

## **SOME CRITICAL THOUGHTS ON CONSOLIDATING THE NEOLIBERAL AGENDA IN SOUTH AFRICAN POLITICS**

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### **ABSTRACT**

The paper attempts in narrative form, a critical commentary in respect of the issues raised in the title of the paper. The issue arises as to what has happened to the working class in South Africa, under the ruling African National Congress government of South Africa? In reality neoliberalism has triumphed and therefore, according to Zwelinzima Vavi, the unnecessarily suspended Secretary General of the Congress of South African Trade Unions (COSATU, radical economic transformation remains a dream in South Africa. The paper crystallizes his thoughts in the formulation of this paper. On the other hand, the paper will discuss the work of Mzukisi Qobo, who argues that the South African Communist Party has abandoned its socialist convictions, is now a strange bedfellow of the government. In reality, under the present leadership it has sold out to the capitalist neoliberal agenda and has abandoned the working class. It is a question of waving goodbye to the red flag in South African politics. It is against this background that the paper will look at some of these issues, but will not pretend to intellectually exhaust the issues that permeate this important topic. It is hoped that the article would generate critical discussion in this direction by South African and world academics.

**Key Words: Neoliberal, Agenda, Labour Unions, Socialist, Convictions, Unemployment, State Ownership, Poverty, Minimum Wage, Development Finance**

### **INTRODUCTION**

In terms of economic terms The Congress of South African Trade Unions (COSATU) agreed the first decade of South African democracy, disproportionately benefitted white business relative to the working class. It was agreed that the second decade will belong to the working class in economic terms. According to Vavi (2014: 21) “The question that must be asked is – What happened to the decade of the working class? It is not difficult to conclude that, it has not materialized. Inequality has increased, levels of poverty remain drastically high, despite the increase in social grants and, more people than before live on less than R524 (South African rands, equal to only about \$48 dollars per month at current exchange rates). In other words, in economic terms, the working class remains in the same, if not worse, position. As South Africa marks the end of the second decade of its freedom and democracy, it is capital that is the prime motive of the revolution and of freedom that has more reasons to celebrate democracy.”

On the other hand Mzukisi Qobo (2014: 33) states and points out that “The South African Communist Party (SACP) has failed to craft in a democratic system a philosophical conception of what, it calls “class struggle.” He adds in this regard that “As the French Marxist Louis Althusser once pontificated: “Philosophy is, in the last instance, class struggle in the field of theory.” Is there someone who knows the SACP’s theory of the current state, he asks? Where is it? The paper will therefore attempt to discuss these two paradigms, alongside, a very brief expose of a critique of modernization. In so doing, the paper will first deal with a brief outline of the critique of modernization. This will be followed by a discussion of the issues raised by Vavi and then subsequently; the paper will discuss the issues raised by Qobo, as concerns the South African Communist Party.

## **DISCUSSION**

### **A critique of Modernization**

There is a tendency among European – American social scientists to treat African societies as self - contained units, whose political, social, or economic systems can be analyzed in themselves; they constantly assume and argue that colonial and neocolonial imperialism, which are the sources of African dependency, have been such as to stimulate development in Africa. The problem with these approaches is twofold: First, they treat Africa as if, it were a “closed system” and thus ignore the international system in which the rich and powerful countries dominate. Second, they erroneously assume and maintain that, there has been a ‘net inflow’ of capital from the rich or developed societies into Africa, through foreign investment and aid, and the African continent has been a beneficiary of that inflow. By viewing societies as such these social scientists have concluded that underdevelopment is an original state with the concomitant characteristics of ‘backwardness’ or ‘traditionalism’ and that abandoning these characteristics and embracing those of developed countries constitute the alpha and omega of economic development and cultural change. Thus Wilbert Moore, 1966: 19), one of the arch priests of American functionalism and of this particular brand of sociology of development, “sees modernization as a ‘total transformation’ of traditional or ‘pre – modern’ societies into the types of technologies and associated social organization that characterize the advanced, economically prosperous, and politically stable nations of the Western World.”

According to Offiong (1982: 24) “this type of sociology has led to the characterization of ‘Third World’ countries as dual societies.” What this view does is to “divide each nonindustrialized society into a small, industrialized, Westernized “modern” population living in cities; and a large rural agrarian nonindustrialized, traditional bound society.” This characterization is not an error but it ignores the blunt fact that the underdeveloped sectors of the non industrialized societies’ maintain the predatory elite and also allows them to live a hedonistic life and style of their peers in the industrialized societies (No different in South Africa, under the ruling ANC government and the SACP). This situation observes Chambliss (1973: 16) “allows the industrialized societies to maintain their exploitative relationship with the nonindustrialized.” The egregious errors of the current sociology of development have culminated in both the blurring of the fundamental relationship between industrialized and nonindustrialized countries and societies, and in the development of theories which enhance ethnocentrism. It is in this vain that modernization theories must be subjected to criticism by African scholars, because the current South African government and the SACP have been consumed into, with regards the development and economic model of capitalism that it pursues to the detriment of the sum total of its deprived, depraved and poor marginalized population, after 20 years of freedom and democracy.

It is therefore, obvious that the agenda of the Western countries is the underdevelopment of Africa and upon so – called ‘Third World’ countries. Real Development must involve a structural transformation of the economy, society, polity and culture of a country, in order to allow the self – generating and self – perpetuating use of development of the people’s potential. “Third World governments, South Africa included and its people must become involved in a frontal attack on the oppression, exploitation, and poverty that they suffer at the hands of the elites and dominant classes and their system. This is precisely what Vavi is articulating, whilst the SACP is being consumed by the ideologues of capitalism and greed. The process of development and underdevelopment came with the worldwide mercantilist and capitalist expansion with its neoliberal policies. The question Vavi seeks to explore and answer is what is underdevelopment and what has its impact being after 20 years of freedom and democracy? The multinationals are nothing but an extension of the competition between advanced capitalist countries for control of raw materials, labour, markets, prices and profits. As long as the ruling classes can get a small share of this pie, they are prepared to sell to sell these resources to the highest bidder, and in this regard, South Africa has played into their hands. It has to be remembered that, the export – oriented economies created by the colonial imperialists “have developed patterns of income distribution and economic political power that thwart modern industrial and agricultural growth” (Marx, Donald and Blackmer, 1961). The result problems is the low income levels for the masses of the population (The reality today in democratic South Africa). And this in turn means low standard of living. With low income levels it is not possible to enjoy the kind of life chances that the rich and powerful do.

On the demand side, capital formation is the function of the inducement to invest, but this may fall below in view of the small purchasing power of the people. “Small purchasing power is due to the people’s real income, which is due to low productivity which is the result of too little capital, which in turn, is due to the small inducement to invest” (Warren, 1974). According to Anderson (1976), “in order for the underdeveloped world to break out of the low level equilibrium trap, they are asked to: adopt appropriate growth mentality, that is, a willingness and determination to break the circle of poverty; there must be a method or strategy which would translate the growth impulses into economically sound action; and there must be an organization or the institutional arrangements of which enhance rather than hinder action. These three things are often reduced to the problem of motivation, method and system.” Africa’s underdevelopment is not the result of lack of motivation, the problem of method or system. The primary answer lies in the reordering of the international economic system, is that ‘Third World’ countries can get out of the role which has been theirs for several centuries, the role which has enriched the now developed countries while dialectically impoverishing the underdeveloped ones.

We have not discussed a host of issues, such as poverty, malnutrition, education, health and a host of other salient issues that affect development, because, it is beyond this paper. The leadership and politicians in South Africa and the developing world embark on prestige projects such as huge airports, fancy hospitals and so on. They have not developed technical and management skills for the population and South Africa’s education system has been a failure in the first 20 years of democracy. The national bourgeoisie remain phantom bourgeoisie, lacking in capital to be able to behave like their counterparts in Europe. The result is that whatever industry there is tends to be owned and operated by foreigners, whilst locals languish in the small informal sector, also overshadowed by new immigrants. The government fails in the empowerment of the poor and plays into the hands of the bourgeoisie and the capitalist classes

both internal and external. The decisions affecting vital national interests are made in New York, London, Paris and other European capitals. As a way to escape from this despicable condition, the underdeveloped world must be able to accumulate capital. They must be able to generate domestic savings from their meager incomes and invest these savings in growth – producing projects. This is a difficult task given their poverty status. These are the issues that Vavi raises, whilst the SACP continues to be absorbed by the bourgeoisie and a lack – luster leadership, which in the main is part of the government.

### **VAVI'S ARGUMENTS**

It was Vavi who led the charge, against government, that as long as the democratic movement embraced policies that protected the interest of white business, the deep seated structural crisis of South African society would never be resolved. South Africa is confronted with worsening inequality. The government is involved in piece – meal solutions to a systematic and systemic crisis rooted in colonial dispossession and capitalist exploitation. Vavi (2014: 21) states that “towards the end of the decade that COSATU, declared a decade of the working class. There is a widespread consensus, in spite of achievements, the government and country has been unable to reach the goal of a truly prosperous, inclusive, non – racial and nonsexist society. The triple challenge of poverty, inequality and unemployment persists, affecting Africans, women and the youth in particular. Vavi adds that “we are calling for a dramatic shift, orb giant leap, to economic and social transformation, in order to deal decisively with the triple challenge, the economic power relations of the apartheid era because, they have remained intact with the ruling party and government.’ The era of neoliberal denialism should have been over and the country should have turned a new page, after the government’s announcement through the President. This has not happened and is now a dream. Inspired by the work that the unions had undertaken spearheaded by COSATU in terms of development and economic policies, not only in South America, but elsewhere, the 11<sup>th</sup> national congress of COSATU, took radical decisions to give practical meaning to the call that the country and its government should embrace radical economic transformation. It was agreed by workers to create their own Lula moment and adopted a series of practical measures to do so. They included strategic nationalization and state ownership, and the use of a variety of macroeconomic and other state levers to regulate and channel investment, production, consumption and trade to deliberately drive industrialization, sustainable development, decent employment creation and regional development. The congress further insisted that the radical economic shift required that institutionally, the Treasury, which constitutes the biggest obstacle to the government’s economic programme, needed to be urgently realigned; a new mandate needed to be given to the Reserve Bank, which must be nationalized; the National Planning Commission should be given a new mandate to realign the national plan in line with the new radical economic shift. Aspects of the New Growth Path also needed to be realigned in line with the proposed new macroeconomic framework. All state – owned enterprises and state development finance institutions needed to be given a new mandate.

Regarding the labour market, the congress called for an end to the apartheid wage structure and the crafting of a new national wage policy. These proposals included a national minimum wage, mandatory centralized collective bargaining and ensuring social protection for the unemployed. It called for the scrapping of e – tolls because it was a regressive step, in respect to a further tax being imposed on commuters. COSATU has not been able to implement its resolutions because the government according to Vavi (2014) “sensed its weaknesses and wasted no time in scoring against workers. E – tolls have been implemented and so has the youth wage subsidy. Labour brokers have not been banned, the remaining concerns regarding the Protection of State

Information Bill have not been addressed, and the NDP has been rammed down the throats of the workers. No work has been done to rally civil society and there has been no radical shift. The framework of development in terms of the NDP is neoliberal in character. It does not call for any change in macroeconomic policy and, says nothing about the property question and the need to change the mandate of the Treasury and the Reserve Bank. It fails to put in place measures and mechanisms to regulate and control the financial sector. Contrary to what the liberals at the South African Institute of Race Relations say, it calls for a state that rests in the clutches of private – public partnerships to build infrastructure to take raw materials and minerals out of the country.

According to Vavi (2014) “The most enthusiastic supporters of the NDP remain the Democratic Alliance and big business associations, as well as the billionaires and the predatory elite, both inside and outside government and the democratic movement. It is a fallacy to think that these social forces have now become revolutionaries who seek to build an egalitarian society based on the redistribution of wealth from them, to the marginalized and destitute working class.” Neoliberal denialism is not dead, for example, the people are told that employment is bigger than ever before. This is an attempt to pull wool over the eyes of the working class. Unemployment in actual terms has increased and there is no debate about youth unemployment and in this regard Davos has agreed that, it is now the second highest in the world. The working class must vehemently refuse to place its future in the hands and clutches of neoliberals. The government and the labour unions, including the largest federation of unions COSATU, have failed to secure the second decade for the working class because of the dominance of neoliberalism in the ranks of the so – called democratic movement. According to Vavi (2014) “there is no reason to think the same medicine will deliver different results because “Lenin warned (in Vavi, 2014) “against a phenomenon whereby principles take second place to political expediency when he said “organization not based on principle is meaningless and, in practice, converts the workers into a miserable appendage of the bourgeoisie in power.”

### **THE END OF THE RED FLAG (SACP)**

#### **Discussion Continued**

The heirs of the South African Communist Party (SACP) according to Qobo (2014: 33) have opportunistically accepted positions as ministers and officials in the new ANC government and have abandoned their socialist convictions. This has meant a fundamental change of class position, moving from townships to live in the capitalist conditions of the formerly white suburbs.” In these changed economic conditions, these so called Gucci clad and red wine drinking so – called comrades are communists by sentiment, and predatory capitalists by material reality. Its leader in the form of the Minister of Higher Education was very quick to use state resources to buy himself a very expensive car as his official vehicle, justifying the vulgar purchase on the basis that the Ministerial Handbook allows such a purchase. The Ministerial Handbook was inherited from the apartheid state. This purchase is associated with the capitalist class. There is no modesty in this post – apartheid brand of socialists. They have learnt nothing from the old – styled left, who spent many hours studying the literature of class struggle and its analysis or theory of the state and dreaming and conjuring up ways of liberating the downtrodden masses of South Africa. They were then, in solidarity with the downtrodden throughout the world. The reality of the situation is the all embracing fact, that they are accommodated at the ANC headquarters in Johannesburg. During the time of Thabo Mbeki’s Presidency, the leftists were appointed as Ministers on the strength of their credentials, as ANC leaders and capable personalities. All of the Ministers appointed by Mbeki defended the Growth and Economic

Policy (Gear) which was criticized vehemently, by the then left but not by Mbeki's appointed Ministers. Who would today associate these big names of yester – year with the left or specifically, with affiliation to the SACP. All of them left their red hats at COSATU House. Many socialists had their militancy tamed by the opulence that seemed to accompany their comfortable, well – recompensed government jobs. Some were placed and put into jobs that required them to implement policies that were plainly at odds with communist beliefs. The Gucci socialist or communist is serving the government for 20 years, because, he has no where to go, is married to an avowed capitalist, belonging to the black elite and yet, he purports to be a communist, when he sat at the helm of power as State Enterprises Minister, dealing with the privatization of these entities, at the peril of workers; and was constantly at loggerheads with his comrades outside government.

Some of these ministers according to Lenin In his pamphlet, what, is to be done? (In Qobo, 2014) states that “the tendency of socialist ministers in a bourgeoisie cabinet “charm the bourgeoisie world with orations about class collaborations.” Some found themselves having to defend the shooting down of the very workers of whom they claimed their part to be the vanguard. As though, he had Marikana in mind, Lenin sarcastically poses the question: Why should he (socialist minister) not remain in the cabinet even after the shooting down of workers by the gendarmes has exposed, for the hundredth and thousandth time, the real nature of democratic collaborations between the classes? It is not that South Africa's socialists should worship the base of Lenin's statue, but what they should not profess to be Leninist – Marxist, when they have obviously taken an ideological leap away from much abstract ideals and have fully embraced bourgeois ideas and lifestyles themselves. This is called opportunism. There are many examples of compromising the ideals of socialism by these ministers in the old and new governments. Such is the life of communists in a democratic South Africa. It is a question of conscious and they cannot be forgiven for their greed and justifications. Many were converted and are now loyal disciples of Adam Smith. Mbeki was able to convert these left ideologues into the think of market capitalism. COSATU leaders were absorbed into highly paid jobs in Parliament and others accepted positions within the bureaucracy and big business.

Cyril Ramaphosa, a unionist. Constitutional negotiator, ANC member, big businessman, Deputy President of the ANC currently, is the shining example of the metamorphosis from unionism to leadership in capitalism. He is indirectly involved and associated with the actions of the police in gunning down Marikana workers. It was he that the Commission heard was responsible for sending e – mails to the Minister of Police, calling for ‘concomitant’ action against the miners. What followed this e – mail was a massacre. He is now an avowed capitalist and a neoliberal.

## **CONCLUSION**

The country has to be saved from the forces of neoliberalism. It must be saved from Gucci socialists. It must be saved from the ruling party. It must be saved from the predatory elite. It must be saved from the opportunists. As things stand right now the country is sliding and the Red flag can be kissed goodbye. Workers rights must be advanced. Cry the beloved country. Under these conditions radical transformation remains a dream under the governing ruling party of South Africa.

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