

PRESIDENTIAL ADDRESS

SOCIALISM ON THE HORIZON

After the defeat of the former racist system the labouring masses of South Africa marched into a new socio-political era in a spirit of hope and optimism that had carried their struggle through the long decades of the last century. But all these hopes of freedom that would be both political and economic, whether it would be some kind of socialism or social democracy, have been dashed and are now fading away. The new democratic system that has emerged, which bases itself on capitalism and the free market, has not solved the deepest of the old problems which gave rise to the struggle in the first place and it is now seen to be a system that benefits only a few.

This is not uniquely a South Africa problem. Capitalism has been rampant worldwide and its ills have been known to billions for a long time. But it is only after the end of apartheid that the veil of bourgeois democracy that is used by capitalism to defend itself is being seen by more and more people as a rather thin one that cannot possibly conceal the social brutalities that the system engenders.

At least, after years of sanctions, isolation and censorship, we have become more decisively connected to the rest of the globe in many ways. And so now, we not only witness but are able to connect with widespread, international resistance to the ills of capitalism. This resistance has emerged and is growing here in South Africa as well.

There was a time that the resistance and opposition to capitalism was led primarily by a revolutionary socialist, political movement, which gained its impetus from the theory of scientific socialism as developed by Marx and Engels. It swept Europe and gave rise to a revolution in Russia and near revolutions in Germany, Spain and elsewhere. The power of this movement defeated the rise of fascism in Europe, leading to the rise of a broad bloc of Eastern European nations under the leadership of the Soviet Union. The influence of this movement spread worldwide, carrying over to China, Korea and Vietnam on the Asian continent while Cuba emerged as a forerunner of socialism in the Americas. The same movement inspired and nourished the struggle here in SA as indeed it influenced the anti-colonial struggle across Africa. But it suffered a severe setback with the abortion of its spearhead, the Russian revolution and the collapse of the Soviet eastern bloc.

We have seen that the image of an alternative to capitalism was distorted by the deformed socialism of the Stalinist brand. The betrayal of the soviet revolution, the brutal injustices of Stalinism and the inevitable failure of its socio-economic policies brought about the collapse of the Soviet Union and the Eastern socialist bloc as a whole. Likewise the Maoist revolution in China has also turned out to be a false path, with China today advancing along the capitalist road, with utter disregard for the interests of the peasantry and working class who can be counted among the most exploited in the world today. Inevitably what has followed is a strong degree of disillusionment and distrust of the socialist alternative as put forward by those political forces who see themselves marching on in the tradition of the socialist movement that carried so much power and influence through the early decades of the last century.

Here in SA, like elsewhere, we have witnessed a decline in influence and strength of political organisations that carried the hope and promise of radical social change and freedom, and this applies as much to those like ourselves who warned of political betrayal and the dangers of placing high hopes in the new regime.

In the aftermath of the failure of the first major thrust of the socialist challenge and the disillusionment with its cause, capitalism saw itself as triumphant. Indeed one of its leading ideologues, Francis Fukuyama was bold to pronounce that we have seen the end of history. According to him, it has been show that there can be no challenge to capitalism, which in fact represents the pinnacle of human development.

Of course, this self-congratulatory announcement sidesteps the fact that capitalism, like any other is a dynamic system. It was born out of social conflict and contradiction and it has undergone an unceasing process of development and change which has brought fundamental problems of its own to the fore, which it cannot blame on a socialist challenge. Capitalism must now face the fact that there are no unlimited markets for the commodities of capitalist production. It has inevitably developed a surplus productive capacity which seriously limits the scope for new capitalist investment and hence the possibility of making profits. And where such opportunities are still to be found it is faced with the inexorable process of a falling rate of profits. This means that only big business monopolies that can, gangster fashion, corner and control large sections of available markets, are able to get a real return on their capital investments, while others must resort to gambling and speculation with capital that cannot be employed in actual, marketable production.

In these circumstances the leading forces in the capitalist camp have been driven to adopt new strategies which we have come to know as neo-liberalism. This requires the freedom of investment capital from any constraints that may be imposed by the laws and powers of a nation state and the maximisation of its profit-earning abilities. The enforcement of this policy, that only serves to facilitate the profit hungry objectives of the largest multi-national and transnational corporations of the globe, has only led to the exacerbation of the worst ills of capitalism with the growth of a small minority of extremely wealthy capitalists while on the other side we see thousands of millions being cast into abject poverty with no absolutely hope of anything better within this system.

It is a state of affairs that is becoming increasingly intolerable. It means that the need for a fundamental change is not just an ideology of an outmoded band of political utopians. It is a necessity for the overwhelming majority of the human race - for a break with an outmoded system that is in fact socially bankrupt.

Today we see that, internationally and locally, a new kind of struggle has emerged. It is a brand of resistance directed against the enforcement of neo-liberalist economic policies for which the capitalists see and offer no alternative. This resistance has gathered itself under the banner of the World Social Forum and the so-called social movement struggles across the world. It is not a struggle that is clearly led either by radical political organisations, nor does the working class trade union movement figure strongly in the forefront. What this shows is that historically, when one line of opposition to a failing system itself fails, another emerges almost immediately thereafter. It does not necessarily mean that the new line of opposition is any better or more powerful than the former. It simply shows that a line of opposition is necessary. It is difficult therefore when we see this happening today, to avoid the conclusion that we have entered an epoch when human society is well and truly once again ripe for fundamental change or revolution. Indeed, in growing resistance to the policies of neo-liberalism gaining prominence in WSF, the slogan "another world is possible" has arisen. But we can well say that the real import of this slogan is not just that another world is possible but that another world is necessary.

The problem that arises however is that this "another world" that has emerged from the intense interactions in the World Social Forum has not been defined. Many who brandish this slogan put their faith in a reformed kind of capitalism in which the organised power of the masses force the political leaders to act correctly. But this faith is ill-founded as the political leaders of capital are bound by the program and interests of a bourgeois minority and not the labouring majority. These are questions that face us here in South Africa as well.

While the idea of another world remains nebulous and undefined it is easy for capitalist ideologues and propagandist to attack and scoff at it as just an impossible dream and then call on people to reconcile themselves to the reality of capitalism, even though its promises of a better world are totally false. One of the most powerful arguments used is the so-called inevitable betrayal of any political party, no matter how radical and egalitarian the objectives it may proclaim. Use is made of the betrayal and failures of apparently radical and revolutionary political movements and their leaders all over the world - the Russian Bolsheviks, Mao Tse Tung, Ghandi and his Indian National Congress, Jomo Kenyatta, Nelson Mandela. Ignazio Lula da Silva of the PT in Brazil, etc, etc. You name it, they say, and there is betrayal. We are told that it is inevitable. But this is a false idea. It says that every historical manifestation of the need for fundamental change only proves that such change is impossible.

It is nevertheless difficult to define something new that has not yet been born. It is even more difficult to foresee exactly how it will come into being. What Marx and Engels did was to expose the logic of the development of the capitalist system and its growing insoluble inner contradictions, thereby demonstrating the inevitability of the fall of capitalism and its replacement by socialism in which private ownership would be abolished and wage slavery ended with a genuine rule of the people for the people by the people. They did not pretend that they could foretell the exact and detailed processes through which the change from capitalism to socialism would occur, nor did they attempt to define the detailed structure of future socialist society. That would have been a futile endeavour. What they showed was that even if it is not possible to define and explain the exact character of a new socialist world does not mean it cannot and will not come into being. History demands it.

Major historical developments takes place in fits and starts with numerous setbacks before a new system becomes established. It is like water beginning to boil - little bubbles appear and disappear. Then again, imagine a primitive society of agriculturalists moving onto a new piece of land. They firstly try to employ known techniques of farming but these do not work because of the different nature of the terrain. The first crops fail because of unforeseen effects of previously unknown insects or herbivores or particular weather patterns. But necessity drives them on and every failure becomes a lesson. Even every failed effort changes the landscape until eventually there is success which may even entail a return to some previous techniques that had been cast aside but can now applied effectively with a fuller understanding of the environment.

To illustrate this process I would like to refer to two examples from the actual social history.

In medieval Europe, round about the 12th century when the feudal system was dominant, a peculiar phenomenon arose. This was the establishment of what came to be known as communes in various towns and newly emerging urban centres where traders and commodity producers were firstly appearing. The key feature of these communes was that they sought to implement their own laws and regulations which were as far as possible independent of the rulings, norms and standards of the monarchy and nobility. It was a reach for self-government of those who were otherwise subject to the dictates of the ruling feudal order. These communes could not and did not survive and they disappeared into history. Or did they?

The second example that I want to refer to takes place some 500 years later. In England, a person who earned a place for his name in history, Oliver Cromwell, led a campaign of well nigh revolutionary proportions against the power of the feudal monarchy as represented at the time by King Charles I. In the civil war of 1648 his forces defeated the royalist armies. Charles I was executed and a parliament that was independent of the powers of a feudal monarch was established to rule a republican state of England. Barely 12 years later the fruits of this endeavour were nullified and the monarchy was restored. It was going to take a very long time thereafter before the power of

the monarchy would effectively be defeated once and for all. But can we conclude that the movement led by Cromwell was just a glitch in history and a meaningless endeavour?

To both questions posed we say no. These were serious challenges to the feudal system and they were not simply chance occurrences or glitches in the historical process. While they were defeated they were signs of impending revolutionary change in the organisation of society. What they did was to express a rejection of the injunctions and feudal norms imposed on society and sustained by the powers of the monarchy and the nobility and indeed, the church, which were becoming fetters and serious restraints on social development. While the leaders of these movements were not guided by any clear vision of what an alternate system of social organisation would look like and how it would function, even in their failures they presaged what was to come into being at a later stage - the secular bourgeois democratic state with municipal government at town level, and maybe even more can be said of the medieval European communes.

We can combine our view of these phenomena with a more general interpretation of the development of capitalism in order to return to the questions that confront us here and now. The two examples used pointed to the need for the establishment of the bourgeois democratic nation state which was a fundamental requirement for the rule of capitalism. The nation state itself was a necessary precursor for capitalism but the fight for the nation state was not consciously linked to the capitalist revolution. Nation states arose via monarchies taking command over compartmentalised territories, supported by bourgeois finance, subsequently to become the springboards for bourgeois democracy and full blown capitalism,

Today the bourgeois nation state tends to become increasingly undemocratic, and its function of forceful repression of opposition to bourgeois interests is increasingly exposed. State intervention is demanded to defend capitalism. The state provides profit-making opportunities for bourgeois corporations via the likes of its military programme and irrational and illogical schemes. We see this today here is South Africa in Coega, the pebble bed modular nuclear reactor, the soccer world cup, etc, etc. This contradicts the vaunted ideology of neo-liberalism that the state must stay out of the economy, which clearly illustrates how irrational the system has become. It is in fact a key indicator of the bankruptcy of the system.

Historically, the nation state performed the function of being the organ of power in defence of the bourgeois class. It was also tasked with providing the economic infrastructure for capitalism. Neoliberalism only serves to expose the coercive and repressive function of the state - it is stripped of the veil of every other social purpose. Today state intervention is required to defend capitalism. But this itself points to the necessity of another kind of society that is not governed by market forces or bourgeois interests to meet social needs.

It may be argued that in the peak of capitalism the state could and did play a positive social role. After the post first world war depression we were witness to the so-called Keynesian revolution and the emergence of the welfare state which acted directly to cater for the social needs of the working class in the imperialist countries. Whatever the validity of this argument, it is clear that in the era of globalisation and the strength of multinationals and trans-nationals, the ability of the state to play a social role, i.e. to act as a welfare state, is much reduced. In the late 70's the post world war boom came to an end and capitalism entered a period of recession. Attempts to stimulate economic growth and profitability via Keynesian methods failed. Now, the only way to protect falling profits was to attack the privileges of the working class. For the captains of capitalism there is no alternative to neo-liberalism and there is no challenge from within the bourgeois camp to this dictum.

I repeat. All these things tell us that capitalism has outlived itself and that society is once again ripe for revolutionary change. This brings us to what is becoming a stock question - what is the way forward? If we do not want to depend solely on historical trial and error then we must try to learn

from real experiences. But even before this it is of value to us to be able to recognise and interpret specific developments as signs of impending change and a new social order coming into being, rather than them being mere historical glitches. It is important as it provides the under-classes with the vision and courage to prosecute their struggle with foreknowledge of necessary success even though there may be setbacks and failures in the process. In addition it arms us against the bourgeois ideologues who will inevitably scoff at every failure as proof that there is no alternative to capitalism.

We can look to the experiences of the Russian and Chinese revolutions. There is much to be learnt, although it is hard to carry these lessons over because of the stains of the commandist political approach that came to characterise both societies after the defeat of bourgeois and feudal forces that they had to deal with. We can also see that the Soviet Union was severely hampered from the outset in its ability to construct a new egalitarian socialist society, by the civil war and external military threats that it faced, besides the severe limitations of productive capacity that it inherited. Yet, both Russia and China demonstrated the enormous power of a planned economy in contrast to that of so-called free market forces, even if the crudest and most bureaucratic means were employed, and both nations rose rapidly to a status of world economic powers from positions of extreme backwardness. There is nothing to say that even greater achievements would have been possible with the employment of the fullest working class democracy.

Yet, as we have noted, the ills and failures of the first thrusts towards the establishment of socialism have tended to obscure the positive gains that were made as well as the indicators that they gave of what socialism really can be. But history does not stand still and human social imperatives cannot be halted. After the defeat of its first challenge, capitalism's triumphal onward march only served to highlight its growing irrationality. It has only managed to generate a new, serious and growing challenge to its suzerainty. For the moment this challenge is highlighted by the events in Latin America. I do not wish to pre-empt the paper on the international situation which I am confident will throw more light on some of the events that I can only refer to briefly here. We see firstly that in response to the economic impositions of neoliberalism a bloc of countries have taken a leftward political shift (Chile, Argentina, Brazil, Venezuela, Bolivia). Even though the opposition to neoliberalism from the political leadership is mostly rhetoric and without much substance, more significantly, it reflects a growing movement of resistance from the impoverished labouring classes of these countries. In the face of such pressure we can expect cracks and retreats to appear in the defences of the neo-liberal establishment and indeed this is being demonstrated clearly in Venezuela, while the new political leadership of Bolivia is just about approaching the point when it has to square up decisively to the challenges posed by the masses who voted it into power.

When capital and the free market can no longer serve society today developments in Venezuela, Cuba Argentina and Brazil are demonstrating the rationality of alternatives. In Brazil we saw the first dramatic experiment with participatory democracy at Port Alegre. This has been taken further in Venezuela. In Venezuela and Cuba we see the nationalisation of key industries and social programs which are based on a rejection of neoliberal injunctions rather than privatisation and reliance on so-called free market forces. This has yielded major results and gains in health and education for the poor working masses. There is also an agrarian revolution in a turn away from feudalism by granting land to peasants for farming on non-feudal lines. More exciting is the intervention of the masses themselves, such as worker takeover of bankrupt production plants and restoring them to viability and social usefulness. In Argentina for example, following on the 2001 economic collapse, workers took over the control of more than 150 factories that the bosses had given up as bankrupt and failed enterprises. Many of these factories were restored to viability and the same thing has happened in Venezuela where workers have developed new methods of distributing their products to where it is needed at realistic prices. Besides this, in Argentina the unemployed workers movement successfully established and ran charity collectives on a wide scale.

These advances in Argentina were not sustained and after the election of the reformist Kirchner regime many factory bosses came forward to reclaim ownership and control of factories that the workers had resurrected from utter bankruptcy. But in Venezuela things have gone further. Besides the fact that workers took control of major plants such as a large paper mill and a plant producing valves for oil industry and State owned aluminium processing plant, we also saw the following and I quote: "On Saturday February 25th a meeting of representatives of the workers in factories that have been expropriated or are occupied took place in the premises of Inveval, in El Carrizal, not far from the Venezuelan capital Caracas. Dozens of workers took part in the meeting, the main aim of which was to set up a national Revolutionary Front of Workers in Companies Occupied or under *Cogestión*. This was without a doubt an important step forward for the Venezuelan labour movement and its experiences of workers' control." (Hands Off Venezuela website 9/03/06).

This was not the end of the story because in the last meeting of the WSF in Caracas there was a special discussion organised to incorporate workers from Argentina and Venezuela where they discussed and exchanged experiences and lessons from the taking over of factories.

The Argentinean experience shows that these new advances cannot be sustained without political power or without state power. This was illustrated previously in the Chiapas uprising in Mexico. From the Soviet Union we draw the crucially important lesson of the threat of bureaucracy to a better social order. Likewise in Venezuela we see the importance of political organisation of the masses as a necessary part of a new social order if it is to survive. Without the organised unity of the masses who can act in defence of all social gains these very gains are threatened and can be reversed. It is a moot question whether nationalisation of all industry and commerce must come first as this speaks of a mechanical approach to revolutionary change.

What we have seen is a series of advances and reverses. The advances give an indication of what may well be possible and viable in total defiance of bourgeois prescriptions. Likewise, the failures and defeats in Chiapas, Brazil and Argentina all serve to illustrate the failure of non-radical, political struggle to bring about fundamental change. It confirms the conclusion that capitalism cannot be reformed. It must be overthrown and replaced. By contrast, Venezuela demonstrates and reaffirms the potentiality of struggle organised on a revolutionary political basis. Likewise, the Bolivarian circles, the Argentinian piqueteros and barrios affirm the thrust of the Paris Commune and the Petrograd Soviet of Worker and Soldier Deputies. It exposes the puny and shallow character of the ANC regime's best efforts to promote the dream and myth of trickle-down economics. It also strips the leftwing defenders of the ANC of any veil of progressiveness as it exposes the limitations of their objectives as reformist rather than revolutionary. It moreover, also exposes the bigoted backwardness of the Africanist ideology which we now see Zanu PF in Zimbabwe depending upon to give it moral justification. This is an ideology that attempts to characterise the evils of capitalism to be of European or western origin. By contrast we are asked to expect that African capitalist entrepreneurs can be quite good and acceptable.

We reject this nonsense. There is enough for us to see that another world is indeed possible. It is a world in which workers are in charge of production and distribution of what they produce for their own benefit and their fellow human beings and they can do so where the capitalist bosses have failed. This, we are being shown, is clearly possible. It is a world in which decision-making on what is best for a community reaches the most effective conclusions when that community is fully involved. This, we are being shown, is clearly possible. It is a world in which free health and education is available to all for the benefit of all. This, we are being shown, is clearly possible.

We live in difficult times. We see the influence and power of radical political groupings such as ourselves still shrinking. But nothing is unchanging and in the recent municipal elections here we have seen the first glimpses of the development of a new political outlook amongst the masses. (Here I refer to the large number of independent and civic candidates across the country, which is

quite unprecedented, and the significant number of votes they received.) The necessity for revolutionary political organisation stands out in stark contrast to the lack of success and difficulty in expanding its forces as it exists today. We have concluded that a broader approach is necessary, involving the combined resources of all the still separate political organs on the left, and we are presently pursuing the achievement of this objective. It is a task fraught with many difficulties and obstacles. It points to the basic necessity of consolidating and hardening the forces that we presently command. In the face of all the problems and failures that we will encounter we can sustain ourselves by the confidence we hold in scientific, political analysis and its predictive power. I give you one more simple example. If, as some pockets of human society have indeed experienced, you happen to live within the polar circle, you will experience that in the heart of winter there is no sun. The sun does not appear and there is no daylight. Then there will come an occasion when the sun makes a fleeting appearance on the horizon - a little glimmer that disappears almost as soon as it has appeared. Its quick disappearance and its apparent inability to brighten the day is not a sign of failure that it cannot shine. It is a portent of a new summer.

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