



A NEW CABINET TO SERVE INVESTORS

The ANC has been re-elected as the majority party in parliament for another 5 year term, as had been widely anticipated before the 2009 national and provincial elections. On the economic policy front, leaders of the ANC are vehemently opposed to adopt or even talk about any policies likely to scare capitalist investors. Although the ANC rejects a profoundly anti-capitalist development path, it now touts the developmental state as a break from neo-liberalism and an alternative model to meet the demands and aspirations of working people. To implement the party's notion of a developmental state a few ministries have been given a makeover, effectively increasing the number of state departments. But who stands to the benefit from the expanded state bureaucracies - capitalists or working people?

Merely tinkering with ways to overcome government's "capacity constraints" rather than to resolutely break with a bankrupt and failed economic model is a line of thinking which is firmly embedded in and a continuation of the Mbeki era. This means the ANC remains profoundly committed to 'neo-liberal populism'. Of course a slightly altered layer of state bureaucrats must now implement the party's old programme.

Development For Whom?

The protection of private capitalist property in the Constitution and neo-liberal economic policies are to stay intact. It is within the boundaries of this economic framework that the reshuffled cabinet must operate. And individual leaders of COSATU and the SACP, co-opted into top government posts, must defend this fundamental platform. Similarly, the three core government departments - Economic Development, Rural Development and Land Reform and the National Planning Commission - apparently created to spearhead the implementation of this so-called reorientation of the state, must basically serve capitalism.

The new Economic Development Department is tasked with crafting a plan to bridge the uneven development of the country. Job creation is one of its core mandates, particularly through projects that are able to quickly absorb the vast numbers of unskilled unemployed. But how is this to happen if

the ownership of the means of production and core decisions on how to run the economy remain in the hands of a few capitalists? This department's strategic plan fails to acknowledge that private profiteering clashes with the development needs of our country and how this pursuit of profit actually erodes and destroys development. Thus far the Minister of Economic Development, a militant ex-trade union leader, has not uttered a word about ending the exploitation of workers by capitalists. Unanswered questions exist about *how* the state envisages it will actually create decent and sustainable jobs: what does the state's harping on 'labour intensive growth' mean and how does it connect to the demand for a reduction in average working hours (without wage cuts) so that more people could be permanently employed?

The job of the Rural Development and Land Reform Department is basically to resuscitate and refocus government's failing land reform programme. Its new Comprehensive Rural Development Programme (CRDP) contains an eclectic mix of peripheral interventions to uplift rural areas. But the CRDP excludes the core elements of a programme for radical agrarian change: to completely overturn the country's unequal and outmoded agrarian structure and pave the way towards ecologically sustainable farming for food rather than for agribusiness profits.

National Capitalist Planning

There has been considerable debate on the role of the National Planning Commission (NPC), located in the Presidency under the leadership of former finance minister, Trevor Manuel. Cabinet statements and explanations of President Zuma show that the NPC is a major agency of their developmental state. At the moment, brief comments on two tasks associated with this planning commission should be in order. It has to coordinate and speed up the spending of nearly one-trillion rands of the national budget to upgrade the country's infrastructure. Given that this massive state spending bill is tied to the 2010 soccer world cup, it implies that the NPC must help to justify the allocation of state funds to capitalists profiting from the country's booming construction sector. ➡

APDUSA CONFERENCE 2009

➔ The NPC also needs to develop and outline an overarching 'national plan'. But there is no clarity on the content and scope of this plan at present. When this idea was publicly mooted for the first time, it raised concerns that the new cabinet was moving in the direction of a "centrally planned economic" system. What are the basic features of an economy organized according to centralised planning? All the means to produce the necessities of life fall under the ownership of the state in such an economy. It rests on nationalised or socialised property. In addition to this, a powerful state bureaucracy directs all economic activities on the basis of one national plan which is usually updated every 5 years. This is more or less the bureaucratic command economy that was practiced in the ex-Soviet Union and Eastern Europe until this unsustainable system crashed in the 1980s. To what extent has this historical experience enriched the configuration and role of South Africa's planning commission? What is clear is that South Africa's 'national plan' and the bureaucracy overseeing it is tightly integrated into capitalist property relations and has not been set up to advance any sustainable anti-capitalist alternatives.

Of course, any strategy to run a capitalist economy in accordance with a 'coherent national plan' is a fantastic pipedream and must inevitably fail if tried in reality. The drive to accumulate profits which governs the system and irrefutable evidence of more than 200 years ought to be enough to debunk this myth of 'nationally planned capitalism'. For any long-range development planning is impossible in a system beset with constant inter-capitalist rivalry, instability, crises and wars. As a case in point we need to look no further than the intense disagreements over how to effectively tackle the current global recession. The global capitalist elites are deeply divided over whether their elaborate stimulus plans can really sustain a synchronised global economic recovery!

To conclude, it is interesting to note that the pro-poor rhetoric of the Zuma cabinet is virtually identical to that of the Mbeki era. In the spirit of that ex-president, there is a passionate and aggressive promotion of the conservative post-apartheid policies, GEAR and ASGISA. Appointed parliamentarians merely repeat Mbeki's tired and worn excuse for failing to deliver on the demands of the labouring classes after 15 years: a lack of bureaucratic capacity and implementation. Clearly, for the working people to radically improve their lives the bourgeois bureaucratic machinery does not require a little facelift but must be entirely dismantled and replaced by genuine workers democracy.

[Note: For a brief analysis of this fixation with the developmental state, see APDUSAN 2005, Volume 11 Number 2, pages 3-4.]

The APDUSA held its annual conference on 11/12 April 2009 in East London. Official delegates from the Western Cape, Eastern Cape and Gauteng attended as well as visitors from the New Unity Movement and a prominent ngo. The number of new young members attending has been a source of inspiration and enthusiasm to conference.

Discussions were led by papers introducing the National and International situations as well as a special paper on the Energy Crisis. The paper on the National Situation examined the leadership crisis, political opportunism and the misleadership of the trade union bureaucracy in South Africa.

The International Situation focused on the roots of the current international financial crisis and the short-term solutions proposed by the bourgeoisie.

The paper on the energy crisis highlighted the overexploitation of fossil fuels and the profit-driven motives underlying the corporate exploitation of renewable energy sources.

The Presidential Address reviewed the evolution of the APDUSA over the past two decades and the state of the organisation to take the struggle of the workers and landless peasantry forward.

The common theme in the introductory papers and subsequent discussions was the deep crisis that capitalism is facing and how this is experienced most acutely by the labouring masses. This only proves the relevance of our programme and thus the need for all our members to make it part of our daily propaganda.

Conference Resolutions

We observe:

- The ongoing crisis of political leadership of the working class results from the misleadership of the trade union bureaucracy, NGO's and political opportunists in the workers movement;
- Capitalism has plunged humanity into its worst economic crisis;
- The present global recession is fundamentally the outcome of capitalist overproduction, falling profit rates and financial speculation;
- Capitalist solutions to the global recession are bound to fail and instead pave the way for more severe crises.
- The capitalist system of production, distribution and consumption is driving the severe overexploitation of fossil fuels with disastrous consequences for the environment and the labouring classes.
- The profit-driven motive underlying corporate exploitation of renewable energy resources will not satisfy the energy needs of humanity.

We resolve to:

- Participate in struggles of workers and peasants to formulate and advance their own transitional demands to overthrow capitalism.
- Support campaigns of the anti-capitalist movement to oppose capitalist solutions to the global recession.
- Advance the development of class consciousness of the labouring masses to advance the struggle for socialism. ●

WHO IS THE COUNTER-REVOLUTIONARY?

An interview with Mr Jeff Radebe, Minister of Justice and Constitutional Development, by Sello Alcock, was published in the Mail & Guardian newspaper on 12 June 2009. Part of the interview went as follows:

SA: “*Now why then is there brouhaha if I say I go against the NDR? Does anybody have a right to label me a counter-revolutionary?*”

JR.: “*Well, it depends on what you are doing. If you are doing something that is contrary to the Constitution to subvert this Constitution, that would be counter-revolutionary.*”

SA: “*So the Constitution is very much part of that NDR?*”

JR.: “*Very much. It is a revolutionary document; if you read the Constitution as a whole you will see it has its roots in the Freedom Charter.*”

It seems that Mr Radebe has rather peculiar views on the constitution of South Africa, conflating it with the Freedom Charter and the so-called National Democratic Revolution. Like the Freedom Charter, this thing called the NDR is a purely ANC construct. Therefore, according to Mr Radebe, the ANC is the only body fully represented by the constitution of this country and if you actively oppose the ANC you are counter-revolutionary.

In any event, an examination of the constitution reveals some serious problems. The constitution protects private property rights, especially those rights of big business. As it was under apartheid, the enormous economic power of big business and all the inequalities it entails has been left intact. Is it counter-revolutionary to oppose this?

The constitution guarantees workers the right to look for work and not the right to work. Everyone knows that unemployment has grown tremendously since 1994 but the workers have little redress or protection. Is it counter-revolutionary to oppose this?

The constitution entrenches the totally undemocratic rights of traditional leaders who still wield enormous powers over their designated tribal subjects in the rural areas. Is it counter-revolutionary to oppose this?

These are a few of the features of the constitution that represents very serious difficulties for the labouring masses. In truth, the constitution was effectively drafted behind closed doors with very little, if any say by the suffering majority. What we need and demand is a constituent assembly to draft a new constitution based on the interests of the labouring majority who have a direct say in this fundamental process. Let Mr Radebe brand this view as counter-revolutionary if he will. ●

THE GENERAL ELECTIONS – A REVIEW

The April general elections would be considered by many to have been a significant event, but that is probably more an opinion than fact. Certainly, great interest was displayed in this election and there was an increased voter turnout, quite unexpected by those on the left. This greater interest was stimulated by three factors, viz., the emergence of the Congress of the People (COPE) as a breakaway from the formerly monolithic African National Congress, the political turmoil in the Western Cape and likewise, the upturn in KwaZulu-Natal.

The conservative elements in the ANC created a stir when they broke from the party to establish the Congress of the People after the now famous or infamous conference in Polokwane, December 2007, where Jacob Zuma was elected as party president, ousting Thabo Mbeki

who had inter alia, hoped to stand for a third term as national president. But after his ascendancy Zuma immediately set about settling the fears of the business world, internationally and locally, with the assurance that there would be no change in the ANC government's economic policies. It will be neo-liberalism as usual. The SACP and COSATU bureaucrats have assiduously steered away from this question, only arguing that they now have a greater voice in government. They will have to seek more effective means to bamboozle the working class in future.

Obviously, the opponents to the ascendancy of Zuma and the apparent, increased influence of the SACP and COSATU in the ANC could only justify themselves with arguments of being against corruption and self-seeking

political careerism. This inevitably became the main rallying call of COPE in the elections, while otherwise, there was nothing much to choose between its election manifesto and that of the ANC.

In the Western Cape the ANC had created serious problems for itself by promoting a policy of Africanism, largely to the exclusion of the large “Coloured” population in the region. The Democratic Alliance assiduously focussed attention on graft and corruption in ANC ruling circles in the province with telling effect. With the perception that it was losing out, serious divisions arose in the ANC ranks, with the national executive having to step in on the eve of the elections. The hope of repairing the damage by installing neutral persons in charge only exacerbated the problem. ➔

➤ In KwaZulu-Natal, on the other hand, people had become disillusioned with Buthulezi and the inability of the Inkatha Freedom Party to make a meaningful change in their lives. The majority of the population in this region still see themselves as Zulu. Still not perceiving that Zulu nationalism or tribalism is not the answer, they grasped at the Zulu, Zuma who was only too happy to appear at public rallies and functions in Zulu tribal garb, preaching a tribal message of a better life for all.

On the eve of the elections the results were fairly simple to predict. The ANC retained its overarching majority, although with a loss of 15 seats and a reduced percentage of 65.9% of the overall vote, from 69.7% in the previous election. It also gained a noteworthy victory in KwaZulu-Natal where it roundly defeated the Inkatha Freedom Party. The DA made its mark on the occasion by capturing the provincial election in the Western Cape in dramatic fashion, coming from 27.1% of the vote in 2004 to 48.8% in 2009 while the ANC dropped from 45.3% to 32.9%. The DA also increased its share of the national vote from 12.4% to 16.7%, giving it 67 (17 extra) seats in the national assembly.

After the initial euphoria of a new and supposedly more credible, Black opposition party, the COPE came third in the overall results with 7.4% of the vote and 30 seats in parliament. The other parties who were a factor in the past, the United Democratic Movement, The Independent Democrats, the

African Christian Democratic Party, the Inkatha Freedom Party and the Pan Africanist Congress are all fading into insignificance. Indeed, the fourth largest poll went to spoilt ballots, representing 1.35% of the vote. This was roughly the same as in the last election and it is impossible to determine how many ballots were deliberately spoilt as called for by some on the radical left.

Thus, in spite of the "palace revolution" in the ANC, South African parliamentary politics remains decidedly right wing if not more so than in the past. For the present, there is no party remotely on the left that could challenge the three right wing parties that now dominates South African parliamentary politics.

In the election a challenge from the radical left did not materialise. The main contender here was the Socialist Green Coalition but it could not raise the hefty deposit required to contest the elections. With the populace still caught up with bourgeois democracy, denied to them for such a long time, there is little chance that the radical left can make a deep impression in the short term. This, in spite of the ongoing tide of protests in demand of better service delivery from the government and workers persistently fighting militant battles for improved conditions of employment and job protection. Yet, the overall situation must change. While it persists with its neo-liberal agenda the ANC-led government must and will fail to deliver on its electoral promises to the masses. Even without the current global recession it could

not possibly meet the United Nations Millennium Development goals of halving poverty and unemployment by 2014, which it has trumpeted in the past.

The local government elections due in 2011 should become the next political battleground but the big problem on the left is to overcome the reformist influence of ngos that are so prominent in the struggle for service delivery and breaking the power of the deceitful bureaucracy in the trade unions. Ever since the birth of the new social movements about ten years ago, attempts at building a coherent unity of people struggling on different fronts, have floundered in the face of a mixture of powerfully touted ideas of spontaneity in the development of political consciousness, radical reformism and anarchism. These ideas provide neat cover for those in ngos who cannot possibly put forward a political programme. Yet, the masses are not quelled. Struggles around questions of housing, water and electricity relentlessly continue.

On another side of the political spectrum, the organised workers still languish under the control of the trade union bureaucracy but they remain militant with their leaders having time and again to yield to their impatience. With hardly more than a month having passed since the elections strikes have again loomed in the health and transport sectors. While the masses might have assisted in voting a conservative government into power, they are not sitting back in hope. ●

ZUMA PRAISES A PETTY DICTATOR

On Tuesday 9 June President Zuma issued a statement praising Omar Bongo Ondimba, the late president of Gabon; "Bongo was a friend in his endeavours to strengthen and consolidate political and people-to-people relations between South Africa and Gabon, particularly after the 1994 democratic dispensation in our country ... "Bongo has contributed enormously to the African continent through his involvement in peaceful resolution of conflict in the Central African region and the continent as a whole."

The truth is that this man ruled Gabon as a dictator for 41 years. Though the country has generated much wealth through its oil reserves the bulk of its citizenry are still impoverished. Ondimba was accused of enriching himself and of purchasing luxury properties in Paris, which, of course, he denied. It is reported that Bongo Ondimba wanted his son to take over the presidency in Gabon. So much for democracy and so much for Zuma's commitment to equality! ●

RLN PUBLIC DISCUSSION

The Radical Left Network held the first public discussion forum of its 2009 series on 9 May in Cape Town. Speakers from the APDUSA and the NUM covered the topic as advertised: "the Global Crisis – Is Socialism the Answer?" The Apdusa speaker outlined the nature of the global economic meltdown and how the crisis expressed itself in a wide range of political and social malfunctions. The insistence by the former South African finance minister that SA was spared the effects of the crisis was shown up as being a big lie. The second speaker dealt with the responses that have been forthcoming from organisations from the ranks of the oppressed. This covered the advances made in Latin American societies through the Bolivarian revolution.

Discussion that followed took up a number of issues. One issue was the question of people being politically lost. The recycling of old tired arguments in defence of the ruling party has seemingly reached a point where it has now merely become a matter of blind faith in support of bourgeois parties and in

defence of the rotten capitalist system that ALL of them are trying to prop up. The success or otherwise of the Bolivarian revolution was considered as being critical in the way we address the issue of political power. The basic point that was made was that seizing power does not represent the totality of a revolutionary process but that wielding power is as important. Hence the advances and setbacks of the Venezuelan revolutionary process should be seen as part of a world wide process for socialism, against capitalist barbarism. The outcome of the South African national and provincial elections showed that the working class and labouring masses in SA see the ANC as the party to deliver on their on as yet unfulfilled demands - decent jobs, housing, decent health care amongst others. The promise of the leadership of the ANC to do this is however based on it re-inventing/re-branding itself as a pro-poor, mildly left, developmental statist leadership. Failure on the part of this leadership to meet these demands, will in due course confirm analyses that have concluded the opposite. ●

TREVOR MANUEL AND THE DALAI LAMA

"Why do you see the speck in your brother's eye, but fail to see the beam of wood in your own?"
(Jesus: *The Bible (New English Version), Matthew, Chapter 7 Verse 3.*)

When the Dalai Lama was refused entry into South Africa in March this year, various news media carried reports of Trevor Manuel attempting to justify this decision by sneeringly stating: "Tibet's history had to be looked at, because the Lamas had been "feudal overlords" in that country". Presumably he was saying that China had rescued Tibet from backward feudalism. Does Manuel conveniently forget that here in South Africa we have tribalism entrenched in the constitution, with the formal recognition of the powers of so-called traditional leaders? Does he ignore that our president, Mr Jacob Zuma enjoys and plays up to his Zulu tribal affiliation? You are cynical about feudalism Mr Manuel, but when will South Africa be rescued from tribalism which predates feudalism? ●



From Around the World

PERUVIAN RESISTANCE DROWNED IN BLOOD

On 5 June 2009 the Peruvian army and police attacked a demonstration of indigenous communities in the Amazon rain forest. Demonstrators did not expect this massive scale of state-directed violence and murder. For the local police commander had formally agreed that this peaceful protest could carry on until later that same day. Indiscriminate shooting from hilltops and helicopters unexpectedly started at dawn, several hours before protestors were to suspend the demonstration. There was a chaotic rush for safety as nearly 3600 protestors attempted to escape volleys of live ammunition. Thirty-four people died according to official reports, including police guards. This death toll is probably a gross

underestimate. For the whereabouts of dozens of people remain unknown - still listed and counted as 'disappeared'.

The occupation of 'Devil's Curve' highway and Petroperu oil Station 6 in far northern Peru, near the town of Bagua, started on 26 May. But for Amazonian communities this is just one site and battle in a broader struggle. It is part of an ongoing mass struggle to stop the plunder of the resource-rich Amazon jungle. AIDASEP (or *Interethnic Association for the Development of the Peruvian Jungle*) is the organization which unites and spearheads the struggle of 1,350 communities. Corporations with stakes in exploiting the water, ➡

➡ oil, timber and minerals in the Amazon have stepped up their pressures on the state to 'restore law and order' and 'free the highways and pipelines in the Amazon'. President Alan Garcia has complied with calls from powerful corporations to crush this upsurge in dissent at any cost; to criminalise the peaceful defense of livelihoods. On 10 May he imposed a state of emergency across jungle regions considered to be the epicentre of the resistance movement - Amazonas, Cusco, Loreto, San Martin, and Ucayali. This is an example of the rapidly unfolding class struggle centered on the earth's resources. It displays the threat capitalism poses to our planet and humanity's future.

Mass actions kicked off on 9 April to oppose the '*Law of the Jungle*'. This '*Law*' comprises a set of 99 Legislative Decrees that legalise the sale of tracts of this vast zone of natural wealth, including communal lands. With the aid of this law, investors can secure the rights to own and control 45 million hectares, or 64%, of the forests of Peru. It is the core element of the bilateral trade agreement Peru's government had signed with the USA in 2005. This infamous trade pact also introduces a farming tariff regime which is bound to eliminate peasant farming. It imposes agricultural trade rules for the profits of transnational agribusinesses. President Alan Garcia and his party dominate the Peruvian state and stand firmly on the side of big business. They promote

auctioning the wealth of the country to investors as the only pathway toward 'modernisation'. But throughout history modernisation - the capitalist logic of progress - has always been at the expense of the blood and lives of indigenous peoples, peasants and workers.

The massacre has drawn widespread condemnation from human rights organisations, social movements and governments across the region (including the Organization of American States). A solidarity movement has gained momentum around the longstanding campaign of Amazonian communities in defense of their livelihoods and communal lands, which is tied to their fight for a direct voice and participation in political institutions. Unemployed workers and trade unions in Lima, the capital of Peru, support AIDSESEP. The basis exists to forge a militant united front around the fight against job losses in a mining-export economy sinking deeper into recession in what is basically the agrarian struggle. The Nicaraguan government has given refuge to the leader of AIDSESEP, Alberto Pizango, who faces persecution in his homeland for opposing state terror. President Evo Morales of Bolivia in his solidarity message aptly described this violent crackdown on protestors as genocide perpetrated in the interest of free trade and neo-liberalism. ●

MADAGASCAN REVOLT – A COUNTRY UP FOR SALE?

Developments in the former French colony of Malagasy (Madagascar) that led to the ousting of the Ravalomanana government in May this year were gradually building up of over time. The demonstrations and uprisings of the population, later to be supported by the military, eventually ousted the unpopular and repressive government led by the I Love Madagascar Party. As could be expected the "international community" expressed disappointment with what happened. The African Union threatened sanctions if the ousted president was not reinstated. According to its conventions no-one should remove African governments by force. But barely has the new government taken power that we see Madagascar no longer being a newsworthy item. Could it be that popular upheavals and military support for these actions should be expunged from the thinking of people around the world? The position of the South African government simply echoed that of capitalist governments all over Africa and the world who believe the poor must not rise and assert their own organised power to rule themselves.

Madagascar has a history since independence in 1960 of a frequent change in government – sometimes through the ballot box, other times through the direct involvement of the military. The role of the French in this regard cannot be discounted since a major part of the country's economy is owned and run by French and British

corporations. Since 1960, dire economic conditions for the majority of the approximately 20 million (present population) Madagascans have always formed the basis for major protest actions and strikes. The imposition of a structural adjustment programme in 1982 is part and parcel of this history. In 1991 the country saw a prolonged general strike which stemmed from the privatisation of state assets by the then government. The outcome of the SAP – as happens all over the world - was a direct assault on the living standards of the millions of poor citizens. Today still the living standards measures of the country reveal a nation drowning in debt and social misery: adult literacy is 35% (female) and 23% (male); GDP per capita stands at US \$280; the percentage of the population living on less than 2 dollars per day is 85.1% ; 70% live on less than 1 dollar per day [World Bank 2008 Development Indicators]. Madagascar was one of the 18 countries identified by the Group of 8 whose foreign debt was to be written off.

In the economy at large there is intense pressure on the available land. Major corporations like Rio Tinto came up with plans to start coastal strip mining in the south-eastern part of the country; the environmental consequences notwithstanding. British and French corporations own and run vast tracts of land as agribusinesses. In 2008 the South Korean government paved the way for Daewoo Logistics Corporation to sign a deal with the ➡

➡ previous government involving the leasing of approximately 50% of arable land in the country for maize and palm oil production. The idea was that all produce would either be shipped off to South Korea or sold on the international market. According to bourgeois media reports South African farmers would have been drawn into the country to manage this neo-colonial type plantation/agriculture scheme. What was worse was that it would have meant the internal displacement of the local population. Even though some workers would have ended up being employed by this corporation, the horrendous long term implication of this 99 year lease agreement fired up the population to oppose the move. It in no small measure contributed to the demonstrations and the eventual toppling of the Ravalomanana

government. The new administration under Andry Rajoelina had no choice but to scrap this deal. Apart from this action there is little to suggest that the new government, led as it is by a business mogul, will introduce much needed, radically different economic policies.

The drive of major corporations from middle income and industrialised countries to enter into deals with African governments for the purchase of land for food production (e.g. Kenya, Sudan) is another indication of the crisis of the system of capitalism which is attempting to maintain itself. While millions go hungry every day because of the un-affordability of food, these parasites and their friends in government are spreading their wings all over the world in search of yet greater profits. ●

MAY DAY 2009 AND THE GLOBAL ECONOMIC RECESSION

Demonstrations and rallies on May Day, in which workers all over the world participate, have taken place in 2009 under the cloud of the most severe economic and financial crisis since the 1930s. Governments have been lining up to try and rescue bankers from the reckless folly of their gambling away their customers' funds in subprime mortgages and other toxic debts. The governments and the bosses are attacking the workers in order to make them pay for the crisis. Factories and businesses are being shut down all over the world, with little or no notice given to their employees, as millions of workers join the queues of unemployed. The workers, who are still employed are having their wages cut, their benefits reduced and their pension rights removed or curtailed. But they are not turning the other cheek. All over the world, they are involved in a fightback against their bosses and governments.

The form that the fightback takes and its strength varies from country to country and it is having an impact on the bosses and governments. Here it is aimed to only look at the May Day demonstrations in Europe, where with rising unemployment and the effect of the financial crash rolling into the real economy, the strength of May Day marches made themselves felt. In Berlin, Germany, there were clashes between left wing and right wing demonstrators and the police, while in Ulm fights broke out between left wing demonstrators and neo-Nazis and the police. In Hamburg, demonstrators and police battled for hours, with 23 people arrested. In France, where massive rallies have already been held on numerous occasions this year, 1.2 million people took part in 300 marches. In what were the first united May Day rallies since the end of World War Two, the leaders of the country's eight main unions led the demonstrators through Paris. Tens of thousands turned out for demonstrations across Spain, which has the EU's highest jobless rate of 17.3%. Union leaders at a rally of 10,000 in Madrid

did not rule out a general strike if the unions were not invited to discussions over how to revive the economy. Italian union leaders held their rally in L'Aquila, where an earthquake killed nearly 300 people in April. In Greece, there was a mainly peaceful demonstration in Athens, where there was a big police presence following the worst riots in December, fuelled by discontent with a slowing economy and high unemployment. In Turkey, under pressure from the unions, the Turkish government declared May Day a national holiday. For the first time in 31 years, workers were allowed to celebrate May Day in Taksim Square, albeit only 5,000 being allowed in the square by the police. There were clashes between demonstrators and the police with a number of arrests.

The ruling classes in Europe, like those in the rest of the world, thrashing about wildly to try and solve the economic crisis, are deeply concerned about its effects on those whom it rules. The Guardian, a bourgeois paper in Britain, in its editorial of May 2nd focused its attention on France, dealing with the protests on the streets, the universities grinding to a halt because of dissatisfaction with the employment contracts of lecturers and the commando-style "picnics", where people feasted from shelves shouting "we will not pay for your crisis". In particular, the editorial drew attention to the bossnappings, where chief executives arriving at plants to announce layoffs find themselves barred from leaving. In five out of seven cases, bossnapping was used against foreign owned companies (Sony, Caterpillar), which are more cavalier about laying off their workers than their French counterparts. The editorial emphasised that the strikes are not stunts but aimed at the government for paying billions to preserve the bosses but doing nothing to protect the workers. The former prime minister, Dominique de Vilpin warned that there was a risk of revolution in France. The Guardian ended its editorial thus, "The truth is ➡

➡ that no government in Europe has the luxury of treating French, German or Greek social unrest as a spectator sport. The breakdown in the social compact, the gulf between promise and delivery, should concern everyone”.

While the epicentre of the resistance is France, it is occurring in many parts of Europe. What is of particular concern to the ruling class, is that in France there are promising political developments in the workers movement, which may be a pointer to the future direction of the struggle in the rest of Europe. A looming danger for the

workers’ struggle is the appearance of far right and fascist forces throughout Europe. In Russia, while there were thousands of May Day demonstrators in Moscow waving banners and red Soviet flags, in St Petersburg there were far right protests on the streets against immigration. In Britain, the BNP is mobilising to try and get some of its candidates elected in the forthcoming European Parliamentary elections. The workers’ movement has a big struggle on its hands as it faces the bosses and the fascists in this period of severe economic downturn. ●

THE FINANCIAL AND ECONOMIC CRISIS IN BRITAIN - A STATE IN CAPITALIST DECLINE

The origins of the present world economic crisis are bound up with the decades of neoliberal globalisation ushered in by Thatcher and Reagan in the 1980s. The real economy, production and trade, was eclipsed by financial liberalisation with globalisation of finance serving as the engine of the capitalist system. Casino capitalism, characterised by speculation, deregulation and privatisation created a housing bubble. When it burst, the subprime market collapse spread from the US to Britain and the rest of Europe and turned into a credit and banking crisis. This has now led to the economic slump.

Debt-fuelled consumption in Britain, like the US was based on a housing boom, coupled with a large balance of payments deficit and a growing government budget deficit. In 1997, the debt held by individuals in Britain was £570 billion. Ten years later it was £1,511.7 billion, an increase of 165%. In terms of personal income, personal debt had increased from 102% to 173%. This correlated with rising inequality. In Britain, the share of national income received by the poorest 10% fell from 4.2 % in 1979 to 2.7% in 2002. We have a situation where high debt levels have replaced high wages.

Another component of the crisis is the end of peak oil. The days of cheap oil are over and even during the crisis OPEC will cut production to keep the price up. The ecological crisis, the most serious crisis facing humanity, is linked directly to the economic crisis and contributes to making it a systemic crisis. Global warming is expanding the world’s deserts, melting the icecaps and destroying the water reserves. There is also the continuing food crisis. Rises in the food prices resulted in riots in thirtyseven countries during 2008.

The British economy slumped in the first quarter of 2009, in the biggest contraction since Margaret Thatcher came to power in 1979. GDP fell 1.9% after declining 1.6% in the previous quarter. Britain, with the greatest dependency on financial investments of any nation in the world, is particularly vulnerable to the crisis in the world’s financial system. It has seen the revenue of its banks and finance houses slump, while at the same time it is desperately trying to recapitalise its banks against their current losses.

The importance of Britain’s financial sector can be gauged by estimates, that in 2006 it made up 9.4% of the economy, contributing 30% of corporation tax revenues and accounting for 30% of GDP growth between 2004 and 2007. Equally important though have been the earnings obtained by British capital from past investments abroad. In 2004 the surplus on investment income was enough to halve the British trade deficit. British business services and finances have shrunk 1.8%, the most since records for the category began in 1983. Manufacturing contracted 6.2%, the most since at least 1948. Industry has declined rapidly since the rise of Thatcher and currently fewer than three million Britons are employed in this sector of the economy. It accounts for just 13% of Britain’s GDP, about £150 billion, but half of its exports. It is falling behind its competitors because it has failed to transform production conditions at home. Productivity growth at 2% between 1995 and 2004 remained below that of the US and insufficient to close the gap in absolute productivity levels with France, Italy and Germany. Dependence on imperialist exploitation is closely linked with domestic weakness (*Kilmister, Socialist Outlook p.5 Issue 14*). Unemployment rose a record amount in February 2009, the unemployment rate reaching 6.5%. Unemployment is expected to reach 3.3 million in late 2010.

Public sector net debt as a percentage of GDP was 47.8% at the end of January 2009 compared with 42.2% at the end of January 2008. Net debt in this period rose from £607.8 billion to £703.4 billion. This dramatic increase in public debt is almost entirely due to the government’s bailout of the banking system. There is also £1.5 trillion of liabilities from the government’s ownership of Northern Rock and the banks, RBS and Lloyds TSB/HBOS.

This level of debt will become inflationary unless it can be financed by higher taxes. This will put an ongoing pressure on government revenues and serve as a perpetual excuse to cut public spending. The government has approved the sale of a record £220 billion of gilts, or government debt, in the current fiscal year. It will be supplemented by ➡

➡ so-called quantitative easing - the Bank of England is printing £75 billion to buy bonds after it cut interest rates to 0.5%. The theory is that this will encourage banks to lend more money out to consumers, who will then spend it on goods and this will stimulate the economy. The government has anticipated the scale of the crisis in its budget in April. The strategy is to ride out the worst of the recession with unprecedented levels of government borrowing before making the working class pay for the crisis. There will be huge cuts in public services from 2011. The government's pledge to raise taxes on the rich by increasing the top rate of income tax from 40% to 50% and close loopholes for pensions with the aim of producing an estimated £7 billion

from the very rich, has been hailed as a return of class politics. It is not. It is a modest reform, which the rich will try to undo by reclassifying their income as capital or switch it into pension contributions and use the pension tax relief loophole created in the budget.

The working class is being made to pay for this economic crisis of the financiers' making, by having to join the lengthening dole queues and will suffer from the planned public service cuts in 2011. The current crisis presents socialists with a challenge for the first time in a generation to put forward their own vision of an economy based on need and not profit to replace the bankrupt capitalist system. ●

LATIN AMERICA: LEFTISTS WIN CONSTITUENT ASSEMBLY ELECTIONS (PART 2)

In part one of this article (published in the last edition of our newsletter) we assessed the political meaning of recent electoral victories for the left in Latin America - with a focus on El Salvador and Paraguay. This altered political landscape reflects, on the one hand, the intensity of the economic and political crisis of neo-liberalism in the region. It represents a setback but not the total defeat of capitalism in countries where the majority parties in the state oppose neo-liberalism. Old elites still wield enormous power. Control over the mass media enables them to shape national politics; they receive extensive backing from imperialist sponsors; in some of the wealthiest regions within countries they monopolise and manipulate local state structures. On the other hand, the crisis of neo-liberalism and the electoral triumphs of the left are also results of the mobilisation and fight-back capacity of popular movements in Latin America today. grassroots movements are accumulating experience through struggle about the necessity to contest for state power as a pathway to remake society for the better. Vital lessons arise from this inspiring and enriching process. Social movements must be politically radicalised and leftwing parties must be firmly rooted in this mass movement. Without a consistent anti-capitalist programme and party the labouring classes cannot win political power.

National elections took place in Ecuador at the end of April 2009. President Rafael Correa was re-elected without a second round run-off election with his closest rival. In his victory speech, President Correa vowed to accelerate his *citizens' revolution* - which is his way of articulating his resolute opposition to neo-liberal socio-economic policies. This victory has given fresh impetus to anti-capitalist activism in Ecuador and beyond the region.

For A Democratic Constituent Assembly

It is instructive to note that Ecuador's latest national election was radically different from the November 2006 elections when Rafael Correa and his party, *Alianza Pais*, scored their first stunning win. In April Ecuadorians voted for a government on the basis of their new constitution. A democratically elected Constituent Assembly (CA) drafted this new constitution. Similar processes are underway in Bolivia where national elections on the basis of their new constitution will take place in December 2009. Another interesting point worth recalling is that the Constituent Assembly has been a major platform to advance the transition to 'socialism of the 21st century' in Venezuela.

The crosscutting message crystallising from these struggles is the heavy reliance on the CA to at least begin the process of radical political transition. The focal point is naturally on drafting and formulating a constitution, which is the primary reason for convening a CA. For the anti-neoliberal left, the CA is a platform to translate its political goals into the principles to govern society. It is one key component in a set of political and socio-economic demands. Of course it would be foolish to assert that the CA is a uniquely Latin American phenomenon. The long history of freedom struggles shows that the CA had arisen under various specific conditions. Limited space unfortunately prevents us from revisiting all past cases.

Rocky Climb to the Constituent Assembly

Even in countries where a Constituent Assembly delivered a constitution with a strong socialist orientation - Venezuela, Ecuador and Bolivia for instance - the process has been fraught with obstacles and controversies. This is partly evident from the variation in the time to convoke the CA, write the constitution and finally adopt it through popular referendums. In Venezuela, ➡

➔ Hugo Chavez came to power through elections in 1998. By August 1999, a CA had already started to draft a new constitution through commissions that allowed for extensive inputs from mass movements. Roughly four months later, by December 1999, the CA could present Venezuelans with a new constitution to 'refound the Bolivarian republic'. Ecuadorians voted overwhelmingly in favour of a CA in April 2007. By July 2008, eight months after CA delegates started the drafting process, they had produced a new constitution. In the national referendum held in September 2008, 60% of the electorate gave the new constitution a "yes" vote. Bolivia's CA process dragged on for a longer period due to an incessant rightwing campaign to sabotage the movement towards socialism in that country. While the Bolivian CA started its work in August 2006, the country adopted the new constitution only in January 2009 with 62% of the population voting 'yes'. In the rich low-land provinces (*Santa Cruz, Beni, and Chuquisaca*) where the old rulers still rule in an autonomous fashion, the new constitution was rejected.

In the last few decades, when and where neo-liberal elites and military dictators have won elections, they did not try to convoke a CA. This issue has never featured in their election campaign promises. What this tells us is that the CA has become a project championed exclusively by the anti-capitalist left. The CA is of course based on basic democratic principles as a way to draw the masses more directly into government. As a consequence, it is unable to exclude the remnants of the old ruling elite, with the resilience to regroup as was illustrated in part one dealing with the elections. What this implies is that both the character of the CA and the fundamentals of the new constitution depend on the relative strengths of the contesting class enemies.

There is no smooth path to a CA which advances the aspirations and interests of poor working people. The climb to reach a democratic CA traverses a rocky terrain judging from the Latin American experiences. An electoral breakthrough for the left is indeed a critical step to make this demand a reality, but it is not enough. In fact, the mass upsurge against neo-liberal policies in the 1980s and 1990s gave a big push to the CA. During that era, indigenous communities in Bolivia agitated forcefully for a popular assembly to rewrite the constitution. Subsequent protests against water and gas privatisation ranked the CA as the top demand of social movements. Evo Morales and his party, the Movement Towards Socialism (MAS), with their deep roots within this radical movement gave expression to this demand in their own programme. In Ecuador, it was also the social movements that originally galvanised broad support for the CA. CONAIE and its political wing, Pachakutik, have always combined their fight for agrarian reform and indigenous rights with the call for a democratic CA.

The Constituent Assembly is a transitional political demand. As part of a coherent set of demands for progressive change, it is a political weapon with a dual purpose. Firstly, it aids to mobilise the labouring classes into a potent force to strike a decisive blow against the bourgeois state apparatus, for the bourgeois constitution props up a repressive state machine and dilutes democracy. It excludes the poor majority from genuine direct participation in government. Secondly, the CA reinforces the self-organisation of working people and boosts their confidence to actually "reconstruct another world". The CA thus becomes a bridge to pave the way towards democratic socialism - a political and socio-economic alternative to capitalist barbarism. ●



Letters

DISTORTING THE LEGACY OF JUNE 16

The Editor

Professor Jonathan Jansen, in a Weekend Argus article (20 June 2009), makes some rather startling assertions regarding the role of South African youth. He fires some shots at the political behaviour of the ANC Youth League leadership and its co-riders, saying that their despicable behaviour is besmirching the legacy of the 1976 youth struggles. Nothing much wrong with this, but he conveniently refrains from stating that he himself is part of that political tradition. Accusing the Youth League of

being "selfish, materialistic, vulgar and self-promoting" is even more startling since the politics these young men and women have been and are being taught amounts to exactly that. Any pretence to the contrary runs counter to the political traditions cultivated in the Congress Movement over time. The values and norms of the capitalist system are embraced with unashamed greed and a haste next to none. In this process the use of liberatory, progressive sounding slogans are employed overtime. All this is done to mislead millions of youth to support this kind of backward, capitalist-supporting leaders of yesterday. Their claim to defend and advance the interests of South African youth is as hollow as can be. They represent the past. They have no progressive political outlook to advance the short and long term intellectual and material interests of South African youth. They ➔

➔ literally belong in the dustbins of history.

Jansen maintains that the youth should steer clear of this kind of self-seeking youth political practices and instead serve the disadvantaged without expectation of remuneration. Voluntarism is what is called for. After the lie of 'starting your own business/entrepreneurship' stands clearly exposed for what it is, the idea of volunteerism is now the flavour of the month.

Youth working in NGOs, churches, mosques, sportsclubs, and voluntary agencies are cited as examples. In the article Jansen tries to link the selfless sacrifices of the 1976 youth with what he says should be similar selfless sacrifices in service of the poor township and rural population. In so doing the youth will show up the parasitic youth politicians in the youth leagues.

He is in fact telling youth to refrain from political engagement. The reactionary nature of this statement is clear to see. What he is doing by implication is to say that the present backward, capitalist ruling class political programme should prevail. This programme excludes youth in no small measure. This is yet another way in which youth is encouraged to remain aloof from politics proper; in fact, they are called upon to be party to their own de-politicisation. They are told in no uncertain terms, by Jansen and his ilk to stand back from shaping their own future. Let the Malemas and Malemela's of this world ruin it for them. He is basically insulting political youth saying that their handling of or engagement with political power will amount to these medieval political practices of the Youth League leadership. He is in fact saying that there can be no other youth politics than the childlike youth politics of the Youth League. In so doing, he is in fact bolstering their claim to leadership by saying that their politics is the only youth politics in the country.

The youth of South Africa must continue on the road to uncover the history of South Africa's liberation struggle and their rightful place in it. Relying on the Youth League to do this is a lost cause. People like Jansen and others must stop their political deception of the youth.

Angry Apdusan.

THE GLOBAL ECONOMIC CRISIS AND HOW IT AFFECTS SOUTH AFRICAN WORKERS

Comrade Editor

After a long period in which the government denied that South Africa would be affected by the global economic crisis, even while capital was busy with job shedding for the past year, the government

feigned surprise that South Africa was finally hit by the recession. For the past year workers have felt the brunt of the increases in the cost of living and the subsequent credit crunch.

We are currently witnessing a massive response by capital attempting to ensure that they can stem their falling profits through restructuring mechanisms. These self-same advocates of zero interference by government in the market are currently clamouring for bail-outs by the state. It is our taxes that are currently being used to save these unscrupulous bosses, while at the same time we are facing massive retrenchments. Workers are being put on short-time while the bosses ensure that their salaries are not affected. We are being asked to sacrifice while these fat cats ensure super profits for the owners of business.

If this is not enough every parastatal is demanding massive budgetary increases. The municipality budgets that were accepted, indicate massive rises in rates and services payment. This is while these councillors vote themselves obscene salaries, while claiming to be the servants of the people. This is while local government infrastructure is collapsing all over. The retail sectors are still declaring massive profits while no signs of a decrease in food prices are evident. Instead, as indicated by market researchers, we see a continuous increase in the price of a basic food basket.

We are also witnessing that school governing bodies are starting to threaten workers who are unable to pay their children's school fees. A situation has developed where workers are unable to pay their bills that will enable them to live. This is while money is wasted on world cups and the renovation of stadia.

At the same time the government is promising us 500 000 jobs to soften unemployment. We can state without any fear of contradiction that these jobs are not sustainable. We will witness a situation where a few well-connected people will be able to tender for a specific contract with a definite life span. Workers will earn a pittance for a period of time after which they will once again join the unemployment queues. This is not jobs per se, as the President of South Africa promises, but work opportunities through the expanded public work programs where people are expected to work on short-term contracts at a fraction of the so-called living wage determination.

We will see a sharp increase in industrial unrest during this period as workers are unable to see a way forward out of this abyss. It becomes evident that workers need to realise that the socio-economic conditions are interrelated with the political situation nationally and internationally. We cannot allow a trade union bureaucracy to determine our future while we are just spectators. It is time that we as workers take ownership of our organisations and hold the leadership accountable. It is only through independent struggle that we will be able to challenge the bourgeoisie.

EDK

From The Archives

On the Agrarian Problem and the National Problem. From "Let Us Get Rid Of Illusions" I.B. Tabata, 1985

... What then are the basic problems which the bourgeoisie do not want to face up to? What is the crisis all about? Put in a nutshell they are: the Agrarian Problem and the National Problem. Both of these cannot be solved independently of each other. We cannot have peace in a country in which more than 20 million Blacks are forced to occupy 13% of the land area while 4 million Whites own 87% of the country. This fact alone is a programme for revolution. The present land distribution constitutes the fundamental basis for a National Problem. Landlessness turns the whole Black population into wage slaves of a nature that is little different from that of chattel slavery. It is used as a means of extracting more than super-profits. For as long as this situation remains, it is impossible to solve the National problem. That is to say, the Black people of South Africa cannot be granted full democratic rights under these circumstances. For the whole of the super-structure is built upon this inequality. No meaningful discussion can take place unless it is directed towards solving the discrimination in land ownership and this cannot be done unless all land itself is nationalized, so that all citizens of the nation of a unitary state of South Africa have an equal claim to the land. Even this is not enough. For as long as the government is a bourgeois government, that nationalized land will be used to satisfy only the economic interests of the bourgeoisie.

It follows from what is said above, that the struggle for the simultaneous solution of the Agrarian and National problem must lead to the transformation of the whole system of exploitation. It is in essence a class struggle against the system of the bourgeoisie who own the land and all the means of production of all the goods that maintain life. When this fact is grasped by the oppressed, it will become clear to them that the leadership of the struggle must fall on the shoulders of that class which has nothing to lose but its chains and has everything to gain — that is the working class.

APDUSA

THE STRUGGLE CONTINUES

Despite the gain of political rights for all, the compromise of 1992 has not fulfilled the democratic aspirations of the labouring majority and they continue to suffer in conditions of abject poverty and subjugation to the will of the rich who command the economic resources of the country. In the ongoing struggle we therefore demand:

- The convening of a democratically elected **Constituent Assembly**, charged with the task of drawing up a new constitution, governed by the interests of the oppressed and exploited working class and peasantry, based on the demand for full, unfettered political rights for all with majority rule in a unitary state, the removal of all artificially created regional political boundaries, the liquidation of all special minority rights and privileges which militate against the interests of the majority. The Constituent Assembly must have full powers to discharge these duties, untrammelled by any directions and constraints designed to serve self-interested minorities.
- A resolution of the **land question** in accordance with the needs of those who work and live off the land. This means the destruction of all existing tribal and feudal relations in the rural areas and the nationalisation of the land, without compensation. A new division of the land and its management, which excludes forced collectivisation, the payment of rent and the expropriation of small peasant farmers, must be undertaken by committees that are democratically elected by and answerable to the people.
- The **expropriation** of all major industries, banks and institutions of credit and their management by the state and representatives of the workers in the interests of the population as a whole.
- The revision of labour legislation for the liquidation of all discrimination against the worker. This also means:
- The **right to work**, which must be implemented both via the institution of necessary adjustments to the length of the working week to provide employment for all, without a reduction in wages, as well as by the institution of a progressive **public works program** with the full representation of the unemployed in its management.
- The fixing of a living **minimum wage** as well as a sliding scale to compensate for any price increases.
- The unconditional right to **strike** which includes the right of occupation of the workplace.
- Free and **compulsory education** for all up to matric with free books for the needy.
- Free **health services** for the needy.
- A single, progressive **tax system**, the abolition of vat and all indirect taxes that fall so heavily on the poor.
- The elected representatives of the people, at organisational level or in the local, regional or national political institutions of state, must be fully **accountable** to those who elect them and they must be fully bound by the demands and aspirations of the working class and its allies, the landless peasantry.

APDUSA calls for the self-organisation and united independent struggle of the labouring masses. We believe that the struggle can only advance decisively via the greatest ideological and organisational unity between the workers in the urban centres and the peasants in the rural areas under the leadership of the working class

The democratic demands and aspirations of the oppressed workers and peasants shall be paramount