

The NDR and Socialism. The NDR and Capitalism: Key strategic debates

This is a substantially edited version of a Cosatu discussion document presented to the 4th Cosatu Central Committee, 17-20 September 2007. Among the issues left out in this version are debates around:

- Whether socialism can emerge from womb of capitalism?
- Whether socialist prospects hinge on the development of the forces of production?
- Whether the notion of a 'non-capitalist path' is viable in the South African context?
- The implications of using the notion of a 'socialist oriented NDR'.
- Strategic options facing the working class in the NDR.
- The abuse of Marxist theory for conservative ends.

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Our understanding of the NDR

In decades past, the notion that we were pursuing a National Democratic Revolution (NDR) was, at least in the mainstream democratic movement, never really in doubt. While there were certain strategic debates about the relationship of the NDR to socialist transformation, and related matters, there was largely *consensus* that, what united the popular forces was a NDR which sought to construct a State of National Democracy, as a radical and fundamental departure, or antithesis, to inherited social relations. It was also accepted that the NDR would not end with the election of a new

democratic government, but involved a protracted process of construction of a new state, and new social order, which in turn would require major struggle with the key economic power centres, whose grip on society needed to be broken.

There was also the understanding that while the NDR would not *necessarily* be socialist in character, that it would entail decisive action by the state and popular power to transform and reshape inherited relations of production, and would therefore entail major contestation with the dominant classes in society (and to that extent would have strong anti-capitalist elements, with the possibility of deepen-

ing into socialist measures- something we return to below). This much was evident *inter alia* from the proposals in the Freedom Charter, whose clauses on state ownership of the commanding heights of the economy, and control of the private sector for the benefit of the people, made it clear that the NDR in South Africa needed to involve far more than deracialisation of existing structures of ownership, and required the active *breaking up* of inherited power relations which were the legacy of decades, indeed centuries of national oppression, and colonial domination (of a special type- the CST thesis).

Equally the NDR would require fundamental reorganisation and restructuring of inherited state institutions, and indeed the construction of a radically different State, the state of national democracy. It was also understood that this could not be a top down process, but would require a massive popular movement, mobilised to drive this transformation, under the leadership of the working class.

There was therefore consensus that the NDR concept captured an historic moment of far-reaching and radical social transformation, which went far beyond the formal election of a new democratic government, the abolition of racist legislation, and the creation of opportunities for black people to enter existing economic power structures. An examination of the literature of the movement from the 1960's to the early 1990's, whether the internal mass movement, including the UDF, and the congress-aligned labour movement, in particular Cosatu; the liberation movement in exile, not only the SA Communist

Party, but also the ANC; will reveal that, with small differences in emphasis, the approach outlined in the above overwhelmingly reflected the viewpoint of the mainstream of our movement.

This conception and characterisation of the NDR, was generally seen to be the central vehicle for realisation of the objective of total liberation of the people of South Africa from political, social and economic subjugation. It was clearly understood that far from being class-neutral, the NDR had a very strong class content, and bias, and needed to be led by those who suffered from the most extreme forms of national oppression, who had a material interest in thoroughgoing transformation, and the strategic leverage to pursue it - particularly the working class. The NDR in South Africa was therefore seen to be a radical process of transformation, and was clearly counter-posed to, and distinguished from aborted national revolutions in Africa, in which national movements and governments, in the name of 'freedom', imposed neo-colonial solutions on the population.

Indeed the ANC itself, based on this understanding of the connection between the NDR and class struggle, recognised the relationship between the NDR and the struggle for socialism: "...The ANC Morogoro Conference asserted that the working class is the dynamic link between national liberation and socialism. This assertion reflected both the acceptance on the part of the ANC of the legitimacy and logic of the struggle for socialism and, consequently, the extent to which progressive nationalism had permeated the ranks of the ANC."¹

Breakdown of consensus on the NDR

This historic consensus on the need for a radical NDR, however, no longer obtains

1. ANC NWC "Managing national democratic transformation", Notes for the bilateral meeting with the SACP 19 June 2006

in 2007, and while the 'radical view of the NDR' remains the view of large (and arguably the overwhelming majority of) sections of our movement, there are also significant elements within our movement, both on the left and the right, who now question the historic conception of the NDR set out above.

Those on the right of the movement now only pay lip service to this historical conception of the NDR, but to all intents and purposes have abandoned the NDR as outdated and unrealistic in current conditions. Most importantly, those who have attempted to appropriate and refashion the notion of the NDR (and claim ownership of it), as a very limited, reformist process, have done so from within leading positions in government (based on the three-fold rationalisation of changed international conditions post-1990; the view that a negotiated transition only allowed for certain changes; and the argument that a close relationship to existing capital was required to finance the transition).

The notion of a more limited NDR, which accommodated (and even promoted) existing economic power relations, only began to be articulated by some in the movement in the mid 1990's.

Stripped to its essence, what has come to be known as the 1996 *class* project asserted the view that the democratic state needed to enter into an alliance with big capital, domestic and foreign, because of their economic power, and the need to 'harness' their resources for the transition. Gear constituted that accord with capital, excluding, and against the working class, and the majority constituency of the movement. It therefore marked a major departure from historic conceptions of the NDR, which envisaged major interventions by the democratic state, and popular

forces, *to act against*, break up and reconfigure monopoly capital. Far from this (the Gear strategy) being a response, or tactical retreat, in the face of a temporary crisis, e.g. the currency crisis, this strategic shift was consistent with positions taken in various documents, such as the documents "Unmandated Reflections" (August 1994), and "The State and Social Transformation" (September 1996) which prefigured this rightward shift in approach to the transition.

This apparent abandonment of the project of pursuing a National Democratic Revolution which is inherently (in terms of the historic conception as well as the material realities of the South African situation) radical in nature, has led to enormous confusion as to the meaning of the NDR in some quarters (including the support base of the movement), as well as growing perceptions among some comrades on the left within the Alliance, that the concept of the NDR has outgrown its usefulness, and that pursuing an NDR, no matter how radical, must be seen as an obstacle to, and an alternative to a socialist project.

Because of these developments there is a growing notion among left forces, some of whom were previously not hostile to the concept, that the notion of an NDR (and State of National Democracy) is an empty and outdated concept- although it must be stressed that after vigorous debates at both the Cosatu and SACP Congresses, this clearly remains a minority view. Nevertheless there is room for concern that confusion is growing in both organisations on the matter. Debates at the recent SACP Congress about strategic options facing the Party, while healthy, are underpinned by emerging theoretical and ideological differences, which revolve around concep-

tions of the NDR and its relationship to socialism. Similarly, as will be discussed below, resolutions at Cosatu's congress indicate a tension between two emerging views on the question.

This emerging trend, inside and outside the movement, to dismiss the value of the NDR strategy and related concepts, has been worsened in the last 10 years by the growing abuse of the NDR concept by conservative elements in the ANC, to justify in a circular way the adoption of right-wing policies. This circular logic is justified as follows: the ANC is the leader of the Alliance - the ANC is the governing party - government has deemed it necessary to adopt certain policies in order to pursue the NDR- these are thus ANC policies- therefore if you oppose these policies, you are opposing the NDR, or don't understand what is possible in the current conjuncture. The alternative view of course, is that those in government advancing this circular perspective are responsible for obstructing, and perhaps even derailing, the progress of the NDR; and are preventing the ANC from playing its historical role of leading the NDR.

Such abuse of the NDR concept has obviously created in some people's minds the cynical perception that the term is nothing more than empty rhetoric to advance a narrow elite project, and the suspicion that we are experiencing a replay of apparently similar experiences elsewhere in Africa. We don't have to look back to the 1960's to remember the abuse of concepts such as the National Democratic Revolution. There are a number of current examples, including close to our borders, of movements, which have betrayed their people, and used revolutionary sounding rhetoric to justify reactionary policies, and demonise popular opposition to these policies. Our

movement has itself long been aware of the dangers of an ascending elite using a demagogic resort to narrow nationalism and pseudo patriotism, as well as anti-colonial sentiments to disguise comprador (i.e. acting on behalf of other interests) and anti-working class policies.

A related problem – which might on the surface seem to be an opposite trend, and is understandably confusing to onlookers, is that on paper, *in some respects*, official documents and resolutions of the ANC, appear to pay lip service to the historic perspectives of the movement on the NDR, *while the leadership in government has in many respects pursued a course which is diametrically opposite* to those contained in these perspectives of the movement- both in spirit and in detail. This has lent further credence to the notion that commitment to the NDR as a thoroughgoing transformation project is nothing more than empty radical rhetoric, and is cynically used to pacify the movement's constituency.

Thus while it may be an exaggeration to say that there is a crisis of legitimacy for the NDR as a valid concept, there are growing problems emerging given the gulf between people's historical understanding of the concept, and the way in which the concept has come to be used, and abused today.

The concept of the NDR therefore needs to be re-examined openly, its history debated, and its meaning contested, if its legitimacy and value is to be re-asserted. It is not helpful to dogmatically claim (in response to right-wing revisionism and abuse of the concept) that there has always only been one understanding or version of the NDR i.e. that of a radical NDR, as if this settles the debate once and for all.

The NDR has from the start been (virtually by definition) a contested concept, and it is precisely the ascendancy of left forces and the working class in the movement post 1940's which explains and is reflected in its left character in SA; as well as the objective material realities in which the concept was formulated and applied (particularly the advanced character of capitalist relations and the working class in SA).

Equally, the ascendancy of conservative elements, post 1996, and the temporary retreat by left forces, laid the basis for the appropriation of the NDR concept, by forces hostile to strategies to advance thoroughgoing transformation. The fact that the NDR is itself a terrain of contestation *par excellence*, given its multi-class and united front dimension, also means that ideological contestation around its meaning is inevitable, and those dominating this discourse and asserting their hegemony over it, are more likely to imprint their class content on it. Conversely, abandonment by the left of this terrain would have major consequences for the ability of the working class to assert its hegemony in society. This is a point we return to later.

Linked to the growing debate about the validity of theories of the NDR, given the path of our democracy, particularly post-1996, are growing questions about the conception of the *National Democratic State* as a state in transition, and a state which is itself subject to class contestation. While the mainstream view in our movement has been, and remains, that the purpose of the State of National Democracy is to advance the objectives of the NDR in terms of addressing the national, gender and class legacy of CST, despite the existence of dominant capitalist relations, and therefore involves contesting the power of capital; the particular course which the NDR

has taken, raises sharp questions about whether such a state has in fact been constructed during this period.

The critique by the left (particularly Cosatu and the SACP) from within the Alliance effectively argues that because the NDR has been rerouted (albeit temporarily) by the 1996 class project, therefore the project of building a State of National Democracy has itself been interrupted and blocked to a large extent. Instead the capitalist class has managed in most respects to impose its agenda on the transition, (and in this sense has asserted itself as the ruling class in the fullest sense), and its logic has been predominant in the building of the new state. *The key question is whether this situation is irreversible.*

This trajectory has led some on the left within the Alliance to question whether the State of National Democracy (in South Africa, but by inference in all cases) is nothing, and can be nothing, but a pure capitalist state, and many have used the term 'bourgeois democratic state' to describe this state. For theoretical, and political rigour, it is important to stress that these comrades are not merely arguing that the National Democratic State is *in danger of becoming or is starting to become* a classical 'bourgeois democratic state', if its trajectory is not altered. They are arguing that the National Democratic State is *by definition* a bourgeois democratic state, because it is being constructed in a capitalist society. They therefore reject the mainstream viewpoint that the National Democratic State is a contested state, which could, in its more radical construction along the lines of the Freedom Charter, have strong anti-capitalist elements within it, or even, as it deepens under working class leadership, have a socialist orientation.

This approach is reflected in a YCL discussion document which states inter alia: “We need to challenge the notion that the South African state is not capitalist, but a ‘class-contested reality’...” and goes on to say “We suggest that the SA state should (rather) be characterised as a neo-colonial capitalist state of a special type...that facilitates decolonisation of a special type. The state is in the hands of the dominant and capitalist oriented black middle strata and presides over white monopoly capital which is reproducing the consequential contradictions of the CST.” Apart from the fact that this suggests that the battle for the soul of the NDR, and the state, has been finally fought and lost, and therefore implies that the NDR road has been exhausted; these formulations betray a degree of theoretical confusion which we return to below (including confusion of the character of the new state under construction (which remains contested); with the dominant *social relations*, or *social formation*, which is clearly capitalist, regardless, at least in the short term, of the trajectory which the new state has taken).

On the one hand, it is important to accept that this is a legitimate and important theoretical debate, which needs to be engaged. On the other, it does need to be recognised that these voices (who are articulating a viewpoint historically advanced largely by those from *outside* our movement, particularly the ultra-left) have become more pronounced in the face of heightened contestation in the Alliance about the direction of our transition, and growing acceptance of the analysis that the construction of our National Democratic State has been ‘hijacked’ by the 1996 class project. These voices were not prominent in the early years of our democracy, or preceding it. In other words the impe-

tus for this viewpoint seems to be more *political* than theoretical.

This is simply because the analysis is not about the *inevitable direction* of our NDR and our state, but about the product of this contestation (i.e. the 1996 class project), which has produced the particular result we now see. The obvious question, which needs to be posed, is whether the result or the trajectory of our NDR could have been different? This is, of course, linked to the question raised above, as to whether the situation is irreversible. In other words, if another route (i.e. a radical NDR) was indeed possible, and remains a possibility in future, then the argument that a National Democratic State is inevitably a classic bourgeois state cannot be logically sustained. This obviously begs the question as to what would constitute a radical NDR and radical National Democratic State, and what would differentiate it from a socialist state, or for that matter a bourgeois democratic state. We return to this question below.

If, however, by definition, the National Democratic State is destined to be a ‘bourgeois democratic state’ no different in essence from any other (bourgeois democratic) capitalist state which is the instrument of class rule, this would have profound strategic implications which would throw into question the entire NDR strategy, the Alliance, and the programmatic vision of the movement.

Therefore the emergence of this significant, albeit minority voice, in the Alliance which questions the fundamental assumptions on which the Movement is based, constitutes an important challenge, strategically and theoretically to clarify and refine historical conceptions, in the light of the actual trajectory which our transition has taken, and in terms of

strategic alternatives which we are posing.

In attempting to do this, it is important to distinguish between ‘*conjunctural factors*’ (or recent developments characterising the current South African reality) which may have led to particular perceptions about the NDR and what is possible; and *theoretical questions* in the strict sense of the term, which allow for a general theory of the NDR, which stands above particular developments in a certain country, at a particular time.

An exclusive focus by the left on the former (i.e. current developments in SA) will tend to hinge its analysis on the character of the NDR, and its possibilities, largely on the failure of the NDR to achieve its promise, abuse of the NDR concept, and deviation from NDR objectives. This emphasis will therefore naturally lead to a highly pessimistic reading of the prospects for a thoroughgoing NDR, in SA, or any other context.

On the other hand, left theoretical critiques of the NDR (such as that cited from the YCL above) tend to be infected by this same disappointment with the trajectory of our revolution, without a thorough theoretical analysis of the historical genesis of the concept of the NDR, both internationally, and (importantly) its specific genesis in the South African context.

Key controversies about the NDR

Some key controversies have emerged in a series of polemics (political and theoretical debates) within the Alliance, particularly since 2001, but even before then, which can be summarised in a number of strategic questions:

1. Does the NDR aim to act against and reconfigure monopoly capital to address the legacy of colonial oppres-

sion?; or

2. Must the NDR enter into an alliance with capital to advance the objectives of national reconstruction?

3. Is the NDR inherently pro-capitalist or pro-socialist in character, or does it follow a ‘non-capitalist’ path?

4. Is the State of National Democracy a bourgeois democracy, or some other type of state?

5. Is the NDR an impediment to socialist transformation, or the ‘shortest route to socialism’?

6. Does radicalisation of the NDR, or even placing it on the socialist road, constitute hi-jacking of the NDR by the working class, and threaten to collapse it, through premature or voluntarist ‘leaps forward’?

Related to this, do the conditions under which the SA transition happened require a strategic shift in our approach to the NDR?

7. Conversely does a pro-capital NDR, managed to maximise capital accumulation, and one which reinforces the historic growth path, constitute the derailing of the NDR, and its abortion in favour of capital?

8. Does the strategy of pursuing an NDR in some way detract from a central focus on engaging monopoly capital; or is monopoly capital the key strategic opponent of the NDR?

9. Must the NDR inevitably advance the logic of capital in a predominantly capitalist society, or can it impose its own logic, and advance measures, which are anti-capitalist?

10. Can the NDR, as the SACP claims, take a path of socialist orientation, without the abolition of capitalist relations of production, and ‘build socialism now’, or is the argument

that you can't build elements of socialism in the womb of capitalism necessarily correct?

A careful reading of these questions reveals that they are highly complex, and involve difficult theoretical debates. Nevertheless it is important to condense and sharpen some of the key theoretical and strategic debates, in order to provide greater clarity for the major challenges, which lie ahead. Looking at the 10 strategic questions posed above, it is possible to cluster them into the following three broad themes:

- The relationship of the NDR to capital, particularly monopoly capital and the limitations posed by the transitional period
 - What type of state is the State of National Democracy?
 - Must the NDR aim to build capitalism, or can it have an anti-capitalist, non-capitalist, or socialist orientation?
- Clearly there is a relationship between these three themes. Nevertheless it is helpful to tackle them separately, to assist in delineating the lines of debate.

Theme I: The relationship of the NDR to capital

The structure of the economy we inherited, and the symbiotic (mutually reinforcing and close) relationship between the character of capital accumulation and national oppression, has been widely documented within the Alliance, and various theoretical works by progressive academics. It is not necessary here to restate these historical analyses, since to a large extent, they are 'common cause' within the Alliance. It was this historical path of a bru-

tal capitalist reality which thrived on the super-exploitation, particularly of the black working class, gender oppression, and racist structures, that both the Freedom Charter, and, in a more moderate form, the RDP, sought to address.

At the point of the democratic breakthrough in 1994, this was the economic reality which the new democratic state was confronted with, and it faced a stark choice: to tinker with and attempt to deracialise aspects of these inherited economic relations (thereby entrenching them); or to take decisive action to shake up, disrupt, and ultimately dismantle them, and progressively replace them with economic relations which were able to address the most immediate and urgent tasks of the National Democratic Revolution, as set out in the Freedom Charter.

It is necessary to refer, albeit in passing, to the debate about whether conditions at the time of the transition, allowed us to pursue this historical vision of radical transformation. Before doing this, it is important to record that nowhere in the deliberations of the broad democratic movement, particularly in the relevant period from 1990-1996, is there a decision recorded that we needed to make a fundamental strategic shift away from this strategic vision contained in the Charter, and other programmes of the movement. To the extent that such a decision was made, it was made behind closed doors by a select few. At the same time, as Marx said 'we make history, but not under conditions of our own choosing'. Therefore conditions at the time of the democratic breakthrough did pose particular challenges as to how to go about pursuing the agenda of radical transformation. Obviously, foremost, were the global conditions under which the democratic breakthrough happened. Nev-

ertheless, this environment, and conjunctural factors relating to the negotiations, sunset clauses, government of national unity etc. did not change the fundamental strategic tasks of the NDR. They did however pose tactical challenges and constraints in terms of how to get there, and required particular focus and renewed mobilisation by the forces for change to overcome these obstacles. Numerous documents of Cosatu have outlined our perspective on why the international and domestic balance of forces did not justify or necessitate the strategic shift made with the adoption of Gear.

We have been sharply critical, as has the Party, of the strategic alliance that government has attempted to forge with big capital, otherwise known as the 1996 class project. In a Cosatu discussion document in 2002 it was argued that to the extent that capitalist relations of production continue to dominate our social formation and

“as long as the national democratic state operates in a mixed economy, there will be the need for a strategy entailing some form of ‘*accommodation*’ with private capital, this should not be confused with a strategy, which entails *subordination* to it. An academic journal analysing the South African situation, in particular the transition from the RDP to GEAR, argues that this change in policy represented a shift from the former (accommodation) to the latter (subordination).”

The document goes on to argue: “Obviously the terms of such an accommodation will be determined by the relative power of private capital versus the democratic state and the progressive forces, both economically and politically. The question is whether our strategies strengthen capital’s hand; or harness the leverage of the

*democratic state and popular forces in a way, which progressively shifts the balance of forces in our favour, and limit the capacity of capital to dictate the terms of the transition.”*²

Many of the differences in the Alliance, and between government, and ourselves hinged perhaps more than any other question, on this critical debate around what our relationship should be with capital, in advancing and deepening a radical NDR. A clear strategy was required on what would constitute a programme to discipline, direct, harness, and regulate capital, and how this would be achieved. Elements of these proposals exist, and have been made on numerous occasions by ourselves, such as the introduction of legislated prescribed asset requirements to direct capital to productive and socially useful sectors; the need to introduce capital controls to deal with speculation and capital flight; the need to look at selective nationalisation and the creation of new public enterprises, and the socialisation of existing ones; compulsory beneficiation; intervention in the financial sector; more aggressive anti-monopoly legislation etc. Most of these have been ignored.

The historical conception that there would have to be a radical reconfiguring of apartheid/colonial property relations appear to have been totally jettisoned. Despite the ANC Strategy and Tactics 2007 arguing that a primary task of the NDR is to dismantle what it calls ‘apartheid relations of production’, this is contradicted by the entire logic and thrust of the analysis in the document (together with the draft economic transformation document), which proposes to unleash market forces,

2. Cosatu Discussion Document ‘Theory of the transition’, 2002, p17

greater competitiveness etc, without any serious measures being proposed to re-configure these economic relations.

In a very telling article Joel Netshitenzhe in 'Umsebenzi Online' defends the view that those leading the NDR have to manage the capitalist system 'in line with its own logic':

"While the motive forces strive to change elements of the capitalist system in the interest of the NDR, they have to manage the capitalist system in line with the main elements of its own logic. For instance, they have to manage such issues as stabilising a sharply depreciating currency, preventing and smoothing out volatility in the financial markets, and dealing with complex matters of world commodity markets... The issue is, even if it may not be an "aim" or "task" (of the NDR), it has to be done ... The ANC describes the democratic state's relationship with capital as one of unity and struggle. The most an NDR can do is to reform the capitalist system to build a better life for all. This revolves mainly around the apportioning of surplus value... But no matter how radical, such efforts would not overthrow the capitalist system. Besides, that is not the task of the NDR. To pretend otherwise is to mislead the working people."

It is not possible to deal fully here with all the problems inherent in this quote. However, at a conceptual level, it is worth making a couple of points. Firstly, Netshitenzhe implies that there is a predefined logic which capitalism imposes, which has to be followed. Of course, at a high level of abstraction, it may be true, that the logic of profit obtains in all capitalist societies. In a particular society, however, capital will pursue that goal relentlessly, and if allowed, will even destroy the conditions, which allow for accumulation,

since it knows no limits. This in turn gives rise to the role of the state, in governing these economic relations; and equally importantly gives rise to class struggle, as the working class resists its exploitation. So *part of the 'logic' of capitalism is in fact the class struggle*, and the forcing by the working class of reforms, through their struggles. So the 'logic of capital', which is to accumulate, regardless of the implications; and the 'logic of the capitalist system', or a particular society, while related, are very different. A working class, and a state, in any particular society can fold its arms, and say 'do with us what you want'. Or it can struggle with capital over the terms and path, which that accumulation takes.

In the cases which Netshitenzhe quotes, the post 1996 State chose to bend and subject itself to the logic of capital, rather than contesting the terms. In the case of monetary policy quoted by him, for example, government chose to allow finance capital, and international speculative investors to dictate the logic of high interest rates.

The logic of the NDR dictated a low interest rate policy; to encourage productive investment, create quality employment etc. On capital outflows, government chose to bow to the dictates of monopoly capital, which wanted to move offshore. Instead of this logic, *the logic of the NDR* dictated the need for capital controls to channel investment internally, in reconstruction of our economy. Either of these sets of choices could have been taken, broadly speaking, within the 'logic of managing the capitalist system'. However one set involved fairly radical choices, in line with the imperatives of the NDR; and the other entailed choices dictated by the narrow logic of capital (acting in both these cases quoted above, 'against the interests

of the capitalist economy in general', since high interest rates stifle the economy; overvaluation of the rand undermines both exports and domestic production is displaced by cheap imports; and large scale export of capital undermines investment and employment). Yet these *were choices available to our democratic government*. And we could give dozens of other examples where choices have been driven by the narrow and most backward logic of capital, or even one fraction of it, against the broader imperatives of economic development.

Most disingenuous, is the attempt to claim perfect knowledge by the new state as to what has to be done in the interests, so it is claimed of the NDR. Any honest assessment comes to the conclusion that government largely capitulated to the intense lobbying by capital, blackmail, threats of disinvestment etc. So to claim that government had to take the steps it did, in terms of a pre-existing logic, is clearly trying to make a virtue out of necessity (or at least what they thought *had* to be done), because there wasn't the political will to take on big capital, even in a limited way. And the record shows that on numerous issues, government has capitulated on even the most limited reforms (comprehensive beneficiation proposals; action against red-lining etc) in the face of capital's protests. Further, that capitulation to the demands of big capital has, on a number of fronts, strengthened the monopolies' hands, and weakened that of government. In other words, the so-called 'dialectic of unity and struggle' with capital, has really been a dialectic of subordination and incentives (we will implement the policies that you want, so you come to the party i.e. Gear).

Netshitenzhe's theoretical confusion

explains why he is unable to conceive of radical, or even anti-capitalist measures being taken in the NDR; or *imposition of the logic of the NDR*, despite the continued existence of capitalist relations of production. (Less charitably, he may not want to consider such measures, and therefore creates the theoretical premise to try and justify this reluctance). This is why elaborate concepts are used to try and give credibility to what is essentially at best a liberal democratic economic strategy, if not a neo-liberal one. It is a sad indictment on the direction of our NDR that we are not even able to contemplate measures, which have been introduced in a number of social democracies, and capitalist developmental states- often despite and against the wishes of capital. A passing study of the USA New Deal, the European Social Democracies, East Asian Tigers etc. will reveal that many of the key reforms had to be imposed 'against the logic of capital', who had to be brought kicking and screaming to the party.

There are signs, particularly post-2003, that there is some realisation within government that allowing capital to impose its own logic means that the logic of the NDR is subsumed. However, moves towards a developmental state, expanded public investment, active industrial policy, a growing public service etc, are still contradicted by the 'logic' of contractionary monetary policies, fiscal policies which remain relatively conservative, continued commodification, and commercialisation etc. However, a number of the positive developments post-2003, are the product of sustained struggles within the Alliance, and by the organised working class, and need to be recognised as such, and consolidated and deepened. The overall challenge remains to impose the overall logic of the

NDR against and despite capital, even as we struggle within the overall capitalist reality

Theme II: Is the state of national democracy a bourgeois democratic state?

As indicated above, some comrades have begun to argue that the State of National Democracy, or National Democratic State, as it is sometimes called, is inevitably a 'Bourgeois Democratic' State, by which many comrades mean a pure capitalist state. If this is so, then it clearly has major implications for the theory and strategy of the NDR, and for our own revolution.

The NDR is a generic term (i.e. a general term which describes many different types of species), which is used to capture a range of historic experiences and social formations, with completely different economic relations, and states of development. That is, the NDR takes place in societies dominated by pre-capitalist modes of production, as well as societies dominated by the capitalist mode of production.

The historic task of the State of National Democracy therefore went way beyond the assertion of bourgeois democratic rights (right to vote, assemble etc), and required a programme to comprehensively liberate historically oppressed people, from both their denial of basic political and human rights, as well to liberate them from colonial forms of economic oppression and exploitation.

Of course, the sad reality is that many deformed 'States of National Democracy' neither extended those democratic rights, nor pursued a programme of economic emancipation. Instead many peoples experienced the caricature of quasi-colonial democratic institutions, with the *appear-*

ance of democratic rights, but the substance of continued oppression and subjugation, or the development of 'indigenous democratic institutions', which in many instances also failed to advance or deepen these democratic rights. As problematically, on the economic front, was the creation of neo-colonial solutions in which either a comprador (acting on behalf of the colonial) bourgeoisie, or an equally rapacious domestic 'patriotic' bourgeoisie, became the new face of a brutal exploitation, which left the essence of colonial economic relations largely unchanged, or transformed them into an equally unpalatable reality- i.e. they were *failed national democratic states*.

Nevertheless the failure of these revolutions does not change the fundamental point that their historical mission was both to advance political liberation and economic emancipation; just as the failure of some socialist revolutions does not change the reality that the task of socialism is to put an end to capitalist exploitation.

With certain modifications, the imperatives of the NDR and State of National Democracy outlined above, also applied to the South African situation. Of course the CST thesis attempts to capture the reality that in SA, the 'colonial bourgeoisie' became internalised within the borders of the country, and therefore developed as a colonial bourgeoisie of a 'special type'. Therefore the task of the NDR in South Africa was never simply to establish bourgeois democratic rights, or- even more limited- to extend the political rights enjoyed by the white population. As has always been maintained by the movement, the liberation struggle in SA was never a struggle for civil rights, or to be *included* in democratic institutions. It was a struggle for

the revolutionary transformation of the state and economic base constructed through the decades of CST.

Our revolution was also not about 'restoring democracy' to a population, which had once enjoyed it- something, which was never a reality on the national scale in South Africa, or other anti-colonial struggles. As Morogoro, the Freedom Charter, and other documents make clear, the goal of the NDR was the total eradication of the relations of political domination and economic subordination, which characterised the South African reality of Colonialism of a Special Type. The ANC 2007 draft Strategy and Tactics document goes so far as to call for the 'eradication of apartheid relations of production'.

A State in Transition

If the above characterisation of the State of National Democracy is correct, then it becomes clear why it has been conceived of as a *state in transition*, and a state which by definition is the subject of fierce contestation from the moment of its construction:

- At the inception of the new state, assuming a socialist revolution has not been conducted, the classes who wield economic power, domestically and internationally, continue to exercise that power, even if in *modified form* (assuming e.g. there has been some national expropriation), and the new state has to assert its programme against the resistance of those classes, who will attempt to oppose or undermine the programme of national democratic transformation, and engage in a series of manoeuvres to impose their hegemony on the state;
- Conversely, the popular classes,

which have brought about the new state, will mobilise (depending on their level of organisation, and class formation) for completion of the national democratic programme, in the face of this resistance. The popular classes, particularly the peasantry and workers, have to struggle for the support of the middle strata (including intellectuals, professionals, bureaucrats, small traders etc.), and even elements of the domestic bourgeoisie, to win hegemony over the new state;

- The new leadership confronts the task of reorganisation of the state machinery, constructing new institutions, and staffing the institutions of state. In the process of pursuing this goal, new economic strata emerge, which have a vested interest in the strength and stability of the new state (the so-called 'bureaucratic bourgeoisie'). At the same time, the majority of public sector workers, and their families, face the same challenges and issues as the rest of the working people. Whose interests the bureaucracy defend depends partly on the balance and organisation of class forces, the ability of the major classes to mobilise the 'nation' behind their programme, and how the 'national interest' is defined;
- Linked to the above two points is the relationship between the national liberation movement, and organisations of the working class, including the trade union movement, and the left or communist party; and the extent to which they are able from a position of independence and strength, to stamp their hegemony (organisationally and ideologically) on the national movement (or conversely, the ability of the dominant classes to do

the same). Related to this obviously, is the extent to which the national movement itself is rooted in the popular classes, and their degree of political consciousness and assertiveness;

- The rupture (whether radical or partial) between the new institutions of state, and the old state, and the counter position of a 'new political order' to an 'old economic order' gives a greater degree of relative autonomy to the new state (than would 'normally' be possible in a capitalist state), to pursue a programme of national development which ^ run counter to the dominant economic interests.

This all, however, depends on the balance of class forces in society, and the ability of the working class in particular to assert itself as the leading class. Further, if the new state is a transitional state, it also suggests that there may be a limited 'window of opportunity' to establish a new trajectory, before a particular pattern of domination becomes entrenched, and stabilised.

The last point poses a particular analytical and strategic problem for this characterisation of the National Democratic State as a transitional state, or a contested state. If the National Democratic State is a state in transition, the question obviously arises: *to what* and *for how long*? Given the huge range of social formations in which the National Democratic State arises, it is impossible to give a one-size fits all answer to the first part of the question. The trajectory and character of the state clearly is grounded in the material reality of the society in which it is based, the balance of forces among the contending classes etc. While the notion of *bypassing* the capitalist stage (the non-capitalist road) may or may not be feasible in predominantly pre-

capitalist societies, however, it is clearly *not an option* in the context of South African realities.

If, however, a revolutionary national democratic programme is implemented along the lines of the Freedom Charter, what is the character of such a state if capitalist relations, albeit in radically altered form, continue to exist? Answering that it is a radical National Democratic State, presiding over a mixed economy, may capture something of its character, which distinguishes it from a 'conventional' capitalist state. It remains an open question, however, whether it is in transition to socialism, which is ultimately more of a political question about the programme and trajectory of the organised working class, and its political formations, something we will return to below.

What is equally problematic, however, is how to characterise a (failed?) National Democratic State, still in the relatively early stages of its construction, in which the *programme of transformation appears to have been derailed*, and a pro-capitalist agenda adopted (i.e. the logic of the NDR abandoned). How long can such a state be characterised as 'transitional' before this established direction becomes irreversible, or the historic role of the National Democratic State is surpassed, so distorted has it become?

It appears that the answer to this difficult question of at what point a national revolution is 'lost', lies partly in the objective possibilities which exist to reverse this situation, given the material realities of the society, and the balance of class forces *e.g. does the working class have the strategic location and capacity to reassert a radical national agenda*, despite the direction the state.

The 'transitional' nature of the radical

National Democratic State can therefore be understood at different levels: it is both a 'new' state, and a state under construction; it is in a contradictory relationship to the dominant mode of production, and its uneasy accommodation with capital, is undermined by the anti-capitalist measures which are part of its programme - its trajectory, and ultimate destination, is therefore the subject of intense contestation, and it is an inherently 'unstable' arrangement; the increased contestation in itself heightens the combativeness of the contending classes, and the working class in particular becomes increasingly conscious of the need to advance a socialist programme, which is itself part of a longer transition away from capitalism, if it is to secure and deepen its gains on a permanent basis; equally capital will do whatever is in its power to destabilise the trajectory of the radical National Democratic State, and revert to a full-blown capitalist state which will secure its expanded reproduction.

In this sense, the critical element to analyse in characterising a national democratic state is not so much the existence of particular economic relations, but the *trajectory* of that state in transforming those relations, or reinforcing them; and imposing a new economic logic, or entrenching the existing logic. Clearly, if we use these criteria, then the trajectory of, say the current South African state, and the Venezuelan state, are very different.

Unless we adopt this approach it becomes impossible to meaningfully analyse the nature and direction of these transitional states, or make coherent strategic choices about the available options. The alternative approach - to lump all states in which capitalist relations continue to exist, as capitalist states, or bourgeois states of

one form or another - leads to ludicrous conclusions. For example the revolutionary Cuban state, before it adopted a coherent socialist programme, would have been classified as a 'capitalist state' in this approach, despite adopting anti-capitalist measures; but the moment that revolution 'grew over' into socialism, it would cease being 'capitalist' and become a socialist state. Such an analysis would equally be unable to capture the logic of today's Venezuela, which is on the one hand to constrain capital, and on the other to expand the socialised economy, and impose an anti-capitalist logic in key centres of power.

This notion of a radical National Democratic State in which the logic of a NDR is pursued despite and against the logic of capital needs to be distinguished politically from a *social democratic* state in which a class compromise or accord is reached for the working class to have certain benefits, as long as this stays within the logic and parameters of capitalism. However, it is not inconceivable that the former could be transformed into the latter - this is a matter of struggle.

Theme III: Can the NDR have an anti-capitalist, non-capitalist, or socialist orientation?

The question is whether a National Democratic State can pursue a radical NDR despite, and against, the existence of capitalist relations. In other words, whether in the context of a dominant capitalist reality, the state is able to introduce anti-capitalist measures which while not socialist, serve to resist the logic of capital, and instead impose a counter logic - that of the NDR. In our view there is no reason in principle why this cannot be the case. Obviously the balance between these two

tendencies - those of accommodating and acting against capital - will depend on the balance of class forces in society, and on how far-reaching these anti-capitalist measures are.

But there is clearly a major distinction between a capitalist state which functions primarily to reproduce and expand capital; and a radical national democratic state which *deliberately acts to constrain and even shrink the sphere for capital's operation*, in the interests of attaining its developmental goals. It is hard to see how a state, which thoroughly implemented the clauses of the Freedom Charter (especially if it was interpreted to require nationalisation of the commanding heights of the economy), even if it continued to allow private accumulation, could follow a different logic. This is different, however, from saying that there is no inherent contradiction in allowing these two logics (that of private capital and the NDR) to co-exist, and that one logic would not have to prevail over the other in the long term. This raises the prospect of either a degeneration of the anti-capitalist logic of the NDR, and the assertion of the logic of capital; or the deepening of the NDR into a socialist project.

We are unfortunately constrained in assessing these possibilities, given the extremely limited range of international experiences to draw on. However current developments in Venezuela, and possibly other Latin American states, raise the possibility of radical 'national democratic states, which deliberately act to constrain and even shrink the sphere for capital's operation, in the interests of attaining their developmental goals'.

A very interesting article in the last issue of African Communist, 'The Meaning of 21st Century Socialism for Venezuela', by

Gregory Wilpert, analyses current developments there, in a way, which is instructive for this debate. President Chavez is following a path in that country which is very close to what we describe above: despite the continued existence of capitalism as the dominant reality there, a conscious programme has been adopted of advancing the public, collective sphere at the expense of private accumulation, and limiting the domination of capital's logic in various spheres of society - not only in the economy, but also in politics and the military. This is being pursued politically as a deliberate construction of a radical programme, against the resistance of capital and other forces, through a combination of mobilisation from below, and the deployment of the power of the national state to coerce capital, to lay down the terms of engagement.

At the 9th Congress of the SACP in 1995, the Party advanced the slogan 'Socialism is the future: build it now!' The ANC leadership, particularly in recent times, has been sharply critical of this perspective. While the criticism has been couched in theoretical terms, in the form of advice to the Party as to how to understand socialist transitions, and the role of the vanguard party, it is clear that the criticisms, often contradictory and inconsistent (as we see below) arise from concerns about the political and strategic direction of the Party. The main fear arises from the fact that the slogan locates the Party firmly in contestation around the direction of the NDR, and does not confine it to a future role in constructing socialism at some unspecified point. It is interesting that, although the slogan was adopted in 1995, it is only with the more assertive and independent path forged by the Party under the current leadership, that this perspec-

tive has come under fierce fire, particularly in the last few years. Even the ‘briefing notes’, which attacked the so-called ultra-left within the Alliance, failed to mention or critique the Party’s slogan.

It is clear that the centre of gravity of the ANC’s critique is not to ensure that the working class forges the most effective path to a socialist transition, under the SACP’s leadership. Rather, it is the fear that this perspective will lead the Party to contest attempts to construct a pro-capitalist NDR.

In fact, it is interesting that it is not overtly socialist demands that have raised the greatest ire among the ANC leadership, since the Party has not advanced these aggressively. So notions that the Party is prematurely agitating for a ‘great socialist leap forward’ are not borne out in reality: No great calls for wholesale expropriation, nationalisation and socialisation of industry, collectivisation of land, etc. Rather, anger has been caused by much more limited and strategically focused calls, together with, and often in support of Cosatu, such as for a reworking of fiscal and monetary policy, abandonment of privatisation programmes etc.

The ANC’s critique of the SACP’s perspective of advancing a radical NDR, with anti-capitalist elements, to lay the basis for further advances to socialism, is inherently contradictory. On the one hand the ANC has stated that “recognising the immediacy of the national question, it views the NDR as the shortest route to socialism...”³ On the other hand the ANC argues, as we outlined above, that in an advanced capitalist society, the NDR inevitably has to operate within the logic of capital, and

consciously build and ‘manage’ capitalism in line with this logic. The irony of this approach is that the more ‘successful’ the NDR is, the more it entrenches the power of capital, and capitalism itself, the less prospect there is for a movement towards socialism. There is no sense in which this perspective recognises the need for the NDR to *impose its own logic on capital, even if this means introducing anti-capitalist measures*. This perspective therefore runs completely against the logic of the Freedom Charter approach, the radical NDR, which challenges and shakes up, or destabilises existing power relations, rather than entrenches them.

This creates the ludicrous perspective that on the one hand the working class is being called on to lead an NDR which aims to stabilise and entrench capitalism (the same NDR which is supposedly the ‘shortest route to socialism’); at the same time the working class must lead a struggle to destroy that system, and construct a socialist alternative. Both from within the same movement! No-one could blame ultra-left critics of the NDR for saying that this vindicates the critique they have made all along, since this caricature of the NDR being advanced in government plays right into their hands.

This brings us to the final point: how the working class intelligently advances its hegemony in the NDR, leads society, and avoids marginalisation in this struggle.

The battle for working class hegemony in the NDR

The SACP’s CC report to its 12th congress this year states: “for the working class to build its hegemony, it is *not enough for it to be organisationally powerful*; its ideas must progressively become the dominant ideas in society.” (our emphasis)

3. ANC NWC “Managing National Democratic Transformation” June 2006

While important strides have been made by Cosatu and the SACP in advancing a working class agenda, we need to honestly reflect on whether this hegemony is being progressively achieved. This broad assessment is obviously outside the scope of this paper, but it is worth saying a few things about the battle for working class hegemony in the NDR.

Cosatu and the Party have achieved relative ideological cohesion internally on the key challenges confronting us in taking forward a working class-led NDR, although some differences remain, and must continue to be debated in a way which deepens and strengthens this ideological cohesion.

However, it is more debatable whether we have been as effective in winning acceptance for this agenda among our allies, and potential allies. While it is tempting to put this down to hostile forces in the media, the state, capital, and the movement, (and all these certainly play a role) we also need to examine whether our strategies, and more often our tactical approach is maximising the support we seek.

We need to analyse why some who are historically not hostile to the SACP and Cosatu are buying the view that we have become oppositional, ultra-militant, out of touch etc. Are they simply buying into right wing propaganda, or are there things we can do differently without weakening our principles, and strategic perspective? We suggest some areas of potential concern below.

While we don't attempt a detailed conjunctural analysis of these weaknesses, we provide some pointers against which we can measure our progress in asserting working class hegemony over the NDR at any particular point in time. These are formulated negatively, as weaknesses, which

need to be avoided, if we are to deal with the potential problem of isolation of the working class in the NDR. It is not necessarily to suggest that Cosatu or the Party are falling prey to these weaknesses. It also might be helpful to reformulate these points as positives- elements, which the working class must promote if it is to achieve the hegemony we desire.

As will be seen below, these dangers are not all absolute (indeed some can be weighed against others), and dealing with them requires firmness of principle, strategic clarity, and tactical nimbleness. *Among the dangers we need to avoid are:*

1. Allowing capital and the right in the movement to assert control over the trajectory of the NDR, by vacillating on issues which need to be challenged, or failing to contest negative elements of policy, fearlessly, and in a principled manner
2. Equally, failing to shape or advance, and where appropriate, claim progressive gains in the NDR, which are the result of our campaigns over years. Even if the gains are limited or inadequate, failing to take them further.
3. Lapsing into knee-jerk oppositionalism, and creating unnecessary hostility between ourselves and those in government, including those who are potentially sympathetic.
4. Distancing or alienating ourselves from our potential allies in the NDR, including a range of left forces, and other non-antagonistic popular strata and classes.
5. Acting in a way, which unifies capital and the right in the movement against us, without identifying elements of capital who we can find common cause with on limited issues

(e.g. medium size domestic producers on interest rates and strength of the rand).

6. Allowing monopoly capital to hide behind the state, and failing to campaign directly against capital where they are blocking achievement of our demands for transformation of the economy.
7. By acting inconsistently or sending mixed messages, allowing our organisations, our cadreship, and our constituency to become confused and demoralised about the potential of achieving a radical NDR.
8. Stemming from this, retreating from political engagement, and limiting working class struggle to narrow 'syndicalist' perspectives (focused on the work place); or getting co-opted into a corporatist mindset of achieving gains limited to organised workers.
9. Picking the wrong battles and unintentionally sending the wrong messages, or acting in a way, which opens us up to misrepresentation.
10. Not being seen to take up major issues of concern to the working class; or focusing excessively on ideological contestation without a coherent programme to achieve meaningful and radical reforms for the working class.
11. Being seen to be overly concerned with 'politics', in the narrow sense, such as of factional battles, and undue or unprincipled involvement in leadership battles.
12. Failing to give ideological and theoretical direction on tasks of the NDR in the current phase, and its relationship to our socialist objectives.
13. Related to this, focusing excessively on labelling of our opponents, their betrayal of the NDR, and attempting

to 'prove' the historical correctness of our approach, through reference to documents; instead of isolating and discrediting the actions of those attempting to appropriate NDR for a narrow pro-capital agenda, and winning broad support for a working class-led NDR.

14. Trying to insist that the NDR *must be* (by definition) socialist, without doing the necessary political work to convince our people, and our allies, that the NDR can only ultimately succeed in its objectives if there is a transition to socialism i.e. not trying to impose, in a voluntarist way, a socialist agenda on the NDR, but winning hegemony for this perspective.

15. Claiming to be advancing 'socialist programmes' in a loose and unscientific way, in a manner, which could cause theoretical and strategic confusion, for example when we are talking about reforms within capitalism, or social democratic measures.

16. Failing to act, without fear or favour, against those in our ranks who act corruptly, in a factional manner, or unethically; those seeking positions for reasons of self - enrichment; or those acting in a manner that undermines working class values of solidarity, selflessness, and service to our people.

It is important to stress that on some of these issues we have made major advances in the last few years. On others we can do better. If we fail to stem the tide of those attempting to permanently reroute the NDR to benefit an elite, or to promote capital in general, and to assert the leading role of the working class in taking the NDR forward; there is a danger that the

NDR could implode or collapse as the national unifying strategic vision, leading to the growing isolation of the working class from broader society, fighting disconnected and sporadic battles.

Conclusion

In conclusion, the trajectory of the NDR is not predetermined. It is a contested terrain par excellence. Because the national democratic state is a state in transition, its destination depends on the balance of class

forces. It may become a developmental state with radical features, within a dominant capitalist mode of production, but nevertheless taking strong measures to regulate and discipline capital, within a state-led programme with a strong working class bias; it may increasingly become a bourgeois democratic state, in which capital dominates at every level; or it may become a state in transition to socialism. All of this is not essentially a matter of theory, or of definition; but a matter of struggle. ★