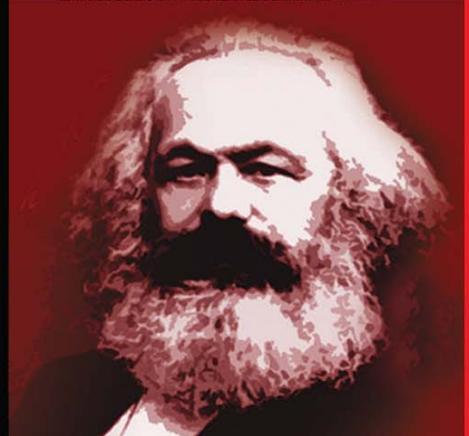
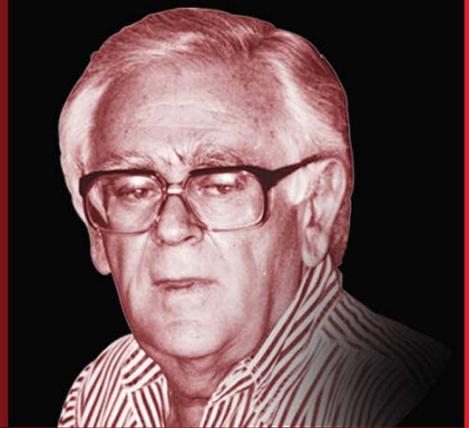
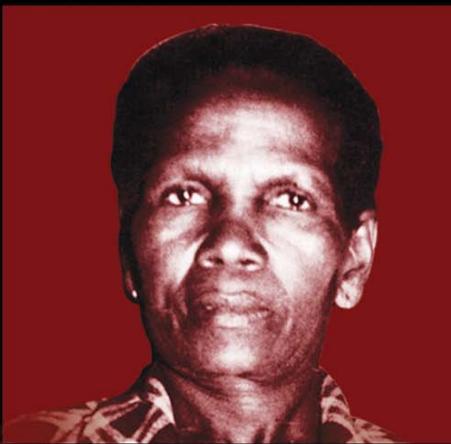




**SACP**

# THE SOUTH AFRICAN ROAD TO SOCIALISM

13th Congress Political Programme of the SACP 2012 - 2017



**SACP's 5 Year Plan**



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**13<sup>th</sup> Congress Political Programme  
of the SACP 2012 – 2017**



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# Chapter 1:

## Introduction

The “South African Road to Socialism” (SARS 2012) was adopted at the SACP’s 13<sup>th</sup> National Congress in July 2012. It builds on the programmatic perspectives of the 2007 SARS programme from our 12<sup>th</sup> National Congress. The 2012 13<sup>th</sup> National Congress agreed that the overall analysis and strategic perspectives outlined in SARS 2007, based on the SACP’s Medium Term Vision, remain fundamentally correct and have proved themselves in practice over the past five years. SARS 2012 amends, updates and expands on the earlier programme, and it includes new chapters on the SACP and the battle of ideas, and the SACP and the struggle for environmental sustainability.

SARS 2012 provides a broad Marxist-Leninist framework for the revolutionary work of the SACP over the next five years. It serves as an ideological weapon and political education resource for SACP structures and for our broader alliance.

SARS 2012 is divided into the following sections:

- **Why Socialism?** This section analyses the world we live in. It argues that global capitalism is beginning to approach absolute limits that are physical, biological, human and economic. When the 2007 version of this section was adopted at our 12<sup>th</sup> National Congress, the US financial crisis beginning in late 2007, quickly spreading into an all-round global economic crisis with its epicenters in the US and Europe, had not yet occurred. As the crisis expanded, the SACP’s SARS 2007 theses proved prophetic and enabled the SACP to guide a more fundamental South African understanding of the crisis as it deepened and unfolded. We noted in 2007 that global capitalism was likely not just to encounter cyclical crises from time to time. We argued, correctly as it has proved, that capitalism is enmeshed in deep-seated systemic challenges. The current global capitalist accumulation path is destroying our environment, exhausting non-renewable resources, wiping out the livelihoods of the 3 billion remaining Third World

peasant farmers, and restructuring the working class leaving billions more unemployed and under-employed. Global capitalism is unable to correct the destructive path upon which it has launched the whole of humanity. A different, a socialist world, based on meeting social needs, not private profits, is imperative. Socialism is a requirement for the survival of human civilisation itself. However, the fact that global capitalism is enmeshed in crisis is no guarantee that a better world will emerge. That requires world-wide struggle, led by the working class, and drawing on the widest range of progressive forces. The section concludes with a broad outline of the SACP's strategic revolutionary tasks on the international terrain. It outlines, in particular, the SACP's responsibilities in Africa and specifically Southern Africa.

- **Colonialism of a Special Type.** The struggle for socialism against imperialist barbarism is an international struggle. But there is no single road to socialism. The working class and progressive forces in each country must develop their own strategic approach, their own national road to socialism. To understand our own challenges, SARS 2012 revisits the crucial concept of Colonialism of a Special Type (CST) which was first developed programmatically by the SACP in our historic 1962 programme, "The Road to South African Freedom". This important contribution to the Marxist analysis of South Africa is more relevant than ever. The particular character that the capitalist revolution assumed in South Africa was the result of three key factors:
  - A relatively extensive European settler occupation of the territory;
  - The survival of indigenous African people and their societies as an oppressed but overwhelming majority; and
  - The **decisive** factor – the imperialist implantation of a highly developed "mature" capitalist system into this colonial setting.

The capitalist revolution was completed in South Africa by the early 20<sup>th</sup> century. It located South Africa within the world capitalist system as a semi-peripheral centre of production. But it also involved an internal colonial dimension which has seen a century and more

of South African capitalist development and simultaneous underdevelopment of the majority. While the political state form of CST (white minority rule) has been abolished, the dependent-development path of our society, and the reproduction of underdevelopment persists.

- **The National Democratic Revolution – the South African Road to Socialism.** The role of imperialism in shaping modern SA over more than a century has often been neglected in the recent period. This neglect makes it impossible to develop a clear understanding of the NDR. The NDR is not a “stage” in which capitalism has still to be “completed”. It is not the suspension of working class struggle. It is a struggle to place social needs above private profits in the concrete reality of SA today. This section then summarises the key “national” and “democratic” features of the NDR. The NDR is a strategic approach to advancing the class struggle of the working class against the bourgeoisie in the material conditions of SA and the world in which we live. The NDR is the strategic means for maximising the size and coherence of a popular camp and for isolating and out-manoeuvring our principal strategic opponent – monopoly capital and the imperialist forces that underpin it.
- **The SACP and Socialism** – this section defines what we mean by “socialism”. Socialism is not a ready-made blue-print that can be wheeled out fully formed. It is a transitional economy in which capitalism is still present, but in which the socialised sector is hegemonic. A socialised sector will include democratic state-owned entities, but also other forms of public property, and a vibrant cooperative sector. Socialism will progressively roll back the capitalist market, decommodifying basic human needs. A socialism of the 21<sup>st</sup> century will also place a premium on ensuring sustainable livelihoods and communities for its people and the sustainable use of natural resources. Socialism is not some “second” stage after the completion of the NDR. As far as the SACP is concerned, advancing, deepening and defending the NDR will require an increasingly decisive advance towards socialism. Which is why we say: “Socialism is the future, build it now!”

- **The SACP and State Power** – the central question of any revolution, including the South African NDR, is the question of state power. The NDR requires a strong but democratic state capable of welding together a multi-class national democratic movement buttressed by popular and working class power. For the NDR to succeed, the working class will have to assume a hegemonic role in society and in the state. Since 1994 our efforts to build an effective ND state have been weakened by the impact of neo-liberal ideas on our movement and by the reduction of our developmental agenda to top-down “delivery” without substantive transformation of the present capitalist accumulation path. Although white minority rule has been abolished, the anatomy of the present state still has many features of the two-faced CST state – with some parts of the state clearly designed to facilitate capitalist growth, while those parts of the state responsible for “delivery” to the majority are under-resourced and overwhelmed. The SACP supports current moves to construct an active developmental state that drives infrastructural development and leads a coherent and sustainable industrial policy programme. Since 1994 the SACP has been a “party of governance” – but not a governing party as such. Tens of thousands of communists have taken up the challenges and responsibilities of governance. The lessons that we have learnt from this experience as the SACP need to be constantly assessed in terms of our programmatic objectives. In the first several democratic elections since 1994 the SACP has chosen to campaign on the basis of single ANC electoral lists. However, the modalities of the SACP’s participation in elections are not a matter of timeless principle. As an independent party, the SACP has every right to contest elections in its own right – should it so choose. Whether the Party does so and how it does it are entirely subject to conjunctural realities and to engagement with our strategic allies. There are, however, three fundamental principles that will continue to guide us:
  - The SACP is a vanguard party of socialism, and not a narrowly electoralist formation;
  - Our approach to elections will be guided in this phase of the struggle by our overall strategic commitment to advancing, deepening and defending the national democratic revolution - the South African road to socialism; and

- Our strategic objective in regard to state power is to secure not party political but **working class** hegemony over the state.
- **The SACP and the South African Economy** – the capitalist accumulation path in SA continues to be dominated by CST features. The economy is excessively export-oriented, with this excessive orientation dominated by primary product exports. This particular dependent-development path is reproduced by the domination of the commanding heights of our economy by the mineral-energy-finance monopoly capitalist sector. It is a domination that further skews our economy in terms of logistics and spatial policy and natural resource policy – water and energy – and in terms of the underdevelopment of the manufacturing and small and medium-sized capital sectors. Our CST accumulation path is also excessively import-dependent for capital and luxury goods. This accumulation path continues to reproduce skewed skills, and the predatory role of South African capital in our wider region persists. A national democratic developmental state buttressed by a mass movement hegemonised by the working class is the critical factor required to break out of this dependent-development path. Key measures required include socialising the monopoly sector, a strategic industrial policy, skills training, local economic development, sustainable livelihoods, and a balanced developmental path for our wider region.
  - **The SACP and the South African Workplace** – despite post-1994 changes, CST patterns persist in the workplace. At the senior managerial level the contractualisation of management has placed greater power in the hands of the short-term, profit-maximising capitalist class and share-holders. Contractualisation also encourages managerial short-termism and personal accumulation. For the working class, casualisation has been used to roll back the gains that workers have won in terms of labour legislation and general rights. The restructuring of the workplace by the capitalist class has divided the working class into three major strata – the formal, the casualised, and the marginalised. The SACP working closely with the trade union movement seeks to unite the working class across these divides. We seek to build SACP work-place units to help workers to wage struggles beyond wages and immediate working conditions and to challenge

the monopoly of management and capital over investment and other strategic decisions.

- **The SACP and our Communities** – increasingly through the 20<sup>th</sup> century the focal point of CST underdevelopment was located in urban, peri-urban and rural black townships. Not by accident, these townships were the core mass revolutionary bases of our anti-apartheid struggle. It was here that a range of organs of popular power began to emerge in the midst of that struggle. In this section we provide a Marxist analysis of the so-called “second” economy and of the ways in which patriarchy was an integral component of CST capitalist relations of production. In the post-1994 reality of SA, our township communities remain the focal point of the underdevelopment crisis. The devastation wreaked by apartheid capitalism and the present global capitalist accumulation path on our communities produces many chronic challenges, including what we call “lumpen-patriarchy” – war-lordism, shack-lordism, male youth gangs, and violence against women and children. But our communities are also the site of daily collective courage, productive, creative and solidaristic activity. People’s power in our communities reinforcing (and reinforced by) democratic government are key factors in the struggle to advance the NDR – the South African road to socialism. The chapter also looks at the South African countryside – noting its division into two enclaves, the one dominated by white commercial farming and agro-business, the other the former Bantustans which remain “dumping” grounds for those who have been more or less entirely marginalised. The chapter advances a strategic programmatic perspective of a single agricultural transformation process that overcomes these dualities and ensures sustainable livelihoods and food security for all.
- **The SACP and the Battle of Ideas** – notwithstanding the current global capitalist crisis, neo-liberalism continues to be the hegemonic global ideology of our times. This chapter begins, therefore, by outlining and critiquing some of the key features of neo-liberalism (its obsession with “growth”, its advocacy of a mythical “free market”, its reduction of citizens to “consumers”, and its simplistic and self-serving portrayal of society as polarized between the “state” and “civil society”). The chapter then outlines and critiques the key reactionary

ideological tendencies in contemporary SA, all influenced in different degrees by the globally hegemonic neo-liberalism – the “1996 class project”, “the new tendency”, “liberal constitutionalism”, and “anti-majoritarian liberalism”. The chapter then considers the key terrains on which the battle of ideas is conducted – the educational apparatus and, particularly, the media. The chapter briefly outlines the serious challenges we have in countering the influence of a highly oligopolistic media reality and in turning around a public broadcaster that has suffered serious setbacks.

- **The SACP and the struggle for environmental sustainability** – capitalism is a system based on the ruthless extraction of surplus for a few - regardless of the social and environmental consequences. By contrast, socialism is a system based on meeting the immediate but also long-term, future generation needs of all. The struggle for socialism has, therefore, to be a struggle to ensure that humanity develops a harmonious, sustainable relationship with nature. This chapter notes how Marx was an earlier pioneer of socialist ecology in recognising that the development of the capitalist forces of production had both a progressive and a destructive side leading to the danger of a “metabolic rift” between society and the bio-physical world upon which all human civilisation rests. The chapter briefly notes some of the key findings of contemporary science - all of which are beginning to indicate that the current economic trajectory driven by global capitalism is leading us towards ecological disaster. While the struggle for environmental sustainability has to be a global struggle, this chapter looks at the particularly prejudicial impact of environmental destruction on the working class and poor in SA, and at environmental policies and mobilisation programmes that we need to undertake in the context of the NDR. In particular, the SACP has an important role to play in constantly making the connection between environmental destruction and capitalism.

In short, SARS 2012 is informed by the SACP’s Medium Term Vision, which calls for the building of working class hegemony in every site of power - in the state, in the work-place and in the economy at large, in our communities, in the battle of ideas and moral values, and in the struggle for a better, a socialist world.

## Chapter 2:

### Why Socialism?

Karl Marx: *“the real barrier of capitalist production is capital itself...and capitalist production continually overcomes its immanent barriers only by means which again place these barriers in its way on a more formidable scale.”* Capital, vol.III

**Never before in history has the need for a different, a humane world based on the socialist value of putting social needs before private profits been more desperately required.** For thousands of years people have worked collectively to build homes and communities, to gather food, herd animals, to harvest crops, to manufacture, to paint, to dance and to sing.

**Today, as never before, the collective achievements of human civilisation are threatened with potential extinction.**

Of course, the past thousands of years of human history have themselves not been idyllic. The history of human societies has been one of collective endeavour, but also of many variants of brutal patriarchal, colonial, racial, class and other oppressions. **If the history of all hitherto existing societies has been one of progressive if uneven scientific and technical advance, it has also been a history of class struggle.** It is a struggle that, in short, everywhere pits the direct producers against those who seek to maximize their own narrow class accumulation interests, regardless of the needs of society at large.

**Today, a single world economy is dominated by a tiny minority of exceedingly powerful transnational corporations, buttressed by imperialist state power.** After several centuries of breath-taking expansion and world-wide accumulation, **the global capitalist system, as we know it, is now approaching a series of systemic, perhaps conclusive, limitations.** These limitations include physical, biological, human, social and economic dimensions.

## Capitalism and the Destruction of our Environment

Profit driven production is spewing its waste into our atmosphere. Global temperatures are rising, threatening large parts of the world, including most of Africa, with unprecedented floods, droughts, famines and epidemics. Avaricious logging is destroying millions of acres of virgin forest - the green lungs that replenish the air we breathe. Most commercial fish stocks have been reduced by over 75%, with the capitalist-driven industrialization of fishing fleets. This dangerous collapse of fish stocks is further compounded by chemical pollution of the sea, mostly from commercial agricultural fertilizer run-offs, and by real estate developers clogging up estuary spawning grounds with golf estates and tourist resorts. How do we halt these depredations?

For a century, a non-renewable natural resource –oil - has fuelled headlong capitalist expansion. **Some time in our present decade, oil production will have peaked and demand will outstrip supply.** The major oil corporations and their political backers are already scrambling to grab control of remaining reserves with greater ruthlessness than ever. Oil is being pumped out of ever more expensive and challenging deep-sea reserves with all of the attendant risks of accidents and devastating oil spills. wars and chronic social instability have flared across the globe, from Central Asia, the Middle East, to the bulge of Africa and Sudan, everywhere there is the whiff of oil. Regional gendarme states in strategic localities, like Zionist Israel, are supported by imperialist circles.

With oil prices spiking, many of the arteries of modern capitalist society are threatened. The futures of middle class car based mobility, sprawling cities with freeways, containerised, long-distance international trade, together with international tourism, and large-scale agro-industry with its oil-based pesticide and fertilizer dependency all have an uncertain future.

Collectively, as human civilisation imprisoned within the present global capitalist accumulation path, we are now on a road to potential extinction. **The present capitalist accumulation path is recklessly unsustainable. But the powerful global capitalist forces that dominate this reality are incapable of recognising the crisis, still less are they able to take the decisive measures that are required to provide sustainable resolutions.**

The struggle for a different world, for sustainable societies based not on profit but on social need, is about natural resources, it is about bio-diversity, the plants and animals with which we share our planet. But it is also a **struggle for human civilisation itself against the barbarism of profit maximisation.**

## **Capitalism and the Destruction of Rural Livelihoods**

Nowhere is this more apparent than in the case of **farming and food production.** At the beginning of our 21st century, the World Trade Organisation, dominated by imperialist forces, 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 – these local realities reflect the impact of a neo-liberal 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 18<sup>th</sup> and 19<sup>th</sup> centuries. We are told that a capitalist agrarian revolution will greatly improve productivity and bring down food prices for all.

So what’s 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 18<sup>th</sup> and 19<sup>th</sup> 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 more newly uprooted peasant farmers. What about the prospects of mass migration from the South to the North? Everywhere, the walls are going up, fences are being reinforced, the border between a wealthy United States and its poorer Mexican neighbour is militarized. 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.**

## **Capitalism and Urban Slums**

Related to all of this, some time in the past decade, for the **first time in human history, the urban population of the earth outnumbered the rural**. As market pressures, droughts, famines and social instability have pressed down on rural areas, the world has 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 *shammasas* 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 unraveled 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 mobilisations, 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.**

Besides, 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. These are not just South African realities, they are to be found in differing ways throughout much of the 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 modernization, of catch-up, of a South mimicking the West, of uncritically emulating capitalism, of simply being capitalism without capitalists. Capitalist forces of production have themselves become unsustainable. If we are to save the world, then we have to roll back capitalist relations of production, whose profit maximising logic drives us incessantly deeper into crises and contradictions. **“Modernisation” for its own sake, “growth” de-linked from development all have to be replaced by another logic in which we put social needs before profits, in which household and community sustainability and local economic development form important parts of an overall social and economic programme.**

## **Capitalism’s Economic Crisis of Over-Accumulation**

**The world capitalist system is now visibly in the midst of its worst economic crisis since the late 1920s and the Great Depression.** That previous major crisis ran right through the 1930s and into World War 2. It was only after the colossal destruction of World War 2 that, from 1945 through until the early 1970s, global capitalism under the hegemony of the United States experienced a period of relatively sustained growth and stability.

**From around 1973, the year of spiking oil prices, global capitalism began to enter into another period of prolonged stagnation and deepening crisis.** At first the epicentres of crisis were pushed to the margins of global capitalism. This was most evidently the case with the so-called “Third World debt crisis” which began from the late-1970s. The immediate cause of this “Third World debt” was unwise lending by the major private financial institutions in the developed “First World”. In particular, European banks were awash with petro-dollars from the post-1973 oil bonanza. Billions of dollars were loaned to developing countries in Africa, Latin America and Asia – often for hugely expensive, vanity projects that had no positive impact on sustainable development.

By the late-1970s it was increasingly clear that many of these loans were unpayable by the impoverished recipient countries. It was in this context that two key Bretton Woods institutions, the IMF and World Bank, were dusted off and given a fresh mandate. The IMF and World Bank were originally established towards the end of World War 2, with the strategic objective

of funding the reconstruction and development of the devastated capitalist economies of Europe. In the late-1970s their new mandate was to rescue the dominant capitalist financial sector by squeezing dry Third World societies through sadistic, enforced Structural Adjustment Programmes.

Over the past four decades there have been several serious regional capitalist crises – among them Mexico 1982, Japan 1990, and East Asia 1997/8. **They are all part of an ongoing global reality in which the dominant trend in the major centres of developed capitalism is prolonged and deepening stagnation. This long-term trend towards stagnation has been relieved temporarily by speculatively-driven bubbles, only to be followed by their inevitable bursting.** From 2007, with the sub-prime housing and banking sector crisis in the US, the character of the crisis was to dramatically intensify. It was no longer displaced to the margins, its epicentre was now in the core zones of capitalist accumulation and historic dominance – the US and then rapidly Japan and particularly Europe. Moreover, it struck at the heart of the dominant monopoly capitalist sector – the financial sector. Its knock-on impact across the world has, therefore, been profound. Given the intensified global interconnectivity (compared to the 1930s), the speed and reach of the knock-on impact has also been greatly enhanced. While some economies have continued to grow (notably China) but at a much lower rate, large parts of the world entered into recession, or prolonged stagnation. Tens if not hundreds of millions of jobs have been lost, homes repossessed, and businesses liquidated and value destroyed.

**Will there be some short- to medium-term global capitalist recovery? To answer that question it is important to understand the systemic underpinnings of the crisis.**

Marx was the first to provide a scientific analysis of the boom-bust cycle in capitalism, which he showed to be endemic to this mode of production. Crises in capitalism can occur as a consequence of factors external to the accumulation process – wars, natural disasters, social upheavals. However, under capitalism (and in contrast to earlier forms of production) wars, natural disasters or social upheavals are more likely to be the consequences of internal crises WITHIN capitalism rather than the fundamental causes of its crises.

**The cyclical pattern of booms and busts is linked to the fact that capitalism – unlike socialism or earlier forms of production – is essentially production for private profit through exchange, and not for social use.** In other forms of production (not least socialism) over-production of goods would, in principle, usually be a cause for celebration, but under capitalism “over-production” (that is, more than the market “demands”, that is can pay for, that is, more than can profitably be sold) triggers a break-down in the system – **a crisis of over-accumulation.** This, in turn, requires a massive wave of destruction of productive capacity (in the form of retrenchments, factory closures, liquidations, and stock exchange collapses), in order to “clear the ground” for the next round of capital accumulation through growth. It must be stressed that under capitalism “over-production” is not the over-production of products that the mass of the world’s population often desperately needs. It is “over-production” relative to “market demand”, i.e. relative to what can profitably be sold.<sup>1</sup> Capitalism, for all its dynamism and robustness, is a profoundly irrational system.

**This cyclical, boom-bust tendency, systemic to the capitalist system has further been compounded by the growing and inter-related trends of FINANCIALISATION, MONOPOLISATION and GLOBALISATION.**

Over the past three decades these three inter-related trends have accelerated on a vast scale. The global economy is dominated by a few hundred transnational monopoly corporations that reap huge profits through ever shifting investments in low wage economies, the domination of the global supply chain networks, and hegemony over key financial institutions. As we have already seen, this monopoly-finance sector domination of the global economy helped, at least for a time, to displace its own internal crises into the global peripheries. Unsustainable financial engineering (that has now resulted in the multiple banking and sovereign debts crises) served for a time to delay, to disguise, but then ultimately to compound the inevitable global recessionary shock.

As recently as early 2007 prominent international mainstream economists

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<sup>1</sup> Cf. Marx: “The word over-production in itself leads to error. So long as the most urgent needs of a large part of society are not satisfied, or only the most urgent needs are satisfied, there can of course be absolutely no talk of an over-production of products – in the sense that the amount of products is excessive in relation to the need for them. On the contrary, it must be said that on the basis of capitalist production, there is constant under-production in this sense. The limits to production are set by the profit of the capitalist and in no way by the needs of the producers. But over-production of products and over-production of commodities are two entirely different things.” Marx, *Theories of Surplus Value*.

were boasting that capitalism had overcome its boom-bust tendencies and was now launched on an endless trajectory of upward growth.

**To understand the current global capitalist crisis it is also necessary to understand the central role of the US economy in it.** For around 100 years (1870 to 1970) the US witnessed an unprecedented trend of rising productivity and rising real wages for the working class. This economic reality lies at the basis of the “American dream”, and of the “consumerism” and relative passivity of the US working class – a car and a suburban home being the epitome of the American “way of life”.

From the early 1970s, the US’s uncontested economic domination of the global capitalist system, and particularly its productive dynamism was beginning to be challenged by Japan, the early Asian Tigers (Taiwan, South Korea) and some key European economies - leap-frogging in terms of technological and industrial plant investments, rendering US industrial plant (fixed investments) increasingly unprofitable. This has led to **increasing globalisation**, as US capital has moved to other locations of higher profitability because of greater technological productivity, and also and increasingly because of cheaper labour. In the 1960s, 6% of US corporate profits came from abroad, in the last decade this figure had risen to 21%.

This increasing globalisation has also seen **the runaway development of “financialisation”**, the shift of capital into speculative activity of literally trillions of dollars traded daily across the globe, more and more disconnected from any direct relationship to productive investment. At the same time, the US has used its political, military and especially financial muscle (the dollar being the global currency) to prop up domestic mass consumerism, kept afloat through increasing credit, despite declining real wages since the early 1970s.

**Export-oriented Asian (especially Chinese) manufacturers and Third World oil producers became the core production sites while US consumption propped up global market demand.** The US has been running huge current account deficits (an indication of the difference between import costs and export profits) as a result. By 2006 the US current account deficit was at \$800bn (or 6% of GDP). On the other hand China, or rather massive wage repression in China (referred to as “savings”), has played

a crucial role in financing this US deficit, and therefore US consumption. China has now accumulated the world's largest foreign exchange reserves (over \$2 trillion, some \$1trillion of which is in US treasury bonds). In theory, China could therefore pull the plug on the US economy, but a move to sell these assets would further damage China's own post-1979 low-wage, export-oriented growth strategy. This has resulted in a situation which some economists have described as a "mutually assured economic destruction" capacity between the US and China.

With the onset of the crisis in the US, China has sought to lessen its export dependency on the US, to stimulate domestic demand, and also to challenge the global currency role of the dollar. Currently, some two-thirds of international trade is settled by the US dollar, but the value of the dollar is not controlled multi-laterally, but by the US Federal Reserve, which can simply print dollars to serve narrow domestic requirements – as has been done in recent years with so-called "quantitative easing".

US domestic consumption was further propped up by a variety of "creative" financial instruments. Among these were "sub-prime loans" – housing loans to those who basically could not afford them, in which the initial interest rate was sub-prime, but with the interest rate escalating over the duration of the mortgage on the assumption that as the borrower progressed career-wise so there would be an increased capacity to pay instalments. (Note that this is not very different from many BEE deals – in which black "investors" acquire shares on loan, on the assumption that the shares will always go up and they will be able to repay the loan). These sub-prime loans were then "diced and sliced" (i.e. mixed up with other more viable loans) and sold on by the direct mortgage institutions to banks and other financial institutions.

**The collapse of the sub-prime market was to be the catalyst of the 2007/8 crisis, the Great Recession.** It was to see one of the top four investment banks in the US, the 100-year old Lehman Brothers collapsing, and other banks and the mortgage lenders (Fanny Mae and Freddy Mac) having to be rescued, often through temporary "nationalisations" (i.e. at public expense). The dicing and slicing of sub-prime and other toxic loans meant that major financial institutions in the US and Europe, in particular, had no idea of what they were sitting on. This led to a reluctance of banks to lend to each other, and liquidity in the real economy dried up, which then impacted upon the

productive economy and on consumer demand. This, in turn, impacted heavily on major global manufacturers, like China where there have been millions of retrenchments.

**Faced with its systemic economic crisis, globalised monopoly-finance has no coherent strategy for surpassing the crisis. It is torn between two contradictory capitalist imperatives – saving the banks on the one hand, and stimulating capitalist growth on the other.** It seeks to rescue its hegemonic financial institutions through various publicly financed rescue packages and soft-landings for banks by imposing, for instance, tough austerity measures on national governments – even suspending elected governments (recently in Italy and Greece) and replacing them with unelected, budget-cutting “technocratic” cabinets drawn from the finance sector. On the other hand, these austerity measures and other rescue packages for the banks stifle demand and undermine the prospects for capitalist growth. Moreover, the austerity measures are meeting with stiff rejection from the electorates of the developed capitalist societies, resulting in many cases in the shake-up of a previously cosy electoral alternance between centre-left and centre-right political parties. **However, the simple rejection of the austerity packages WITHOUT advancing a post-capitalist alternative – in short, a SOCIALIST ALTERNATIVE – will not enable the current global economy to surpass its current turbulent and threatening dead-end.**

## **A Multi-Dimensional, Systemic Crisis**

Many of these features of the current global economic crisis were analysed at the SACP’s 12<sup>th</sup> National Congress in July 2007. At the time, certainly inside South Africa, we were virtually alone in pointing out the interconnected and SYSTEMIC features of this crisis. We were also virtually alone in arguing that:

- There would not be any significant short-term recovery.

Other key features of our 2007 prognosis, whose validity has been amply underlined in the last five years, included:

- Notwithstanding its multi-dimensional crisis, it would be naïve to assume that capitalism will simply collapse, or that the crisis will spontaneously give birth to a better world;

- The relative decline of US economic supremacy (which has been slipping since the mid-1970s) has now been greatly accelerated but the US will remain the hegemonic capitalist power for some time. However, the world will be becoming significantly more multi-polar.
- While multi-polarity offers possibilities, potentially more breathing space and alternatives, for the global South, it is the people of the South who will bear the burden of the crisis. For instance, as the core capitalist economies focus on their own crises and their own stimulus packages, already paltry development aid is diminishing; trade protective barriers are going up; FDI is pulling out of much of the South; premiums on international loans have increased; and portfolio investments are even more disinclined to bet on the South.
- It is possible that dynamic developing economies like Brazil, India and China may be partially de-linked (de-coupled) from the recession, but none will escape its impact. China, with its US oriented, export-led growth strategy will face very serious challenges

## A Better, A Socialist World is Possible – A Luta Continua!

The world capitalist system is faced with and simultaneously it is provoking a series of interlinked crises that threaten natural, biological and social sustainability. Will these crises prove terminal for capitalism? Or for human civilisation? Will a socialist world begin to emerge from these crises? Nothing is guaranteed. The crises can be surpassed, but only with concerted social mobilisation of the great majority of humanity.

**The only hope for a sustainable world lies in a radical transition to socialism in which an increasing part of human activity including production comes under social control, in which we finally create the objective conditions for placing social needs before private profits.**

In the course of the 20<sup>th</sup> century great hopes were stirred around the world, including here in SA, by the 1917 October Revolution in Russia. In the course of World War II, the inspiring role that the communist movement played in the defeat of Nazism, fascism and Japanese militarism greatly added to the prestige of the world communist movement. After 1945, socialism extended to a broad bloc of countries led by communist and worker parties. This socialist bloc inspired and provided invaluable assistance to radical national liberation movements in the South. The strategies and tactics of many progressive movements in the South were premised on the existence of this seemingly powerful counterweight to imperialism within a two bloc world system.

The collapse in the late 1980s and early 1990s of the socialist bloc should not detract from the **many important gains and progressive advances achieved**. Nor does the collapse in any way detract from the imperative of an ongoing socialist struggle. The collapse certainly did not mean that capitalism and its imperialist system had suddenly become “better” – on the contrary imperialism became even more arrogant, more unilateral in its actions and more genocidal in the implications of its ongoing accumulation path.

**But, at the same time, it is imperative that progressive forces, not least communist parties, conduct an honest and self-critical review of the factors that led to the collapse of what we used to call “actually existing socialism”.** Many of these factors were external to the socialist

bloc, especially unrelenting destabilisation and the crippling Cold War arms race that the imperialist powers imposed on the socialist bloc. But there were also many grievous systemic errors and subjective mistakes – dogmatism, intolerance of plurality, and above all the curtailment of a vibrant worker democracy with the bureaucratisation of the party and state. Millions of communists were among the victims of Stalin’s purges.

As the SACP we are determined neither to throw away the communist achievements of the 20<sup>th</sup> century, nor to become denialist about the grave errors and crimes committed in the name of “communism”.

## **How do we Re-Build International Solidarity?**

Through much of the 20<sup>th</sup> century communist parties sought to build international solidarity and coordinate strategies through the Communist International (formed in 1919) and later through somewhat less formal international conferences of Communist and Workers’ Parties, and similar multi-lateral and bi-lateral communist initiatives.

Many important achievements were registered, but there were also negative tendencies – the danger of subordinating the strategic and tactical imperatives of local struggles to the conjunctural requirements of the “centre”; dogmatism and sectarianism in national parties often provoked by attempts to assert a particular factional perspective as the anointed “Comintern approved” line; or, contrariwise, clumsy interference from the centre in national dynamics. Later, many serious divisions opened up in the world communist movement, the most serious being the Sino-Soviet “split” in the 1960s.

Today, there is a wide diversity of communist, workers’ and left political formations in the world and the SACP works to forge fraternal links with them, to share perspectives, and to co-ordinate struggles around key themes, among them – for climate and environmental justice in the face of a destructive capitalist accumulation process; for world peace against imperialist militarism; in solidarity with the Cuban revolution against the US blockade; in solidarity with the Palestinian people against Zionist aggression in the Middle-East and for an end to Israel’s apartheid occupation; in solidarity with the people of West Sahara and for an end to Moroccan occupation of their territory.

**In deepening international communist solidarity it is no longer possible to repeat old assumptions and patterns of behaviour. In some countries there is more than one significant communist party, in others, former communist parties have coalesced into broader formations, in still others, they have all but disappeared.**

In southern African, radical national liberation movements formally adopted “Marxism-Leninism” in the 1970s. Without exception, they have all moved away from this formal position – which is not to say that the influence of Marxism has entirely disappeared, or that the SACP should abandon ongoing efforts at engagement. Conversely, international communist and left formations from around the world are not only interested in meeting with the SACP in South Africa, they are all keen to engage with the ANC. This is something that the SACP greatly welcomes.

**In short, in our internationalist work, the SACP neither claims a South African monopoly, nor do we engage externally as if there were necessarily “unique” counterparts elsewhere. We respect the sovereignty of countries and their governments, and we respect the integrity of all fraternal parties and formations.**

The SACP has a very rich experience of working with (and within) both a broad national liberation movement and a progressive trade union movement. But in the course of our anti-apartheid struggle we have worked over many decades with a wide range of progressive formations – religious formations, social movements, community based organisations, NGOs, and, of course, one the world’s most successful global solidarity struggles – the Anti-Apartheid Movement.

This experience is of great value to the challenges of re-building international solidarity in the present. There is a wide array of broadly progressive forces in the world many focused on the critical challenges of our epoch – environmental sustainability, peace, human rights, women’s rights, the Third World debt, the democratisation of international multilateral institutions, etc. There are also many diverse localised struggles including the cultural and land struggles of oppressed nationalities. Wherever possible, the SACP should support these struggles and learn from them. We should seek, as best as possible, to make conscious and practical linkages between these

many different fronts of struggle and the overall objective of rescuing human civilisation and the natural world from the depredations of capitalism.

## The African Revolution

The SACP has a particular interest in (and responsibility for) the continent in which we are located, and particularly our region, southern Africa. Africa continues to be the most brutally oppressed region of the world. Having been ravaged by colonialism and slavery in previous centuries, Africa continues to suffer the most oppressive immiseration within the present imperialist accumulation process. Africa, the poorest continent in the world, exports more capital by way of debt repayments and profit repatriation to the North than it receives in aid or investment! Millions of Africans have been rendered landless, and millions are without employment. In many African countries life-expectancy rates are amongst the lowest in the world, while infantile mortality is amongst the highest.

As we have already noted, global economic dynamism has been shifting quite dramatically over the recent period. This dynamism has been notable in China, India and a range of other Third World societies, including many in Africa. Between 2000 and 2010, six of the ten fastest growing economies in the world were in Africa. For the coming five years, seven of the ten fastest are predicted to be in our continent. Taking Africa as a region, then it is the fastest growing region in the world after China and India.

**But what IS this African growth? How sustainable is it? Will it be growth that underpins structural transformations within our continent and between our continent and the global economy, laying the basis for sustainable social and economic development and political stability? Or is it growth that is still locked into the same enduring pattern that has lasted for some five centuries, in which Africa has been plundered for its labour power (the dismal centuries of the slave trade) and its natural resources (both mineral and agricultural)? This five-centuries pattern of extraction has fuelled human and social development and economic industrialization, but always somewhere else in the world, leaving Africa under-developed (which is not the same things as undeveloped).**

When we speak of the current surge of “growth” in many African countries, it is always important to remember that it is very often off an extremely low base. It is also no secret that much of Africa’s current growth is fuelled by the commodities boom driven, in particular, by spectacular growth in China and India.

There are two main challenges with this reality. In the first place, it is not clear how long spectacular growth in Asia in particular will be sustained, and therefore how long the current levels of demand for Africa’s primary commodities will last. Secondly, and more importantly, there is a very real danger that the commodity boom “growth” will simply reproduce the same patterns of historical underdevelopment – enclave-style infrastructure investments that are simply pit-to-port, or plantation-to-port, designed to expedite the unprocessed export of primary commodities to distant markets. There are also the related dangers of commodity bonanzas:

- the so-called “Dutch disease”, in which wealth generated by a natural resource bonanza appreciates a country’s currency and undermines the competitiveness of that country’s often infant tradeable (manufacturing) sector; and
- the “Resource Curse” – a related but wider set of more political and social problems, in which resource abundance can trigger corruption, distributional conflicts, growing inequalities, and all manner of rent-seeking behaviour.

Across Africa, and indeed in South Africa itself, we need to leverage commodity boom related investments to achieve our own developmental objectives – including job-creation and skills development; industrialisation anchored around our mineral and agricultural endowments, through upstream and downstream related production; and much greater attention to building infrastructure that services not just a distant global market, but also our local, national, regional and continental markets.

But this will also require collective political will and social mobilization. In this regard there is a considerable diversity within our continent. Over the recent past, there have been some important democratic and social gains – but in many African societies, with hollowed out economies, and impoverished populations – development is non-existent, and politics is reduced all too

often to the comprador parasitism of competing neo-colonial elites, which often provokes political instability and even violence.

**The SACP believes that, fundamentally, the present strategic task within our own country – to advance, deepen and defend our national democratic revolution – is also the key strategic task throughout our region and continent. The African revolution of the 21<sup>st</sup> century has to be a national democratic revolution.** This means consolidating democratic national sovereignty and nation building (including the infrastructure that is the objective underpinning for any national consolidation). It means deepening democracy so that the urban and rural working people of our continent have the conditions in which they are able to act as the key motive force of emancipation. And it means a revolutionary struggle to transform the skewed dependent-development patterns that constantly reproduce African underdevelopment.

Which is to say, the African revolution will have to be an **anti-imperialist** revolution directed against the predatory agenda of the global capitalist corporations buttressed by imperial state power and global multi-lateral institutions dominated by these powers. The anti-imperialist struggle includes the struggle to remove all foreign military bases in our continent, to expose and eliminate the deliberate destabilisation of democratic states, the manipulation of debt and of “aid”, and the fostering of all manner of corrupt comprador and parasitic neo-colonial elites.

There is no single, “exportable”, “made-in-South Africa” formula for each and every African country’s ongoing national democratic struggle. Progressive forces elsewhere in Africa have their own rich experience of struggle, including the challenges of post-independence, from which we can learn. The key catalyser for progressive national democratic struggle in different African societies will vary according to local circumstances. It may be the state and ruling party, it may be opposition parties, it may be the trade union movement, or other social movement forces. Respecting each country’s sovereignty and the integrity of different formations, the SACP is committed to forging ties of friendship and solidarity with all progressive formations in our region and continent.

Since the 1994 democratic breakthrough, South Africa has played an

important but uneven role in our continent. In particular, our government has been active in major peace and democratisation efforts in a number of African countries and regions. It has also been active in the struggle for African socio-economic reconstruction – although these efforts have often been compromised by being located outside of a deeper understanding of the role of imperialism on the continent.

Our 1994 democratic breakthrough and our government's regional and continental initiatives have also opened up many new investment possibilities for South African private capital. While South African investment in the continent can, potentially, play a progressive role, there is a grave danger that South African capital will simply constitute itself as a sub-imperial power, perpetuating the largely predatory role it played pre-1994. All these considerations underline the importance of SACP and progressive linkages to the continent, and the role of popular mobilisation rather than relying solely on inter-state-driven reconstruction efforts

**Given the diversity of national realities, advancing the African revolution requires that, as South Africans, we ensure that we work closely as the ANC-led alliance, together with our democratic state, so that our work is cohesive and that we maximise the respective advantages of our different formations in the interests of advancing, deepening and defending the African national democratic revolution.**

## **Workers of the World Unite!**

**The key motive force of the struggle for the African revolution, and for a different socialist world remains the working class.** No matter how many millions are retrenched, or casualised, or made redundant, millions upon millions of workers are still daily on assembly lines, at the furnaces, down the mines, in the mills and sweat-shops, at the tills and stacking shelves, in the power stations, or punching in data , driving trucks, buses, trains. Others work on farms, in hospital wards, in school class-rooms, or repairing roads.

We must not romanticise the working class. It, too, is often battered down by oppression, exhausted by the crime-infested communities within which it has to live, dazzled by the allure of the commodity market, or mobilised demagogically by narrow sectarian forces.

Above all, the international working class is fragmented and stratified, perhaps more than ever before. Apart from the traditional industrial working class, there is a burgeoning “service sector” with, at the one end, highly skilled and globally mobile workers largely in the knowledge service sectors. Relatively small in number, this stratum of the international working class is crucial in that it occupies strategic positions in the cutting edge of the modern capitalist forces of production. While they are generally well paid, their aspirations and the global social knowledge networks in which they work increasingly underline the irrationality of the world of global corporate private profit taking and short-termism within which they are constrained.

On the other end of the service sector are millions of under-resourced and poorly paid public sector workers (teachers, health-care workers, municipal workers, security workers) and alongside them a mass of even more poorly paid, often casualised private sector service workers, many of them in small micro-businesses, or own-account workers.

The great revolutionary struggles of the 20<sup>th</sup> century – whether in Russia, China, Cuba, Vietnam or South Africa – were never “pure” working class struggles. In every case a proletarian cadre, schooled in Marxism-Leninism, played the critical vanguard role. But equally, in every case this cadre was able to forge close organic links with the great mass of peasant and (especially in the South African case) urban and peri-urban poor. The relative (but never absolute) marginalisation from the global capitalist system of the Third World peasantry and urban poor is both a source of impoverishment AND a potential revolutionary asset.

In all of the major revolutionary struggles of the 20<sup>th</sup> century, the marginalised countryside of relatively independent peasant farmers and the marginalised communities of the urban poor constituted the core revolutionary bases of struggle. It was here that revolutionary forces operated, recruited, replenished, mobilised and drew strength from the cultural traditions of collectivity and struggle. And it was here, in the course of struggle, that organs of popular power emerged as people threw off the shackles of oppression and made themselves “ungovernable” by the old order.

Today, in the struggle against the barbarism of global imperialism, **more than ever, the task is to build the unity of the international working class and**

**the unity of workers with the great mass of the urban and rural poor.**

The working class alone has the capacity to lead the battle to transform the world and itself in struggle. Despite everything, it is steeled in a thousand daily struggles for survival and against the unceasing attempts to roll back whatever rights it may have won in bitter struggle.

**Above all, life teaches workers, like no other social force, that an injury to one is an injury to all; that solidarity is the only true weapon.**

Which is why, as the SACP we say:

**WORKERS TO THE FRONT TO BUILD A BETTER,  
A SOCIALIST WORLD**

## Chapter 3:

### Colonialism of a Special Type

An internationalist struggle is required to build a socialist world, a world based on human needs and not private profits for a tiny minority. **But there is no single road to socialism.** We have to struggle for these shared human goals in different places, from different histories and national circumstances, each with its own advantages and challenges. **To understand the South African road to socialism, it is crucial to understand the history that shaped and distorted our country through its incorporation into the world capitalist system. And we have to understand the powerful legacy of popular struggles that have been constantly waged against oppression and exploitation in our country.**

Contemporary paleontological research confirms the strong probability that modern South Africa is the location out of which anatomically modern humans first evolved. For over one hundred thousand years, indigenous societies developed and flourished in this part of the world. In the 16<sup>th</sup> century, the place we now know as South Africa, was weakly linked for the first time into an emerging world capitalist system through a handful of anchorage and watering stops along our coast-line. These were occasional stop-overs for European merchant fleets sailing to and from an East Indies, rich in spices and other precious cargoes.

This was **the era of an earlier, a mercantile-dominated capitalism.** It was a system based on long-distance trade in which profits were made less through the direct expropriation of surplus from the production process itself, and more through buying cheap in one location and selling dear in another. This earlier phase of capitalism was the major source of primary accumulation of finance capital that was soon to fuel the take-off in Europe of capitalism in its more developed, industrial form.

By the mid-17<sup>th</sup> century, the first permanent colonial settlement on our shores was established by the mercantile capitalist Dutch East Indies Company. The colony at the Cape imported significant numbers of **slaves from the East Indies, from Angola, from Madagascar, and elsewhere.** Slaves were

pressed into work on farms, in homes, and in local artisanal work. Many were originally owned by the Dutch East India Company itself, others by farmers and trades-people where they were subjected to the inhumane domination of the patriarchal house-hold head. The slaves at the Cape were from diverse societies and cultures, their identities were stripped from them, families were broken up, partners separated, children taken from mothers. But slaves always resisted, forging new collective identities and cultures, of which “kitchen-Dutch”, today’s Afrikaans, was one achievement. An unbroken three and half centuries’ tradition of Islam was another. **Slave resistance and the periodic outbreak of slave revolts were a constant feature of the Cape.**

In this period, and through to the second half of the 19<sup>th</sup> century, the hinterland of South Africa held little interest for the hegemonic Dutch and then British powers. For these major imperial powers of the day, southern Africa was little more than a back-water on the way to somewhere else.

However, over several centuries there was to be **relatively extensive European settlement into the interior of our country**. This colonial settlement occurred on a scale that was eventually to be relatively large in comparison to the rest of sub-Saharan Africa, but it was **similar to European settlement in other temperate zones of the world, in North America, the cone of South America, or Australasia**. European colonial settlement occurred in these other localities at much the same time and under the impetus of similar social and economic factors. First it was the network of European mercantile trading routes that circled the globe. And then, on an expanding scale, **the advancing capitalist agrarian revolution back in Europe uprooted millions of peasant farmers, who were shipped out as destitute “surplus” people to the so-called New World.**

But, compared to Canada, the United States, Argentina, or Australia, for instance, there was to be one extremely significant and enduring difference in South Africa. Despite wars of conquest and dispossession, by the end of the 19<sup>th</sup> century **indigenous Africans still constituted the overwhelming majority of the population**. In South Africa, as in the Americas and in Australasia, indigenous hunter-gatherer and herding societies (in our case the San and Khoi) despite brave resistance against great odds, suffered almost complete cultural and, in the case of the former, virtual physical extinction.

However, Bantu-speaking agricultural societies in the summer rainfall areas of South Africa proved to be more cohesive. For the better part of a century, armed colonial advances on the so-called “eastern frontier”, for instance, were fiercely resisted and often beaten back. Settler occupation, supported by an imperial army, could only advance on this “eastern frontier” at an average rate of a mere one kilometer a year for over a century – such was the capacity for resistance.

**Despite massive land and livestock dispossession, despite murderous incursions, and despite their own ethnic divisions, a majority of African indigenous people carried into 20<sup>th</sup> century South Africa their own languages and cultures, and an unbroken and collective tradition of anti-colonial struggle. This was to be the core popular mass base for a future African National Congress when it sought from 1912 to unite and re-build resistance in the new conditions of a changing society.**

To the traditions of slave resistance, and African anti-colonial struggle, a third mass-based struggle tradition was later to be added at the beginning of the 20<sup>th</sup> century. The development of capitalist agriculture in Natal relied on the extensive importation of hundreds of thousands of **indentured labourers** from the Indian sub-continent. Today South Africa is home to the largest diaspora community of people of Indian origin. It was here in SA and amongst this community that Mahatma Gandhi pioneered **the strategy of mass defiance campaigning**. It was this tradition of defiance and of mass boycotts of all kinds that was rekindled in the late 1940s in SA by the Transvaal and Natal Indian Congresses, led by communists.

**And all of these traditions of collective struggle, of patriotic capacity to resist centuries of oppression, were taken up again, transformed and transmitted into the present through decades of anti-apartheid struggle in the last century. They remain a major resource for the national democratic revolutionary challenges of the 21<sup>st</sup> century.**

**The South African road to socialism is an internationalist road...but it is also profoundly rooted in the patriotic soil of popular struggle.**

## The imperialist-driven capitalist revolution in South Africa

The establishment of colonial port-enclaves, relatively extensive colonial settlement, and an unvanquished flame of collective resistance...all of this was the immediate pre-history of modern South Africa.

**The decisive turning point came in the last quarter of the 19<sup>th</sup> century with the mining revolution in the hinterland.** It was a revolution that coincided with and was integral to what Lenin described as capitalism's "highest stage" - the stage of **imperialism** dominated by **finance capital** and massive **productive investments** (in contrast to mercantile trade in goods that were still produced within earlier forms of production).

The introduction of highly advanced capitalist forces and relations of production in the hinterland of our country constituted an **externally imposed capitalist revolution** that shaped and was shaped, in its turn, by the **social reality of SA in the second half of the 19<sup>th</sup> century.**

The mining revolution imposed on South Africa an extremely advanced form of capitalism "out of the box". It was advanced in its **capital-intensity** (including **deep-level mining technology**), its **long-distance modern logistics rail and port infrastructure**, its **modern joint-stock company** institutional form, and its dominance by global **finance capital**.

As with all major revolutions, the capitalist revolution in South Africa was not just about introducing new technology and forces of production, it also involved **a major social and political revolution.** The Anglo-Boer War, in particular, was directly linked to the commitment of huge investments in industrial mining in a hinterland not directly controlled by the hegemonic British colonial power. It was a war waged by British imperialist forces against independent, semi-feudal Boer republics. The war was part and parcel of the South African capitalist revolution. Its strategic objective was to forge a single politico-juridical state entity, i.e. one of the "super-structural" requirements for the expanded reproduction of capitalism in South Africa. The achievement of this politico-juridical dimension of the South Africa capitalist revolution was signaled by the 1910 Union of South Africa. For the first time South Africa became, so to speak, South Africa, a single nation-state.

## Core and periphery – the external dimension

From the late 19<sup>th</sup> century, the emerging South Africa ceased to be a largely marginal zone within the capitalist global economy. It was now actively linked as a centre of capitalist production into the circuits of global accumulation... but still as a **semi-peripheral** zone, dominated by the economic interests of British imperial capital. This new capitalist state was, then, launched onto a path of rapid **capitalist development**. But, imposed from without as it was, and dominated by foreign financial capital, it was essentially a **dependent development** path.

The key systemic features of this dependent development path still persist within our economy today. South Africa's dependent development path, subordinated to the hegemonic domination of the core economies of the imperialist centre, is not unique. Dependent-development is, precisely, what makes the whole of the Third World "third". But the core/periphery (initially Britain/SA) **external** dimension was complemented in South Africa by a very significant second, an "**internal**" colonial, core/periphery type relationship.

## Core and periphery – the internal dimension

The capitalist revolution in South Africa was associated, on the one hand, with the **most advanced forms** of capitalist development of the period. On the other hand, the deep-level mining, that lay at the heart of this revolution, also required enormous numbers of **unskilled workers**. This mass of workers was drawn from the "native reserves" to which the great majority of South Africa's population was now confined. A constant supply of hundreds of thousands of such workers required the **coercive squeezing** (through military pacification, restrictions on land access, poll tax, hut tax, etc.) of the areas under African occupation **AND** the simultaneous **conservation** of these areas. A key part of this "conservation" was the preservation of the "traditional" **power** relations of African societies in a subordinated and perverted manner. As one scholar has put it, colonialism in SA sought to preserve "not the force of tradition, but the traditions of force", seeking to accentuate whatever authoritarian, quasi-feudal "traditions" it could find in African societies.

These conserved and perverted "traditions of force" were essentially

**patriarchal** in kind. Peasant households were controlled and administered by what was often a colonially hand-picked “traditional” leadership that constituted a subordinate state apparatus within the white minority state. Chiefs who sought to resist were often deposed or banished. It should be noted, however, tradition had its own relative autonomy, and there were always traditional leaders who continued in varying degrees to resist colonial and racial oppression. Patriotic traditional leaders were among the founders of the ANC and this tradition of resistance was perpetuated through the anti-apartheid struggle, finding its organised expression in the Congress of Traditional Leaders of South Africa (Contralesa).

Nevertheless, colonial and apartheid rule in South Africa always sought to subvert traditional patriarchal power to its own purposes. The mining houses also perpetuated this patriarchal-type domination over the black work-force at the point of production itself, through a system of “tribal” segregation in compounds, and subordinate supervisory adjuncts in the shape of “indunas” and “boss-boys”.

In short, the “conservation” of “native reserves” and colonially-perverted “traditions” was designed to ensure indirect rule, and these were part and parcel of the new capitalist relations of production. The simultaneous coercive squeezing and conservation promoted the conditions for the “cheap” (cheap for monopoly mining capital) reproduction of labour for the mines. The capitalist revolution in South Africa was based on an **articulation** between two modes of production. The one dominated by advanced monopoly capitalism, the other “tribal”, patriarchal-based agriculture – in which the main “crop” was not cotton, or tobacco, or cocoa, but male migrant labour. These were not “two economies” but rather one economy, one South African capitalist economic growth path...but based on a **systemic duality** that had both an external dimension (European metropole/African colony) and, increasingly, a dominant internal dimension (monopoly capital/labour reserves).

This combination of factors has laid the basis for South Africa’s capitalist growth path over more than a century and a quarter. Naturally, many things have changed through the course of the 20<sup>th</sup> and into the 21<sup>st</sup> century, but the underlying **systemic** and **structural** features of CST capitalism persist into the present. In the most general terms these systemic features include: an excessive reliance on **primary product exports** (minerals and agricultural

products) and an equally imbalanced reliance on **imports of capital goods and manufactured consumer goods**; a **relatively weak national market** dominated by a small middle class; the **dominance of the mineral-energy-finance complex** to the relative disadvantage of other sectors (eg. manufacturing); and a **dual labour market**, characterised by a small band of skilled (and now semi-skilled) workers and a mass of marginalised workers (previously largely migrant, now largely casualised, under-employed, “a-typical” workers).

All forms of colonialism and neo-colonialism are characterised by **duality** – essentially the subordination of a peripheral zone to the imperatives of an external metropolitan centre and its accumulation path. This form of “external” duality, as noted above, has also been a defining feature of modern South Africa. But much more than in most other variants of colonialism, in South Africa systemic duality has also been a pronounced “**internal**” feature.

This internal duality is, of course, precisely what defined the **politico-juridical state form** of South Africa’s **colonialism of a special type**. The white minority rule that characterised most of 20<sup>th</sup> century South Africa saw the consolidation of a white colonial ruling bloc occupying the **same** territory as the majority colonially oppressed. It was a state form in which whites were enfranchised citizens, while the black oppressed majority was disenfranchised, and many of them regarded as black “tribal subjects”.

**In the last few decades, pro-capitalist ideologues have claimed that capitalism in SA was always “anti-racist”, that the “free market” was antithetical to apartheid. In fact, all of the key features of CST were pioneered, or lobbied for, by monopoly capital in South Africa (and particularly the mining houses) – including pass laws, compounds, and labour reserves.** In the last decades of white minority rule the apartheid state was financed, armed and generally buttressed by monopoly capital. White minority rule created the conditions in which the capitalist revolution in South Africa was consolidated and its expanded reproduction was guaranteed for the greater part of the 20<sup>th</sup> century. Far from capitalism and apartheid being inherently antagonistic, **South African capitalism was built on the bedrock of national oppression.** And it proved (from the perspective of monopoly capital) to be an extremely successful bedrock for many decades. For example, between 1963 and 1973, at the very height

of apartheid oppression, the capitalist economy grew on average between 6-7%. It was precisely in this period of heightened repression and booming profits that most of today's major capitalist corporations in SA, the ones that still dominate our economy, consolidated their power within our society.

White minority rule, the state form associated with CST, has been formally abolished by the democratic breakthrough of 1994. **But CST was not just a constitutional dispensation with white citizens endowed with rights, on the one hand, and black non-citizens on the other. It was also marked by other forms of stark duality – administrative, economic, social and spatial. These latter forms of duality, including persisting dualities within the anatomy of our new democratic state itself, remain deeply embedded and are continuously reproduced in our present reality.**

And this is what has been at stake since our 1994 democratic breakthrough.

At the SACP's 12<sup>th</sup> National Congress in 2007, the Party programme was centrally focused on a sustained critique of a reformist tendency then dominant in the leadership of both the state and the ANC itself. The SACP referred to this tendency as the "1996 class project".

The SACP was in the forefront of characterizing the principal political, ideological and therefore class features of this reformist tendency, and of waging a principled ideological and organizational struggle within our movement against it.

It was a tendency that, amongst other things, had abandoned the key revolutionary concept of Colonialism of a Special Type. The deeply rooted structural features of our society, shaped by more than a hundred years of extractive monopoly capitalism, were largely neglected by the 1996 class project. This abandonment of one of the key revolutionary concepts of our struggle which had previously helped to guide our understanding of our reality and our revolutionary practice, laid the basis for the vulgarization by this tendency of the national democratic revolution itself – and therefore to grave errors and weaknesses in any attempt at a systematic and transformational approach to the state, to the economy, and to popular mobilization.

It was in this context that the SACP at our 12<sup>th</sup> National Congress in 2007

devoted considerable attention to developing, updating and consolidating the key concept of Colonialism of a Special Type that had first been substantially developed in the SACP's celebrated 1962 programme, *The Road to South African Freedom*.

In 2012, the SACP believes that this cornerstone concept remains absolutely relevant to analyzing the deep-seated structural features of our society and economy, and therefore to advancing an effective National Democratic Programme for radical transformation.

## Chapter 4:

# The National Democratic Revolution – The South African Road to Socialism

**Without understanding the deep-rooted capitalist accumulation path legacy we are up against, it is impossible to provide a clear programmatic understanding of the national democratic revolution. The contemporary relevance of each of the three interlinked dimensions – the “national”, the “democratic”, and, above all, the “revolutionary” – becomes vague.**

This general vagueness about our history is not accidental. Vagueness has helped to clear the way for an **emergent bourgeois endeavour to assert a new ideological hegemony over our national liberation movement. In this endeavour, the “NDR” is presented implicitly, and often explicitly, as the “bourgeois” “stage” of the revolution. The capitalist revolution, we are told, must first be “completed”.**

**BUT THE CAPITALIST REVOLUTION IN SOUTH AFRICA HAS LONG BEEN MADE!** The commanding heights of our economy have long been occupied by a monopoly-dominated, and increasingly trans-nationalised South African capitalist class. The great majority of South Africans have long been proletarianised, that is, alienated from independent means of production and with nothing to sell but their labour power.

**The NDR is not a “stage” in which capitalism has to be “completed” (or merely “managed according to its own internal logic”). The NDR is a struggle to overcome deep-seated and persisting racialised 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 over a century of CST-based accumulation. 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, South Africans are able to determine democratically their 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 and to looming oil shortages, the danger of allowing the pursuit of “global competitiveness” to always trump national development, 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 – 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 South Africanness**, 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 infrastructure and the CST patterns of development and under-development that are 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**. We have noted that 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 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. It is a popularity that has to be constantly won in leading the struggle, in empowering popular forces to be their own emancipators, and in grasping the class and gender content of the national struggle.

The SACP’s strategic alliance 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.**

It is important to emphasise this point in the present because the revolutionary nationalist traditions of our struggle are under threat from various directions. In some left quarters there is a tendency to see all nationalism as inherently reactionary. In other quarters, even from within our movement, there are tendencies, often of a “modernising” and technocratic kind, to view the dominant African nationalist traditions of our struggle as simply “populist”, or as “backward” vestiges from our past. In these quarters, the national dimension of the NDR tends to be reduced to a prickly “national question”, a problem of grievances, ethnicity and tribalism that require sensitive “management”. For the SACP, following Lenin in this regard, the “N” in the NDR is not just a national “question”, it is a national answer. It is a positive revolutionary legacy.

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 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.

Historically, in the 18<sup>th</sup> and 19<sup>th</sup> centuries, many (but not all) bourgeois national revolutions in Europe saw considerable democratic advances for a wide array of popular classes, and not just for the principal beneficiary, the emergent bourgeoisie. These democratic advances had little if anything to do with the “inherently democratic” nature of capitalism, and everything to

do with the class struggle that was required to dislodge feudal ruling classes and the state apparatuses that upheld their domination. Broad movements were mobilised around the banner of basic democratic rights for all, general equality, freedom of worship, and for the franchise. The democratic rights and institutions that emerged in earlier centuries out of these national popular struggles were always curtailed and constantly threatened by the exploitative nature of the newly dominant capitalist relations of production.

Nevertheless, the achievements of these earlier bourgeois national democratic revolutions marked important historical progress, and the demands they advanced for equality, for the vote, for self-determination, served as inspiration to the anti-colonial national democratic revolutions of the 20<sup>th</sup> century (which were often directed at the very nation-states – like Britain or France, etc. – that had emerged from the earlier bourgeois democratic revolutions and were now bourgeois democracies at home, but colonial powers abroad).

The **Freedom Charter**, correctly, conceptualises 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**. It can also transform progressive political movements and parties into **narrow electoralist machines**.

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” etc. 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 class-rooms of Bantu Education schools, and worker committees on the shop-floor. 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 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 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 sectorally 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 20<sup>th</sup> 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, 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” board-rooms, share-holdings and senior management structures through the promotion of “representative” blacks or women, without addressing the underlying systemic features of an economy that those very board-rooms,

share-holdings 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 board-rooms 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.**

The **mobilisation of private capital into an NDR struggle should be based on clear objectives and concrete tasks**, which should include a priority on job-creating investment, skills training, appropriate and sustainable development of the forces of production, the elimination of compradorist, parasitic and other corrupt tendencies, and an active contribution to a strategic industrial policy that overcomes CST sectoral and spatial imbalances. Quite how various capitalist strata, black and white, (or, rather, the immense resources controlled by them) get to be mobilised into such an agenda will vary according to circumstance. It will range from enforcing effective strategic discipline on movement members involved in business, through increasing worker democracy on the shop-floor, state-led

strategic planning, and state-provided incentives and infrastructure, effective state and also popular regulation, public private participation arrangements, to straightforward compulsion and even expropriation. The tasks outlined above should constitute the strategic core and the basis for a developmentally oriented and strategically driven professional cadre in the state, in boards of parastatals, and in sections of the private sector

Two things are certain. Firstly, we will never achieve broad national democratic mobilisation, including of capitalist resources, if, as the liberation movement, we are unclear ourselves as to what the “R” in the NDR is all about. Secondly, working class hegemony within the state, the economy, our communities and, of course, within our organisations, is the critical factor for developing a purposeful, strategically clear, and practically effective NDR.

**Since the late 1920s, the Communist Party in South Africa has identified the national democratic revolution as the South African road to socialism. The rich struggle history that this strategic perspective has promoted over many decades speaks for itself. The wisdom of this strategic perspective is even more relevant in our post-1994 South African and global reality.**

The NDR is not a “stage” that must first be traversed prior to a second socialist “stage”. The NDR is not a detour, or a delay, it is the most direct route to socialism in the South African reality. The NDR is also not the “postponement” of the class struggle between the bourgeoisie and the working class. How could it be? That class struggle is a daily reality embedded in the very nature of capitalism itself. **The NDR is a strategic approach to advancing that class struggle in the material conditions of SA and the world in which we live. The prosecution of an NDR is the strategic means for maximising the size and coherence of a popular camp and for isolating and out-manoeuvring our principle strategic opponent – monopoly capital and the imperialist forces that underpin it. The success of an NDR is, however, not guaranteed by theory and declaration . Working class and popular struggles, guided by clear strategies and tactics, and effective organisation, are the determining reality.**

**It is for this reason that the SACP regards the alliance as still relevant and central to the executing of the NDR. The alliance is not just a**

**convenient conduit for our struggle for socialism but it is necessary for the achievement of the goals of the NDR itself.**

## **Build Socialism now**

Socialism is a transitional social system between capitalism (and other systems based on class exploitation and oppression) and a fully classless, 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, health-care, education, the environment, public transport, housing, social security, culture and information, 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 health-care 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 organized (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 20<sup>th</sup> 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.

**A socialism of the 21<sup>st</sup> century will need to think and act differently.** Already the Cuban revolution, faced with the sudden crisis of the collapse of the Soviet bloc and with the abrupt loss of the majority of its oil supplies in the context of an ongoing US economic blockade, has pioneered a wide range of measures that focus on shortening logistics lines, moving to small farming plots, using organic fertilisers and pesticides, and combining the most modern scientific and technological interventions with non-motorised transport, like bicycles and even ox-drawn ploughs. These should not be seen only as emergency measures in a particular situation. Nor should they be seen as a step back into the past, they are, in many respects, a step forward into the only sustainable future. **A socialism of the 21<sup>st</sup> century will 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. Which is why the SACP says:

**Socialism is the future – Build it Now!**

## Chapter 5:

### The SACP and State Power

**The central question of any revolution, including the South African national democratic revolution, is the question of state power.**

**The NDR requires a strong state.** Its strength needs to lie not in its capacity to exert bureaucratic power, but in its strategic coherence, its skill and catalysing capacity and, above all, in its ability to help weld together a multi-class national democratic movement buttressed by mobilised popular and working class power. Without these realities, in a world dominated by powerful transnational corporations, no country can hope to embark on a progressive developmental path.

Since the democratic breakthrough of 1994 we have endeavoured to build a national democratic developmental state. This endeavour has been challenged by a range of objective factors, by the contestation of other class forces, and by subjective errors, confusions and instances of indecisiveness.

The South African democratic breakthrough occurred at a time in which neo-liberal triumphalism was at its high point globally. Inevitably, **neo-liberal ideas impacted upon the new state and its programmes.** In particular, and at first, the active role of the state in the mainstream economy was seen to be largely confined to creating a macro-economic climate favourable to investors and capitalist-driven growth.

These neo-liberal tendencies were **always partially mitigated by attempts to simultaneously fashion a “caring” state focused on redistribution of resources by way of “delivery”.** Indeed, the years since the democratic breakthrough have seen a very significant expansion of social grants, and millions of low cost houses, water, electricity and telephone connections.

However, the 1994 electoral platform of the ANC-led alliance, the Reconstruction and Development Programme, had envisaged a close, integral connection between growth and development – growth had to be developmental. In practice, the new state increasingly separated these

critical pillars of the RDP, into a capitalist-led growth programme (GEAR) that would then, subsequently, provide the resources (primarily fiscal resources) to deliver, top-down, “development”. And development tended then to be conceptualised as a series of government “delivery” targets.

## **The State Apparatus – and the Legacy of the Past**

In 1994 the state apparatus that the liberation movement inherited and sought to transform was thoroughly distorted by its internal colonial features. On the one hand, there was a relatively well-functioning but authoritarian and rigidly hierarchical state bureaucracy that had serviced a white minority welfarist system.

From the 1930s the white minority state also developed major parastatals in key strategic areas like Eskom, Telkom, SASOL, Spoornet, and Armscor. These were all part of an unfolding strategic industrial policy programme. From the late 1970s, the financial crisis and growing class differences within the ruling white minority bloc led to the privatization of key strategic parastatals (SASOL), and to the radical cutting back on public expenditure on others (for example, Spoornet). In 1994 the new democratic state found itself deprived both of key strategic apparatuses that had been privatized, and with a seriously under-capitalised passenger and freight rail and ports system.

In the latter years of apartheid, as its own crisis developed, hegemony within the white-minority state increasingly shifted towards the military and security apparatus, with a vast increase in security budgets and personnel. International arms, oil and financial sanctions directed against the apartheid regime in its last decades, also saw the development of an extensive shadow-state network. An array of dirty-tricks front organisations and sanctions-busting networks emerged, involving state employees, spies, mercenaries, lumpen-business people, and criminal syndicates of all kinds. After 1994 many of these networks mutated into supposedly legitimate businesses, consultancies, and private security operations and many succeeded in infiltrating the new state and partnering in so-called BEE deals with some leading cadres in the movement. This legacy, whose effects persist into the present, has contributed to many of the challenges of corruption and factionalism, including within sensitive parts of the state, that we still confront.

On the other hand, what was also inherited in 1994 was an extensive,

ethnically fragmented set of former Bantustan, township, “Coloured” and “Indian” bureaucracies. In 1994 the new state inherited almost 650,000 former Bantustan bureaucrats. While there were obviously dedicated professionals among them, the dominant ethos in the Bantustan bureaucracies was one of patronage and rent-seeking. Again this legacy continues to leave a powerful and perverse imprint on our contemporary reality. Provinces that incorporated former Bantustan bureaucracies are often those with the most serious administrative challenges in the present.

## The Neo-liberal “New Public Management”

These various perverse legacies and their impact on the present have, unfortunately, not always been sufficiently analysed. More problematically, after 1994 the hegemony of neo-liberalism also negatively impacted upon the **remedies** that were sought in order to transform the state and its administrative apparatus. Essentially, the “remedy” applied was the neo-liberal aligned “**new public management**” approach.

The “new public management” approach is basically about applying (mis-applying) a private, for-profit, corporate management approach to the public sector. It includes:

- Replacing a public sector ethics of service to citizens with a managerialist ethics of “delivery” to “customers”
- Replacing professional leadership of the public sector with generic corporate managers – as if auditing and financial skills were all that was required to run a hospital or a school, for instance;
- Replacing professional and vocational incentives in the public sector with monetary incentives that are, in turn, typically based on fulfillment of “performance agreements” that are often meaningless, and that frequently result in tick-box pseudo-compliance;
- Fragmenting line departments into dozens of stand-alone “agencies”, each with its own “corporate” structure - a board, a CEO, and an expensive head-office (what the SACP has referred to as the “agentification” of the state);

- Further transforming the public administration from a “doing” apparatus into a “purchaser” of services from the private sector. Professionals in the state apparatus, those that have remained, have been increasingly reduced to compilers and adjudicators of “tenders” with all of the moral hazard implicit in this (the SACP has described this as the “tenderization” of the state).

In developed economies, like the UK, Australia, Canada or New Zealand, the “new public management” approach was implemented variously with considerable zeal from the late 1970s through the 1980s and early 1990s. It was seen as a means to “right-size” welfare states that were deemed by conservative governments to be “bloated” and “inefficient”. Increasingly through the 1990s in these very countries that had pioneered the approach, the many problems associated with it were beginning to be evident – in particular the serious fragmentation of the state apparatus. Since the 1990s various attempts have been made in these countries to rebuild “joined-up” government.

Unfortunately, at the very time that there were these growing criticisms of the “new public management” approach, in the post-1994 South Africa we tended to uncritically adopt it as the silver bullet that would help us to transform our inherited public sector legacy. It was bad medicine to begin with, but it was bad medicine developed for an entirely different set of challenges in any case. It was not as if South Africa in 1994 was inheriting a unitary, professional, relatively efficient, rule-governed, and comprehensive welfare state. That was not remotely our situation at all.

To this toxic mix of a bad legacy and a poor remedy was added the (in principle progressive and necessary) implementation of affirmative action measures to ensure equitable race, gender and disability representation in the public sector. However, since these affirmative action measures were introduced into a poorly conceived neo-liberal restructuring of the public sector, over-laid sometimes with factional ruling party appointments, they have often resulted in poor outcomes which then get blamed on affirmative action itself.

## Strategic Coordination of the State

There was, however, at least one area of the state that the dominant neo-liberalism associated with monopoly capital predictably sought to strengthen and hegemonise – this was the macro-economic apparatus (Treasury, the Finance Ministry, the Reserve Bank, the Auditor General’s office, and the SA Revenue Services). Unquestionably SA requires an effective and honest public finance apparatus, but it is an apparatus that has to be strategically aligned with government policy and the ruling party’s electoral mandate.

However, a centre-point of the neo-liberal agenda to restructure the state has been to make Treasury and its adjuncts the apex of state power, and the key transversal coordinator of all national line departments and other spheres of government. The introduction of the 1996 GEAR macro-economic policy marked a clear victory for this agenda.

Over the past few years there have been increasing efforts to assert a different strategic agenda for the transversal coordination of the state apparatus – including the establishment of Ministerial Clusters, a National Planning Commission in the Presidency, a Presidential Infrastructure Coordinating Commission, and the adoption of multi-sectoral policies like the Industrial Policy Action Programme and the New Growth Path. All of these need to be seen as attempts to assert, in the configuration of the state apparatus, and in policy, a national democratic developmental agenda to which macro-economic policy and the Treasury should be aligned – rather than the other way around.

## The local government crisis

In addition to all of these challenges, a further challenge to the endeavour to build a progressive, strategically-disciplined developmental state lies in the local government sphere. Prior to the 1994 democratic breakthrough, municipal governance was, essentially, a white minority reality. After the democratic breakthrough we set about introducing wall-to-wall democratically elected local government. In the municipal demarcation process care has been taken to incorporate former black dormitory townships and outlying ex-bantustan areas into former “white” local towns.

This has clearly been a progressive and necessary step – however, without further transformation of our urban and rural spatial settlement patterns, and without effective funding models for municipalities – this incorporation process has resulted in serious sustainability challenges. The Mangaung metro, for instance, is made up of the still relatively compact former Bloemfontein CBD and its adjoining residential areas AND, 50 kilometres away, as part of the same metro, the former Bantustan area of Thaba Nchu. One-third of Mangaung’s population lives in Thaba Nchu, but Thaba Nchu has few amenities and job opportunities. It was designed as a labour reserve, and it remains one. Corridor development along the 50 kilometres that separates Bloemfontein from Thaba Nchu is not feasible. The responsibilities of the Mangaung metropolitan administration have grown immensely from the old whites-only Bloemfontein city council days – but the rates base remains essentially the same. This is just one, graphic example, of a story that is repeated in varying degrees throughout local government in SA. A better funding model for local government is absolutely imperative, as is the transformation of our urban and rural spaces through mixed-use, mixed-income settlement patterns, through much greater public control over land-use management and planning, and a focus on infrastructure that supports such transformation, including significant transformation of the public transport sector.

**Only working class hegemony and activism on the ground and in the state will ensure that the developmental state fulfils its developmental role.** But how do we take forward this struggle?

Since the democratic breakthrough of 1994 the SACP has been a “**party of governance**” – but not a **governing party** as such. Tens of thousands of South African communists have taken up the challenges of governance, as cabinet ministers, members of legislatures, provincial executives, mayors and councillors, as officials and workers throughout the public service, including the armed forces and in the safety and security institutions. The SACP expects all of its members to conduct themselves as exemplary communists in these many deployments in the state apparatus, whether as ministers, senior civil servants or public sector workers.

In the first three rounds of national democratic elections in South Africa (in 1994, 1999 and 2004), and in local government elections, **the SACP chose**

**to campaign on the basis of single ANC electoral lists.** The SACP was always active in seeking to shape the ANC election manifestos, and the SACP always endeavoured to assert an independent profile in the course of these electoral campaigns. However, priority was given to securing overwhelming ANC election victories.

In the course of these elections, thousands of SACP members, endorsed by ANC-led branch-up nominations processes, have been elected into the National Assembly, the National Council of Provinces, provincial legislatures and municipal councils. Again, the SACP expects all of its members who are ANC public representatives to be exemplary communists, respecting the integrity, unity and discipline of our leading alliance partner, the ANC, without losing their own communist identity, principles and morality.

The extent to which these objectives are working satisfactorily in practice needs to be subject to ongoing SACP assessment and review. **The modalities of the SACP's participation in elections are not a matter of timeless principle. As an independent political party, the SACP has every right to contest elections in its own right - should it so choose. Whether the Party does this and how it does it are entirely subject to conjunctural realities and indeed to engagement with our strategic allies.** There are, however, three fundamental principles that will continue to guide us in this matter:

- The SACP is not, and will never become, a narrowly electoralist formation;
- Our approach to elections will be guided in this phase of the struggle by our overall strategic commitment to advancing, deepening and defending the national democratic revolution – the South African road to socialism; and
- Our strategic objective in regard to state power is to secure not party political but working class hegemony over the state.

## **COMMUNISTS TO THE FRONT TO BUILD WORKING CLASS HEGEMONY IN THE STATE!**

## Chapter 6:

# The SACP and the South African Economy

The South African capitalist-dominated economy still preserves many of the systemic features of its formation and consolidation within a colonial and special colonial framework.

In the first place, it is an economy that still relies heavily on **primary product exports – particularly from mining and agriculture**. Although mining's share of SA's GDP has declined over the decades, in 2009 it still contributed some 19% directly and indirectly to our GDP, over 50% of our merchandise exports, and approximately 30% of capital inflows were into the mining sector. This excessive reliance on primary product exports still locks us into a **dependent-developmental** growth path, and it has skewed our economy in many ways.

In the first place, it means that our economic growth and development is exceedingly **vulnerable to global fluctuations, a reality over which we have little control**.

The manner in which the excessive reliance on primary product exports has skewed our economy is also starkly illustrated in the **politics of water**. More than half of our country's raw water is used by largely white-dominated commercial agriculture - some researchers suggest that half of this water is wasted because of inappropriate crop choice and poor irrigation techniques. Another quarter of all our water is used by mining and industry.

The **politics of energy** has similar features. For instance, the aluminium smelters in Richard Bay and Maputo (Mozambique) are, in effect, designed to export South African coal transformed into electricity. The private multinationals smelter operators are provided long-term electricity contracts (typically 25 years) on exceedingly favourable terms. They pay, on average, four times less than a lower-income household for electricity and each smelter uses enough electricity to power a medium-sized South African city, while creating less than a thousand jobs. We have been locking ourselves into these long-term electricity supply arrangements, basically exporting

electricity cheaply (in the shape of aluminium) while our own domestic electricity generation capacity is under severe strain.

A further example of how the dominance of the mineral-energy complex in our country continues to distort our economy is provided by the case of **SASOL**. SASOL was founded in 1955 with tax-payers' money as a state-owned enterprise. Its mandate was to ensure liquid fuel security in South Africa by developing innovative coal-to-liquid (and later gas-to-liquid) technology to produce petrol for the local market. At a time when the global oil price was low, SASOL was further subsidized for the difference between the global price and its production costs, so that SASOL petrol could be sold at the pump at the same price as other petrol. SASOL was later privatized by the apartheid regime and it has since become a major multinational corporation. However, the international oil price per barrel, and therefore the domestic petrol pump price, is now around four times more than it costs SASOL to produce an equivalent barrel! Yet SASOL continues to sell its product on the South African market at the same price as imported petrol.

South Africa's over-reliance on unbeneficiated mineral exports has also impacted in other ways on our approach to **energy**. The abundant availability of cheap coal has been used to drive an industrialisation process that is extremely energy intensive. South Africa's reliance of coal-based electricity has made us amongst the worst in the world in terms of carbon emissions per capita and energy intensity. Our high energy intensity could become a "competitive disadvantage".

The excessive reliance on extractive mining has also created **many spatial and logistics distortions** which are detrimental to long-term, balanced growth and development. Mining extracts non-renewable resources, and over many decades there have been vast infrastructural water, energy, logistics investments, and large-scale human settlement in localities -in some of which there are no easy alternative economic activities once the resource is depleted. Parts of South Africa are now characterised by stranded towns, and whole regions in crisis.

Still today, our **major, high-value logistics routes** run between mineral extracting enclaves (typically in the interior) and ports. The iron ore of Sishen to Saldanha, the Mpumalanga coal fields to Richards Bay, and the Gauteng

hinterland to Durban. Meanwhile, logistics connections to our neighbouring countries are typically poor and inefficient, while within our own country **rural branch rail-lines** decay and the **sub-national road network** is hugely under-capitalised. Millions of our people are officially designated as “stranded” in terms of mobility.

As we have seen, the mining revolution imposed capitalism on South Africa at its highest, monopoly stage. There was **little organic, endogenous emergence of capitalism**. This has meant that from the very beginning the commanding heights of South African capitalism were **dominated by monopoly capital** – in the form of overlapping mining and financial interests in particular. South Africa’s economy is one of the most concentrated (monopolised) in the world. Small mining operations are virtually non-existent, and beneficiation of mineral products undeveloped. But it is not just in the mining sector, in general throughout our economy **small and medium capital is exceedingly weak**.

## **Monopoly finance capital and the South African economy**

Historically, finance capital has worked hand-in-glove with mining capital in South Africa. Since 1994 our own economy has not escaped the twin international trends of increasing financialisation and globalization. As in the rest of the world, the biggest beneficiary of neo-liberal economic policies was principally finance capital.

South Africa’s financial sector is dominated by four major banking oligopolies. Macro-economic policies have deliberately favoured this sector, to the detriment of the manufacturing and SMME sectors. Much of the modest growth in our economy in recent years has been driven by lending for consumption rather than productive activities. At the same time, relatively high interest rates have also seen the massive expansion of a micro-lending sector, and a recent significant increase in unsecured loans by banks. Another important feature of monopoly finance capital in SA has been its increasing globalization, with foreign listings and foreign mergers and acquisitions.

An often ignored factor about the composition of South African capital is the huge amounts of workers’ pension and provident funds invested in the South African economy. Yet workers have had very little, if any, effective say over

where and how these funds are invested, they are largely handled by fund managers. The Public Investment Corporation handles the funds from the Government Employees Pension Fund with an estimated value of R1 trillion – yet, in the recent past, this money has often been invested in non-strategic areas, including massive BEE deals, that do not contribute to the structural transformation of our growth path.

## Import dependence

The flip-side of South Africa's CST primary product export over-reliance, is **an over-reliance on imports particularly for capital (machinery) and other manufactured goods**. During the apartheid era, and indeed since 1994, there has been an ongoing perverse cycle in which as primary commodity global prices rise the South African capitalist economy grows on the back of rising exports, this growth then sucks in capital and luxury goods imports and our balance of payments situation worsens...despite favourable prices for our exports!

As we take forward our major state-led infrastructural programme we need to guard against it having the same perverse impact on our balance of payments. In the infrastructure build programme for the hosting of the FIFA World Cup 2010, with construction sites booming across South Africa, there was a major importation of capital goods related to this construction. The infrastructure programme was also adversely impacted upon by major engineering and input conglomerates colluding on prices and also charging us import parity prices for key inputs like cement and steel. In the latter case, for instance, the UK-listed, Indian multinational, Mittal Steel, is selling us steel produced from South African iron ore manufactured in former ISCOR plants that were established through public money in the previous era and then hurriedly privatised in the final years of apartheid. This is the “greater integration into the global economy” that is so often boasted about!

## The Skills Challenge

The present attempt to drive growth through a state-led infrastructural development programme is further constrained by another persisting CST feature of our economy – a **huge skills imbalance**. Formalised racial stratification has disappeared in the labour market, but the legacy of focusing

on advanced technical and artisanal skills for a tiny segment of the working class is dramatically highlighted by the fact that in 2005 the average age of an artisan in South Africa was 54 years.

These CST structural features of our economy have contributed to the deepening of inequality and unemployment (hovering around 25% in the narrow definition, and closer to 40% in the broader definition of employment). In particular, the dominance of the mineral-energy-finance complex in our economy has meant that **the manufacturing sector has tended to be weak**. The GEAR-based drive to greater liberalisation and integration into the global economy, **without any clear industrial policy strategy**, cruelly exposed this weakness. The manufacturing sector's profitability slumped by 30% after 1990, while the skills intensive (and less labour absorbing) service sector took over as the fastest growing part of the economy.

The consequences of these systemic realities, endemic within our capitalist accumulation path, continue to reproduce other problematic outcomes, including **deepening class inequality**. In 2007, productivity growth was running at around 2,5%, while profit growth was averaging 20% a year (based on the results of JSE-listed companies) or 15% a year (based on Statistics SA's operating surplus data). But labour's share of GDP has been falling. In 1996, labour's share was 55%. By 2006 it had fallen to 48%.

## Assessing BEE

Under the impetus of the "1996 class project" (a hybrid neo-liberal and narrow black bourgeois nationalist tendency), the prime motive force for transforming our economy was attributed to an emerging black capitalist stratum (a supposedly "patriotic bourgeoisie"). Considerable public funds through, for instance, the PIC, were diverted into leveraging a 25% shareholding target for blacks.

This narrow BEE has fostered the creation of a highly dependent (compradorial) section of the capitalist class, with minimal independence from the established sections of capital. This model of BEE has also resulted in high levels of indebtedness amongst the BEE 'beneficiaries' – capitalists without capital who were allocated shares on loan, on the assumption that with dividends and share-price rises, the debt would be repaid within a

matter of years. The onset of the global capitalist crisis in 2008 exposed the vulnerability and unsustainability of this model of BEE. Hence, calls from sections of the black bourgeois stratum for the nationalization of mines, essentially to rescue them from their indebtedness at public expense.

The narrow individual equity quota approach to BEE has had further perversities. The beneficiaries were often drawn into deals by established capital on the basis of their actual or perceived connections to the ruling party. This meant that often the same handful of individuals were the beneficiaries of share deals across a wide spectrum of companies and economic sectors. The beneficiaries typically had little understanding, or even interest in, the specific economic sector in which they nominally held shares. Dividends were ploughed back into paying off debt or into conspicuous consumption and not into productive investment.

Established capital played along with this game, happy to “pay the rent”, and preferring this to any serious transformational agenda. What is more, established capital was often the principal beneficiary of having BEE “partners”, the latter providing them at least with political connections and access to government policy-making and tenders. Foreign companies also used BEE “partners” for “import fronting” purposes, disguising the fact that localization requirements were being flouted.

However, with time these advantages to established capital began to be less clear-cut. Many BEE beneficiaries accumulated share-holdings only to sell them off at the soonest opportunity – thus depriving the company in question of its “BEE” status, and the need for a costly re-run. Also, with the vicissitudes of the political process, major corporations found themselves stranded with BEE partners who perhaps no longer enjoyed easy access to the state.

This is not to say that all the narrow BEE “beneficiaries” necessarily benefited in any substantial way. Those that remained committed to their companies often found themselves without real mentoring or inclusion in strategic investment and other decisions, and typically there has been very little change in the work-place situation.

It is partly due to a combination of all of the above reasons that there is now a growing schism between white and black business formations, epitomized

by the walking out of most of black business from Business Unity South Africa. This may also be a reflection of the fact that narrow BEE as we have known it has reached a cul-de-sac.

As the narrowing of options for primitive accumulation through equity deals with established corporations has increased, so there has been an increase in the reliance on securing state tenders by aspirant capitalists. This has given birth to the phenomenon of tenderpreneurs – those who use their positions of leadership in the ANC-led Alliance or the state to get government tenders, often in a corrupt way. Tenderpreneurship has also corrupted many of our cadres, and this pursuit of government tenders has spilt into major battles within our own Alliance structures, as a leadership position is used to influence on government tenders.

There has been another perverse sub-variant of the general “BEE” agenda that runs the risk of corrupting working class cadres and especially trade union leadership. This is a phenomenon of **business unionism** which takes two basic forms. The first is characterized by collusion between some of the union leaders with service providers handling the billions of rands of workers’ pension, provident and insurance funds.

The second is emerging out of the establishment of union investment companies over the last 15 years. These entities were legitimately established by trade unions as their fundraising arms to supplement the often meager income from union membership subscriptions. In some instances these companies have used their financial resources to co-opt, if not corrupt, some of the union leadership. Whilst unions are, from a working class perspective, organizational weapons for defending and advancing their class interests, for the capitalist class they are potentially a huge business proposition. This is happening in the context of the massive growth of the financial sector in South Africa.

## The Region

Another key systemic feature of our CST-based economy is the **predatory role of South African capitalism in our region**. Bourgeois economists speak of South Africa’s “distance from markets” as if this were a pre-determined geographical fact. It is, of course, the product of a colonial history, and, indeed, of **the underdevelopment of our own national market**, and

of **the persisting neo-colonial underdevelopment of our region** by global and South African capital working hand in glove with neo-colonial elites. The Southern African region with a population of over 100 million and abundant and mutually complementary resources is potentially a thriving common market, but this potential has been throttled by centuries of colonialism, decades of apartheid destabilisation, and now by post-independence neo-colonial distortions. For the major part of the 20<sup>th</sup> century, South African capital treated our neighbouring countries largely as migrant labour reserves and as zones of mineral and energy extraction.

Still today, South African and multi-national capital extract hydro-energy from Mozambique or water from Lesotho, for instance, with little evidence of effective development in return. Unbalanced development of this kind is of no benefit to the majority of Mozambican and Lesotho citizens, or indeed to the majority of South Africans. A sustainable growth and development path for South Africa has to be closely linked to balanced and mutually beneficial development throughout our region – otherwise we will continue to suffer from “distance from markets”

All of the other major systemic features of our CST capitalist accumulation path remain deeply entrenched within our economy. These include the systemic duality in the so-called “first” and “second” economy divide, which we deal with elsewhere in this programme.

## What can be done?

This brief overview of the main features of our persisting capitalist accumulation path underlines the importance of a **strategic** national democratic approach to economic policy and active transformation – piecemeal reforms, ad hoc sectoral initiatives, disconnected projects may ameliorate some crises, but they often squander resources in the long run and deepen the crisis.

These systemic CST features of our economic accumulation path also underline the inadequacy of a “**social democratic**”, essentially, **redistributive** approach to overcoming the crisis of underdevelopment. Redistribution out of the same untransformed accumulation path, however well-meaning, is a cruel delusion. The dependent-development CST accumulation path into which our economy remains locked has to be radically **transformed**.

Amongst other things this means:

- Ensuring a more balanced growth and development strategy through **rolling back the domination of the mineral-energy-finance monopoly capitalist** complex. The strategic importance of overcoming this private monopoly domination, which lies at the heart of many distortions in our economy and society, underlines the wisdom of the Freedom Charter's call to ensure that the wealth of our country is shared, and particularly that "the mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole". In the spirit of the Freedom Charter, the SACP supports a multi-pronged strategy that ensures that we increasingly **socialise** these commanding heights of our economy through a wide range of interventions.
- In particular, we need to **leverage off our abundant mineral resources to ensure local beneficiation, job creation, and skills development**. A key instrument for achieving these objectives needs to be through the establishment of a State Mining house and through an amended Mineral Resources and Petroleum Development Act, in which licensing of prospecting and mining rights is more forcefully used to leverage industrial policy and job-creation objectives. The proposed **mining rents regime including a windfall tax (or super-profits tax)** and the **establishment of a sovereign wealth fund** must also be firmly supported. The SACP has consistently called for such measures to ensure that as a country we recoup some of the benefits of commodity booms. We need to remove the distortions related to, for instance, SASOL's import parity pricing on its petrol, currently costing it some four times less to produce than the pump price.
- Developing an effective, state-led **industrial policy** that focuses, in particular, on ensuring that the labour-intensive **manufacturing sector** is built into a much more vibrant and dynamic sector of the economy, including through an effective **trade policy** and **macro-economic policies** that are appropriate to supporting these objectives.
- The increasing **socialization** of the **finance sector**, through, amongst other things, achieving a much greater developmental, working-class

biased, strategic control over key public and social financial institutions and funds. Efforts to transform existing public **Developmental Finance Institutions** (DFIs) – like the IDC, the DBSA, the Land Bank, etc. must be supported and strengthened. Progressive forces also need to ensure a greater strategic control over worker pension and provident funds (including the GEPP through the PIC). There must be continued efforts to build a **cooperative banking sector**. Popular pressure must also be sustained to impact upon the private banking oligopolies and financial institutions – particularly through **community reinvestment** requirements. In this respect we need to use the state’s very significant purchasing power, as well as popular pressure, to ensure that such developmental objectives are realized.

- A major state-led **infrastructure** programme that unlocks untapped resources; helps to develop neglected rural regions of our country; links actively with an industrial policy; addresses the economic dysfunctionality and social injustices associated with the apartheid spatial form of our urban spaces; prioritises energy efficient infrastructure (eg. rail over road); and helps to drive effective links with our region and continent.
- A major **review of so-called “Black Economic Empowerment”** – has it contributed to any serious transformation of the embedded colonial features of our economy? Or has it often perversely strengthened them? Monopoly capital (and not the supposed “colour” of monopoly capital) is the principle structural blockage in our attempts to transform our economy and society. To what extent has BEE, too often narrowly focused on ownership quotas, acted as a serious and costly diversion from real transformation?
- Well-resourced and strategically directed **education and training** to overcome the massive skills distortions in our society;
- A much more strategic and **sustainable** approach to **natural resources**. The depletion of natural resources and the damage to our environment need to be actively factored into our growth and developmental statistics. Energy, water, fishery and agricultural land-use policies need to be sustainable and developmental. Short-term,

export-led competitiveness led by monopoly capital cannot be allowed to trump development and sustainability.

- The SACP's campaigns around building **sustainable livelihoods, households, and communities** have especial relevance in a global and national setting in which the formal, capitalist economy is now never likely to provide for anything approaching full employment. Expanded **public works programmes**, including the **community works programme**, a broad network of **cooperatives** supported by government and especially local government, and a developmental **social security net** are also all important components of ensuring sustainability for the majority of our people.
- The strengthening of the capacity of key parts of the state to once more play an active productive role, for instance rebuilding the capacity of the Department of Public Works and of Municipalities to construct houses and other social infrastructure.
- The **balanced development** and **effective industrial policy** integration of our entire **Southern African region** is also critical.

In the SACP's 2007 programme we called for most of these key economic measures. Since 2007 and particularly since 2009 many if not all of these elements have been endorsed in government policy and some are being actively pursued. In particular we single out the New Growth Path, the Industrial Policy Action Programme, the National Development Plan, and the formation of the Presidential Infrastructure Coordinating Commission and the launch of 17 major strategic integrated infrastructure projects.

Of course, none of these policy programmes and strategic interventions are uncontested and none are guaranteed not to be blocked or diverted from their transformational objectives.

None of these measures can be achieved without an active **democratic developmental state** buttressed by a **mobilised national democratic movement** in which the working class increasingly plays a hegemonic role.

**WORKERS TO THE FRONT TO BUILD  
WORKER HEGEMONY IN THE ECONOMY!**



## Chapter 7:

### The SACP and the Workplace

For the SACP, building working class power in the workplace is a key dimension of building working class hegemony in the whole of society, in order to realise the objectives of our medium term vision. This underlines the importance of building strong SACP workplace units in every South African workplace to drive a vision of a transformed workplace, with and for the workers and the poor.

The South African workplace still retains many of the colonial features of the apartheid workplace, despite some very significant changes and post-1994 labour market transformation legislative measures

The racialised, gendered and hierarchical features of the apartheid workplace still remain very strong in the post 1994 workplace. The only noticeable changes in some workplaces are at the highest level of top executives, where a few black executives have been drawn into these positions mainly through affirmative action programmes. Advancement of black managers has been much faster in the public than in the private sector.

Even with these changes, the racialised occupational stratification within management still persists in many ways. The more technical professions are still largely occupied by whites, whilst blacks have moved into more support services (human resources management, marketing, etc). Middle management still remains predominantly male and white. Even where there have been changes in the ownership structures of many companies, including those that are regarded as BEE-compliant, there is no evidence that such changes in ownership are having any significant impact on the gender and racial composition of management. Nor where such changes happen is this having any impact in the improvement of the conditions of the working class.

Instead, in many instances, black shareholders themselves fully support the increased exploitation of the working class, in order to realise higher profits, so that these new black shareholders are able to pay their loans for BEE deals quicker.

## **‘Contractualisation’ of the Managerial Classes**

A new feature of South Africa’s (and the global) labour market since the 1990s is that of the increasing ‘contractualisation’ of top and senior management levels, not only in state enterprises but in the private sector as well. There has been a general shift in contracts of employment for senior executives from permanent employment to five-year contracts or shorter. The new black entrants themselves, despite affirmative action, are subject to this new dispensation.

Indeed contractualisation has its own advantages for owners and shareholders, in that this is used to increase the performance of these enterprises. The downside if this is the massive bonuses by senior managers given the short-term nature of their jobs. This explains the increasing phenomena of huge executive salaries. But this pressure is largely borne by the working class, as they are the ones who have to subsidise the highest possible earnings for senior executives within the period of the contract. Another reason for this is that the fixed contract becomes a period for intensified accumulation through huge bonuses and incentives. This is also achieved directly at the expense of the wages and conditions of service of the working class, with workers suffering casualisation, retrenchments and outsourcing.

One of the outcomes of the ‘contractualisation’ of senior management is that power in the workplace remains with male-dominated white middle management, which is just about the only workplace strata that still enjoys relatively permanent, tenured jobs, given their technical know-how and responsibility for daily operations. This layer often represents the most reactionary layer of South Africa’s workplace, spearheading resistance to transformation and any developmental agenda, whether in the public or private sector.

The other outcome of this managerial ‘contractualisation’ (albeit very different from that of the working class) is that in these days of BEE opportunities, they are often used as step-ladders to break into the bigger accumulation stakes of the mainstream capitalist economy.

## The Labour-Brokering Offensive Against the Working Class

Labour brokerage represents the highest form of the neo-liberal restructuring of the capitalist workplace. It introduces a completely new form of division of labour, where the direct relationship between the worker and his/her workplace is mediated (if not severed) by a third party, the labour broker. This makes it extremely difficult for trade union organisation, as workers are sometimes called to work without any regularity, and in different workplaces.

Another insidious effect of labour broking is that it denies the worker opportunities for training and skills development. This is because neither the labour broker nor the employer in the workplace takes responsibility for the training of workers. In fact labour brokerage is the modern form of the reproduction of cheap labour, only requiring the minimum, shortest possible training for the worker to be productive.

Labour brokerage and other forms of casualisation are creating a floating workforce that is easily dispensable and once brokered workers reach retirement age (or during bouts of unemployment) they become the responsibility of the state's social security system. In other words, the responsibility for the reproduction of a reserve labour force is shifted onto the state. The reality deliberately erodes many historic victories won by the working class in which the employer was forced to take some responsibility for the the reproduction of labour (through medical aids, workmens' compensation funds, and employer contributions towards pension and provident fund), thus shifting the responsibility for the daily reproduction of labour to the working class itself.

The net effect of neo-liberal restructuring of the workplace is the intensification of the rate of exploitation of labour and, much more seriously, it translates into an increasing fragmentation of the working class. One worker can simultaneously belong to numerous workforces, making trade union organisation very difficult. It is for this reason that labour brokerage and casualisation must in the first instance be fought in the workplace, whose cumulative struggles must in the end confront the entire neo-liberal restructuring of work.

Indeed South Africa has not escaped this neo-liberal restructuring of the workplace. It is now increasingly becoming common-place for different labour regimes to co-exist in one workplace within the same category of workers, some having 'permanent' jobs and being directly employed, and others supplied by a labour broker. This is over and above the fragmentation of the working class between those who work in 'formal' employment and those eking a living on the margins of the capitalist economy in informal, often self-employed activities like street hawking, for instance..

With all this the gains made through the Labour Relations Act and the Basic Conditions of Employment Act are weakened and increasing numbers of workers are unprotected by these legislative gains.

Women workers and the poor have borne most of the brunt of this vicious neo-liberal restructuring of the workplace. Over and above the fact that women's wages and other forms of labour have been artificially devalued by capitalism, neo-liberal forms of division of labour have deepened the gender-based exploitation. It is in sectors mostly populated by women workers (agriculture, domestic services and hospitality sectors) that the neo-liberal restructuring of the workplace has gone furthest. The organisation of women and the intensification of the struggles for gender equality are therefore an integral parts of the struggle against capitalism in general, and the neo-liberal division of labour in particular.

The above class offensive by capitalists against the working class requires new forms of organisation of the working class. Unfortunately in some instances this fragmented working class turns against itself, as we sometimes observe with xenophobic attacks against non-South African workers in the fight for scarce job opportunities. Often there is a danger of different components of the working class, located differently in the capitalist division of labour, fighting against each other. It is often the case, under these conditions, that when 'permanent' workers go on strike, casual labour supplied by labour brokers is forced to continue working. In fact the xenophobic attacks also arise out of the increasing regionalisation of the workplace as part of this neo-liberal restructuring.

It is for all the above reasons that workplace organisation and the organisation of the different fractions of the working class need to be given added attention

in the current neo-liberal regime of the capitalist division of labour. It also requires that attention needs to be placed on both workplace and community forms of organisation as part of building the unity of the working class.

The SACP has the primary responsibility of organising and uniting the working class and all its fractions as a political force, as a 'class for itself'. This also calls for both workplace and outside the workplace organisation. For instance the working class is not only organised around the shopfloor and the workplace, but is also organised in many other structures and collectives beyond the workplace: in the church, in stokvels, in co-operatives, in burial societies, in resident and civic associations, as farm dwellers, as women, etc.

Building the unity and power of the working class requires that attention also be paid to all the above as important terrains and fronts of struggle. Our own SACP campaigns have taught us important lessons in this regard, whether it be mobilising the working class as consumers through our financial sector campaign, the working class as farm dwellers through our land reform campaign, as vulnerable sectors of society through our health and education campaigns, etc.

The necessity for new forms of organisation underlines the importance of deepening the relationship between the SACP and COSATU, as well as the continued relevance of our Alliance. In addition, in our conditions, the neo-liberal restructuring of the workplace is being reinforced, and in turn reinforces, the semi-colonial growth path of our economy. Neo-liberal restructuring within the context of a semi-colonial growth path has reinforced and reproduced the class, gender and racial inequalities of colonialism of a special type.

There is no evidence that managerial unilateralism in the running of enterprises has been significantly diminished; instead the intense restructuring of the working class is one manifestation of the increased unilateral managerial power in the workplace. Whilst labour market transformation since 1994 has gone a long way in securing workers' rights to collective bargaining, worker power and activism in this regard is still largely restricted to negotiations over wages and basic conditions of service, with minimal challenges to decisions on the overall running of enterprises and to their investment decisions. The public sector is a partial exception to this.

One key feature in the restructuring of South Africa's workplace has been outsourcing. For workers outsourcing has essentially meant doing the **same job but with increased hours, in different workplaces and with different (downsized) conditions of service, like the loss of a provident fund, of medical aid, and other benefits.**

Related to outsourcing is the increasing entrenchment of labour-broking, which poses one of the most serious threats to the many gains won by South Africa's working class since 1994. Outsourcing and labour broking, amongst other things, are a direct outcome of an economy based on promoting 'competitiveness' and 'lowering the cost of doing business'. The outsourcing of workers is not only happening in the private sector, but in government departments and state-owned enterprises. Although working class struggles have ensured that most of our state-owned enterprises have not been privatised, camouflaged privatisation is still happening through outsourcing and labour-brokering practices. The high cost of living facing workers and the poor is a direct result of this restructuring of the workplace in order to promote competitiveness and 'lowering the cost of doing business'.

At the heart of this kind of restructuring of the working class is fundamentally a deliberate strategy by capital to extricate itself from 'funding' the reproduction of the working class, shifting the burden directly onto the working class and working families and communities, and on to the state.

The restructuring of the working class has led to its stratification and sometimes fractionalizing broadly into the formal, 'permanent' strata, the informalised, and marginalised. This poses serious challenges for the broader unity of the working class and its capacity as the motive force of the national democratic revolution, and specifically for the trade union movement. This has weakened sections of the trade union movement, sometimes characterised by fragmented struggles on the shop-floor, especially given the increasing trend of workers located in one workplace but employed by different outsourcing companies.

South Africa's organised workers, in particular, have not adequately prioritised matters related to the use and investment of significant resources in the hands of the workers, including control over worker retirement funds. Whilst control over these funds tends to rest at levels higher than the workplace of

individual enterprises, there is no workplace activism around these matters, except in so far as they relate to conditions of service.

Matters relating to mergers, selling, liquidation or investments by enterprises are still generally broadly outside the purview of the daily struggles waged by workers in the workplace. These are matters that are still largely the sole responsibility of boards and top management. Yet it is through these decisions that we have experienced a significant restructuring of South Africa's workplace and the working class itself, including retrenchments, mechanisation and casualisation. A key component of building working class power in the workplace is to build the power of the trade union movement to wage struggles broader than just those that have historically and traditionally been taken up in collective bargaining struggles (wages and conditions of service). This also means building trade union capacity to effectively take up these issues.

Another major feature of South Africa's workplace (especially in key sectors of the economy) is that black workers are not being trained to move into skilled positions. The key manifestation of this is that the artisan skills are still almost entirely monopolized by an ageing white male working class, whose average age is estimated at about 52. Affirmative action is essentially an elitist process that benefits those in managerial levels, with deteriorating conditions for the working class.

The wage gap during the first decade of our freedom has also widened between the highest paid and the lowest paid workers in most of the enterprises. This has also been fuelled by the increasing corporatisation of, and outsourcing in, the public service and state owned enterprises.

The highest price of all the restructuring outlined above has been paid by black workers through being retrenched, outsourced and casualised.

The neo-liberal free market, disguised as 'competitiveness' and 'lowering the cost of doing business' has increasingly eroded whatever job security the working class might still have had. Working class job security in the workplace has become like a 'currency', a means through which the rich trade amongst itself for its enrichment, and this is the foundation of the current growth South Africa is experiencing over the last 6 or 7 years, which some

even within our own ranks are boasting about.

One of the implications of all the above is that any industrial strategy must centrally involve a developmental human resources strategy both in the public and private sector. The primary orientation and purpose of such a strategy must be to protect the jobs of the most vulnerable workers and to (re)skill South Africa's working class with the objective of re-shaping South Africa's workplaces for developmental purposes.

All the above calls for systematic attention by the SACP to building the trade union movement in particular, and to using our campaigns to contribute to the organisation of marginalised and informalised workers. The trade union unity in action that we have witnessed in recent years, including unions that are outside the umbrella of COSATU as well as the 2007 public service workers' strike, lay an important foundation for building working class power in the workplace.

**To do the above we need a bold state, underpinned by united working class activism and power that unapologetically takes its rightful leadership responsibility to drive the developmental transformation for both the public and private workplaces!**

We need a strong SACP whose primary presence must be in strong workplace units, in order to effectively act as a vanguard of the working class.

**WORKERS TO THE FRONT TO BUILD  
WORKING CLASS POWER IN THE WORKPLACE!**

## Chapter 8:

### The SACP and our Communities

Increasingly through the 20<sup>th</sup> century the focal point of CST underdevelopment was located in urban, peri-urban and rural black townships. Not by accident, these townships were also the core mass revolutionary bases of our anti-apartheid struggle. It was here that a range of organs of popular power, building in part on the resource base of a myriad of localised productive activities (a so-called “second” economy) began to emerge in the midst of that struggle. But frustrating the self-emancipatory struggle of our communities there have always been various conservative and reactionary patriarchal realities that white minority rule deliberately cultivated and used as forms of indirect rule. Indeed, patriarchy has always been an integral component of CST capitalist relations of production.

#### Patriarchy and CST

In Chapter 2 we have seen how a central feature of the earlier period of CST was the articulation between a dominant, advanced capitalist mining sector, and migrant-labour exporting reserves. Social control, administration and production within these reserve areas were essentially based on **patriarchal power relations**. These patriarchal power relations were embedded in the “conserved” **traditional leadership** structures of “chiefs”, “headmen” (and even, in the case of the mine compounds, with “tribal boss-boys”), etc. They were also embedded in the household production unit, and in the household division of labour. These “conserved” power relations were, from a **colonial** perspective, forms of **indirect rule**.

**It is this combination of realities that helps us to understand, from a Marxist perspective, the absolutely central role of patriarchal power relations in the very foundations of CST. Patriarchy is not an “add on” in CST, a mere “legacy of tradition”. It is the centrality of patriarchy within the entire system of CST that clarifies why a majority of African women carried the burden of triple oppression.**

By the middle of the 20<sup>th</sup> century, the capitalist sector had diversified with

the significant development of a manufacturing sector. This manufacturing sector tended to require a more settled, semi-skilled working class, and it also favoured a more urbanised working class that would constitute a mass market for many of its products. At the same time, the capacity of overcrowded and eroded reserves to reproduce a mass of migrant labourers was increasingly under strain.

## The Apartheid Phase of CST

In many respects, the advent of **apartheid policies** (introduced in the decades after the National Party's electoral victory in 1948) can be understood as an attempt to **perpetuate** a CST capitalist accumulation path in a changing economic and social reality within South Africa. Apartheid, as is well known, was associated with an intensification of the long-existing racial separation through a wave of forced removals, the destruction of mixed urban communities, and the intensification of "influx control", pass laws, and other measures. But the apartheid regime also undertook the mass roll-out of state "deliverables" – a mass housing programme (building soulless matchbox houses in remote township), third-class mass commuting public transport, mass education (in the shape of "Bantu" education) including school construction for the purposes of ensuring basic literacy and numeracy for a new generation of semi-skilled operatives, and even (pitiful and racially lower) old-age pensions for Africans.

These social measures were, of course, not driven by any humane concern for the black majority, they were part and parcel of seeking to modernise, stabilise, re-inforce and intensify CST capitalist accumulation in a changing reality.

**The apartheid phase of CST** is characterised by the **perpetuation** and **modernisation** of socio-economic **duality**. While the labour reserve system was sustained (as Bantustans, and through an intensification of a range of oppressive measures inherited from the earlier period), **another form of duality started to emerge as the predominant** race/class/gendered articulation between an advanced capitalist sector and an under-developed socio-economic reality.

## The Township

Increasingly, we now have a **new under-developed pole** based on a **myriad of urban, peri-urban and rural townships**. These townships were also the prime location for a series of petty, largely service activities (street vending, taverns, minibuses, spaza shops, burial societies, stokvels, hair salons, home based care, sporting clubs, not to mention basic things like cooking, shopping, child-minding and care for the sick and aged– i.e. what has recently been misleadingly called the “second economy”).

Many of these so-called “second economy” activities originate in response to the woeful inadequacies of the apartheid state’s “social delivery” roll-out – for example, the apartheid state’s “public transport” infrastructure development and operational subsidisation became increasingly inadequate and the informal/ quasi-legal minibus sector emerged in the 1980s and through the 1990s to become the major public transport mode of the working class and poor.

These “second economy” activities basically involve the production of use-values for the working class and poor, while reproducing “cheap” labour” for the mainstream (“first” economy) by carrying many burdens that, in a different (eg. more social democratic) capitalist system would be borne by tax-payers and the public sector.

In many (not all) of these “second economy” activities women are preponderant. Women’s role in these activities is often premised on a household gendered division of labour held in place by patriarchal domination.

## The South African Countryside and its Enclaves

Our countryside provides a stark insight into the enclave character of our economy and the racialised duality in South African society. Apart from the distinct urban/rural duality in our economy, South Africa’s countryside is itself divided into two very distinct enclaves shaped over more than a century of proletarianisation of the black rural masses and the massive land dispossession of the majority by both the colonial and apartheid regimes. The one enclave is that of the former Bantustans, and the other is that dominated by agri-business and small and medium sized farms, owned in the main by white farmers.

## The 'White' Countryside

The South African agricultural economy is dominated by large agri-business companies that span the entire production process and marketing. This economy, however, underwent massive changes after the 1973 global economic crisis. It embarked on large-scale mechanisation and increasing export orientation resulting in, amongst other things, massive retrenchments and the eviction of black farm workers. However, the process of evictions had already started in the earlier decades of the 1950s and 60s, as the apartheid regime reconfigured the racial landscape of South Africa in line with what later became the "Group Areas".

Liberalisation and export orientation of commercial agriculture has deepened rather than lessened post 1994, thus ensuring the growing dominance of agribusiness and very minimal opportunities for the emergence of new, particularly small and co-operative, farming. Government's economic policies have strengthened rather than transformed this accumulation regime since 1994. For example, according to South African Standard Industry Database, as cited in the Human Development Report, 2003, the real profit rate of agriculture, forestry and fishing rose from 100 in 1995 to 143 in 2002. This increased this industry's share of total profits from 67,8% in 1995 to 72,7% in 2002. Labour productivity in this industry rose from 123,6 in 1996 to 151,9 with an average annual growth rate of 3,26 in 2002.

Despite this performance in agriculture, forestry and fishery, black, mainly African, farmworkers have suffered greatly and have borne most of the brunt of the continuing accumulation regime in agriculture. They still represent what is, perhaps, the most exploited section of South Africa's working class. For instance, this industry's share of total employment declined from 10,7% in 1996 to 9,9% in 2002. The wage share by this industry has further declined from 32,2% in 1995 to 27,3% in 2002.

On most commercial farms farm-workers live with their families. Not only are these workers being paid starvation wages, but they are, in many instances together with their families, daily subjected to all forms of abuse including violence. Some of these abuses include the following:

- Long working hours that are not compensated

- Impounding of their livestock by farmers. The fines imposed on impounded livestock are typically deducted from their wages, as part of the many deductions made by farmers from the new statutory wage, thus continuing to pay the workers the same old slave wages
- Less than human living conditions
- No access to basic services like water, electricity and sanitation
- Widespread violence as a routine form of discipline and including murders. This is complicated by an untransformed justice system that often does not take up cases that are reported to them against white farmers

Since 1994, our government has made a number of interventions in this 'white' countryside, mainly around land reform and agricultural reform. Positive as some of these measures have been, they have failed to even remotely transform the countryside as consolidated under CST. The flagship of government's intervention has been land restitution and redistribution. This has, however, only managed to transfer some meagre 3% of land into the hands of the majority of our people. The Agri BEE Charter has hardly made any impact and it is in the same mould as the rest of the current, elite model of BEE.

The vast majority of the rural population in South Africa is located in the former Bantustans. In most of this territory our people are subjected to the rule, authority and patronage networks of the system of traditional leadership. There are very minimal accumulation processes of any significance taking place here. However, this does not mean there is no accumulation at all, and the very minimal accumulation taking place needs to be looked at closely as a possible springboard to create sustainable rural livelihoods in the former Bantustans. The former Bantustans still occupy a structural location as dumping grounds for those who cannot find employment or eke out a living on the fringes of the urban economy.

Research on the former Bantustans show extreme levels of poverty in these areas. For instance, some research indicates that 80% of income in rural areas comes from wages, mostly remittances from the urban areas. Pensions

are the second most important source of income, contributing between 10% and 20%. The third is income from some sort of agricultural activity, also estimated at about 10% and 25% in some areas.

The integrated rural development programme has been one of the most significant interventions by government. However, there is very little extensive evaluation done on the impact of this programme on rural poverty, and the picture seems to be very uneven. These kinds of interventions will never succeed unless they are based on a fundamental transformation of the accumulation regime in the South African countryside - both in the major agricultural sectors and the former Bantustans?

## Some of the Key Political Challenges

The SACP's own campaigns, especially the land and agrarian transformation campaign, provide a key platform to achieve our key strategic objectives in the transformation of our countryside, including the following key goals:

- The need for an overarching rural development strategy to bridge the divide between the 'white' countryside and the former Bantustans, grounded in accelerating land and agrarian transformation
- The basis of such an industrial strategy for the countryside should be accelerated access to productive land for household based subsistence in both, and cutting across, the dualistic rural economic enclaves
- Crucial in all this is the mobilisation of the social motive forces for transformation, principally farm-workers, the poor and agricultural co-operatives and other forms of small-scale farming. On our side we will ensure that we mobilise our communities – building people's land committees to drive land and agrarian transformation, Driving the implementation of the resolutions of the Land Summit

## The So-Called “Second Economy”

The apartheid CST state-form has been abolished, but a CST-type capitalist accumulation path continues to characterise much of our social and economic reality. One of its major manifestations is the persistence, and

active reproduction of economic “duality” – the so-called “first” and “second economies”.

This so-called “second economy” is now largely located in a myriad of working class urban, peri-urban and rural townships. Its principal function **from a capitalist perspective** lies in the cheap (for the dominant capitalist mode) **reproduction of labour power**.

However, more than ever, much of this “second economy” and the communities and households associated with it are under immense strain. Factors placing strain include extremely high levels of unemployment (a 40% national average, but more than 70 and 80% in some localities), underemployment, the HIV/AIDS pandemic, house-hold indebtedness, and the continuing collapse of rural economies.

These factors, taken together with others, including:

- growing (if uneven) feminisation of the labour force in the “main-stream” economy
- male retrenchments and high levels of male unemployment;
- increasing mobility, including significant levels of rural to urban migration of young single and well-educated African women (many presumably in lower middle class, professional and service sector work);
- large numbers of female-headed (and now even increasing numbers of child-headed) households;
- stark generational divides, including cultural divides and the increasing commodification of much youth culture;
- and the re-structuring of African households – some transforming into nuclear family structures, others retaining extended forms including the still pervasive “two households” reality – one urban, one rural;

- and a massive and burgeoning housing backlog have also put strain on “traditional” patriarchal power relations within African working class households and communities.

## Lumpen-Patriarchy

While these challenges to “traditional” patriarchal power **CAN** have emancipatory consequences, in the pressure-cooker of acute under-development they are also producing many serious dysfunctional outcomes, including, what we might call “**lumpen-patriarchy**”. We mean by this various perverse attempts to re-affirm male power and retrograde versions of male identity in the face of crisis and male insecurity, including:

- extraordinarily high-levels of rape and sexual assault against women, not excluding the very old and the very young;
- other forms of anti-women and anti-child violence and abuse, including high levels of domestic violence; and
- various retrograde assertions of “male rights” and the evocation of “tradition” to justify the patriarchal abuse of positions of political and/or managerial authority.

There are also other versions of this “lumpen-patriarchy”, including the **war-lordism** that is endemic in much of the taxi industry; **shack-lordism** in many informal settlements; reactionary **vigilantism** in some parts of the country; male youth **gangsterism** sometimes with links into the **prison system**. While none of these is simply reducible to perverted forms of patriarchy, they are all strongly marked by patriarchal power relations and assumptions.

Still another version of lumpen-patriarchy, with links to all of the above, is the phenomenon of “**big man**” “**messiah**” **politics** - the politician as patriarchal “protector” and “bestower” of general “favours” upon loyal favourites. Latter day apartheid, and especially but not only Bantustan and tricameral, politics was rife with this kind of reality. But our new democracy, and our own movement, are not immune.

The many **deeply perverse realities** we are witnessing in our post-

apartheid situation are intimately linked into the persisting realities of a **CST-based capitalist accumulation path, the duality it reproduces, and the insupportable pressures that are now placed on working class communities.**

To say this is not, of course, to excuse lumpen-patriarchal criminality for one minute – but it does help us to avoid a predictable tendencies: **self-denigration** (a typical danger in societies that have suffered racial and/or patriarchal humiliation) - “there must be something wrong with us.”

## **Responses to the Crisis – Delivery without Transformation**

Over the past decade, the problem of “under-development” has been acknowledged, as has the reality of a polarised economy (“two economies”). The state has endeavoured to prioritise poverty and unemployment and significant budgetary allocations have been made.

However, these well-intentioned endeavours have tended to be based on a **paradigm of technocratic top-down, state-delivered redistributive allocations sustained by a growing (capitalist) economy.** The paradigm tends to ignore the CST character of our current capitalist growth path, and the systemic effects that this growth path has – **including the intensified and expanded reproduction of the very underdevelopment we are trying to resolve!**

As a result, interventions into the “second economy” run the risk of modernising and improving duality (at best) without actually transforming the systemic CST features of our society. So far, many of these interventions have been premised on the assumption that social and economic activity in poor communities can be understood as “**small**” and “**micro-enterprises**”, and that our developmental responsibilities consist in **promoting** these “**enterprises**” into the “first economy” through a variety of incubations, re-capitalisations, seed-monies, business-plans, and the like.

While occasionally these interventions have succeeded in promoting some SMMEs, overall there is failure. There is seldom any sustainable salvation for most of these activities through a one-off ladder of one kind and then abandonment to the labour-exploiting, profit-maximizing, monopoly-

dominated rigours of the dominant capitalist market. “Willing-buyer” small farmers, land-restituted communities, scattered co-operatives, recapitalised taxis given some kind of “starter-pack”, or “scrapping allowance” and then abandoned to the market are unlikely to be sustainable, and the same patterns of underdevelopment are simply reproduced.

## The Struggle for Progressive Moral Values

In the face of frustration and failure, from government and from broader society there is often a turn to **moral issues**. This is certainly not wrong. But, various moral projects have tended to suffer from acute ambiguities.

- At times there are ringing condemnations of “a culture of consumerism and wealth accumulation”. The SACP has welcomed these critiques, but too often they tend to be largely **moralising** in kind. They are disconnected from any analysis or appreciation of the actual economic policies and realities that are giving rise to these phenomena;
- There have also been more institutionalised attempts, including the **Moral Regeneration Movement**, and a religious-dominated initiative to draw up a **Moral Charter** and a range of public voices calling for such things as a “**return to family values**”. Both the MRM (which has so far lacked any coherent impact) and these wider moral discourses suffer from major but often disguised contradictions. They tend to bring together progressive tendencies AND thoroughly reactionary tendencies. In the latter case, “moral regeneration” is understood to mean the re-affirmation of **conservative patriarchal** values – of bringing back corporal punishment in schools, or reinstating other authoritarian “traditional” practices, or calling for a narrow law-and-order resolution to crime. Given the **real** challenges that communities are facing in terms of the break-down of solidarity and respect, these conservative moral voices are liable to find support in working class communities.

**The SACP, the working class and progressive forces must take up these moral issues clearly and consistently, always linking them to a progressive, transformational agenda in which the values of solidarity are foremost.**

**This progressive, transformational agenda must campaign to liberate community life and the activities that take place within our communities from the grip of patriarchal domination, especially, but not only, in its most perverted forms.** This struggle is intimately linked to the struggle against the “indirect” rule that the current capitalist accumulation path imposes either through neglect or intent upon our communities. It is a struggle to affirm socially necessary work and activities over the domination of profit-maximising, labour-exploiting enterprise.

***What does this mean practically?*** It means many things.

It means, in the first place, affirming the service work undertaken in our communities (much of it by women) as being not just reproductive work (for the dominant capitalist economy), but **productive work** for the working class – i.e. it involves the production of **socially necessary “use values”** for the working class.

It means approaching the entire so-called “second economy” in a completely different way. **Land reform and restitution** that simply lift households and communities into a ruthless, monopoly dominated market will deepen poverty and underdevelopment, not transform it.

The same applies to endless **SMME** promotion endeavours. Re-capitalising the minibus industry without transforming public transport by increasing public sector and community control and regulation, will simply increase stratification in the sector. This will have a detrimental impact upon the majority of small-owners, drivers and other workers, while deepening the subordination of the sector to the banks and multi-national minibus manufacturers and their local dealerships.

## **The Local State and the NDR**

**Critical to the transformation of the “second economy” is local democracy, municipal power working hand-in-hand with mobilised communities.** To transform the minibus sector, municipalities must re-claim public space – roads, parking, ranks – and regulate on a continuous daily basis public transport operations.

Breaking with a capitalist logic also helps us to understand the potentially **transformative** nature of the struggle to build **sustainable communities** and **sustainable households**. Sustainability can be built through all of the above, through an effective and **comprehensive social security system**, through well-supported and networked **cooperatives**, and many other initiatives. The strategic objective of building sustainable communities and households is to break the dependence of working class communities on the **dominant capitalist mode** – for consumer goods, for wages, for services. Clearly, a complete de-linking from the dominant capitalist system is unlikely in any short-term scenario – however, degrees of relative delinking help to build progressive working class power and hegemony within households and communities.

All of these programmatic actions must also go hand in hand with the struggle to completely transform the **spatial** inequities of our society. **Housing** and **built-environment** policies must focus increasingly on building communities, not rows of houses, on appropriate densification, on the location of poorer communities much closer to amenities and places of work, and the deliberate construction of mixed-income communities. Mobility and accessibility for working class communities, and especially for rural communities must be addressed with much greater vigour.

## **Build Democratic Organs of Self-Government!**

It is in our communities, in particular, that the Freedom Charter vision of “**democratic organs of self-government**” has special relevance. We must actively engage and progressively transform the range of participatory institutions that have emerged within our new democracy – among them, **community policing forums**, **school governing bodies**, and **ward committees**.

**WORKERS TO THE FRONT TO BUILD  
PEOPLE’S POWER IN OUR COMMUNITIES!**

## Chapter 9:

### The Battle of Ideas

**The battle of ideas is an integral part of the class struggle. It is both a struggle over ideas themselves and a struggle for the progressive transformation of the major institutional means of ideological production and dissemination – including the media, the educational and training system, the policy apparatus within the state, and a wide range of cultural and faith-based institutions and practices.**

**Ultimately, different ideologies represent different class interests, but the connection between an ideology and a particular class, or fraction of a class, is not always one-to-one, or even easily recognizable.** In any concrete situation particular ideologies are also often hybrid, a mixture of different ideological currents, and therefore there is not always a simple mechanical association between an ideology and a specific class. Moreover, the ruling ideas of the ruling class will tend to infiltrate the outlooks and beliefs of other classes and strata. This is particularly the case in our own current global and national realities, dominated by monopoly capital, including highly globalized media empires. In these conditions, the ideas of the global ruling class are repeated so often they begin to seem obvious, self-evident truths.

**One of the key vanguard roles of our Communist Party is, precisely, to engage actively on this terrain, and to expose the class interests that lie behind what often seems like the natural way of things.**

#### Neo-liberalism

Although the global capitalist economic crisis has provoked some ideological self-questioning, **neo-liberalism remains the hegemonic ideology of our times.** Neo-liberalism as an ideology is closely connected to the development of globally-operating monopoly finance capital which emerged powerfully into international dominance from the 1970s.

A cornerstone of Marxism is that capitalism (unlike earlier economic systems and unlike socialism) has an in-built, profit-driven requirement to constantly

expand. If it doesn't constantly expand, it enters into systemic crisis. The current global economic crisis is, in essence, precisely a crisis associated with a prolonged period of economic stagnation in the developed centres of capitalism that dates back to the early 1970s. The emergence of neo-liberalism as the hegemonic global ideology from the 1970s (in various guises as "Thatcherism", "Reaganomics", etc.) is closely related to the challenges of over-accumulation, stagnation, and the attempts to overcome these challenges through a massive process of global financialisation – associated with speculative capital flows increasingly disconnected from productive investment.

## What are the main features of Neo-liberalism?

1. **An obsession with "growth"** - Neo-liberalism has as its cornerstone belief the argument that "growth" is the principal driver of all things positive. **But "growth", in the logic of capitalism, is NOT measured in terms of an increase in the production and availability of socially useful goods – but in terms of the production of commodities that can be traded for a profit. "Growth", therefore, excludes socially useful (often socially critical) production of food for household self-subsistence, for instance.**

A voluntary service like caring for the children of working neighbours in South African townships is socially necessary, but it does not feature in the "economic" calculations of "economic output", and therefore it is not part of "growth". However, if the SAME service is provided for a fee – then, in the warped logic of capitalism, it is part of the GDP "growth" calculation. The same contorted logic is apparent in the case of safety and security services. If they are rendered by the public sector police, then they are not measured as a contribution to "growth". But if the same services are provided by private security companies for profit, then that gets counted as part of GDP.

Moreover, in the logic of capitalism, the exhaustion of our natural resources (for instance the depletion of our minerals, fishing stocks, or forests) does NOT get DEDUCTED from the "growth" calculation. Profits are made and we are told our economy has "grown", but at the end of the day most of us are collectively left with less!

The same applies to the often irreparable damage done to our natural environment (the pollution of our underground water resources through acid mine drainage, for instance). Again the costs to society and to future generations of this profit-driven destruction are NOT part of a negative growth calculation. In addition to all of this, socially useless activities are counted as part of “growth” – for instance, the vastly expanding, multi-trillion dollar global advertising and “branding” industry.

The claim of capitalist ideology is that job creation, greater equality, and the reduction of poverty are all dependent upon “growth”, and without “growth” they cannot be addressed. **The “unless-we-grow-the-cake” argument is so often repeated that it comes to seem like a self-evident truth. However, our own history teaches us that there is no necessary link between “growth” and key social objectives. At the height of the apartheid period, from the mid-1960s to 1973, the economy achieved sustained 6% “growth” – but inequality and poverty worsened.** It is for this reason that the SACP insists on a completely different understanding of “growth”, which should be measured in terms of the sustainable transformation of our society to meet the developmental needs of our people.

2. **“The free market”** – advocating for the so-called “free market” is the second and related core theme of neo-liberalism. It is the “market” that supposedly drives the “growth” (but this is a circular argument because, as we have seen, it is only market-commodities that are counted as contributing to “growth” in the first place). **Neo-liberalism hardly ever speaks of a “capitalist society”.** It prefers to replace this with the idea of a **“market society”**. **This substitute term draws a convenient veil over the existence of a capitalist class and over the history of how this class came to be constituted.** Instead, the idea of a “market society” conjures up a mythical picture of a society of free individuals buying from and selling to each other according to supposedly fair rules of supply and demand. What disappears in this idea of a “market society” is the brutal history of primitive accumulation, of the privatization of commons, and of colonial invasion and dispossession. In other words, what disappears is the violent history behind the emergence of a capitalist class, the formation of massive corporations, and the related proletarianisation of billions of the world’s citizens with nothing to sell but their labour power.

What also disappears in this mythical picture of a “market society” is the truth about the present - including growing corporate monopoly domination of the market. By 2008, the annual revenue of the 500 largest corporations in the world (the so-called Global 500) was an incredible 40% of total world income. In fact, the more that the process of monopoly finance-driven globalization has accelerated, the more that smaller and even large national corporations have been swallowed up in mergers and acquisitions, the more the “free market” is invoked.

**In this topsy-turvy, monopoly capitalist ideological world, the acquisition of the South African retail oligopoly Massmart, for instance, by the even bigger global oligopoly, Walmart, is presented as a victory for “free market competition”!** It is true that Walmart’s entrance into the South African market may see the short-term lowering of prices on a range of mass produced consumer products – thanks to Walmart’s access to sweat-shop, low-wage economies in Asia and elsewhere. But Walmart’s entrance into the South African market will also result in even more local job losses, in the further weakening of our manufacturing sector, including agro-processing, and in the squeezing out of even more small, medium and even relatively large retail operations with their greater connection to local supply chains. Jobs losses, greater inequality and poverty will be the result – and so, while some consumer goods might be cheaper for a while (until, of course, Walmart is no longer competing with any other major local retail chains) the actual national market will have shrunk even further.

**The only way in which Walmart’s entry into South Africa can be seen as a “good thing” is if we, as South Africans, think of ourselves purely as short-term “consumers”... which brings us to the third core feature of neo-liberalism:**

3. **Citizens reduced to consumers** – with its mythical idea of a “market society” in which society is reduced to supposedly free individuals buying from and selling to each other, social classes and other forms of social collectivity disappear. Margaret Thatcher notoriously said “there is no such thing as society, just individuals”. **From this flow all of the negative, anti-social values that are continuously propagated by neo-liberalism – possessive individualism, consumerism, and a**

**dog-eats-dog morality.**

**Focusing on the market and the realm of exchange also obscures the realm of production (and therefore the place in which surplus labour is extracted, the realm of class exploitation).** Reducing the working class to atomized, individual consumers has the advantage for capital that it obscures from the actual collective producers themselves the potential power of their collective agency not just to produce more commodities, but to actively produce a different world. This kind of ideological genocide of the proletariat has many local variants. How often have we heard, with the unveiling of this or that narrow BEE deal, that “for the first time blacks are participating in the mining industry”, for instance? In this mythical world, gold sprang out of the ground thanks to the “entrepreneurial risk-taking” of the mine-bosses and their financial backers. Hundreds of thousands of direct producers, the mineworkers, the majority of whom were black and many of whom died deep underground, are simply written out of history!

4. **“Civil society” versus the state** – having reduced, in its perverted imagination, society to atomistic individuals “freely exchanging” with each other, neo-liberalism then contrasts this realm of supposed liberty (which it calls “civil society”) with a single centre of power – the state. Like earlier versions of liberalism, neo-liberalism has an ambivalent attitude towards the state. The state is seen, basically, as a necessary evil. It is required to protect private property and to uphold market-based contractual law – this is neo-liberalism’s version of the “rule of law”. Particularly with neo-liberalism, the state has the core function of enforcing macro-economic policies that are conducive to the interests of monopoly-finance (dampening inflation, for instance, regardless of its other consequences, because inflation erodes the value of the interest that finance capital makes on loans).

This bundle of requirements is called “good governance”. However, having entrusted the state (and particularly the executive) with power, monopoly finance-capital is constantly concerned that this power will be “abused” – that is, other class interests might also be advanced. And so neo-liberalism constantly promotes a discourse of checks-and-balances, together with aggressive interventions to keep the state on a

pro-monopoly finance straight and narrow. While it seeks to strengthen, ideologically hegemonise and discipline (through, for instance, ratings agencies) the key public instruments of macro-economic policy (the Treasury, the Reserve Bank), it seeks to weaken the capacity of the state on other fronts (industrial policy, labour market regulation, and social programmes) – through liberalization, privatization, fragmentation of line departments into dozens of stand-alone, corporatized agencies, and the undermining of a professional cadre of administrators through the application of a technocratic managerialism (the so-called “new public management”). It also seeks to check-and-balance the developmental capacity of the state through playing off the judiciary against the executive.

**But the major ideological instrument it uses is the notion of a class-less “civil society” that needs to be mobilized and vigilant against an inherently authoritarian state.** While the state (however weakened) wields real power, **the ideological notion of “civil society” completely obscures the considerable economic and ideological power concentrated in parts of “civil society”- notably the big multi-national corporations funding a variety of local NGO’s, and the massive private media oligopolies.**

Monopoly capital itself constantly seeks to infiltrate the commanding heights of the state through aggressive lobbying, through the placement of its own like-minded candidates in key positions, through bribes and factional political funding. But it simultaneously seeks to exclude or de-legitimise popular and working class engagement within the state, through its discourse of “them” (an authoritarian, corrupt state) and “us” (the whole of “civil society”). In this way, it seeks to render unthinkable an agenda of building anti-capitalist, popular power both within and beyond the state.

**These are the core features of neo-liberalism, the hegemonic global ideology in the present. Anyone vaguely familiar with the South African public debate will know that these core assumptions are frequently taken as self-evident truths, commonsense, influencing in varying degrees a wide range of sectors in our country, including often our own liberation movement and the working class itself.**

Against this general background, it is now necessary to examine briefly some of the recent and current major, anti-working class ideological tendencies within our present South African conjuncture.

## The 1996 Class Project

This ideological current succeeded, with considerable external backing and funding, in achieving a contested dominance and unstable hegemony within the ANC and the democratic state from around 1996 through to at least 2007. Its ideological influences were mixed, but the two dominant ideological currents were **neo-liberalism** and **narrow bourgeois nationalism**. These two, not necessarily congruent, ideological currents were directly associated with the political agenda that underpinned the 1996 class project. The political agenda was to use state power to build an accommodation between established monopoly capital (both national and multi-national) and an aspirant black capitalist stratum.

The dominant **neo-liberal ideological** wing of this agenda was represented most graphically by the macro-economic programme (GEAR) driven by government from 1996, but also by a privatization drive in the late-1990s, and by the managerialist fragmentation of the new democratic state in line with the ideological canons of the neo-liberal “new public management” agenda.

The **narrow bourgeois nationalist** ideological wing of the agenda was most evident in the foregrounding of a narrow “black economic empowerment” strategy that was essentially about using state power to assist primitive accumulation by an aspirant black capitalist stratum.

The eventual relative defeat of the 1996 class project from within the ANC in around 2007 was partially a result of the many ideological illusions and internal contradictions within the project itself. The key ideological illusion was precisely a neo-liberal illusion – namely, that neo-liberal macro-economic policies would connect SA to a dynamic globalization process that would promote growth, and growth (“growing the size of the cake”) would in turn create the conditions for significant black capitalist advancement and for a top-down redistributive “delivery” of services to the majority of citizen-consumers.

A second ideological illusion was precisely a bourgeois nationalist illusion/rationalisation – namely, that the promotion of a black capitalist stratum would create a “patriotic bourgeoisie” ready and willing to invest in a massive programme of job creation and redistribution of wealth in SA.

**The deepening global economic crisis that rendered increasingly unworkable the highly-indebted BEE deals, the failure of GEAR policies to produce their own proclaimed “growth” targets, the deepening social crises of mass unemployment, poverty and racialised inequality (reproduced and aggravated by an untransformed neo-colonial growth path), growing contradictions between the “good governance” and “rule of law” interests of monopoly capital and the inherent lawlessness of the primitive accumulation BEE process, all of these factors internal to the logic of the 1996 class project weakened its coherence and exposed its ideological contradictions.**

However, the provisional displacement around 2007 of the 1996 class project from its hegemonic position within the ANC and the state was largely the work of a consistent and principled ideological, programmatic and organizational effort led by the SACP, working together with COSATU, and many comrades from within the ANC.

The provisional displacement of the 1996 class project has seen the considerable strengthening of the left’s ideological positions on government economic and social policies and programmes – including many key issues which the SACP has consistently advocated - a major paradigm shift with the New Growth Path, the Industrial Policy Action Programme, the multi-billion rand multi-year state led infrastructure programme, the rejection of the willing-buyer, willing-seller approach to land reform, and a commitment to rolling out a National Health Insurance scheme, amongst others. Of course, all of these programmes are capable of being rolled back or hijacked by anti-working class forces. They require ongoing critical support, active left-wing engagement, and popular mobilization.

The relative consolidation of left-wing policy programmes in government and the related provisional defeat of the neo-liberal/bourgeois national 1996 class project have provoked two divergent (but in some ways mutually reinforcing) ideological spin-offs from within our movement – a **liberal**

**constitutionalism** and the “**new tendency**”. These two currents represent the ongoing trajectories of the two increasingly divergent sides of the 1996 class project’s hybrid neo-liberal/bourgeois nationalist ideological platform.

## The “New tendency”

It was the SACP at the 2009 Special National Congress that first identified clearly the ideological and underlying class character of what we called the “new tendency”. **We described it as a populist, bourgeois nationalist ideological tendency, with deeply worrying demagogic, proto-fascist features.** It was the SACP that pointed out the connections between the public face and pseudo-militant rhetoric of this tendency and its behind-the-scenes class backing. It was a tendency funded and resourced by narrow BEE elements still involved in a rabid primitive accumulation process, based on a parasitic access to state power. It was a bourgeois nationalist tendency that sought to mobilize a populist mass base, particularly amongst a disaffected youth, to act as the shock troops to advance personal accumulation agendas.

Initially, the SACP was more or less alone in developing a clear analysis of this dangerous tendency – and for this reason the tendency very quickly revealed its anti-communist credentials. Some within the broad left were, at first, taken in by the pseudo-radical rhetoric of the tendency – its calls for nationalization of the mines, for instance – mistaking these for a genuine commitment to radical transformation. Liberal forces, including the commercial media, were happy to conflate this “new tendency” with radical transformational perspectives, the better to delegitimize a genuine and principled left agenda.

Thanks to the consistent stand of the SACP on this matter, and as a result of the increasing recklessness and increasingly obvious contradiction between the supposedly “left” rhetoric and the excessive personal consumerism of the public leadership of the tendency, a growing majority from within the ANC and broader movement has come around to disassociating themselves from the tendency. **Of course, it is incumbent on the SACP and its alliance partners not just to critique the demagogic ideology of this tendency. It is also important to understand and engage with the key social and economic realities that have provided this dangerous tendency with something of a mass base. In particular, the grave challenges of mass youth unemployment and alienation are central to this.**

## A Liberal Constitutionalism

While the “new tendency” was one off-spring emerging from the fragmentation of the 1996 class project, **a second ideological off-spring assumed the cloak of liberal constitutionalism.** The leading elements in this ideological current were among those who felt they had been defeated at the ANC’s 2007 Polokwane 52<sup>nd</sup> National Conference. This was basically the old neo-liberal wing of the 1996 class project, now split from its Siamese twin, bourgeois nationalism, and disowning any relationship to it.

Its leading elements included former senior government politicians and major BEE beneficiaries who had now arrived and who felt threatened by the uncouth and desperate behavior of a second wave of aspirant BEE beneficiaries who kept swarming up the same but increasingly overcrowded empowerment ladder.

Ideologically, this liberal constitutionalist tendency was in denial about how many of its leading members had been the direct beneficiaries of dubious state procurements and hasty privatization deals in the recent past. They suddenly became holier-than-thou proponents of “good governance”, the “rule of law”, and of anti-corruption campaigns. They were also in denial about the fundamental objective and subjective reasons for the crisis of the 1996 class project. Instead, they blamed their predicament entirely on the “corrupt”, “anti-constitutional”, even “anti-intellectual” and “unschooled” Polokwane majority. In this way, they, too, deliberately conflated the demagoguery of the “new tendency” with a principled, anti-neoliberal working class opposition. In this way, like the new tendency, they were often vociferously anti-left.

**Having been separated at Polokwane, the twins continued nonetheless to have a hostile but mutually dependent relationship. The more outrageous the behavior of the “new tendency”, the more the liberal constitutionalists felt justified in their liberal “defence” of a supposedly threatened constitutional order.**

This liberal constitutionalist tendency emerging from within our own movement does not have a settled institutional base. Some sought to fight a rear-guard action from within the liberation movement, the state, and through a network of media, NGO and academic institutional bases. Some were

central to the launch of the ill-fated COPE political party project. This latter has predictably increasingly drifted into the orbit of the now dominant liberal political ideological current in SA – anti-majoritarian liberalism.

## Anti-Majoritarian Liberalism

At the electoral party political level, the Democratic Alliance, with a great deal of backing from the commercial media oligopolies in our country, has consolidated itself into the major oppositional parliamentary force with nearly one-fifth of the vote. It also now governs one province and a major metro.

As with most electoral party political platforms, the DA's ideological posture is a hybrid of different, but essentially liberal currents. Its economic policy programmes are more or less an undiluted version of contemporary neo-liberalism. Its broader political ideology also partially draws on other, older liberal currents, adapted to our present reality.

Historically in SA, there is a relatively long white colonial tradition of liberalism that has disavowed overt racism while, at the same time, harbouring deep fears about the “dangers” of the “tyranny of the majority”. Among the direct party political forerunners of the DA, were political formations that criticized some of the superficial aspects of apartheid, while advocating for a qualified franchise for “civilized” and “propertied” “natives”. Historically, these political platforms did not enjoy much electoral support from the franchised white minority in SA.

In the post-1994 democratic reality it is no longer constitutional either to advocate openly racist policies, or an ameliorated version of them – namely a qualified franchise. However, the same fundamentally anti-majoritarian agenda with a liberal human rights veneer constitutes the core ideological platform of the DA. What was once called in colonial circles the thorny “native question” (that is the “dilemma” for a white minority of a surviving overwhelming indigenous majority) has now been dusted off, updated and botoxed into an inflated “threat of one party political dominance”.

**The DA, ably supported by the media oligopolies, constantly harps on the “dangers” of “a two-thirds majority”, of “confusing party and state”, of “cadre deployment”, of the “anachronism” of the ANC still**

being both an electoral party and a liberation movement, of the “tail wagging the dog” (referring to the SACP and COSATU). All of these concerns amount to a single fundamental concern – SA’s post-1994 democratic dispensation has not (at least not yet) degenerated into a typical liberal democratic, two-party dispensation in which a centre-right and a centre-left political party, barely distinguishable from each other, rotate through office.

This kind of “democracy” has reached its low-point in the US, where to stand as a candidate, even for a relatively modest office, requires millions of dollars of campaign funding. Typically, the major corporations in the US will support both major parties. What we have in most of the developed capitalist societies is a political version of the contemporary oligopolistic market in which the commodities of the major corporates (whether soap powder, petrol, or cars) are distinguished not by price or quality, but by “branding”.

**Happily for SA, there are powerful obstacles to this kind of corporate capture and political degeneration – notably the ANC’s persisting movement character, its branch-level organization and mobilizing traditions (however impaired they might have become during the 1996 class project period), and its continued commitment to an alliance with two avowedly radical socialist formations, the SACP and COSATU. This means that the ruling party and therefore the state are accessible to the direct influence of class forces other than monopoly capital.**

And herein lies one of the ideological ambivalences of the DA. It derives financial and ideological support from monopoly capital because its various ideological campaigns seek implicitly to convert our hard-won democratic dispensation into a corporate-controlled, pseudo-democracy. But it derives its electoral support by mobilizing different communities to think of themselves not as South Africans, but as minorities threatened by an African majority. The supposed “dangers of one party dominance” mean somewhat different things to these two different audiences. The interests of monopoly capital do not coincide with the interests of the majority of South Africans who happen to be white, Coloured, or of Indian origin.

**The relative success of the DA also has much to do with the grave errors committed by the 1996 class project and its African bourgeois**

**nationalist off-spring, the new tendency. Our failures to consistently deal decisively with corruption, factionalism, and the abuse of state power have also fed the “tyranny of the majority” ideological platform of the DA.**

Another related ideological theme of the DA and a wide array of NGOs and liberal think-tanks is that the ANC and its alliance constitute a “threat to the Constitution”. In making this ideological claim, these anti-majoritarian liberals deliberately dumb-down the actual Constitution, turning it into a narrow 19<sup>th</sup> century liberal document focused on upholding individual rights and on checking-and-balancing the state. While these values are important and are certainly present in our Constitution, the anti-majoritarian liberals conceal the many transformative obligations that our Constitution places upon the democratic state.

This, in turn, relates to the ideological posture that the DA assumes in situations in which it holds political office. It seeks to transform the political electoral debate into a competition over “delivery”, “efficiency”, and addressing “backlogs”. Obviously, effective dedicated public service is absolutely essential, and it is true that as the ANC-led alliance we have not always done well in this respect.

**But notice how these ideological terms “delivery”, “efficiency” and “backlogs” serve two purposes. In the first place, the DA (given its history and anti-majoritarian platform) tends to win elections only in localities that are relatively wealthy and well resourced, which immediately skews any “delivery” competition between it and the ANC with its mass-base in impoverished townships that have a weak revenue base, and in provinces with a lasting legacy of dire, ex-bantustan, rural poverty. But secondly, and more importantly, “delivery”, “efficiency” and “backlogs” are all ideological terms that divert our attention from the imperative of carrying forward STRUCTURAL TRANSFORMATION of, for instance, our neo-colonial growth path, or of our racialised urban and rural geography. And this goes to the heart of the anti-majoritarian liberal position – it is in favour of change, but change without transformation.**

## Taking forward the battle of ideas

These are the major anti-working class economic and political ideologies of our current South African conjuncture. The SACP has a vanguard responsibility for continuously analyzing, exposing and popularizing our analysis of these ideological currents. As in the class struggle in general, however, it is also important to conduct the ideological struggle with a coherent strategy and tactics.

This means, in the first place, being able to identify the dominant threat to a socialist struggle, and also any immediate principal ideological dangers. Unquestionably, neo-liberalism is the dominant ideological threat locally and globally to the struggle for a different world. It is important that we build the broadest unity against this threat, and that we help to identify elements of neo-liberalism when they infiltrate parts of our movement.

However, while neo-liberalism is the dominant ideological challenge that we confront, over the recent past, the SACP identified the right-wing, populist-demagogy of the “new tendency” as the gravest immediate ideological threat to our national democratic revolution. It has been necessary to focus attention on this threat and to seek to build the maximum unity within our movement in order to isolate this tendency.

How we conduct the ideological struggle, especially within our broad movement, is also an important challenge, requiring the correct application of strategies and tactics. **It is critical that we do not factionalise our critique of problematic ideological tendencies. It is critical that we speak to the ideological features of various tendencies rather than too easily labeling (and therefore boxing-in for all time) individual comrades. As the SACP we must continue to be committed to waging a fearless, but principled, battle on the terrain of ideas. Over the past two decades, this area of SACP work has been one of our major contributions to the overall national democratic and socialist struggles in our country.**

## Transforming the Media Sector

In the battle of ideas the media sector plays an absolutely critical role. **South Africa’s print media landscape remains dominated by four big role**

**players** - Naspers, Avusa, the Independent Group and the Caxton group. The Independent Group is foreign-owned and its Irish share-holders have been pumping around R500 million in profits out of the country while cost-cutting and retrenching in local newsrooms. Apart from the big four, there is also the important Mail & Guardian which is foreign-owned, and the new print media entrant, The New Age (TNA), which is 50% foreign-owned. Black ownership in the print media is 14%, and the representation of women in boards and senior management in the media is 4,4%. The circulation patterns of newspapers shows that there is a serious lack of distribution in rural areas. Close to 70% of newspapers readers are in Gauteng, Western Cape and KwaZulu Natal.

In **broadcasting**, while the SABC is dominant, Kagiso media has established a sizeable presence with its ownership of private commercial radio stations. Over 120 community radio stations and 6 community television stations have been licensed. While there has been an improvement in content and language diversity in radio, there has not been significant improvement in television.

Media monopoly is a major threat to media freedom, to an informed society, and to a meaningful democracy. Current patterns of concentrated ownership and control of the media promote commercial interests and the logic of the private capitalist market. This situation privileges and entrenches the freedom of expression of an elite at the expense of the interests, needs, and experiences of the majority of our people. The SACP calls for a review of both foreign ownership and a review of the extent of monopolisation in order to ensure diversity.

The commercial print media role players have been gobbling up the **community sector** in the print media, including through winning over advertisers of the community newspapers. The SACP has to campaign for increased resources for both print and community broadcasting. The state must use its media spending to support community media as part of the diversification strategy. Collusive advertising patterns to weaken the community media by private role players have to be confronted as this undermines diversity. The community media sector is not just about diversifying ownership but also about alternative news reaching our communities. Government must regulate and limit the buying of community media by these oligopolies. This is mainly

so because some of these community media outlets were financed through the MDDA thus the state is indirectly financing start up for big oligopolies.

The SACP must call for the **intensification of the training of progressive journalists** and the creation of a new media cadreship. There is a need for the establishment of a media training institute to support community media, small commercial media and government communicators. The role of the MDDA, MICT Seta, NEMISA, e-Skills Institute, PF&MSeta and other skills providing institutions must be reviewed and aligned to support these training objectives.

The **public broadcaster** has suffered serious setbacks in fulfilling its legal and other mandates. The SABC has also suffered chronic governance and management issues. There has to be a paradigm shift on the understanding of public service broadcasting against the mindset informed by market forces. Public service broadcasting must be protected against the interests of private corporate culture, market domination and commercial interests. The public broadcaster must be defined clearly to serve public interests and should not rely significantly on commercial funding. Public broadcasting must be funded through a sustainable public funding model. The long-term impact of the current institutional and funding model is detrimental to the SABC's future.

The SACP must be in the forefront of campaigning for a shared understanding of the role of the public broadcaster, the country's interest in it, and the active participation of the public in the SABC. The migration from analogue to digital infrastructure provides an important opportunity for taking this campaign forward. The SACP has to also campaign for the development of a national strategy for local content production with appropriate values underpinning programming. The "National Action Plan - Vision 2030" needs to be strengthened in this regard.

Another key struggle is in regard to the **availability of spectrum**. Broadband is an essential service in our drive for access. There needs to be a review of the role played by SENTECH and INFRACO which have overlapping mandates. The two institutions need to be merged and the lucrative high-speed spectrum must be used in the interests of a developmental state. There needs to be clear targets for universal access to broadband.

As part of building working class power and hegemony in the battle of ideas it is important that workers in the sector are mobilized and develop a class consciousness. The SACP must work closely with trade unions in the media sector, including those organising journalists. Given the importance of the media in the battle of ideas, the SACP has to develop more comprehensive perspectives on the media, and a more coherent strategy and tactics to contribute more effectively to transforming the media in the interests of the national democratic and socialist struggles.

## **Transforming the Educational System**

Education is a major terrain for the battle of ideas. It can be used to empower the working class and popular strata, but it can and typically is used to perpetuate the ideologies of oppressive ruling classes.

In the contemporary conjuncture, education has been a major purveyor of neo-liberal ideology, of a dog eats dog mentality, of the survival of the fittest, and of rank individualism. The SACP must wage a struggle for curriculum transformation aimed at empowering the working class and the majority of our people to play a meaningful role in the transformation of society.

In addressing skills development an opportunity also needs to be created for empowering our people beyond just the much needed technical and vocational skills. In waging the struggle for access to education it is important that that struggle is coupled with the struggle for the teaching of progressive ideas through out our education system

## Chapter 10:

# Socialism and the struggle for environmental justice

The struggle for socialism and the struggle for a sustainable and healthy environment are ultimately one and the same struggle. Socialism is aimed at abolishing the capitalist system (based on private accumulation, exploitation and profits for a few) and replacing it with a system based on the immediate but also the long-term future generation needs of society as a whole. The socialist struggle is also a struggle, therefore, to ensure that humanity develops a harmonious, sustainable relationship with nature.

In an earlier Industrial Revolution phase of capitalist development in Europe, Marx pioneered an understanding of this fundamental truth. This understanding was rooted in an historical materialist approach to society – namely that human beings themselves are in the first instance physical and biological beings. The societies that we build and which in turn shape us into humans with their cultures, ideas, technologies and modes of production have a material, which is to say, a bio-physical foundation. If the relationship between humans and their environment, between a society and its bio-physical foundations is severely disrupted or rendered unsustainable, then human civilization itself will perish.

Marx referred to this essential relationship between society and nature as a “metabolic” relationship. Drawing on the scientific research of his day, Marx noted, for instance, that the capitalist agrarian revolution, which had led to the expropriation of peasant farmers and the extensive and intensive exploitation of land, had resulted initially in significantly increased levels of productivity. However, this intensive, mechanized exploitation of the land was also resulting in the increasing and perhaps irreversible depletion of the fertility of the soil and so, ironically, to declining productivity. This is what Marx referred to as a “metabolic rift” – a widening breakdown in the relationship between society and nature.

Engels in his empirical studies on the squalid, unhealthy and polluted housing of the industrial working class in Manchester (“The condition of the

working class in England” 1844) noted how immense technical progress in the development of the forces of production (which he and Marx supported) could, under exploitative capitalist relations of production, also result in a massive regression in the social and environmental conditions of the direct producers – in this case a new proletariat.

With some notable exceptions, generally through much of the 20th century, these early Marxist ecological insights were not strongly developed within the mainstream socialist and communist traditions or within societies beginning to build socialism. Perhaps a major reason for this is that the first socialist breakthroughs occurred in countries like Russia and China at a time when they were at a very backward stage of technical advancement. The emphasis tended to be on an accelerated process of rapid industrialization, often with little concern for the environmental or social impact. Faced with continuous imperialist destabilization offensives, these socialist societies often focused, in too one-sided a way, on “catching up” with the technologies and output of the developed capitalist countries.

As a result of the relative neglect of the environmental struggle amongst the socialist left, the space was often taken up by a variety of conservative and even reactionary forces. Western “conservationists” tended to see local communities (who had been living in relative harmony with their natural surroundings for centuries as hunter-gatherers, or artisanal fishers, or small-scale farmers) as the source of the problem threatening the survival of animal species and local plants. This Western “conservationism” conveniently turned reality upside-down – it was colonial and imperialist dispossession and the rabid exploitation of natural resources that had carried out genocidal attacks on indigenous communities and whole-sale extermination of wild-life. The human and animal survivors were often forced into over-crowded “reserves” (labour reserves in the former case, “nature” reserves in the latter case). Indigenous communities were then cast as “poachers” and “squatters”, while the real dispossessors and exterminators were portrayed as “civilizing conservationists”. In other cases, middle-class suburbanites have taken up “environmental” struggles to protect their own property values and to preserve the green-belts that insulate them from the squalid conditions in which working class communities live. Even more reactionary voices (still to be heard among some in South Africa) argue that environmental degradation, the depletion of non-renewable resources, and climate change

are essentially the result of “over-population” (usually meaning there are “too many third world people”).

These reactionary appropriations of the struggle for environmental “justice” have sometimes led to a counter, knee-jerk reaction from progressive forces – dismissing the “green” struggle as essentially a conservative, middle-class affair. However, over the last few decades there has been a renewed and flourishing development of socialist ecological theory and active campaigning. Socialist Cuba has often been in the forefront in this regard. From the 1990s, faced with economic hardship following the collapse of the Soviet Union and the overnight loss of cheap oil, and petroleum-based pesticides and fertilizers, socialist Cuba pioneered a host of ecologically sustainable approaches to agriculture and food and energy security. These included smaller farms, the shortening of logistics hauls through greater local marketing, mixed cropping and a move away from large sugar plantations, the use of labour-intensive methods, and even the reversion in many cases to the use of more soil friendly oxen as opposed to heavy tractors for ploughing. Fidel Castro has become one of the most consistent global leaders raising the challenges of ecological sustainability from a socialist, anti-capitalist perspective.

Here in South Africa worker and community struggles in the late-1970s and through the 1980s increasingly took up environmental issues – often under the banner of health and safety campaigns. These campaigns highlighted the manner in which the profit-maximising conduct of capitalist mining, agricultural and industrial companies often seriously compromised the health of workers and of neighbouring working class communities. In this way the connection between environmental struggles and the national democratic and class struggles was affirmed in practice.

Over the last decades a growing body of scientific evidence has shown that globally we are now on a dangerous trajectory which, unless it is reversed and transformed, will eventually threaten the bio-physical preconditions for any human survival. Green-house gas emissions (particularly CO<sub>2</sub>) are leading to global warming which is already beginning to produce anomalous and sometimes catastrophic weather events. All parts of the world will increasingly be affected by climate change, but it is poor regions, countries, and communities with fewer resources to adapt that will be most affected. Green-house gas emissions are particularly associated with coal-fired power

stations and oil-based transport, but there are also many other sources.

Climate change is not the only dimension to the looming ecological disaster. According to scientists linked to the Stockholm Resilience Centre, we have crossed or are near to crossing several other “planetary boundaries”. Apart from climate change there is also species extinction, disruption of the nitrogen-phosphorous cycle, ocean acidification, ozone depletion, freshwater usage and land cover change. These are all irreversible changes to the planet on which human civilization has been built, taking us into a dangerous and largely uncharted new reality.

While human societies have always impacted on the natural environment, the scale of accelerated destruction in our era of globalized profit-driven capitalism is absolutely unprecedented. As noted in our “SA Road To Socialism 2012” document, capitalism as a mode of production is unique in its systemic requirement to constantly grow and expand or face crisis. Capitalism is incapable of existing in a stable-state economy that replenishes what it consumes. Constant voracious expansion is the inherent requirement for profit-maximising capitalism – hence the obsession of its ideologues with growth, growth, growth.

Having been in denial about climate change and other related dangers for many years, the political leadership in the advanced capitalist countries and their ideologues are increasingly (if unevenly) accepting what the international scientific consensus is telling them. However capitalism and its apologists are incapable of addressing the roots of the problem. They constantly hold out the utopian hope of some or other technological solution to climate change for instance. However, the intellectual property associated with these “green technologies” is typically held by for-profit capitalist monopolies, and instead of being rolled out for the good of humanity, these technologies are commodified and priced beyond the means of most developing countries. Capitalism also offers other pseudo answers, market-solutions with such schemes as “carbon trading” where rich capitalist countries pay poor third world farmers, for instance, to preserve their forests so that their own capitalist industries back home can continue to pollute.

While various “green technologies” are potentially an important part of the solution, unless there is a radical change in the capitalist relations of

production the possibilities of a systematic and coherent global approach will be constantly undermined. More than ever, socialists have a global responsibility for the future of humankind. To address the ecological disaster facing us we have to change society itself. We have to move away from societies directed at profits and accumulation towards sustainable steady-state economies. We have to reduce or eliminate wasteful consumption and re-direct society from commodity production and consumption to sustainable and more egalitarian human development. This will also require democratic social and environmental planning – in short a radical shift towards socialism.

While the struggle for socialism and the inter-related struggle for ecological sustainability are ultimately internationalist struggles, we have local, national and regional responsibilities. In SA, our apartheid colonial past and its continuing systemic legacy in the present has placed our country onto a highly problematic trajectory from an ecologically sustainable perspective. The historical predominance of mining in a relatively dry hinterland has set up numerous challenges. An industry based on the extraction of non-renewable resources has left us with poisonous mine dumps, depleted (and now often ownerless) mines leaking acid mine drainage. Deep-level capital-intensive mining combined with formerly abundant “cheap” (if we exclude so-called “externalities”) coal has meant that our growth path has been extremely energy-intensive. Although Africa as a whole is estimated to contribute only 2% of global green-house gas (GHG) emissions – South Africa is responsible for 50% of all of Africa’s emissions. In per capita terms, SA is among the highest GHG emitters in the world.

Group areas removals, and poorly planned and under-resourced mass urbanization have located the working class and poor in distant and often environmentally problematic areas (prone to flooding, for instance). Poor housing and poor water, sanitation and energy infrastructure (along with the failure to maintain this infrastructure when it exists) contribute not only to poor health and well-being outcomes for those living in townships and informal settlements, but also lead to the further destruction and pollution of the environment, through, for instance, the untreated run-offs of sewerage into critical water courses. Apartheid geography and its legacy combined with poor and inefficient public transport result not only in long and costly commuting for working class communities – but also contribute to our excessive GHG emissions. Overcrowding in former reserves has produced

serious environmental degradation and deepened poverty in these areas in which some thirty percent of South Africans still live. Poor urban and land-use planning and skewed priorities have left the door open to property speculators, dysfunctional urban sprawl, and a host of environmentally destructive developments – from over-investment in freeways, to water-guzzling, non-productive golf-estates, to luxurious resorts in ecologically sensitive locations. Capital-intensive commercial farming has led to increased use of mono-cropping, and harmful pesticides and fertilizers which also run-off into key watercourses. Profit-maximising corporate fishing operations and our inability to effectively police and protect our maritime waters and their resources from international fishing fleets have seen our fish stocks plummet. Many of our once common species are now on the red data list, and in the case of some species they have possibly passed the point of non-recovery.

This is a brief overview of some of the most serious symptoms of an increasingly unsustainable “metabolic rift” in SA (a rift between the present socio-economic trajectory and nature itself). This brief overview also serves to point towards some of the key programmatic, policy and campaigning strategies that the SACP, together with all democratic and progressive forces, need to take up. These include:

- a. Ensuring that we greatly enhance our ability to plan for the medium- and longer-terms (and to implement what we plan), and that environmental sustainability is fully integrated into all of our planning, policies and implementation programmes – including major programmatic initiatives like the New Growth Path, the Industrial Policy Action Programmes and the Presidentially-led Infrastructure build programme .
- b. Significantly expanding the capacity of our developmental state to regulate, police and enforce developmental environmental standards and responsibilities – in short to roll back the “free-hand” of the market. Special attention in this respect needs to be paid to key sectors like mining, energy, transport, construction, property development, agriculture and fisheries. There is also an important role to play in mobilizing communities – fishing communities, for instance – to play an active role in supporting state initiatives to protect local resources.

- c. Ensuring as rapid as possible a switch to the use of renewable sources (notably solar and wind) for energy, while balancing this with other developmental priorities.
- d. An aggressive land reform programme with an emphasis on sustainable and productive households and communities. A greater emphasis on small-scale family and cooperative farming is not only critical for greater job-creation, but is also in principle environmentally better with a much lower carbon footprint. Sustainable small-scale farming, given adequate infrastructural support, can also revive local markets thereby eliminating the excessive carbon footprint of mass-produced food grown on large-scale commercial farms with their extensive storage, transport and corporate retail networks.
- e. Better planned and better located human settlement patterns, the prioritization of public transport over private cars, and a switch from road to rail for freight transport are all critical social objectives but they are also integral to lowering the Green House Gas emissions in our transport systems.
- f. Accelerating and resourcing bold pre-emptive response measures to climate change and other environmentally linked crises – preparing vulnerable communities, regions and coastlines before climate-change impacts
- g. The success of these environmental plans, policies and interventions, depends on popular and working class mobilization. Already through programmes like the Community Works Programme, the Expanded Public Works Programme and a range of community based initiatives, popular energies are being mobilized to address, among other things, environmental challenges as an integral part of local development. We need to massify many of these current programmes. There is also much greater scope for national popular mobilization and campaigning around energy conservation, for instance.

Finally, all of these initiatives need to be integrated into the wider struggle to abolish a social system based on the exploitation of working people and the voracious plundering of nature. The SACP has an important responsibility

to connect dynamically with a wide range of progressive environmental initiatives, while always drawing the connections between environmental struggles and a wider social transformation.

## Chapter 11:

# Strengthening the organisational capacity of the SACP as a vanguard party of socialism

Over the next five years we need to grow the SACP with a quality membership of 500,000. This is informed by, amongst others, the fact that there is a limit in growing the influence of the SACP without a dedicated focus on building our organisational structures and capacities to effectively play our vanguard role. The significant growth and strength of the SACP since our last congress has been realised through party activism on a range of fronts informed by our Medium Term Vision – in other words, by building a campaigning SACP. There is a dialectical relationship between our campaigns and activism AND building the organisational capacity of the SACP. This is the fundamental principle that should continue to guide our Party going forward.

It is of fundamental importance that the Party is built as an independent organisation, with its own identity and distinct programmes and role in South African society. We however cannot build an independent SACP without strengthening our organisational capacity. At the same time, we seek to strengthen the independence and organisational capacity of the SACP within the context of a strategic national democratic alliance. There is absolutely no contradiction between building an independent SACP and being part of this Alliance. In fact it is an independent Party that is best capable of entering into principled alliances without sacrificing its own identity.

Building a strong and independent SACP is an exercise that must not be undertaken in the abstract. It is a task undertaken in the context of deepening and defending the national democratic revolution as our direct route to socialism. This means we need to build an SACP that is capable of taking responsibility, together with our Allies, for the national democratic revolution and all its tasks at different moments in the evolution of our struggle. Taking a significant share of responsibility for the national democratic revolution by our Party is the only guarantee that this revolution attains its objectives and indeed secures our transition to socialism.

We are also building the capacity of the SACP in the context of the 1994

democratic breakthrough, and therefore on a terrain of multi-party electoral democracy, where the SACP itself is part of governance, though not a ruling party as such. It is therefore an SACP that must also take responsibility in, and for, governance as a critical terrain to advance the goals of the national democratic revolution, rather than leaving this terrain to other sections of the national democratic movement.. Our principled approach to governance is that it must be a combination of strengthening the capacity of our democratic government to drive transformation, and ensuring the ongoing mobilisation of all motive forces of the national democratic revolution.

## The Character of the SACP

In the context of the above, we need to build the capacity of the Party with the following 10 key features:

1. Building a **political party** that is made up of the **most politically advanced sections of the working class**, whilst seeking to unite and represent the overall political interests of the working class as a whole.
2. Building a class party that is a leading force in the struggle to **address the three principal contradictions of our revolution**: class exploitation, and national and gender oppression.
3. A **flexible, dynamic and campaigning party of socialism which is internationalist and anti-imperialist in its outlook** rooted in the prevailing material realities and conditions of South Africa. It must be a party that is able to adjust to political, social and economic changes and conditions, whilst being a force for revolutionary changes in favour of the workers and the poor, domestically and globally.
4. The majority and the bed-rock of the Party's membership must be **largely, though not exclusively, drawn from the ranks of organised workers**, whilst at the same time recruiting from other strata of the workers and the (urban and rural) poor, as well as from youth, professionals and intelligentsia, small businesses and other strata who can be won over to socialism; and **provide leadership in particular to all strata and components of the working class**

5. Building a strong cadre, a **commissariat inside the Party** responsible for the political and ideological development of the membership of the Party.
6. Building a party that has the **capacity to generate and influence policies** in the whole of society for the benefit of the overwhelming majority of the workers and the poor.
7. A party that has a **presence and influence in all key sites of power, including in the state, and in all fronts and terrains of struggle**, with priority being an effective presence of communists in all the structures of our allied formations.
8. Building a Party that is able to organise and have presence and influence **in all key social strata of society** through sustained and visible sectoral work and organisation.
9. Building the ideological capacity of the SACP through its ability to undertake a **sustained critique of capitalism**, whilst simultaneously **mobilising for concrete alternatives towards a socialist society**
10. A party that is **financially self-sufficient** with its own independent sources of income and other resources required to effectively play its vanguard role, including increasing a full-time cadre of the Party at national, provincial and district levels.

## **Enhancing the presence and influence of the SACP in South African society**

In elucidating on the capacity and role of the SACP in South African society and in class struggles, it is important to emphasise that whilst the Party seeks to have a visible presence in all key sites of struggles, it is neither a broad movement (like the ANC), nor a trade union federation, nor a non-governmental organisation. It is a political party of the working class that has a fundamental interest in all aspects of power, including state power.

The fact that the Party is in an alliance must not lead to the dissolution of the Party into that alliance, nor should it seek to duplicate the role of any of its alliance partners. Similarly in leading or participating in sectoral mass

struggles and other mass formations we should not turn the party into a sectoral mass-based formation. We seek to build a large, but vanguard Party. A large party is not necessarily a mass party, as the size of the Party is not a fixed number of members, but is determined by the tasks at hand. Whilst our Party was underground between 1950 and 1990, it was necessary that its size be small. Conditions in the wake of the 1994 democratic breakthrough dictate that the size of the Party must be significantly increased whilst not sacrificing quality and its political and class character.

In building the SACP in the coming period our organisation and campaigns must pay particular attention to key social strata in society, and systematically focus on sectoral struggles. In so doing, it will not be necessary that the SACP build its own structures in all the sectors, but to engage meaningfully and seek to influence organisations and formations already operating in the various sectors of society. Particular attention will have to be paid to the following:

**The Party and the trade union movement** – The Party must deepen its work in the trade union movement with the aim of building a red trade union movement, rooted in the Congress tradition, militant and socialist in orientation. Whilst deepening its relationship with and presence in COSATU unions, the Party must actively seek to recruit members from other progressive unions that are not in the COSATU fold, thus contributing towards the goal of one country, one federation.

The SACP must systematically prioritise the recruitment of shop-stewards and other key layers of leadership in the trade union movement. Joint political education with the trade unions must be institutionalised by seeking to build on the institutional capacity already available in the trade union movement itself. Priority must be given to the building of a viable Ideological and Organisational Commission to co-ordinate joint activities and campaigns with COSATU, with this structure replicated at provincial and district levels.

There must be targetted work towards building SACP workplace units, as part of bringing the SACP closer to organised workers.

**The Party and the youth** – All SACP structures must actively foster, build and strengthen our Young Communist League (YCL) by ensuring that it has branches in all the areas where the Party is organised and that it is

adequately resourced. This must be seen as part of the self-sufficiency of the SACP as a whole.

The YCL must be strengthened to prioritise the organisation and communist education of all sections of youth with particular attention being paid to young workers, students, professionals, and marginalised and unemployed youth. One of the biggest challenges facing our country is to address the needs of the youth, and one of the best ways to do this is to challenge the influence of capitalist ideology, tenderpreneurship, drugs and alcohol abuse amongst the youth. The core of the YCL organisation must be young workers, students and unemployed youth?. The YCL must be strengthened to undertake ideological work, with its members being encouraged to participate, as members in their own right, in all structures of the progressive youth alliance and seek to build a positive relationship with the ANC Youth League. All YCL members should be encouraged to join branches of the ANC Youth League.

As part of strengthening its ideological and organisational work, the YCL must be assisted to build YCL structures in all universities and colleges in our country. All YCL structures in educational institutions must establish Marxist-Leninist Reading and Study Circles and the SACP must mentor and groom young communist writers.

However, much as the SACP must seek to strengthen the YCL to be the leading communist formation on matters relating to young people, the SACP itself must empower its structures to deal with youth matters as the overwhelming majority of our membership is young. Our approach must be that the YCL must serve as a preparatory school for the SACP.

The SACP must encourage all its cadres to further their formal education, with a particular focus on youth. The SACP must build on the YCL campaign to make (formal) education fashionable.

**The SACP and the intelligentsia** – The SACP must systematically invest in the development of its own intelligentsia, cultivating reading and writing skills and habits in order to enhance the ideological visibility of the SACP and socialist ideas in society. The SACP must introduce formal reading and writing courses for its cadres, and consciously train a layer of cadres in the entire spectrum of media production.

The SACP must build on its long history of progressive publications, and train and develop a cadre to contribute to internal Party publications. In addition to our national publications, we should encourage the production of branch and district newsletters dealing with local issues and as means for communist propaganda in the various localities. We must also encourage comrades to write in the mass media.

The SACP must strive to create platforms for left-wing intellectual debate and deliberately seek to engage progressive intellectuals in society, even if they are not party members. This engagement is important for spreading SACP ideas and as a recruiting ground of progressive intellectuals into the fold of the Party.

The SACP must seek to engage in the platforms of the bourgeois media so that this space is not left to reactionary and liberal forces. However, the SACP must pay close attention to building community media and seek to transform the SABC to play the role of a public service broadcaster serving principally the interests of the workers and the poor.

**The SACP and women and gender struggles** – Whilst there is a distinct relationship between women’s and gender struggles, struggles for progressive gender transformation will be severely hampered if there is no sustained organisation and mobilisation of women. In its own recruitment, the SACP must aim to recruit more women workers into the Party, with particular attention being given to the more marginalised strata of the working class where there tends to be a preponderance of women (domestic workers, farm workers, services sector, co-operatives, stokvels and hawkers).

Historically there has been uneven participation of women communists in the structures of the ANC Women’s League. The SACP must encourage our women cadres, particularly those from the working class, to actively participate in the structures of the League..

The SACP must ensure that our campaigns and organisational structures create the necessary institutional and organisational practices and environment to facilitate the fullest participation of women. Particular attention must also be paid to the education of all our cadres in gender equality and the need to confront all patriarchal practices and stereotypes within our organisation and work.

**The Party and the rural masses** – The SACP, through its various campaigns, has organisational presence in many of our rural areas. It is important that Party work in the rural areas is strengthened by empowering our rural branches and districts to take up issues of rural development comprehensively. One of the key weaknesses in our rural areas is the absence of the mobilisation of the rural motive forces. Our Party structures must build land committees in the rural areas as the principal form of building the capacity of the rural motive forces.

The geographical divide and inequalities in South Africa are not only between the urban and rural areas, but we still have two ‘countrysides’ in our country; the former bantustans and white owned farms. It will therefore also be important for the SACP to work closely with the trade unions organising on agricultural farms, as well as using other forms of organisation, to reach out to millions of our people in the countryside. The building of viable alliance structures and programmes in the rural areas is one such critical method of organising and mobilising the mass of our rural people.

**The SACP, cultural struggles, performing arts and sport** – Due to our own capacity problems, the SACP has not paid adequate attention to cultural struggles, including organisation and influence in the performing arts sphere. This is a very crucial dimension of the ideological struggle in our country. A critical struggle on this front is to assist in the organisation of the highly exploited cultural workers and performing artists.

Over and above this, the SACP itself should encourage cultural and creative work within its own structures (poetry, drama, music, etc), as well as active participation in structures responsible for community sport activities.

## **Institutionalising Political Education and the theoretical development of our cadres**

The SACP must institutionalise political education and the theoretical development of our cadres. Whilst cadre development is more than just political education and theoretical work, this task in itself is very important.

At least once every year, the Central Committee and Provincial Executive Committees must hold or meet as a political school. Our district executive

committees must meet as a political school twice a year, once in each half of the year. Our BECs must meet as such at least four times a year.

In addition to the above, once every year the Central Committee must convene one national political school targetted at the provincial leaderships of the SACP. Similarly each province and district must hold one provincial and district council per year as a dedicated political school targetted respectively at provincial, district and branch leadership.

Each district must ensure that each branch of the SACP must hold at least 4 political schools targetted at all Party members in a branch.

A dedicated commissariat drawn from leaders of the Party at all levels must be developed to ensure that the running of such political and theoretical education programmes of our Party. This must be one of the principal tasks of the national secretariat of the SACP.

## **SACP Organisational Structures, deployment and accountability**

In order to achieve all the above it is important that attention be paid to the completion of the restructuring of the Party structures. All our branches must be based on voting districts, whilst the districts ensure effective SACP presence, influence and co-ordination at ward level.

All our elected executive structures must be structured on a portfolio basis and to ensure effective sectoral deployment. Whilst flexibility should be allowed on how party responsibilities are distributed at various levels of our structures, the following must be established as the core of party organisation and allocation of responsibilities:

- party building and political education
- campaigns and mass work
- gender and social transformation
- finance and fundraising
- specific sectoral work in line with local and regional challenges

The SACP must have Deployment and Accountability Committees at national,

provincial and district levels whose role is to ensure maximum possible deployment and accountability of our cadres in various responsibilities in both the state and outside the state. These structures must aim to also strengthen the capacity of SACP cadres to perform well in the widest range of their deployments, while at the same time ensuring accountability and answerability to the Party.

All Party structures must have a structured programme of induction for new members and newly built branches and districts. Such an induction programme must include understanding ***the SACP Constitution, aims and objectives; basic introduction to Marxism-Leninism; the nature and role of our Alliance; our five priorities for this government term?; local developmental priorities in each locality; and ensuring participation in the 'Know Your Neighbourhood Campaign' as the basic campaign through which all new members and structures are inducted into mass work.*** All candidate members and new structures must be required to participate in this campaign.

All our structures must develop a concrete plan to implement capacity building as outlined in this section. The capacity building plans of lower structures must be submitted to, approved and actively monitored by higher structures (eg. all branches must develop concrete capacity building plans and submit them to their District Executive Committees, and be reported on at every branch AGM). Similarly, all our structures must have annual programmes of action approved by higher structures. For instance, annual programmes as developed by the Central Committee derive from the Party Programme as adopted by Congress, and for the Central Committee to report back on progress to the Special and National congresses.

For the Party to be an effective vanguard, we have no choice but to significantly build our capacity and improve our quality. Clearly, there is much that we can do in this regard. We will need to find the resources. But even with our limited





