



SACP

SOUTH AFRICAN STRUGGLE FOR SOCIALISM

**PROGRAMME, STRATEGIC PERSPECTIVES
AND TASKS**

People, Solidarity and the Environment over Profits

**Together, Let's Build a Powerful,
Socialist Movement of the Workers and Poor!**



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WHY WE NEED A COMMUNIST PARTY

Never before in history has the need for a different, a humane world been more desperately required. Today, the central task of all progressive forces is the struggle to put people before profits, to put the environment before private accumulation, to put internationalist solidarity before deepening inequality and imperialist militarism.

We need a Communist Party with strengthening its vanguard capacity and building a powerful, socialist movement of the workers and poor as its priority towards ending economic exploitation and its consequent forms of oppression, towards securing and defending universal social emancipation, and towards rescuing the ecosystem from destruction by the capitalist mode of production, its patterns of consumption and its other social relations of production.

Today, a single inter-linked world economy is dominated by a tiny minority of exceedingly powerful transnational corporations. This system is buttressed by a declining but still powerful United States (US) hegemony. The continued domination of this world system is characterised by mutually reinforcing environmental, economic and social crises.

The Environmental Crisis

We live in an era in which the very possibility of human civilisation is now threatened by planetary collapse. This is not the result of human behaviour in general, but of a particular system. That system is capitalism. As Marx long ago recognised, it is a system based on an insatiable drive to “accumulate, accumulate”, regardless of consequences.

After five centuries of dramatic expansion and world-wide accumulation, the global capitalist system is now approaching a series of systemic limitations—physical, biological, social and economic. The signs of dramatic climate change are everywhere. This decade has been the hottest in recorded history. Sea levels are rising, wildfires are raging on an unprecedented scale, the frequency and ferocity of hurricanes is increasing, desertification in sub-Saharan Africa has already wiped out the livelihoods of millions provoking instability, resource wars, and waves of desperate climate refugees.

Capitalist accumulation has unbalanced our relationship with nature. Vast logging operations are depriving us of the green lungs that replenish our atmosphere. Intensive agro-industrial production processes, and the reckless corporate invasion of undisturbed natural areas, are unleashing new and dangerous pathogens into society. These are then quickly spread along the world-circling trade networks, so-called “value chains” that vacuum up surplus from low wage enterprises in the South. The Coronavirus Disease 2019 (COVID-19), and the deadly H1N1 swine flu pandemic of 2009, are likely to be the forerunners of more deadly pandemics.

The wealthiest capitalist countries are those most responsible for this environmental devastation.

But they are the ones with the resources best able to mitigate its effects. Already the poorest regions of the world, not least sub-Saharan Africa, are those most severely impacted. But even in the US, the richest capitalist country, public health care is rudimentary. There was a major failure to care for the great majority of its population in the face of the COVID pandemic.

Capitalism's Economic Crises

At the beginning of this century, neoliberal economists (including our local capitalist praise-singers) asserted that the days of capitalist booms and busts were now largely over. The market was now supposedly on a smooth, forever upward path. The South African Communist Party (SACP) at its 12th national congress in 2007, correctly asserted that this belief was delusional. Within months, the sub-prime mortgage crisis in the US was to trigger the largest global capitalist recession since the Great Depression of the 1930s.

At the heart of capitalist economic crises, with their massive destruction of jobs and loss of assets, are endemic features in-built into the way in which capitalism functions. These endemic features of capitalism were already extensively analysed over 150 years ago by Marx.

They include the tendency for the rate of profit to fall as machines and technology increasingly displace the source of capitalist profits—the exploitation of waged labour. Over the last several decades, with rates of profit tending to decline, capital has increasingly been diverted out of the productive economy and into volatile financial speculation. This process of financialisation has accelerated dramatically over the past three decades. It is associated with neoliberal doctrines (for instance, narrow inflation targeting, regardless of negative impact on growth and jobs) that favour the financial sector at the expense of productive investment in plant and economic and social infrastructure. Financialisation (and its flip-side—de-industrialisation) is particularly acute in South Africa with, for instance, the value of speculative capital on the Johannesburg Stock Exchange (JSE) several times greater than our Gross Domestic Product (GDP).

Closely linked to and interacting with the tendency of the rate of profit to fall is another systemic feature of capitalism—capitalist crises of over-accumulation. The highly exploitative character of capitalism everywhere produces extremes of mass poverty alongside a tiny, super-wealthy minority. Mass poverty limits market demand. But capitalism is about production for profit, that is, the production of commodities to be sold on the market, and not for what is actually socially useful and needed. This means that capitalism is constantly haunted by over-capacity, the capacity to produce more than can be profitably sold. This is what Marx called a “realisation crisis”—crisis in which capitalists are unable to realise profit on the investments they have sunk into, for instance, factory plant. Capitalist over-accumulation crises result in regular bouts of enterprise liquidations, bankruptcies, job losses and whole regions turned into decaying rust belts. Currently, what is left of South Africa's manufacturing sector is operating at less than 70 per cent capacity. It is not that South Africans do not desperately need affordable goods that could be produced locally, and it is not as though there is a shortage of willing workers to operate at 100 per cent. These are among the many anti-social illogicalities of a system that puts profits before people.



Everywhere, the crises of capitalism become crises for humanity at large, and particularly for the active working-class and the mass of poor.

This is especially manifest in the crises of social reproduction.

The Rural Crisis of Social Reproduction

At the beginning of the 21st century, the World Trade Organisation (WTO), dominated by imperialist forces, effectively declared war on nearly half of humanity—that is, on the remaining three billion Third World peasant farmers and their families. The dominant forces in the WTO plan to eliminate small-scale, largely survivalist, farming through fast-tracking global agricultural liberalisation in the coming decades.

The processes under-way in our own country-side with the liberalisation of agriculture and the agro-industrial sector, import-parity pricing, monopolisation of the food production chain and of seed stock, mass farm-worker retrenchments, forced removals off farms, the closure of many productive farms or their conversion into game farms, all side-by-side with a seriously challenged and slow-moving land reform programme (largely focused on creating a new stratum of black capitalist farmers)—these local realities reflect the impact of a neoliberal approach to land, food-security and the “transformation” of agriculture and the agro-industrial sector.

The global agenda to transform all farming into capitalist production integrated into a single global accumulation path is advanced in the name of greater productivity and modernisation. We are told that this is how Europe modernised in the 18th and 19th centuries. We are told that a capitalist agrarian revolution will greatly improve productivity and bring down food prices for all.

So, what is the problem? The problem is that in Europe, the capitalist agrarian revolution took over one and a half centuries, not a matter of decades in the way in which the capitalist agro-conglomerates are now proceeding in the Third World. What is more, many of the millions of European peasant farmers who were made surplus by the capitalist revolution in the 18th and 19th centuries were absorbed in labour-intensive factories of an earlier period of capitalism. Millions more “surplus” impoverished Europeans, thrown off the land in previous centuries, migrated as economic refugees to the Americas, to Australasia, some came to South Africa.

But now, under the strictures of global competitiveness, the factories of the Third World are themselves considerably more capital intensive. They are unable to employ the existing mass of unemployed, let alone absorb billions of more newly uprooted peasant farmers. What about the prospects for mass migration from the South to the North? Everywhere, the walls are going up, fences are being reinforced, the border between a wealthy US and its poorer Mexican neighbour is militarised. The Mediterranean serves as a defensive moat before a European castle. For the billions of poor of the South, the imperialist North is a gated community. The wealthy enclaves of the imperialist world are branded like benches in the apartheid-era—“Whites Only”.

Capitalist modernisation has no sustainable answers to the new agrarian question. In fact, a capitalist agrarian revolution on a world-scale has genocidal implications.

Socialism in the 21st century must champion food security for all as a key pillar.

The Crisis of Social Reproduction and Urban Slums

Related to all of this, at some time in the past two decades, for the **first time in human history, the urban population of the earth outnumbered the rural**. As market pressures, droughts, famines, desertification and social instability have pressed down on rural areas, societies have urbanised much faster than was being predicted in the bravest calculations just a few decades ago. The present urban population (over 3,5 billion) is larger than the total population of the world in 1960. This huge wave of accelerated urbanisation has been unlike any preceding it, not just in scale, but in its very character. It is urbanisation largely without industrialisation.

Fully one-third of this now urbanised half of humanity is eking out an existence in the great sprawling slums of the towns, cities and megacities of the South. They have different names in different places—the bustees of Kolkata, the *kampung*s of Jakarta, the *shammas* of Khartoum, the *bidonvilles* of Abidjan, the baladis of Cairo, the *favelas* of Brazil, the *villas miseria* of Buenos Aires, the *umjondolos* of eThekweni. They have different names, but everywhere it is the same basic reality—millions upon millions of rural people and villagers uprooted from their land by a global capitalist accumulation process, cramming into cities, there to join their earlier urbanised brothers and sisters, many of them retrenched workers, or evicted households, or unemployed teachers and health-care workers “down-sized” and structurally adjusted into poverty.

These are the uprooted victims of an era that has invented the Internet and unravelled the secrets of DNA, but which has taken away from more than a billion people their ability to earn a basic livelihood, offering little in return. In a previous century, Marx referred to these de-classed strata of the urban poor as a “lumpen-proletariat”. Many of the features of these strata noted by Marx remain valid. Their relative marginalisation from mainstream production, their fragmentation and their precarious situation make them available to all manner of mobilisation, sometimes by reactionary, demagogic, fundamentalist or xenophobic forces. **But the sheer size and enduring presence of these strata today mean it is no longer possible to think of these one billion people as simply flotsam and jetsam tossed up by a temporary transition to capitalism.**

What is more, the boundaries between the urban and rural poor and the active proletariat are blurred. The working-class and the poor are connected by a thousand household and community ties. The wage of a single proletarian in the South or of a migrant worker from the South in the North typically supports numerous extended family members, some still back in rural areas. Conversely, the daily needs of much of the proletariat are increasingly supplied by a web of semi-formal activities. As waged employment becomes precarious throughout the South, with casualisation and retrenchments, and in conditions where formal social security is minimal, working-class households adopt numerous survivalist strategies, engaging in a myriad of petty entrepreneurial and cooperative activities—spaza shops, minibuses, backyard repairs, cooperative savings clubs, home-based gardening, or clinging on to a small family plot in a rural area.



Much of the burden for these social reproduction efforts is borne by women. These are not just South African realities, they are to be found in differing ways throughout much of the capitalist world.

If socialism is to be an answer to the barbarism of capitalist profit maximisation, then it will have to be a socialism that embraces the aspirations, survival skills and community know-how of the hundreds of millions of urban and rural poor of our era. It cannot just be a socialism of modernisation, of catch-up, of a South mimicking the West, of uncritically emulating capitalism, of simply being capitalism without capitalists.

A Capitalist Hegemonic Crisis

The imperialist global victory of the late 1980s and early 1990s saw the unravelling of the Soviet Union and eastern European Soviet bloc countries and the emergence of a unipolar world under US imperialist hegemony. That hegemony, which has economic, technological, cultural and military dimensions, remains a powerful reality. It should not be underestimated. However, it is common cause, even in conservative circles, that this hegemony is visibly declining.

Neoliberal financialisation, particularly in the US, with its accompanying relative disinvestment in productive activity, in infrastructure and in social spending on health, housing and education, has seen strong tendencies towards low growth and now even stagflation. These and other factors have been contributing to a declining hegemony. In contrast, in China there is a political capacity and willingness to discipline speculative financial activity, to drive major productive and infrastructure development, including at a regional and continental level with its belt and road programme, and the ability to effectively plan economically, socially, and in consequence also to gear up to face the challenges of climate change.

The US, along with its North Atlantic Treaty Organisation (NATO) allies, is, of course, not standing idly by. To assert its dominance, particularly in key strategic natural resources regions, it resorted to a so-called “war on terror”. This was often directed against the very forces that it had originally armed and trained for use as proxies against the Soviet Union in the Cold War period. Following strategic defeats, but at a huge cost to local populations, the “war on terror” has now been somewhat displaced by an attempt to ferment a new Cold War directed largely at China and the threat it poses to US global hegemony.

Imperialism and militarism have always been closely interlinked. The struggle for world peace and international solidarity remains a central task of communists and of all progressives.

The Political Crisis of Contemporary Capitalism

The Cold War victory of neoliberal capitalism was proclaimed as “the end of history”. Economic and political debates were supposed to be over. Politically, a low-intensity democracy of electorally rotating political party elites funded by corporate wealth, and in which the key decisions were not made in elected bodies (parliaments, congresses, legislatures) but by “independent” central banks and compliant Treasuries, was held up as the global model to be

pursued in Eastern Europe, the former Soviet Union, and of course in the global South. Even in the South of the North (in countries like Italy and Greece) electoral mandates have simply been displaced by the insertion of unelected technocrats to head governments, or by privatisation and austerity marching-orders imposed from without by the IMF and the European Central Bank.

This low-intensity democracy often discredits progressive left political parties in government in capitalist countries and gives way to right-wing populism. In much of the global South, where it exists, electoral politics is often little more than a hollow shell, often animated by ethnic mobilisation.

Our major, hard-won victory to establish a non-racial, one-person one-vote constitutional democracy is threatened by a similar hollowing out. Our own national democratic sovereignty must be defended and consolidated. Essential for this is the development of a thriving local, community and popular democracy, including various forms of active participatory democracy so that ordinary citizens are the co-producers of transformation, rather than impatient customers awaiting top-down, state delivery. Essential, also, are social and economic programmes that make citizenship for all a substantial reality, otherwise our electoral democracy will increasingly become an irrelevance for the working-class and poor.

These Crises Interact and Reinforce Each Other.

Exploiting low-wage and resource exploitation, under the contemporary, highly financialised and globalised capitalist system integrated production, takes place across multiple localities. Often different components of a single commodity are designed, manufactured, assembled, packaged and marketed in different countries and continents. A major characteristic of contemporary globalised capitalism is extensive logistics networks and so-called “value chains”, with just-in-time delivery.

This system is highly vulnerable to disruptions, including disruptions provoked by other systemic features of capitalism. The lockdowns in response to the COVID-19 pandemic resulted in major disruptions and supply shocks.

Likewise, economic, military and political interventions to prop up declining US imperialist hegemony—like sanctions imposed upon countries like Russia, China and Iran—are liable to backfire, disrupting the globalist neoliberal agenda.

The crises of capitalism globally and within our country do not mean that a positive alternative will spontaneously replace it. A struggle for environmental survival and justice, for deep-seated equality, for substantive democracy including democratic national sovereignty, for a morality of solidarity and caring, for an end to imperialist wars—in short, a broad-based struggle for socialism is required.

The struggle for socialism is necessarily an international struggle. But there is no ready-made, single, universal blueprint for the correct strategy and tactics. As South African communists, we have to understand both the specific historical conjuncture and our own specific national situation.



The Capitalist Crisis in South Africa

As we approached 30 years of a post-apartheid South Africa, everywhere the interlinked crises of capitalism and their impact upon the majority of South Africans are apparent. Unemployment levels are at horrendous world record levels. Social distress in terms of food insecurity is worse than ever. A staggering 79 recorded murders a day in the last reporting year (2021), and exceptionally high levels of gendered-based violence are symptoms of the further unravelling of social cohesion that had already been brutalised by centuries of colonialism and decades of apartheid rule.

South Africa, like the rest of sub-Saharan Africa, is especially vulnerable to climate change. The global shift to renewables and disinvestment from coal will impact on our economy, leaving us with stranded assets and will make a just transition particularly challenging.

Continued economic distress, and political instability within our immediate southern African region and in the wider sub-Sahara will continue to create waves of desperate economic migration into our country and a volatile situation in working-class and poor communities that bear the brunt of the struggle for scarce resources.

Politically, there are signs of a growing popular and particular youth sense of alienation from our hard-won parliamentary electoral dispensation. Electoral stayaways, particularly in the African National Congress' (ANC's) historical township mass support bases, have been growing.

Large numbers of under-resourced and often poorly managed municipalities are in seeming terminal decline. Strategic state-owned enterprises and public utilities like Eskom, Transnet and Prasa have largely lost the capacity to drive a people-centred development process strategically.

Key transformative strategies like state-led industrialisation and infrastructure development are under-funded and are unable to go to scale. Social interventions with a transformative capacity, like public employment programmes, suffer similar a fate.

This dire state of affairs particularly for the working-class and poor is, of course, partly the consequence of "external" shocks—the Great Recession and the end of the commodity super-cycle (from around 2007/8), the COVID pandemic, or the disruptive impact of the Russian-Ukraine/NATO conflict. Our crises are also the consequence of the massive impact of state capture plundering of public resources, particularly of key State-Owned Enterprises (SOEs).

But none of these external or internal factors should disguise the fact that our country has precisely been made vulnerable to these external shocks and to state capture plundering by two-and-a-half decades of neoliberal restructuring of our economy—the liberalisation of capital flows, the failure to implement prescribed assets, privatisation and corporatization of key public utilities, the pursuit of macro-economic policies that favour the banking and financial sector oligopoly, and by the general illusion that private sector investment is the golden solution.

Faced with our current crises, the current dominant tendency within government, under the hegemony of the Treasury and the Reserve Bank, is more of the same.

This is the challenge that the SACP confronts in the present conjuncture. What is to be done?

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THE NATIONAL DEMOCRATIC REVOLUTION AND THE STRUGGLE FOR SOCIALISM IN SOUTH AFRICA

To develop a programmatic understanding of our strategic and tactical responsibilities as the SACP in this current reality, it is necessary to reflect on lessons from the past three decades. To develop an effective strategic and tactical appreciation of our situation, we need also to understand the shifting trajectory of global, regional and national realities and how, over the past three decades, the SACP has developed its programmatic perspectives.

The South African democratic breakthrough in 1994 was the direct result of sustained, semi-insurrectionary, popular and working-class struggles. These struggles were sustained from the mid-1970s into the midst of the 1990-1994 negotiations despite heavy repression. Although the apartheid regime was not defeated militarily, and although established monopoly capital still dominated the South African economy, our popular, mass-based struggles had rendered a constitutionally entrenched system of white minority rule unworkable. It was these struggles, together with international anti-apartheid solidarity, that made possible the breakthrough 1994 elections and subsequent 1996 democratic Constitution. The overwhelming 1994 electoral majority for the ANC-alliance and the radical vision entrenched in the new Constitution provided a potential bridgehead for an uninterrupted advance and deepening of a popular democracy based on the broad vision of the Freedom Charter.

However, the democratic breakthrough in South Africa also occurred within a new global context. By 1990, it was clear that capitalism under the hegemony of US imperialism had succeeded in largely rolling back, however temporarily, the three major strategic challenges to its continued hegemony that followed the defeat of fascism at the end of World War 2 in 1945. These three strategic challenges were: (1) the existence of a powerful socialist bloc, (2) strong trade unions, including in some key centres of capital accumulation, (3) and radical national liberation movements in the global South.

At the time, the SACP and ANC were inspired by (and we located our own struggle in) the context of these three major progressive currents. In our 1962 programme (The Road to South African Freedom) we asserted that "Communism ... is the dynamic social and political force of our times." Likewise, the ANC's 1969 "Strategy and Tactics" document declared: "The struggle of the oppressed people of South Africa is taking place within an international context of transition to the socialist system, of the breakdown of the colonial system as a result of national liberation and socialist revolutions, and the fight for social and economic progress by the people of the whole world."

The degree to which there was a shared strategic perspective within the leaderships of the ANC and SACP is even more graphically underlined in the ANC's internal document (known as the



“Green Book”) which reported back in 1979 on a major ANC leadership visit to Vietnam. On the longer-term objectives of the national democratic revolution, the “Green Book” noted:

“We debated the more long-term aims of our national democratic revolution, and the extent to which the ANC, as a national movement, should tie itself to the ideology of Marxism-Leninism and publicly commit itself to the socialist option. The issue was posed as follows:

“In the light of the need to attract the broadest range of social forces amongst the oppressed to the national democratic liberation, a direct or indirect commitment at this stage to a continuing revolution which would lead to a socialist order may unduly narrow this line-up of social forces. It was also argued that the ANC is not a party, and its direct or open commitment to socialist ideology may undermine its basic character as a broad national movement.

“It should be emphasised that no member of the Commission had any doubts about the ultimate need to continue our revolution towards a socialist order; the issue was posed only in relation to the tactical considerations of the present stage of our struggle.

It was this strategic perspective shared by the ANC and the SACP that made possible (and was fostered by) the way in which the SACP was able to successfully address its practical tasks, its organisational approach, and key related issues like recruitment and cadre development in this period. While the difficult conditions of illegality and exile played a part, it is important to underline this shared strategic perspective **at THAT time, and in that specific reality.**

Through the 1970s and 1980s, the SACP focused on being a vanguard party of influence **within the ANC and broader liberation movement.** The Party’s independent profile was relatively low-key. The Party’s membership was limited to a few thousand. There was targeted recruitment with membership by invitation and following a probationary period. The focus of the Party was to rebuild the ANC as the premier liberation force in our country. Party units inside South Africa were active in the emerging trade union and mass democratic movements, and Party cadres, as ANC members in their own right, played leadership roles within the ANC and uMkhonto weSizwe (MK).

The relatively optimistic strategic view that Communism was “the dynamic social and political force of our times” and that our struggle was “taking place within an international context of transition to the socialist system”, seemed to be borne out in the late 1960s and through the 1970s. In these years, global capitalism entered a period of extended economic, political and social crises. The crises included mass student and youth rebellions and major worker strikes, the OPEC petrol price shock of 1973, the 1974 humiliating defeat of US imperialism in Vietnam, and stagflation.

However, with the advent of Margaret Thatcher as prime minister in the United Kingdom in 1979, followed shortly with the presidency of Ronald Reagan in the US in 1981, a global

counter-revolutionary crusade was unleashed. Its objective was to rescue capitalism from its multiple crises. In the developed capitalist centres, trade union militancy was aggressively confronted and welfare states rolled back with budget cuts and privatisation. Radical advances in the global South were undermined both through military destabilisation and the weapon of national debt, with the International Monetary Fund (IMF) and World Bank enforcing brutal structural adjustment programmes. The Soviet bloc of countries that had suffered unceasing destabilisation by the imperialist powers were defensively forced into a spiralling and costly arms race that diverted spending from other sectors, including consumer goods. This contributed, along with other factors, to institutional stagnation and eventually to social uprisings that saw the Soviet bloc of countries unravel, generally without violence.

With the fall of the Berlin Wall in 1989 and the dissolution of the Soviet Union in 1991, the neoliberal praise-singers were ecstatic. They proclaimed, “the end of history”. Capitalism, they believed, was unchallengeable. It was here to stay forever. The commodification of everything was the new gospel—the environment, healthcare, education, housing, public transport. In South Africa, in Eastern Europe and the countries that were spun out of the former Soviet Union, a supposed “Third Wave” of democratisation was said to be underway. It often meant a shallow parliamentary electoralism hollowed out by neoliberal, macro-economic policies determined elsewhere. In the former Soviet bloc, reckless privatisation ruined the lives of the majority, while a handful of oligarchs reaped billions.

At the very moment, then, that our own national liberation struggle was poised to achieve a major breakthrough, when there was still considerable popular and working-class mobilisation, and with our revolutionary alliance and mass democratic formations still relatively intact, the global and regional realities had changed negatively.

Within and across the SACP, the ANC and the broader movement, sharp debates and even divisions on strategic and tactical positioning now occurred. There were some, a small minority, who were in denial about the changed global balance of forces. In these quarters a reckless voluntarism was often in evidence—like the call for a “return to the bush” in the midst of the negotiations, or for an immediate armed insurrection following the assassination of Cde Chris Hani.

In other quarters, a measure of defeatist reformism set in. There was a loss of faith in the prospects for socialism, or even for the serious socio-economic structural transformation of South Africa’s distorted political economy. Among those taking this line were some formerly in the leadership of the SACP itself. It included two future ANC and national presidents, elected to the Central Committee in April 1989, who quietly resigned from the Party a year later.

Through the 1990s and into the early 2000s, this reformist tendency succeeded in achieving dominance within the ANC and in government. The formal “non-negotiable” adoption of the neoliberal, macro-economic policy called Growth, Employment and Redistribution (GEAR) in 1996 confirmed the contested domination of this tendency. Determined efforts were waged by this tendency to marginalise, and perhaps even liquidate, the SACP. However, this neoliberal domination was never stable. It was continuously contested from within the Alliance, especially



from the SACP-Congress of South African Trade Unions (COSATU) axis. This contestation took the form both of working-class and popular mobilisation against privatisation, for instance, and in terms of programmatic orientation.

At the heart of the reformist tendency's ideological revisionism was an attempt to re-cast the understanding of a national democratic revolution. It was now presented as a "stage" in which a "bourgeois democratic revolution" would be "completed", essentially through "de-racialising" the capitalist class. "Black Economic Empowerment" (BEE), effectively initiated by Anglo-American in 1990, was adopted as a key pillar. It involved the co-option by established monopoly capital of politically connected individuals. As the SACP warned, from at least as early as 1997, this ran the danger of setting in train a process of moral and ideological degeneration within our movement. The scale of the degeneration, and the emergence of comprador and parasitic strata within the movement and within government, was to prove much greater and more widespread than we had predicted. Cadre deployment and internal ANC electoral contests, dominated by moneyed interests, increasingly focused on primitive accumulation and not on public service.

Neither Voluntaristic Denialism, nor a Neoliberal Defeatism

Faced with these challenges, over the past thirty years, the SACP has actively advanced, renewed and deepened our broad Marxist programmatic position in the struggle for a democratic socialist South Africa.

With the active contribution of the two outstanding communists of the time, Joe Slovo and Chris Hani, the SACP's 8th Congress in 1991 laid the foundation for a programmatic position that was neither denialist about the collapse of the Soviet bloc and its hard lessons and implications for us, nor defeatist about the imperative of a continued struggle for a radical national democratic revolution and socialism in South Africa.

All subsequent national Congresses of the SACP have reaffirmed the Party's strategic perspective that the struggle for socialism in South Africa and the struggle to advance, deepen and defend a national democratic revolution are indissolubly linked.

Over the past three decades, the SACP has collectively developed and popularised this programmatic perspective.

A National Democratic Revolution (NDR) as the most effective path to socialism in the South African reality is not a new programmatic strategy for the SACP. This strategic perspective was clearly elaborated, for instance, in the SACP's 1962 Programme, the "Road to South African Freedom" programme. Indeed, the strategy, in many respects, dates back to the CPSA's adoption of the Black Republic thesis in 1929. However, it would be wrong to imagine that there has been no development and enrichment of this approach over the past thirty years.

Over the last three decades, a critical development of this strategy in the light of new realities and challenges has been the rejection of a stage-ist understanding of the relationship between the NDR and the struggle for socialism. In other words, the Party has moved away from a



tendency to understand the national democratic and socialist struggles as if they belonged to two separate and successive compartments—“first an NDR, and only then a struggle for socialism”. In other words, we have also refuted the idea (advanced by some) that the NDR somehow belongs to the ANC, and a later struggle to the SACP.

This strategic reorientation, therefore, understands that the struggle for socialism is a struggle in the present for radically transformative advances (revolutionary-reforms, as opposed to neoliberal policy/structural reforms), requiring working-class and popular hegemony in all key sites of power in the midst of the NDR.

In other words, the NDR is itself a site of class struggle and that class struggle penetrates our own broad movement.

This strategic re-orientation was captured in the SACP’s slogan first advanced at our 1995 congress—“Socialism is the Future, Build it Now!”

What DO WE MEAN by an NDR?

The NDR is not a “stage” in which capitalism has to be “completed” (or merely “managed according to its own internal logic”). The meaning and content of the NDR is a class contested terrain, it is not something that will unfold on automatic pilot. The NDR is a struggle to overcome deep-seated and persisting racialised and gendered inequality and poverty in our society. It is a struggle to overcome the vicious impact of patriarchy, not just in some generalised way, but a patriarchy that was sharpened and integrated into capitalist relations of production, beginning in the late 19th century when South Africa’s capitalist revolution was fuelled by the super-exploitation based on the social reproduction of migrant labour in “native reserves”. This social reproduction (the rearing of children, care for the sick and elderly) was carried overwhelmingly by women confined through pass laws in “native reserves” and under the patriarchal rule of largely compliant chiefs and headmen. The vicious legacy of this colonially entrenched patriarchy lives on in the extreme levels of gendered based violence in our country. It is a class struggle for the wealth of our country to be shared, as the Freedom Charter declares. It is a struggle to place social needs above private profits.

To be all of this, the NDR has to be a revolutionary struggle to transform the underlying, systemic features of our society that continue to reproduce race, gendered and class oppression. Which is to say: The NDR in our present conjuncture has, in essence, to be a struggle to transform the dependent-development accumulation path of our economy, and the chronic underdevelopment that this accumulation path still daily reproduces.

The SACP has consistently believed that it is possible and necessary to advance and develop a national democratic revolutionary strategy of this kind that unites, in action, a range of classes and social strata. We have also always believed that within our South African reality, unless the working-class builds its hegemony in every site of power, and unless socialist ideas, values, organisation and activism boldly assert themselves, the NDR will lose its way and stagnate.



Why a National Revolution?

Understanding more clearly the key strategic tasks of the NDR helps us to understand why we speak of a **NATIONAL** democratic revolution. The “national” in the NDR has three key dimensions.

In the first place, the NDR is a struggle for **NATIONAL SELF-DETERMINATION**. It is a struggle to consolidate national popular sovereignty for our country, to ensure that, as much as possible, we as South Africans are able to determine democratically our own developmental path, free of external manipulation or domination.

It is here that the dependent **development path into which we have been locked for over a century presents the major challenge**. Our excessive primary product export dependence, our excessive import dependence for capital goods, our vulnerability to commodity price fluctuations like oil, for instance, the negligent way in which we have allowed foreign multi-nationals to buy up and to monopolise strategically critical sectors that were once state-owned, like iron and steel production, or the failure to curb the massive often illegal outflow of capital – all of these undermine our national sovereignty.

This is not to say that we should close South Africa off from the rest of the world. That is neither possible nor desirable. But we have to overcome our dependent-development growth path. This requires not just a national effort, but also the consolidation of a vibrant, democratic and developmentally oriented southern African regional community both at the inter-state and at the popular level. It requires building strategic South-South alliances. It requires striking up ties of solidarity with progressive forces around the world. Internationalism and the struggle for progressive national self-determination are not opposites, they are integrally linked.

The “national” in the national democratic revolution refers also to the task of **NATION BUILDING**. Nation building is, in the first instance, the important task of consolidating a single, **collective non-racial South African-ness**, building unity in plurality. This aspect of nation building is not merely symbolic, it is a necessary task in the struggle to mobilise our forces for the ongoing NDR. But nation building must also critically address **the material infrastructure that can help to build this sense of unity, and whose current highly divisive patterns still often undermine it**. Our national revolution has to be a revolution that addresses, for instance, the skewed nature of our persisting racialised human settlement patterns, evident in the spatial inequities of our towns and cities, and in the divide between developed urban and devastated rural areas. Above all, this kind of infrastructural transformation is not just about technocratic “delivery”, if it is to really be nation-building, then it must actively involve the collective mobilised energies of millions of ordinary South Africans.

The third dimension of the “national” in the NDR is **REVOLUTIONARY NATIONALISM**. One of the great assets of our revolution is an unbroken legacy of popular struggle stretching back over several centuries. This legacy has been constantly drawn upon, replenished and transformed in struggle. It continues to provide a source of collective identity, of popular

capacity and empowerment for a majority of South Africa's workers and poor. It is this reality that accounts for the enduring, although diminishing, popularity of the ANC, whatever the challenges it might be facing. This is not to say that any of us can simply take this popularity for granted. Moreover, the ANC does not "own" the NDR. Leadership in struggle has to be earned constantly, democratically.

The SACP's strategic contribution to and decades-long involvement with revolutionary nationalism is very much part of our Leninism. It was **Lenin who first comprehensively analysed the revolutionary character of the nationalism of colonially oppressed peoples, and the imperative of the workers socialist struggle to support and draw strength from this Third World revolutionary nationalism.**

Of course, the meaning of African nationalism in our context is contested by many class and other social forces. The struggle for working-class and popular hegemony of African nationalism is a struggle against elite abuse of nationalism for narrow self-promotion, a tendency that invariably reduces African nationalism to an exclusivist ideology, to vacuous and sentimental notions about the uniqueness of one group of people as opposed to others. **Revolutionary nationalism in SA must be contested for, broadened so that it remains the shared non-racial legacy of all South Africans, and drawn upon in the struggle for a socialism that is both patriotic and internationalist.**

Why a Democratic Revolution?

Democracy is both the goal of, and a critical means for waging the NDR. In the objective reality of our country and world, the South African NDR will have to be thoroughly democratic, or it will not succeed at all.

The **Freedom Charter**, correctly, understands democracy across three mutually reinforcing dimensions

- Democracy as **representative** democracy, with the right of all adult citizens to vote for and to stand in elections to the legislatures of the country;
- Democracy as **equality of rights** for all citizens, regardless of "race, colour or sex"; and
- Democracy as a struggle of collective self-emancipation, as an **active and participatory process** facilitated by what the Freedom Charter describes as "democratic organs of self-government".

The SACP believes that each of these dimensions is critical, and that a one-sided emphasis on one or the other carries grave dangers. **A one-sided emphasis on democracy as regular multi-party elections**, as important as these certainly are, **can turn democracy into a formulaic and episodic reality dominated by professional elites and money-**



interests. It can also transform progressive political movements and parties into narrow **electoralist machines populated by career politicians.**

A one-sided emphasis on democracy as a rights-based system ends up with a liberal “equal opportunities” perspective in which the constitutional right of everyone to, for instance, “trade where they choose, to manufacture and to enter all trades, crafts and professions” (to quote from the Freedom Charter), is elevated above and **at the expense of the need to radically transform the systemic features of our society.** Which is why, in the Freedom Charter, this particular sentence on the right of everyone to “trade where they choose” is **subordinated** to (but not eliminated by) the preceding sections in the relevant Freedom Charter clause: “The national wealth of our country, the heritage of all South Africans, shall be restored to the people. The mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole. All other industry and trade shall be controlled to assist the well-being of the people”. It is only after affirming all of this that the Freedom Charter then correctly upholds, contextualises AND subordinates the individual right to trade, etc.

In the course of the 1980s and early 1990s, the struggle against apartheid-colonialism saw the semi-spontaneous development of **localised organs of popular power**—street committees, self-defence units, mechanisms for popular justice, popular education endeavours inside the very classrooms of Bantu Education schools, and worker committees on the shopfloor. These moves in the direction of popular power marked the beginnings of implementing the Freedom Charter’s vision of **“democratic organs of self-government”**. These traditions have been carried forward unevenly into the post-1994 period with a range of institutions intended to advance popular participation in governance. They include community policing forums, school governing bodies, and ward committees. The degree to which any of these have lived up to the possibilities of being active institutions for the consolidation of people’s power needs to be critically assessed. Nonetheless, they represent an understanding that democratic governance is not something which can be consigned to government alone. These and other potential sites of localised popular power have to be contested and transformed through active working-class and popular struggles.

But here, too, we must guard against a one-sided elevation of localised (or sector-based) organs of people’s power to the detriment of the other important dimensions of a flourishing democracy. Such **one-sidedness can lead to a neglect of the struggle to transform the content and character of the central commanding heights of state power.** It can also lead to a syndicalist or populist rejection of representative democracy, or even of a respect for a progressive law-based constitutionality rooted in social solidarity. The 20th century is littered with examples of communist, broad left, or national liberation movement rejections of electoral politics, or constitutional rights on the mistaken grounds that these are inherently “bourgeois” (or “imperialist”). Tragically, but frequently, it has been genuine communist, progressive and working-class forces that have ended up becoming the major purged victims of democracy curtailed in the name of fighting “liberal rights”, or “foreign ideas”.

For the SACP, representative democracy, the respect for progressive solidarity-based rights, and the consolidation of organs of popular power are ALL critically important dimensions of the national democratic and, indeed, the vibrant socialist democracy we strive to build.

Why a Revolution?

Our ND struggle is revolutionary because it requires a major transformational process to achieve its strategic objectives. In earlier decades, the ANC always correctly insisted that ours was not a “civil rights” struggle. While civil rights are critically important, our strategic national democratic objective was never understood to be a struggle simply for the “inclusion” of the black majority, by providing them rights within what were then the **existing structures of power**. It was never a case of struggling to make apartheid structures “more representative”. We understood very clearly that the structures of power (whether racial, class, or patriarchal) had themselves to be thoroughly transformed.

However, since 1994, and particularly (but not only) in the decisive area of **economic** power, there have been strong tendencies to slide backwards into exactly that kind of rights-based, “representative”, inclusion. Thus, “transformation” of the apartheid economy (or more accurately of a capitalist economy shaped by CST) is too often reduced to “de-racialising” boardrooms, shareholdings and senior management structures through the promotion of “representative” blacks or women, without addressing the underlying systemic features of an economy that those very boardrooms, shareholdings and management structures daily promote and reproduce.

It is precisely this notion of “deracialisation” without class content that underpins much of the present elitist “black economic empowerment” model. An agenda of “deracialisation” without a systemic understanding of CST, or of class power, or of patriarchy, also means that there are no national democratic strategic guidelines provided to those who are promoted to boardrooms and senior management positions.

This is **NOT** to say that nothing short of communism, that is, nothing short of abolishing capitalism, will enable us to at least **begin** to make major inroads into overcoming the dependent-development and chronic underdevelopment of our society. There is, indeed, both the possibility and the imperative of building a broad multi-class movement around a concrete, national democratic programme of **transformation**.

At the centre of this multi-class movement needs to be the working-class. But it is a working-class that **must exert its hegemony through, in the first place, forging national democratic ties with the great mass of urban and rural poor, and impoverished black middle strata. But a working-class hegemony over the NDR must be more ambitious than even this. Emerging strata of capital, and even established capital, must be actively mobilised into the transformational agenda. This will not happen spontaneously, and it will seldom happen willingly.**



Which is why an NDR agenda, including the agenda of mobilising private capital resources, has to be driven by active working-class struggle.

In broad outline, this is the SACP's understanding of a NDR. But what do we mean by "building socialism now".

Build Socialism Now!

When in 1995 the SACP first advanced the programmatic slogan—"Socialism is the Future, Build it Now!", our opponents, especially the defeatist reformist tendency within the movement itself, sought to portray this as adventurist ultra-leftism. Referring to the Russian Revolution of 1917, some in these quarters even claimed that the Party was seeking to make an "October insurrection", overthrowing the democratically elected ANC-led majority government (the "ANC's February").

The SACP has consistently explained what we mean is not some fool-hardy great leap forward. Building socialism now, is about building capacity for, momentum towards, and even elements of socialism in the midst of a broad-based NDR.

What do we mean by Socialism?

Socialism is a transitional social system between capitalism (and other systems based on class exploitation and oppression) and a fully classless, i.e., a communist, society. A socialist society has a mixed economy, but one in which the socialised component of the economy is dominant and hegemonic. The socialised economy is that part of the economy premised on meeting social needs and not private profits.

Socialising the economy includes the **direct empowerment of workers on the shop floor**, by progressively increasing their control over:

- the **powers of possession**—expanding workers' real ability to impact on work-place decisions, on the organisation and management of the production process, product development, safety and working conditions, etc.; and
- the **powers of ownership**—expanding workers' power over decisions around the allocation of social surplus, including investment policies, budgetary priorities, etc.

Socialising the economy will also involve expanding a **wide range of social ownership forms**, including:

- A **predominant and varied public sector**, particularly in key strategic areas, with enterprises owned and managed by the central state, by provincial and municipal authorities. These public sector enterprises need to be subjected to various forms of democratic oversight and control, including the scrutiny of trade unions, work-place forums, parliamentary oversight, consumer councils and the media;

- A significant and **growing co-operative sector**, including small service and consumer goods providers networked through co-operative and publicly run marketing and purchasing cooperatives.
- The active use of **social capital** to achieve developmental objectives—for instance, worker-controlled pension and provident funds.

The Struggle for Socialism also Involves:

- **Rolling back the capitalist market**—particularly through a struggle to “de-commodify” basic needs—water, energy, healthcare, education, the environment, public transport, housing, social security, culture and information, data, and work itself. These are fundamental social rights. They should not be commodities whose availability, and whose price is determined by a profit maximising capitalist market. De-commodification is not necessarily the same thing as making all such basic needs completely free. Some may be free, others not. In Cuba’s socialist economy, for instance, while healthcare and education are free, other basic needs like household electricity are charged. However, the price for household electricity in this case is not based on a capitalist profit-making market criterion, nor even on complete cost recovery for the public entity providing the electricity. In the Cuban case, pricing of household electricity is used primarily to encourage household rationing of a scarce public good.
- Transforming the market—socialism is not necessarily about abolishing markets, but rather about rolling back the accumulated class power of capitalists in the market. Transforming the power relations on markets includes:
 - Increasing the power of the working-class on the labour market—eliminating unemployment, strengthening the power of trade unions, skills training, an effective social security net, and a massive land reform initiative;
 - The effective use of state subsidies, tendering and procurement policies, regulatory controls, and the use, on the market, of public sector corporations to transform and democratise markets;
 - The establishment of effective consumer negotiating forums and watch-dog bodies, buttressed by the organised (consumer) power of the working-class.

Ninety years ago, when the first pioneering efforts at constructing socialist societies began, it was possible to think that socialism, like capitalism, would be constructed on the basis of unlimited natural resources and endless growth. In what were described as societies of “actually existing socialism” in the 20th century, there were often strong deviations into an economism of “catch-up” and accelerated “modernisation”, often at a great price to working people, to democracy, and to the environment.

Socialism in the 21st century needs to think and act differently. Socialism in 21st century needs to place a premium on ensuring food security for its people, on sustainable livelihoods, sustainable



households and communities and the sustainable use of natural resources.

Clearly, empowering workers on the shop-floor, rolling back the capitalist market by decommodifying basic needs, advancing a wide array of socially owned and regulated entities, and placing a premium on sustainability none of these measures requires waiting for the NDR to be first “completed”.

Indeed, all of these measures are critical to the effective advance, consolidation and defence of the NDR itself.



3

ALLIANCES, FRONTS, A POWERFUL, SOCIALIST MOVEMENT, AND THE ROLE AND CHARACTER OF A VANGUARD PARTY FOR SOCIALISM

Since its formation one hundred years ago, the Communist Party in South Africa has always aspired to play a vanguard role for socialism in our country. To be a vanguard is not something to be simply proclaimed. Nor is it easily achieved. It is about building the capacity to provide leadership locally, nationally and even internationally in the ebb and flow of popular struggle. It has to be earned continuously through the clarity of a party's strategic perspectives, through the ability to intervene practically based on these perspectives, through a capacity to learn from the collective struggles of the working-class and poor, and through the ability to adapt strategic perspectives and tactical choices in the course of active collective practice.

The Political Report adopted by the April 1977 Central Committee meeting of the Party ("The Way Forward from Soweto") captured with great clarity the meaning of a vanguard role in the immediate aftermath of the Soweto 1976 uprising:

"Our claim that we are a vanguard party of the working-class is in no way diminished by our close association with the national liberation front headed by the ANC... A Communist Party does not earn the honoured title of vanguard merely by proclaiming it. For example, a working-class Party does not exercise its vanguard role in relation to the trade unions by capturing them or transforming them into wings of the Party, but rather by proving that the Party and its individual members are the most ideologically clear and the most devoted and loyal participants in the workers' cause. The same principle applies to a situation such as ours in which the main immediate instrument for the achievement of the aims of our national democratic revolution is a mass movement capable of galvanising all classes in an assault on racist power. The African National Congress is such an instrument and our loyal participation in the liberation front which it heads is in the best interests of the class whose vanguard we claim to be."

It was this understanding of the Party's vanguard role at that time that grounded two of the most successful decades of SACP theory and practice. What made this possible in that context was a broadly shared strategic consensus across the ANC and SACP about the inextricable connection between the NDR struggle and a necessary advance to socialism,

Through the 1970s and 1980s, then, the SACP focused on being a vanguard party of influence **within the ANC and broader liberation movement**. The Party's independent profile was relatively low-key. The Party's membership was limited to a few thousand. There was targeted recruitment with membership by invitation and following a probationary period. The



focus of the Party was to rebuild the ANC as the premier liberation force in our country. Party units inside South Africa were active in the emerging trade union and mass democratic movements, and Party cadres, as ANC members in their own right, played leadership roles within the ANC and MK.

The changed global context after 1990 with the collapse of the Soviet bloc led to debates about the relevance of the SACP in the new global reality. A significant Party leadership breakaway occurred, led by a reformist tendency that was to become dominant within the ANC by the second half of the 1990s. Its outlook was increasingly neoliberal and more or less anti-communist in posture.

However, at the very time that some of the former leadership of the Party was abandoning it and taking this reformist path, the freshly unbanned SACP was experiencing a historical high-point in popular support and acclaim. The SACP's role in the national liberation struggle was well understood by many of the hundreds of thousands of militants who had been active in the trade union and mass democratic struggles of the 1970s and 80s. Key Party leaders at the time, like Joe Slovo and Chris Hani, were easily among the most popular liberation figures in our country. Over 40,000 attended the Party's coming-out rally in Soweto in 1990 and a five-fold increase in Party membership was reported at the Party's 8th Congress, held in 1991.

This rapid growth in membership was criticised by some in the Party (and by some former Party members) who saw it as a departure from the tight, "vanguard", "cadreship" organisation that had emerged in the late 1950s following the Party banning in 1950.

The combination of these contradictory dynamics posed new ideological and organisational challenges for the SACP. How was the SACP to play a vanguard socialist role in the new context?

It meant, first and foremost, defending but also contributing internationally to the renewal of communism and socialist vision.

But was it still possible (or desirable) for the SACP to understand its vanguard role as largely focused on being a Party of influence within the ANC, seeking to build a socialist-oriented, pro-working-class bias within the ANC-led movement?

For the better part of the 1990s and early 2000s, this remained the Party's principal strategic, tactical and organisational focus. But this focus continuously encountered hostile opposition from the dominant tendency within the ANC (and ANC-led government) in this period.

In the second half of the 1990s, faced with the prospect of a continuous attempt at hostile marginalisation the Party increasingly realised the importance of asserting a much stronger independent voice, of building its own mass-based presence on the ground, and of active campaigning. It was in the early 2000s that the Party's most successful campaigning took place, notably with campaigns like the Red October financial sector campaign.

Through the 1990s, the Party also built a strong ideological and campaigning "left axis" with

COSATU and its affiliates. This “left axis” succeeded in advancing progressive labour market policies, in partially preventing privatisation efforts, and in championing key social interventions. But it was always an uphill struggle which, in essence, was a class struggle within and beyond our Alliance itself.

The growing internal crisis within the ANC through the early 2000s was partly the consequence of competing primitive accumulation cabals, some of whom (in certain provinces and the Youth League in particular) felt excluded from the inner BEE-beneficiary circle. But it was also a crisis provoked by the deepening failure to address the triple crisis of inequality, poverty, and unemployment.

Organisationally, this crisis played out at the ANC’s 2007 Polokwane national conference, and the subsequent 2008 ANC recall of Mbeki as the President of the republic. The Zuma Presidency of the ANC, and subsequently of the state, created a more favourable space for the SACP (and COSATU). Consequently, in its strategic, tactical and organisational posture, the SACP tended to revert to a much greater focus on seeking to play a vanguard role within the ANC and within the ANC-led government. There was a relative dropping off of the Party’s independent campaigning and mass work beyond the Alliance.

However, the space opened up for the Party from 2007 and with the elections of 2009 was always limited by the Presidency’s deliberate playing off of accommodation of the Left within the Alliance against both the primitive accumulation networks (what we described as the “new tendency”) and the neoliberal reformists who still remained strongly ensconced in key sites like National Treasury and subsequently the National Planning Commission.

The strains in-built into this volatile arrangement led to a weakening of the SACP/COSATU left axis, and then a major split in the federation. In many provinces, districts and branches, the relative accommodation of the SACP at a national level was not replicated. Old factional hostilities against the Party persisted, and, in many cases, became even worse.

It was in this context that increasing pressure and potential divisions built up within the Party. Nominally, the debate was about the “Party and state power”, but in effect it was more narrowly a debate about whether the Party should contest elections independently of the ANC or not.

As the scale of the state capture looting became increasingly apparent, and as the SACP from at least 2014 increasingly took a firm public stand against this corruption, the Party rediscovered a vanguard anti-state capture role within an Alliance that was often flat-footed in the face of the plunder.

This role was central in enforcing Zuma’s forced stepping down in 2017, and in the outcomes of the ANC election victory in 2019. However, while the ANC leadership’s posture towards the SACP is considerably more accommodative than was experienced in the late-1990s and early 2000s, on key policy questions the SACP tends to be politely marginalised, while socially destructive neoliberal policies of austerity and “structural reform” are pursued. For many comrades in the Party, there is a sense that we are kept in the fold but managed. These outcomes should not be a surprise. The Party over the past few years has consistently asserted that the immediate struggle “is on two fronts—against state capture and against neoliberal austerity”.



ANC renewal? Re-configuring the Alliance? Left Popular fronts? And the question of the SACP's position on elections.

Faced with all of these challenges and internal debates within the Party, our 14th National Congress and subsequent Special National Congress passed resolutions on ANC renewal, re-configuring the Alliance and on Left Popular Fronts and on the possibility of the SACP independently contesting elections in its own name.

Whatever the necessary debates within our Party on these strategic issues, there is, at the most general level, a consensus that:

We reject the idea that state power can simply be reduced to elections.

We equally reject any in-principle opposition to the SACP contesting elections in its own right, or any position that seeks to suppress legitimate debate in favour of such contesting.

Our approach to electoral contests in the current period is anchored in the above and also the following understanding, principles and interrelated tasks regarding the **unity and renewal of the ANC, reconfiguration of the Alliance, popular left fronts**, and the necessity to **build a powerful, socialist movement of the workers and poor**.

1. Unity and Renewal of the ANC

- 1.1 The prospects for **ANC unity and renewal** are uncertain and the class character of any such renewal (were it to occur) is equally a matter of struggle. The ANC remains seriously factionalised and moral and political decay has been far-reaching. Its future electoral prospects are uncertain, with a strong possibility of experiencing a further electoral decline, if it does not achieve a turnaround. If it continues, the electoral decline of the ANC could reach a point where it will not be able to form governments in affected levels without seeking coalition partners, and without which it could as well be dislodged. This reality has already struck in at least one province and a number of municipalities, including metropolitan municipalities.
- 1.2 However, the ANC remains by far the largest electoral formation and its residual support base should not be underestimated. If after 2024 the ANC is forced nationally into coalition arrangements, it will be the senior partner. On what programmatic basis it enters into coalition agreements will depend on the character of the ANC at the time and on the capacity of working-class and popular forces to influence the programmatic direction.
- 1.3 *For all of these reasons, the SACP (and the organised working-class, and all progressive forces) can neither stand aloof from the struggle for ANC renewal, **nor invest all our expectations in it**. If we take this latter position, we risk further marginalising the Party and going down with a sinking ship.*

2. The Reconfiguration of the Alliance

- 2.1 The reconfiguration of the Alliance and the struggle for ANC renewal on the basis of advancing, deepening and defending the NDR must not be understood as two completely different tasks.
- 2.3 What the Party understands by Alliance reconfiguration must not be reduced to the important but secondary question of who gets to decide on deployments.
- 2.3 A satisfactory reconfiguration of the Alliance will not happen simply as a result of Alliance summits, or bilateral meetings, or reconfigured organograms that exist on paper, as useful as these might sometimes be. Without effective organised working-class and popular power behind the SACP, without an SACP that boldly asserts its independence, and without the renewal of COSATU and the wider trade union movement, effective reconfiguration will not happen.

3. A Popular Left Front, Fronts or Movement?

- 3.1 For this reason, our approach to building left popular fronts, or perhaps, better, a left popular movement (or movements/campaigns) should not be seen as an “alternative route” (“Plan B”)—although it might have to become that if the continued degeneration of the ANC persists partly as a result of our collective inability in class struggle to arrest such degeneration.
- 3.2 Either way, effective left popular mobilisation should not be developed as an anti-ANC position—but it should certainly be aggressively against some of the dominant trends within the ANC and the ANC-led government (whether neoliberal austerity or vulgar state capture plundering). Effective left mobilisation should be able to influence and perhaps even mobilise some, if not all, ANC structures and certainly a large part of the ANC’s broad support base.
- 3.3 Indeed, effective left popular mobilisation should also be able to win over (or win back) many genuine (often youthful) militants who have drifted off into other places, groupings or organisations outside our movement. We should not give up on many of these because of a corrupt, demagogic and authoritarian leadership clique.
- 3.4 In other words, a popular Left front (or fronts, or a popular Left movement) should emerge out of popular mobilisation and campaigning. It should not be seen as first the cobbling together of a variety of formations at leadership level that variously proclaim themselves “left” or “socialist”, and then only launching a programme of mobilisation and action. The building of a left popular movement must be grounded in a network of active struggle—“feeling the stones to cross the river”.
- 3.5 Given the considerable volatility and uncertainty of our situation, a future popular Left front might become an effective electoral formation (as in Kerala, for instance). However, the objective of consolidating left popular mobilisation with the possibility of consolidating a popular Left front should not be understood as simply an electoral agenda. This may



be the necessary decision to be taken in an uncertain future—but even then, the electoral prospects of a popular Left front will swing on its actual mobilisational, organisational strength and hard-won popular support.

4. The consolidation of the SACP's fighting strength and vanguard capacity, building a powerful, socialist movement of the workers and poor.

- 4.1 For the SACP to play a vanguard role in this global and national context, the Party needs to develop a much clearer independent voice, it needs to build an organisation capable of playing an active role in working-class and popular communities, it needs to consolidate a revolutionary cadre capable of carrying forward these tasks at all levels of our formation, and it needs to be able to resource these activities materially.
- 4.2 These **should not be seen as sequential tasks**—for example: “first accumulate financial resources—then embark on campaigns, electoral or otherwise”. An effective campaign (whether electoral or otherwise) has the possibility of encouraging crowdfunding. On the other hand, however, we must guard against voluntaristic leaps in which we harbour unrealistic objectives beyond our immediate organisational, cadre and material resource capacity.
- 4.3 **Should the SACP contest elections** in its own name, for and with the working-class as a working-class Party in the relatively near or medium-term future, we should be clear that we are not talking about “taking state power”. Such a campaign realistically should aim to place more firmly on the public agenda the prospects and necessity to roll back neoliberal austerity, for the possibilities and imperatives of a socialist advance, to bring hope to an alienated youth, or to a disaffected ANC support base, and to use our independent presence in legislatures to act as “people’s tribunes”. This will require that we neither tail behind the general mood and aspirations of the great majority of the workers and poor, nor that we place ourselves so far ahead with left-sounding rhetoric that we reduce ourselves to a small clique.
- 4.4 The questions of the class character and leadership of the state, and the societal power concentrated, organised and exercised in the state, are crucial to every working-class revolution. Based on the above:
 - The SACP has to build and strengthen its vanguard character and capacity in this extremely challenging and connected national and global contexts and going forward continuously.
 - In building and strengthening the vanguard character of the SACP, we will intensify the independent voice of the SACP and its political, ideological and organisational capacity to mobilise popular forces.
 - After concluding a review of progress and assessing its experience on the reconfiguration of the Alliance, the renewal and unity of the ANC, our broader movement and its other

components, and, considering other relevant factors, in the period following the 15th National Congress the SACP will conclude the roadmap and modalities to contest elections more effectively with (“within the umbrella of”¹), or without² a reconfigured Alliance.

- In the same vein, the SACP will press ahead with the strategic imperative to build a powerful, socialist movement of the workers and poor, to move the national democratic revolution into a second radical phase, advance, deepen and defend the revolution and intensify the struggle towards a socialist transition.
 - Internally, the SACP will continuously deepen political education to:
 - (i) ensure growth in membership is accompanied by growth in the quality of its members as communist cadres;
 - (ii) ensure growth in its influence and impact; and
 - (iii) develop working-class leadership of society.
 - In strengthening its membership political education, the SACP will couple it with mass political education, linked with advancing and deepening campaigning.
 - The SACP will consistently engage with the trade union movement and other worker and progressive organisations to strengthen its and wider working-class organisational capacity in all respects, to deepen the struggles of the workers and poor in everyday life.
- 4.5 In handling the question of electoral politics and contestation, the SACP will at all times continue to improve its theory and practice as a Marxist-Leninist Party based on inviolable ties with the working-class masses. Besides consolidating the SACP’s fighting strength and vanguard capacity, it is essential to build a powerful, socialist movement of the workers and poor as a critical component of an effective, mass-based consolidation in active struggles of popular and working-class forces.
- 4.6 Whether it is in the struggle to renew the ANC and re-configure the Alliance and more dramatically change the course of neoliberal consolidation in government, or whether it is to eventually contest elections (within the umbrella of, or without a reconfigured Alliance)—nothing can be won in the ANC or Alliance forums, or in electoral contests—without the effective, mass-based consolidation in active struggles of popular and working-class forces.

1 SACP 14th National Congress, July 2017.

2. If the Alliance continues without reconfiguration within a reasonable period, tracing our resolutions on the need to reconfigure the Alliance at least to our 12th National Congress in 2007.

STRATEGIC PERSPECTIVES AND TASKS

1

TOGETHER, LET US BUILD A POWERFUL, SOCIALIST MOVEMENT OF THE WORKERS AND POOR

For an end to exploitation and the right to work for all: We call on the unemployed youth in their millions, on mothers stuck at home without child-care facilities, on those recently retrenched, on those in precarious work. Together, let us build a powerful, socialist movement of the workers and the poor!

For environmental justice for all: We call on the working class and poor living in townships in the midst of pollution, on communities soon to become mining ghost towns, on environmental activists, on progressive faith-based networks. Together, let us build a powerful socialist movement of the workers and the poor!”

To put people before profits: We call on public and private sector workers, on the unionised across federations, we call on the non-unionised, on those in informal work, on South African and foreign national workers. Together, let us build a powerful socialist movement of the workers and the poor.”

For accelerated land reform: We call on the landless, on farmworkers and labour tenants, on subsistence farmers, on those deprived of their communal land tenure rights, on households forced to live on floodplains and dangerous riverbanks. Together, let us build a powerful, socialist movement of the workers and the poor!”

For the right to access and mobility: We call on those who are stranded because of poor public transport, on the elderly and disabled, on those living in inaccessible places because of crumbling infrastructure. Together, let us build a powerful, socialist movement of the workers and the poor!”

For a universal basic income grant: We call on those whose children go hungry at night, on those who can't afford transport to look for work, on all those who want to live in a society in which no one lives in abject poverty. Together, let us build a powerful, socialist movement of the workers and the poor!”

To defeat state capture and to build a democratic developmental state: We call on public sector workers, on patriotic professionals, on progressive journalists. Together, let us build a powerful, socialist movement of the workers and the poor!”

For personal and neighbourhood safety: We call on community activists, on voluntary neighbourhood watches, on gender activists, on honest policemen and women, let's work together, let's strengthen our networks, let us free our townships and villages from the scourge of violence against women and children, against gangsterism, substance abuse, and protection



racketeers. Together, let us build a powerful, socialist movement of the workers and the poor!”
The SACP will pursue and deepen the socialist political organisation of the masses.



2

THE FINANCIAL OLIGARCHY AND INEQUALITY, UNEMPLOYMENT AND POVERTY

South Africa is a global outlier. We have the highest levels of income inequality in the world (as measured by the GINI coefficient), while our wealth inequality is even greater. We have what must rank as the worst unemployment in the world—at an unsustainable level now approaching 50 per cent in the broader and more accurate definition. As a consequence, mass poverty and related challenges like food insecurity, vulnerability of the poor to weather-related disasters, or to health crises (Tuberculosis, COVID, diabetes) are chronic. The loss of social cohesion is apparent in the fact that we are also amongst the most violent societies in the world (excepting those in the midst of military conflict)—in 2021 there was an incredible average of 79 murders a day. All of these dismal statistics are strongly marked by class, race, gender, age cohort and geographical location.

But South Africa is also a global outlier in other respects. The value of speculative capital on the Johannesburg Stock Exchange (JSE) relative to our Gross Domestic Product (GDP) rose as financialisation rapidly advanced and is amongst the most extreme and unbalanced in the world (in 2010 we were second only to Hong Kong). The Rand is amongst the most traded “emerging market” currencies. We are said to have amongst the “most sophisticated financial sectors”.

Are these two sets of realities unconnected? Are inequality, poverty, unemployment, and endemic social violence only a legacy hang-over from decades of apartheid, worsened by state capture corruption, what Marx calls “fraudulent alienation of the State” (Capital, Vol. 1), and “unpredictable” crises (the Great Recession, the COVID pandemic, the North Atlantic Treaty Organisation- (NATO)-provoked war in Ukraine, floods and droughts)?

Are our hyper-financialisation outlier characteristics essentially a positive reality (as we are constantly told)? Or are these two sets of realities directly connected?

The terrible legacy of a colonial and apartheid past and endemic corruption are major factors. But it is the hegemony of the financial oligarchy and its related neoliberal policies, its capture of public institutions (like the South African Reserve Bank (SARB), Treasury and the Public Investment Corporation (PIC)) and its deep influence upon government and wider society that have become the major drivers of the deepening socio-economic crisis confronting the majority of South Africans.

The strangle-hold that the monopoly financial sector now has over our political economy undermines the ability to effectively advance key developmental programmes (like re-industrialisation, or a major infrastructure build programme, or a Universal Basic Income Grant (U-BIG), for instance) upon which there is nonetheless wide agreement.

To develop effective South African Communist Party (SACP) strategic perspectives and to understand the Party's tasks in the present conjuncture, it is important to understand and correctly characterise the dominant class and broader socio-economic trajectories that have occurred in our country over the past post-apartheid 30 years.



3

CLASS RECONFIGURATION SINCE 1994

Changing dynamics within the capitalist class—the rise and rise of speculative financialised capital.

Marxist analyses of the earlier apartheid-era political economy correctly identified the mineral-energy complex as the dominant capitalist sector in South Africa. This dominance was reflected in a number of other core features—a mineral export and capital goods import dependence as a semi-peripheral society within the global circuits of capital; a spatial pattern of distorted development-underdevelopment, with logistics linked to hinterland mining (and associated industrialisation) and coastal ports; and low-wage migrancy from labour reserves in South and southern Africa. The dominance of this monopolised mineral-energy complex was reflected in the fact that a single conglomerate, Anglo-American, rooted in mining, dominated some 80 percent of the JSE in the early 1990s.

Many of these problematic, structural features remain embedded in our political economy. However, there have been important shifts in the character of South African monopoly capital since then, which we need to understand if we are to effectively position the Party strategically. While mining remains an important sector, particularly for foreign currency export earnings, its relative size within South Africa's overall GDP has diminished to around 10 per cent.

From around the mid-1990s, coinciding with the democratic breakthrough, and in line with global capitalist trends, the financial sector, which historically had served the interests of the mineral-energy complex, now subordinated those interests to its own agenda. At a government policy level, this structural reconfiguration was entrenched through the 1996 Growth, Employment and Redistribution (GEAR) programme.

Through the late 1990s and into the present, South Africa's political economy has become highly financialised. In fact, in terms of many comparative indicators, South Africa is a global outlier—as already noted above.

In 1994, the financial services sector in South Africa contributed 6.5 per cent to GDP. It currently contributes nearly 25 per cent, while the contribution of productive sectors to the economy has shrunk relatively with, amongst other things, de-industrialisation.

These developments have transformed many of the dominant features of the capitalist class in South Africa and also the working-class and key dynamics within the class struggle. Class representatives of the financial services sector (notably the banking oligopoly, but also the major investment and insurance corporates) are now clearly the hegemonic force within the capitalist class. Monopoly finance capital presents its interests as those of "business" in general (and even of the country at large). When government seeks a "social compact" with so-called social partners—it is the financial sector that assumes the role of speaking for "business" at large.



This financial sector class dominance is reinforced by the increasing financialisation of other sectors of the economy—including mining and retail—including the major shift in corporate practice to “enhancing share-holder value” above all else, incentivising chief executive officers and chief financial officers with grotesque rewards, not for productive outcomes or productive investment, but for short-term, manipulative increases in share-value.

This dominance has been further cemented by the revolving door of senior personnel as they move seamlessly from the National Treasury to the South African Reserve Bank and the private banking and investment oligopolies. It is a progression that is often preceded by stints in the United States (US) in the spawning hatcheries of the World Bank, the International Monetary Fund (IMF), and Goldman Sachs.

The strategic interests and economic perspectives of monopoly finance capital also dominate much of the media, and what largely gets taught in economics departments at universities.

The class arrogance and hegemony of finance capital was dramatically illustrated in 2020/1 when the government attempted to assist businesses in distress as a consequence of the COVID lock-down recession. In response to the lock-down recession, the SA Reserve Bank had already injected money into the financial sector through the purchase of bonds on the secondary market (that is, the SARB—which “prints” money in any case - further expanded the liquidity of the private banks by purchasing the bonds that they held). At the same time government made available a potential 200 billion rands to the same banks in terms of a COVID-19 Loan Guarantee Scheme to assist businesses in distress.

Tito Mboweni, who had been Finance Minister at the time, revealed (but only after he had left office) that the banks simply refused to play ball, despite pleas from President Ramaphosa. According to Mboweni: “That national guarantee scheme was designed in such a way as 94 per cent of the risk was to be absorbed by the National Treasury and the South African Reserve Bank. But the banks didn’t come to the party.” (“They wouldn’t budge”: Mboweni blames banks for failure of the Loan Guarantee Scheme, *fin24*, 4 May 2022). Only 18,4 billion rands of a potential 200 billion rands was dispensed by the banks to businesses in distress. Particularly badly impacted were small and medium enterprises, with the banks insisting on applicants for the loans placing at risk as collateral their entire businesses despite the fact that government was carrying the burden of the risk.

According to the same report, the Reserve Bank connived with the private banks in this anti-social conduct. It is a graphic example that illustrates that the profit maximising conduct of the private banking oligopoly is not even in the interests of broader capitalist and petty capitalist strata, let alone society at large. It also illustrates who really calls the shots in the incestuous Treasury-SARB-private banking oligopoly relationship. This, in essence, is another form of state capture.

It is the ideological and financial dominance of the banking oligarchs in our economy that accounts for, and in turn supports, the rigid adherence of Treasury and the SARB to the neoliberal package of inflation targeting, austerity cuts, and exchange control liberalisation.

These policies run counter not just to the interests of working-class and middle strata in our

society. They also create actual and potential fault-lines within the broader capitalist class. Through the active campaigning against neoliberal austerity, these objective fault-lines create possibilities for tactical alliances against the suffocating impact of neoliberal orthodoxy and hyper-financialisation beyond just working-class and popular forces.

The heavily skewed financialisation of our economy and the ideological hegemony of the finance sector place a massive constraint on the entirety of programmes and policies required for serious structural transformation. The dominant macro-economic ideologies suffocate policies and programmes, even where there is at least nominal agreement across our Alliance and in government for state-led (re)industrialisation, for instance, or for a major infrastructure build, or for a massive expansion of public employment programmes (as envisaged in the National Development Plan), or for a just green transition, or for national health insurance. None of these ever get off the ground, or, if they do, they are throttled in their infant cradles - seriously underfunded, they are unable to achieve effective scale to meaningfully contribute to job-creating, sustainable economic growth.

The full range of neoliberal dogma is constantly evoked by the National Treasury, the South African Reserve Bank (SARB) and the media megaphones for the banking oligarchs. They seek to beat down any thought of even mildly heterodox macro-economic approaches. We are told that “the state can’t spend what it doesn’t collect in taxes” (as if the South African government were a household and not the sovereign issuer of the Rand in the first place). We are warned that we are about to “fall off a fiscal cliff”, that our “public debt is extreme”. These dire warnings are repeated over and over until they seem like common-sense itself.

What adds to confusion is the fact that Treasury and the Reserve Bank generally played a positive role in countering rampant state-capture looting. They present their role on that front as if they had been holding the line on their own, and as if neoliberal austerity were the same thing as fighting corruption.

We must make it very clear: the SACP’s campaign against neoliberal austerity is NOT a campaign in favour of corruption, or the squandering of public resources, or of not cutting perks for those in public office. Hence our frequently affirmed view of recent times that we need to wage a struggle on two fronts, against state capture, and against neoliberal austerity.

But how to fight against neoliberal austerity—which is to say, how to fight for the de-financialisation of our economy?

Because of the deliberate mystification of macro-economics, it often appears to be a matter for “experts”, even though the effects of neoliberal austerity are felt everywhere—in overcrowded school classrooms, in abusive work-places where a grossly under-funded and over-stretched labour inspectorate is nowhere to be found, in rural areas where agricultural extension officers and veterinary services have been slashed, in criminal prosecution backlogs affected by budget cuts for training new National Prosecuting Authority entrants, in numerous municipalities in which the huge developmental responsibilities simply do not match budget allocations...and the list goes on.



Important sectoral struggles against austerity are being waged and they are sometimes partially successful. But the overall macro-economic straitjacket remains in place. When concessions are made, we are immediately fed the line about having to make “difficult trade-offs”. You can’t have both a universal basic income grant and a National Health Insurance, we are told.

In this way, neoliberal austerity has the tendency to further advance the class interests of financial capital by fragmenting popular, working-class struggles into competing silos—student interests versus those of workers, the unionised against the unemployed, and so on. A key role for the SACP is, therefore, to draw the linkages and shared interests between different working-class and popular struggles, and even with those of the middle strata and productive capital as against financial capital.

Of course, the SACP accepts that not everything can be done at once. We accept that much better integration, co-ordination, and sequencing of state-led programmes is important. What we reject is the neoliberal, austerity macro-economic straitjacket within which this is supposed to take place.

What are the key elements for taking forward this struggle?

First, the battle of ideas—leveraging the growing international waning of neoliberal certitudes.

In the battle of ideas within South Africa, we need to leverage the international reality that the neoliberal certitudes of the 1990s and early 2000s are no longer so firmly in place. There is a substantial and increasingly mainstream public debate about the relevance of neoliberal macro-economics. With the shock of the Great Recession starting in 2007/8, central bankers in the US, EU and UK simply abandoned the neoliberal playbook and pumped huge liquidity into their private banks through quantitative easing (QE)—Japan had already been doing this for several years. These departures from neoliberal orthodoxy in the developed capitalist world however, said to be reserved for them alone.

The global supply shocks induced by the COVID-19 pandemic and the subsequent NATO instigated Russian-Ukraine conflict, and the obvious hopelessness of old neoliberal certainties in the face of looming stagflation in much of the developed capitalist world—all of these have further helped promote the revitalisation of various heterodox macro-economic perspectives, including neo-Keynesian and Modern Monetary Theory approaches. Longstanding Marxist critiques of neoliberalism must now also actively contribute to the public debate.

Another important factor in the struggle against hyper-financialisation is the contrasting example of China, which, much better than the developed capitalist economies, has weathered the storm of the Great Recession. A key factor has been the use of China’s extensive, state-owned banking system, against the growth of speculative capital—what the Chinese refer to as the war against the “disorderly expansion of capital”, meaning speculative capital.

There are many important lessons that can be derived from international experience and debates. Alas, here in South Africa, Treasury and the SARB are tone-deaf to these developments.

Working with a range of progressive policy NGOs and others, the SACP must play an active role in opening up the macro-economic policy debate. We must bring neoliberal macro-economic policy down from its lofty and dogmatic heights, making the debate accessible and meaningful at a popular level.

But it is not enough simply to analyse the problem by critiquing neoliberal austerity. We must also develop practical programmatic interventions that begin to transform the social crisis into which neoliberalism has plunged us.

De-mystifying the question of the “public debt”

Writing long before the current phase of highly financialised capitalism, Marx had noted that under capitalism the public debt “becomes the alienation of the state” (Capital, Vol. 1). Speculative finance capital’s domination and manipulation of the public debt: “signifies the official surrender of national wealth to the Bourse [the stock exchange], the management of the State’s property by the Bourse and in the interests of the Bourse.” (Class Struggles in France, 1848-1850).

Capitalist speculative capital favours an indebted state, since this creates not just avenues for profits on interest, but also opens up influence on policy and even effective ownership over nominally publicly-owned entities. Just as the bank continues to own your mortgaged home until you have paid up, so Eskom’s bond-holders exert an effective ownership function over what is legally an SOE. But while public debt creates avenues for capitalist speculative profits, too much debt creates, for these speculators, the risk of defaults.

In our current national reality, we are told that our public debt, standing at around 80 per cent of our GDP, is unsustainable. A 60 per cent debt to GDP is said to be “the upper limit” for countries like our own if we want to enjoy “investment grade” ratings. In challenging this assertion, there are several basic points that need to be noted:

- The idea that 60 per cent is the upper limit and 80 per cent is unsustainable are arbitrary ratios from the IMF and ratings agencies (acting on behalf of global financial speculators). These ratios for so-called “emerging market”, “middle income” countries like South Africa are applied as if they were timeless and universal regardless of the specifics of different “middle income” countries. (The same applies to the other entirely arbitrary and supposedly universally applicable macro-economic dogmatic ratios – the “permissible” inflation range, and the balance between government expenditure and tax collection.)
- The belief that the principal way of reducing the public debt, or lowering inflation, or improving the government expenditure-revenue ratio must be through austerity tends to neglect the fact that if there were more robust growth, then the same amount of debt would be reduced as a percentage of the GDP, and that effective developmental government expenditure could improve government revenue. Austerity measures in the name of reducing the debt, or the gap between expenditure and revenue, but which cramp growth are, in fact, increasing the relative percentage of the debt.

- For example, it is highly probable, as many studies suggest, that an effective U-BIG will have growth multiplier effects in the local economy. The principal beneficiaries of a U-BIG, the poor, the unemployed, the under-employed, will spend grant income on locally produced consumer goods, rather than imported luxury items like the rich. Instead of seeing public expenditure on a U-BIG or on massive public employment programmes as simply a cost to the fiscus, their multiplier potentials need to be understood and evaluated.

We must also unpack the nature of our public debt.

- The first advantage that we have is that 90 per cent of our public debt is Rand-denominated. Many other peer group countries (Turkey and Argentina are notable examples) have a largely dollar-denominated public debt. Countries with dollar-denominated debt are extremely vulnerable to devaluations in the exchange value of their local currencies. It is for this reason that the SACP forcefully criticised Treasury's 2021 senseless (and unneeded) taking out of a dollar-denominated IMF loan. Although the interest on this loan is relatively low, any major and unfavourable shifts in the dollar-Rand exchange rate would make its ultimate costs to our country expensive. In fact, the only plausible reason for Treasury officials taking out this loan is that they wanted to further hold us hostage to the neoliberal playbook. Included in this is enforcing the neoliberal policy reforms from the IMF- and World Bank-backed OECD prescripts ("recommendations") published in its "Economic Policy Reforms 2017: Going for growth", and to keep in place a one-dimensional protection of the value of the Rand through mechanical inflation-targeting by increasing interest rates at the first hint of minor inflation rises. But the dampening of local consumer demand through rate hikes is based on the ludicrous assumption that inflation in South Africa with soaring unemployment and poverty is driven by domestic demand and not by external supply shocks—in particular, the cost of imported oil (and the global inflation driven by the NATO-provoked war in Ukraine). Interest rate hikes that further suppress local demand (as if it had not already collapsed) in the current South African reality amount to firing blanks at inflation.
- A second (often forgotten) feature of our public debt is that around 70 per cent of it is owed to SOUTH AFRICAN financial institutions. These South African institutions include the publicly-owned PIC and the private banks and other private financial institutions. With R3-trillion of assets under management, the PIC is the dominant holder of our public bonds. The predominantly South African character of our public debt opens up many potential avenues for relieving the relatively heavy public debt from off the neck of the public sector and, more importantly, driving down the power of speculative capital that undermines our national sovereignty.
 - The PIC, as a public investment entity, could, for instance, swap some or all of the debt that Eskom owes to it for shares in Eskom (this is called a debt-equity swap). This would not be privatisation of Eskom since the PIC is (or at least should be

- acting as) a public entity, in the public interest. It might be argued that this will limit the returns on investment for the PIC, and for the Government Employees Pension Fund (GEPF), the major source of the PIC's R3-trillion investment capital.
- But the GEPF operates on the myth that it has to be "fully funded". In other words, it operates as if every single public servant were about to go on retirement at the same time, tomorrow! An adequately funded rather than a fully-funded GEPF could release public money for more useful developmental purposes rather than all of it going to the PIC essentially for financialised speculative activity.
 - A common myth is that the money private banks lend to public entities, or to private corporations, or to households (for home mortgages, for vehicle purchases, or other forms of credit) comes from the savings and interest payments clients make into the banks. But this is only a very small part of the story—the bulk of bank loans made to public and private entities comes from liquidity directly injected into the private banking system by the SA Reserve Bank that "prints" (electronically) this money. Thus, the myopic part of the story conceals the bigger role played the central bank, identified by Marx in *Capital* (Vol. 3) as "the pivot of the credit system". The local financial institutions holding South African government and State-Owned Enterprises (SOEs) bonds are making around 10 per cent a year on these loans. This means we have the absurdity of one branch of government (the SARB) pumping money into the banks, which then, through purchasing government and SOE bonds with that money, make handsome profits, while the very same government and its entities suffer under the burden of repaying the bonds!
 - This is one major reason why the government, with mobilised public support, needs to enforce prescribed assets on the financial sector. This means that part of their investments needs to be in designated areas of critical public developmental importance—it could be in support of a just green transition, for instance, or in critical social infrastructure (for example, suitably located low-cost housing, including rental stock). This was one of the key demands of the SACP-led Financial Sector Campaign that we launched in 2000. The banks refused outright to accept prescribed assets—although the apartheid regime had successfully implemented for their own purposes exactly these measures. The banks did agree, in principle, to a version of prescribed assets—"community re-investment". However, in the Financial Sector Charter, community re-investment was a voluntary matter, and very little at all has happened on this front. Attempts to convene a follow up Financial Sector Summit to review and evaluate progress on commitments made has been consistently scuppered from these quarters.

Transforming the banking and wider financial sector

Relative to many advanced capitalist countries (Germany and even, to some extent, the US) where there is a history of many smaller banks often with long-term, "patient" commitments to



particular geographical localities, South Africa has an extraordinarily high level of banking concentration—essentially an oligopoly of five major players.

The Venda Building Society (VBS), before it was plundered by state capture elements, was an important example of what could be achieved on a more local scale to serve working-class and marginalised communities. The SACP should champion the establishment of co-operative banking, building on long traditions of co-operative saving (like stokvels) as an important shield against the predatory lending habits of both the major private banks and the mashonisas (loan sharks). Various small, mutual and co-operative banks must be a feature of a deepening NDR and as important building blocks of a future socialism.

Ultimately, however, the private banking oligopoly itself must be dealt with. Enforced prescribed assets can be useful transitional measures. But the Freedom Charter was not wrong to understand that the monopoly banking sector needs to be transferred to the ownership of the South African people as a whole, in other words, socialised. Given the massive domination of the private banking oligopoly within our economy, and its integration into global financialised capital, socialisation/nationalisation of this sector is unlikely to be something that can be achieved overnight or in one swoop.

But this does not mean that we have to stand by hopelessly. Apart from important transitional measures like increased regulation in the public interest, including through prescribed assets, the example of China with its extensive state-owned banking system which is deliberately used to prevent the excessive growth of “disorderly capital”, is important to note. Or, a more limited example, but one closer to our own reality, is the case of the Brazilian Development Bank (BNDES) development bank.

In South Africa we must pay much greater attention to the consolidation, the appropriate funding and effective developmental mandating of existing publicly-owned banks and public financial institutions—the Development Bank of Southern Africa (DBSA), the Industrial Development Corporation of South Africa (IDC), the Land Bank, the Public Investment Corporation (PIC), Postbank and a number of provincial financial entities that are (or should be) publicly owned (e.g., Ithala Bank).

The strategic alignment of these publicly owned banks and financial institutions and a much clearer mandating of the SA Reserve Bank to support these public financial institutions are required.

Additionally, organised workers need urgently to evaluate the role and performance of the various union-related investment houses. Are they simply behaving like any other profit-maximising, and speculative finance house, or are they contributing to a pro-poor, pro-working-class developmental agenda? Is there effective worker control over these entities, or are they capitalist Trojan Horses inside the unions, driving the overall financialisation of our society and funding factional battles and bribing key officials?

A black capitalist class? BEE as part of the neoliberal financialisation agenda

Despite the removal of all race-based discriminatory legislation concerning the right to trade and to own landed property, and despite various programmes under the aegis of BEE policies including preferential procurement legislation, the capitalist class in South Africa remains overwhelmingly white and male. However, there has been a deepening of intra-African wealth inequality as a small, often politically-connected elite has benefited from policies that were said to be aimed at creating a supposedly “more patriotic”, “black capitalist class”.

There is no such thing as a separate, stand-alone “black capitalist class”, nor could there be in the South African reality, any more than there could be such a thing as a separate “women capitalist class”. Black capitalists in South Africa are part of a single if diverse South African capitalist class all of whose members derive their position and wealth directly or indirectly from the exploitative extraction of surplus from the working-class.

Beyond this specific shared reality, the particular role and interests of members of the capitalist class are largely determined by their sectoral and even geographical locations, their relative degrees of ownership and managerial control over the means of production, whether their incorporation is within the monopoly and particularly oligopolistic financial sector, or whether they are located in more productive sectors (agriculture, manufacturing), or in smaller medium-sized enterprises, whether they act largely as go-between rentiers for international firms and the local market, or as go-betweens between private corporations and the state, and/or whether they are simply well-paid fronts.

Black and white capitalists will be found across this entire range. However, given the history of colonial expropriation and apartheid discrimination and the general lack of inherited wealth in black families, and given the established existence of a well-established domestic capitalist class (overwhelmingly white and male), the primary accumulation processes through which black aspirant capitalists have become capitalists have largely followed one of two routes –

- One - the Black Economic Empowerment (BEE) empowerment route (originally pioneered by established monopoly in 1990) in which encumbered shares are provided to individuals or nominally black consortia, usually for their actual or perceived proximity to the ANC/government. In fact, this version of BEE was part and parcel of the general and rapid move to financialisation of South African capitalism. The major banks were active in this space and the transfer of encumbered shares involved complex financial structuring.
- Two - the legal and increasingly, with state capture, illegal exploitation of state (including SOE) procurement, in other words a parasitic diversion of public resources in the interests of primitive accumulation.

As a result, emergent black capitalist strata have tended not to have an effective productive role, having instead either:

- strong compradorial features (i.e., a subordinate dependence on established monopoly



capital—both local and foreign); or

- strong parasitic features, feeding off the diversion of public resources.

Much of the current factional turmoil within the ANC (and beyond) can be attributed to:

- rivalries among the comprador strata, acting on behalf of their different, competing monopoly corporate interests;
- rivalries among the parasitic strata, as they scramble, often in a life-and-death struggle, for political office (or access to political office); and
- the struggle between the comprador strata and their backers (who need a functioning Eskom, or Transnet) and who present their class interests as “good governance”, etc., against those involved in parasitic, state-capture looting who dress up their activities with empty slogans, under the false flag of “radical economic transformation”.

Within the ANC this often results in personality-driven, political contests without substantive, transformative political programmes.

The SACP supports the idea of effective and broad black economic empowerment—which must be distinguished from what emerged as BEE with a narrow emphasis on promoting an assumed “patriotic” black capitalist class.

Effective black economic empowerment needs to focus, amongst other things, on

- the collective empowerment of workers at the point of production
- the empowerment of the most marginalised in rural areas, rural women in particular, through security of communal tenure and agricultural outreach and infrastructure development
- the empowerment of small-scale traders formal as well as informal, including through support for cooperatives, and ensuring their safety through effective state and community-based interventions against extortionary protection rackets that are increasingly proliferating in poorer communities.

Insofar as BEE is focused on the promotion of emerging capitalist and petty-capitalist strata, a transformative agenda needs to prioritise:

- “black industrialists”—that is, those actively involved in managing and investing in productive activity and job creation (or with a demonstrable capacity to do so)—as opposed to the rentier, “middle-men”, comprador and parasitic strata;
- working in conjunction with the Competition Commission, to use empowerment as a means to de-concentrate the extraordinarily high levels of monopoly domination with its related price distortions and often lazy approach to technological innovation;

- using empowerment initiatives to overcome the spatial distortions of our political economy, with a focus on marginalised spaces (the township economy, rural areas, small towns, etc.).

The organised working-class

The post-1994 hyper-financialisation of the South African economy and related factors have had a major impact on the working-class and the world of work. The progressive trade union movement, with the exception of the significantly expanded unionisation in the public sector, is weaker today than it was in 1994.

This is despite the important gains on paper in terms of progressive labour legislation and the formation of key statutory forums like the National Economic Development and Labour Council (NEDLAC) in which labour federations have, at least nominally, an important voice.

World-record levels of unemployment (now at nearly 50 per cent in the more accurate, expanded definition) is the first obvious factor in weakening the strength of the union movement. Even in the late 1990s and early 2000s in the midst of the global commodity super-cycle, when there was improved GDP growth, it was largely jobless growth.

On top of waves of mass retrenchments in the wake of successive crises, there has also been the restructuring of the world of work. De-industrialisation (the flip-side of hyper-financialisation), and the related shift away from large, local productive work-places to ware-housing of imported commodities for onward retail, contracting-out, labour-brokering, and the growth of the “gig-economy” (short-term, contractual or free-lance work as opposed to an in-house job with a regular wage—Uber drivers, food delivery, etc.)—all of this has fragmented the working-class, and challenged the possibilities for effective organisation and collective struggle.

According to the International Labour Organisation (ILO) trade union density in South Africa is still relatively high in international terms, standing at 29 per cent of the economically active population. However, the trade union movement is divided and highly fragmented with 224 registered trade unions, many of them very small. Battered by retrenchments, labour brokering and the fragmentation of the work-place, unions have been increasingly placed on to a defensive and inward-looking posture. Some have resorted to poaching membership from each other from a shrinking pool. Leadership factionalism rooted in access to financial interests related to union investment arms has been another chronic challenge.

Infighting, internal divisions, disunity and splits have further weakened the coherence of the progressive trade union movement in South Africa.

Government’s renegeing of its three-year wage agreement with public sector unions, and the neoliberal offensive in favour of wage suppression in the public sector, have underlined the importance of rebuilding organised worker strength and unity.

Despite all of these challenges, the organised working-class in the progressive trade union movement remains a critical, indeed essential pillar for the advance of a socialist-oriented, radical NDR.



The SACP must work towards:

- helping to rebuild unity in action across the progressive trade union movement;
- encouraging the unionisation of informal workers and the organised support of unions for informal workers
- building union-community unity in action including through shop steward locals.

In short, we need to work towards building working-class influence and hegemony across the broader range of popular forces, both middle strata and the “precariat”—the great multitude of the marginalised, the unemployed, the under-employed.

Building unity in struggle of this broad range of popular focuses can and must be done on the basis of a common struggle:

- against neoliberal austerity and its devastating impact on the lives of the majority of South Africans; and
- against the morbid symptoms of social decay impelled largely by this austerity – corruption, state capture, war-lordism, xenophobic criminality, substance abuse, interpersonal violence, including soaring gender-based violence, protection rackets, and the political demagoguery that often accompanies these morbid symptoms.

This struggle on “two fronts” is the conjunctural basis on which a new more radical phase of the NDR must be waged.

Broader popular forces

Post-1994, there has been a significant expansion of black middle strata (it is preferable to use the term “strata”, because we are not dealing here with a class as such). These strata include middle-ranking professionals in both the private and public sectors and a more traditional petty-bourgeoisie operating in the formal and informal sectors.

At the upper-end of these black middle strata, notably middle-ranking professionals in the public and private sectors, aspirations and life-styles might be oriented towards capitalist values and life-styles. But even here middle “class” status is often highly precarious under the weight of the cost of suburban homes, newly acquired cars, and aspirational education for children, along with the so-called “black tax” (extended family responsibilities with multiple dependents some living in rural or township poverty). In a highly financialised economy, levels of debt impairment, credit bureau black-listing, and threats of home and car repossessions are ever present.

In short, much of this professional stratum is a typical Third World middle “class” constantly threatened with downward mobility. The reality of their present situation, contrasted with the rising expectations and early advances after the end of apartheid in the late-1990s and early 2000s, is contributing to various ideological pathologies—including growing political cynicism,

and the runaway growth of Nigerian-style evangelical sects promising the miraculous arrival of individual wealth and personal redemption.

Black professionals in the private sector also frequently encounter embedded racial and gendered glass ceilings. While formal racial and gendered discrimination is no longer legal, informal “old boy”, private school alumni networks, as well as surreptitious discrimination by some professional bodies all often work to disadvantage black professionals.

Notwithstanding all of these problems, many, and perhaps a majority, of senior and middle-ranking professionals and managers in the public and private sectors are committed to using their professional and technical skills for the collective development of our country.

At the other end of the middle strata spectrum is the more traditional petty bourgeoisie. Here we are dealing with medium- and small-scale entrepreneurs, family businesses, with or without a relatively small number of employees. They include spaza shop and shebeen owners, taxi bosses, funeral parlour operators, mashonisas (loan sharks), and various small-scale artisanal entrepreneurs (backyard repairs, plumbing, catering, builders), and small-scale farming. There is also a wide range of social/solidarity economy, small-scale enterprises, including co-ops and the estimated over 90,000 township child-care creches.

Those at the upper end of this petty bourgeoisie shade into the capitalist class and often act as squeezed, sub-contractors to larger capitalist corporations.

At the lower end there is a blurring of the distinction between this petty-bourgeoisie and the working-class (both formal and informalised) and a broader “precariat”. Members of the same household are likely to straddle activity in small-scale service enterprises and waged employment and unemployment. Many are also former waged workers who have been retrenched. A great deal of the services provided by these petty-bourgeois strata are directed at the social reproduction of the working-class and much of the activity is provided by women.

For much of this petty bourgeoisie, the situation is often highly insecure. The traditional township spaza shop-owners, for instance, have been squeezed between new shopping malls on the one hand and, on the other, foreign nationals using extended family and wider global networks to under-cut local traders. This displacement of local petty business-people is often at the root of criminal xenophobic attacks. However, there are also contradictory forces at play, with poorer communities dependent on the convenience of lower prices inclined to support the presence of foreign national township stores. There are other dependencies with South Africans earning income from renting out RDP houses to these non-national traders, and, now, the widespread emergence of “protection” rackets preying on (but therefore also having a symbiotic dependence upon) foreign national traders.

Another major petty bourgeois sector (taxi owners) is also characterised by sharp contradictions and volatility. Taxi owners range from those owning large fleets operating on key routes, and typically exerting high-levels of exploitation over their drivers, through to owner-operators driving their own vehicles. There are an estimated 120,000 minibuses operating throughout South Africa providing nearly 70 per cent of all public transport trips. The minibus sector is, on



the one hand, a remarkable story of self-driven black economic empowerment, boot-straps-up entrepreneurship with minimal government support. On the other hand, in many respects, it acts as a major impediment to effective transformation of public transport.

Publicly planned, effectively regulated and subsidised (as occurs even in developed capitalist countries) of seamless, inter-modal commuter transport operating particularly at the metro level (involving trains, buses and minibuses) that is safe, affordable and accessible is desperately needed. Mass transit with long commutes in minibuses from distant townships to places of work and study is neither safe nor economically (or environmentally) sensible—fuel costs, lost time in congested routes impact on operators, commuters and the general public. Over-trading on key routes (sometimes encouraged by major taxi bosses controlling mother bodies and major associations) adds to the small margins made by individual operators and increases the desperation with which control over routes is defended. The destruction of commuter rail infrastructure, the shooting up of buses, and the domination of key routes through the barrel of the gun are linked to the war-lordism that is often endemic in much of the sector. There is also strong evidence that hired-guns from the sector are responsible for many of the political killings affecting particularly the ANC in some provinces.

Despite these many morbid symptoms, everywhere in working-class and poor communities there are also networks of communal neighbourhood solidarity and cooperation. Some are grounded in faith-based organisations, others are grouped around local schools, or non-governmental organisations (NGOs). Women are often the predominant activists in this civic solidarity. Neighbourhood watches, community food gardens, volunteer sports coaching, the organisation of informal workers are among some of the activities that take place.

During the COVID-19 lockdown crisis, many of these networks sprang into prominence, particularly with providing food kitchens. There were also important suburb-township solidarity initiatives through Community Action Networks (CANS).

However, compared with the relative level of sectoral and community-based popular organisation in the 1980s and early 1990s, including the emergence of basic organs of popular power, there has been a marked decline. With few exceptions (Abahlali? Equal Education? And, formerly, the Treatment Action Campaign?) there are not many mass-based formations with a reach beyond one or two communities. The relationship of these formations with the ANC, both at the branch-level and at other levels, is often hostile.

Uniting the widest range of working-class and popular forces

If the above strategic analysis of our conjunctural challenges is correct, then the Party's programmatic tasks need to be built around uniting the widest range of working-class and popular forces, and their community and sectoral struggles in a broad front against neoliberal austerity and the hyper-financialisation of our economy.

However, returning in some short-term to a second Financial Sector Summit, for instance, with the current balance of class forces and the finance oligarchy's hegemonic dominance over macro-economic policy, is unlikely to yield effective outcomes. We need to learn from the Party's

most successful mass campaign of recent years—our Financial Sector Red October Campaign launched in 2000. The campaign succeeded in mobilising over 50 formations and culminated in the Financial Sector Summit. In terms of critical consumer issues, important gains (which were an important means to achieve popular mobilisation) were made—particularly in introducing regulations and legislation to halt the numerous black-listing abuses by credit bureaux, and excessive predatory behaviour by loan-sharks/mashonisa.

Whether reforms made in terms of “banking the unbanked” through what was initially the Mzansi account (operated by the major private banks) represented a transformative advance or not is open to debate. Large numbers of working-class and poor households, who previously were excluded from banking services, could now open low-cost accounts and have access to formal loans. However, with the banks’ eyes now opened to the profitable possibility of widening their client base, broader sectors of the popular strata were now incorporated into the private banks’ grasp.

Other more transformative agreements at the Financial Sector Summit and Financial Charter were of a largely voluntary kind (“community re-investment) and never implemented, or received minimal financial and political backing (cooperative banking). The more central transformative issues (enforced prescribed assets, introduction of tighter exchange controls to prevent the huge expatriation of capital, the strengthening of publicly-owned banking and asset management institutions) were simply off the table.

Given the current class balance of forces (including within government and within the ANC) different outcomes from a new Financial Sector Campaign (FSC) are unlikely. This means that the Party, in taking up the struggle against neoliberal austerity and the hyper-financialisation of our economy, needs to:

- Build working-class and popular pressure on government and on the ANC for a radical break with neoliberal austerity. The Party is, in principle, uniquely placed—with our cadreship’s direct presence inside of the ANC and in government—to carry forward this struggle.
- This means that we must place the struggle against neoliberal austerity (along with the struggle against corruption) at the centre of efforts for ANC renewal and for the reconfiguration of the Alliance. We must consistently seek to move efforts at ANC renewal and Alliance reconfiguration away from narrow personality-driven slates. We must reject both the demagogic rhetoric of the so-called RET factions and the myopic austerity driven by those who argue that there are “no other options”.
- However, Party work within the ANC, within the wider Alliance and even from within government will be largely ineffective if it is not backed by building working-class unity, power and hegemony, and campaigning and organisation across a wide variety of working-class and popular struggles nationally AND critically locally. Thus, building a powerful, social movement of the workers and poor is an immediate apex priority and



essential for the SACP.

- And all of this requires an SACP that is strategically unified, that advances its strategic coherence, and that is active in all key sites of struggle.

The Six Tributaries

There are six tributaries that the SACP has identified as crucial in the struggle to unite the widest range of working-class and popular forces in South Africa, towards a powerful, socialist movement of the workers and poor.

Building a powerful, progressive trade union movement.

The first tributary is building a powerful, progressive trade union movement.

The tasks under this tributary include, but are not limited to:

- Reasserting democratic worker-control over unions and worker mobilisation to tackle destructive tendencies such as factionalism, business unionism and abuse of trade union resources.
- Organising the unorganised and building unity between the formal and the informal sectors, while seeking sustainable upgrading of the informal sector, including through fostering worker-control by, among others, seeking an enabling legislative and operational environment for co-operatives to thrive.
- Building unity in action across trade unions and federations, to counter the effects of the divisions and fragmentation that play into the hands of capitalist exploiters.
- Building worker power at the workplace to contest the organisation of work and production at large, deepen the struggle to reclaim the real workers' share of production income and thus the struggle against exploitation.
- Defending, advancing and deepening workers' gains.
- Deepening the struggle for the empowerment of the millions of workers, both in the formal and informal sectors, including deepening the struggle to end harassment of workers in the informal sector by the powers that be.
- Working together with the trade union movement to rebuild trade union locals in our communities as key points of focus from which to help co-ordinate popular activism and rebuilding work-place-community unity.

Building working-class and popular power in our proletarian communities.

The second tributary is building working-class and popular power in our proletarian communities.

These historic sites of militant working-class struggles have been ravaged by neoliberalism over the past few decades. A working-class that has to battle daily for basic survival is not a working-class that is capable of leading and sustaining a radical national democratic revolution.

Thus, the tasks under this tributary include, but are not limited to:

- Deepening the struggle for a universal basic income grant that lifts working-class households out of absolute poverty and enables the working-class to become collective agents of change.
- Advancing the struggle for the Right to Work for All, including through a massive expansion of public employment programmes:
 - where the work will not be temporary but continuous;
 - where the work will include work that takes care of the infrastructure and makes our communities cleaner and safer places to live in;
 - where the objectives of the work will include re-building social cohesion and overcoming the despair and sense of alienation affecting the millions of unemployed young people; and
 - where public employment work will address the crisis of social reproduction, which has a crushing impact on women, mostly.
- Campaigning for the expansion of the public employment programmes to cover the care economy, early childhood learning, the provision of collective food gardens and food kitchens, and sustaining places of safety for women, children and others.
- Strengthening networks of community-based co-operatives.
- Ensuring active working-class involvement in institutions of participatory democracy—community policing forums, neighbourhood watches, street committees, to name but a few.
- Advancing the campaign for the development of the economy in townships and rural areas, including through the District Development Model, and ensuring that this improves the quality of life of the workers and poor, towards poverty eradication.

Accelerating land redistribution

The third tributary is accelerating land redistribution.

The tasks under this tributary include pressing ahead with support for legislative development to give expropriation practical expression. Unlike the exchange relation, expropriation in its original meaning does not have to include compensation. This should be a key outcome of the legislative development process.



The workers and poor remain largely confined in underdeveloped former Bantustan areas, semi-peripheral and peripheral townships, as well as the squatter camps, that were designed as dormitory locations for the reproduction of cheap, daily migrating black labour. Apartheid legislation has been removed, but now the financialised property market acts with equal brutality in forcing the affected workers and poor to live on the margins, in poverty traps far away from resources, amenities, and recreational facilities.

While we seek, therefore, to transform the reality within the townships and informal settlements, we must equally transform the overall spatial design of our towns and cities. This must include campaigning for state-led transformation that undercuts the urban property market and drives the development of well-located, medium-density, mixed-income human settlements, including socially owned rental stock.

Land redistribution in our rural areas and, in general, must be guided by the Freedom Charter's call for land to be shared among those who work it. This should include the provision of infrastructure, water rights, agricultural extension officers, veterinary services to those in need of the support.

Similarly, security of tenure for small and subsistence farmers, giving full recognition to a variety of tenure forms, including communal land tenure rights, is crucial.

It is a task under this tributary to halt the unscrupulous evictions by the banks in townships and urban areas, and of farmworkers, labour tenants and their families from the farms on which they have, respectively, worked and lived over many generations.

Radical transformation of the financial sector.

The fourth tributary is deepening financial sector transformation under the Financial Sector Campaign. This includes, besides fighting financial exploitation, tackling the structural problems of the financial sector, including its domination by commercial oligopolies.

The tasks under this tributary include, but are not limited to:

- Ending illicit capital flows: the South African Revenue Services, the South African Reserve Bank and other financial authorities, must up their game.
- Seeking exchange controls as part of fighting illicit capital flows, as well as to protect the exchange rate and the economy from volatility.
- Seeking enforcement of prescribed asset requirements on the banks and financial institutions, targeting significant investment in economic and social infrastructure and the productive sector.
- Advancing the Freedom Charter's goal of a state banking sector, and the consolidation of strong, developmental public banking and financial institutions with active support from the South African Reserve Bank.
- Achieving a thriving co-operative banking sector.

Building a capable democratic developmental state

The fifth tributary is transformation to build a capable democratic developmental state.

Neoliberalism, corporate state capture and other forms of governance decay and corruption, as well as destruction of public infrastructure and vandalism, have eroded the productive capacity of the state.

Consequently, major public utilities such as Eskom, Transnet and PRASA have less productive capacity now than going back. This contradicts the content of the national democratic revolution, whose key tasks include increasing the total productive forces as rapidly as possible to meet the material needs of the people. It is a key task of the imperative, under this tributary, to increase the total productive capacity of the state as rapidly as possible, through public utilities and state-owned enterprises, as opposed to destroying these entities. Going forward, the productive capacity of the state has to be greater than going backward.

This tributary is therefore concerned with securing the turnaround of public entities, as well as expanding and diversifying state participation in the broader economy, in pursuit of a thriving public economy, as it is concerned with building the technical, professional and organisational capacity of the state to serve the people diligently.

To secure its democratic features, such a developmental state should be buttressed by working-class mobilisation, power and hegemony. It must put the interests of the people, the majority of whom are the workers and poor, over the profit-driven, private accumulation interests.

Unity of the world working-class movement for peace and development.

The sixth tributary is to pursue the unity of the world working-class, to intensify the anti-imperialist struggle for a just, peaceful world, and to eliminate uneven development.

It is as crucial as ever to assert a correct understanding of the contradictions and realignments taking place in the global order and to intensify the anti-imperialist struggle for a just, peaceful world. This is the sixth tributary.

The heightening imperialist aggression, for example, the NATO-provoked war in Ukraine, masks a deeper set of contradictions in the global capitalist regime driven by incessant efforts of sections of capital to find new sources of surplus value, new regimes of accumulation, new ways of exploiting and displacing labour, and all at the risk of collapsing the planet's climate and ecological systems.

Where the imperative of a just transition features in this imperialist offensive, the goal is to capture the just transition and convert it into a capitalist accumulation regime, thus making it predatory and unjust. The imperialist offensive seeks to secure hegemony in the world-economy, politics, military and other international affairs.



Progressive forces should seek to unite the widest possible components of society against all forms of imperialist aggression. In our national context, this anti-imperialist struggle requires intensifying internationalist struggles and solidarity. In Southern Africa and Africa broadly, the struggle should include building interconnected regional and continental working-class movements and solidarity, including revitalising the African Left Networking Forum, ALNEF, and transforming it into a formidable force to be reckoned with.



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