

CC STATEMENT – POSITIONING THE PARTY POST-ELECTION

Umsebenzi

June 2019

Voice of the South African Communist Party



BRICKS 'N' MORTAR TIME

BUILDING ON THE FIVE SONA GOALS

- Eliminate hunger within 10 years
- Real economic growth
- Jobs for 2-million young people
- All kids of 10 able to read for meaning
- Massive reduction in violent crime



Ndebele artist Esther Mahlangu, 84, has her thumb marked after voting in KwaMhlanga in Mpumalanga on 8 May

Pic: Themba Hadebe

SACP positions itself after May elections

The SACP issued this statement after its June Central Committee meeting, warning that ANC voters were not giving a blank cheque to the ANC in government

The South African Communist Party convened the Eighth Plenary Session of its Fourteenth National Congress Central Committee (CC) over the weekend of 7 – 9 June 2019 in Johannesburg. This being the first plenary session of the CC after the May 2019 national and provincial elections, the meeting undertook a comprehensive assessment of the Alliance election campaign and the electoral outcomes. To this end the CC discussed, among others, the ANC and SACP elections reports, the Secretariat Political Report and other standard SACP CC organisational reports. The Political Report further evaluated the in-

ternational situation and its implications for South Africa, and reflected on policy priorities for our country in the wake of the ANC electoral victory.

The CC thanked SACP Red Brigades for selfless campaigning and the workers and poor of our country, all those who voted ANC with a 57,5% electoral victory. This shows the confidence that the majority of South Africans still have in the ANC-headed Alliance, despite the many challenges our country still needs to overcome. However, the ANC voters this time around sent a very strong message that they are not giving the ANC a blank cheque. They want the ANC-led govern-

ment to deal with corruption decisively and ensure that all state resources are directed towards tackling the systemic challenges of class inequalities, unemployment, poverty, social insecurity and uneven urban-rural development.

The CC congratulated SACP leaders and members who have been elected to Parliament and provincial legislatures, including those who have now been assigned executive responsibilities. The CC expects all its elected leaders and members to act in an exemplary fashion, to dedicate all their efforts to selflessly serving our people and fighting corruption wherever it rears its ugly head. To this



ANC supporters stream through Johannesburg to celebrate the 2019 general election victory outside ANC headquarters, Luthuli House

end the SACP will be mobilising all its structures and members to ensure that the entire progressive thrust of the ANC manifesto is thoroughly implemented at all levels.

In taking forward its 2019 programme of action to strengthen local governance and ensuring that municipalities address local economic and broader social challenges, the SACP will intensify work amongst communities, calling upon all its members to be community activists, under the theme 'Every communist, a community activist'. The SACP will launch this campaign by directing its Red Brigades that campaigned for the ANC electoral victory to return to the various localities to work with communities

and municipalities to attend to the many problems our people identified during the campaign. For instance, the SACP across the country will prioritise tackling the challenge of incomplete houses that were meant for the benefit of the poor but were never completed.

As part of taking forward our campaign for the transformation of the financial sector, the SACP, working together with progressive public sector unions, is going to be campaigning for the Public Investment Corporation (PIC) to help design an affordable housing subsidy scheme for public servants whilst at the same time ensuring decent returns to workers' pension investments. The SACP finds it absolutely scandalous that PIC

funds have been funding many dubious investments whilst public servants who own that money have no access to decent housing.

The SACP will further use its focus on community development campaigning to ensure that the set asides for cooperatives and small businesses are indeed secured as part of the revitalisation of township and village economies. The necessary legislation and policy instruments must be urgently developed to ensure that local economic development for the benefit the poor is realised.

The CC discussed and further underlined the fact that South Africa has one of the most advanced pieces of legislation and policies on disability. However

the implementation of these policies and measures for meaningful integration of people with disabilities in all key processes of societal life in South Africa still leaves a lot to be desired. The SACP will be mobilising all its structures to fight for the meaningful participation and empowerment of people with disabilities, including by government. All SACP programmes and campaigns must involve people with disabilities and also deal with issues that affect them.

Backward beliefs that lead to the killings, for instance, of those of our people with albinism must be dealt with decisively. The CC further condemned the continuing killing of mineworkers in the Rustenburg platinum belt. The SACP is calling for workers to focus on building unity in all sectors of our economy, and will continue working for the realisation of the broadest possible unity of the working class as a whole.

The CC further decided that a crucial part of community activism by its members will be to work with communities, non-governmental organisations, and the criminal justice system to tackle the scourge of gender based violence, particularly the abuse of women. The SACP firmly believes that our communities will never be normalised until women are completely safe. It is often women that are the backbone of most of our commu-

The Office of the Public Protector

The SACP fully supports the existence and independent operation of the Office of the Public Protector. During the drafting of the Constitution by the democratically elected Constituent Assembly, the SACP fully supported the establishment of the Office of the Public Protector as one of the guarantors especially of the interests of the workers and the poor from the excesses of the exercise of state authority.

Unfortunately the Office of the Public Protector, instead of being preoccupied with defending the poor and vulnerable against such, has become an instrument of the better off in society to fight political and other battles.

This is why the SACP is seriously concerned about the constant scathing court judgements against the current Public Protector, Busisiwe Mkhwebane. The SACP therefore believes that it is imperative for Parliament to carry out an inquiry into her suitability to hold this important office.

nities that are afflicted by crises of social reproduction as a direct result of class inequalities, unemployment, and poverty. It is often women who attend schools' parents meetings, head poor households, and attend to the needs of the poor, sick and more vulnerable.

The CC is strongly of the view that none of the challenges identified in the ANC manifesto will be addressed unless our Alliance is thoroughly reconfigured as a basis of deepening its strategic relevance and building its capacity to achieve its historical mission. The SACP will mobilise its structures, work-

ing together with our Alliance partners, to ensure that our Alliance is thereby strengthened and functions in a manner that is consistent with the challenges of the time.

The CC also started preparations towards the Special National Congress of the Party scheduled for December 2019. The main tasks of this Special National Congress will be to evaluate progress made in the implementation of the resolutions of the Party's Fourteenth National Congress held 2017. In line with the resolutions, the Special National Congress will also discuss the modalities through

An international context to South Africa's

The CC reflected on the emerging realities in the global political economy. In particular there are two recently intensified features: the increased aggression and destabilisation directed at Left-leaning governments in Latin America and elsewhere, and the launching of "trade wars".

The fundamental issues at stake in the global "trade wars" are now becoming clearer. The US, as the imperialist metropole, is now seeing its dominance in the rollout of digital technologies challenged by China. More particularly Chinese companies, like Huawei, are considered to be ahead on the rollout of 5G technology. 5G is a key enabler of the deepening and widening digital industrial revolution or the so-called fourth industrial



Venezuelan President Nicolas Maduro celebrates with supporters in Caracas after the failed US-backed coup in January

revolution.

The response of the US has been to use national security measures to curtail access by Chinese disruptor companies both to the US market and that of other countries. Imperialist

countries have simultaneously sought concessions from developing countries in trade rules – concessions that would severely curtail essential space necessary for industrial policy.



Nearly 50 000 ANC supporters celebrate President Cyril Ramaphosa's inauguration at Loftus Versfeld, Pretoria
Pic: Michele Spatari

which the SACP will participate in the 2021 local government elections in the context of driving the second, more radical phase, of the democratic revolution, with the primary focus on the economy.

State capture and counter-revolution

The phenomenon of “state capture” has caused enormous damage to economic infrastructure, the finances of state-owned companies and, broadly, the South African economy. This has further weakened our capacity as a country to face the increasingly hostile global economic environment due to the compro-

mised nature of some of our instruments for economic transformation like state-owned enterprises.

The CC in its deliberations about the challenges facing our country has come to the conclusion that what may appear to be merely corrupt and parasitic networks of state capture have now become a counter-revolution directed at crippling the ANC from within and frustrating the capacity of the democratic government to pursue the objective of changing the lives of our people for the better.

Any sustained attack on the capacity of both the ANC Alliance, as well as

the democratic government, to carry out their mandate, constitutes a counter-revolution and should be understood and characterised as such.

The factionalisation and destruction of the basic organisational structures of our movement, the buying of delegates and gate-keeping; the destruction of the capacity of the state to collect and/or disburse revenue; the looting and hollowing out of state-owned enterprises and their conveyance to the control of lumpen capitalists like the Guptas, the Watsons, etc; the capture and perversion of key institutions of the criminal justice system like the NPA and intelligence services are all aimed at crippling the capacity of the democratic government.

Much more seriously is that such capture threatens to reverse all the gains we have made as a country over the past 25 years. This is the heart of counter-revolution!

The CC commits itself to intensifying the SACP's fight against state capture and other forms of corruption as an important part of creating conditions for economic transformation, development, sustainable, and inclusive growth. The SACP will continue to mobilise both within and beyond the Alliance, and seek to reach out to all patriotic South Africans committed to fighting state capture and other forms of corruption. ●

economic challenges

South Africa has already been affected by the collateral damage of the earlier rounds of the US “trade wars” offensive. We were subject to punitive tariffs on steel and aluminium exports to the US, which could be followed by similar measures on automotive products. There is also pressure on us to renounce our status as a “developing country” – the status entitles us to less onerous obligations in global trade rules.

The CC resolved to boost its capacity to vigilantly monitor developments in the “trade wars” with a view to strengthening the resolve of the country to resist unfair and unjust measures and strengthening the just anti-imperialist struggle both in our country and in the international arena.

The CC also called for an urgent

development of a national digital industrial policy – which the SACP will approach from the standpoint of the interests of the working class and the poor.

Finally, the SACP will enhance its solidarity work to support governments and states being targeted in the new phase of more aggressive imperialism. This strategic imperative includes our solidarity with Western Sahara, Cuba, Venezuela, Nicaragua, and Palestine, among others.

The CC condemned the heightened US led imperialist aggression against Iran, and at the same time called on the Iranian government to attend to the many problems raised by its people, including expanding space for and giving play to democratic expression. ●

Umsebenzi

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Macro-economics – no to neo-liberalism and RET vulgarism

The CC noted that the emerging current political and economic situation will be highly contested. Two social forces are already engaged in this contestation. The first is a neo-liberal conservative tendency that seeks to turn the “New Dawn” into a regression to the past era of the 1996 Gear class project. The second is a bruised, but not yet defeated, lootist faction seeking to justify their accumulation through spurious “radical economic transformation” (RET) and associated populism.

The CC’s view is that the Party and the working class as a whole must say a categorical no to both the neoliberal conservative tendency and spurious RET tendency.

The SACP calls for a sober debate about the many economic challenges facing our country. In particular we call for rational and intensified content-based internal debate within the ANC and the Alliance, and desisting from opportunistic posturing on every question, including on the question of the South African Reserve Bank mandate.

The “radical” sounding slogans on the Reserve Bank and monetary policy by spurious RET and “state capture” fight-back agenda networks aim at nothing but weakening the Reserve Bank’s capacity to monitor and control outward illicit capital flows headed for places like Dubai. This is what lies behind the agenda from these quarters, in the same fashion as they partially succeeded in eroding the capacity of state institutions like the South African Receiver of Revenue, South African Social Security Agency and parts of the criminal justice system, the National Prosecuting Authority and intelligence services. The Public Protector’s over-reach on the Reserve Bank fell squarely in line with this radical sounding agenda.

But exposing and tackling the RET agenda must not be hijacked and diverted towards support for the know-it-all neo-liberals and their advocates – who are oblivious to the necessity to have the Reserve Bank’s mandate explicitly target employment creation. Defending the Reserve Bank from state capture does

not mean we must go back to the disastrous neoliberal policy of the 1996 class project.

The ANC election manifesto provides guidance. The Reserve Bank policies and conduct of monetary policy are not beyond constructive debate. The arrogance and hysteria from neoliberal conservatives, along with much of the media commentariat, is out of order and contributes to further unsettling investors – the very ones whose interests the tendency claims to be nursing. The talk of “the barbarians at the gate” virtually closes down any constructive (and necessary) discussion on macro-economic policy and the role of the Reserve Bank in solving the economic problems of our country.

The SACP also wishes to caution officials in state institutions against any overreach that falls, in terms of the law, under the authority of different state organs. For instance in terms of the Public Finance Management Act (Ch. 2, Sec. 6(1)(a)), it is the responsibility of the National Treasury to co-ordinate macro-economic policy. Political issues must be left to the political structures to discuss, debate, and resolve.

We are often told that the Constitution prescribes a narrow focus on inflation targeting as the Reserve Bank mandate. However, this is not entirely true. The exact wording of the relevant Constitutional clause (224 (1)) is: “The primary object of the South African Reserve Bank is to protect the value of the currency in the interest of balanced and sustainable economic growth in the Republic.” Neoliberal advocates only get as far as the first half of this provision. But the Constitution is clearly stating that protecting the value of the currency is not an end in itself – it must be subordinated to, that is in terms of the Constitution it must be carried out “in the interest of” achieving “balanced and sustainable economic growth”. We manifestly do not have balanced and sustainable growth in South Africa.

The advocates of neoliberalism often argue that to call for the mandate of the Reserve Bank to explicitly include

employment targeting is “populism”, and they will further argue that raising questions like this is interference in the constitutionally guaranteed “independence” of the Reserve Bank. But this, too, is a deliberate misreading of the Constitution. Section 224 (2) of the Constitution reads: “The South African Reserve Bank, in the pursuit of its primary object, must perform its functions independently and without fear, favour or prejudice, but there must be regular consultation between the Bank and the Cabinet member responsible for national financial matters.”

Moreover, Section 225 of the Constitution reads: “The powers and functions of the South African Reserve Bank are those customarily exercised and performed by central banks, which powers and functions must be determined by an Act of Parliament and must be exercised or performed subject to the conditions prescribed in terms of that Act.”

Clearly the Constitution does not envisage Reserve Bank “independence” to mean it is a free-floating power unto itself. The constitutional requirement that there is regular consultation with the Minister of Finance – and the PFMA’s provision that the co-ordination of macro-economic policy is the responsibility of National Treasury – mean developing macroeconomic or, even more narrowly, monetary policy is the primary responsibility of the democratically elected government.

Furthermore, the Reserve Bank is subject to legislation passed by a democratically elected Parliament. While the current Reserve Bank Act simply repeats the wording in the Constitution, there is no reason why this Act should not be amended to more clearly reflect the developmental responsibilities of the Reserve Bank. In particular the importance of the national imperative of achieving maximum sustainable employment cannot be overemphasised.

The SACP calls for a sober debate, while protecting the Reserve Bank from the beneficiaries of state capture, their fight-back and the blindness of neoliberal conservatives. ●



President Cyril Ramaphosa, accompanied by his wife Tshepo Motsepe, enters Parliament to deliver his state of the national address

SONA

Why the Chinese can build new megacities from scratch and we can't (and shouldn't)

Jeremy Cronin assesses President Ramaphosa's state of the nation address, arguing for a dream more directly aligned to the five key presidential goals



Concerned perhaps that it was not sufficiently inspiring, towards the end of what was nonetheless an appropriately sombre SONA speech, President Ramaphosa called on South Africa to share a dream. "I dream of a SA where the first entirely new city built in the democratic era rises, with skyscrapers, schools, universities, hospitals and factories...We have not built a new city in 25 years of democracy."

Ramaphosa was explicitly drawing inspiration from the Chinese. He carried the Chinese model even further: "We should imagine a country where bullet trains pass through Johannesburg

as they travel from here [Cape Town] to Musina, and they stop in Buffalo City on their way from eThekweni back here."

In the current fraught inner-ANC factional reality, it is easy for comradely concerns regarding anything said by President Ramaphosa to be mapped into a pro-state-capture agenda. So let's put matters squarely up-front and in plain sight on the table: stabilising our constitutional democracy around a Ramaphosa-led administration is one of the most important strategic tasks of the present. The SACP is proud of the role that we have played from within the Alliance in advancing this agenda. But strengthening the Ramaphosa-led administration must surely also involve comradely

criticism where such is necessary and appropriate.

There is nothing wrong, in principle, with dreaming. China's accomplishments are, indeed, often impressive. But as we dream, it is also important that we keep our feet firmly planted in our South African reality.

President Ramaphosa is not the only South African to marvel at how the Chinese are able to develop detailed scale models of new cities that will then rise out of barren land in all of their concrete and reinforced steel glory, and in record time. Why can't we emulate that?

The first thing to appreciate is that China's massive but remarkably ordered urbanisation programme is based on



President Cyril Ramaphosa with his spokesperson Khusela Diko checking Parliament's state of readiness ahead of his state of the nation address

Pic: Elmond Jiyane, GCIS

two key pillars - state ownership of all urban land and, what in South Africa, we would call stringent influx control measures. The latter is known in China as the “hukou” system. This is a household registration system, an internal passport arrangement that is used by the state to regulate population distribution and allocate labour resources within the country.

The “hukou” is linked to access to social benefits like education, healthcare, and retirement pensions. Migrants from the rural countryside who lack an urban “hukou” are prohibited from permanent settlement rights in the city and are discriminated against in terms of accessing social services. Currently, these restrictive measures impact on China's vast floating population of migrant labourers, around 234-million people. But they also impact on urban insiders who wish to relocate from one city to another. Hukou rights are related to a specific city.

There are seeming echoes here with our horrible apartheid-era influx control, pass-book and rural labour reserve-based reproduction of super-exploited migrant labour. But, again, we need to understand vastly different contexts.

South Africa's migrant labour system was built on the brutal foundation of colonial land dispossession of the African

majority, reserving a mere 13% of land in which utterly impoverished households were coercively forced to subsidise the social reproduction of cheap labour power mainly for the mines. The legacy of this colonial and apartheid past lives on in the desperate poverty of South Africa's former bantustans, and indeed in the plight of millions of other rural households throughout southern Africa, places that were also coercively drawn into labour migrancy that drove South Africa's 20th century industrialisation.

China's socialist revolution was fought and won largely in a backward countryside with the principal mass base being the peasantry. The 1949 revolution abolished feudalism on the land and, after many trials and errors, created sustainable and productive rural livelihoods and communal ownership of land. The rural population in its hundreds of millions was lifted out of poverty.

As in the very different, but also re-

**Let us dream, but let
our dreaming focus on the
five fundamental goals
identified in SONA**

markable case of South Korea, industrialisation and modernisation were first based on a massive anti-feudal land reform programme. Notwithstanding vastly improved rural livelihoods, in China, as in South Korea, the attraction of moving to cities is a powerful magnet. Cities offer greater prospects for upward social mobility.

Migrant labour

In China, the controlled planning and administration of this urban-pull effect has been a major factor in the country's rapid modernisation development. China's low-wage, floating migrant labour force has played a key part in the country's breakneck-paced industrialisation. A floating migrant labour force plus, importantly, sustainable rural livelihoods still play an economic but also social shock-absorber role. This active reserve army of labour is directed to areas of labour shortage, and returned back to a poorer but not devastated countryside in times of economic downturn, as happened in the aftermath of the 2008 global financial crisis.

The hukou system is used to fine tune labour supply and demand, and to effectively plan massive but highly controlled urbanisation. This is done in a shifting context. Currently, the Chinese govern-

ment is planning a further major expansion of urbanisation, seeing possibilities of rising productivity and the further growth of a national market.

The 2019 Chinese urbanisation plan, published in April this year by the National Development Commission now envisages, for instance, scrapping restrictions on household registration in “small and medium-sized cities” (“small and medium”, of course, in Chinese terms, that is, those cities with populations between 1- and 3-million). Many of these “smaller” cities have actually been experiencing de-population. In addition, cities with populations of between 3- to 5-million will now relax some restrictions on new incomers, particularly for graduates of universities and vocational colleges. But megacities like Beijing and Shanghai will continue to vigorously enforce hukou restrictions.

This is social engineering on a vast scale. It has a strong authoritarian colouring and lurking dangers of bureaucratic abuse and corruption in awarding hukou rights. There is also evidence of other negative social impacts – exploitation of migrant labourers housed in huge dormitory compounds controlled by multinational corporations, the plight of left-behind children, and much more. Indeed, there are lively debates within China and within the Chinese Communist Party itself about these and many other issues. However, what you won't find in China are the crime-infested favelas of Brazil, or the squalid bustees of India, or Kenya's Kibera where the inhabitants are forced to defecate into plastic bags that get tossed onto shack roofs, or the devastated landscapes of the many blikkiesdorp dumping grounds of South Africa where, nonetheless, the poor and marginalised still heroically struggle on.

Our South African and southern African social reality is totally different from the Chinese context. It would be absolutely unjust and, in any case, administratively impossible to impose influx control measures on rural South African homesteads in the interests of “orderly” urbanisation, still less building new post-apartheid cities in the veld. If there is anything we can learn from the Chinese it is that the former bantustan areas urgently require a major (and belated) land reform programme. One-third of South Africans, a majority women, still live as demi-citizens in these former “homelands”, often under the thrall of so-called “traditional” patriarchal control. Any land reform programme here

must promote small-scale farming, appropriate agro-processing technologies, productive sustainable livelihoods, and active substantive citizenship for all. At the moment, these areas are barely kept afloat through South Africa's impressive social grant system.

Running out of space

What about urbanisation? To justify the dream of a brand new South African city, President Ramaphosa in his SONA Chinese moment said “the cities of Johannesburg, Tshwane, Cape Town and eThekweni are running out of space.” This is, strictly, not the case. What is true is that in urban spaces dominated by a private and often highly speculative property market, government's proclaimed intention to promote integrated, mixed-income, medium-density and well-located urban settlement patterns constantly run out of market-priced, affordable space. By international standards, South Africa's towns and cities are actually characterised by extreme urban sprawl. It is true that there are spaces in which there are extraordinarily high levels of population density, like Alexandra bursting at the seams, cheek-by-jowl with a high-rise and underpopulated Sandton. The 3-million plus RDP houses the post-apartheid government has built are mostly located on distant peripheries where the land was cheap. This has simply further entrenched apartheid-era settlement patterns and huge social inequalities.

After 1994 we, or rather private prop-

erty speculators, have built new cities – arguably Sandton for example. But these have simply replicated and entrenched apartheid spatial patterns. Which is why the land reform debate needs to have a major urban focus.

Let's dream. Let our dreaming focus on the five fundamental goals President Ramaphosa announced in his SONA speech – eliminating hunger in a country that already produces enough food for all; let's have moderate economic growth that outpaces population growth; let's have 2-million more young people involved in the world of work; let's have an education system in which all 10-year-olds are able to read for meaning; let's have a country where violent crime is significantly reduced.

As we dream let's ask the practical questions about what is needed to realize these fundamental goals. Do we need new cities? Or do we need transformed urban spaces in which all have the right to the city, in which it is safe for women to walk about at night? Do we need unaffordable bullet trains (China's current debt on its high speed rail system, buffered by China's huge surpluses, makes Eskom's debt look puny)? Or do we need much better public transport. Let's dream, but let's dream at a human scale. And let's dream with our feet firmly anchored in the realities of South Africa. ●

Cde Cronin is a former SACP Deputy General Secretary, and former Deputy Minister. He currently serves in the SACP Central Committee and Politburo



President Ramaphosa, with Parliamentary Speaker Thandi Modise, Deputy Speaker Amos Masondo and (partly obscured) his wife Tshepo Motsepe

TRADE WARS

US trade aggression is a threat to global security

The US is ramping up increasingly aggressive trade wars to impose its hegemony over new technologies, writes Rob Davies. The Left must answer with robust policies for inclusive global development



One of the hallmarks of the Trump administration has been the use of a “national security” clause (232) in its domestic legislation to raise tariffs above World Trade Organisation “bound rates” and/or those applicable in various trade agreements. The so-called “trade wars” began with the imposition of punitive duties on steel and aluminium products. While the main target of these was clearly China, they were also imposed selectively on other countries, while exempting those considered closer allies.

South Africa became “collateral damage”, subjected to duties of 10% on a range of steel products and 25% on aluminium, while countries like Brazil and Argentina were exempted. Lobbying efforts subsequently led to the removal of some, but not all of these, meaning that jobs in South Africa in related industries continue to be at risk.

The resort to such measures tells us much about the current global conjuncture. The hyper-globalisation of the 1990s, informed and inspired by the ideology of neo-liberalism, led to highly uneven and unequal outcomes both between and within countries. What Joseph Stiglitz called “discontents” are now increasingly evident in developed, as well as in underdeveloped countries. Study after study has shown that in the US inter-generational social mobility for working class and even “middle class” families is downward rather than upward - meaning that for most the prospects are

now that the next generation can expect to be worse off than their parents.

Coupled with this, the US as the imperialist super-power is now facing a huge competitive challenge from China. China has clearly been the main beneficiary from the trade liberalisation of the 1990s, emerging as a major producer and exporter of manufactured goods - but like all industrialisers before it achieved this by decidedly not following orthodox neo-liberal policies in its path to industrial development.

The Trump administration clearly represents a right-wing populist response to these issues. Its use of tariffs, though, tells us something important. Positions on tariff liberalisation are always relative. Judicious defence (protection) of domestic industries and the adoption of Industrial Policy has been the path followed by all who have industrialised. During this phase they need and demand “policy space” to support local development. Later when they become strong and competitive, they want others to open up their markets to their products and start preaching the virtues of free trade - even to the point of denying others access to the very policy tools they deployed in

their path to industrialisation.

This relativism even applies sectorally. The developed countries that espoused new liberalism and preached free trade in industrial products in the 1990s manifestly did not practice this in agriculture, where they were not as competitive as a number of developing countries. To this day a range of high tariffs and acknowledged “trade distorting” subsidies that are prohibited in industrial products are perfectly legal under global trade rules in agriculture and widely used by developed countries.

What is now becoming increasingly evident is that the “trade wars” have entered an important new phase - a struggle for hegemony over the technologies of the so-called 4th industrial Revolution. The 4IR is fundamentally about the collection and management of “big data” and its application in a host of new digital technologies that will have “disruptive effects” across productive and service sectors. Increasingly, at the apex of capitalist value chains will be not manufacturing capital (the factory) but capital controlling data intelligence centres.

The big enabler of all of this will be the roll out of 5G networks that will, among other things, allow the emergence of the “Internet of Things”. While the US as the imperialist superpower was at the heart of the development of computer technology, the internet etc, it is now facing intense competition from Chinese companies, emerging from the implementation of a conscious and successful digital industrial strategy. Huawei, for example,

The trade wars are an important new phase – a struggle for hegemony over the technologies of the 4th industrial revolution



Presidents Donald Trump and Xi Jinping at last year's failed trade talks

is now considered to have a two-year lead over US rivals, which is why its technology is now being looked to by many countries around the world.

The response of the Trump administration has been to accuse China of “cheating” and to act to try to prevent China and Chinese companies displacing the US and American companies as the dominant forces in the rollout of the technologies of the 4IR. This broad strategic perspective, it should be noted, seems to command broad support within the US dominant classes, even if there are tactical differences over this or that specific action of the Trump administration.

Among the measures being taken at this time are a range of “national secu-

urity” motivated exclusions of Chinese companies from contracts in the US, coupled with pressure on “allies” to follow suit. Less well known is the deliberate crippling of the Appellate body of the WTO. For some time now, the US has refused to agree to appointments to this body, meaning that by the end of this year it will no longer be quorate and able to function. While various peripheral “justifications” for this have been advanced, it is clear that there is no way that the US will allow its “national security” based actions to be adjudicated in a multilateral body.

Along with this has been the demand for an agenda of “reform” of the WTO and the multilateral trading system. Key elements of this include tightening the rules on “industrial subsidies” and state-owned companies in ways that will severely constrain the policy space for developing countries.

Another demand is that “bigger” developing countries (including South Africa) be no longer entitled to “special and differential treatment” or “less than full reciprocity” - meaning we and other countries in this category would be re-

quired to take on the same obligations as developed countries. Finally, the US and its allies are pushing for the adoption of new trade rules on “electronic commerce” that would require renouncing many potential digital Industrial Policy tools.

South Africa, as indicated earlier, has already become “collateral damage” in the earlier round of the “trade wars” and indeed could be further affected by the possible imposition of 232 duties on automotive products. Clearly, any of the measures punted as WTO “reform” would also have serious implications for our ability to conduct Industrial Policy.

What the above suggests is that we are entering an era of likely increasing aggressive action by a flagging, but still powerful imperialist superpower. The demise of the new-liberal “Washington consensus” has thus far been followed by a surge of right-wing nationalistic populism. The task of socialists and other progressive forces is manifestly to work towards an alternative perspective of inclusive development and a new form of multilateral cooperation. Meantime at national level, the formations of the working class need to maintain a vigilant stance on what is happening at the global level, whilst simultaneously contributing to the forging of a developmental digital industrial policy. ●

**We are entering
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but still powerful,
imperialist superpower**

Cde Davies is an SACP Central Committee member, veteran ANC activist and former Minister of Trade and industry.

MONOPOLY CAPITAL

A progressive response in the Trump era and beyond

Sello Ali Tleane assesses how the progressive movement in South Africa should respond to the 'evil plan' of monopoly capital on a practical level



The demise of the Union of Soviet Socialist Republics (USSR) in 1989-1991 created a dangerously complex situation for revolutions throughout the world, and this reality is beginning to manifest itself more clearly than earlier contemplated.

Before the collapse of the USSR, the world was exposed to a bipolar geopolitical system that was dominated by the US and the USSR, which augured well for liberation movements and other progressive organisations, as it assured them of a powerful ally in the USSR, a generous material supporter of their struggles against oppressive regimes. Moreover, the existence of a fraternal superpower that promoted Marxism-Leninism, gave the liberation movements confidence and strength and solidified their ideological orientation.

The disintegration of the USSR then ushered in a unipolar world system, dominated by the US. Monopoly capital wasted no time in claiming its place at the top of the world economy and in punishing those countries that continued with socialist economic policies through measures such as sanctions and isolation. These countries were gradually forced to back-peddle and to review their macro-economic policies. On the African continent such countries included the likes of Angola, Zimbabwe and Mozambique.

Although monopoly capital dominated economic power relations since the collapse of the USSR, its dominance was previously somewhat subtle and muted. The election of Donald Trump as US President has significantly changed that



situation. Monopoly capital's dominance has now become completely arrogant, reckless and obscene. A situation has now been created where governments are classified as being either with the US or against it. The middle ground is fast disappearing and the decimation of the international labour movement has become more pronounced. All over the globe, trade unions are being weakened through divisions and the application of confrontational policies that contradict international labour conventions and agreements.

The appetite for super profits by the bourgeoisie has seen the unleashing of life-sapping and draconian policies such as casualisation, retrenchments, and the rampant closure of factories and mines. Even powerful trade unions from European countries are on the back-foot, as monopoly capital closes down operations and take investments to Asian countries where the exploitation of workers is still guaranteed with the support of the host

Under Trump monopoly capital's dominance has become arrogant, reckless and obscene

countries. Although China has been recognised as the fastest growing economy during the past 20 years or so, what is often not mentioned is that to a large extent this success is attributable to American investments, which have been rushing to operate in that country.

Although China is governed by the Communist Party, the economic system embraced by that country is sometimes referred to as state capitalism. It is arguable that China would not have become the biggest economy in the world, if it had not adopted state capitalism. It would have likely found itself in a similar situation as Cuba, which despite the economic embargo enforced by the US, is still managing to produce the best doctors and teachers in the world. However, generally speaking, Cubans live under terrible conditions of scarcity, and I doubt if any South African, including communists, would be keen to live and work in Cuba, given the salary regime of this progressive country, although we often project ourselves as being ideologically agreeable to Cubans' way of life. This will do for a lively debate on another day.

Taking a cursory look at the situation in countries such as Venezuela and Zimbabwe which are being battered by economic sanctions masterminded by the US, and also horrified by the decision of Trump to engineer regime change in progressive Venezuela by declaring the leader of the opposition as the legitimate president of that country, with the inexplicable support from its

Western allies, it is clear that monopoly capital has declared war on the working class and poor!

In South Africa, the trade agreements



Don't count your chickens: Research indicates the US' Agoa trade agreements – intended to assist developing countries – means South Africa imports more from the US (including chickens) than it exports

entered into with the US such as the African Growth and Opportunity Act (Agoa), while enabling our country to export goods and services to the US, also enable the US to dump many goods such as frozen chickens in our country as imports. Some research suggests that we actually import more than we export. This deprives our workers and local businesses, especially farmers, of work opportunities and income generation as the manufacturing and processing of such goods happens elsewhere.

It is not possible or wise for our country to turn its back on developed countries such as the US and its allies at this stage. On the issue of new investments, which translates into the creation of the much-needed jobs, there are strings attached by monopoly capital. The employers insist on the relaxation of labour laws by government, to enable them to exploit the workers even more, for the accumulation of super profits. Many mines and factories are shutting down and laying off workers in big numbers. Unemployment and poverty are increasing among our people and trade unions are losing their power at the shop floor. Popcorn unions are manifesting themselves and the Congress of South African Trade Unions (Cosatu) is battling to unite the workers! This gives rise to general discontent by

the working class and poor across the country and threatens the hegemony of the ANC in government!

How does this volatile situation impact on the democratic movement in South Africa and how should we respond?

The power relations that exist within the United Nations (UN) places the US at an advantage over other countries. The US enjoys great influence of important international institutions such as the World Bank and International Monetary Fund (IMF), which are largely responsible for the funding of major developmental projects undertaken by needy governments but which comes at a high price, given the huge interest which is paid on the loans. The rise of China and Russia is giving the US some headaches, but it still pulls the strings on world economies. Oligopolies are found in almost all countries and are responsible for capital flight and the stagnation of local businesses.

Monopoly capital has raised the bar

**Monopoly capital
has declared war on
the workers and the poor
of the world!**

and the Tripartite Alliance leadership need to seriously contemplate this situation and empirically plan the way forward. Pointing fingers will not advance the cause of the National Democratic Revolution (NDR) but will only serve the purpose of further weakening the movement. Theoretically speaking, socialism is still the answer. However, the question is, “how do you implement it under these globalised conditions dominated by monopoly capital?” Even if the SACP were to contest the national elections tomorrow and hypothetically win, it would still encounter a major challenge on the question of the macro-economic policy to adopt which would realistically take the country forward.

My view is that the leadership of the Tripartite Alliance should rather prioritise the unity of the working class and poor in the country and the SACP should spearhead this task beyond the boundaries of Cosatu, which has been battling to close the floodgates of affiliates leaving the federation. There has been too much fragmentation within the labour movement which in the broader scheme of things, complicates the trajectory of the NDR. The time has surely come for the Party to act like the real vanguard of the working class that it is, by taking tangible steps to forge unity among the workers.

Of course, such a campaign would not be easy and would definitely be fraught with danger and even resistance by some unions and individuals.

But just imagine the excitement that would be generated in the country if an announcement was to be made to the effect that the Party had resolved to engage the various trade union federations in a campaign whose strategic objective is ultimate unity and the achievement of the principle of one industry, one union! The critical by-product of such a campaign would be an expected increase in the support for the ANC and the democratic state! We need to see a major paradigm shift by the SACP, which must create a new narrative in the country and beyond.

Some Cosatu affiliates are embracing a confrontational stance against the ANC-led government in recent years, whether rightly or wrongly so, particularly in the public sector. The workers must understand the divisive strategy of

monopoly capital. A call for unity by the SACP at that level would go a long way in slowing down this dangerous attitude and refresh and strengthen the ideological stance of the labour movement. The evil plan of monopoly capital must not confuse the workers and must be properly explained for the achievement of a deeper understanding of what is at stake. If the workers can continue to see the democratic state as the enemy, many gains made in the struggle will be reversed, at the expense of the revolution. Political education must therefore be at the centre of all activities of the Alliance, on an ongoing basis.

The leadership of the entire Alliance must continually dissect the international balance of forces in order to plan properly and to avoid drawing conclusions emotionally. Trying to topple capitalism at this moment would be a futile and dangerous exercise that would derail the NDR. Instead, the Alliance leadership should assist the ANC to sharpen its job

creation initiative, which among other things include attracting foreign and local investments. Of course, we must not play lip service to the nationalisation of the Reserve Bank, and the establishment of a State Bank must happen sooner, rather than later.

This progressive stance and programme of action would buy the SACP time to engage constructively with communist parties and progressive organisations from other parts of the world on the possible way forward against monopoly capital. Strengthening the hegemony of the ANC in the body politic of our country is therefore not debatable. The party must increase political education among ordinary citizens on the ground about what it stands for and the need to continue supporting the ANC at this juncture of the struggle. ●

Cde Tleane was a member of the Portfolio Committee on Economic Development

COOPERATIVES

A tool of transformation!

Cooperatives are not small businesses, writes Nozabelo Ruth Bhengu, they're a way of transforming communities through a solidarity economy – that's why we need them



The ANC government should always be mindful that the economic transformation agenda should be informed by the resolution of the ANC Consultative Conference held in Morogoro in 1969, which resolved that South Africa would be transformed into a mixed economic system under the ANC government. The Consultative Conference identified three pillars to turn South Africa into a mixed economy:

- State-owned enterprises (SOEs);
- Privately owned enterprises;
- Workers and community owned enterprises subscribing to the concept of cooperatives.

The ANC government created confusion by naming a department charged with the responsibility of developing Cooperatives and Small, Medium and Micro Enterprises the Department of Small

Business Development, implying that cooperatives are small businesses.

Cooperatives are not small businesses they are part of a social and solidarity economy. They play a different role in transforming the manner of governing enterprises and how the wealth accumulated through cooperatives is used to further develop communities where cooperatives exist. The name of the department should make it easy to draw a distinction between small businesses and cooperatives.

Support services for Cooperatives are totally different from support services the government would provide to SMMEs. The process of establishing the cooperatives development agency, a cooperatives development fund, and a national cooperatives development academy should adopt the culture of *khawuleza* as resolved in the ANC Lekgotla held 1-3 June 2019.

South Africa is in a much better position than the community of the Basque region in Spain was in 1941 before the establishment of Mondragon Cooperatives. That community had no government support, and they had no schools to train technical skills. Young people had to pack their bags and leave their homes to look for jobs in Madrid. Today Mondragon is a sustainable community with ownership of the economy and ability to provide themselves with jobs and further develop their region without any dependency on government; in actual fact government is learning from the cooperatives how the concept of cooperatives addresses issues of class division in the society.

Fundamental to the establishment of viable cooperatives in South Africa and positioning them as effective instruments for facilitating the establishment of sustainable communities is proper and adequate training provided by capable and knowledgeable people to create a better understanding of the concept of cooperatives both at government and community levels. ●

Cde Bhengu is an ANC NEC member, former Sanco President, and a former ANC MP who chaired several parliamentary committees. She is currently the Executive Director of the Institute for Cooperatives and Community Economic Development

WOMEN

To grow the country we must grow women's power

Precious Banda calls for intensifying the fight to transform gender relations and end patriarchy throughout society



In our work to transform gender relations we should keep in mind the great women and men who throughout our history gave their lives to fight for the emancipation of women and for gender equality. We need to draw inspiration from women who have fought against injustice, and to make the voice of women heard. Women must tell their own stories – women deep in rural villages, street vendors, domestic workers, sex workers, farm workers, unemployed women, in fact all disadvantaged women who struggle to survive.

It is important that we look at the family and the role it plays to reproduce patriarchy and gender inequalities. It is through socially acceptable behaviours that women are marginalised, body-shamed, and oppressed by rape culture daily. We must fight to change gender relations in the home and dismantle all structures and systems that reproduce women oppression in society. We must intensify the fight against capitalism and any form of exploitation. This can be done by encouraging hegemonic grassroots activism and ideological work of conscientising our people to re-imagine their socialisation differently.

Engels wrote that the family is a product of the social system and that it always reflects the culture of that system, and also that the family progresses with society and changes with society. Just as the cell is the basic unit of an organism, so



Families must empower and infuse young girls with confidence, instead of reinforcing patriarchal stereotypes

the family is the basic unit of the society. As the basic unit, the family has great importance in determining the nature of the structure of society. Institutions such as family should be seen in terms of the predominant productive relations of each historical era and how women

are still at the receiving end today both systematically and structurally.

Conscious of the labour power of women and the children they produce, men are guaranteed of free labour, which neither rebels nor complains against exploitation. This is how marriage and family has continued to oppress women despite strides in laws. These remarks are echoed in Cosatu's publication in the early 1990s called "Labour pains". So, this is a call for the family to rise in building progressive communities that are not known for the oppression and abuse of women. Girls are taught from early childhood to play the same role their mothers play. From the very start, girls are brought up differently from boys and made to feel inferior. They are groomed by society through upbringing to be opinion less in the space of decision-making. These notions have made our struggle difficult because boys and men grow up so entitled and struggle to exist alongside a woman with views and a voice.

The family itself does not give a chance to the girls to acquire the correct conceptualisation of their relationship with society. Families must play an educative role in a girl's life to empower her and give her confidence instead of continuously safeguarding the patriarchal stereotypes that are reproduced from one generation to the next that undermine the existence of a girl and woman.

Boys and men must also unlearn to treat women as secondary beings. I bring this up because we need to do more work on the socialisation of our people and one of the many ways to do so is not to stop speaking and confronting issues that perpetuate the subjugation of women, gender relations are power relations.

We demand a listening government that elevates issues of women emancipation in a radical way. Only the ANC has that capacity among all political parties. Women want to buy and own property without difficulties, women want to own land and produce food, we want one woman one hectare at least, we want to be at the helm and centre of activities of all industries and trade. We want to have a say in the direction our education system is taking, we want to be in governance and leadership. Women must dream and aim higher as our democracy matures and it is the ANC that can create an atmosphere for that.

The ANC through its ANCWL has led struggles of women at every epoch since the marginalised majority started to organise themselves in the 20th century. The ANCWL led women in resisting pass laws, it was the ANCWL that fought for equal representation of women in the structures of the ANC and have now taken the fight to all sectors and governance. The women of the ANC fought for reproductive rights for women, which included safe abortions and other contraceptives. Our fight now is that as the NHI is implemented, it must change the quality of health care for all women, especially the poor and working class women, who depend entirely on the public health system. Last year in 2018, the minister responsible for women announced the distribution of quality sanitary towels to all needy girls and young women in schools, the whole circle of



On the march in Cape Town against gender-based violence - part of the 'total shutdown' campaign that gave birth to the GBV Council

the distribution of these sanitary towels must empower women from production until the user.

One of the milestones of 2018 was the announcement by the President, after various protests and marches by women, that he would appoint a gender based violence (GBV) council that would address all questions pertaining to GBV. The ANCWL especially its women are looking forward to the implementation of this council which will reflect all sectors and spheres. This council must address the daily abuses that domestic workers go through, the condition of women living with albinism who are usually a target

must be resolved, the women in small, upcoming and informal businesses must be protected, young professionals, sex workers, all informal workers, and children. When this GBV council is set up, it must respond to the needs of the women we mention and many others. It is only we women of the ANC who stood up and demanded that our party clearly takes a stance against GBV both in form and content and we continue to do so fearlessly.

The South Africa we want is one where women are not marginalised in their political parties only because of women, it is a South Africa where each political committee to the struggles of women must deploy equal representation of men and women in parliament as we go to elections. We dream of a South Africa without gender based violence and women abuse; a country that will allow young women to stretch their wings, dream and live their dreams; a nation that will be confident in making young women ministers and give them strategic responsibilities because they know they are investing towards growing the extent at which we view women representation. We don't want to leave other young women behind; the growth we want must touch all of us in our different spheres of existence and affirm us as the future.

We will ensure that when our party grows South Africa, women must be the first to grow. We will ensure that no kind of woman is left behind as we move forward. We will fight to ensure that all our women move forward together. ●

Only the ANC-led Alliance has the capacity in government to elevate issues of women's emancipation



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Cde Banda is a YCLSA National Committee member and ANCWL Young Women's Desk National Convenor

POVERTY

South Africa needs a really BIG intervention

Post-'94 South Africa has seen widening inequality and deepening poverty. We need robust policy changes beginning with a basic income grant (BIG) to bring about change, argues Chris Matlhako



Over two-decades into our democracy the conditions of the majority - Africans in particular and black people in general - are unchanged. The poor and marginalised have not enjoyed the benefits of democracy, especially women and children, rural and peri-urban. The triple challenges of poverty, unemployment, and inequality continue to be simultaneously reproduced and entrenched, as the country became that most unequal society on the globe.

The structural systemic problems of our economy have not been tackled and as such the economy continues to reproduce colonial-apartheid and capitalists features.

The report *Poverty Trends in South Africa: an examination of absolute poverty between 2006 – 2015* released by Stats SA in August 2017, finds that “the number of persons living in extreme poverty (i.e. anyone living below the 2015 Food Poverty Line of R441 a month) in South Africa has increased by 2,8-million, from 11-million in 2011 to 3,8-million in 2015”. It also states that the most vulnerable to poverty in our society are children aged 17 and younger; female, black Africans: people living in rural areas; those living in Eastern Cape and Limpopo; and people with little or no education.

According to a recent World Bank report (*Overcoming Poverty and Inequality in South Africa: An Assessment of Drivers, Constraints and Opportunities, 2018*):

“... by any measure, South Africa is one of the most unequal countries in the world. Inequality is high, persistent, and has increased since 1994. Second, although South Africa has made



From 2006-2015 the number of South Africans living on less than R441 a month increased to nearly a third of the total population

progress in reducing poverty since 1994, the trajectory of poverty reduction was reversed between 2011 and 2015, threatening to erode some of the gains made since 1994. High levels of inequality and low intergenerational mobility act as a brake on poverty reduction and as a result poverty is high for an upper middle-income country. Poverty is consistently highest among black South Africans, the less educated, the unemployed, female-headed households, large families, and children. Further, poverty has a strong spatial dimension in South Africa, a demonstration of the enduring legacy of apartheid.”

Polarisation

The class divides were clearly visible and accentuated recently when the poor of Alexander marched on to upmarket Sandton and the despicable decision to demolish the informal homes of the poor

at the start of winter, demonstrating the deep divides that characterise democratic South Africa. “Poverty remains concentrated in previously disadvantaged areas, such as the former homelands – areas that were set aside for black South Africans along ethnic lines during apartheid and hinterlands of rural and peri-urban of our country”, the World Bank report states.

High levels of income polarisation are manifested in very high levels of chronic poverty, a few high-income earners and a relatively small middle class. Moreover, the role of skills and labour market factors have grown in importance in explaining poverty and inequality while the role of gender and race, though still important, has declined, presenting an opportunity for policy to influence poverty and inequality outcomes. Social protection remains important in reducing extreme poverty, but the fiscal space for

further expansion is limited. Low growth perspectives in the coming years suggest poor prospects of eliminating poverty by 2030 as envisaged in the National Development Plan (NDP).

Disappointingly, the proposal to increase the social grants for six months to offset the rapacious nature of the system didn't even make it at the Jobs Summit. This was a missed opportunity and indirect perpetuation of the miserable conditions of the majority of our population. Even though President Cyril Ramaphosa's stimulus package spoke about "conditions faced by vulnerable groups and reprioritised spending going towards agriculture, the townships and rural areas", we're yet to see interconnections in meaningful ways between economic and social policy, in ways which these are able to move us forward to achieve the stated goals of our constitution. This is not assisted by what we can only confirm to be a neoliberal ideological paradigm, which permeates Treasury and the Reserve Bank – copycats of World Bank and related institutions logic of dismissing any alternative, which does not conform to the logic of hard-core capitalism and 'Chicago Boys' economics.

Poverty on the rise

The proposal deserves attention given the intersecting challenges and state of the economy, the worsening conditions of inequality and poverty in our country confronts today. As it is, the goals set out in the NDP for 2030 will never be achieved at the both the pace and rate of the current development trajectory. The global meltdown which has been underway since at least 2008-9 has not only worsened the conditions of the poorest and marginalised, but created precariousness for the majority of the population of the world and 'democratising South Africa' is no exception.

According to new statistics released by StatsSA, poverty is on the rise in South Africa. World trends suggest that proactive policy positions taken to off-set austerity have actually allowed the poor and marginalised to be cushioned, and provided much needed assistance to stem the tide of more and more people falling into the cracks of grinding poverty. In the heart of austerity enveloped Europe, Portugal's reported rebounding recently in this space is ascribed to the bold steps taken in the midst of economic crisis and austerity measures insisted upon by the major European ruling elites.

Portugal took a daring stand: in

2015 it cast aside the harshest austerity measures its European creditors had imposed, igniting a virtuous cycle that put its economy back on a path to growth. The country reversed cuts to wages, pensions and social security, and offered incentives to businesses. The government's U-turn and willingness to spend had a powerful effect. Creditors railed against the move, but the gloom that had gripped the nation through years of belt-tightening began to lift. Business confidence rebounded. Production and exports began to take off. However, on the other hand, Greece has remained in crisis if not dragged deeper into precariousness, where increased suicides have been recorded in this period.

Liz Alderman's article in the New York Times "Portugal dared to cast aside austerity. It's having a major revival" 22 July 2018, states:

"At a time of mounting uncertainty in Europe, Portugal has defied critics who have insisted on austerity as the answer to the Continent's economic and financial crisis. While countries from Greece to Ireland — and for a stretch, Portugal itself — toed the line, Lisbon resisted, helping to stoke a revival that drove economic growth last year to its highest level in a decade.

The renewal is visible just about everywhere. Hotels, restaurants and shops have opened in droves, fuelled by a tourism surge that has helped cut unemployment in half. In the Beato district of Lisbon, a mega-campus for start-ups rises from the rubble of a derelict military factory. Bosch, Google and Mercedes-Benz recently opened offices and digital research centres here, collectively employing thousands. Foreign investment in aerospace, construction and other sectors is at a record high. And traditional Portuguese industries, including textiles and paper mills, are putting money into innovation, driving a boom in exports".

"What happened in Portugal shows that too much austerity deepens a recession, and creates vicious cycle", Prime Minister Antonio Costa was quoted in the same article. "We devised an alter-

The decision to drop the idea of BIG is an indictment of a movement that subscribes to people centred development

native to austerity, focusing on higher growth, and more and better jobs".

The government in Portugal raised public sector salaries, the minimum wage and pensions and even restored the amount of vacation days to pre-bail-out levels over objections from creditors like Germany and the International Monetary Fund (IMF). Incentives to stimulate business included development subsidies, tax credits and funding for small and midsize companies.

Basic income grant

The proposal to raise social grants should also be seen in the broader context of the global debate on the precariousness of work, technological advances, rising inequality - even when the economy keeps growing yet most economic gains are going to a few - largely financiers and, increasingly, inventors and owners of the digitised devices that are replacing good jobs. Our economic isn't designed for this. If the trend continues, it's unclear who will even earn enough money to buy all the future robots talked about in the 4th Industrial Revolution.

We should be debating and engaging in earnest and with much more commitment than the engagements that characterised the 'basic income grant' (BIG) debate of yesteryear and subsequently led to it being pushed to the back-burner. The reasons why the notion of a BIG was dropped in the first place is an indictment of a movement that punts itself as progressive and subscribes to people-centred development.

Today, in many countries some form of BIG is being proposed and huge debates are happening to find solutions to ongoing deepening inequalities and precariousness. There's a growing international policy movement currently advocating for one form of BIG. Our country stands at the crossroads to take a proactive path of tackling poverty, unemployment and inequality.

In her 2017 campaign memoir *What Happened* Hillary Clinton revealed that she flirted with, but ultimately rejected running with a universal basic income (UBI) policy: an unconditional payment by government to every citizen: "Besides cash in people's pockets, it would also be a way of making every American feel more connected to our country and to one another - part of something bigger than ourselves." ●

Cde Matlhako is the SACP 2nd Deputy General Secretary



Women in the informal economy are usually at the bottom of the pile.

INFORMAL ECONOMY

Reconstructing informal work and reproductive labour

Pat Horn offers a class and gender perspective on organising workers in the informal economy, including sex workers



Neoliberal globalisation has led to continuing changes in labour markets internationally. Traditional wage labour has given way to a number of forms of precarious, vulnerable and other informalised labour. The informalised labour force works under conditions that resemble those of the more traditional types of informal work, such as petty commodity trading and production. The challenge facing trade unions today is to try to understand the class relations which exist within the informal economy – which consists of workers (both workers working for some sort of wage rate, however irregular, as well as own-account workers, including home-based producers, street vendors, waste-collectors, etc), entrepreneurs and

employers (including labour-brokers and intermediaries).

It is not as straightforward as in the formal economy, where workers are simply defined as those who sell their labour power directly to the capitalists. In considering the range of employment and labour relationships which exist in the informal economy, it is possible to identify an element of economic dependence (albeit not necessarily dependence upon a party identified as an employer – particularly in the case of own-account workers) of certain informal economy operators on other actors, such as local authorities, suppliers, owners of property or assets used by them to perform their work, enforcement agents of public policies and laws, even protection racketeers, just to be able to carry out their livelihood activities. It is this element

of economic dependence (which can include an employment relationship) which defines the status of workers (as opposed to entrepreneurs) in the informal economy.

Needless to say, women in the informal economy are usually the most economically dependent workers at the bottom of the pile.

Patriarchy and the gender division of labour

Women's work is often considered to be reproductive labour, based specifically on patriarchal household relations, such as the various forms of unpaid work which women are routinely expected to perform in the household or extended family, understood to form the basis of the gender oppression which operates side-by-side with the exploitation of the

productive labour of the workers in both feudal and capitalist economies.

Many forms of vulnerable work are the overwhelming preserve of women, such as home-based production, seasonal farm work, domestic work, etc – as well as the feminisation of various forms of low-paid productive labour in the 20th and 21st centuries. In Africa and Latin America, women also dominate street vending and informal market vending.

The world of work as we see it evolving today under global capitalism blurs the distinction between the productive labour performed by women and their reproductive labour – as a result, the main difference between “women’s work” and “men’s work” is not in its reproductive character, but in the fact that “women’s work” is that which has come to have a lesser value, and is therefore paid at a lower rate and comes with less social security and employment security.

Reproductive labour, starting from the unpaid, is allocated a lower social value than productive labour – so domestic work, being reproductive labour for a wage, performed by women in somebody else’s home, is also not valued particularly highly on the labour market. The patriarchal social relations in a society permeate all workplaces. In a patriarchal society it is still easier to get away with attributing a lower value to the work done by women.

This social reproductive role is not only assigned to women by the owners of the means of production, but even in working class communities, when women have been known to be assigned to a (low-paid or unpaid, and definitely undervalued) “community care” role for the aged, the disabled, the mentally ill, etc. Community alternatives to bureaucratic institutions for these forms of social reproduction, because of the patriarchal relationships embedded in those very communities, may then become as much an agent of the gender oppression in the working class as the capitalist employer.

Problems facing informal workers:

- Low, irregular and insecure income;
- No or little social security or protection, including health care, disability and death insurance, pension, maternity, unemployment, disaster etc;
- Unhealthy, unsafe, insecure working environment;
- Low education levels;
- Little access to skills development and training;



- No/few worker rights, representation and voice – no protective legislation;
- Lack of recognition and respect; and
- Ignored by traditional trade unions.

Particular problems for own account (self-employed) informal workers:

- Lack of capital and credit to purchase goods, raw materials, tools.
- Poor/no access to financial services;
- Lack of access to well-paying markets/customers;
- Competition – between selves and against formal sector;
- Not recognised as workers – by society, selves, unions.

Key challenges and priority issues for women informal workers:

- Discrimination – unequal incomes for equal value work;
- Unequal access to higher income earning occupations or sectors;
- Poor and unequal access to financial resources, including credit, banking institutions;
- Health care – self and family;
- Maternity leave or income protection during childbirth;
- Child care;
- Insurance and income protection for family and other disasters/ events;
- Physical security and safety; and
- Sexual harassment.

Rights of sex workers

In addition to all the above-mentioned challenges of marginalisation faced by all workers in the informal economy, sex workers face additional challenges of criminalisation of their work and profession. This makes it difficult to organise openly without putting their members at risk by exposing their identities. Despite this, there is a global Network of Sex Work Projects (NSWP) whose mem-

bership comprises 237 sex worker-led organisations in 71 countries across the globe, including local organisations as well as national and regional networks. Regional networks in the global south and global north represent thousands of sex workers who actively oppose the criminalisation and other legal oppression of sex work.

In 2013, following a global consultation with members, NSWP issued a *Consensus Statement on Sex Work, Human Rights and the Law* – www.nswp.org/resource/consensus-statement-english-full – on behalf of NSWP members and the sex workers they represent. The consensus statement identifies and focuses on eight rights that have been recognised and ratified by most countries as fundamental human rights. These eight rights are established in various international human rights treaties, as well as many national constitutions, but are too often denied to sex workers. The fundamental rights identified by sex workers as most at risk of being denied were the rights:

- to associate and organise;
- to be protected by the law;
- to be free from violence;
- to be free from discrimination;
- to privacy and freedom from arbitrary interference;
- to health;
- to move and to migrate; and
- to work and free choice of employment. ●

This article is based on a paper presented At Second South Asian Conference Of Women Trade Unionists: Together We Will Achieve Decent Work And A Better South Asia – Rights@Work, Kathmandu in 2008

Cde Horn is an SACP member, veteran activist and a former trade unionist and is currently the Streetnet International Co-ordinator

Endnotes

1. See description of different kinds of work in the informal economy in “Conclusions on Decent Work and the Informal Economy” adopted at the 92nd session of the International Labour Conference of the ILO in June 2002 <http://www.ilo.org/public/english/standards/reln/ilc/ilc90/pdf/pr-25res.pdf>
2. Prepared by Chris Bonner, WIEGO Programme Director, Organisation & Representation
3. Chris Bonner, WIEGO Org & Rep
4. Chris Bonner, WIEGO Org & Rep



Metrorail in the Western Cape – under-funded, unreliable and unsafe

PUBLIC TRANSPORT

SACP demands pinpoint Cape metro crisis

*Transport in the Cape metro is in meltdown – we demand safe, affordable, reliable and accessible public transport and road safety for all, writes **Benson Ngqentsu***



In 2006, the SACP used its annual celebration of the Great October Socialist Revolution by launching a campaign For safe, affordable, reliable and accessible public transport and road safety for all. The fundamental basis for this action continues to be an appreciation that problems of public transport are working class problems.

Some 13 years ago, the SACP made a statement that remains valid today: “The SACP has been concerned that since 1994 public transport has not significantly improved for the great majority of South Africans. In many respects it has got worse. Taxis are often unsafe, and the ways in

which they operate is abusive to passengers. Metrorail is under-funded, and unreliable. Many workers lose their jobs for arriving late at work through no fault of their own. Children are turned back from school for arriving late at school. There is serious crime on board many trains. Bus services are often erratic or unavailable. Most bus stations and bus-stops are exposed to wind and rain.

“Public transport is very expensive for most workers, students and poor. Most public transport does not operate after hours – making it impossible for shift-workers to get safely to work and back home. In many parts of our country, poor households have no access to public transport whatsoever”

The Party further argued: “There are many reasons for the very poor state of public transport in our country. One of these is that the majority of South Africans are still trapped in apartheid-era townships and rural areas distant from work and amenities. Our well-intentioned RDP housing delivery has reinforced the reality of many workers and the poor being stranded in distant places, making transport costly. A fundamental problem here is that 12 years into our democracy, housing and other related infrastructural developments are done outside of public transport considerations”

It is no secret that little has been done by our government since the party made this statement. In the Cape metro the sit-

uation has gone from bad to worse. Our party in the province has characterised the current state of affairs as nothing but economic sabotage and the workers and the poor have become the primary victims. As things stand, the working class can no longer rely on either trains or mini-mini bus taxis.

The State of Railway in the Western Cape

Railway transport in the province and metro in particular has been marred with deeper and systematic challenges. It has been reported that at least 40 trains were set alight, train drivers shot at and commuters robbed, assaulted, women sexually harassed and killed in trains and many commuters left stranded. Since 2009 a number of ministers were appointed and new Prasa boards constituted with CEO after CEO but the rail situation deteriorate by day. It has become clear that the tentacles of the corrupt parasitic network in Prasa are much wider than we thought so Prasa is unable to meet its own strategic objective. It is so because Prasa's strategy asserts thus: "Prasa's strategic outlook and deployment focuses on 'positioning of rail as the backbone of public transport' and operating in an integrated transport network, whilst delivering 'public value'. In ensuring that rail becomes the mode of choice for public passenger transport it is supported by a bus feeder and commuter service and is underpinned by a vibrant property and real estate portfolio that unlocks the value of assets".

Instead Prasa has become the worst opposite of its strategic objective and instead of becoming the backbone of public transport it has become a backbone of corruption, looting and parasitism. As part of building integration between rail and other public transport modes, the agency in its current form remains incapable of even using Autopax to feed into and complement rail services and priority hubs in the network.

So what is to be done? The SACP in the Western Cape has called for:

- The Minister to dismantle the parasitic network and reconstitute the Cape Town regional leadership or risk getting contaminated;
- State Security Intelligence, Hawks, NPA, Transport and Public Works to work together to root out the rot in the agency;
- The repositioning of the SAPS Railway Unit to effectively protect both commuters and rail infrastructure;
- Prasa to consider rebuilding the



More than 40 trains have been torched, train drivers shot at, commuters robbed and assaulted, and women sexually harassed and killed on trains

capacity of the Security Services and rethink the role of private security. (It is reported that private security has much more capacity than the internal Security Services);

- Prasa to adjust its rail infrastructure according to the development of our townships – as a matter of urgency there must be rail connection to Atlantis, Mfuleni, Atlantis, Delft, Khayelitsha to Strand and Khayelitsha to Wynberg.

SACP and the taxi industry

In the first instance, the SACP recognises the taxi industry as an industry made up of a retrenched section of the working class. The industry is always faced with tensions and infighting to a point that even innocent commuters lose their lives. The Party raised a serious concern in 2006: "Instead of taxis, buses and trains working together as part of an integrated system in our towns and cities - we have minibuses fighting each other for passengers, and we have minibuses competing with buses and trains on long routes. Our public transport "systems" are fragmented, irrational, uneconomical and unsustainable. There is little effective government regulation and monitoring of public transport - and very little role given to commuters themselves".

It is no secret that majority of the workers and the poor rely on mini-bus taxis. This therefore suggests that taxis are the backbone of our public transport system in the country in general and our province in particular. The current state of our railway over-burdens the taxi industry.

The poor regulation of the sector affects the broader society. It is so because the small profit margins in this sector force drivers to speed, overload, work

long hours, over-work the vehicles thus making this sector to have a very high accident rate.

So what is to be done? The SACP should call on the Minister of Transport to engage with the local taxi leadership as part of the build-up programme to the Transport Imbizo and beyond. Actually, the tension in the industry which over time has always been either about operating permits or routes can be better lead by the Minister of Transport. Often when there is an issue in the industry, the Police Minister is called upon...this borders on resorting to a suppressive state machinery rather than resolving the matter in the interests of the class.

Need for commuters' charter

Lack of reflection on the bus industry does not suggest that it is less important. There is a need for deeper discussion about it too in the context of building an integrated public transport system.

The Party re-emphasises its call for the development of a commuters' charter. such a charter will have to include, amongst other things, school transport, rights of the disabled to access public transport, the rights of women commuters who have many additional burden, including travelling with children, the rights of workers, especially drivers who have to work long hours in unsafe environments.

The Party argued in 2006 that such as charter must incorporate the rights of pedestrians, cyclists, as well as the establishment of help-lines where problems of public transport can be reported and attended to. ●

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UNITED STATES

Leninism and the African American National Question

Joe Sims and Jarvis Tyner argue that resolving the national question concerning black people in the US is inextricably part of the struggle against racism, for equality for all, and for socialism

The African American national question both historically and presently is among the world's most important democratic struggles. Brought to US shores as chattel slaves by a settler colonialist republic in the throes of bourgeois democratic revolution, Africans were stripped of their indigenous languages, cultures and religions and forced to endure history's most brutal form of slavery. This was a servitude endured in the building of industrial capitalism fuelled by the plantation system where "cotton was king," a slavery premised for the first time in human history on race and justified by religious and pseudo-scientific claims of inferiority.

A civil war was fought over the issue of slavery; and hopes for equality promised by the Reconstruction period were soon dashed with the return to power of the former slaveocracy with the aid of Ku Klux Klan terror and Northern complicity. Enforced by a new form of Black Codes, 100 years of oppression ensued, an oppression only overcome by stiff resistance and battles for democracy in the form of equal democratic and economic rights.

The African American people, then, emerged as a racially and nationally oppressed minority within the framework of an evolving multinational bourgeois democratic republic. Confronting oppression based skin colour ("race") and a distinct national culture ("nationality") black people faced a similar though

unique experience with other people of colour within the continental US, most of whom are described in Leninist terms as national minorities.

Why use the term "national minorities"? Because "oppressed nations" in Marxist terms constitute a different social entity. "Nations" are defined as peoples who share a common, language, economy, territory, psychological make-up, and common culture. A common economic life and territory obviously did not obtain in the African American experience rendering the classic definition inoperable, particularly after the great migration of 6-million black souls to work in the industrial Midwest and North in the early part of the 20th century. Two of the five categories delineated above, a common language and psychological make-up, were not sufficient to define black Americans as a nation.

WEB Du Bois, the US's foremost Af-

rican American scholar and activist, saw these issues clearly and in article entitled 100 years of Negro Freedom challenged the nation thesis directly.

He wrote: "Is it a nation, a closed economy, a cultural unity or what? It is certainly not a nation, for its political power is limited and is seldom exercised as a unit. It is not a closed economy but part of the economy of the whole nation and becoming more and more integrated. It is proportionally more largely engaged in agriculture, domestic service and common labour, and that increased its dependence on the national economy."

Taking on the group economy category Du Bois continues: "There is some evidence of group economy where black professionals, businessmen and artisans serve primarily the black group, but it is not clear how this development is growing in comparison with the general picture. One thing is certain: the economic survival of the black in the South depends on close union with white workers, so as to present a united front against the tremendous growth of monopoly capital in the South today."

Even on the issue of a group culture, the great theoretician contends: "This black group inherited and has formed a group culture with some customs, language dialects and with a growing literature and other forms of art. Yet, as this goes on, there is increasing integration with the American culture until it is difficult to say how far there is today a distinct American



The 1963 March on Washington for Jobs and Freedom

black culture, and in what direction it will probably grow.”

Wadi'h Halabi's argument in defence of the long abandoned self-determination policy misses these key points. Halabi argues that black people constitute a nation in Marxist terms and therefore should exercise the right of self-determination, a position challenged by Du Bois and at variance with longstanding CPU-SA policy. That the African Americans constitute a national question is not tantamount to arguing that we constitute a nation.

Advocating a policy borrowed in a mechanical form from the Soviet experience, Halabi writes: “For Marxism, a national question has specific implications. This includes the right to self-determination (separation) and to land – as territory, and as land torn from the exploiters and their state, and placed in the hands of the oppressed who would work and protect it.”

But there are many forms the national question assumes: the two primary ones are a) an oppressed nation; and b) a oppressed national minority. The former obtained in places like Czarist Russia, often described as the “prison house of nations” or on the African continent, carved up in the Berlin Conference of 1885 and occupied by European nations, or in the English occupation of Ireland.

The latter are revealed in multinational states, where within the framework of capitalist economies, national minorities are compelled to live and work within the framework of an existing common territory, economy, language, culture etc.

In the US this began with occupation by European powers of Native American lands and slavery and continues with the migration of Latino immigrants from central America, Mexico and other countries compelled by deep poverty and oppression. Similar circumstances are arising in a number of European countries due to the influx of migrant labour from the Middle East, Africa, and the Caribbean.

Halabi conflates the terms “nation” with “national minority” leading him to mistake after mistake in analysing the unique features of the African American and other people of colour's experience in the US. In addition, he compares the situation of African Americans to the Palestinian experience in circumstances that are completely different. Palestine in fact constituted a nation as defined in classic terms – black Americans did not. Palestinians were ejected from their land

– African Americans were enslaved and brought to another country.

He admits that the Comintern made a mistake by including territory in its self-determination claim but is unable to see that this weakens instead of strengthens his argument, writing “the Comintern resolutions erred by tying the black national question to the ‘Black Belt’, regions in the South with majority black population.”

Cde Halabi continues: “But what defines the black national question is the searing experience of kidnapping from Africa, enslavement – and the unending oppression and discrimination since “emancipation”.

But what defines the black national question as Du Bois has demonstrated is not only oppression but the specific forms the oppression that African Americans as a people and workers experience, first as slaves, then sharecroppers, and finally as an overwhelmingly working-class population.

In this process African Americans both historically and today have expressed what they consider to be the main forms of their freedom fight (i.e. their self-determination) as the demand for complete and unconditional equality within the framework of the US bourgeois democratic republic.

This was done in the first place by joining the Civil War against slavery, a decision that turned the tide in the favour of the Union forces. Indeed let's recall Frederick Douglass' words to Lincoln when faced with the president's call for repatriation of black Americans to Africa. Calling it a “silly idea” Douglas said “the President of the United States has become an itinerant colonization preacher, who has made himself look ridiculous by pitching this idea that we should leave the nation of our birth.”

Consider that decade after decade thereafter the fight for African American freedom was defined by combating Jim Crow segregation and systemic institutionalized racial oppression in every area of life. And all of this by voting, boycotts, sit-ins, occupations, strikes, in unity with any and all who join in this effort, par-

ticularly the labour movement.

It's true that nationalist and even separatist sentiment arises, particularly in periods when oppression is severe and white allies fail to respond as in the case of the 1920s and the Garvey movement.

It's also true that in periods of labour and democratic struggles, as during the 30s and 60s and today, unity trends predominate.

Can equality be achieved under capitalism? The answer is that the struggle for equality will determine whether or not socialism is achieved. Why? Because the unity of the working class depends on addressing today – and not tomorrow – the demands of all sections of the class – that means fighting racism.

And this is where the future lies, as Du Bois predicted: in unity with white workers against the power of monopoly capital. We would only add – in unity with all workers. ●

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ENDNOTES

1. Though the Northern states of the United States had opposed and fought the slave-owning states of the South in the Civil War, they were complicit in maintaining white oppression and persecution of black people.

2. The Black Codes were laws passed by Southern states in 1865 and 1866 in the United States after the American Civil War with the intent and the effect of restricting African Americans' freedom, and of compelling them to work in a labor economy based on low wages or debt. (Wikipedia)

3. Available online at <http://politicalaffairs.net/a-hundred-years-of-the-struggle-for-freedom/>

4. Sims and Tyner's article is a reply to the article “Marxism, four U.S. national questions, and the inequality of 30,000-to-one” by Wadi'h Halabi's, published on the CPUSA website: <http://www.cpusa.org/article/marxism-four-us-national-questions-and-the-inequality-of-30000-to-one/>

5. The Northern states and those supporting it in the American Civil War

6. Jim Crow was the generic name of the racist system and laws that operated mainly in Southern and bordering states between 1877 and the mid-1960s.

The struggle for African American equality will determine whether or not socialism is achieved



Iranian Islamic Republic Army soldiers carry posters of the Ayatollah Khomeini as they await his return

IRAN

40 years on – lessons from an unfinished revolution

Chris Mathako looks behind the current US aggression on Iran to see what happened to the 1979 Iranian Revolution and its lessons for the Left in South Africa



Iran has in the recent past been thrust into the front-row of public debate as the Trump administration in the US increases its war-mongering rhetoric and threats of a military attacking against Iran. The US has long had Iran in its sights, especially since the triumph of the Iranian Revolution in 1979. US-Iranian relations are also characterised

11 February 1979 marked a dramatic new chapter in the history of Iran, significantly undermining US influence

by deep contradictions of US (re)designs on the Middle East region and policy on Israel.

The tumultuous socio-political world events of 1979 marked by among others, the Three Mile Island Nuclear accident in the United States (US), the Soviet Union (USSR) invading Afghanistan and the election of the right-wing Margaret Thatcher in the United Kingdom. In Africa, Idi Amin was deposed as leader of

Uganda and fled to Saudi Arabia, where he died years later. The first black-led government of Rhodesia in 90 years took power and the new Zimbabwe was born. In South America, the left Sandinista National Liberation Front (FSNL) overthrew the ultra-right Somoza regime. In the small island of Caribbean of Grenada, Maurice Bishop's New Jewel Movement (NJM) took power in a bloodless coup and set about creating an egalitarian society, brutally upended by the US in 1983, following the murder of Bishop. Ayatollah Ruhollah Khomeini returned to Iran after nearly 15 years of exile and took over Iranian law enforcement, courts and government administration and seized power. Due to a crisis in Iran, oil prices increase around the world and public panic spending spirals out of control.

On 11 February 1979, Ayatollah Khomeini started a new chapter in the contemporary history of Iran, installing a theocratic regime in the place of the US-backed authoritarian monarchy of the Shah. Anger against the Shah's Western-backed regime helped Khomeini establish his hard line Islamic system, which still dominates the country.

Due to the broad nature of the forces that took part in the struggle and played a key part in the success of the revolution, Khomeini and his allies could not immediately install a theocracy. After 11 February 1979, there were intense power struggles in the country focussed on the national democratic nature of the revolution. It took almost a year to draft a constitution that incorporated important progressive social and economic provisions. Many suggest that 11th of February started a transition that culminated in the complete theocratic regime presided over by Khomeini.

The Iranian Revolution arguably held the greatest potential for socio-economic and political transformation for many progressive across the world at the time. Spearheaded by the broad majority of national progressive movements, including communists, intellectuals, workers, peasants, women and students, for the installation of a regime that held the promise of deep socio-economic reforms, amounting to a national democratic transition, the Iranian Revolution was subsequently denuded of every aspect of its progressive fibre as Khomeini and his allies in the clergy, the military and elsewhere subverted that and reversed the gains.

Occurring, as it were, during the period of great upheavals in the world, to-



1978 million-strong protest in Tehran - part of the movement that forced out the Shah in 1979

gether with the triumph of Grenadian revolution and other world-historic events, the Iranian Revolution held the greatest potential in a region dominated by the interests and grip of the imperialist powers, in the context of the Cold War fissures.

Forty years on, has this revolution achieved what it set out to do?

The Iranian Revolution of 1979 also has important lessons for the Left, especially in the current conjuncture facing progressives in the National Democratic Revolution (NDR) in South Africa. The multifaceted crisis that has enveloped the post-apartheid struggle for the realisation of the goals of the Freedom Charter suggests a thorough process of deep and fundamental transformation of the systemic features of the past is required, and efforts to stem the tide of the continued reproduction of the legacy of the

past and the fight against corruption are even greater tasks to day.

Importantly, how do we understand the successes and failures, including powerful external factors at play, shaping and reshaping the contours of our trajectory, and in whose interests are these? The conjectural challenges that confront the NDR in our country, the allegations surfacing at the various state established commissions on state capture, including the deepening crises of social reproduction, exhibit somewhat similar features to Iran post-1979.

Of particular importance is the role and correlation of forces of certain sections of society, from the ranks of those who fought apartheid-colonialism and the new spaces opened up the democratic breakthrough, particularly at the economic level.

The role of the US

Iran, once known as Persia, is one of the oldest civilisations on earth. It has a rich history and a unique culture and is bordered by seven countries, the Caspian Sea, and the Persian Gulf. It has a population of almost 80-million and occupies a large geographical space in the Middle East. Iran is the seventeenth largest country in the world. Over the past century, Iran's greatest resource, and at the

The Iranian Revolution of 1979 has important lessons for the Left – and on the NDR in South Africa

same time its greatest curse, has been oil – for it is oil that has caused the US and other world powers to systematically attempt to destroy Iran. The Middle East region today continues to be the boiling point of huge developments with major imperialist powers attempting to reshape the region into what they call the ‘new Middle East’ region.

The US has for the most part of recent modern history caused immensely more suffering to the majority of Iranians. Indeed average Iranians reasonably wonder why the US hates them so much, having undermined and then overthrown their beloved Prime Minister in 1953; installing the Shah and helping to create his repressive Savak intelligence agency; supporting a brutal eight-year war against it, complete with banned chemical weapons attacks; shooting down one of its civilian airliners; and continuing to punish the people of Iran with draconian economic sanctions, an oil war, and supporting anti-Iranian terrorists groups.

After a greedy Iranian monarch sold all of Iran’s oil and natural gas reserves to a British financier in 1901, the West started just one of its many invasions and exploitations of the country.

The 1953 coup that deposed the democratically elected prime minister for a US-selected Shah sold to the world as a necessity to protect democracy and guard against the spread of communism. In reality, it was America’s thirst for Iranian oil and power that installed the tyrannical Shah. The Iranian hostage crisis miraculously ended with Ronald Reagan’s inauguration as President. Evidence shows that Reagan negotiated with hostage-takers to hold the hostages until his inauguration.

In the late 1970s there was great pressure from Iranian civil society – not to overthrow the Shah – but for reform and social justice. Students, intellectuals, the urban, educated classes were calling on the monarch to allow freedom of expression. But it seems the Shah lacked the intelligence to hear this message, and soon the demand for change was hijacked by Islamists. So now there is no freedom or social justice in Iran today.

The Islamic regime has overseen the development of a theocratic regime with cosmetic features but continues to govern the country with a firm grip. Even though Iran is endowed with large oil and gas reserves, these have not translated into demonstrable changes for the majority of the people. The gap between the rich and the poor in the

country – which was already a problem in the 1970s – has never been greater. The middle classes were supposed to be the backbone of the new regime, but they’ve lost an awful lot of purchasing power because of the economic crises, high inflation, and corruption. This situation – which has been compounded by a severe housing shortage and very high youth unemployment – has been aggravated over recent years by unilateral and illegal US sanctions.

Driven by ideological motivations, serious mistakes were made from the start of the revolution, including privatising organs of the state for the benefit of narrow sections of society. About 70% of the Iranian population had not yet been born in 1979, and throughout their whole lives, they’ve seen their country in economic ruins and governed by medieval laws. The overbearing role of the Khomeini’s Revolutionary Guard and their deep capitalist interests in the Iranian economy, and the religious corps who play a prominent role in the country, have added to the problems. Senior generals and others are in business with international capitalists in large scale infrastructural and other

projects allocated by the state in Iran.

That started with the Islamic Republic’s constitution and the civil and criminal legal codes, which caused women to lose many of their rights – contrary to Khomeini’s promises. Instead of freedom there has only been the repression exemplified by the legions of political prisoners in Iran and large waves of outward migration. Khomeini said that part of the revolution was holding free elections within a system that upholds a number of Islamic principles. We can see that this project has failed.

Khomeini promises, which hijacked the revolution, have all but failed. For starters, Khomeini said that Iran’s wealth would be redistributed for the benefit of the whole population – but the country’s wealth is monopolised by a tiny minority, who are either in power themselves or subordinate to the regime. Corruption, which was rampant then, still persists and has been entrenched. The religious theocracy that hijacked the revolution also promised to stamp out corruption, but has actively facilitated it through amongst others the nurturing of a ‘bureaucratic bourgeoisie’.

The theocracy that hijacked the revolution promised to stamp out corruption, but has actively facilitated it

Emergence of the phenomenon of the bureaucratic bourgeoisie

The bureaucratic bourgeoisie phenomenon has lessons for progressives in the NDR in South Africa. The bureaucratic bourgeoisie has been historically constituted in many social formations, emerging as a distinct fraction of the bourgeoisie. What is particular about it is the



Iran and the Middle East

manner in which it locates and accumulates capital: by utilizing the state apparatus. It uses the state apparatus to develop businesses or to control state-owned enterprises. It also uses the state apparatus to realize 'monopolistic' aspirations over other forms of concentration of capital: industries, agriculture, agribusiness and the import-export sector.

Their initial principal form of accumulation is corruption. They then use that primitive form of accumulation of capital to invest in other spheres of concentrated capital, either on their own or in partnership with other capitalists (mainly those with monopolistic tendencies).

The historical constitution of the bureaucratic bourgeoisie is also distinguished from the other fractions of that class by the form in which their political power is realized. In contrast to the power bloc in most social formations, which relies on the petit bourgeoisie as their political representatives in the state apparatus, the bureaucratic bourgeoisie tendency is to control political power itself, directly, with no intermediary. It has a tendency to hold hegemonic control of the entire state apparatus, especially its centre pole: the government. The army usually functions as their political organisation, as they have in Iran (Revolutionary Guards), North Korea, and Egypt. In Iraq, during the war, US imperialists, with all their so-called anti-Iran propaganda were doing business with the Revolutionary Guards for reconstruction projects, and still collaborating with them with each new and ongoing conflict.

Guardians of the Revolution

Since its inception, it has benefitted the top echelons of Iranian society, members of the regime, the so-called Guardians of the Revolution whose very *raison d'être* is the regime's survival, religious schools, and indeed theology students – many of which wholeheartedly support the Islamic Republic.

Experts say the regime has a support base of around 10 to 15% of the population. It has lost the support of the working classes. And contrary to the stereotype, there are many people in the countryside who oppose the regime, because they have by and large become enormously poor over recent decades.

As for women, the revolution has benefitted those from conservative religious families – paradoxically – because they've been able to leave their homes,



US aircraft carrier Abraham Lincoln and support vessels in the Suez Canal on the way to the Persian Gulf

get university degrees and been able to take roles in the executive and legislature. That is while liberal women – many of whom were in positions of power during the Shah's rule – have lost out.

There has been some progress, particularly in the areas of education and social issues, thanks to policies put in place by Presidents Rafsanjani (in power from 1989 to 1997) and Khatami (1997 to 2005). The literacy rate is currently around 100% for children. In the time of the Shah, there were only 175 000 students in Iranian universities, of whom 30% were women. Today, there are more than 4,5-million students, the majority of whom are women. In remote areas, there is always a school in the village, and local residents always have access to doctors and contraceptives. But progress was halted when hardliner Mahmoud Ahmadinejad became president in 2005 – although we must still bear in mind that power ultimately resides with the Supreme Leader, not the president.

There has been some progress, particularly in education and social issues, thanks to policies of Presidents Rafsanjani and Khatami

The country is largely seen in a negative light, as a regional power that wants to project influence throughout the Middle East by interfering in other states' affairs, instead of focusing on the needs of its own population by optimising the country's rich potential. The Iranian state represses its people and deprives them of the country's wealth. It systematically persecuted and murdered hundreds of communists and destroyed the presence of the Tudeh Party (the communist party) in Iran.

This approach to international affairs has been in place since the revolution, when the Islamic regime decided to try and export its theocratic ideology across the region. Consequently, Iran now has very strained relations with a lot of other countries.

Tellingly, many of the men behind the 1979 revolution are still in power today – even though their generation is very much a minority in Iran. The average age of those in power is 65; the average age of the country is 30. They have shut young people out of power, even though they are generally well educated and broadly patriotic.

Nevertheless, Iran's young people are the main source of hope for the country's future. ●

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