



Workers (above) march past the Rand Club in Joburg - the historical bastion of white capital, joined by SA Onderwysers' Unie members (right), while Samwu shop steward Pauline Sekaledi (far right) directs the action





The strike exposes limitations of current economic policies

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cially its scale, are to be found in what we have articulated all along. While it is easy to claim victories of earlier Gear savings and reduction of budget deficit, the social deficit that those 'victories' have produced will create an even deeper crisis. Public sector workers wages and conditions of service have worsened over the years because of earlier beliefs and policies that it is necessary to have a 'lean and mean state' and 'a downsized public service' and at the same time hope to deliver on the kinds of demands for service delivery which was eroded by decades of apartheid.

Perhaps the fundamental debate that this strike surfaces is what kind of developmental state we have built thus far, what kind of developmental state do we need, and therefore what should be the shape and size of, and working conditions in, our public service. It is a discussion and debate that should be taken beyond the ANC Policy Conference into alliance discussions and ultimately set a framework for proper engagement between government and public sector trade unions.

The SACP has welcomed some of the most important shifts in aspects of government economic policies since 2002/3, especially the commitment to continuing state ownership of key parastatals and to increased investment in infrastructure. However, as we have consistently pointed out, this shift is more informed by a strategy to lower the cost of doing business, rather than of lowering the cost of living, within an overall orientation of restoration of capitalist profitability as the answer to our developmental challenges. This is what the SACP's response to the ANC policy document calls 'seeing double'; seeing both the need to move away from some of the Gear assumptions, while unable to go beyond those!

The imperatives of building a developmental state are subjected to this paradigm of 'lowering the cost of doing business', 'restoration of capitalist profitability', and inflation-targeting. Instead,

the fundamental question is what kind of developmental state we need to overcome the legacy of colonialism of a special type, and therefore what kind of macro-economic instruments do we need to achieve this.

But we seem to have an inverted strategy, whose outcome is that the kind of 'developmental state' emerging is primarily determined by the capitalist market and macro-economic indicators, thus severely compromising the developmental objectives we have set for ourselves.

While acknowledging government cannot always afford to meet trade union wage demands, there are other constraints that government has placed on itself preventing it from responding creatively. The government feels giving substantial increases and improvements in the conditions of service of public servants would undermine the logic and strategy of 'lowering the cost of doing business'.

It would send a wrong signal to the broader capitalist labour market, thus putting pressure on capitalist employers to give higher wage increases, and so increasing the cost of doing business.

Pictures by:
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The public sector strike has exposed the limitations of economic policies premised on inflation targeting, lowering the cost of doing business and restoration of capitalist profitability. It is thus a further expression of the crisis faced by the 1996 Class Project!

For the SACP this strike and its underlying features underline the fundamental importance of our Medium Term Vision (MTV), that of building working class hegemony in all key sites of power, especially in the state. Indeed, our own 12th Congress will have to further reflect on the meaning and implication of this strike, within the context of further elaborating on the MTV.

In particular the very welcome broad worker unity among public sector trade unions is a critical platform not only for building broader trade union unity, but for building working class power both in the state and in the workplace.

Asikhulume!