



# African Communist

2nd Quarter 2017

Issue 195

14th NATIONAL CONGRESS EDITION

## COMMUNISTS TO THE FRONT!



Advance,  
Deepen and  
Defend  
the NDR!

Vanguard Role  
of the SACP





# African Communist

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Issue Number 195

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**Cover photo:** Avela Mjajubana, YCL office-bearer, KZN, and South African Union of Students President

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EDITORIAL NOTES

# Our 14th Congress and the SACP's new role in the NDR

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This issue of *The African Communist* comes on the eve of the SACP's 14th National Congress. The Congress takes place at an exceptionally challenging time. The major democratic and constitutional breakthrough achievements of the early and mid-1990s, the first phase of our national democratic revolution (NDR), are now under serious threat of erosion and reversal.

Make no mistake, these challenges impose a significant responsibility on the 14th National Congress. Delegates to Congress will be representing over a quarter of a million SACP members – by far the largest membership ever in the 96-year history of our Party. It is a membership that has grown by leaps and bounds over the past year. And this is no accident – it is testament to the public role the SACP has been playing in the recent period in particular.

However, SACP Congress delegates will not only be representing tens of thousands of fellow communists. A wide array of non-communists in the ANC-SACP-Cosatu-Sanco alliance, in trade union formations outside of Cosatu, and many other patriotic South Africans who, perhaps in the past, have been dismissive of, or even cynical about the Party, are looking with hope and anticipation to our Congress. Why?

It is an open secret that our leading Alliance partner, the ANC, is threatened with serious decline, buffeted as it is by factionalism, moneyed patronage networks and corporate capture. The internal crises affecting the ANC have begun to impact on its electoral performance, with a very steep decline in support, much of it due to a demoralised

voter stay-away in last year's August local government elections. If the current trajectory is not reversed, the ANC is unlikely to pass the 50% mark in the general elections scheduled for 2019, and its ruling party role will, therefore, be threatened by one or another opportunistic coalition of current opposition parties.

Much, but not all, of this popular decline is related to the almost daily revelation of scandals involving networks of highly-placed ANC politicians in government and particularly those who have been entangled with the notorious Guptas, including the president's own family. The phenomenon of "state capture" of critical and sensitive state organs and state-owned enterprises by a web of parasitic capitalists has created a shadow state, or even, as some leading academics have argued, a "silent coup".

Unfortunately, the perversions of parasitic-patronage networks are not confined to the national sphere alone. In many localities, moneyed factions gate-keep over ANC branch participation, and actively rig membership audits.

Of course we must balance this negative picture with the recognition that everywhere from within the ANC, whether it is from within the National Executive Committee, the ANC Parliamentary caucus, provincial and regional structures, or from veterans, stalwarts and many genuine MK veterans, there is resistance to these pathological developments. In many of these sites of struggle, it is communist ANC MPs, for instance, or former MK fighters who are Party members who have been in the forefront. But they have not been alone.

The resistance has grown both in its spread and boldness. However, whether this growing wave of resistance from within the ANC and ANC-led structures against parasitic-patronage networks and state capture will be sufficient to enable the ANC itself to make a decisive break with the current trajectory remains uncertain.

All of this is happening at a time when the social plight of the working class, of the rural and urban poor, and of significant numbers of the middle strata has become increasingly precarious. Despite major redistributive efforts since the democratic breakthrough of 1994, including 17 million social grants, subsidised housing for the poor, and major improvements in access to water and sanitation, the triple crisis of obscene levels of unemployment (more than 27% in the “narrow” definition), poverty and inequality persist, and in some respects have worsened. Statistics SA’s most recent data indicate that in the first quarter of 2017 a further 48 000 jobs were lost. The household debt crisis is at serious levels, and it impacts upon the poor and the middle strata, not least, the much vaunted “new black middle classes”. The latter, without inherited assets, owe their precarious toehold in a suburban life-style to high levels of indebtedness. Home and vehicle repossessions are rife.

We also need to add to the standard triple crisis list of unemployment, inequality and poverty, a fourth and related scourge. Millions of South Africans live in a state of personal and household insecurity. The criminal justice system is failing poor communities, and particularly women and children.

While poverty and insecurity are the daily bread of the majority, a tiny elite live in excessive wealth. South Africa is notorious for being the most unequal society in terms of the Gini coefficient, which measures income inequality. When asset inequality is measured the picture is even worse. A recent Deloitte survey of CEOs and CFOs at the top 100 JSE-listed companies found that on average they were getting a total pay package of R17,9-million a year, or about R69 000 a day! Thirty years ago, the ratio of an executive salary to that of a worker in South Africa was around 50 to 1. Now it is 500 to 1. And, remember, here the class comparison is between executives and those who are lucky to actually have employment.

Why, despite the democratic breakthrough and despite a major redistributive effort, have these obscene levels of class inequality (with strong racial, gendered and geographical overtones) worsened?

A key part of the answer (as the SACP's discussion document *Going to the Root* argues) is that redistribution without a major transformation of the productive economy will always tend to be distribution seeking to ameliorate the impact of a dysfunctional capitalist productive economy – it is like valiantly climbing up an ever-descending escalator. It is the same point that Marx made back in 1875, when he criticised what he called “vulgar socialism”: “Vulgar socialism (...) has taken over from the bourgeois economists the consideration and treatment of distribution as independent of the mode of production and hence the presentation of socialism as turning principally on distribution” (Marx, *Critique of the Gotha Programme*).

Marx is not arguing against progressive redistributive interventions, but they need to be part of a transformative class (that is to say, an anti-capitalist) agenda.

Which brings us to one of the key roles of the SACP in the present. In the face of growing exposure of criminal and corrupt behaviour, the parasitic-patronage network linked to the Guptas has endeavoured to adopt a counter-offensive strategy. The diversionary counter-offensive has consisted in presenting their agenda as part of a radical left-wing economic transformation agenda. They have even borrowed pseudo-Marxist terminology. To add to the ironies (and hypocrisy), we now know (thanks to information that the SACP initially put into the public domain) that the Guptas and their hangers-on were advised in this matter by the UK-based Bell-Pottinger public relations outfit, that first rose to fame with Margaret Thatcher's election campaigns.

At our 13<sup>th</sup> National Congress in 2012 we adopted as our programme *The South African Road to Socialism*. The programme committed the



SACP to contesting all key sites of power, including the class struggle on the terrain of the battle of ideas. Exposing the demagogic and populist rhetoric of the parasitic-patronage Gupta network is one of the key tasks of the present. And the SACP has a particular responsibility in this regard.

Take the question of “white monopoly capital” - a key target of the Guptas’ *The New Age* and ANN7 polemics. It is obvious, and certainly the SACP has never tired of saying this, that the overwhelming majority of capital-ISTS in South Africa are white and male. It is true that, very occasionally, in an SACP document you might find a reference to “white monopoly capital” – as shorthand for white monopoly capital-ISTS. But, generally and correctly, we have referred to “monopoly capital”.

Isn’t this just a scholastic debating point? Unfortunately, not in the present poisoned reality, where it is important to insist on the fact that “capital” as extensively argued by Marx in his three volume work of the same title is neither a thing, nor a person or persons. Capital, for Marxism, is a process – and a class exploitative process.

When the Guptas and their ideological guard-dogs repeat “white monopoly capital” over and over again, their emphasis falls not on “monopoly capital” but on “white” – and therefore their not-so-well hidden agenda is to promote the cause of aspirant “black” monopoly capitalists as somehow the antidote to “white monopoly capital”. Of course “black” in this scenario, if you are to go with the recently announced Mining Charter, would include dubiously naturalised pseudo-South Africans with no loyalty to South Africa and heading to a haven in Dubai.

This brings us back to the point made by Marx quoted above. Here we have a particularly vulgar form of “redistributive” economics, where the monopoly spoils of exploitation are supposed to be redistributed to

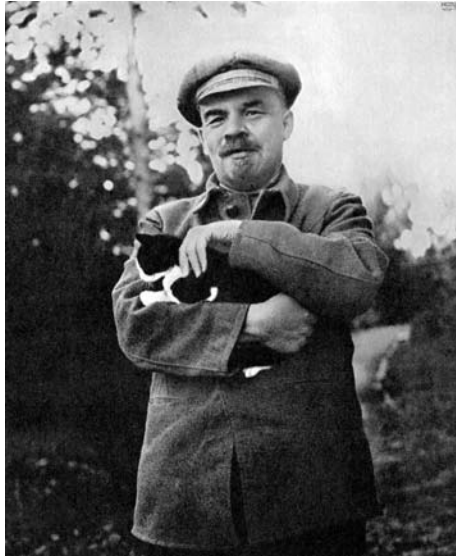
“black” capitalists in the name of “radical economic transformation”. Redistribution, disconnected from the actual transformation of the capitalist mode of production, is not necessarily a progressive intervention.

Looting of public resources is not just vulgar capitalism; it is a positive danger to our hard-won constitutional democracy.

Our 14th National Congress will have to deepen the ideological critique of the demagogic populists. But the Congress will also have to address the complicated strategic and tactical issues. Does the ANC have the capacity to self-correct? What are the responsibilities of the SACP in this regard? Does the long-held strategic positioning of the SACP in the context of an on-going national democratic revolution still apply? Or has the NDR strategy led us into a blind alley – as certain brands of ultra-leftism always argued? Is the NDR synonymous with the ANC (regardless of whether it proves capable of self-correction or not)? Or is it more appropriate to argue, as the SACP has been increasingly saying over the recent period, that “the NDR doesn’t belong to the ANC”? This carries the further implication that the SACP has an important, perhaps a vanguard, role within the NDR itself.

But what does that vanguard role consist of? And how would this relate to the mode in which the SACP engages with electoral politics in the future?

These are among the critical debates that the 14th SACP congress needs to undertake. ●



Help us celebrate the

# CENTENARY OF THE SOVIET REVOLUTION

In the next issue of  
**The African Communist**

The 4th Quarter edition of The African Communist will be a special issue on the marking the 100th anniversary of the October Revolution. We would welcome contributions, preferably not exceeding 4 000 words, for publication.

**The deadline for articles is 30 September.**

## SACP VANGUARD ROLE

# Advancing, deepening and defending the NDR

The June CC Discussion Document to be debated at the 14th SACP National Congress from 10 to 15 July reviews the SACP's role in the NDR and suggests that given the current political terrain and the challenges within the Alliance that the SACP has to play far more active role in advancing the NDR

**A**fter a prolonged revolutionary struggle, the 1994 democratic breakthrough in South Africa finally abolished the institutions of white minority rule with their origins in centuries of colonial domination. This radical rupture laid the basis for a democratic dispensation within a progressive, non-racial constitutional order.

Since 1994, the SACP has been actively campaigning for a new push, a second radical phase of the struggle to advance and deepen the national democratic revolution (NDR), on the basis of the bridgehead of the 1994 democratic breakthrough.

We have consistently argued that without urgently opening up this new front of struggle, without an uninterrupted second radical advance, the gains of the first phase would be threatened; the liberation credentials of the ANC-led movement could be increasingly eroded as memory of the anti-apartheid struggle receded; popular power might be dissipated into passive expectation of state delivery, or individualistic consumerism, or, at best, fragmented into thousands of localised and sectoral protest actions. Any undue pause, we have further argued,

would allow South African monopoly capital, historically sheltered behind colonial and white minority rule, to regroup. All of these likely tendencies, we said, would leave the structural legacy of apartheid colonialism and the socio-economic crises affecting the majority of South Africans largely intact.

In 2017 it is obvious that these concerns have been substantially correct.

More concerning still, faced with these challenges, the ANC, the leading formation in our liberation struggle over the past decades, a political movement that has enjoyed overwhelming electoral support since 1994, is itself now in serious and possibly irreversible decline.

This was the context in which the SACP contributed to and welcomed the ANC's 2012 National Conference resolution for "a second radical phase of the NDR". Unfortunately, having taken this important resolution, there was little appetite or interest at first from within much of the ANC itself to provide any substantial content to, let alone active organisation and mobilisation for a second radical phase.

Over the past year, however, there has been a sudden but largely opportunistic resurrection of the idea of "radical economic transformation". Unfortunately, this belated evocation of radical transformation has typically been associated with the most reactionary, private rent-seeking elements within our movement. They have appropriated this slogan demagogically as a distraction from the increasing exposure of their own parasitic looting of public resources. This looting is carried forward by way of well-organised networks of patronage, coordinated through a strong strategic presidential centre that straddles both the constitutional state and a parallel shadow state.

From a wide range of progressive comrades within the ANC and Alliance, from stalwarts and veterans of our movement and armed struggle, even from those democratic forces historically opposed to, or sus-

picious of the SACP, there has been a growing recognition of the role the SACP has played, working closely with all democratic forces, inside the movement, inside the state and in broader society, in exposing and in fighting both state capture and liberation movement capture. More than ever, the SACP has a critical vanguard role to play in providing real content to the imperative of a second radical phase of the NDR – not just in theory, but above all in mass-based practice.

What are the critical organisational tasks in this context? How should the ANC-Alliance be reconfigured to respond to these challenges? Is reconfiguration even possible or desirable? In taking forward this role, if the SACP is to be credible and serious about dealing decisively with the cancer consuming our movement, we need also to examine self-critically what lessons we can learn from the recent past. What role might we have played unintentionally in creating the crisis?

Is the strategic concept of an NDR itself inherently flawed? Are national liberation movements inherently “bourgeois-democratic” in nature? Worse still, once in power after two decades or so, are national liberation movements bound to degenerate? Is the current fragmentation of our own liberation movement inevitable (and therefore irreversible)? These have long been the arguments of an anti-ANC left, as well as of liberal forces who regard the “national question” as irrelevant.

To help to answer these questions, one important step is to re-visit the historical roots of our strategic perspective of a radical NDR.

## **THE TWO TENDENCIES WITHIN NATIONAL LIBERATION STRUGGLES – THE ORIGINS OF THE STRATEGY OF A RADICAL NDR**

### **The Comintern and the National Question**

The SACP is not a newcomer to the idea of a radical national democratic revolution. In fact, the strategic concept of an NDR was developed

within the international communist movement nearly a century ago.

Soon after the 1917 Bolshevik October Revolution in Russia, the question of the relationship between anti-colonial nationalist struggles and emerging Communist Parties in largely peasant-dominated societies arose. At the Second Congress of the Communist International (Comintern) in 1920, there was a “Commission on the National and the Colonial Question”, in which Lenin and the Indian communist, MN Roy, played leading roles. In his report back to the Congress on the commission’s work, Lenin wrote:

*“We have discussed whether it would be right or wrong, in principle and in theory, to state that the Communist International and the Communist parties must support the bourgeois-democratic movement in backward countries. As a result of our discussion, we have arrived at the unanimous decision to speak of the national-revolutionary movement rather than of the ‘bourgeois-democratic’ movement.”*

We can see here the origins of the communist strategy of supporting NDR struggles in colonial and semi-colonial conditions. As Lenin goes on to explain, the idea of a “national-revolutionary movement” was advanced to distinguish between two diverging tendencies within national liberation struggles – the one national-revolutionary, the other a “bourgeois-democratic” reformist tendency: *“if we speak of the bourgeois-democratic movement, we shall be obliterating all distinctions between the reformist and the revolutionary movements. Yet that distinction has been very clearly revealed of late in the backward and colonial countries...”*

The Comintern urged Communist Parties in countries like India and China to work closely with, and to help radicalise, the “national revolutionary” tendency in the anti-colonial and anti-imperialist national struggles.

## **Monopoly capital and industrialisation in South Africa**

When the SACP (the CPSA as it was then known) was launched in 1921, the socio-economic context was different to that prevailing in societies like India and China, which had overwhelmingly peasant majority populations and strong feudal features.

At that point, for nearly half-a-century, much of the southern African region had already been plunged into a massive process of monopoly capitalist-driven transformation. Rapid industrialisation, centred on the diamond fields around Kimberley and then the gold fields of the Witwatersrand, drew huge flows of monopoly capital from the imperialist centres. There were major investments in mines, and also in rail and port infrastructure connecting the mining hinterland to the colonial ports. The Anglo-Boer war, the largest armed conflict of its time, forcibly consolidated disparate states, establishing a single geographical political entity, the Union of South Africa, under British imperial hegemony. In 1910, the Union of South Africa became a semi-independent British dominion under local white minority rule.

Above all, this massive capitalist-driven industrial revolution transformed the hard-pressed African peasantry and traditional African societies within the borders of the new Union of South Africa, and, indeed, increasingly throughout the southern African region, into impoverished labour reserves. Earlier colonial wars of dispossession had laid the basis. Now an active and violent process of proletarianisation was launched – that is to say, the forced expropriation of independent means of production, forcing hundreds of thousands and eventually millions of rural migrants on to the capitalist labour market on extremely unfavourable terms.

Money taxes were imposed upon these labour reserves to intensify the coercion of African workers into waged employment. At the same time, perverted forms of “traditional” patriarchal rule were consolidat-



ed as apparatuses of indirect colonial rule. Residual communal land tenure and subsistence farming were also conserved at the margins. This further lowered the wage costs for mining monopoly capital of hiring migrant black labour. The costs of reproduction of the male migrant labour force (caring for the young, the injured and sick, and the elderly) were increasingly carried by rural African women – the basis for the persisting triple (national, class and patriarchal) oppression legacy of African women in our country.

### **The early Communist Party in South Africa**

Inspired by the 1917 Bolshevik Revolution, socialists in South Africa formed the Communist Party of South Africa (CPSA) in 1921 as an affiliate of the Communist International. The CPSA sought to build working class solidarity between white and black workers in a struggle against mining monopoly capital. Already by 1924 the majority of the CPSA's non-racial membership was African. However, at first the CPSA did not recognise the interconnection between the class struggle for socialism and the national question in South Africa.

It was the 6th Congress of the Comintern in 1928 that mandated the CPSA to pursue a national democratic struggle as a “stage” towards a “workers’ and peasant republic”. This mandate called for the recognition that mobilisation around the grievances and aspirations of the nationally oppressed majority of South Africans was the critical motive force in the struggle for socialism against a double colonial reality – the continued hegemony of British imperialist capital and emergent national monopoly capital buttressed by an “internal colonialism” (white minority rule).

While acknowledging that the 1910 Union of South Africa had accorded a degree of political independence to South Africa under white minority rule, the Comintern correctly argued that South Africa re-

mained an essentially colonial reality. This is how the Executive Committee of the CI in its Resolution on South Africa put it:

*“South Africa is a British Dominion of the colonial type. The development of relations of capitalist production has led to British imperialism carrying out the economic exploitation of the country with the participation of the white bourgeoisie of South Africa (British and Boer). Of course, this does not alter the general colonial character of the economy of South Africa, since British capital continues to occupy the principal economic positions in the country (banks, mining and industry), and since the South African bourgeoisie is equally interested in the merciless exploitation of the negro population.”*

The same Comintern resolution instructed South African communists to pay particular attention to the still small emergent black, nationalist formations, with the ANC specifically mentioned. This new strategic line was adopted by the CPSA in 1929. Today, the SACP is criticised in some ANC quarters for paying “too much attention” to the ANC, but we have been paying considerable attention to the ANC for many decades, and we do not apologise for it.

## **THE TWO TENDENCIES**

Through much of the first half of the 20th century the ANC held a broadly progressive, but essentially liberal-reformist perspective on the nature of the national struggle. In the late-1940s and through the 1950s, with rising mass and working class struggles, the ANC increasingly moved towards a more radical approach. The Freedom Charter, adopted in 1955 by the Congress of the People, marked a decisive step in the radicalisation of the movement’s strategic vision.

However, it is important to remember that within the ANC there have always been tensions between both more narrowly nationalist and more bourgeois reformist tendencies on the one hand, and more

progressive left-leaning tendencies on the other. For these reasons, the ANC was, for instance, not at first able to formally adopt the Freedom Charter. Its eventual adoption by the ANC in 1956 provoked a subsequent split in the shape of the PAC – which rejected both the non-racial (the inclusive African nationalist) vision of the Charter, as well as its commitment to the common ownership of the mineral resources of our country, arguing that this was a “foreign Communist” idea.

The 1962 SACP programme, *The Road to South African Freedom*, reaffirmed the revolutionary national-democratic nature of the South African struggle. In characterising apartheid South Africa, the SACP’s 1962 programme introduced the important concept of “colonialism of a special type”, (CST), referring to the fact that, while South Africa continued to be a semi-peripheral economy subordinated to the interests of imperialist capital, the dominant colonial power (exercised through white minority rule) occupied the same spatial reality as the nationally oppressed black majority.

The crucial ANC 1969 Morogoro Conference, which marked a critical turning point after the major strategic defeat suffered by our movement in the mid-1960s, in effect, reaffirmed Lenin’s distinction between national struggles that were bourgeois-democratic, and those that were national-revolutionary. The Morogoro *Strategy and Tactics* document clearly associated the ANC with the national-revolutionary line of march: “our nationalism must not be confused with chauvinism or narrow nationalism of a previous epoch. It must not be confused with the classical drive by an elitist group among the oppressed people to gain ascendancy so that they can replace the oppressor in the exploitation of the mass.”

The Morogoro Conference argued that the viability of a radical NDR in South Africa was made possible by two factors:

- A global conjuncture – “*The struggle of the oppressed people of*

*South Africa is taking place within an international context of transition to the Socialist system...”; and*

- The fact that in South Africa, compared to most other societies embarked on national liberation struggles, the working class here was the overwhelming majority – “The perspective of a **speedy progression** from formal liberation to genuine and lasting emancipation is made more real by the existence in our country of a large and growing working class whose class consciousness complements national consciousness.”

This strategic vision of “a speedy progression” from formal liberation to a radical NDR in many ways inspired the great rolling waves of semi-insurrectionary struggles from the mid-1970s, through the 1980s and into the early 1990s. It was a strategic vision that helped the ANC once more reclaim its hegemonic leadership role within the broader South African struggle.

These semi-insurrectionary mass struggles were the decisive factor in forcing the hand of the apartheid regime into finally engaging with the liberation movement in negotiations. However, the radical NDR vision was to be challenged from within the ANC itself at the very moment that the 1994 democratic breakthrough became imminent.

The collapse of the Soviet bloc played a major role in this revisionist turn. It was no longer easy to proclaim, as the ANC had done in 1969, that our struggle was taking place in a global context marked by an inexorable forward march “within an international context of transition to the Socialist system”.

But if the global context had become less favourable for a radical NDR, this, surely, did not negate the imperative of still pursuing that path. Nor did the global situation change the objective class realities in South Africa – in which the employed and unemployed proletariat con-

stituted the overwhelming majority, and in which the massive domination of monopoly capital would make formal liberation relatively meaningless without a radical advance.

Indeed, notwithstanding its general optimism, the Morogoro *Strategy and Tactics* document introduced an important note of caution:

“We do not underestimate the complexities which will face a people’s government during the transformation period nor the enormity of the problems of meeting the economic needs of the mass of the oppressed people. But one thing is certain – in our land this cannot be effectively tackled unless the basic wealth and the basic resources are at the disposal of the **people as a whole and are not manipulated by sections of individuals be they White or Black**”.

(In our current reality it is important to note the “or Black”).

In short, Morogoro, while recognising likely difficulties, did not see these as reasons to abandon the strategy of a radical NDR.

### The 1994 democratic breakthrough...what next?

But abandonment is exactly what started to happen within prominent circles within the ANC in the early 1990s.

It is interesting to contrast, as an example, the key messages that the SACP and the ANC respectively sought to advance in the immediate aftermath of the landslide ANC-led Alliance electoral victory in April 1994. The message from the SACP’s Central Committee was clearly spelt out on the cover of the May 1994 issue of *The African Communist*: “A luta continua!” – “the Struggle Continues!”, accompanied by an editorial elaborating on this perspective along with photographs of the winding thousands-strong queues outside voting stations to make the point that the democratic breakthrough was itself mass-driven.

This was in contrast to the front cover of the ANC’s official publication at the time *Mayibuye*, which carried the relatively demobilising

headline “Free at Last!”, and a cover photograph of the Union Buildings and an air-force jet formation flying overhead at the inauguration of President Mandela. The accompanying Mayibuye editorial begins: *“The moment has arrived. Liberation. Real change. National Democratic Revolution. Call it what you may.”* It then goes on to envisage a modest, largely state-driven, top-down process: *“Now is the time to make good the election pledge... In June, allocations from the budget will be decided upon. A modest beginning can then be made...”*

From the very outset of the post-apartheid period then, there was a determined ideological and strategic thrust to reassert a revisionist, liberal-reformist vision of the NDR.

## THE FIRST POST-APARTHEID DECADE-AND-A-HALF

The first phase, we argued, was constituted by the radical breakthrough in the 1994-1996 period. This radical breakthrough saw the abolition of the institutions of white minority rule, the achievement of one-person one-vote representative democracy, and a progressive constitution drawn up through an elected constituent assembly.

Our position in the mid-1990s (a position we continue to believe was correct) was that a second radical phase of the NDR should have begun **immediately**, using the bridge-head of the 1994-1996 breakthrough.

In arguing for a radical approach in the mid-1990s, the SACP was well aware that an adventurist “great leap forward” was not possible. The rolling back and relative stagnation of liberation movement advances within our own region; the 1989-1991 collapse of the former Soviet bloc; and the ensuing unchallenged US-led imperialist global domination had created an unfavourable correlation of forces internationally.

However, the landslide 1994 ANC electoral victory; the unextin-

guished popular and working class struggle traditions at the time that had made the negotiated transition possible in the first place; and the fact that South African monopoly capital, given its deep complicity with white minority rule, was off-balance, created relatively favourable domestic conditions for radical advances.

These would necessarily include, as the SACP argued in 1995, a socialist orientation within an ongoing NDR – building capacity for, momentum towards, and elements of socialism in the present. This perspective was encapsulated in our slogan: Socialism is the future – build it now! In other words, we understood the ongoing NDR and struggle for socialism in the new conditions to be essentially a struggle for “revolutionary-reforms”, of progressive transformational measures. This strategic position also meant that we understood that socialism was not a “second stage” to be pursued (that is to say, delayed) only “once the NDR was completed”. Neither the NDR nor socialism were “events”. This was a strategic perspective of a relatively protracted struggle, a “war of position”, on the terrain of a constitutional, majority-rule democracy to contest and achieve radical transformation in all key sites of power. This required “going to the root” of the deep structural legacy of colonialism of a special type.

Unfortunately, during the Mandela-Mbeki administrations an alternative strategic orientation was adopted, which the SACP characterised as the “1996 class project”. Despite contestation from within the ANC-led Alliance, it became the dominant strategic line in the ANC and in government.

This strategic line, influenced strongly by a range of Western think-tanks, borrowed liberally from the perspectives of the first Bill Clinton administration (1993-1997), later adopted by Tony Blair and most of Western Europe. This was essentially a drastically watered-down social democratic stance, calling itself the “Third Way”, and embracing

neo-liberalism, financialised globalisation, a technocratic state, with “modernised” centre-left (often alternating electorally with more or less identical centre-right) political parties led by “electable” centrist politicians enjoying strong support from key sectors of capital. This is what some have described as “the extreme centre”. Barack Obama was possibly the last major representative of this current.

The ongoing global economic crisis that began in 2007 in the US as a financial crisis has shaken the assumptions of this project to the core. The economic crisis has now also become a crisis of political representation. Centrist, “Third Way” politics is now off-balance in many advanced capitalist societies, with the popular rejection of “establishment” politics in the US (the election of Trump), in the UK (Brexit), and across much of the EU.

The two decades of “Third Way” political hegemony has witnessed growing inequality both on a global scale and within dominant capitalist societies. Even within developed capitalist economies, trade union and welfare advances have been eroded, large sections of the working class, middle strata and professionals now find themselves unemployed or in precarious work.

Ruling Third Way political parties (along with their centre-right colleagues) in the imperialist centres have typically supported NATO, and have been actively complicit in the military destabilisation of vast stretches of the Middle East and North Africa. War has been waging in Afghanistan since the 1980s, and in Somalia since the 1990s. Along with climate-induced crises, and structural adjustment programmes resulting in economic collapse, imperialist military interventions have now produced the largest flow of internal displacements and of cross-border refugees since the end of the Second World War. Contrary to the focus of most mainstream media, by far the largest numbers of refugees and desperate economic migrants are located within third world



societies, including South Africa. However, there have also been major flows of migrants and refugees into Europe and the US.

De-industrialisation, growing employment precariousness, deepening inequality and the flow of migrants has been the terrain on which populist, rhetorically anti-establishment, right and extreme-right wing political parties and personalities have surged electorally within the US and many European countries on the basis of xenophobic, anti-immigrant demagoguery.

But there have also been important left-leaning regroupings either from inside established centre-left parties, or through the formation of new movements, with the latter sometimes working with existing communist and radical left parties. Many of these movements take their direct inspiration from the diverse, anti-neoliberal, centre-left and radical left movements that swept through most of Latin America in the 2000s.

South Africa obviously has its own specific features, but it is possible to recognize many similar crises of representation dynamics at play that began to come to a head in the 2007-2009 period in our own country: the loss of credibility of the neo-liberal Third Way (the “1996 class project”); the emergence of a narrow populist nationalist right tendency; and the imperative of a regrouping of the left. However, in South Africa, these dynamics began to play themselves out largely within the ANC and ANC-led Alliance.

## **HOW DID WE GET HERE? THE POLOKWANE MOMENT**

After 1994 there were consistent efforts from within the ANC and ANC-led movement to counter the neo-liberal Third Way project – the “1996 class project”. These efforts came to a head in the “Polokwane” conjuncture of 2007-2008. One of the organising perspectives of the upheaval that occurred at this point was the assertion that the “ANC (or

the Alliance, in another version) is the strategic political centre” – and, not, therefore, the state-presidency where Mbeki’s technicist approach had sought to locate it. At face value, and for many, this assertion of the strategic primacy of the ANC-led movement represented an attempt to reassert the democratic and mass-based, movement character of the ANC and its Alliance.

However, in practice the Polokwane moment involved a marriage of convenience (or, perhaps, an unholy alliance) of the broad left, anti-neoliberal bloc with demagogic forces for whom the assertion of the ANC as the strategic political centre was a move to displace incumbents in the state with their own, in order to advance an even more aggressive parasitic, rent-seeking agenda. These latter forces identified patronage-based mobilisation within the ANC as the soft underbelly from which to capture strategic positions within the state to advance their parasitic agenda.

In other words, there were two very distinct understandings of what was meant by the “ANC as the strategic political centre”.

### **The first Zuma administration (2009-14)**

In the first Zuma administration (2009-14) there was a relative balance of forces between the divergent agendas that had come together in a marriage of convenience at Polokwane. In some sectors (health with a major shift on Aids, trade and industrial policy, state-led infrastructure spend, recalibrating competition policy as a means to leverage economic transformation, a greater emphasis on vocational training, etc) space was opened up for progressive advances, including developing a better working relationship between the state and social movements (the social movement campaign for anti-retroviral treatment being the most obvious case).

However, in terms of sustaining and re-building the ANC-led move-

ment's capacity to mobilise the key motive forces, these and other positives in state deployment, coincided with the weakening of Cosatu, partly as a result of the global economic downturn and resultant retrenchments. There was also a loss of momentum on the SACP side in terms of active working class and popular mobilisation (a failure to sustain a very successful financial sector campaign for instance). Deployment advances in some sectors noted above were, however, always (and surely deliberately) held in check by other deployments in the 2009-2014 administration.

These checks and balances involved transactional deployment trade-offs between three tendencies (putting it very schematically) – a more left-leaning tendency; a more narrow BEE tendency; and a more centrist grouping, including many from the Mbeki project who had remained in ANC/state leadership positions (the National Development Plan was essentially the product of this last-mentioned tendency). This last-mentioned tendency was cultivated as the outward-looking hegemonic project seeking to appeal to business and foreign investors, while the more left-leaning and narrow BEE tendencies competed for support within the movement and among popular strata. There was also considerable, largely tactical, instability within the two last-mentioned groupings, resulting in the Numsa split from the Alliance on the one hand; and the belated expulsion of Youth League president Julius Malema from the narrow nationalist parasitic tendency on the other.

Important advances were made in the 2009 administration, but the constraints noted above meant that the structural problems within the political economy were not radically and systemically addressed. Where there was significant massification of programmes – the 17-million social grants reaching some 10-million beneficiaries, for instance, or the largest roll-out of ARVs in the world – critical gains were achieved. The floor of poverty was lifted and there have been significant and rapid

gains in life expectancy. While these were absolutely essential interventions they were not inherently transformative.

In other cases, where there were significant budgetary allocations – in the major state-led infrastructure build programme, for instance – much of it (in the outgoing Mbeki administration) had been spent on non-transformative vanity projects (2010 FIFA World Cup stadia and other related infrastructure: the Gauteng Freeway Infrastructure Programme, the King Shaka International Airport and Dube Tradeport, the Gautrain). In the first Zuma administration, with the establishment of a Presidential Infrastructure Coordinating Commission there was progress in re-orienting state-led infrastructure spending into a more coordinated and integrated approach. However, weaknesses and parasitic activities in key state-owned companies (notably, but not only, Eskom and Transnet), and in different spheres of government constrained the potential impact. The massive over-spending at Zuma's Nkandla homestead symbolised both the continuation and the personalisation of the vanity project phenomenon.

As for social infrastructure, the mass low-cost RDP and other subsidised housing programmes (some 4-million houses) have largely entrenched apartheid spatial patterns by building working class housing in peripheral locations far from work and other resources. This has served simply to reproduce working class marginalisation and black poverty – as well as a deeply skewed property market. The Gauteng signature housing project, the mixed-income Cosmo City development, was targeted at both subsidised housing for the working class and poor and mortgaged houses for the emergent black professional and other middle strata. However, only a small percentage of the original beneficiaries/owners are still staying in their houses as a result of the enormous cost of transport because of its location. The subsidised houses are being sold, as the original beneficiaries move out, at far below the

cost to the state of their construction. There is also wide-scale bank repossessions of mortgaged homes in Cosmo City, with auctioning-off sales on average fetching 30% less than nominal market value.

Other potentially critical pillars of a radical second phase of the NDR – like the state-led industrial action programme – have simply not received the scale of funding that would enable a qualitative step-change. In some cases, the worst ravages of neoliberal-driven de-industrialisation and job losses have been halted, and some level of employment stabilisation has remarkably been achieved in a sector like clothing and textiles – indicating what could be achieved more widely if there was sufficient political will and resourcing.

Public employment programmes – the Expanded Public Works Programme and the Community Work Programme – while achieving relative massification (at around a million work opportunities a year), are, given the extraordinary levels of unemployment, nowhere near the scale required and envisaged in Chapter 3 of the National Development Plan. The effective resourcing of these programmes should aim strategically to move us towards the objective of the universal right to work (as envisaged in the Freedom Charter) as well as a socialist de-commodification of the very notion of work.

As for land reform and restitution, again the required financial and human resources allocated have been woefully inadequate, and, even worse, there has been a strategic muddle. At best land reform is little more than a handful of dispersed projects, many of which collapse within a matter of years as a result of the failure to follow up making land available with concerted state technical, market and financial support. There has also been a failure to appreciate that, while access to rural land is key, the most significant land crisis is now urban.

In short, none of the potentially radical, “game-changing” sectoral measures have been sufficiently resourced or championed politically,

or effectively conceptualised strategically, to ensure the kind of mass-scale, transformative impact required. This is not to say that, for instance, a transformative infrastructure build programme, state-led re-industrialisation, public employment programmes, and land reform (all of which can and should be connected) could all have necessarily been scaled-up simultaneously and equally. The trouble is that none have been.

Constraining serious radical transformation has been the deliberate “balancing of forces” within Cabinet and key departmental and SOC deployments. Throughout the first Zuma administration, Treasury remained firmly in the grip of a neo-liberal orientation. The SACP’s partial policy victory at the ANC’s 2009 Polokwane conference for the establishment of a state planning organ was watered down into the National Planning Commission, basically outside of state structures. And, consistently, throughout the 2009-14 administration, the president kept a very close control over the key departments in the criminal-justice sector.

These factors, coupled with the impact of the global economic crisis, meant that popular discontent and a proliferation of township and other protests increased. It was in this context that the ANC at its 2011 Mangaung national conference resolved on the necessity of a “Second Radical Phase of the NDR”. As already noted, no attempt was made from the side of the ANC to give meaning and content to the idea of a “second radical phase” – an inability reflecting the ideological paralysis caused by different currents and tendencies within the movement.

## **POST-2014 – STATE CAPTURE TAKES OFF**

The fifth democratic administration, particularly since December 2015, has seen the dramatic destabilisation of the pre-existing, but always unstable, post-Polokwane relative co-relation of forces within the

ANC and government. Essentially this has been the result of a more determined, more reckless, but relatively well coordinated, and well-resourced drive by a networked parasitic-patronage faction connected to the narrow BEE tendency and actively supported from the highest echelons of the ANC and state.

Since 2014 we have seen a greater boldness and recklessness from this networked tendency, associated with:

- Accelerated rent-seeking activities based on state capture;
- Increasing signs of a parallel shadow state and parallel movement;
- Creeping authoritarianism and ambitions for a more presidential system; and
- An attempt at developing a pseudo-radical, populist ideological platform to cover for these activities.

### **Accelerated rent-seeking based on state capture**

This networked parasitic patronage faction is held together by the plundering of public resources, rent-seeking activities that have focused considerably on parasitic relations with state-owned companies (SOCs) – not to privatise these entities, but to milk them and direct their billions of rands of procurement into private corporate and even individual pockets. Some of the current parasitism is directed at building war-chests to subvert the ANC's December 2017 national conference. The continued association with and defence of the Guptas, and the attempt to prolong the CPS social grant contract are, in part, an aspect of the war-chest agenda.

### **A parallel shadow state and movement**

To advance this agenda, but also to deal defensively with the growing exposure and popular outcry against it, there has been brazen abuse

of the presidential deployment prerogative into sensitive institutions – notably the South African Revenue Service (Sars) and the State Security Agency (SSA) – and particularly into institutions involved in criminal investigation and prosecution, the National Prosecuting Authority (NPA) and the Hawks. However, while these deployments have delayed or buried critical investigations and prosecutions, the calibre of those deployed and the resulting inner factional turmoil (for instance in SSA or SARS) has further deepened the crisis. With obvious presidential support, a parallel state has developed – SARS, the Hawks, the NPA are unleashed against Treasury; a rogue unit in SSA is launched as a factional arm within the ANC and ANC-led movement. Attempts to by-pass Cabinet are becoming more common – Mosebenzi Zwane’s bogus “cab memo” being the most obvious example\*. On the policy front, shadowy presidential and ministerial advisers from outside the state and even the Movement are brought in and act parallel to constitutional structures in the university crisis, on the South African Social Security Agency (Sassa) matter, on nuclear policy, etc.

### **Growing authoritarianism**

Linked to all of the above are growing inclinations to authoritarianism and presidentialism. Nostalgia for military-style, top-down command and control is openly expressed.

In July 2016 President Zuma said: “If it were up to me and I made the rules, I would ask for six months as a dictator. You would see wonders, South Africa would be straight. That’s why if you give me six months, and allow Zuma to be a dictator, you would be amazed. Absolutely. Everything would be straight. Right now to make a decision you need to consult. You need a resolution, decision, collective petition, Yoh! It’s a lot of work.”

If opposition to Mbeki at the 2007 Polokwane Conference was cen-



tred on the struggle against over-centralisation within the Presidency, we are clearly now in a much worse situation. “Imperialist conspiracies”, “regime change” threats are invoked to justify this dangerous drift – as if the accusers were not themselves involved in a “silent coup” against a democratically-elected government, and as if they were not actively betraying South Africa’s democratic national sovereignty.

Assassinations of ANC and Alliance cadres often go unsolved, and an emerging pattern of intimidation is apparent (most recently the theft at the Constitutional Court offices; and threatening behaviour at the former Social Development Director General’s private residence, etc). There is an attempt to emulate a Putin style, authoritarian, low-intensity democracy, with meetings reported between this faction and their counterparts in Russia.

However, both the sometimes amateurish calibre of state/ANC elements involved in these activities, and the broader socio-political-constitutional setting in South Africa (a stronger independent media, growing judicial confidence in holding the line, a powerful monopoly capitalist sector, and still relatively strong trade unions) often result in the early exposure of these activities, which does not make them any less sinister. What it does underline is that South African “civil society” has a much greater depth and resilience, whether from the capitalist or popular sectors, than Mugabe’s Zimbabwe or Putin’s Russia.

The growing authoritarianism at the top has its complementary counterpart at the regional and local levels. Thuggish militias, funded by provincial grandees, operate in several provinces, including the North West (where they wear T-shirts branding themselves as “Bang Fôkols”), in Mpumalanga, and KZN. They are used to break up constitutional meetings of the ANC and its Alliance partners, and may also be involved in more sinister activities. There also appears to be collusion between these forces and elements within the police, with attacks on

community leaders and activists going untouched.

### **A diversionary populist ideological platform**

In the face of growing public exposure of their misdeeds, there have been a number of ideological interventions from the parasitic-patronage faction.

On the one hand, these have involved setting up (or attempting to suborn existing) ideological apparatuses – the SABC under Hlaudi Motsoeneng; *The New Age* (whose “business model”, like most Gupta-operations, consists in funding through parasitism on SOCs, the SABC, and endless advertorials from the premier league); and the recent Bell-Pottinger operation, using social media with fake bloggers and Twitter bots, linked to pop-up “think tanks”, like Andile Mngxitama’s “Black First, Land First” and Mzwanele “Jimmy” Manyi’s “Decolonisation Foundation”.

Other institutions with a popular base among the alienated and largely apolitical have also become stop-overs. These are platforms that include evangelical sects and celebrity prophets who convey blessings upon factional personalities in deep trouble and a curse upon their “enemies” in events that are organised as “press conferences” (for example Berning Ntlemenza’s “press conference” at the Incredible Happenings Church)

Much of the ideological content from this leading faction is purely demagogic, eclectically tailored to the presumed interests of the audience. Thus the National House of Traditional Leaders was promised an improbable “pre-colonial land audit” ahead of any “radical land reform”.

Generally, the stance of the parasitic-patronage network has been a populist anti-intellectualism (“clever blacks” are disparaged). For the first time in many decades, the ANC no longer has a journal of ideologi-

cal discussion and debate.

However, over the past several months there has been an attempt to craft a more coherent ideological platform, evoking black and particularly narrow African nationalist themes and the notion of “radical economic transformation”, in the process narrowing the until recently forgotten Mangaung resolution calling for a “radical second phase of the NDR”.

This move seems in large part to have been motivated by the hugely negative impact on the parasitic-patronage network of the growing revelations of their subordination to and complicity with the Gupta family. The Gupta connection clearly has zero positive resonance either with the mass base, or even with the many local aspirant rentier factions who resent the favouritism bestowed upon (or extracted by?) the Guptas. (See Jimmy Manyi’s forced resignation from an official position within the Black Business Council because of his too-close association with the Guptas.)

Ironically, given its attempt to cast itself in radical Africanist terms, much of the content and narrative for this ideological platform appears to have been developed by the UK-based PR firm, Bell-Pottinger, working on behalf of the Guptas. Adopting the same victimhood strategy used by Zuma in 2007, the Guptas’ propaganda machinery has sought to portray the multiple revelations of wrong-doing on their part, and the belated closing of their banking accounts, as a conspiracy directed against them by “white monopoly capital” working in tandem with Treasury. Of course, since this did not square with the narrative, there was silence from these quarters when in February 2017 the Chinese Central Bank also shut down the accounts of a Gupta-related company, VR Laser Asia, involved in a dodgy deal with Denel.

Over the past several months this parasitic-patronage faction has sought to re-calibrate its public positioning somewhat. While the

Gupta family (and the networks left behind by its erstwhile Bell-Pottinger PR agency) clearly lurk in the background in many cases, there has been an attempt to downplay links in this direction and adopt a more radical sounding, Africanist posture. However, “radical”, in these quarters, is largely rhetorical and is almost entirely focused on advancing narrow black elite accumulation. This very narrow version of BEE evokes “blacks in general, and Africans in particular”, but in effect, it’s about “**me** and **mine** specifically”. The reduction of “radical economic transformation” almost entirely to a question of private black corporate “ownership, control and management of the economy” side-lines any notion of **social ownership**, or of **popular** control, or of **worker** management.

We are told that companies directly controlled by black people only own 10% of the JSE, but what is left unexplained is: even if individual black people owned 80% of the JSE, how would that impact on the triple (and racialised) crises of unemployment, poverty and inequality? The same applies to the constant references to “**white** monopoly capital” – if it became black monopoly capital would that change the lives of the majority of South Africans? The fudging of class is carried through in the way in which correct statistics are presented but abbreviated – for instance, we are told “white households earn five times more than black households”. Shamefully, that’s true, but notice what is missing – the word “average”. The StatsSA finding from which this is drawn says: “The **average** white household earns five times more than the **average** black household”. That reality is, of course, absolutely scandalous and is the source of social instability. But when you omit the word “average”, you omit class and wilfully omit the growing class divisions and diverging class interests within the ANC itself. The top 10% of earners in South Africa earn as much as the remaining 90%, but half of that 10% is now black.

The major ideological counter-offensive that the parasitic-patronage network has attempted to deploy, thus far, has been the fig-leaf of a narrow Africanist, “black first, land first” variety. However, more recently, there have also been attempts to advance a more Marxist-flavoured narrative as an alibi for parasitic plundering.

One voice in this latter regard is Chris Malikané, an academic and recently appointed adviser to the new Minister of Finance. Malikané characterises the current key dynamic within the ANC and state as a clash between different fractions (he calls them different “classes”) of the bourgeoisie. “On the one side is white monopoly capital and credit-based black capitalists... who have amassed wealth through black economic empowerment. Opposing them are black capitalists, who have taken advantage of state tenders.” Although the analysis needs considerable nuancing, there is some truth in this characterisation – the SACP has referred to the two (sometimes competing, but often overlapping) emerging black fractions of the bourgeoisie as a “comprador” bourgeoisie (Malikané’s credit-based bourgeoisie), largely dependent upon and subordinate to established domestic and global monopoly capital, on the one hand, and a parasitic bourgeoisie milking public resources, on the other.

Malikané’s principal error is that, in advocating “radical economic transformation”, he takes sides with the one faction: “In so far as the tender-based capitalist class has begun its war against the dominant white monopoly capitalist class, it has to be encouraged”. The problem with this pseudo-Marxist analysis is that the very basis for the existence of these “tender-based capitalists” is their massive attack upon and consequent erosion of the two key potential working class and popular struggle weapons critical to the transformation of a political economy dominated by monopoly capital – the post-1994 democratic state and particularly its SOCs, and an ANC national liberation move-

ment still (but for how long?) enjoying majority electoral support.

Of course the SACP does and should support using state procurement and targeted tendering to ensure re-industrialisation through localisation, beneficiation, de-concentration, and the promotion of productive black industrialists, etc. These are important pillars of any second radical phase. But the current Gupta-type dominant fractions of “tender-based capitalists” are not productive industrialists; they are a parasitic-patronage network supported from the highest echelons of the state and ANC. Key levers of radical transformation – Eskom, Transnet, Prasa, SAA, Sassa and even critical ideological/cultural institutions (the SABC) – have been massively weakened through parasitic robbery. And the post-Polokwane entry-point into these critical strategic sites of power has been through control over the ANC by way of wholesale patronage networks that buy membership and rig internal ANC elections, which is actively leading to the demise of the ANC’s popular support.

It is important that the imperative of a radical second phase of the NDR is rescued from the demagogic clutches of the parasitic-patronage network. The SACP has a critical role to play in this regard. What follows is a shortened and updated version of the SACP’s discussion document, *Going to the Root*.

## **A SECOND RADICAL PHASE OF THE NDR – GOING TO THE ROOT**

Despite major redistributive efforts on many fronts since the 1994 democratic breakthrough (including 4-million subsidised “RDP” houses; 17-million social grants; 7-million household electricity connections, etc.) crisis levels of unemployment, poverty and inequality persist. These crises are strongly marked by racial, gendered, and geographical factors – the poorest of the poor remain African rural women.

Why the persistence of these crises? Is it because of poor govern-

ment “delivery”? There are certainly many weaknesses in government capacity, and there is a need for significant improvement. But in relative international terms we have carried out a major redistributive programme. Is it because of weak growth? If we “grow the cake” then can we do better? But even during the previous decade of sustained growth in the post-apartheid period, the triple crisis persisted.

Clearly the problems are structural, they are embedded within the systemic features of our political economy. Growth along the same trajectory simply reproduces all of the deep-seated problems. This is why any solution has to be “radical” – that is to say, we have to go to the root of the problem. There has to be a **structural** transformation.

So what are the origins of this problematic, deeply-rooted structural legacy?

The problematic, systemic features of our political economy are rooted in South Africa’s colonial and white minority-rule history

The capitalist industrial revolution in South Africa in the late 1800s did not emerge “organically” from within South Africa, but was built around the mining revolution, which combined:

- A high **dependency** on (and subordination to) foreign finance capital and technology, primarily because quite quickly the capitalist exploitation of both the diamond fields and the gold reefs required deep-level extraction; and
- A massive **reserve army** of “cheap labour” – drawn from “native reserves”, and, indeed from throughout southern Africa.

Although much has changed in South Africa since the late 19th and early 20th centuries, these core features of the capitalist industrial revolution in our country have produced (and re-produce) systemic features, what is sometimes called a “path dependency”, which still persist today:

- Extremely high levels of private **monopoly capital** domination,

especially in the mining, banking and energy complex – and, therefore, a relatively weak manufacturing and SMME sector;

- The semi-peripheral subordination of South Africa within the global capitalist value chain – despite its very early industrialisation, South Africa has been locked into a growth trajectory as an exporter of low-value, un-beneficiated natural resources and as an importer of technology and capital goods;

- **Spatial inequalities** – Not only was the political formation that emerged in 1910 as the Union of South Africa a semi-peripheral political economy serving a distant imperialist core, but the massive reserve army of labour was sourced from and reproduced in local (and regional) rural peripheries – principally the “native reserves”, later bantustans. This “internal colonial” relationship played out between peripheral labour reserves and industrial mining and port centres. With the advance of the 20th century, it was also (and increasingly) reproduced in the core/periphery relationship of urban African townships on the distant outskirts of South African towns and cities.

- **Patriarchal oppression** – patriarchal values and oppression are found in most societies, but these were acutely intensified for the majority of women in South Africa by the “indirect rule” system through which the mining houses and successive colonial and white minority regimes exerted control over labour reserves. This was done through the simultaneous conservation and perversion of a “traditional” patriarchal subordinate apparatus – kings, chiefs and headmen, appointed by colonial and white minority rule authorities. Pre-capitalist societies in South Africa had both regressive patriarchal and progressive communal, democratic features. The latter we still honour today, partly in words (izimbizo/makgotla; ubuntu; masakhane; communal land, etc.), but also in the many every-day



practices of social solidarity and cooperation in working class communities (like stokvels). Successive colonial and white minority administrations preserved the worst authoritarian features and entrenched these in a system of indirect rule which later morphed into bantustan authorities. Today, one-third of South Africans, mostly women, still live as quasi-citizen-subjects under one or another form of chiefly authority. It was through this indirect rule system that girls, young men acting as “herd-boys”, and especially women were forced into bearing the brunt of the reproduction of “cheap” (for the mining houses) migrant male labour – through child-rearing, care for the sick and injured, and the elderly, while scratching the barest of livelihoods from survivalist farming. On the mines themselves, the mining houses also reinforced labour discipline through an ethnic “boss-boy” system.

The lumpen patriarchy that is so much in evidence in contemporary South Africa, the extraordinarily high-levels of violence against women and children, male-based gangs, shack-lords, quasi-trade union formations like the Five Madoda, and, perhaps, we should now add the political militias and goon squads like the North West province’s “Bang Fokols”, all have multiple origins. But the de-humanising impact of decades of colonially-distorted “traditional” patriarchy should not be underestimated. Nor should we forget that around one-third of South African citizens are also “subjects” of patriarchal authority in the former reserves. The majority of those affected are women.

- **A segmented labour force** – although the institutionalised segmentation of the labour force, with racially defined job reservation, labour preference areas and the like, has been abolished, the working class still remains stratified along racial lines. Artisanal and skilled positions are still disproportionately occupied by whites, and low skilled work almost entirely performed by blacks. A massive re-

serve army of labour has long been the core feature of South Africa's capitalist economy and of its relationship to the rest of the southern African region. High levels of unemployment have been disguised in rural dumping grounds and in township "informality", giving rise to migrancy by annual, seasonal and daily, contract labour, and the inhumane treatment and casual discarding of workers. These largely racialised patterns continue with 6,9-million workers unemployed and many more in precarious work. In addition, economic crises and urban and rural poverty in our wider southern African region have effectively transformed countries like Zimbabwe, Swaziland and Lesotho into labour-exporting reserves ("bantustans") for post-apartheid South African capitalism by way of a huge flow of economic refugees.

- **Education and training** – the reproduction of both class and racial inequalities was deliberately perpetuated through decades of colonial and apartheid education and training policies and practices. In the pre-1948 (pre-apartheid) period, the reproduction of class and race inequalities in the education system was largely by way of neglect of the African majority. However, in response to growing capitalist labour market needs for a semi-skilled labour force, the apartheid regime introduced the Bantu Education system. While the inferior character of this education system is often and correctly criticised, the scale of the roll-out is sometimes forgotten. When the National Party took power in 1948, the average black child spent only four years in school, and only a quarter of black children of school-going age were enrolled as pupils. Under the Bantu Education system the number of places for black pupils increased rapidly. But the racial inequalities in terms of government spending were massive, and with the growing intake of black pupils the per capita inequality increased. In 1953 government spending per African pupil was 14%

of that for each white pupil, by 1968 it had declined to 6%.

This significant expansion of education for blacks was not, of course, due to any enlightened philanthropy on the part of the apartheid regime. It was a strategic response to the growing demand for more literate, more numerate semi-skilled labour, while professional training and qualifications in the expanding but limited black universities (“bush colleges”) was intended to be reserved for staffing “homeland” administrations in the bantustans.

Since 1994, at a formal institutional level we have had a single, non-racial public education system, while important progress has been made in terms of achieving near universal school enrolment. However, in practice, vast inequalities persist throughout the education system, and serve to reproduce race and class inequalities.

- **Unsustainable environmental destruction** – Pre-colonial African societies lived in relative harmony with their natural environment. Everywhere, capitalism’s voracious need for ever-expanding growth has resulted in the destruction of the metabolic relation between societies and nature. Colonialism in the era of capitalism was particularly destructive of both human lives and wider nature as it embarked on an often genocidal process of primary accumulation. In South Africa, colonially-orchestrated, capitalist-driven industrialisation was based on an especially ruinous path – mineral extraction that has plundered our non-renewable national wealth at huge cost to human health, and to the environment, of which the current acid mine drainage crisis is but one symptom. Formerly cheap and abundant coal resources have also locked our energy system and wider productive economy into an excessively carbon-intensive path.

All of these systemically-interlinked legacy features of our political economy point to key radical structural transformation features that need to be the critical pillars of a second radical phase of the NDR.

They also point to why the National Question and therefore an NDR strategy remain central features of our struggle, not least our struggle for a socialist South Africa.

## **KEY PILLARS OF A SECOND RADICAL PHASE OF THE NDR**

Many of the sectoral policies that are elaborated below are familiar. Many, although not all, are found in both existing government and ANC policy programmes. It is pointless for the SACP to invent wholly new policies for the sake of appearances. However there are several important emphases:

- Many sound programmes are poorly implemented, or are under-resourced, or are ineffectively integrated with other policy programmes;
- Even more seriously, the now run-away state capture train is deliberately implicated in creating policy incoherence, as narrow personal agendas are pursued, and clientelistic transactional trade-offs are made to oil the wheels of patronage regardless of the overall impact; and
- Above all, our policy programmes must, individually, and collectively, have a strategically transformative character – getting to the root of the underlying structural distortions of our society that were noted above. Often, government policies lack a clear transformative agenda.

**Defence, consolidation and expansion of democratic social ownership and control of our country's major resources and enterprises.**

In the present context of the massive state-capture onslaught on our state owned enterprise sector – the defence and consolidation of our SOCs sector is an immediate priority. There is already a relatively extensive state-owned sector in our country including: all of South Africa's

ports and the great majority of our rail system are owned and controlled by Transnet and its subsidiaries; the majority of electricity in South Africa is generated and all of it is transmitted by Eskom; our major airports are owned and controlled by Acsa (now once more 100% publicly owned); the majority of our air-fleet is owned and operated by public entities – most notably SAA; with the passing of the Mineral Resources and Petroleum Development Act, all mineral resources were placed under public ownership with trusteeship vested in the state; the broadcast spectrum is controlled and regulated by the state; the Department of Public Works' Property Management Trading Entity has a property portfolio some seven times larger than the next largest property portfolio (that belonging to the JSE-listed Growthpoint); the largest investment fund in South Africa is the publicly controlled Public Investment Corporation with over R1 857-trillion assets under management. There are major publicly controlled financial institutions (DFIs) – among them IDC, the Land Bank, the DBSA, and several provincial DFIs, including Ithala Bank in KZN.

As noted above, however, this relative massive publicly-owned asset base, has not been used with sufficient strategic discipline and coordination to drive a second radical phase of the NDR. In the late 1990s and early 2000s, the “1996 class project” drove a corporatisation agenda, much of which was intended to prepare key SOCs for privatisation. The corporatisation process gutted much of the historical developmental capacity of leading SOCs. For instance, Eskom and Transnet (formerly Spoornet) were critical training grounds for (white) artisanal training across the economy. This vital capacity, now needed to ensuring the training of all South Africans, has disappeared. There was some partial privatisation (notably SAA, Acsa and Telkom), partly as another form of primitive capital accumulation for a narrow BEE elite.

In the more recent “state capture” period, most of the major SOCs,

DFIs and publicly-controlled investment funds have been subjected to aggressive, parasitic raiding in the name of “radical economic transformation”.

Which is why the first task is the democratic **defence** of the public sector, strategic SOCs, DFIs and public investment funds.

The second task is to ensure that this vast asset base is used with **strategic discipline** to leverage a second radical phase of the NDR, with the key focus on inclusive growth, job creation, and developmental impact.

A third task is to utilise the state’s regulatory powers to expand **social** ownership and control. For instance, instead of using the state’s custodianship of South Africa’s mineral wealth beneath our soil to leverage “free carry” share ownership for private black-owned companies (as is being proposed), a percentage of mine-shares must be provided as “free carry” to a national Sovereign Wealth Fund, and a further percentage to be allocated to mine-workers – thus fulfilling the Freedom Charter perspective that “the mineral wealth of South Africa belongs to **all who live in it**”.

**(Re-)Industrialisation** – Some important progress has been made since 2009 with the introduction of the state-led Industrial Policy Action Plans (Ipaps), in particular in the auto and auto-components and in the very challenging clothing and textile sectors. However, if our industrialisation programmes are to have the intended radical, structurally transformative impact, they require significantly higher levels of resourcing. Greater attention needs to be paid to labour intensive sectors, hence the latest emphasis on agro-processing. Apart from the key task of employment creation within a decent work agenda, our Ipap interventions need to be clearly positioned within a **national** democratic strategy to overcome South Africa’s sovereign vulnerability to external imperialist realities, as a result of our historical semi-peripheral loca-

tion within the global economy. Directly related to this is:

**The relative de-linking from dependency upon global imperialist value-chains** – through localisation, beneficiation, funding South African research and development; tougher financial flow controls; and a greater emphasis on southern African and sub-Saharan integrated and balanced development.

**Spatial transformation (transforming apartheid-colonial space)** – through state-led economic and social infrastructural development; integrated urbanisation; township economies; public transport; and strategic land reform. Again this range of interventions needs to be positioned within a **national** democratic strategic perspective. The structural reproduction of racial inequality and class exploitation is directly related to the perpetuation of apartheid-colonial space – now driven largely by the capitalist land and housing markets. Directly related to spatial transformation is the struggle to:

**Effect a relative de-linking of working class communities from excessive dependency upon the capitalist market (including the capitalist labour market)** – through land reform, sustainable livelihoods, cooperative and social entrepreneurship development, the township economy emphasising the production of use-values for working class communities, public employment programmes, the expansion of social protection measures, progressive moves towards a public work-guarantee scheme (the right to work), imposition of prescribed asset requirements on the financial sector.

When we speak of a **National Democratic Revolution** it is important not to forget the second word – **democratic**. (This is one of the reasons why the SACP continues to insist on using the full Mangaung resolution that called for a “second radical phase of the NDR”, rather than the truncated version that has now become popular – “radical economic transformation”.)

In the first place, the question has increasingly arisen as to whether the 100% proportional representation (PR) system in national and provincial elections is still appropriate to achieving effective constituency representation, and whether the PR system in strengthening centralised party leadership control over public representatives, has not been a factor in the state capture crisis.

More importantly, we will not succeed in driving effective structural transformation of our society without mobilised and organised popular power. The first radical phase of the NDR abolished the institutions of white minority rule and introduced a non-racial, one-person one-vote parliamentary democracy. This was an important advance – but the “democratic” in the NDR refers to a much deeper set of practices of which representative electoral democracy (in whatever form it is organised) is just one part. The Freedom Charter speaks also of organs of direct democracy. In the course of the popular uprisings of the 1980s rudimentary organs of local popular power emerged – self-defence committees, street committees, people’s courts and so on..

After 1994 a range of institutions were legislated for and were intended to take forward this rich experience – community policing forums, school governing bodies, ward committees, and the principle of popular participation in municipal budgeting and integrated development planning. In practice few of these structures have advanced popular participatory democracy – having been captured by the state bureaucracy, or politicians, or middle strata for their own purposes. Why has this happened? How do we revitalise these potentially critical organs of popular power?

Contributing to these challenges has been a loss of the popular movement character of the ANC and the Alliance partners. Much of the organisational structure of the ANC and its leagues has been converted into an electoral machine at best and, at worst, little more than para-



sitic-patronage networks. The SACP has also lost much of its popular mobilisational momentum over the last five or six years, and Cosatu, on the back foot in the face of mass retrenchments, has often been consumed with internal battles.

Given these realities, the Alliance has often found itself tailing behind, or even divided, in the face of popular struggles – the student struggles of the past two years being one example, the numerous local “delivery” protests being another.

But a second radical phase of the NDR will not be possible without the effective, strategic unity of a democratic developmental state and effectively organised and mobilised popular and working class power.

Defence of the NDR is also centrally about re-building a democratic criminal justice system and intelligence services aligned to our democratic constitutional values

The parasitic-patronage state capture agenda strategically targeted the criminal justice system and then the state-owned enterprises. Working class communities, in particular, live in a state of insecurity, while much of the South African Police Service are poorly trained, demoralised and under-resourced. The upper echelons of strategic institutions, particularly the Hawks and the NPA have been captured by factional parasitic forces, while a dominant but rogue unit within the Intelligence Services has become the key node of the shadow state. The removal of corrupt elements in these institutions and ensuring that the criminal justice system returns to constitutionality and service to the people, is now a key priority of defending, deepening and advancing a second radical phase of the NDR.

## **SOCIALISM IN THE 21ST CENTURY**

In the late 1980s and early 1990s the SACP played a relatively important international role in keeping the red flag of socialism flying. It was

an internationalist responsibility that the SACP at the time well understood. With the Soviet bloc of countries rapidly unravelling, with once mass-based communist parties in countries like Italy and France losing momentum, and with the historic communist party and trade union left in much of Latin America still reeling from decades of imperialist and military junta oppression, the ANC-led breakthrough in South Africa was one of the few radical popular developments of the time.

The SACP was very much an integral part of this radical breakthrough, a fact that was evident both among popular forces at home and internationally. The SACP appreciated that this imposed an internationalist duty on the SACP to, as it were, keep the red flag (and our very name as a communist party) flying. This meant neither being demoralised nor being in denial about the reasons for the major set-back that the collapse of the Soviet Union represented. As a Party that had from its outset been inspired by the 1917 Bolshevik Revolution, and that had been closely associated with the Soviet legacy for many decades, we had a particular responsibility both to our own broader movement and to left forces internationally.

In the early 1990s two important interventions were made from the side of the SACP. Our General Secretary at the time, cde Joe Slovo, published *Has socialism failed?* in 1990, and in 1995 the SACP at its Congress formally adopted a new strategic approach to the struggle for socialism – encapsulated in the slogan “*Socialism is the future – build it now!*”.

Slovo’s intervention was translated into a number of international languages, receiving a wide local and international left-wing readership. He acknowledged the important advances made after the 1917 Bolshevik Revolution in terms of full employment, health care, housing and major industrialisation in a formerly backward country. He also saluted the selfless assistance rendered by the Soviet Union and its al-

lies to the South African liberation struggle.

Slovo further noted the unceasing anti-Soviet imperialist offensive that had continued unabated from foreign invasions in support of the White Army counter-revolution in the Civil War, through the Nazi invasion in 1941 which resulted in 20-million deaths of Soviet citizens and the destruction of a large percentage of its productive base, through to the Cold War, with the threat of nuclear annihilation compelling a costly arms race burden.

These and multiple other imperialist-driven offensive operations, Slovo argued, contributed to a siege mentality within the Communist Party of the Soviet Union (CPSU), which reinforced other internal weaknesses and deviations, some of which assumed horrific dimensions – notably the mass-scale purges under Stalin, which eliminated millions of people, including much of the cream of the 1917 working class revolutionary leadership. These criminal excesses were halted in the 1950s and roundly criticised as a “Stalinist cult of the personality” at the CPSU’s 20th Congress in 1956.

However, as Slovo went on to argue, the rectification of the Stalinist errors did not overcome increasing economic and bureaucratic stagnation, which eventually led to the peaceful overthrow of the system from the late 1980s by the working class itself.

The thrust of Slovo’s intervention was that it was not socialism that had failed, but rather a socialist project that suffered from a deficit of democracy. He argued that capitalism can survive with or without formal democracy, relying on the threatening whip of unemployment and the bait of consumerism to drive people into alienated and exploited work. However, in the Soviet Union an extensive social wage but without vibrant democracy, including democracy in the work-place itself, resulted in social stagnation and mass alienation. Slovo’s conclusion was that without a vibrant popular and working class democracy, so-

cialism could not thrive.

In further SACP discussions, and particularly in the light of immediate challenges the Party was facing in the post-1994 period, Slovo's critique of 20th-century "existing socialism" was taken forward. A strong "economistic" tendency in the Soviet system was identified, involving a forced march into industrialisation, and an over-emphasis on developing and "modernising" the forces of production to the detriment of thoroughly democratising the relations of production. This resulted in further problems, the harsh treatment of other popular classes, notably the peasantry, and the attempt to "catch up" with the West at any cost, with a neglect of the devastation to the environment.

Socialism in the 21<sup>st</sup> century will need to place a premium on ensuring food security for its people, on sustainable livelihoods, sustainable households and communities, and the sustainable use of natural resources.

The SACP's 9th Congress (1995) and 10th Congress (1998) built upon and took further Slovo's perspectives on socialism. In particular, these congresses decisively broke with the "stage-ist" conception of the relationship between a radical NDR and the construction of socialism. This break with "stage-ism" was particularly important at a time when the Mbeki-period "1996 class project", sought to strategically re-define the NDR as essentially about "completing" the capitalist revolution in South Africa, which meant "de-racialising" capitalist ownership and control – but not increasingly abolishing capitalist ownership. The "1996 class project", used "stage-ism" to argue that, yes, they had no problem with socialism (and therefore with the SACP), but socialism and the SACP belonged to a distant future.

While continuing to assert that in South African conditions a radical NDR is the most direct "route" to socialism, with the slogan Socialism is the future – build it now, the Party committed to injecting a socialist-

orientation into present-day struggle. The argument was that defending, advancing and deepening the NDR requires building capacity for socialism (including, therefore, a class conscious working class), momentum towards socialism (through pursuing anti-capitalist struggles in the midst of the NDR), and even building elements of socialism in the present. Among the elements of socialism to be built in the midst of the NDR, are:

- The increasing de-commodification of basic needs – health-care, education, housing, the environment, culture and information, and work itself. In other words, taking basic needs out of the sphere of the market;
- Transforming the market – the decommodification of key areas of our society does not mean abolishing the market altogether, but rather the rolling back of its empire. To transform markets means intervening with collective social power to challenge and transform the capitalist dominated market-place using active labour market interventions; state procurement leverage; regulatory controls; and effective consumer negotiating forums;
- Socialising the ownership function – by building a strong, democratic public sector; fostering an extensive co-operative and social-solidarity economy sector; ensuring much more effective strategic worker control over social capital (like pension and provident funds);
- Socialising the management function – in the public sector by struggling against bureaucratic aloofness and ensuring greater levels of public participatory engagement; and, in the private sector, ensuring that the management function is not one-sidedly dominated by profit-maximising objectives – by using effective work-place forums, safety committees, etc; and

**Democratic planning – both at the central level and in devolved locations where appropriate.**

None of these measures in themselves, or in isolation, amount to socialism. All of them are open to being co-opted into the capitalist system. This is why on our terrain of revolutionary-reforms, in the context of contesting all sites of power, the question of momentum and transformative coordination are critical. We must seek constantly to build working class and popular confidence and power. We must seek constantly to advance transformational interventions that place our principal strategic opponent, monopoly capital, off-balance. In short, we must build working class and popular hegemony in all sites of power.

This requires both a vanguard party of socialism and a broad national democratic movement. Which is why we say:

*Communists to the front!*

*to defend, deepen and advance – the National Democratic Revolution! ●*

\* In September 2016 Mineral Resources Minister Mosebenzi Zwane announced that Cabinet had agreed to request a judicial commission into South Africa's major banks and their closure of the accounts of Oakbay Investments, a company controlled by the Gupta family. The Presidency confirmed the next day that Cabinet had in fact taken no such decision. No action was taken against Zwane, who remains Mineral Resources Minister.

ANC BATTLE OF IDEAS DISCUSSION DOCUMENT

# Class analysis of the SA communications systems

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The ANC's NGC discussion document on communications is unable to suggest meaningful transformation, writes **Mandla J Radebe** – because it is rooted in the capitalist system

The recently released African National Congress (ANC) discussion document on communication and battle of ideas titled *Towards the fourth industrial revolution: catalysing economic growth, building an inclusive society & advancing a balanced public discourse* poses a number of fascinating propositions and challenges that we, as Marxist-Leninists, ought to engage.

The critical tasks brought forth in the document must be welcomed as an attempt to address a number of intractable social challenges facing our country.

It is important to note that in the post-apartheid epoch the ANC-headed movement has grappled with this question of battle of ideas and in the process raising a number of defects about South Africa's communications systems. For example, various discussion documents from both the ANC and South African Communist Party (SACP) have correctly located the print media in its historical role of supporting and propping up the racist apartheid regime, and hence the inherent bias. In its 51<sup>st</sup> national conference discussion document *Media in a Democratic South Africa*, the ANC argued that "South Africa's prevailing media environment cannot be understood outside of the specific set of

conditions under which the media developed during apartheid.”<sup>1</sup>

These views of “biased” and “untransformed” media are not delusions of grandeur by the two primary political formations in the Alliance but a reflection of the challenges facing the communications systems post-apartheid. Other progressive social formations have also pinpointed these shortcomings, leading to the 2000 inquiry into racism in the media by the South African Human Rights Commission (SAHRC), culminating in the report *Faultlines: Inquiry into racism in the media*.

The triggers of this inquiry include complaints by the Black Lawyers Association and the Association of Black Accountants of South Africa to the SAHRC about racism in two Johannesburg-based newspapers, the *Mail & Guardian* and the *Sunday Times*. Among the crucial findings of the inquiry was that “racism exists in the media” and “South African media can be characterised as racist institutions”. Furthermore, in that regard institutions such as the South African National Editors’ Forum and the Institute for Advanced Journalism were tasked to “offer racism awareness training for journalists at all levels of the industry”.<sup>2</sup> Obviously, such interventions are woefully insufficient to address the deep-seated structural problems within the capitalist media.

With this background in mind, in this document I argue that although the communications systems are critical in the battle of ideas, such a discourse ought to be grounded in education, and other spheres of battle of ideas, as fundamental areas in the production and dissemination of ideology. I also posit that the fourth industrial revolution, on which the document is anchored, must be perceived as part and parcel of the accumulation system within the capitalist economic systems.

Most fundamentally, I argue that the communications systems in South Africa are located within the capitalist systems and thus a pivotal platform in the reproduction of the dominant ideology of the capitalist



class. This is further fuelled by the funding model of these communications systems such as over reliance on advertising and concentration in the ownership patterns among others.

Transformation and the limitations of BEE are other factors to be taken into account in the battle of ideas discourse. As part of the way forward I raise various points of interventions such as advancing a case of decommodification and alternative training systems.

### **A cursory glance of the ANC discussion document**

At the heart of the current ANC's discussion document is the theme of preparing for the fourth industrial revolution. In a nutshell, this industrial revolution is built on previous industrial revolutions with the first beginning in Britain in the mid-1700s, the second being the technological revolution from the beginning of the 19th century up until the First World War. The third, it is argued, started at the beginning of the 1970s, involving the automation of production through electronics and information technologies.

Essentially, this fourth industrial revolution is premised on the assumed successes of the third with convergence of technologies manifested through technological advancements such as “artificial intelligence (AI) machine learning, robotics, autonomous systems like driverless cars and drones, 3D printing and nanotechnologies.”<sup>3</sup> It is anticipated that this industrial revolution will mature in the next 20 to 40 years.

Flowing from this industrial revolution central theme, the document reflects on the policy context, resolutions of the 53<sup>rd</sup> National Conference and the fourth National General Council. Furthermore, observations are made on the challenges and shortcomings pertaining to issues of internal communications and the battle of ideas, ICT and postal policy, broadcasting/audio-visual content policy, and parliamentary and

legislature communications. Some of these are raised as priority issues and recommendations including issues of print media transformation, human resources development strategy and entrepreneurial and enterprise development.

In essence, the ANC discussion document posits that the theme on the fourth industrial revolution is guided by the National Development Plan (NDP) and seeks to prepare South Africa for this digital economy as a result of increased reliance on ICT. The document argues that this revolution has possibilities to disrupt the current economic and social structures in the near future and therefore “the task for South Africa is to plan effectively, position itself optimally and engage proactively with these rapidly evolving technologies. We have within our means the capability to harness the potential of these technological capacities to improve the lives of South Africans, and overall mitigate the negative side effects of disruption and change.”

Furthermore, in justifying the key pillars and anchoring preparations for this fourth industrial revolution, the document tells us that South Africa can be positioned for “effective utilisation of new technologies to meet its development goals must go hand in hand with activities to address inequalities, including the skewed distribution of resources and infrastructure and uneven access to economic and social opportunities for advancement.” It is that posture my paper seeks engage— a point we will return to later.

There are several crucial points contained in the 21-page document that cannot be summarised in few paragraphs. However, the point is to augment some of these points by locating them within a class perspective. Fundamentally, this paper seeks to unravel inter alia the theoretical perspective of the fourth industrial revolution that the ANC discussion document is anchored on.

## SACP and the battle of ideas

The starting point is to locate the battle of ideas within the SACP's strategic perspective document *The South African Road to Socialism* (SARS) buttressed by its Medium Term Vision. Key among the issues articulated in the SARS document includes the transformation of the media sector, particularly in the context of oligopolistic tendencies correctly perceived as "a major threat to media freedom, to an informed society, and to a meaningful democracy."<sup>4</sup> The intensification of the training of progressive journalists and the transformation of the educational system, a major terrain for the battle of ideas, are also clearly articulated in the SARS document.

To take forward and implement some of these progressive ideas, the Party co-ordinated and hosted a Media Transformation Summit in September 2015 and it is worth revisiting these declarations. Obviously these should be read jointly with the resolutions of the 13<sup>th</sup> National Congress. Firstly, the 13<sup>th</sup> National Congress, having noted, among other points: "State institutions, the media and other centres of power contribute to the generation and dissemination of information and ideas" and that "The information and communications technology have turned the world into a knowledge and information economy. Knowledge and information are the key to the means of production, access to jobs, services and a better life to all", it thus resolved on a wide range of critical areas.

These include the "establishment of a media training institute aimed at focusing on supporting community media, small commercial media and government communicators", the intensification of "training of progressive media journalists, graphic designers, writers, artists, poets, songwriters, play writers, singers and a new cadreship, including reaching out to rural areas", to "an Alliance Indaba on PBS (public broadcasting services)."<sup>5</sup>

The centrality of the battle of ideas in advancing the National Democratic Revolution (NDR) and the struggle towards socialism was captured in the SACP's battle of ideas discussion document for the 13<sup>th</sup> National Congress: "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."<sup>6</sup>

Over and above these, the Media Transformation Summit declared itself strongly on diversity and de-monopolisation, emphasising: "The Media Charter adopted by the African National Congress in 1992, recognises that diversity of media content is a cornerstone of democracy."

Furthermore, the summit took a view on issues of the urgent need for significantly great content production, accountability and regulation, public broadcasting, digital migration, workplace transformation. It correctly concluded that "The South African media, with a few notable exceptions, is stuck in an apartheid era time warp. This must change!"<sup>7</sup>

The views of the Party are indeed crucial to bear in mind if we are to engage meaningfully the proposition and the posture advanced in the recent ANC discussion document.

### **Education as a strategic pillar in the battle of ideas**

Although education is mentioned a number of times in the ANC discussion document, it is merely perceived as a system that must respond to skills' production necessary for industrial and economic needs. To this end, it is crucial to politically ground the battle ideas, as articulated in SARS, as a "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 edu-

cational and training system, the policy apparatus within the state, and a wide range of cultural and faith-based institutions and practices.”

Thus, education, and other spheres, is a major terrain in the battle of ideas and the production and dissemination of ideology. SARS expressly articulates the utilisation of education as a platform to perpetuate the oppressive ideologies of the ruling capitalist class and in the current epoch as a purveyor of neo-liberal ideology. Here, the battle of ideas debate must be perceived as a vehicle for societal transformation by paying close attention to critical aspects such as the content of education (curriculum), and its transformation so that it empowers the working class and the majority poor people. Thus, this is beyond just the limited view on narrow skills development. Fundamentally, this aspect should not be lost in the discussion of battle of ideas.

### **A Marxist perspective on technological revolutions**

A meaningful discussion must be grounded in a Marxist perspective on the battle of ideas. In the context of this discussion document anchored on the fourth industrial revolution, as a starting point, it is instructive to recall how Marx perceived the tendency towards constant technological revolutions in his articulation of the Laws of Motion of the Capitalist Mode of Production.

Essentially, Marx’s thesis is grounded on the realisation that accumulation of capital in the capitalist mode of production is first and foremost accumulation of productive capital. In this regard, in the realm of competition between productive capitalists, the main weapon lies in cutting production costs. Thus, advancement in the production techniques is paramount in this objective and hence the trend towards sophisticated machinery. Fundamentally, capital growth and the value of capital are premised on constant revolution in production techniques and technological progress.<sup>8</sup> This Marxist perspective is crucial towards

unpacking the perspective espoused in the ANC's battle of ideas document.

In this context, it becomes apparent that industrial revolution should be perceived as part and parcel of consciousness industry in the capitalist economic systems. As Marx posits in the *Preface of A Contribution to the Critique of Political Economy*, "The mode of production of material life determines the general character of the social, political and spiritual processes of life. It is not the consciousness of men that determines their being, but, on the contrary, their social being determines their consciousness."<sup>9</sup>

Essentially, industrial revolution in the context of the capitalist systems of communications means that the control of means of mental productions is squarely located within the capitalist consciousness industry. In essence, the broader society, as audiences, is compelled to work for advertisers, who in turn buy audience labour-power from media companies.<sup>10</sup> Fundamentally, the content and messages of this consciousness industry (the capitalist communications systems) is designed not only to advance the views of the dominant capitalist class but also coerce the rest of the society to believe that capitalism is an immutable and natural system.

Therefore, as Marx and Engels observed in the defeat of the Paris Commune, "the working class cannot simply lay hold of the ready-made state machinery, and wield it for its own purposes."<sup>11</sup> This lesson is instructive for our national liberation movement as it exercises popular power derived from the 1994 democratic breakthrough, as manifested by inter alia the battle of ideas. The idea in not to downplay or undermine the continuous development of the productive forces under capitalism and their potential to impact on the people's quality of life mainly brought by technological advancements, however the point is to appreciate that these are first and foremost primarily designed for

capitalist accumulation.

### **Taking forward the battle of ideas**

The battle of ideas can only be effectively advanced if the Party's line and posture that it is an integral part of the class struggle is fully embraced. To assume that in the course of a revolution the communications systems that underpin the class enemy's economic system to advance exploitation of the working class and often primitive accumulation, can be utilised for the benefit of the working class is tantamount to reformism. Below are some of the features that must be borne in mind when dealing with the battle of ideas and some possible revolutionary actions that must be considered.

### **Location of the communications systems within capitalist economy**

It is crucial to appreciate the location of the communications productive forces within the capitalist system. All the challenges outlined in the ANC discussion document, for example, should be understood and appreciated in this context. The long and short is that the communications systems are a structural component and closely interlocked with the interests of the capitalist class, thereby perpetuating social conditions favourable to capital accumulation.<sup>12</sup>

The basic principle when dealing with capitalist systems of communications is the need to appreciate that these systems, their content and meanings carried by their messages are all essentially determined by the economic base within which they are produced. Ultimately, the institutions that transmit ideas to the rest of society are steeped in capitalist logic.

Subsequently, even government policies that seek to influence the direction of the battle of ideas are constrained by the location of the communications systems within capitalism and must follow a political

agenda that is favourable to the development of the capitalist economy.<sup>13</sup> This point is well-articulated by Lindblom when he posits that “because public functions in the market system rest in the hands of businessmen, it follows that jobs, prices, production, growth, standard of living, and the economic security of everyone all rest in their hands. Consequently government officials cannot be indifferent to how well business performs its functions. Depression, inflation, or other economic disasters can bring down a government. A major function of government, therefore, is to see to it that business perform their tasks.”<sup>14</sup>

Recent developments in South Africa and the role of the market forces such as the rating agencies in disciplining an ‘errant’ government are a case in point. It is crucial when dealing with this question that we acknowledge the nuances of the state as an institution that bases itself on the availability of forcible coercion by special agencies of society in order to maintain the dominance of a ruling class, preserve existing property relations from basic change, and keep all other classes in subjections, as articulated by Engels.<sup>15</sup>

This point is crucial in the context of the battle of ideas. Whereas the state must be the arbiter among the social forces in society, it is apparent that it is interlocked with the economic interests of the ruling elite. This must also be perceived in line with the Marxist concept of base and superstructure.<sup>16</sup> To this end, certain types of knowledge are selected and become dominant due to their consistency with existing social structures and relations. If ideas legitimise the existing power structures, they are likely to be disseminated and accepted. On the other hand, ideas that oppose the existing power structure are less likely to be disseminated and therefore will not be available for public consumption.

In advancing these views we must guard against being binary in our approach and against the trap of economic reductionism. However,



what the base and superstructure metaphor does is to empower us to unravel the means and the social relations of production brought together in the wage relation (base), which shape the nature of the state and popular culture (superstructure).<sup>17</sup> Consequently, it can thus be surmised that the state and popular culture arise from the base, which leads to the perspective that social consciousness may be seen to result from the consumption of popular culture whereas in reality it results from a particular economic structure.<sup>18</sup>

However, the point here is that the capitalist communications systems, such as the corporate media, are part and parcel of an ideological platform for class contestation dominated by the capitalist class due to their control of the systems through concentration of monopoly capital. Even professionals in the field, though believing their illusion of autonomy, are essentially socialised to advance the notion of the dominant capitalist class through social structures, for example.

In this context, the operating logic that underpins the managerial structures within the communications systems are subjected to and subjugated by commercial imperatives and the ethos of the capitalist owners. These structures and processes are not a democratic process set up in consultation with the workers, but rather a structure put in place by executive management on behalf of the owners. These are the rules of the game aimed at regulating the behaviour of personnel in line with the desired standards and codes of conducts. Indeed, social structures act as rules that regulate individuals' thoughts and behaviours.<sup>19</sup>

Even in an environment where the rules are not formalised, agents internalise them in order to demonstrate the appropriate levels of understanding of the game.<sup>20</sup> Therefore, the communications system advances the interest framework consonant with the capitalist class and even the audience is unable to effectively contest and reject these as it lacks access to alternative systems,<sup>21</sup> a point we will revert to later.

### **The funding model of the communications systems – advertising as the life blood of the media**

Another crucial aspect within the battle of the ideas, directly linked to the point above, is the funding model of the communications systems. For example, in the capitalist economy advertising becomes an integral source of funding for all forms of media since the entire production process of the capitalist media system rests on the profit logic. Indeed, advertising is a source of revenue and, simply put, it is the lifeblood of the capitalist media systems. The capitalist media's profitability and thus its survival lie squarely in its ability to attract an audience to sell to advertisers.<sup>22</sup>

This scenario in all likelihood leads to class and political discrimination as advertising allocation emphasises the need to attract people with money to buy while on the other hand capitalist organisations will always refuse to patronise ideological enemies and those whom they perceive as damaging their interests.<sup>23</sup> It is for this reason, for example, that it is unthinkable for working class publications such as the *South African Labour Bulletin* and *Umsebenzi* to attract advertising. In a nutshell, advertising is one of the means of accumulation in the capitalist media systems.<sup>24</sup>

Therefore, the battle of ideas discourse should at all material time be alive to this hegemony of the ruling capitalist class. In essence, the class struggle, as the Party acknowledges, is first and foremost the primary task in the battle of ideas.

### **Ownership and concentration**

Ownership and concentration is one of the points articulately assessed in almost all previous ANC battle of ideas documents. The ownership and concentration of the South African communications systems, media in particular, are equally well documented. Again, if we pay close at-

tention to media houses it emerges that although ownership has moved out of the old apartheid conglomerates that shaped the print media for many years, it remains concentrated and still in the hands of four major players – News24, Independent News and Media SA (Sekunjalo), Times Media Group and Caxton-CTP<sup>25</sup> – which have evolved slightly post-apartheid. Indeed, these four big groups control almost all the major newspapers, community newspapers, consumer and specialist magazines in South Africa. They also have direct interest in the internet and broadcast space.

The impact of this capitalist control is that our communications systems tend to follow a similar developmental trajectory as their global counterparts. Apart from increasingly being big business, these systems have material interest in advancing market-friendly capitalist policies aimed at maximising profit for their capitalist owners.<sup>26</sup> Also, this point is linked with the role of advertising in the capitalist media systems.

However, in our South African context a crucial point to be explored is the link between government advertising and participation in the ownership structures of this media system. Fundamentally, a key question we ought to pose is how has these translated in advancing the course of the NDR?

It is interesting to note that, for example, the South African capitalist media even though critical of the democratic government, ownership and control remain inextricably linked to government. Apart from the huge annual advertising budget government spends on the print media, its entities such as the Government Employees Pension Fund (GEPF) and the Public Investment Corporation (PIC) have substantial stakes in media houses such as Media 24 and Independent News & Media.

As far as government advertising is concerned, for example, in the 2010-11 and 2011-12 financial years, the advertising expenditure on

group newspapers was over R20-million and R55-million respectively. Of the 2010-11 expenditure, 52% went to the Naspers group of newspapers which already has GEFP as a shareholder. With all these capital investments, the government of the ANC still finds itself at the receiving end of the capitalist media onslaught against the NDR.

In fact, the savings of the working class are utilised to prop up the very same capitalist media to maintain its monopolistic stranglehold and the capitalist hegemony in society. The utilisation of these savings of the working class does not resonate with their class interests. Indeed, the meagre resources of the working class are at the centre of framing the public discourse that helps to uphold monopoly capital. The battle of ideas discourse, must deal with this difficult question head-on.

While many of these corporations swear by freedom of speech, but when their most sensitive economic interests are at stake, they seldom refrain from using their power over public information.<sup>27</sup> It is through the ownership patterns that the capitalist class influence the content of news by, among others, employing the personnel and availing media platforms to aligned ideological groups.

### **Media transformation and the limitations of BEE**

Inherent in the production process of the capitalist media in South Africa is the question of transformation. The transformation agenda, both on the ownership front and staff compliment, has been an important topic of discussion since the dawn of democracy. Also, there is a general assumption that the transformation of the staff compliment will address the notion of bias against the “black” government, a concern raised by successive ANC presidents, from Nelson Mandela to Jacob Zuma.

Even with the transformation agenda, often perceived through Broad-Based Black Economic Empowerment (BBBEE) lenses, this has

not have had any impact on the influence ownership and concentration. Whereas, BBBEE is essentially part of changing the fundamental contradictions that characterise South Africa as a democracy, whose political power is in the hands of the majority African people but where substantial economic power still resides with the same old white capitalist class as under apartheid, however, part of the problem rest on its failure to deal with the underlying logic of the South African capitalist economy. Instead, BBBEE has sought to perpetuate the transformation trajectory that began under apartheid,<sup>28</sup> aimed at creating the black bourgeoisie. Essentially, while deracialisation may have occurred, fundamentally this has been curtailed by class continuity in ownership and control of the communications systems.<sup>29</sup>

This, together with the increase in numbers of black senior managers in the newsroom, has not improved the representation of anti-capitalist ideological views in the capitalist media.

### **Immediate tasks for the battle of ideas**

It is quite apparent that the location of our communications systems within market forces is one of the strategic questions the battle of ideas must deal with. To address this question, some of the tasks that lie ahead include the development of an alternative decommodified communications system and training of progressive journalist as alluded to by the Party.

### **Debunking the false notion of community media as an alternative**

However, before we even explore the issue of the alternative communications systems it is critical to dispel the notion of community media as viable alternative. Recently, the emergence of The New Age and ANN7 has been bandied about as another form of alternative. This view is false as these are squarely located and captured by the broader capital-

ist logic and hence their continued commodification.

We shouldn't be blind to the power of social media networking, yet another terrain for battle of ideas, in influencing the 'new' in the community media. Essentially, social and community media share the community affiliation as feature in the circulation of information. This is often driven by efforts of volunteers. While some community media copy and mimic the capitalist commercial media, the biggest opportunity is their ability to enable their audience to produce and somehow control the content.

But some community media, such as community broadcasting have distinctly remained old mainly due to technologies, codes of practice, legal restrictions and standards.<sup>30</sup> It is this location within the capitalist framework that limits the community media from being a viable alternative in the battle of ideas. Over and above this reality, a number of the so-called community newspapers have been commercialised by organisations like Caxton. Thus, just like the so-called mainstream media, the community media must first and foremost undergo decommodification.

### **A case for a decommodified alternative communications system**

A practical response to the many challenges facing the capitalist communications systems lies in the concept of "decommodification". Decommodified communications systems will mean, inter alia, the expansion on the availability of public media by decreasing the over reliance on advertising.

This is one way we can limit the encroachment of the markets by increasing the provision of public goods and expansion of social protection. Briefly, this suggests that the promotion of democratic and popular control over the market by creating communications systems based on social needs instead of profit. By taking this posture, it becomes

possible to undermine the capitalist hegemony by exposing its social costs and consequences,<sup>31</sup> such as high-levels of inequality, chronic unemployment and poverty as well as destruction of our natural environment.

An alternative public communications system, as espoused by Marx, is one fundamental way to contest the unabating ideological grip and domination of the capitalist class. This alternative system must ensure that it serves the public interest rather than narrow class interests.

The crucial aspect of the alternative systems should be its ability to counterbalance the capitalist communications systems as it disseminates and reinforces the dominant capitalist ideology. As Marx and Engels posit, “It is the duty of the press to come forward on behalf of the oppressed in its immediate neighbourhood. ... The first duty of the press now is to undermine all the foundations of the existing political state of affairs.”<sup>32</sup>

To this end, a true people-centred communications system should be non-commercial and non-profit and thus avoid being corrupted by capitalist pressures. This system must not be modelled on the current capitalist communications systems that are interlocked in the capitalist structures and thus operates on the basis of profit maximisation. Instead, the primary ethos of the alternative communications systems must be premised on serving the majority of the people by providing good-quality information and education, and thereby become a public good.<sup>33</sup>

### **Alternative training and development**

However, for such an alternative communications system to prevail in a hegemonic capitalist environment, it will have to be addressed at the developmental level. In this regard, it has to include a transformational process in the training and development of communications profes-

sionals. This is paramount, for example, in an approach to journalism education and training that displays signs of dependency on Western epistemologies post-apartheid while neglecting the indigenous languages as languages of instruction and thus communication, thereby failing to address the challenges of post-apartheid transformation.<sup>34</sup>

Indeed, training of communications professionals is a vital cog if the project of establishing alternative decommodified communications systems is to flourish.

### **Conclusion**

Indeed, the SACP's ideological perspective on the battle of ideas is that it should be perceived as part of the class struggle is a critical starting point. Failure to appreciate this profound principle is most likely to lead us to incorrect analysis and conclusions. Analysis of the battle of ideas from a class perspective thus compels us to deal with the critical question of the economic base. South African communications systems are primarily capitalist due to their location, ownership and funding. It is for this reason that advertising, as capitalist realism, plays a pivotal role in these systems. Capitalist realism in this context denotes the commodity aspect of these systems.

Directly linked to this is the ownership patterns that must be alternated and hence the limitations of the current BBBEE led transformation. Any revolutionary inclined battle of ideas discourse must fundamentally deal with these structural dynamics and ensure that it advocates for alternative decommodified anti-capitalist systems designed to advance the interest of the rest of the populace.

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## ANC ELECTORAL SUPPORT

# Election lessons from Zambia and Nicaragua

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**David Masondo** assesses the factors behind the loss of political power by the progressive political formations that took Zambia to independence and Nicaragua to democracy, and extracts the lessons these might have for SA

Between 1910 and 1994, South Africa as a racist country, was controlled by Afrikaner nationalist governments of different sorts. The ANC was elected into power after popular struggles and protracted negotiations which produced a neo-colonial settlement that retained white business' economic privileges but granted black people political rights, including universal franchise. <sup>1</sup>

The ANC was elected in 1994 with an initial 63% electoral support. Its general election support increased to 66% in 1999 and to 69% in 2004. It declined to 65% in 2009 and to 62% in 2014.

The ANC's electoral support declined even further in the 2016 local government elections. In urban centers, particularly the metros, the ANC suffered a significant drop.

- Thekwini dropped from 61% (2011) to 56% (2016);
- Cape Town, from 33% (2011) to 24% (2016);
- Nelson Mandela Bay, from 68% (2006), 53% (2011) to 41% (2016);
- Buffalo City, from 81% (2006), to 70% (2011) and 60% (2016);

- Mangaung, from 77% (2006), to 72% (2011) to 62% (2016);
- Johannesburg, Ekurhuleni and Tshwane, from around 60% (2011) to approximately 40% (2016).

South Africa seems to be following historically similar patterns to those of other progressive parties losing power through the ballot box. In this paper, I examine South Africa's poor economic situation worsened by our subordinate role in the world economy; what the ANC did once in power and the fragmentation of the ANC itself, along with the Alliance once in power, as factors contributing to ANC's electoral decline.

The decline of the ANC's electoral support since 2009, particularly in the 2016 local government elections, has not only conveyed a clear message that the ANC cannot rely any more on its rich struggle history against colonialism, it has also led to the ANC generating a variety of explanations for the decline. There are explanations based on proportional representation, which has enabled opposition parties to obtain more seats while losing ward elections. But this argument does not explain why, in previous elections, the ANC obtained majority votes and was able to constitute government without seeking support from other opposition parties.

The other dominant explanation for the decline of the ANC's electoral support, particularly the 2016 local government, is that the ANC has become arrogant, that is, the ANC and its leaders ignore the views of society – ranging from e-tolls, to the Nkandla debacle<sup>2</sup>. The 2016 local government elections took place within the context of disappointing 'own-goals' such as the Marikana massacre, the Constitutional Court judgment on Nkandla, e-tolls and the egregious display of wealth amongst erstwhile revolutionaries in the midst of poverty. These subjective weaknesses are real. However, focusing exclusively on these give us only partial truth, tend to be incoherently articulated and accompa-

nied by incomplete solutions. For instance, the calls for organisational renewal tend to be reduced to leadership change without affecting the socio-economic and political policy changes required to respond the needs of poor South African citizens<sup>3</sup>.

This article suggests the failure of the ANC-led movement to confront the racial, colonial and industrial structure of the South African economy and its mode of incorporation into the world economy (which also benefits the post-colonial political elite), and the fragmentation of ANC-led revolutionary forces have set the conditions that made the recent ANC electoral setback possible. Fragmentation has expressed itself through, among other developments, the breakaway from the ANC of new political parties, the Congress of the People (Cope) and Economic Freedom Fighters (EFF); expulsions and breakaways of Cosatu affiliated trade unions such as National Union of Metalworkers of South Africa (Numsa) and Food Allied Workers Union (Fawu); destructive factionalism in the form of unfair expulsions of members and factional choices of councillors; the unreasonable dissolution of elected structures across the ANC-led alliance leading to poor voter registration and turn-out, have made it possible for the electoral decline

In contributing to discussions towards a better understanding of the ANC's electoral decline, I place the discussions within the experiences of other progressive forces, particularly in Zambia and Nicaragua, which lost political power through at the polls. I examine the international experience to draw lessons and illustrate the importance of the structural (objective) and subjective conditions that tend to make it possible and probable for the rolling-back of revolutions, particularly in underdeveloped societies such as South Africa. The notion of a rolled-back revolution is used to signify situations in which revolutionary movements successfully attain state power, but cannot hold it long enough to make serious political, democratic and structural changes,

which includes industrialisation as a necessary step towards breaking economic dependency.

A number of 20th century progressive movements have been rolled back through elections, others by force of arms. Nicaragua (1979-1990), Zambia (1964-1991), Venezuela (1998-2011 under Chavez and 2013-2015 under Maduro), Jamaica (1980), Grenada (1983) and India (1977 and 1989) were reversed through elections. Third World revolutions reversed militarily include Chile (1973), Burkina Faso under Sankara (1983-1987), and Ghana under Nkwame Nkrumah (1966). There are some revolutions consolidated and/or degenerated through undemocratic means: Cuba, Zimbabwe and China.

This article will focus on the revolutions that obtained state power and were defeated electorally, mainly Zambia and Nicaragua. These two countries operated under the conditions of underdevelopment with progressive organisations taking power as part of multi-class alliances. In both cases, the progressive organisations lost power in the post-Cold War period. The organisations, the Sandinistas in Nicaragua and United National Independence Party (Unip) in Zambia have ideological similarities with the ANC. I focus on:

- Each country's economic situation and their consequent subordinate and dependent role in the world economy;
- How the coalitions/alliances fragmented once they attained state power;
- What they did once in power, and
- How they fell from power, and what happened after the fall.

The article will start by laying out the political and economic structures that set the conditions for struggle for political and economic democracy and subsequent events in each country. The article assembles various comparative analyses to draw common and divergent patterns out of these experiences providing lessons for South Africa.

## NICARAGUA

### Political and economic conditions that enabled the Sandinistas to rise to power

In Nicaragua the social forces that came to power in 1979 through an insurrectional general strike were varied and had different economic interests. It was largely the agro-industrial businesses producing cotton and sugar; peasants, workers, students and the clergy. The agro-industrial business sector was opposed to the concentration of the economy in the hands of the Somoza family dynasty and of a Somoza-associated elite, owning huge swathes of land and producing agricultural products for export largely to the USA and Europe – and to the use of the state apparatus to monopolise the economy to the exclusion of other sections of the bourgeoisie. The peasantry and workers were subjected to landlessness and poor working conditions.

Somoza's dictatorship rested on US support and on its control of the National Guard as a repressive state apparatus, but which was also assigned other responsibilities, among them postal services and administration of elections. The National Guard was largely oriented towards dealing with internal political opposition. All key positions in the state were occupied by Somoza's family members and friends. The state was systemically placed at the service of Somoza's capital accumulation.

Both the exclusionary economic and political structures set the conditions for resistance against Somoza, which took different forms in the 1960s from churches, labour unions and political parties. In 1961 the FSLN (Sandinista National Liberation Front) was established to fight the Somoza regime with the support of Cuba. FSLN was named after Augusto César Sandino, who had led the Nicaraguan resistance against the United States occupation of Nicaragua in the 1920s. The FSLN's class base was the peasants, working class and business, all marginal-

ised by Somoza's monopolisation of the economy. Like the Chinese, Vietnamese and Cubans, FSLN strategists sought to combine nationalism and the struggle for socialism. Sandinista political culture drew from nationalist, socialist and democratic strands, and from liberation theology.

FSLN tactics were largely based on guerrilla tactics. However, they were also inspired by the 1959 Cuban revolution organised under the July 26 Movement. There were different political tendencies within the FSLN. The proletarian tendency against military adventurism argued for revolutionaries to root themselves amongst the proletarians. The other tendency was called the Protracted War or Front Tendency which argued for a strategy of rural guerrilla warfare. This tendency, led by Daniel Ortega, later the Nicaraguan President, favoured commando-type actions and urban guerrilla activity.

The economic crisis in the 1970s set the necessary conditions for the overthrow of Somoza<sup>4</sup>. But there were two triggers for the regime's removal. The first was Somoza's embezzlement of international funds meant to relieve the victims of a devastating 1978 earthquake. The second was the assassination of Pedro Joaquín Chamorro, editor of the anti-Somoza newspaper, *La Prensa*, which was attributed to the Somoza regime. The (FSLN) led a successful armed insurrection against Somoza in 1979.

The success of the armed insurrection was also made possible by changes to US policy under US President Jimmy Carter (1977-1981), which gave greater emphasis in foreign policy to human rights, and by the internal anti-USA movement against US involvement in the Vietnam war. The situation became unfavourable for Nicaragua when Ronald Reagan became US president in 1981. The Reagan administration was hostile to the revolution, fearing that the Nicaraguan revolutionary outcomes would have a demonstrating effect to the entire Latin Ameri-



can continent and the Third World, thus undermining US economic and political influence. Reagan authorised the CIA to assist anti-Sandinista groups in Nicaragua, and in 1981 authorised the CIA to conduct covert operations. In 1982, the US created a parallel army (known as the Contras) drawn from Somoza's National Guard who were trained and funded by the CIA and the US military and commanded by the leading figures of the business opposition. The US -backed military opposition to the Sandinistas was also accompanied by economic sabotage through the cutting of aid and blocking developmental loans<sup>5</sup>.

### **What Sandinistas did or did not do, to overcome political and economic structures**

When the Sandinistas came into power in 1979, the Nicaraguan economic infrastructure and industries were devastated. Unlike the Zambian post-colonial state, which inherited a healthy fiscal position arising out of a strongly performing copper price, the Nicaraguans had a huge foreign debt owed to the US. In spite of this, the Sandinista government implemented progressive political and socio-economic programmes on health, education, land and agrarian reforms. Their economic strategy was based on a basic needs approach in which they prioritised or invested in health, education, land reform and providing credit to small farmers and small private producers, co-ops and the new state sector.

By 1983, food consumption had grown by 40%, rents had been cut by 50%, medical care was free, and infant mortality had declined by 28%. Illiteracy was reduced from 50% in 1980 to 12%. By 1987, 40% of the land previously owned by Somoza and his allies had been redistributed to peasants.

The Sandinista's created their state sector through nationalisation without expropriating either foreign business or agro-industrial business. Instead they took over Somoza's share of the economy<sup>6</sup>. The state

sector accounted for 40% of the GNP, in which 50% of the large state farms, 25% of the industry, exports and banks were nationalised; 180 industrial and commercial companies were expropriated by the state; and about one-fifth of the land was taken over<sup>7</sup>. However, the private sector still retained the majority of economic activity, accounting for 60% of the GNP.

Despite the significant land redistribution, ownership of two thirds of the land remained in private hands to maintain the support of the private sector<sup>8</sup>. The Sandinistas' political and economic strategy was to maintain their class alliance with private business as part of their 'mixed economy' strategy, which treated industrial business as an important class agent in the first stage towards socialism. The FSLN identified the agro-industrial businesses as class agents to carry out industrialisation and economic development, hence agro-industrial business was not nationalised. However, the agro-industrial business failed to fulfil the expectations of the Sandinistas. Nicaragua's economy was still based on agricultural products, with coffee constituting 50% of its exports; and it was subject to the vagaries of the international market. Due to a lack of diversification in the economy, the Sandinista government had to import industrial products at high prices, thus creating a large trade deficit and dependency on the foreign economy.

### **Fragmentation of the Sandinistas and electoral defeat**

Whilst the Sandinistas' orientation was to increase involvement in the state through nationalisation and redistributive social policies, agro-industrial business wanted more freedom from the state for business to have unfettered space for profit-making. Even though the Sandinistas only nationalised Somoza's properties, the business community were suspicious that the Sandinistas' ultimate strategic goal was the abolishment of private property in light of the debates among the Sandinis-

tas. The 1986 Sandinista support for the landless peasants' organisations' invasion of both state and private unused land led to the final fragmentation of the class alliance between the agro-business and the Sandinistas, shaky since 1980, given divergent class interests. By 1988 the Sandinista-business alliance had collapsed despite the Sandinistas passing legislation in 1987 to guarantee private property<sup>9</sup>.

The agro-industrial businesses joined the anti-Somoza movement because they wanted access to the state which was monopolised by Somoza's associates, and under the Sandinistas they wanted freedom from state interference. In fighting against the Sandinista government's interference in the economy agri-businesses embarked on an investment strike through stopping or the postponing planting and farming or maintaining a minimum production to avoid confiscation based on non-usage of the land.

With the US-supported civil war, the business investment strike and the failure to carry out industrialisation, the economic crisis deepened in the late 1980s. By 1985-1987, the economic crisis had reversed the earlier gains on the economic front. In 1985, GDP had fallen by 30%; and inflation hit 300%. By 1986, purchasing power was down 60%. By 1988, inflation was at 33 000%. There was hunger in the countryside and the return of diseases because the state could no longer afford to implement universal immunisation. There was a growth of illiteracy as children had to earn money rather than go to school. Both urban and agricultural workers were forced into the informal economy<sup>10</sup>. More than half the population was unemployed or underemployed, largely due to non-industrialisation.

As in the period under Somoza, agro-industrial business demanded a laissez-faire state which allowed it more freedom to determine investment decisions without state involvement. Similar to Zambia, the Nicaraguan government's response to the pressure from agro-industri-

al business and the 1988-1989 economic crisis was to introduce free market policies, including austerity which saw the retrenchments of about 30 000 public employees, including thousands from the Sandinista People's Army. Other policy measures included the lifting of price controls, cuts in government spending (the national budget revenue was cut by 44%) and devaluation of the currency. These measures worsened the socio-economic conditions of poor people.

By 1990, this had generated widespread dissatisfaction with the Sandinista's policies. There was a weariness of the Nicaraguan people from the war waged by the Contras, which they felt the US would continue as long as the Sandinistas were in power, combined with the hope that US economic aid would follow an opposition victory led by the National Opposition Union (UNO). 61% of the people felt that the UNO would be able to reconcile Nicaragua with the USA.

In February 1990, the FSLN lost elections to a coalition of 14 parties, most of them right-wing. With the support of the US and Contra insurgents, the Somoza forces united around a single candidate –Violeta Chamorro, who defeated Daniel Ortega. The Sandinistas' acceptance of their electoral defeat legitimated the constitutional democratic framework, which respected political and civil rights and abolished the death penalty that was introduced by the Sandinistas. As opposed to other revolutions which had been defeated electorally, but in which the elite stayed in power (e.g. Zimbabwe), the Sandinistas helped to foster electoral democracy in Nicaragua by accepting electoral defeat. This set long-term political conditions for the Sandinistas to win back state power in 2006 under Dan Ortega.

However, just before he left power, the nationalised properties (farms, businesses, stocks etc.) were chaotically transferred to Ortega and his associates. This enabled Sandinista officials to become private property owners, including Ortega who consolidated his wealth and

later benefited from Chamorro's neo-liberal policies. As in the transition from state socialism in the USSR to capitalism, state and party officials used their political power to loot state-owned companies.

In 1997, the FSLN lost elections again to a far right-wing Constitutional Liberal Party (PLC) In 1999, the FSLN entered into an agreement with the PLC that included the allocation of certain state departments to the FSLN. In 2006, Ortega was re-elected as President with 38% electoral support; and in 2016 the Sandinistas won the elections with more than 71% support. The victory was also made possible by socio-economic growth and development. While the FSLN had been riddled with corruption, it tried to maintain its ideological left character, including breaking away from the Nafta<sup>11</sup>.

## **ZAMBIA**

### **Colonial political & economic conditions that enabled Zambian nationalists to rise to state power**

Both the colonial and post-colonial political state and economic structures set the conditions for the defeat of the colonial power and the post-colonial state under the leadership of the United National Independence Party (Unip) led by Kenneth Kaunda. During the colonial period, both the state and economy were exclusionary and dependent, due to their subordinate insertion into the global economy. Under colonialism, Zambia was a dominated copper-mining enclave owned by multinational companies under the British South African Company. Ownership in the manufacturing industry was vested in both white settlers and multinational companies. Commercial farming was also predominately in the hands of the white settlers<sup>12</sup>.

In 1923, the British government took over Northern Rhodesia from the British South African Company which had been given powers to

establish policing and administration over the territory in 1889 under Cecil John Rhodes, who was responsible for exploring mining opportunities further north of South Africa. In 1924 the Colonial Office of Northern Rhodesia was established with executive and legislative councils in the territory, which became a British Protectorate.

In 1948, the Northern Rhodesia Congress (named Northern Rhodesian ANC in 1951) was formed out of welfare and civic associations organising against racism, and campaigning through boycotts. The founders of the Northern Rhodesian ANC were largely drawn from the middle class who were products of missionary education, and were linked to the ANC in South Africa. Kaunda was its first General Secretary.

In 1958, the Zambia African National Congress broke away from the Northern Rhodesian ANC over the goals, strategy and tactics for the liberation of Africans in Northern Rhodesia. The ZANC wanted full national independence based on a universal franchise, whereas the Northern Rhodesian ANC wanted incorporation into the colonial structure based on a qualified franchise.

A split in the breakaway ZANC led to the formation of the Unip over the degree of militancy and tactics. Kaunda became the Unip President, and was heavily influenced by the British Labour Party<sup>13</sup>. Negotiations were held between Unip, the ZANC, the ANC and the British colonial authorities at Lancaster House (London) over political independence. It was agreed that Kaunda would be the Prime Minister from 1963 until the elections in 1964.

### **What Zambian nationalists did or did not do to overcome colonial political & economic structures**

Upon election, like all post-colonial countries, politically independent Zambia had to grapple with overcoming underdevelopment. The Zam-

bian economy faced constraints such as concentration of the economy in the hands of a tiny minority, low levels of levels of industrialisation and reliance on copper; as well as small market size, disruptions of supply routes due to the liberation struggle in Southern Africa. However, Kaunda inherited good foreign reserves due to the then high copper price which enabled the state to generate enough revenue to roll out social and economic infrastructure such as schools, health facilities, bridges and roads.

Despite nationalisation of the key sectors of the economy, the post-colonial Zambian state failed to transform the Zambian exclusionary colonial industrial structure and its dependence on copper, which manifested in high levels of imports of consumer and capital goods,. There had been failed attempts to diversify the economy to overcome reliance on copper through industrialisation, using the colonially inherited state-owned Industrial Development Corporation (Indeco), which had 26 subsidiaries active in industries, such as food processing, building supplies, metal products and chemicals. These attempts at state equity holdings allowed multinational companies to continue to extract surplus through an outflow of profits, inflated transfer prices and payments for services and expatriate remittances.<sup>14</sup> Not only that, the nationalised economy became the site for the material interests of the post-colonial power elite on the basis for patronage.

Zambia's dependence on copper set the necessary economic conditions for the defeat of Kaunda's Unip. Post-independence Zambia did not end its dependence. It merely shifted it from South Africa, Harare (then Salisbury) and London to West Germany and Japan<sup>15</sup>. In 1976, copper's contribution to Zambia's exports was 95% – of which 55% went to revenue<sup>16</sup>. Zambia's capacity to import capital and consumer goods depended on copper's performance on the international markets.

The problem of relying on copper exports became evident during the fall of the copper price in 1975 and the rise in oil prices. In 1974 and 1975, a global economic crisis led to a decline in demand for copper as well as its price. As a result, the cost of Zambia's imports of consumer and capital goods increased, thus decreasing Zambian economic output. Zambia's major industries depended on imported inputs and expatriate skills. Since independence, imports of machinery and transport equipment had quadrupled<sup>17</sup>. This meant Zambia had to obtain more foreign exchange to import inputs. The fall in copper sales meant Zambia's foreign exchange level fell and, in turn, that the Zambian economy found it difficult to import inputs. Between 1974 and 1988, Zambia's foreign exchange earnings from metal products fell by 23%<sup>18</sup>, negatively affecting industrial output.

The government treated the fall in the copper price as a temporary setback, and did not take decisive measures to diversify the economy, including failing to ensure the development of agriculture<sup>19</sup>. Part of the government's response to the crisis was to borrow heavily from the IMF and the World Bank to maintain its public consumption of imported capital and consumer goods. Its fiscal position was maintained through borrowing.

When it became evident that the economy was not recovering, the government embraced the IMF and World Bank's structural adjustment programmes (SAPs) in terms of which the government introduced free-market policies. This included, but was not limited to trade and investment liberalisation through removing restrictions such as tariffs and price controls; low taxation as well as austerity measures; and devaluation of the currency with the hope that this would encourage exports and discourage imports of luxury goods.

The negative impact of the SAPs saw the first food riots in Zambian history, persuading the government to oppose the SAPs, they de-



manding renegotiation of the conditions of debt payments. The IMF and World Bank responded by withdrawing the loans and other forms of donor funding. In 1989, the government turned back to the IMF and World Bank for rescue. The re-implementation of SAPs worsened socio-economic conditions for the poor further. The Unip government further entrenched its dependent position by accommodating externally-imposed demands and conditions such as austerity budgeting and investment guarantees.

### **Fragmentation of the nationalist movement and the electoral defeat of Kaunda's Unip**

While the struggle for access to the state and state-controlled economy set the conditions for an intra-Unip-State elite, neo-liberal restructuring of the economy set the conditions for conflicts between the working class and students on one side, and the state and Unip on the other. The workers used the economic crisis to demand multi-party democracy as a mechanism for political inclusion in Zambia – another phase in a state vs workers conflict dating back almost to the attainment of political independence.

The fragmentation between nationalists and workers started when Kaunda turned his focus on increasing labour productivity and moderating workers' wages. To achieve worker discipline to increase labour productivity, Unip and the government attempted to take control of the African Mine Workers' Union through its leadership, who were defeated in the miners' union congress in 1966 and simply succeeded in settling for higher wages. In 1971, the government made strikes illegal, and only the Unip-dominated ZCTU (Zambia Congress of Trade Unions) had the power to call for a strike.

All trade unions, including the Mineworkers Union of Zambia (MUZ), were expected to be under the control of the ZCTU, established

in 1965. MUZ leadership was also incorporated into state owned companies, and Unip's political affiliation was the pre-condition for union recognition by state companies; the trade union leadership started to look at the wage demands and workers' interests from a state-linked elite's perspective<sup>20</sup>, and cracked down on its own militant rank and file, who had begun questioning the class logic of the union<sup>21</sup>. In the 1970s, there were wildcat strikes and dismissals of workers by the government<sup>22</sup>. One hundred miners were arrested in 1971. Three quarters of the workers in 1969 were unhappy with the union<sup>23</sup>. The workers used the political harassment and economic crisis to demand political change, including the restoration of the multi-party democracy.

The post-colonial Zambian state formalised a one-party system in 1972, based on arguments that this would contribute to national unity and in response to external threats from Southern Rhodesia and South Africa. The one-party system, and Unip's party's control of the economy through the state made it difficult to organise internally against Kaunda. Until 1972, Zambia had operated politically on a multi-party system, with three main parties: Unip, the Northern Rhodesian African National Congress and the United Progressive Party (UPP). The one-party system, banning all political parties except Unip was codified in the 1973 Constitution, which stipulated that a state presidential candidate could only be nominated from Unip by the party's general conference, which gave policy directives to the state for implementation.

The opposition movement to Kaunda was organised underground because the post-colonial state limited the political conditions for political opposition and civil society. The Party controlled all state institutions, including the larger sectors of the economy. So, internal opposition was smashed through denying people economic opportunities. There were almost no economic activities that oppositional forces could embark upon outside the state. Even trade union officials had to

be members of Unip as a precondition to serving on state boards. Unip members and leaders were prohibited from involvement in business, forcing them to rely exclusively on the state and party for their material reproduction. The structure of the Zambian economy prevented the emergence of an independent bourgeoisie and, to some extent, an independent proletariat.

The state and economic structure set the basis for struggle among Unip leaders over the distribution of resources, patronage and privileges. But they could not defeat Kaunda. Unip became more bureaucratized as, increasingly, high ranking government officials became dominant within the party to the extent that a number of the state officials were appointed to the Cabinet and Central Committee<sup>24</sup>.

Since the Zambian political structure was based on a one-party state system, how was it possible for the opposition to organise against the state. Between 1986 and 1991 there was a huge economic crisis. The inability of the state to generate revenue to reproduce itself meant it was maintained through borrowing between 1975 and 1986. In response to the government's austerity measures, students and workers were central to the mass riots in 1990, which also involved an attempted coup. The relatively high price of copper at that time made it possible for the Zambian state to make concessions to the working class. The mineworkers' wives used their empty pots, pans and plates to protest against the government and its mining company, demanding that they be filled with food.

These mass protests forced Kaunda to sign legislation restoring multiparty democracy, which in 1991 led to a new constitution. The political opposition to Kaunda was the Movement for Multi-Party Democracy (MMD) whose class base was largely students and the trade union movement (ZCTU); and later Kaunda's political opponents and disenchanted aspirant business people.

The open opposition to Kaunda came largely from students and organised workers in the mines. The centrality of mining to the Zambian economy gave workers the leverage to force both the state and business to make concessions. Students were empowered by the fact that they had no economic burdens associated with personal property ownership such as housing, making them less susceptible to co-option. Students, largely from the University of Zambia – affected by budget cuts – opposed Kaunda’s government. The presence in Zambia of many liberation movements including the ANC of South Africa tended to radicalise students, who identified largely with socialism.

In 1991 national elections, Kaunda was defeated in the presidential elections by Fredrick Chiluba who got 76% of the vote, while his MMD took 125 of the 150 parliamentary seats. Between 1991 and 2011, Chiluba was State President, presiding over a ruling party that implemented neo-liberal economic policies. This included the privatisation of the state owned mining company, Zambia Consolidated Copper Mines (ZCCM) and its ancillary companies – sold at a very low price amid allegations of corruption and bribery.

The demand for copper in China, flowing from growing global demand for Chinese electrical products, saw the copper price rise again. The MMD won the elections again in 1996, but lost elections in 2011 to the Patriotic Front.

## **SOUTH AFRICA**

### **Colonial political & economic conditions that enabled the ANC-led Alliance to rise state power**

South Africa’s colonial political and economic structures have their historical origins in European expansion in the 16th century as part of the feudal ruling classes’ social and economic interests; and Britain’s

industrial revolution which required access to markets, raw materials and labour. Before the discovery of diamonds and, later, gold, peasant-based African economies were encouraged by the British colonialists through freehold land ownership in the Cape and Natal. As part of creating a capitalist industrial society based on mining, the colonial state dispossessed peasants of their land, imposed taxes and turned them into wage-earners.

Colonial missionary schools produced an eloquent middle class that became the founders of the ANC in 1912, after the formation of the Union of South Africa in 1910. However, the black middle class were denied technical skills, such as engineering. They were largely trained as teachers, priests, lawyers and journalists. The technical skills for industry, particularly mining, which was dominant, were imported from Europe. The goal of the black middle class was to seek incorporation into the colonial power structures through property and an education-based franchise.

Between the 1920s and 1980s, South Africa achieved a high level of industrialisation, including in agriculture (leading to industries such as agro-processing), automotive and textile; and the creation of mining related industries such as iron and chemical production, as well as the growth of manufacturing. This was backed by state support through, among other things, the establishment of state companies such as Eskom (1923), Iscor (the state-owned iron and steel producer established in 1928; Sasol (1950) and the Industrial Development Corporation (1940). Economic expansion led to the growth of the working class, and in turn of trade unions, leading to militant strikes such as the 1946 African mine-workers strikes. The growth of the working class also meant a rise in urbanisation with its associated problems such as housing and transportation for the working class, which led to the growth of issue-based civic movements in townships.

The militant workers' strikes exposed the ineffectiveness of the ANC's tactics and strategy, leading the newly-formed ANC Youth League to demand changes in the ANC's strategy and tactics in fighting against colonialism. In the 1950s, an alliance of the South African Indian National Congress, Congress of Democrats, African National Congress, and the Coloured People's Congress embarked on the Defiance Campaign to defy apartheid laws, and eventually adopted the 1955 Freedom Charter. After the banning of political parties in 1960, and as a result of the Sharpeville pass protest massacre led by the Pan-Africanist Congress (PAC), the ANC and other liberation movements went into exile and organised underground. By the 1970s and 1980s a new wave of struggle had developed leading to the formation of the United Democratic Movement and Congress of South African Trade Unions (Cosatu). This, coupled with a deep economic crisis worsened by political struggles to make the country ungovernable and other factors, forced big business to begin discussions with the ANC in exile, which eventually led to the unbanning of the liberation movements and formal negotiations with the government from 1990. The outcomes of the negotiations were largely similar to Zimbabwe's and Namibia's, in which the personnel of the colonial states and private property rights accumulated during apartheid were maintained.

### **What did the ANC do or not do to change the colonial political and economic structure?**

Upon coming into power, the ANC succeeded in installing a political democracy with private property rights based on constitutional principles of the rule of law, relative independence of the judiciary, sovereignty of the people, accountability etc. It also succeeded in establishing a social welfare system covering housing, basic education, health and so on. It has failed to change the private property rights regime.

Instead it has adopted a narrow black economic empowerment (BEE)<sup>25</sup> and macro-economic policy that reinforced the erstwhile internal colonial structures. Against this, Nicaragua and Zambia had undertaken significant measures, yet they were insufficient to industrialise their respective economies.

Two years before the ANC ascended to state power in 1994, 85% of South African economic ownership was in the hands of six white conglomerates. Despite Mandela's initial public demand for nationalisation in line with the Freedom Charter, the ANC failed to nationalise the key sectors of the South African economy. Instead, in his first year as President, Mandela declared at the World Economic Forum, that 'privatisation is the fundamental policy of the ANC'<sup>26</sup>.

The ANC left private property in the private business domain, which has been predominantly white. Business has used its economic power to achieve mainly two things: successfully lobbying for a more-market friendly macro-economic policy and narrow BEE, which set conditions for further deindustrialisation. On the one hand, narrow BEE served as an incentive for white business to access state resources to co-opt willing aspirant black business. The state owns key economic resources required by business which can only be accessed with state permission. The state acts as a purchaser of services from the private sector, as a money lender, license grantor (e.g. mining rights) and privatiser of state assets. Business can gain access to state-owned resources through a BEE criterion that requires black people to be owners and managers of enterprises. The BEE structure has set conditions for intra-business conflicts amongst ANC elites geared at controlling the ANC as a precondition for 'capturing' the state leading to factionalism and fragmentation.

On the other hand, the Growth Employment and Redistribution (Gear) policy increased business freedom through lower taxation, ac-

accompanied by austerity measures including budget cuts and reduction of tariffs, which exposed the manufacturing industry to international competition, which in turn enabled imports from China and Asia to wipe out local manufacturing. This was made worse by business' inability to invest in the technology to withstand global competition. In 1980, manufacturing constituted 25% of GDP, but in 2015 it constituted 18%.

Not only has Gear's performance on private investment, job creation and GDP growth indicators been low, but it has also worsened the South African economy's dependency on raw minerals. The South African economy remains dependent on mining and minerals products which contribute 40% of exports. South Africa produces 85% of global platinum, but only manufactures 10% of global catalytic converters. This demonstrates starkly the low levels of value added by South African businesses to mined minerals. In other words, South Africa has a high level of minerals extraction production with minimum beneficiation.

The ANC's electoral performance seems correlated to economic growth and redistribution measured by unemployment and poverty. When the ANC obtained 66% of electoral support in 1999, GDP growth was 2,5%. In 2004 the ANC obtained 69%. The ANC was elected in 1994 with 63% electoral support. The increase of the ANC's electoral support in both 1999 and 2004 was not only based on the hopes that the majority of the people still had in the ANC and weak political opposition, but was also enabled by good economic performance based on a commodity boom by exports of primary commodities, particularly to China and Asia, and a consumption boom driven by increased consumption expenditure largely by the middle class and mainly through debt. While unemployment was high at 36% in 1999, and 35% in 2004, the good economic environment enabled the state to generate a budget



surplus which also increased social expenditure. In 1999, the budget was R216-billion with a budget deficit of R25-billion. In 2004 revenue had grown to R300-billion with a budget deficit of 2% of GDP. An increase in the state's revenue was further enabled by an improvement in the South African Revenue Services (SARS)'s revenue raising capacity.

The ANC obtained 65% in 2009, which marked a 4% decline, and which took place in the context of the worldwide economic crisis, which in turn led to negative economic growth of 1,5%. 2009 brought an end to the consumption boom due to the rise in inflation. The imposition of e-tolls on an already indebted middle class made the situation worse. This meant a substantial decrease in the government revenue inflows necessary for investment in social services and infrastructure; as well as a higher unemployment rate due to retrenchments associated with the restructuring of companies to restore or maintain profitability. The primary commodity boom which generated the economic growth between 1998 and 2004 had come to an end largely due to a reduction in demand for mineral resources in China.

From 2012, the platinum price declined by 30%, gold by 32% and coal by 37%. The decline in global demand for primary commodities was accompanied by a sharp drop in prices, and an increase in inflation. This increased the level of business-worker conflict in the platinum belt leading to the massacre of workers at Marikana in 2012. The budget deficit increased to 3,9% in 2009 with a national budget of R834-billion. In 2014 it grew to R900-billion, and the deficit to 4%.

During 2014 national and 2016 local government elections, economic growth was at 1,5% (2014) and 0,6% (2016). In 2014, the ANC obtained 62%. By 2016, the ANC obtained 54% of the total vote in local government elections. In the 2011 local government elections, it had secured 61%.

### Fragmentation of the ANC-Alliance: Phase 1

The exclusionary character of the South African economy and its poor performance set the necessary conditions for the ANC's electoral defeat. The fragmentation of the ANC and its allies, Cosatu and the SACP, and its policy choices (e.g. Gear, narrow BEE etc.), and leadership have also created the conditions that made it probable for the ANC's electoral decline. The origins of the ANC-SACP-Cosatu Alliance can be traced to the 1920s. It further matured in the 1950s, and became formalised in 1990. In the 1920s it was only the ANC and the Industrial Commercial Workers' Union (ICU). In the 1950s, it was made up of the various Congresses that came together in the Congress Alliance. Linked to this Alliance was the South African Congress of Trade Unions (Sactu) and the Federation of South African Women (Fedsaw). The SACP was linked to this Alliance, but as it had necessarily operated clandestinely since its banning (as the Communist Party of South Africa) in 1950, was not formally represented in the Alliance structures until the ANC itself was outlawed in 1960.

In the years in which the ANC obtained higher electoral support there was no serious fragmentation of the Alliance, although new political parties emerged through breakaways from the ANC. To be sure, there have been serious policy debates within the ANC, but they were always managed through Alliance Summits. These debates were centred on macro-economic policies adopted by the ANC, particularly Gear and the narrow implementation of the BEE policy which largely turned black business into junior partners of white business.

Both the narrow BEE and Gear policies created fractures between the SACP-Cosatu and the ANC, and among ANC leaders and members. Ideologically left-leaning ANC members, Cosatu and the SACP felt that the Gear policy was a shift away from the post-Keynesian Macro-Economic Research Group (MERG) recommendations entailed in *Making Democ-*

*racy Work: A Framework for Macro-Economic Policy in South Africa and the Reconstruction and Development Programme (RDP).*

On the one hand, both the state and white established companies became key avenues for money-making. The ANC-aligned have been the preferred candidates for BEE deals by white monopoly capital. On the other hand, those who controlled state institutions leveraged them to award tenders, licenses, loans and state budgets for their own economic interests. Sections of the actual and aspirant black bourgeoisie felt that business people and politicians supporting former President Thabo Mbeki were monopolising the processes of co-option into white-owned companies, and the state as a site of accumulation.

The arms deal was one of the instances that resembled the intra-class jostling for state-based economic resources among aspirant black businesses, which eventually led to criminal charges against President Zuma's financial advisor, Schabir Shaik. The dismissal of Jacob Zuma as the Deputy President after Shaik had been found guilty triggered a backlash against former President Mbeki. The dismissal of Zuma was largely a reflection of the intra-bourgeoisie class struggles associated with capital accumulation over the arms deal. The resulting discontent coalesced social forces opposed to Mbeki's forces for various reasons, into a single, yet diverse, movement with various class interests.

The SACP and Cosatu were largely motivated by the abuse of the state's institutions by Mbeki and his promotion of neo-liberal macro-economic policies within government. Both working class formations and different forces within the ANC driven by various interests, forged an alliance which led to the electoral defeat of the Mbeki-led social forces in the 2007 ANC's National Conference in Polokwane. After the ANC Conference Mbeki was recalled from his role as State President, and many leaders and members across the ANC-alliance left the ANC and formed the Congress of the People (Cope) in 2008 as a political party

to contest the elections. This led to the decline of the ANC's electoral support from 69% in 2004 to 65% in 2009.

### **Post-Polokwane fragmentation: Phase 2**

In 2009 the ANC's electoral support declined by almost 4% after the poor economic performance associated with the global economic crisis. The formation of Cope, which was triggered by the recall of Mbeki as State President, also contributed to the decline in electoral support. The second moment for fragmentation of the ANC-aligned forces was after 2009. On the one hand, among the left forces there were those who felt post-2009 there had not been any significant policy shifts or concrete actions in the interests of the working class. The other source of discord on the left was whether the SACP was properly balancing its extra-parliamentary role and its parliamentary (and executive role in Cabinet), and the extent to which the organisational redesign associated with the 'non-full-time' role of the General-Secretary in the party leadership did or did not weaken the SACP's ability to lead mass struggles from below in the manner it did in the pre-2007 period.

Both the assessment of post-2009 government policies and the debate on the appropriate organisational forms in the post-2009 period, as well as certain strategic and tactical political choices by the National Union of Metalworkers of South Africa (Numsa), set conditions for the fragmentation of Cosatu, and the eventual expulsion of Numsa from the union federation. The expulsion of Numsa also showed how workers differentially located in the trades unions felt the wrath of neo-liberal restructuring. The public sector had not experienced any job losses since 1994, whereas industrial workers located in the mining and manufacturing sectors experienced significant job losses resulting from policy choices of government.

On the other hand, in the 2009 period, BEE increasingly centred

on the president's family members in alliance with the Gupta family to the dissatisfaction of white monopoly capital, and sections of the black bourgeoisie that benefitted during Mbeki's administration. This dissatisfaction was heightened by clear abuse of public expenditure on Zuma's residence in Nkandla and the associated corruption; and the eventual Constitutional Court judgment.

The other related source of dissatisfaction was the expulsion of the African National Congress Youth League (ANCYL) leadership, and its eventual dissolution, leading to the formation of the Economic Freedom Fighters (EFF). By the time we went to local government elections in 2016, there was a weakened ANCYL and Cosatu, and serious fragmentations among Cosatu affiliates, particularly the South African Municipal Workers' Union (Samwu). It is clear judging by the performance of the Numsa-initiated United Front in Nelson Mandela Bay that the workers' economic concerns do not seem to have translated into progressive political and electoral choices. However, it is likely that some ANC supporters voted EFF. The fragmentation of the ANC during the 2016 local elections was also marked by a number of political killings of ANC councillors, particularly in KZN<sup>27</sup>.

### **Comparative conclusions and lessons**

The comparative questions posed in this paper are: how were popular, radical movements electorally defeated? What were the conditions that made it possible and probable for such defeats?

The three countries differ in many respects, ranging from the duration of their colonial occupation, levels of industrialisation, demographic dynamics, political cultures, and the geo-political context within which these countries obtained political independence. However, South Africa is similar in many respects to other rolled-back Third World revolutions, particularly those such as those in Nicaragua and

Zambia.

The same conditions that enabled them to rise to state power are also responsible for their fall from state power. Their inability to change both political and economic power to meet the material needs of their citizens created conditions that made possible for their electoral defeats. Post-revolution states, like all states, had to depend on economic growth and distribution to maintain their legitimacy and support. The good performance of an economy depends on investment decisions by the private owners of economic resources. States in the Third World have a small or insignificant share of the business pie, which is usually located in raw materials. As a result, they depend on foreign businesses for inputs (technology, finance to expand their operations), and markets.

When progressive movements come into power, they face the challenge of reconstructing their economies anew to meet the legitimate expectations of their people. Some nationalise, but without breaking their dependency due to their inability to re-industrialise. Instead of changing the inherited economic structures, through their leading post-revolutionary political elite which assume control over state apparatus, they tended to use their newly acquired political power to insert themselves into economic power structure at the expense of transformation, and continued to rely on old industrial structures based on primary commodities. As a result, they fail to build a broader economic base to increase employment and state revenue for socio-economic development.

When global prices and demand for their primary products fall, they fail to raise enough revenue, so lose support and legitimacy. Similarly, those which maintain private property without industrialisation have fail to break their external dependence. The importance of higher levels of industrialisation firstly lies in the fact that local business does not

have to rely on the state as a site for accumulation. Secondly, industrialisation lays a wider economic base for the state to generate revenue through tax. Thirdly, higher levels of industrialisation absorbs workers into employment, thus setting conditions for better living standards.

South Africa, compared to both Nicaragua and Zambia, has over a longer period experienced a higher level of industrialisation. Zambia has been dependent largely on copper mining, and Nicaragua on agricultural products, from which both local elites could earn their profits. While South Africa is also dependent on mineral exports, it had developed a much bigger manufacturing base. However, of the countries share dependence in that they import both capital goods (machinery) and consumer goods (semi-manufactured goods) to various degrees. In all cases, the legitimacy of the state was broken down by economic crises exacerbated by their subordinate role in the global economy.

In the South African case, the failure to transform the economy, and fragmentation of, ANC-aligned organisations through, among other things, destructive factionalism, have largely been responsible for the ANC's electoral defeat. It is instructive that the failure to transform and diversify the economy has not only perpetuated South Africa's reliance on mineral resources, but has also witnessed increases in unemployment, poverty and inequality while making it difficult for the state to generate sufficient revenue to serve citizens adequately.

In addition to the importance of overcoming economic subordination to global economy dependency, the other important lesson for South Africa, drawing from Nicaragua, is that it is important to have a consistent approach to business. Either the state must nationalise, or discipline business along the lines followed in the developmental state in South Korea. However, there is no one-to-one correlation between economic performance and electoral outcomes. The latter is mediated through political party strategies and strengths, including leadership.

To illustrate: the ANC's electoral defeat was not inscribed in the economy itself, but to the lack of economic performance setting conditions that made it possible for the ANC's electoral decline. The ANC's 'own goals' such as destructive factionalism, Nkandla, e-tolls, the perception and reality of corruption, set probable conditions leading to lower voter turnout and traditional ANC voters voting against the ANC eventually leading to electoral setbacks.

The inability to solve the socio-economic problems leads to dissatisfaction among the poor who constitute the majority voting population, who either abstain or vote against the ANC. The dissatisfaction shows up in popular protests, and in voting participation and non-participation. The key questions of how to resolve the major socio-economic problems to prevent the fragmentation of social forces once power is attained gives us serious pause. In all cases, there is an attempt to control the trade union movement to ensure it serves as a conveyor belt for the party in power. These attempts tend to lead to splits. In all cases, there has been fragmentation of the forces that created the progressive governments. The main source of fragmentation is different class interests with different, and increasingly, conflicting expectations of the attainment of state power, which leads to different demands on government policy choices. The extent of the fragmentation has an impact on a party's ability to retain and sustain its capacity to hold on to state power.

In the South African context, there have been ideological differences informed by different class interests within the ANC itself and between the ANC and SACP-Cosatu. Business interests of many of the leaders and members lead to those individuals using the ANC itself and allied organisations as a step towards getting into the state for money-making purposes and corruption. This has led to the fragmentation of the ANC. These problems have manifested themselves in destructive factionalism



which has expressed itself in poor leadership choices, poor deployment choices and in-fighting and splits leading to expulsions. The formation of new trade unions and political parties have significantly contributed to the electoral defeat. Therefore, the need for organisational renewal does not merely require a change of leadership, but also a change in strategy, tactics and policies to change the structure and orientation of South African economy and improve the economic conditions of the poor as a step towards orienting the economy towards people's needs as opposed to profit.

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### **Endnotes**

1. The paper was first presented at Mbuyiselo Gwenda South African Communist Party (SACP) District Council, Eastern Cape, on 16 October 2016.
2. See Mangena, M 'Nobody Owns the Citizens', 29 August/2016. Motshekga, M. 'Forget an early ANC elective conference, just go back to basics', Sunday Times, 04 September 2016, Mashatile, P. ANC Gauteng Political Overview, Mchunu, S.
3. Saul, Z 'History can help ANC', Business Day, 11 November 2016
4. The Somoza family effectively ruled Nicaragua for 44 years – from 1936 until the Sandinistas seized power in 1979. The founder of the Somoza family dynasty, Anastasio Somoza, was part of a coup in 1936 that ousted President Adolfo Diaz, but shortly afterwards seized power himself with the backing of US Marines based in Nicaragua at the time – but not before luring rebel leader Augusto César Sandino (from whom the Sandinistas took their name) to peace talks and murdering him. From then on the Somoza family ruled Nicaragua either directly or through surrogates – some of whom they ousted in coups. Throughout its 44 years in power, the Somoza family controlled the National Guard. The second son of the family dynasty founder, also Anastasio, was president when the Sandinistas took power in

1979 (the founder's eldest son, Luis, had been president from 1956 to 1963).

5. Weber, H 1981. *Nicaragua: The Sandinista Revolution*. London: Verso

6. *ibid*

7. *ibid*

8. Irvin, G 'Nicaragua: Establishing the State as the Center of Accumulation', *Cambridge Journal of Economics*, 7. (1983): 130

9. Paige, FM 1997. *Coffee and Power: Revolution and the Rise of Democracy in Central America*. Massachusetts: Harvard University Press.

10. Weber indicates that 'By 1985, a street vendor selling three cases of soft drinks each day could earn more than a cabinet minister'.

11. The North American Free Trade Agreement, a trilateral agreement which took effect in January 1994 between the USA, Canada and Mexico.

12. Shaw, TM *Dilemmas of Dependence and (Under)Development: Conflicts and Choices in Zambia's Present and Prospective Foreign Policy*, *Africa Today*, Vol 26, No 4, *Political Economy and Government Policy* (4th Quarter), 1979.

13. *ibid*

14. Timothy Shaw 'Zambia: dependence and underdevelopment', *Canadian Journal of African Studies*, 10 (1); 1976.

15. *ibid*

16. *ibid*

17. *ibid*

18. Saasa, Saasa, OS 'Policy Reforms and Structural Adjustment in Africa: The Case of Agriculture and Trade', *Institute for African Studies, University of Zambia, Technical Paper No 35* October 1996.

19. *ibid*

20. MUZ president, David Mawila who became a director of the holding company of all state companies – the Zambia Industrial and Mining Corporation (ZIMCO) – is reported to have argued that 'The union cannot have the idea that its duty is to do something for the members alone...as a new nation we must adopt a program that will benefit the country as a whole not just our members' (Parpart and Shaw, 1983).

21. Parpart, JL and Shaw, TM 'Contradiction and Coalition: Class Fractions in Zambia: 1964-1984', *Africa Today*, Vol. 30 No 3 Zambia's Political Economy under Stress (3rd Quarter), 1983.
22. *ibid*
23. Burawoy, M The color of class on the copper mines.
24. Parpart, JL and Shaw, TM
25. Black economic empowerment (BEE) was defined by the state-appointed BEE Commission in 2001 as "an integrated and coherent socio-economic process ... within the context of the country's national transformation programme ... aimed at redressing the imbalances of the past by seeking to substantially and equitably transfer and confer the ownership, management and control of South Africa's financial and economic resources to the majority of its citizens." (BEE Commission Report, 2001). Its primary focus on ownership meant only the few black individuals able to access the necessary investment capital (or secure the goodwill of apartheid era owners) were able to benefit meaningfully – thus "narrow BEE".
26. Jordan, B Nationalisation- Manuel, Sapa, Johannesburg, November 22, 1994.
27. A separate paper is required on how the erstwhile colonial forces regroup through different disguises under political democracy.





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