in the informal economy and their families”, extending social insurance coverage and making it more accessible, extending maternity protection and access to affordable quality childcare.

Promoting social dialogue & collective bargaining

This decent work pillar is unambiguously recognised in a general Clause 16(a)²² which commits to respect, promote and realise “freedom of association and the effective recognition of the right to collective bargaining”.

At the same time, this is the most divisive decent work pillar between organised workers in the formal economy who already have

access to direct representation in collective bargaining, and workers in the informal economy who are still fighting for this right, with the battle-cry “Nothing For Us Without Us!!” As a result, the implementation of this right is a challenge. There is tangible reluctance on the part of many traditional trade unionists to support the right of workers in the informal economy to participate directly in collective bargaining. This is exacerbated by unimaginative and limited but widely-held definitions of collective bargaining as necessarily having to take place between employers and employees. In South Africa, as mentioned above, the Labour Relations Act explicitly reinforces this narrow definition of collective bargaining.

In the ILO’s 2002 conclusions concerning decent work and the informal economy²³ this issue was dealt with as follows in Clause 34: “Trade unions can sensitise workers in the informal economy to the importance of having collective representation through education and outreach programmes. They can also make efforts to include workers in the informal economy in collective agreements.”

In ILO Convention 189 on Domestic Work²⁴, Article 14 Clause 2 directs that implementation of measures should be done “in consultation with the most representative organisations of employers and workers and, where they exist, with organisations representative of domestic workers and those representative of employers of domestic workers”. This broke new ground by being more inclusive than previous ILO instruments, but the right to be consulted falls significantly short of the right to negotiate or bargain collectively – a concept which, when applied to workers who are not permanent employees, unfortunately remains somewhat alien for ILO instruments.

Moreover, this ground has not been extensively tested – as there is still very little systematic collective bargaining of any kind in the domestic workers’ sector.

In ILO Recommendation 202 on Social Protection Floors²⁵, Clause 13(1) says implementation should be “based on national consultations through effective social dialogue and social participation”, and Clause 19 says that monitoring should be done by “appropriate nationally defined mechanisms, including tripartite participation with representative organisations of employers and workers, as well as consultation with other relevant and representative organisations of persons concerned”. Despite a strenuous struggle for the right to direct representation by workers in the informal economy, this was the final compromise. The rub is that “representative organisations of (employers and) workers” commonly exclude representative organisations of workers in the informal economy in national law and practice.

It is clear that the right of workers in the informal economy to direct representation in appropriate forms of collective bargaining in relation to their employment relationships is one of the most important key elements in a meaningful formalisation process. Members of the Wiego network fought at the ILC for the following three elements to all be reflected in R204:

- Inclusion of representative membership-based organisations of workers and economic units in the informal economy;
- Negotiations and not merely consultations;
- Different levels of negotiations including tripartite mechanisms.
- However, we did not achieve this. The wording (in clauses 6, 34, 38 and 38) is full/active “participation of the most representative employers’ and workers’ organisations, which should include in their ranks, according to national practice, representatives of membership-based representative organisations of workers and economic units in the informal economy”.

This is a right unlikely to be won in the hallowed halls of the ILC. It will have to be appropriated by well-organised workers in the infor-

mal economy claiming it in as many countries as possible from below, following the example of organised workers in the formal economy who had to fight for this right in the streets from the 19th century onwards.

Use of public space

There was some confusion in the text of the conclusions reached at the end of the 103rd session of the ILC in 2014, in which regulated access to public space and natural resources were lumped together in an undifferentiated clause. This would have had the effect of limiting access of informal traders to public spaces, which is a universal democratic right. Regulated access to natural resources, on the other hand, is quite acceptable, as (i) most relevant natural resources need to be renewed (e.g. fish, traditional medicines and herbs, non-timber forest products, etc.) and therefore access to these needs to be regulated in order to ensure their conservation and renewal – or (ii) natural mineral resources which need to be regulated as part of the sovereign assets of the country in which they are located.

During the 104th session of the ILC in 2015, these two concepts were re-discussed and disaggregated, and the concept of the regulated use of public space (as opposed to regulated access to public space) was introduced. This is an important new element, not previously found in ILO instruments, specifically recognising public space as the workplace of many workers in the informal economy and the need to regulate its use as a workplace.

This needs to be taken up as an organising opportunity at local government level. In many Latin American countries, most municipalities have a department of Public Space (Espacio Publico) indicating some official appreciation of the strategic importance of this issue. Organised workers in the informal economy, supported by activists on the

ground, have already approached many municipalities in South Africa to negotiate with them around spatial regulation. At a decentralised level, there have been mixed results so far, and good results have not always been able to be sustained. However, this clause of R204 could be a useful tool in campaigns for the establishment of collective negotiations forums at local level to engage on continuous basis on the use of public space.

Roles and responsibilities of different levels of government

In Section III (Legal and Policy Frameworks)²⁶ there are two clauses which very generally mention the need to take into account and coordinate different levels of government:

Clause 10: “Members should ensure that an integrated policy framework to facilitate the transition to the formal economy is included in national development strategies and budgets, taking into account, where appropriate, the role of different levels of government.”

Clause 12: “Members should ensure coordination across different levels of government and cooperation between the relevant bodies and authorities, such as tax authorities, social security institutions, labour inspectorates, customs authorities, migration bodies and employment services, among others, depending on national circumstances.

This is a rather weak part of R204. A specific mention of the role and responsibility of local government in this instance is needed to help the social partners (organised labour, organised business and national government) get local governments to move away from their normal attitude that decent work is not their responsibility but that of national and state government departments, noting that the self-employed in informal enterprises are particularly impacted by the policies, plans and practices of local government.

There is nothing to stop us in South Africa being more proactive

about this, establishing innovative best practices. We could proactively campaign to develop inclusive governance systems, including regular collective negotiations (e.g. monthly meetings) with organised street vendors and taxi drivers about spatial regulation, with organised waste pickers about solid waste management, etc. We could also institute meaningful and transparent participatory budgeting to ensure that decisions taken in such negotiations are appropriately budgeted for.

Universal problem of implementation

Overall, R204 broke important new ground. This is a victory for workers in the informal economy, and pressure should be mounted on Member States to implement it.

However, the text of R204 alone cannot solve the conceptual problems which sustain the status quo for lack of political will to develop bold new legal or policy directions. The technical stonewall preventing ILO instruments from specifying the specific role and responsibility of local government means that this will have to be done by organised groups of informal workers pushing the boundaries in the course of striving to achieve their collective demands for the kind of formalisation they want. One of the bottom-up ways in which we as Communists can promote inclusive, clean and effective governance, would be to offer to work in partnership with organised workers in the informal economy on their campaigns for the kind of formalisation they want at local government level.²⁷

Similarly, the structural difficulties of revamping the established tripartite structures in most countries to make them more relevant to those (in many cases very substantial) sections of the labour market which they do not represent, will continue to reproduce resistance on the part of those already inside the system to the changes which are necessary – even though paradoxically, it is precisely this failure to

adapt these structures to be more representative of the entire labour market, which is the greatest threat to the effectiveness, relevance and ultimately long-term survival of these tripartite institutions. In South Africa too, the National Economic, Development and Labour Council (Nedlac) faces challenges of limited coverage of the labour market and also business sector, even though the system is “tripartite-plus” which includes the Community Constituency. The reality is that the participation of the Community Constituency is limited to certain Nedlac structures, and a more than 15-year struggle for participation on equal terms with other Social Partners remains unresolved.²⁸

The strong rights-based approach of R204 does however make it a useful tool for initiating favourable formalisation processes. But there are certain areas where organised informal workers need to strive from below for results beyond what is contained in the Recommendation, not relying on the political will of the ILO’s Member States or their social partners – but using their own collectively organised bottom-up approaches to “convince” recalcitrant authorities.

The two most obvious such areas are the continued struggle for direct participation in collective negotiations and collective bargaining, as well as pressurising local governments to play a leading role in implementation of the provisions of the transitions from the informal to the formal economy.

In relation to another important area, social protection, the approach of R204 is to extend existing provisions – rather than conceptualising and provisioning new forms which are particularly crucial to workers in informal economy, such as food security and provision of quality public services. In this regard, there is no reason why organised groups of informal workers should not demand that their governments reconceptualise⁷ the form of social protection to be instituted as part of the transitions from the informal to the formal economy.

Monitoring implementation in SADC from below

In May 2015 the Southern Africa Trade Union Coordination Council and StreetNet International convened a seminar for affiliates to prepare jointly for the ILC session in Geneva in June 2015. The seminar provided a platform to form common positions and working class solidarity between workers in the formal and informal economy with regard to the new recommendation, which was to be the framework within which to work for the protection and promotion of the rights of workers in the informal economy, who constitute 70% of the workforce in the SADC region. It was noted that there are continued decent work deficits in informal economy in SADC region, and lack of inclusive development. To put an end to this, workers in the informal economy were demanding the immediate de-criminalisation of informal economy work. One of the leaders remarked: “We do not break the law – the law breaks us!!”

Follow-up workshops were convened in Lusaka and Manzini in July and August 2016, where workers and informal cross-border traders from Lesotho, Malawi, Mozambique, South Africa, Swaziland, Zambia and Zimbabwe met and analysed progress made in implementation of ILO R204 in the SADC region.

SADC countries identified as making most positive progress in implementation of R204 were Malawi, Mozambique and Zambia, because:

- In Malawi, the Malawi Union for the Informal Sector (MUFIS, affiliated to Malawi Congress of Trade Unions) had officially become directly involved in the tripartite system of national negotiations.
- In Mozambique, the following government agencies were engaging directly with the Associação da Economia Informal do Mozambique(AIEMO), affiliated to Organização dos Trabalhadores doMozambique (OTM), INSS institute of social security, BAO (the business registration authority), customs & excise authorities, municipal councils. Customs authorities were working with AIEMO

through MoUs (Memoranda of Understanding) at each border post, and municipal councils were working with AIEMO through memorandums of understanding in each city.

- In Zambia, the government was working with a technical committee of informal economy organisations and trade unions on the implementation of R204. The Alliance of Zambian Informal Economy Associations (AZIEA, associate member of ZCTU) became directly included in the tripartite system of national negotiations, and the Social Protection Bill was extended to include workers in the informal economy.

Participants from Lesotho, South Africa & Swaziland reported government unilateralism and continuing & persistent tendencies to make decisions about them in their absence.

In Zimbabwe, the government used R204 as a tool to find new ways of making money out of workers in the informal economy. The most vicious of these was the notorious ordinance SI64 prohibiting essential imports by cross-border traders. Participants called on the SADC Heads of Government to instruct the Zimbabwean Government to immediately scrap SI64.

The key difference between the positive examples cited from Malawi, Mozambique and Zambia is the involvement of organised workers in the informal economy in processes of implementation, versus the unilateralism of the other SADC governments. All organised workers in the informal economy insisted – Nothing For Us Without Us!!

Workshop participants further called for the simplification of informal cross-border trade in SADC and to put the STR (Simplified Trade Regime) in place by means of bilateral negotiations between more countries, in the interests of the livelihoods of the poorest informal cross-border traders, most of whom are women. The SADC Secretariat was directed to get to work as soon as possible to get these programmes started.

National implementation in South Africa

In South Africa, the Department of Labour (DoL)³⁰ had convened a meeting of the social partners in Durban on their return from the ILC as early as June 2015 to discuss the implementation of R204 – and invited representatives from national, KwaZulu-Natal provincial and eThekweni local government, as well as Cosatu (Congress of South African Trade Unions) and BUSA (Business Unity South Africa) – but omitted to invite the Nedlac (National Economic, Development & Labour Council) Community Constituency or any known organisation of workers or economic units in the informal economy. At that meeting, to add insult to injury, a task team was set up which did not include representatives specifically of workers or economic units in the informal economy. For two years, this task team made no progress whatsoever. To their credit, in 2017 the DoL (the lead government department in dealings with ILO) acknowledged “having dropped the ball”.

What followed has been a salutary lesson in recognising mistakes and working hard to turn things around – this time with the active involvement of the Nedlac Community Constituency and organised workers in the informal economy.

In the Nedlac-based Steering Committee of the ILO’s decent work Country Programme, the Community Constituency used this space to push for a focus on the implementation of R204. This was supported by organised labour, and the decent work Country Programme Steering Committee agreed on the need for an additional outcome on implementation of R204 to be integrated into the deliverables of the Decent Work Country Programme.

In 2017 this led to a series of bilaterals between the Community Constituency and the ILO’s Pretoria office, where ILO agreed to sponsor a national tripartite-plus workshop on implementation of ILO R204, which took place in May 2017, this time with the Community Constit-

uency playing a leading role. A national and a local government implementation programme were both adopted at the workshop, based on draft implementation plans submitted by the Community Constituency. The Community Constituency was invited to join the R204 national task team (NTT) which had been established in 2015 but subsequently been inactive.

Two Community Constituency representatives were appointed onto the R204 NTT, of which there is an extended version which is convened less frequently, to which all provinces are invited as part of government's delegation, all Nedlac-recognised trade union federations, and including five additional Community Constituency reps representing the following sectors of informal work: street vendors & informal traders; waste pickers & recyclers; taxi drivers, conductors & washers; subsistence fishing sector; and home-based workers including care work.

This breathed new life into the R204 NTT, which has been meeting regularly on quarterly basis ever since 1 July 2017, and was tasked with overseeing the following national programme activities:

- Intergovernmental coordination by DoL31 (both national Ministries as well as different levels – local and provincial);
- Programme of legal reform;
- National Dialogue on informal economy & Future of Work (took place 26 – 28 March 2018 in Durban) for the development of an R204 implementation Roadmap. This Roadmap has been developed accordingly and consists of comprehensive measures grouped under the following 5 strategic pillars:
 - Building enabling regulatory and policy environment for supporting transition from the informal to the formal economy;
 - Strengthening the participation of workers and economic units in the transition from the informal to the formal economy;
 - Strengthening the capacity of national, provincial and local

government to adequately provide mechanisms for compliance measures, with incentives;

- Measuring informality: A necessary tool to monitor the implementation of the strategy on formalisation;
- Coordination of Processes towards development of Roadmap for implementation and monitoring of the transition from the informal to formal economy;
- Production of user-friendly materials on R204 for awareness-raising of all involved parties, starting with the ILO R204 itself.

At the November-December 2018 meeting of the R204 NTT it was agreed to establish a legal reform technical sub-committee to start work on legal reforms required to align South African laws (including municipal bylaws) with ILO R204, reporting to the R204 NTT which in turn reports to the Decent Work Country Programme Steering Committee.

How have we been implementing national and local-level formalisation from below?

- Organised workers in the informal economy, working with Wiego's Organisation & Representation Programme, managed to raise some resources for the following awareness-raising and support work, with a focus on organisations of workers in the informal economy;
- National workshop on R204 for representatives of informal traders, waste pickers, home-based workers including community health workers, taxi drivers, subsistence fisherpeople – held in Durban in October 2018. At this workshop the Roadmap developed by R204 NTT was studied by participants and priorities were identified for implementation. This was then presented to the extended R204 NTT meeting in November 2018;
- Johannesburg City workshop on R204 attended by informal

traders, waste pickers and (Department of Economic Development (DED) City officials –in February 2019, organised by the Johannesburg Informal Traders’ Platform and the African Reclaimers’ Organisation directly with DED Johannesburg. Preparations were made for a highly-informed participation in a special integrated development plan on the informal economy convened by the municipality on 5 March 2019;

- Eastern Cape Provincial workshop on R204 attended by representatives of informal traders, waste pickers, subsistence fisherpeople, Eastern Cape Department of Economic Development, Environmental Affairs & Tourism in East London on 4 – 6 March 2019;
- Limpopo Provincial workshop on R204 attended by representatives of informal traders, taxi drivers, community home-based care workers, Cosatu, SATAWU (South African Transport & Allied Workers’ Union), Mokgalakwena municipality, provincial Limpopo Economic Development, Environment & Tourism, and Cooperative Governance, Human Settlement & Traditional Affairs officials – held in Mokopane on 18-20 March 2019;
- Bilateral meeting with the Department of Cooperative Governance and the South African Local Government Association (Salga) –in Pretoria on 16 May 2019 with a delegation of representatives of informal traders, waste pickers, home-based workers including community health workers, taxi drivers, subsistence fisher people. DOCG had taken responsibility for this meeting at the request of former Minister Zweli Mkhize, after meeting community constituency representative at the Presidential Jobs Summit who raised issues of lack of coordination between local and national government in relation to the framework agreement with the Department of Environmental Affairs (DEA) on Integration of Waste Pickers in Solid Waste Management Policy;

- Negotiations skills training for Tshwane waste pickers as part of Wiego's waste integration project (focused on Tshwane, Joburg and Sasolburg) –in August 2019 in preparation for engagement with Tshwane Municipality officials and DEA in September. This has resulted in the Tshwane municipality committing to regular monthly meetings with elected representatives of the waste pickers in accordance with agreed Terms of Reference.

Wiego funded the attendance of the two Community Constituency representatives from Cape Town and Sasolburg at the extended R204 NTT in Durban on 30 November 2018, to enable a full attendance by the relevant Community Constituency representatives.

Wiego has been working in partnership with Salga in particular cities on development of inclusive urban policies, and now Community Constituency and Salga are starting to work on the establishment of collective negotiations forums at local government level.

Admin challenges and sticking-points

After correcting the initial errors of non-inclusion of the Community Constituency and getting the full cooperation of the tripartite-plus social partners in the R204 NTT, new bureaucratic challenges emerged:

- The Legal Reform Sub-Committee has been held back by coordination failure. It has now been agreed to make a formal request to the Ministry of Justice to authorise somebody from the SALRC (SA Law Reform Commission) to coordinate the work of the Legal Reform Sub-Committee, in accordance with the Concept Note and Terms of Reference which were adopted by the R204 NTT and Decent Work Country Programme Steering Committee;
- Lack of secretarial capacity after ILO was no longer able to deliver this – however, institutional confusion about the status of the R204 NTT meant that our requests for assistance from the Nedlac Secre-

tariat were not directly responded to;

- Confusion in Nedlac Secretariat about the status of the R204 NTT, regarding it as “not part of their work programme”. The Decent Work Country Programme Steering Committee reconfirmed that the R204 NTT is a sub-committee of the Steering Committee and the Executive Director and relevant Nedlac structures have been asked to rectify this matter;
- Insufficient budget for participation in meetings – the above-mentioned confusion seems to have resulted in debates about how the meetings of the R204 are to be financed. Community Constituency representatives have had to attend a number of meetings at own expense in order not to let this obstacle get in the way of the work being done, but it has also resulted in diminished attendance by Community Constituency, especially at some of the meetings of the extended R204 NTT.

Lurking potential areas of disagreement

After dealing with the administrative sticking-points, we can probably anticipate some more substantive tensions between the social partners to emerge as we get more immersed in the implementation work, such as:

- Differences in the interests of workers in the informal economy versus economic units³² in the informal economy;
- Turf squabbles between different tiers of government and/or different government departments;
- Applicability of agreed transitions to formality to migrant workers and economic units in the informal economy.

What formalisation should not mean

- Organised workers in the informal economy, in their preparation

from 2013 – 2015 of inputs for R204, identified the following as “the formalisation we do not want”:

- costly registration and tax requirements without the rights, benefits or protections that should accompany formalisation;
- taxation or registration of informal enterprises without benefits, including:
 - a flat taxation system where own-account workers pay the same taxes as big businesses;
 - an obligation to register with different departments in cumbersome procedures;
 - unilateral decisions made by authorities, especially to impose:
 - unrealistic educational requirements for informal workers
 - unrealistic legal requirements for informal workers
 - preconditions that are difficult to meet
 - costly requirements that are unaffordable for most informal workers;
 - formalisation which criminalises/persecutes those who cannot achieve prescribed levels;
 - discrimination against women, foreign nationals, people with disabilities, etc.;
 - fiscal and taxation schemes which privatise public goods;
 - registration of own-account workers as individual entrepreneurs which denies access to collective workers’ rights;
 - formalisation which creates a “closed shop” system with a new elite “in-group” collaborating with authorities to keep out “outsiders” trying to claim/defend their rights;
 - generation of new exclusions, problems and costs;
 - preferential recognition of yellow unions in the informal economy;
 - abuse of child labour;

- promotion of pseudo-cooperatives.

Drawing the organising, mobilising and campaigning questions together, what could the SACP do to support this area of transformation?

It seems there are two distinct potential roles for SACP:

The SACP could become a supportive role player in formalisation from below through community-based activism in support of organised workers and economic units in the informal economy.

This should necessarily start with information-sharing, as this article should have shown that there is a lot which needs to be known and understood by SACP activists to be able to mobilise and campaign in an informed manner, in furtherance of struggles which have already taken place and developed the situation to where it is now;

SACP activists should be introduced to the organisations of informal workers in their areas, with a view to developing working partnerships around these issues. This has already happened in some localities;

Implementation of R204 could be a really great key focus area of a Red October campaign on local government.

Communist Ministers, MECs, mayors, MMCs and government officials can also take the lead in adopting the mindset for the kinds of changes which are needed for the rights-based formalisation processes enshrined in R204; implementing these changes in participatory processes with organised workers and economic units in the informal economy; and using their influence with other government colleagues to follow suit. ●

Cde Horn is a member of the SACP Central Committee, community constituency representative on the R204 national task team and senior adviser to StreetNet International

Endnotes

1 Wiego (2018) Concept Note on Legal Reforms required to align South African laws with ILO Recommendation 204, p.3 – 7 "Defining the Informal Economy and Informal Workers"

2 P. Horn (2014) *Practical guide: transitioning from the informal to the formal economy in the interests of workers in the informal economy*, unpublished working paper for Wiego

3 E Webster & K Forrest (2019) "Precarious Work: Experimenting with new forms of representation: South African labour responds" in International Journal of Labour Research Volume 9, Issue 1-2, p. 53 – 59

4 StreetNet International, International Domestic Workers' Federation, Asian regional networks of home-based workers, Latin American regional network of waste pickers REDLACRE, ITF (informal transport workers), etc.

5 The analysis of ILO Recommendation 204 which follows was developed by the author for WIEGO in 2015.

6 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R204

7 Ibid

8 Ibid

9 <https://www.ilo.org/public/english/standards/relm/ilc/ilc90/pdf/pr-25res.pdf>

10 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R204

11 Ibid.

12 Ibid.

13 Ibid.

14 Ibid.

15 Ibid.

16 Ibid.

17 Ibid.

18 Ibid.

19 Ibid.

20 Ibid.

21 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100::NO:12100:P12100_ILO_CODE:R202:NO

22 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R204

23 <https://www.ilo.org/public/english/standards/relm/ilc/ilc90/pdf/pr-25res.pdf>, p.25/59

24 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100::NO:12100:P12100_ILO_CODE:C189:NO

25 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100::NO:12100:P12100_ILO_CODE:R202:NO

26 https://www.ilo.org/dyn/normlex/en/f?p=NORMLEXPUB:12100:0::NO::P12100_ILO_CODE:R204

27 In July 2016, the SA Informal Traders' Alliance held marches in Cape Town, Durban, Ermelo, Mthatha, Port Elizabeth and Polokwane for "The City We Want". In Cape Town, SACP and Cosatu Western Cape joined in and supported.

28 This is a very long story, well documented, which should maybe be the subject of a full study and write-up.

29 As an example of an alternative approach, Sewa in India conceptualises social protection for workers in the informal economy as a package of securities for lifelong protection – work security, income security, food security, housing, education, health security, etc.

See National Insurance Vimo Sewa Cooperative at <http://www.sewainsurance.org/>

30 After the national elections in 2019 DoL became DEL (Department of Employment & Labour)

31 Now DEL, which coordinates at national level. However, DEL does not have the institutional capacity to coordinate the provincial and local government entities – and to this end, the Department of Cooperative Governance (DOCG) of Cogta has been engaged to do this with support of Salga.

32 The term "economic units" was eventually adopted in R204 instead of "enterprises" which was favoured by the employers, because of the fact that the economic units in the informal economy includes cooperatives and solidarity economy entities as well as SMMEs and other enterprises.

COOPERATIVES

Aiding the status quo or a stepping-stone to socialism?

Sonwabile Ngxiza analyses the historical theory and practice of cooperatives and asks whether they could point the way to a socialist South Africa

Ahead of the 2014 National general election there were loud whispers that a department of cooperatives would be established as part of reconfiguration of the macro structure of the state. The main purpose of this idea, presumably, was to end the economic prejudice and continued exclusion of the majority from the productive economic participation. In fact, the then Secretary General of the ruling African National Congress, Cde Gwede Mantashe, expressed such a consideration while on a campaign trail in Pietermaritzburg, KwaZulu Natal. For some, such a move would present an opportunity for the economic inclusion of the vast majority; while for others it would constitute a platform for anti-capitalist emancipatory alternative similar to the efforts of the Venezuelan Ministry of Popular Economy, which saw a surge in cooperatives reaching more than 100 000 enterprises and representing more than a million members by 2006. Instead of a ministry of cooperatives, a Department of Small Business Development was announced, a decision predicated on the idea that the backbone of developing economies is the growth of small and medium enterprises. However, the debate about establishment of a department of cooperatives continues among organisations representing cooperatives.

But why cooperatives? What is their strategic value? And do cooperatives constitute a building block towards a socialist oriented future? What are the key ingredients needed to build and sustain a progressive cooperative movement?

Any treatment of these questions requires deeper, more incisive analysis both on a substantive theoretical basis and as empirical evidence to present an alternative to the dominant capitalist system, which condemns the majority to exploitative working conditions, unemployment, poverty, and insecurity, and thereby excluding the working class from productive economic participation and ownership.

Before dissecting the strategic value of cooperatives it is critically important to understand what is meant by them. A broadly accepted definition advocated by the International Cooperative Alliance sees cooperatives as an “autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly owned and democratically-controlled enterprise”¹. By its very nature a cooperative infuses core principles of human solidarity, hence its values of self-help, equity, equality, democracy and co-production constitute the very edifice of such an enterprise. These enduring values and principles that form the foundation of a cooperative identity have been developed and entrenched globally over time.

International footprint of cooperatives

Existing historical antecedents provide useful lessons on cooperative development. The first cooperative experiment to attract the attention of thinkers was the Rochdale Society of Equitable Pioneers, established in 1844 in response to the vagaries of the industrial revolution in England. Dissatisfied and frustrated by the new industrial order, labourers, craftsmen and consumers “discovered in the cooperative a means to

exercise greater collective control over production and consumption.”² Cooperatives became the mainstay of English towns to such an extent that in 1864 Marx, while critical of their inherent limitations, recognised: “The value of these great social experiments cannot be overrated. By deed, instead of by argument, they have shown that production on a large scale, and in accord with the behests of modern science, may be carried on without the existence of a class of masters employing a class of hands.” For Marxists, the cooperative experiment represents the capacity of forging a mode of production of associated labour which is qualitatively different to the exploitative capitalist mode of production. Cooperatives hold the capacity to fundamentally transform production relations by inverting power relations between labour and capital, thus providing workers with power to direct and supervise production and further supplant the dichotomy “between those who think and those who do.”³

The resurgence of the cooperative form of production has generated renewed interest in academia and among practitioners and policy makers the world over. In this resurgence, the cooperatives movement assumes different labels based on various continental traditions, for instance, in Europe its known as social economy, in North America its regarded as the third sector, while in Latin America it’s called solidarity economy, whereas in Asia and Africa its generally referred to as cooperative economy. However, more recently in South Africa, the Cooperative and Policy Alternative Centre advocates the notion of the solidarity economy for its “anti-capitalist emancipatory practice and discourse.”⁴ Perhaps it is important to point out the emerging, more integrative trend that merges both social and solidarity dimensions into what is referred to as social and solidarity economy.

A preview of the efficacy of cooperatives as a means of an economic emancipation shows incredible successes on an industrial scale. These

include most notably the Mondragon cooperatives in the Basque region of Spain as well as a group in Emilia Romagna region in Italy where cooperatives produce a third of the Growth Domestic Production. In Latin America there are several cases of worker recuperated factories in Argentina, Brazil and Venezuela. Kenya, and the African continent is renowned for successful savings and credit cooperatives as well as agricultural cooperatives handling an estimated “72% of coffee sales, 95% of cotton sales and 76% of dairy produce sales.”⁵ South Africa too has a remarkable heritage of savings and burial societies, but at present cooperatives are relatively small and their economic contribution negligible.

Cooperatives in South Africa, past and present

South African cooperatives have a divided past. On one hand, cooperatives were formed as a defence against the vagaries of apartheid capitalism and as part of the broad political struggle; on the other hand, the apartheid regime established cooperatives to resolve the ‘poor white problem’. With reference to the former, during the protracted anti-apartheid struggle, political activists, churches and trade unions established cooperatives. Notably, Dora Tamana formed a women’s sewing cooperative and childcare facilities in the 1940s and 1950s, while the National Union of Mineworkers formed cooperatives comprising of re-trenched workers and further embarked on forging ‘rescue cooperatives’ in 1989 under the slogan *Zenzeleni Basebenzi* (“Do it yourselves, workers”). These initiatives were neither recognised nor supported by the government of the day, whereas apartheid sponsored cooperatives had a vastly different experience in that their success was underpinned by enabling legislative and regulatory mechanisms. These interventions were targeted at resolving the so-called poor white problem or ‘poor whiteism’. Successive colonial and apartheid regimes contrived

to ensure white cooperatives would thrive, including by the establishment of the Land and Agriculture Bank in 1912 for dispensing low interest loans; the promulgation of the Marketing Act of 1937 and 1968 for supplying inputs and creating markets for the outputs through export monopolies, pool schemes, and single-channel schemes; and the Cooperatives Societies Acts of 1922 and 1939. Cooperatives thus had regional monopoly power as they represented white farmers on the marketing boards, as Rena argues.⁶

With these measures firmly in place, there was a proliferation of agricultural cooperatives and by 1960 there were 314 such entities and relatedly service cooperatives also increased remarkably from seven in 1933 to 46 in 1960.⁷ Through state control boards, numerous monopolistic cooperatives were formed including the Northern Transvaal Cooperative, Eastern Transvaal Cooperative (OTK), Sentraalwes Cooperative to mention just a few. These cooperatives enjoyed generous advantages through subsidies and monopolistic market control through the marketing boards which were essentially dedicated to promoting prosperity of such enterprises. Bernstein (1996) points out that, “OTK and Sentraalwes, both summer grain cooperatives, are by far the two biggest cooperatives in South Africa in assets and turnover.”⁸ OTK enjoyed a total turnover of R2,37-billion in 1993. Cooperatives did not just grow numerically, enjoying handsome profits, but they also wielded enormous political influence. Cooperatives, according to van Onselen, quoted in Bernstein, “were among the most powerful institutions underwriting racial domination in the South African countryside.” This enormous power manifested in, and was exercised through, agricultural regulation. For instance, “Summer grain cooperatives handled the bulk of the crop for the Maize Board and built a near monopoly of the infrastructure of grain handling, silos, and their transport connections. The rapid growth of their economic power under the umbrella of the

Marketing Act was resented by corporate capital...Interestingly, while cooperatives were bolstered and became an integral part of the nexus between marketing boards and cooperatives power constellations, they were all invariably permeated by 'National Party (Broederbond) membership and patronage'⁹".

But the apartheid government did not focus exclusively on agriculture and services cooperatives' promotion. They also explored cooperatives formation in other sectors of the economy as well. In the Western Cape, for instance, the regime invested handsomely in the development of fishing cooperatives through the Fisheries Development Corporation (Viskor). Viskor prioritised development of infrastructure and provided incentives, subsidies and marketing schemes for fish products for the benefit of Afrikaner capital accumulation. It also ensured integration of fish production within the food value chain by providing supply chains to meet the demand for affordable fish in the farming and mining sectors.

Virtually all these cooperatives in both agriculture and fishing sectors and related service cooperatives embarked on calculated concentration and conversion processes as a manoeuvre on the eve of the collapse of the apartheid regime thus appropriating for private accumulation interests, wealth that was built through public resources. This manoeuvre was made possible and legitimised by the amendment of the Cooperatives legislation in 1993 during the height of negotiations. These amendments allowed cooperatives to convert into companies or closed corporations. Largescale conversions or privatisation of cooperatives including listing in stock exchanges ensued and therefore industrial size cooperatives diminished.

The post-apartheid government had to contend with this reality and fashion a new generation cooperatives for the present reality that requires profound socio-economic transformation. Successive demo-

cratic governments articulated commitments to the promotion of co-operatives as a means to lift the poor majority from poverty and ensure broad economic inclusion. However, it was not until 2005 that an act of Parliament was promulgated to develop and promote cooperatives with the Cooperatives Development Act, followed by the Cooperatives Bank Act of 2007. There is a grave need for low interest loans for the cooperatives sector to develop, “Yet 10 years after the Cooperative Banks Act was passed, there are only two registered cooperative banks in the whole of South Africa, Ditsobotla Cooperative Bank in Lichtenburg, North West and the OSK Koöperatiewe Bank in, of all places, the whites-only Orania,” notes Moira Levy.¹⁰

In general, cooperatives tend to be confined to peripheral sub-sectors due to massive barriers in mainstream sectors, lack systematic material and financial as well as technical support, and ultimately suffer a dearth of the culture of co-operativism. Does this reality therefore mean cooperatives are doomed to fail? The answer is a definitive no! But I will elaborate on this in the final section of this paper.

Cooperatives system and valorisation of labour

For the moment let us return to the main question of this paper which is whether cooperatives are the beachhead in the struggle for socialism? As a starting point let us consider Marx’s approach to the cooperative form of production. Many Marxist scholars have dismissed, with scientific evidence, the myth that Marx paid scant attention to cooperatives. It is therefore undeniable that Marx articulated trenchant positions on the phenomenon in various texts which Bruno Jossa usefully collated in his 2005 journal article under the title: ‘Marx, Marxism and the cooperative movement’.¹¹ An important fact to underline is contained in a passage from Engels (1895) quoted in Jossa stating that “all concepts of Marx are not doctrines but methods. They do not provide complete

doctrines but starting points for further research and methods for that research.” For Marx, the phenomenon of producer cooperatives was not an end in itself, but rather a transitional process towards a communist future, in other words, a means to an end. He considered the cooperative form as a system of production that would “abolish the opposition between labour and capital”¹² but this process, viewed dialectically, “negates as it preserves.”¹³

In essence, Marx envisaged a process of development of a new mode of production from the womb of the capitalist system which would abolish the opposition between capital and labour in a positive way. Perhaps it would be useful to cite the excerpt from Marx in full: “The co-operative factories run by workers themselves are, within the old form, the first examples of the emergence of a new form, even though they naturally reproduce in all cases, in their present organization, all the defects of the existing system, and must reproduce them. But the opposition between capital and labour is abolished there, even if at first only in the form that the workers in association become their own capitalists, i.e., they use the means of production to valorise their labour.”

The phrase “workers become their own capitalists” is often misconstrued to suggest Marx’s disapproval. On the contrary, Marx recognised that producer cooperatives provided a foundation for a new mode of production to develop which is qualitatively different from the enslaving and profit driven capitalist mode of production. Nevertheless, he continued to assert in a dialectical fashion that: “These factories show how, at a certain stage of development of the material forces of production, and of the social forms of production corresponding to them, a new mode of production develops and is formed naturally out of the old . . . Capitalist joint-stock companies as much as cooperative factories should be viewed as transition forms from the capitalist mode of production to the associated one, simply that in one case the opposi-

tion is abolished in a negative way, and in the other in a positive way.”

Importantly, Marx described joint-stock companies as a first step toward ‘the abolition of capitalist private industry’, though within the capitalist system itself.

Where conditions had superseded the capitalist system of production Marx expressed exaltation at the cooperative experience, most notably the Paris Commune, which he believed “supplied the republic with the basis of really democratic institutions” and could therefore be looked upon as “the political form, at last discovered, under which to work out the economical emancipation of labour”.¹⁴ From the foregoing it is clear that producer cooperatives hold the capacity for radical socio-economic transformation and ultimately constitute the basis for broader anti-systemic struggles to be waged more aggressively. Therefore, the democratisation of the economy is an integral part of the progressive agenda to abolish opposition between capital and labour as a way to end class exploitation. Democratic ownership and control of the means of production is the cornerstone of building a wider socialist struggle. This is the basis for the campaign for economic democracy to end the alienation of labour within the production process.

State support for cooperatives: rhetoric or reality?

Now that the historical antecedents of cooperative production as well as the legitimate struggle for economic democracy as a basis for advancing towards socialism are laid, the question of alternative modalities arises. This raises the question as to how the legitimate project of economic democracy is to manifest itself today in the concrete reality of South Africa in the context of a hegemonic capitalist system.

Before we explore concrete alternatives, it is worth noting upfront that the growth of producer cooperatives devoid of any progressive character is therefore devoid of transformative qualities as demon-

strated by apartheid era cooperatives which only served to underwrite regressive apartheid apparatus. The insidious role of apartheid era cooperatives was not inimical to colonial and apartheid capitalism, instead they only served to reinforce its machinery and so systematically underwent conversion and privatisation during the end days of apartheid. In fact, these apartheid era producer cooperatives fit Marx's characterisation later, in 1875, when he asserted that, "as far as the present co-operative societies are concerned, they are of value only insofar as they are the independent creations of workers and not protégés either of the governments or of the bourgeoisie."¹⁵ As demonstrated earlier, these apartheid era cooperatives were conceived for perverse racist accumulation purposes and thus served as extensions of government and the capitalist class in the form of South African Agricultural Union permeated by the Broederbond.

It is worth noting that Marx did not make a blanket condemnation of state involvement in the building of cooperatives, in fact, Marx and Engels concluded that the evolution and development of the cooperative movement 'fostered by national means' could even come about by peaceful means, though only after workers have acquired a majority of the seats in parliament.

From this perspective, it is clear that Marx and Engels anticipated a progressive revolutionary government with a popular mandate to play a significant role in the growth of the worker's cooperative movement. So people correctly expect a people's government to use the levers of state power to support and promote people's participation in the mainstream economy and foster true economic democracy.

In grappling with the myriad problems resulting from the crises of capitalism people turn their hopes towards cooperatives. It is on this basis that representatives of the co-operative movement seek to re-assert within the public discourse, the debate about establishment

of a department of co-operatives. The calls for the establishment of a department of cooperatives is not merely based on the creation of a department for its own sake but is premised on the understanding that such a move would be concomitantly accompanied by required capacity for progressive growth of cooperatives. The South African Communist Party has consistently championed the agenda of development of cooperatives through among others its campaigns for fundamental financial sector transformation. For more than a decade, commitments for prioritising cooperatives' growth through incentives, various packages and set-asides in public procurement have been declared in Parliament through the State of the Nation Addresses. There is a paucity of research regarding the exact execution of these commitments and, relatedly, impact thereof. This calls for a wide-ranging assessment of the state of the cooperative sector as well as the impact of interventions that seek to bolster their capacity and efficiency, not only in the commercial sense, but also on advancing social and environmental objectives. In the absence of such impact assessment, it would be easy to conclude that these commitments are mere rhetorical declarations without concrete implementation. The lack of serious assessment can safely be ascribed to an absence of ideological and practical commitment by the state.

The SACP needs to continue asserting the centrality of the co-operative movement for broader economic empowerment as part of the fight against the economic enslavement and exclusion of the working class. The Party ought to mobilise a cross-section of society, comprising progressive cooperatives' activists, academics, policy makers, progressive trade union movement to hoist the cooperative advantage and emancipatory qualities of alternative forms of economic organisation.

However, there is a drive in some circles to establish cooperatives to access tenders as outsourcing for private enterprises is being closed

down within the State-Owned Entities (SOEs). The rush to establish cooperatives to grab opportunities presented by the possible end of outsourcing to private enterprises raises several problems, especially the challenges related to the motive and logic for the establishment of the enterprise.

- Cooperatives in general pursue multiple objectives and therefore their logic is not purely profit maximisation. Thus forming cooperatives narrowly to capture tenders from SOEs would invariably fall short of realising broader objectives;
- Relatedly, there is a danger that cooperatives established for this purpose may be susceptible to being hijacked by tendencies of ‘tenderpreneurship’ and not add value to the progressive character required within the cooperative movement;
- Further, as demonstrated by the experience with apartheid era state sponsored cooperatives, tender-driven cooperatives would not manifest fundamental cooperative features, principles and values. In this respect it would be easy for cooperatives to become isomorphic with the private profit maximising enterprises they ‘seek’ to replace;
- Finally, as evidenced by apartheid era state sponsored cooperatives, profit maximisation logic would lend cooperatives into the same path of primitive accumulation without regard to ethical dimensions of cooperatives which may lead to collaboration and collusion with corrupt tendencies and practices.

Highlighting these limitations is premised on the understanding that, as shown by our historical context, cooperatives are not inherently progressive, particularly if they are devoid of a substantive revolutionary agenda. We must draw lessons from the past to ensure that the basis for the growth of cooperatives is based on a radical path rather than to supplement the capitalist accumulation path and thus obviate class struggle.

Becoming 'part of a larger vector of transformation beyond capitalism'

The primary task, therefore, is to harness the organic development of cooperatives within an enabling legislative and institutional framework. The organic growth of cooperatives aided and 'fostered by national means' must be embedded within a broader struggle for building counter-hegemonic alternatives to the exist capitalist system. Emphasis should be placed on the development of organic producer cooperatives that adhere to the fundamental principles of autonomy, democratic control, concern for the community and the environment with embedded values of equality, equity and solidarity. These values are underpinned by a commitment to distributive justice in terms of the economic surplus.

It is clear that the development of cooperatives would not succeed if pursued in isolation from wider progressive struggles that would ostensibly safeguard them from co-option. Hence it is critically important that cooperatives must form part of a larger vector of transformation moving beyond capitalism. An integrative platform welding cooperatives struggle can be forged with the emerging commons struggle as well as broader struggles for economic justice. This therefore requires, firstly, building cooperatives and scaling cooperatives' inventive economic activities. Equally important is ensuring cooperation between them. In other words, a network of cooperatives must be forged to ensure vertical linkages. Building synergies among cooperatives is important to ensure that they are not dwarfed by monopolistic and parasitic capitalist enterprises. An enabling environment for different cooperatives to thrive requires access to finance, structural transformation, education and training, removing barriers to entry in key industries, and ensure market access.

The Cooperatives Amendment Act envisages the establishment of a cooperatives agency to streamline support for cooperatives as well as

ensure education and training. This talks to spreading and expanding cooperatives' economics in the curriculum, from basic to higher education, as well as ensuring that practitioners hone their expertise through continuous training within the higher education sector. We must also learn from our historical as well as relevant international experience in supporting cooperatives. In the past, marketing boards were established, markets (international and domestic) secured and product development and promotion conducted using the levers of state. There is no reasonable justification for not tapping on such resources for building an inclusive economic growth.

It is on this basis that a popular economy can be forged and sustained. Therefore the role of the people's government is critically important in this regard. The regulatory and institutional environment needs to be conducive to harnessing the potential for thriving cooperatives, not only on a small scale but to allow for scaling into industrial cooperatives. Cooperatives are often suffocated by oppressive or exclusionary regulatory regimes and bureaucratic inertia. Take for instance, the Mineline-Tap Engineering factory occupation which, in many ways, is emblematic of the Argentinian style 'worker recuperated' factory. In this case, workers occupied the factory, taking over production after the owner - following the tragic death of three workers due to non-compliance with health and safety - scandalously siphoned off millions and engaged in criminal asset-stripping and ultimately laid off more than 110 workers.¹⁶

A positive example of state support for cooperatives' development is found in the small-scale fishing sector although, here too, there are several weaknesses and limitations. The initial post-apartheid Marine Living Resources Act did not recognise the collective rights of fishing communities to access marine resources. Fishing communities engaged in protracted struggles with the state and with the help of Non-

Governmental Organisations approached the Equality Court for relief. The 2007 Equality Court ruling ordered government to provide interim relief permits and further develop a policy that recognises fishing rights of communities. Following this judgement certain communities proactively formed cooperatives to exploit the collective patrimony of marine resources for collective good. The Department of Trade and Industry provided incentives in the form of boats and the Department of Agriculture, Forestry and Fisheries allocated Interim Relief fishing permits to individual *bona fide* fishermen some of whom banded together as cooperatives. These incipient cooperatives are showing great potential at building sustainable livelihoods as well as developing the seeds of alternative forms of production. However there are persistent structural and systemic features that continue to frustrate the growth of cooperatives in this sector. At a structural level, they lack adequate infrastructure in the form of storage and processing plants, and this is a major limitation because value addition is a key ingredient for cooperatives to play a meaningful role in the value chain. Due to lack of access to capital, cooperatives also do not have efficient transportation to access domestic market. They further do not have access to the lucrative export market due to lack of export market permits, which leaves cooperatives marginalised and vulnerable to exploitation by marketers who capture all the benefits of the trade.

Some experiments with cooperatives exist and that hold enormous potential for developing their organic development. But there's a need for fundamental structural and systemic transformation for cooperatives to thrive. It must be stated that lack of access to finance, market access and integration into the value chains are not insurmountable. These challenges can be overcome within the correct policy framework and concomitant sufficient political commitment.

The strategic value of cooperatives cannot be over-emphasised. But

the question still remains: are cooperatives a beachhead in the struggle for socialism? If so, what are the key ingredients to sustain a progressive cooperatives movement? What is clear is that cooperatives as an alternative mode of production hold enormous capacity for transforming production relations and power relations in production. The cooperative movement presents a different orientation of production that is not about private profit maximisation, and relatedly places ownership and control in collective hands and ultimately combines ‘the thinking and doing’ in the production process. It is not immediately possible for cooperatives to become an alternative if they are confined to marginal sectors without meaningful support. It is also not possible to mount a serious counter-hegemonic offensive if cooperatives operate in isolation. Equally, without proper ideological orientation cooperatives may degenerate, get co-opted, thus become isomorphic and as Marx put it “become their own capitalists.”

Therefore the cooperative experiments, if well founded and with a progressive orientation, require material support and a conducive environment through fundamental systemic and structural alterations in the market system. But cooperatives must be welded to the broader struggles in defence of the commons, socio-economic justice and the struggle for a socialist alternative. The role of the Left is critically important in forging key elements of this struggle as part of sustaining the evolution of a united cooperatives movement and also building confidence in the socialist future in South Africa. The Left needs to embark on practical steps deliberately and consistently to establish cooperatives at all levels from the branch upwards and campaign for the ANC led government to unleash resources to support nascent cooperatives in a coordinated developmental way. The support ought to be comprehensive and multidimensional by developing synergies within the levers of the state, developing markets and linking value chains

for economic viability. Of course, all these efforts must be undergirded by adequate skills development and technical support measures. It is through such an approach that indeed the aspirations of the people for economic upliftment can be fulfilled. ●

Endnotes

- 1 See <https://www.ica.coop/en/cooperatives/cooperative-identity>
- 2 Greig de Peuter and Nick Dyer-Witheford, 'Commons and cooperatives', *Affinities: a journal of radical theory, culture, and action*, 2010
- 3 Marx, K 1864 *Inaugural address of the working men's international association*, in Marx–Engels, *Collected Works*
- 4 Satgar, V (ed) 2014 *The solidarity economy alternative : emerging theory and practice*, University of KwaZulu-Natal Press
- 5 Re kang Jankie, *Cooperatives in South Africa and beyond*, Institute for African Alternatives. <https://ifaaza.org/2018/01/16/co-operatives-in-south-africa-and-beyond/>
- 6 Rena, R 2017 'Cooperatives in South Africa: a review', *Indian Journal of science and technology*
- 7 Franks, P & Shane, S 1989 'Building commerce through co-operatives', National Institute for Personnel Research
- 8 Bernstein, H 1996 'How white agriculture (re)positioned itself for a new South Africa', *Critical Sociology*
- 9 Ibid
- 10 Moira Levy, Notes from the House, *Business Maverick*. <https://www.dailymaverick.co.za/article/2017-08-24-notes-from-the-house-what-happened-to-the-roll-out-of-co-operative-banks-in-sa/>

- 11 Jossa, B. 'Marx, Marxism and the cooperative movement', *Cambridge Journal of Economics* 2005
- 12 Marx, K 1894 *Capital*, Vol. III, Harmondsworth, Penguin Books, 1981
- 13 Joosa 2005
- 14 Marx, K 1871 *The civil war in France*, in Marx–Engels, Collected Works,
- 15 Marx, K 1875 *Critique of the Gotha Programme*, in Marx–Engels, Collected Works, <https://www.marxists.org/archive/marx/works/1875/gotha/ch03.htm>
- 16 Satgoor, AK 2014 'The Mimeline factory occupation: Pathway to the solidarity economy in Satgar', V. (ed) (2014) *The solidarity economy alternative: emerging theory and practice*, University of KwaZulu-Natal Press

THEORY & PRACTICE

The role of communists in alliance building

Mandla Radebe examines the concept of multi-class alliances and the need to bolster the Tripartite Alliance as a linchpin of the struggle for socialism

Comrades and pundits alike often pose the question of communists in the African National Congress (ANC) headed movement. Numerous descriptors, largely unpalatable, have been coined to describe the role and value of the South African Communist Party (SACP) in the Alliance.

For example, speaking during the 8 January celebration in Kimberley, political analyst Lukhanyo Mnguni described the role of the SACP in the Tripartite Alliance as “parasitic”. He is not alone in this misdiagnosis. Many within and outside the movement have called for an end to this historical alliance, even describing it as an albatross on the ANC’s neck.

Organisational strategist and author Thabang Motsohi has persistently called for an end to the Alliance, describing the influential role of the socialist axis within the movement (SACP and Cosatu) as an “ideological gridlock” which “has handicapped the ANC”¹.

To fully analyse the role of communists in the movement it is imperative to start by unpacking the concept of an alliance itself. The class analysis of the constituency served by the movement, the primary motive force of the revolution, is equally necessary. So, what is the value of this alliance and why it is important in the context of the current

challenges facing the country?

In his masterpiece, *The South African working class and the national democratic revolution* (1988), Joe Slovo points out the broader objective interests of our national democratic revolution (NDR) as not only about and for the working class but all other components of the “nationally-dominated majority”, including the black petit-bourgeoisie and the emergent black bourgeoisie².

To some, this may sound like a departure from the long-held view that the working class is the motive force of the NDR. Essentially, the NDR is about the class struggle and class alliances in history. This is the basis within which the Alliance must be understood – what many today call the broad church. This describes a multi-class alliance that accommodates all the oppressed classes towards our thoroughgoing national liberation.

As Slovo posits, appreciating this reality “provides the foundation for a struggle which aims to mobilise to its side all the oppressed classes and strata as participants in the national liberation alliance.”

Beyond fighting against the evil system of colonialism and apartheid, practical politics are always a matter of alliances, and in different circumstances, different alliances are called for. The local government terrain, including in Johannesburg, reinforces this basic principle. Communists commonly regard an alliance between workers and peasants as normal. But as time goes by proletarian parties have perceived multi-class alliances as strategically needed.

Certainly, alliances are normal and necessary, not just for political expediency, but rather to isolate and therefore defeat political adversaries, and equally to avoid being isolated and defeated by the adversary. Therefore, the question of appropriate alliances in the anti-colonial and anti-imperialist struggle was bound to arise. As we confront myriads of challenges besieging the black, mainly African, working class, we have to resort to strategic alliances.

Our NDR (or the emergence of our Alliance) can be traced back to the Second Congress of the Communist International (Comintern) in July 1920, where a special commission was appointed to study the national and colonial question and prepare appropriate guidelines. In his report, Lenin raised the question of communist parties like the Communist Party of South Africa supporting bourgeoisie-democratic movements like the ANC. Lenin argued: “We have arrived at the unanimous decision to speak of the national-revolutionary movement rather than of the “bourgeois-democratic” movement. It is beyond doubt that any national movement can only be a bourgeois-democratic movement, since the overwhelming mass of the population in the backward countries consist of peasants who represent bourgeois-capitalist relationships ... However, the objections have been raised that, if we speak of the bourgeois-democratic movement, we shall be obliterating all distinctions between the reformist and the revolutionary movements. Yet that distinction has been very clearly revealed of late in the backward and colonial countries.³⁷”

In this passage there emerges the genesis of our NDR – although Lenin did not call it as such but rather the “national revolutionary movement”. Without doubt it is very clear that he is talking of a class alliance with anti-colonial, anti-imperialist elements of the national bourgeoisie in colonised countries.

The Second Congress of the Comintern influenced many developments in the country including the founding of the SACP (the CPSA as it was originally known), and, with the 1917 Bolshevik Revolution, led to the Black Republic Thesis. All these were vital in the liberation of this country which culminated with the democratic break-through in 1994.

The Black Republic Thesis is the basis of the NDR (our alliance). On national organisations it said: “The Party should pay particular atten-

tion to the embryonic national organisations among the natives, such as the African National Congress. The Party, while retaining its full independence, should participate in these organisations, should seek to broaden and extend their activity...”

It did not end there. It raised fundamental issues concerning the trade union movement by stating: “In the field of trade union work the Party must consider that its main task consists in the organisation of the native workers into trade unions as well as propaganda and work for the setting up of a South African trade union centre embracing black and white workers.”

And on the Party itself it said: “The Communist Party cannot confine itself to the general slogan of ‘Let there be no whites and no blacks’. The Communist Party must understand the revolutionary importance of the national and agrarian questions.” The thesis noted further: “A correct formulation of this task and intensive propagation of the chief slogan of a native republic will result not in the alienation of the white workers from the Communist Party, not in segregation of the natives, but, on the contrary, in the building up of a solid united front of all toilers against capitalism and imperialism⁴.”

The fighting alliance, as it became known, can be traced in its current form directly to this period. It is not just an accident of history or a favour for political expediency as some would want us to believe, but rather a vital vehicle for a thoroughgoing struggle of the emancipation of the people of South Africa.

Now that we have foregrounded the concept of the alliance and our NDR, let us return to the burning question – the role of communists in the movement, particularly in the current conjuncture.

Communist contributions to the struggle

This analysis of the alliance is synonymous with the role of commu-

nists and their organisation, the vanguard party, in providing strategic direction to the liberation movement. This dates back to the beginning of its relationship with the ANC in the 1930s. Even then, this relationship was tenuous and faced challenges from some ANC members who rejected communism. This rejection was largely informed by lack of understanding of class formation in the country and hence the balance of forces. Such misreading of society has often reared its ugly head within the movement, such as with the breakaway Pan-Africanist Congress and the Gang of Eight.

The relationship prospered over the years, leading to the ANC embracing progressive politics of non-racialism culminating in the Freedom Charter in 1955. Communists were also in the forefront in the formation of Umkhonto weSizwe (MK), the joint military wing of the SACP and ANC.

There were many interventions made by communists that influenced the direction of the South African liberation struggle. These include its ground-breaking 1962 programme *The road to South African freedom*, which enabled the liberation movement to appreciate the dialectical nature of Colonialism of a Special Type”, which, loosely, explained the conditions whereby both coloniser and colonised occupied the same territory. Towards the democratic breakthrough, the Party came up with another decisive intervention in 1989, *The path to power*.

It would be inaccurate to position communists as the only intellectual vanguard that provided strategic direction to the movement. This speaks to the question of the movement being contested ideologically and hence the emergence of a backward anti-communist tendency now and again. Nevertheless, the seminal 1969 Morogoro conference acknowledged the strategic importance of the fighting alliance and the working class in the liberation movement. Essentially, the motive of the NDR is the working class (which constitute the majority in South

Africa), who stand to benefit from a cogent class analysis. Therefore, if we care about the interest of the majority of the people, it is important not only to appreciate but to embrace the strategic importance of communists in the movement.

Although the 1994 democratic breakthrough introduced political freedom, the South African revolution is far from being realised. The “nationally-dominated majority”, the working class in particular, continues to be confronted by socio-economic malaise – universally known as the triple challenges of inequality, poverty and unemployment.

These socio-economic problems are largely consequences of the failures of post-apartheid neoliberalism that the movement so often flirts with. Thus, it is difficult to appreciate these challenges outside the Marxist-Leninist articulation as enunciated by the SACP. The reality is that the working class in South Africa largely comprises formerly oppressed black people (Africans, Indians and coloureds).

For this reason, the NDR must remain the central pillar in defining our struggle and the way forward. At its core must be the building of national unity as the basis upon which the goal of a better life for all can be attained. This analysis will be meaningless without a cogent class analysis. Hence the role of communists in the South African revolution is even more important than ever.

In its current programme, the South African road to socialism, buttressed by its medium term vision, the SACP reminds us: “Today, a single world economy is dominated by a tiny minority of exceedingly powerful transnational corporations, buttressed by imperialist state power⁵”. Indeed, we live in the world where the globe’s richest 1% own half the world’s wealth (see Credit Suisse report 2017)⁶.

Sadly, this is the case in South Africa. Recently the *Mail & Guardian* reported that the wealthiest 1% owns 67% of all the country’s wealth. The top 10% owns 93%. The remaining 90% of South Africa owns a

paltry 7% of the country's wealth.⁷ This makes South Africa one of the most unequal societies in the world.

No revolution worth its salt can ignore this stark injustice designed by the capitalist mode of production. A Marxist-Leninist inspired, anti-capitalist class analysis is even more important to confront the plethora of challenges we are faced with. As it has done throughout its history, the movement will have to appreciate the role of communists in taking the NDR to its logical conclusion. Any deviation from this historical role will be calamitous not only for the movement but our society as a whole. ●

Cde Radebe is the Gauteng Provincial Deputy Chairperson of the SACP and a member of ANC Sonia Bunting Branch

Endnotes

1 See Motsohi, T. 2019. 'Extract: Ideological gridlock has handicapped the ANC', City Press, 03 May. Accessed 18 January 2020, <https://city-press.news24.com/Trending/Books/extract-ideological-gridlock-has-handicapped-the-anc-20190430>

2 Slovo, J. 1988. *The South African Working Class and the National Democratic Revolution*.

3 Lenin, V.I. 1920. 'The Second Congress of The Communist International'. July 19-August 7, 1920. Accessed 18 January 2020, <https://www.marxists.org/archive/lenin/works/1920/jul/x03.htm>

4 See South African Communist Party Documents. 1928. The South African Question. Accessed 19 January 2020, <https://www.marxists.org/history/international/comintern/sections/sacp/1928/comintern.htm>

5 See the South African Road to Socialism. 13th Congress Political Programme

of the SACP 2012 – 2017

6 See the Research Institute Thought leadership from Credit Suisse Research and the world's foremost experts, November 2017. Access 18 January 2020, file:///C:/Users/Mandla/Downloads/global-wealth-report-2017-en.pdf

7 Webster, D. 2019. 'Why South Africa is the world's most unequal society', Mail & Gaudian, 19 November. Accessed 19 January 2020, <https://mg.co.za/article/2019-11-19-why-sa-is-the-worlds-most-unequal-society/>

BOOK REVIEW

Desperately seeking socialism

To develop a more equal society we must make radical changes to our political system, urges Susan Rosenthal in her latest book *Rebel Minds*.

Review by **Tony Sutton**

The UK working class lost much sympathy after its stunning rejection of Jeremy Corbyn's socialist manifesto in last December's general election. That they chose to be influenced by a three-word slogan – *Get Brexit Done* – from a Tory party that had savaged them with a programme of vicious austerity over the past nine years was an indication of both a lack of political awareness and the crushing power of unrelenting right-wing media propaganda.

Similarly, the continuing support for Donald Trump, who was propelled to the US presidency by another vacuous slogan – *Make America Great Again* – hardly invites affinity for the working class in shattered US heartland states. In more enlightened times, those voters would have chased Trump and his cronies out of town; but it seems certain they will re-elect the orange oaf later this year.

REBEL MINDS

Class War, Suffering and the Urgent Need for Socialism

Susan Rosenthal

Published by ReMarx Publishing

Despite the working class's flair for electoral self-flagellation, Susan Rosenthal, the Canadian author of *Rebel Minds: Class War,*

Suffering and the urgent Need for Socialism, is firmly on their side. A retired physician and avowed socialist, she opens *Rebel Minds* with the uncontested assertion that “People all over the world want the same things: effective shelter, nutritious food, clean water, sanitation, and access to information”, along with societal needs, especially “to know that others will support us in times of need.”

“Capitalism”, she declares, “delivers the opposite: deprivation, disrespect, distrust, disconnection, discrimination, meaningless work, social insecurity, pain, disease, premature death, and fear for the future”.

As an alternative to the present economic system that, she says, is rigged against ordinary people, *Rebel Minds* offers a ‘Marxist method of analysis’, forged in the belief that working-class people could run the world much better than billionaire rulers, who “fear Marxism because it exposes them as a class who are leading humanity to extinction ...”

If the system is so obviously flawed, then how does capitalism continue to get away with such shameless, self-centred behaviour? That’s the question that Rosenthal confronts in the early sections of *Rebel Minds*, where she analyses the physical and mental torment created by ever-increasing demands of profit-hungry bosses on workers who have become numbed by mindless and meaningless, drudgery in jobs that barely pay their bills.

This situation is aggravated when whole communities are ravaged by avaricious corporations that establish profitable industries, “destroy the environment in the process, then relocate to more profitable areas, abandoning entire regions to rot”. Rosenthal offers Detroit, former heart of the US auto industry, and the US Rust Belt as examples of capitalist contempt for workers, while reminding us that every Western society has its own horror stories of the distress created when “good jobs and the dignity of work have been replaced by suffering, hopelessness and despair ... the belief that people in power don’t care about them

or their communities”. The pain created by this devastation, she says, is one of the main causes of the trail of opioid addiction that has added even more misery and despair to the hardest-hit regions.

“Some will object to my blaming the capitalist class for human suffering”, says Rosenthal, “I say that they control society, so they are responsible for what happens. We are responsible for allowing them to keep us down and for liberating ourselves from their rule.”

Rosenthal is also a staunch union supporter, although not without reservations. She’s wary of their infiltration by a ‘manager class’ of leaders who are often more comfortable in the executive suite than the shop floor. However, to cement the case for union solidarity, she quotes from a report from the Economic Policy Institute that every worker should read before their first day on the job, “Compared with non-union workers, the average union worker in America enjoys 28 percent higher wages and is more likely to have medical insurance, paid leave, a pension, and other benefits”.

The second section of *Rebel Minds* is a harsh indictment of the role of psychiatry and the concept of mental illness – the theme of much of Rosenthal’s previous writing – which she says, “is unique to capitalism and . . . hides the role of the capitalist class in creating mass suffering.”

Rebel Minds also details the historical misery created by capitalism, including colonialism, racism, eugenics and genocide: “Conquerors take what they want by force. Their moral justification is the racist belief that ‘savage barbarians’ are no more entitled to the land, or compensation for its loss, than animals in the forest . . . Since the beginning of colonisation, every capitalist regime has practiced racism, eugenics and genocide against populations who stand in the way of capital accumulation.”

That exploitation continues: we are subjected to an almost daily dose of TV news coverage of protests and demonstration around the world.

Much of that output, however, is stage-managed to emphasise the ‘battle for democracy’ in countries such as Hong Kong and Venezuela, while downplaying the fight against the sins of capitalism, evidenced by the near-total TV blackout of a year of increasingly violent government reaction to protests against the French state’s austerity measures.

What should the working class – and that’s what we all are, despite our cynical, corporate rebranding as ‘middle class’ – do to counter “the complex web of social institutions that keep the majority ‘in their place?’”

After telling us that moral outrage, personal change and reformation of the present system won’t help us escape the societal ‘deep shit’ that looms, Rosenthal asks, “Will we stand by while the ruling class destroy everything that humanity has accomplished over millennia, or will we defend our right to a viable future? Undoubtedly, the majority choose to survive. The question is how?”

So far, I agree with most of Rosenthal’s analysis, but I discover I’m what she terms a ‘Pessimist’ when I dig into the final chapters of *Rebel Minds*, where she reveals how we can conquer the capitalist ogre, offering a disappointing and, I’m sure, thoroughly unworkable, solution to the problems confronting the 21st-century labour force.

Rosenthal states, “A successful socialist revolution depends on millions of workers rising together to remove the capitalists from power as quickly and painlessly as possible”, pointing out that, “A supremely organised working class could take power without using violence; workers would simply escort their supervisors, managers and bosses out the door. The violence comes when capitalists refuse to accept majority rule and try to regroup, rearm, and attack.

We must anticipate and defend against this inevitability. The stronger the workers’ State, the less force will be required.

Then, a few pages later, we’re told, “Transitioning to a communist,

needs-based economy will take time. In the meantime, people will need to be paid for their work. This will not be a problem”, she says, as the wealth accumulated under capitalism belongs to the working class, so workers “have the right to use it to launch the new economy. . .

“When enough is being produced to meet everyone’s basic needs, money can be removed from the equation.

“Imagine not having to worry about money: making it, losing it, keeping track of it, spending it, saving it, and never having enough! Making things free makes people free.”

There’s more along those lines as Rosenthal forecasts the eviction of greedy, rapacious capitalists, followed by dawn of a brave new world, based on a format of knock-on revolutions that failed to take off in 1917.

Yes, much has to be done to fix our unequal economies, but the solutions won’t be found in *Rebel Minds*. While Rosenthal adds to the debate about the injustices of capitalism, her dream of a Marxist revolution and cash-free society will find little support in the pubs and coffee shops frequented by the workers she seeks to inspire. They don’t want a revolution, just a fairer share of the contents of the corporate piggy bank. ●

Cde Sutton lays out and designs *The African Communist* and *Umsebenzi* and is the editor of the monthly *ColdType* web magazine, where this review first appeared

MIDDLE EAST

Fundamentalism & neoliberal capitalism – an unholy alliance

Reneva Fourie looks at the way imperialist hegemony over the Middle East is facilitated by support for religious fundamentalism in the region

The conflict in the Middle East has escalated over the past decade, resulting in over 2.5 million deaths to date. Yemen is in tatters and the war there is largely ignored. Peace in Afghanistan remains elusive. The Palestinian/ Israeli conflict is no closer to an end given Trump's pitiable peace plan that awards disparate pieces of land to Palestinians, which taken together amount to under 20% of historical Palestine. United States (US) troops remain in Iraq and their attacks have escalated, despite the global shutdown due to the coronavirus. Bloody battles ensued over the past three months as the Syrian government forces took back Aleppo and got closer to gaining full control of Idlib. Attention is now on Lebanon as concerns remain over whether the current truce will hold.

The justification for the presence of the West, primarily represented by the US in the region is that they are fighting terrorism, that is, Islamic fundamentalists. The US assassination of Qasem Soleimani, the primary strategist for reducing the presence of Iraq and the Levant (ISIS) in the region, dispels that argument. Their presence instead is a consequence of a symbiotic relationship between religious fundamentalism and capitalism in the Middle East.

Defining religious fundamentalism

Those who desire plural or secular societies either do not adhere to cultural or religious practices or have their own cultural or religious practices but are comfortable with the differences in the practices of others. Fundamentalists, on the other hand, believe that only their perspective of the world is correct, have no tolerance for differing interpretations and use violent means to secure sectarianism. Fundamentalism should not be confused with radicalism. Radicals can be pluralists or fundamentalists. They seek to transform an existing political or social structure, and their chosen means of transformation is not necessarily violent.

Religious fundamentalists or extremists distort holy scriptures, projecting their interpretation as pure and exclusive, and enforce conservative practices associated therewith. They are intolerant of any modern adaptations to their religion and view the religions of others as false. Christian fundamentalism, in particular, is also coupled with the belief in the intrinsic superiority of Christian civilisation, and accordingly the entitlement to the annexation of any desired resources. Fundamentalists can be found in all religions – there is now the destructive impact of Hindu fundamentalism in India. In the Middle East, Christian, Muslim and Jewish fundamentalism and capitalism converge.

An unhealthy reinforcement of religious fundamentalism

Capitalist expansion and religious fundamentalism have a long relationship dating back to colonialism. Fundamentalism regained prominence in the US in the early 1900s due to its association with the revival of the Protestant movement. Christians were termed fundamentalist because of their literal interpretations of the Bible. Though the domestic manifestations of fundamentalism in the US were not generally violent, its overall global impact has been extremely destructive, particu-

larly in the Middle East.

Fundamentalism finds its most threatening and bloody expression in Israel. The very concept of a Jewish national home in Palestine, as initiated by the 1917 Balfour Declaration and the 1948 proclamation of the establishment of the state of Israel, epitomises Zionist fundamentalism. In the US, there are two main forms of alliances with Zionist fundamentalists – one with powerful political and financial forces, which is ideological and elite in character; and the other, a more mass-based one consisting of more than 50-million Christian fundamentalists. These strong alliances have resulted in the unfettered protection of Israel – allowing it to escape accountability for its gross human rights violations and the impoverishment and oppression of the indigenous Palestinian population - and in the silence of the West during, most recently, the 2006 Israeli invasion of Lebanon, and the attacks on Gaza since 2008.

In addition to prioritising the security of Israel, the silence of the US elite was informed by the need for hegemony over much of the Middle East (to weaken Syria and Iran, and to keep Russia and China out), and to protect their financial interests, whether it be oil or huge arms sales. The Christians are silent because they truly believe that the annexation of Palestinian land and the current wars in the Middle East is a fulfilment of divine providence.

The hatred and prejudices spewed by Christian fundamentalists in the US post-11 September 2001 (9-11) resulted in increased racism and xenophobia particularly against black, Hispanic and Arab people. The resultant “war on terror” signified by an unjustified attack on Afghanistan and the invasion of Iraq contributed significantly to a rise in a general anti-imperialist stance, including Islamic radicalism.

Exploiting vulnerabilities

Further to the countries that were subjected to US military occupation immediately after 9-11, other countries in West Asia became increasingly vulnerable to instability due to the rising Islamic radicalism together with domestic reforms and governance failures. Most countries were in the process of establishing pluralist, multi-ethnic, multi-cultural and socially egalitarian alternatives to capitalism. These reforms resulted in the collapse of established systems and an erosion of cultural practices. The one consequence was that globalisation, acculturation and exposure to neoliberal lifestyles created unfulfilled citizen expectations. Corruption and service delivery inefficiencies by governments contributed to citizen dissatisfaction and the eruption of mass protests, following the 2011 Arab Spring. Another consequence was the consolidation of Islamic fundamentalism, fuelled by the increase in post 9-11 Islamic radicalism and financed by oil-rich gulf states, such as Saudi Arabia.

Neoliberal capitalism, promulgated by the US, exploited this vulnerability to advance regime change in two ways: first by intensifying the protests using conventional and social media and agent provocateurs; second, through destabilisation including proxy wars using Islamic fundamentalists. Positioning itself as a benevolent hegemon, the US also used underhand campaigns to justify its military occupations and to wage economic warfare, using sanctions, under the pretext of the protection of human rights and provision of humanitarian aid, to secure global silence amidst large-scale bloodshed.

Using Islamic fundamentalists to advance proxy wars was an established practice of the US, most notably having promoted Al Qaeda to destabilise the legitimate government in Afghanistan in 1988, compelling the then Soviet Union to intervene. In Syria legitimate protests were soon infiltrated by armed, violent, sectarian and foreign extremists, causing demonstrators to retract and turn to the Assad government for

protection. Turkey, expecting the Assad regime to fall soon, and eager to have control of Aleppo, made a tactical error, providing military backing for a faction of insurrectionists. Foreign extremists also came from or were financed by amongst others, the United Arab Emirates, Kuwait, Israel and the US. The 2012 Houla massacre, originally ascribed to the Syrian government, was executed by the US-backed Free Syrian Army, likewise the massacre in Daraya in August 2012.

The US officially occupied Syria in late 2014. While its pretext was the fight against terrorism, its presence enabled the advancement of ISIS, particularly in Palmyra and Jabhat al Nusra/ aka Hayat Tahrir/ al Sham in Idlib. In response to the US presence, Russia came to the aid of the Syrian government in late 2015.

Attacks by the extremists were given further traction when the US, Britain and France conducted military strikes using aircraft and sea-based missiles against the Syrian government. Their justification was that the Syrian government was using chemical weapons against its people – a rationalisation that, like the ‘weapons of mass destruction’ claims to justify invading Iraq, is increasingly contradicted by hard evidence. The lies around the Syrian “civil war” are unravelling and the Syrian government is increasingly regaining control of the country. The US also appears to have blundered strategically by killing General Soleimani. His assassination will exacerbate tensions around US interference in the Middle East.

Struggle against imperialism includes the struggle against fundamentalism

Religious fundamentalism and capital expansion have had a successful, unholy marriage for centuries. Empires have been brutalised and degraded and entire nations destroyed in the quest for material greed in the name of religion. Today, in South America, Christian right-wing

fundamentalism and neoliberal capitalism are in partnership to edge out progressive governments in Cuba, Nicaragua and Venezuela. In West Asia, the counter-revolutionary forces are Zionist and Islamic fundamentalists, backed by US-based Christian fundamentalists.

It is ironic that Islamic fundamentalists exploit public sentiment against US aggression to champion their cause, when they are beneficiaries of imperialist support and are playing an instrumental role in advancing a neoliberal capitalist agenda. Likewise, the barrage of propaganda from the West portrays their interventions as being anti-terrorism, yet they are using these very terrorists to destabilise countries. The struggle against fundamentalism, including Islamic fundamentalism or extremism, is strongly intertwined with our revolutionary struggle against imperialism and capitalism. Accordingly, it is important that our anti-imperialist posture is also anti-fundamentalist in nature; and that it serves as a base for the revival of an anti-war culture, and international mobilisation of a vociferous movement for peace. ●

Cde Fourie is an SACP Central Committee member temporarily based in Syria

BREXIT

Brexit, the working class and Labour's lost election

Mark Waller discusses why core working class communities in Britain were prepared to dump the Labour Party at last year's elections if it meant getting out of the European Union

On 31 January this year at midnight Central European Time Britain's Prime Minister Boris Johnson banged a smallish looking gong to signal Brexit, his country's exit from the European Union (EU). He had hoped to have London's Big Ben chime the momentous hour but, like a lot else in Britain, it is currently out of order following decades of neglect.

The politics of Brexit, Britain's exit from the European Union, involves three reasonably distinct positions. What makes the issue confusing is that two of them, which backed leaving the EU and are wholly at odds with the third, which supported remaining in the EU, have become blurred by inadequate media coverage and general ignorance of the issues so as to seem identical. This has been largely because the 'remainers' have been an influential voice in the public debate in the last few years, backed by high visibility pro-EU campaigns. No wonder, then, that outside Britain the politics of Brexit seems a mass of confusion, but one in which the 'remain' voice has tended to be presented as the more rational and progressive.

The reason getting out the EU became such a prominent item on the political agenda in Britain was because on 23 June 2016 there was

a national referendum on whether the country should leave or remain part of it. Pressure for this had been growing for some years. On the day voter turnout was just over 72% of the electorate. 51,89% voted for Brexit, 48,11% voted to stay.

The next year there was a general election. The ruling Conservative party, the leadership of which had banked on an anti-Brexit outcome to the referendum, fared far worse than expected, but scraped by with 42% of the vote to form a minority government, in which it was propped up by its right-wing bedfellow the Democratic Unionist Party. The Labour Party, under its newly-elected socialist leader Jeremy Corbyn, did astonishingly well, contrary to the polls, gaining 30 seats in Parliament, and 40% of the vote. Labour had run a strong campaign on a progressive election manifesto for socialist change, including getting a good negotiated deal with the EU on exiting the bloc, a deal that would retain the substance of EU laws that were beneficial to UK workers. During the referendum on the EU, the Labour Party had campaigned for the country to remain in the bloc, but changed its approach in light of the referendum result.

Zip forward to the December 2019 British election. The Conservatives, under their new leader Boris Johnson, whose campaign centred solely on the slogan “Get Brexit Done”, won a landslide victory, gaining 48 seats and 43% of the vote. Labour was pounded at the polls, losing 60 seats, its worst defeat since 1935. Though Labour ran on an election manifesto that again promised massive socialist-oriented change in Britain, whose working class and poor have suffered massively at the hands of the right-wing Conservatives, it was judged mainly by its stand on Brexit. This stand had shifted since its 2017 manifesto from one of seeing Brexit accomplished under a good deal with the EU to a fudge designed to appeal to both leavers and remainers, and containing the promise of a second referendum. The tactic was disastrous.

Traditionally solid Labour areas voted Conservative, and the ‘red wall’ of pro-Labour constituencies across much of northern England took on the ‘blue’ of Conservative-voting areas.

European Union myths

A major argument of the remainers, and something that drove a lot of the pro-EU sentiment that mushroomed particularly among bourgeois liberals after the 2016 referendum, was that leaving the the EU meant boorishly cutting away from “Europe”. Doing so would be a philistine snub to internationalism, multilateral cooperation, and multiculturalism. The sentiment had little basis in reality, but it does show that the EU has done a good job with its self-mythologising and PR, branding itself as a distillation of all that is well and good about Europe.

The EU presents itself as synonymous with the European continent. The 27-member state bloc characterises itself as Europe proper, and refers to the 22 countries in the European region that are not members of the EU (23 if we now count Britain) as “Wider” (read: peripheral) Europe. Earlier, before the collapse of the Soviet Union and its allies, and when the continent was more politically diverse, Europe was defined as stretching from the Atlantic seaboard in the West to the Ural Mountains in Russia and Kazakhstan in the East. EU hegemony over a good chunk of the continent has been accompanied by a recalibration of what “Europe” means.

Then there is EU identity, with its flag and anthem, its Europe Day (celebrated on both 5 and 7 May – a clumsy attempt to include the Council of Europe, a rule of law and human rights organisation that is not part of the EU). It’s all steeped in symbolic mumbo-jumbo. The flag is a blue background, representing the western world’s apparently unique blue sky, with a circle of 12 yellow stars – 12 being an ideal number according to different mythologies. The motto of the EU is

“United in diversity”, which *sounds* nice but jars with the EU’s drive for neoliberal capitalist uniformity. The EU anthem is Beethoven’s *Ode to Joy*, from the composer’s 9th Symphony, and written in 1824 – not long after Napoleon’s wars had devastated much of Europe, leaving up to six million combatants and civilians dead – to express the need for universal solidarity, peace, and an end to war.

Military ambitions

But spurred in part by US President Donald Trump’s complaints that the US spends too much on Europe’s defence and partly by the bloc’s increasingly hostile relationship with Russia, the EU has been ratcheting up its efforts to develop its offensive military capability. This includes tighter military cooperation, under the PESCO (Permanent Structured Cooperation). In 2017, the European Parliament rubber stamped the governing European Commission’s design of a European Defence Fund, which, according to the European Network against the Arms Trade, “enshrines the EU paradigm shift towards hard security and military answers to complex problems, as well as the over-influence of the military-industrial complex on EU policy developments: the same companies that are advising the EU will then be the main beneficiaries of this funding.” The EU is also developing what it calls “military mobility” to fast-track the movement of troops and equipment across the EU area in response to “crises”. And it has been upgrading funding for “civilian and military missions” outside the EU region. There are currently 16 such missions on three continents.

The sharpened military capability sought by the EU highlights the problem that critics of the bloc frequently cite: its lack of democracy. Once decisions are taken and put into the pipeline by the EU Commission there is very little to stop them. It’s all one way traffic. And it’s backed by massive but shadowy big business lobbying. We have yet to

see the consequences of this in terms of the EU's ominous military development. But the effects are conspicuous when we consider the true driving force of the EU: its single, deregulated capitalist market.

Scant democracy

EU decision-making and democratic processes are rather like the trickle-down theory of development used by capitalist economists to argue that tax breaks and benefits for big corporations ultimately benefit the poor by growing economies. Decision-making in the EU is not wholly divorced from voters in member states. But the democracy that does exist trickles down feebly into the EU system. It is the voters who elect the governments who appoint the officials that run the EU, and the voters who elect the Members of the European Parliament (MEPs) which can accept or reject legislation. But that's all. The highest decision-making body in the EU is the European Council. This comprises heads of government from each member state plus the president of the EU Commission and the EU High Representative for Foreign Affairs and Security Policy. The Council meets four or more times a year to decide the EU's policy priorities. The job of fleshing out the policy agenda of Council meetings is done by the 150 working groups of the Committee of Permanent Representatives (known as Coreper). This is made up of civil servants from national ministries. The meetings of these working groups take place behind closed doors shielded from public scrutiny or media coverage.

The main executive work of the EU is done by the European Commission, which submits decisions to the Council and develops legislation. There are 27 commissioners, including the President of the Commission, one from each member state. The European Council appoints the President of the Commission, while the governments of the member states select the commissioners.

So the executive bodies of the EU – the Council and the Commission – have only tenuous democratic ties in terms of their composition and activity to the populations of the member states. When it comes to decision making, the Commission is a law unto itself. The European Parliament, made up of MEPs elected in the member states, is allowed to endorse, reject or amend legislation put to it by the Commission, but it cannot initiate legislation of its own for the Commission to carry out. The parliament is the only direct channel between the EU and voters in the member states. But the ratio of MEPs to voters makes the notion of constituency representation laughable: Britain had 73 MEPs representing 65-million people.

Capitalist freedoms

The problem of the EU is that it exists in the first place to spearhead a single capitalist market designed to out-compete any other world-wide. In another set of circumstances there would be nothing necessarily wrong with European integration. It would depend on its political orientation. There's no reason why, in some future configuration of broadly progressive or socialist states, we couldn't have a socialist single market. But the current EU single market is hardwired to promote deregulated capitalist development, and, as Thomas Fanzi wrote in *Jacobin* online magazine in May 2019, is devoted to “codifying the four capitalist freedoms *par excellence* — the free movement of goods, services, capital, and persons — and placing huge barriers in the way of state intervention in the economy ... [laying] the basis for a wholesale reengineering of European economies and societies.”

EU employment legislation does contain a number of regulations that protect workers' rights, aim to break down gender, disability and other discriminatory barriers to the full employment, and uphold strong occupational health and safety. It is a reminder that it is in the

interests of unfettered capitalism to exploit the labour of every available human unit. Thus, while the EU has legislation – often hazily implemented – supporting the workplace rights of workers, it nevertheless subverts trade union rights and collective bargaining. The “free” movement of labour is more often than not a means to import labour from poorer EU areas to wealthier ones, to undercut the better – trade union protected – pay and conditions local workers struggled for decades to achieve. Conversely, many businesses based in richer countries have shifted production or processing to poorer parts of the EU, especially the South and East, where local wages are bad and conditions poorly regulated.

The EU also favours big business by more heavy handed measures. It drives a bruising austerity policy in the Eurozone, the area of the EU that uses the Euro currency, by capping government deficits at 3%, imposing a ratio of government debt to GDP at less than 60%, and stipulating governments’ adherence to fiscal discipline. These treaty-enshrined measures have been enforced more severely since the 2008 financial crash.

Devastating austerity

In Britain, which was not part of the Eurozone but has taken EU austerity to extremes, the right-wing Conservative governments of the 2010s imposed vicious government spending cuts. Crisis hit, capitalism in Britain and the EU overall resorted to what it does best in such situations, which is to take back the small change doled out to the working class in the form of social security and public services.

Britain has been ruled mainly by Conservative governments since the end of the 1970s, when Margaret Thatcher took power and oversaw spending cuts and rapid deindustrialisation that decimated working class communities. There was a notable hiatus between 1997 and 2010,

when a centrist Labour government was in power and, though avowedly anti-socialist and a champion of bourgeois exclusivity, improved public spending and poverty reduction in some respects, though not enough to reverse the damage of nearly 20 years of right wing policies. Labour's approach was brutally reversed under the 2010-2019 Conservative governments of David Cameron and Theresa May, when cuts to welfare, housing subsidies, and social services totalled £30-billion (R580-billion).

In 2018, the United Nations Special Rapporteur on Extreme Poverty and Human Rights, Professor Philip Alston, described the devastating impact of austerity in Britain – the world's fifth largest economy – following a fact-finding mission:

“...the immense growth in foodbanks¹ and the queues waiting outside them, the people sleeping rough in the streets, the growth of homelessness, the sense of deep despair that leads even the Government to appoint a Minister for suicide prevention and civil society to report in depth on unheard of levels of loneliness and isolation. And local authorities, especially in England, which perform vital roles in providing a real social safety net have been gutted by a series of government policies.

“...14 million people, a fifth of the population, live in poverty. Four million of these are more than 50% below the poverty line, and 1,5-million are destitute, unable to afford basic essentials. The widely respected Institute for Fiscal Studies predicts a 7% rise in child poverty between 2015 and 2022, and various sources predict child poverty rates of as high as 40%. For almost one in every two children to be poor in twenty-first century Britain is not just a disgrace, but a social calamity and an economic disaster, all rolled into one.”²

Writing about the impact of years of marginalisation and depravation on the mining towns of Britain's East Midlands, for the London

School of Economics' *Brexit blog*, researcher Liza McKenzie described the impact of years of marginalisation and deprivation on the mining towns of Britain's East Midlands:

“These communities were heavily industrialised, and filled with skilled manual labour jobs for both men and women. They were wiped clean by de-industrialisation, and left void of work and investment for decades. In the last ten years, particularly since the 2008 banking crash, new jobs have emerged in warehouse and distribution work, payday loan companies, and slum landlording. De-industrialised areas are fertile ground for exploitative industries. Land, people and labour are cheap. Warehouses can be constructed in days and disassembled and taken somewhere else if the land, the people or the labour ask for more. Migrant workers from eastern Europe have been recruited into the area to work and live in these exploitative industries. Women like Sally [who McKenzie interviewed] from east London have been socially cleansed out of the expensive land of the global city and are being rehoused in the privately owned and rented pit houses owned by slum landlords in the deindustrialised North and Midlands.³”

Brexiters

The remote, elitist, undemocratic EU has had nothing to offer such communities, other than to exacerbate their plight through its policy on the free movement of labour. And yet people's taxes were used to fund the EU. EU austerity policies and rules on capitalist market competition would act as a punitive brake on any potential socialist reconstruction of Britain of the kind envisaged by the 2017 and 2019 Labour Party manifestoes. During the Brexit referendum campaign the Labour Party campaigned to remain in the EU, but its stance often appeared equivocal, a slight foretaste perhaps of the disastrously neutral strategy on Brexit and support for a second referendum it opted for in the De-

ember 2019 election. Scotland and most of Northern Ireland swung with the 'remain' vote during the election. This may have been in part because the image of the EU is less tainted in the impoverished communities in those countries of the UK that have benefitted somewhat from EU regional assistance funding. Poor communities in England have not been eligible for such help.

We should not confuse the anti-EU sentiments of working class people who voted for Brexit because of the Union's disregard for their plight with the antipathy towards the EU by the other category of Brexiteers, who wanted out on purely nationalistic grounds, despite there being some overlap between the two. The latter for the most part comprises far right wing supporters of the Conservative party, members of the UK Independence Party and the Brexit Party and of fascist organisations. Their platform has been avowedly xenophobic and racist, and rooted in a seedy latter day Little Englander idiocy that sentimentalises Britain's imperial history. You find far right sentiments rooted in racism against EU migrant workers in working class communities, so the distinctions between the two different Brexit support bases has not always been so clear cut.

Boris Johnson campaigned feverishly for Brexit during the referendum campaign, touring the country in a big red bus emblazoned with the totally false claim that Britain was contributing £350-million a week to the EU that should be spent on the publicly owned National Health Service. The raucous, flag waving right-wing Brexit campaign wholly eclipsed the more rational, underfunded and progressive Lexit, or Left Exit, campaign pursued by the Communist Party and others, which never got a look-in. Rightwing support for Brexit is not based on criticism of the EU's big business and neoliberal identity. It just wants neoliberalism to be put on a squarely national basis.

During the long period between the result of the referendum and Britain's formal departure from the EU this year, in which the Conserv-

ative government fuffed around with negotiating a withdrawal agreement, the rightwing calls for Brexit grew ever more shrill. Among the liberal bourgeoisie, on the other hand, there emerged the EU-flag-waving People's Vote campaign, launched in 2018 to champion a second referendum. This amply funded campaign, which soon gained much sympathetic media coverage, was supported by a broad span of parties, including significant sections of the Labour Party, the Green Party, the Scottish National Party, and the Welsh independence party Plaid Cymru. In October 2019, the People's Vote held a march through London that, according to its organisers, attracted a million supporters.

Much of this remain campaign was and still is infused with pure sentiment, a hazy sense of belonging to some indefinable, cozy "European identity" that the EU appeared to offer. Scan the press during 2016-2019 and you'll be hard pressed to find any solid analysis of precisely what it is about the EU that was seen to be so wonderful. Rather, the middle class liberal narrative simply saw exiting the EU as being tantamount to getting into bed with the likes of Donald Trump and a bunch of racists. They had little inkling of the feelings of working class people stranded in poor towns and cities far away from the buzz of urbane London. The idea of the EU as a benign outfit is in part a throwback to the 1990s and early 2000s, when the bloc experimented with developing a 'social dimension'. This introduced a number of Nordic-inspired social democratic ideas, such as tackling poverty and social exclusion, and posited the idea of developing a rudimentary social policy for the EU. The 2008 financial meltdown saw the EU social dimension jettisoned in favour of austerity.

The influence of the 'remain' wing of the Labour Party, bolstered by all the clamour of the People's Vote, led to the party taking a middle course of neither backing Brexit nor opposing and deciding to support the second referendum. The tactic, along with a dirty, fake news

spattered media campaign against Labour leader Jeremy Corbyn, lost Labour the December election. A decisive number of working class voters in impoverished communities fearful – given the mobilisation of the bourgeoisie to support staying in the EU – that the outcome of the 2016 referendum would be overturned by a second one, were fully prepared to hold their noses and vote Conservative as long as it guaranteed getting out of the EU.

The Communist Party campaigned in the election for a Labour victory based on its radically progressive manifesto. The party argued that the priority was to get the Conservatives out of office. But it would continue to campaign against the EU, “recognising that the treaties, rules, directives and policies of the EU are designed to protect big business interests and their capitalist markets against any advance towards socialism in any EU member state.”

The message carried little traction among working class voters in the traditionally Labour-held poor communities of the North and Midlands, if indeed these voters ever heard what the communists had to say. For them the election was about one thing only – getting out of the EU. There is at present no vanguard party of the working class in Britain, one able to significantly educate workers and the poor on the need for socialism. Communist activism barely registers – despite the solid work done by of the Communist Party and the progressive parts of the trade union movement – a legacy of decades of splintering sectarianism and factionalism among the left. So who could blame people from deracinated and deprived communities for opting for the party that had at least the stated aim of getting out of the EU?

And now?

Labour’s defeat sparked a leadership contest, to be finalised by early April this year, and with a centrist frontrunner. It will certainly result in the party moving away from the progressive left vision of its last elec-

tion manifesto. Corbyn has been unjustly blamed for losing the election, the defeat seized upon by his opponents on the right of the party to shift Labour away from socialist positions. But it was the hopelessly nebulous approach to Brexit, not the radical party manifesto, that cost Labour so dear.

The Conservatives, meanwhile, buoyed by their large majority in Parliament are likely to make Brexit do all it can for British big business. There is now a transition period. Much depends on what sort of trade deals with the EU and elsewhere the Conservatives will manage to broker. Britain will operate on World Trade Organisation rules. One fear is that Boris Johnson's government will open the way for capitalist market access to supplies and service procurements for the National Health Service, the country's last nationalised sector – something Donald Trump apparently has beady his eye on. After years of austerity, the Conservatives may feel they can well afford to splash out a bit on regenerating long neglected parts of Britain where the working class vote for once went their way. But whatever they do, the impact on poor communities is likely to be cosmetic.

Only the huge transformations envisaged by the two last Labour Party election manifestos – embracing the re-nationalisation of key national assets that were privatised by the Conservatives, targeted investments in education, health, social development, housing, infrastructure, and a reorientation away from Britain's hawkish posturing internationally – will provide the changes needed to make Brexit a fair deal in the long run. And for that to happen the left will have to muster the clout needed to elect a left Labour government. ●

Cde Waller is a member of the Communist Party of Finland. He lives in South Africa, and is a sub-editor of the African Communist and Umsebenzi

Endnotes

- 1 Free food distribution points for people unable to afford food, In 2017 there were 2 000 foodbanks in the UK.
- 2 For full report see https://www.ohchr.org/Documents/Issues/Poverty/EOM_GB_16Nov2018.pdf
- 3 See <https://blogs.lse.ac.uk/brexit/2018/01/15/we-dont-exist-to-them-do-we-why-working-class-people-voted-for-brexit/>



WHERE TO CONTACT THE SACP

HEAD OFFICE

4th Floor Cosatu House
110 Jorissen Street
Braamfontein, 2017
JOHANNESBURG, 2000

Tel: (011) 339 3621/2

(011) 3393621/2

Website: www.sacp.org.za

Twitter: SACP1921

Facebook Page:

South African Communist

Party: <https://www.facebook.com/pages/South-African-Communist-Party/115354128489821>

EASTERN CAPE

Block A Unit 1 Bisho Business Village Siwani
Avenue BISHO, 5605

Tel/Fax: (040) 635 0463

Email: ecape@sacp.org.za

FREE STATE

1st Floor Moses Kotane Building
44 Fichardt Str, BLOEMFONTEIN, 9300

Fax: (051) 430 7571/4480303

Email: freestate@sacp.org.za

GAUTENG

4A Floor Samwu House
Cnr. Frederick & Von Brandis Str
JOHANNESBURG, 2000

Tel: (011) 333 9177

Fax: (011) 331 3017

Email: gauteng@sacp.org.za

LIMPOPO

Jorissen Street, Adams Forum
NUM HOUSE, 0700

Tel: (015) 297 8128

Fax: (015) 297 7643

Email: limpopo@sacp.org.za

MOSES MABHIDA

321 Anton Lembede Street 7th Floor SADTU
House DRBN

Tel: (031) 301 3806/301 3763

Fax: (031) 301 5470

Email: kzn@sacp.org.za

MOSES KOTANE

4th Floor; Room 406, Vannel Building, Cnr:
OR Tambo & Boom Street KLERKSDORP,
2570

Tel: (018) 462 5675/8230

Fax: (018) 462 5675/4322

Email: northwest@sacp.org.za

MPUMALANGA

NUM Offices, Smart Park Building
WITBANK

Tel: (013) 656 2045/73

Fax: (013) 690 1286

Email: mpumalanga@sacp.org.za

NORTHERN CAPE

17 Graham Street Street,
KIMBERLEY, 8300

Telefax (053) 831 4180

Email: ncape@sacp.org.za

WESTERN CAPE

No 8 Beverley Street Athlone,
Code: 7764 CT

Tel: 021 762 9719/9748

Fax: (021) 421 4170 / 424 4667

Email: wcape@sacp.org.za

EDITORIAL BOARD

Editor-in-chief

Blade Nzimande

Deputy editors-in-chief

Solly Mapaila

Chris Matlhako

Co-editors

Yunus Carrim

Jeremy Cronin

Deputy editors

Buti Manamela

Jenny Schreiner

Design & production

Tony Sutton

Sub-editors

David Niddrie

Mark Waller

Other board members

Joyce Moloji

Celiwe Madlopha

Reneva Fourie

Alex Mashilo

Malesela Maleka

Tinyiko Ntini