



THE

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***THE INTERESTS OF THE WORKERS AND LANDLESS PEASANTS  
SHALL BE PARAMOUNT !***

## **PUBLIC SECTOR WAGE DISPUTE**

Yet another potentially devastating public sector strike looms after leaders of the 12 public sector unions met recently to consider the state's response to union demands. Reminiscent of last year's stand-off, the strike threat follows the government's declaration of a final wage offer of 6% across the board which is being linked to the restructuring of service benefits.

At a general council meeting on 13/7/2000 members of SADTU were informed by their leadership that their demand for 10% wage increase and better service benefits was not accepted. Instead government offers the public sector a new framework for retrenchments and major changes in benefits. According to union officials the overall cost of the cut in benefits to employees will amount to R2.5 billion, and still government said there are no funds to justify the workers' demand for a 10% increase.

"The current employee benefits are not equitable, affordable and not accessible by all", Geraldine Fraser-Moleketi, the minister of public service said. The Union leaders' response was that the reduction of benefits as envisaged by the state would be to the disadvantage of public servants. Fraser-Moleketi's arguments were supported/echoed by Tito Mboweni, the Reserve Bank governor, who said if inflation targets were to be taken seriously, then administering prices must equally be taken seriously.

These arguments by government were recently questioned by union leaders when it became known that government officials will receive a salary increase of between 8 and 15.5% in the near future. According to a newspaper report the Independent Commission for the Remuneration of Public Office bearers recommend this salary increase, while the government can only afford a 6% salary increase for civil servants. It also seems that these recommendations will be given the green light by government, making up for the 4% increase that political office bearers received last year.

In standing firm on its 6% salary increase offer the government is taking the lead in attacking the living standards of workers, especially those who provide the most essential social services. It can only be stopped in its tracks if the broader working class stands up to defend their brothers and sisters in the public sector. It is time for every member of COSATU and all independent unions to stand shoulder to shoulder and if needs be to mobilise for a general strike against low wage increases and retrenchments. ●

## **THE LAND CRISIS**

The land struggles in Zimbabwe have prompted our own government to speed up its land reform programme. The Commission on Restitution of Land Rights is now asking the government for more money, not to provide more compensation to people who claim land but only to speed up the settlement of the 63 455 claims that the Commission had received by the closing date for the lodging of claims.

Mr. Wallace Mgoqi, Chief Commissioner of the Commission on Restitution of Land rights has stated that the settlement process must be sped up to "avoid a Zimbabwean style scenario" (Business Report 04/07/2000). Settlement of all these claims will benefit about 3.6 million people in the rural areas in a small way. Not all of the people who have submitted claims will receive land. Out of the 6250 claims that the Commission has settled thus far, 5398 families received monetary compensation instead of land, on average, about R27 000 per household. While people demand land to make a living, it is clear that this small sum of money will not go very far to meet that need.

It is estimated that about 3.2 million people who were entitled to submit claims did not do so because they were not informed of the claims process. They are now left out in the cold. It should also be borne in mind that these claims only apply to people who were victims of forced removals during the years that the old Nationalist Party was in power. The government's land reform programme excludes all claims for land that was seized by the European invaders before 1913. There are about 20 million people who are living in the rural areas and research surveys have showed that at least 67% (13.4 million) of them want some land. This means that the government's land restitution programme will leave at least 10 million rural people without any relief at all. If they want land they will have to buy. All that a person without money who wants to buy land can expect is a R20 000 grant from the government under certain conditions.

The 1995 survey of the Land Reform Research Programme found that 85% of rural households (over 3 million families) live on less than R1500 per month, while another survey published by SALDRU in August 1994 revealed that 80% of rural households (about 2.9 million families) have an average income of R563.24 per month. It should be clear to anyone that the meagre compensation offered to only 25% of the rural population is just a scratch on the surface of the problem. ●

## THE ANTI-PRIVATIZATION FORUM

The Anti-Privatization Forum is an organ that coordinates various struggles of workers', students' and civic organisations against the privatization programme of the government. It was born out of a groundswell of protest against the iGoli 2002 project for the privatisation of municipal services in greater Johannesburg. Its activities has consisted of protests against workshops or conferences, organised by lackeys of capital designed to justify the ever-growing appetites of imperialists. The latest protest has been the one at Wits university which received some coverage from the media. Other activities have involved organising and educating residents about the severe effects of privatization.

The greatest frustration the Forum suffers is the inconsistency of the COSATU Trade unions. It is a fact that the Forum is the 'brain-child' of SAMWU-NEHAWU struggles against privatization. The leadership of these unions, however, is bent on either frustrating the activities of the Forum or ensuring its failure. Many a time these unions have been withdrawn from participating in the Forum. Numerous appeals from COSATU locals have temporarily saved the situation. The crux of the matter is that the leadership nationally reaches agreements with the ANC to the detriment of the regions or the locals.

There is no doubt that the Tripartite Alliance has a negative effect on the struggles of the workers. Every time when workers have to take up issues, some compromise is reached. As long as the workers' struggle is under the leadership of the petit bourgeoisie so long will their organisations be used for bourgeois interests. Workers will have to get rid of this kind of leadership to ensure the independence of their organisations. Long Live the Anti-privatization Forum. ●

## THE STRUGGLE AT WITS

A struggle is taking place at the University of the Witwatersrand which is closely linked to the anti-Igoli 2002 campaign. Workers, students and academics, represented by NEHAWU, SASCO and the Post-Graduate association respectively, are up in arms against the "Wits 2001" restructuring plan. Implementation of this plan by the university authorities has brought about the outsourcing of catering services leading to the dismissal of 600 workers, with about 60 lecturers facing dismissal as well. APDUSA has lent its support to the struggle at Wits against the privatisation of education and for the protection of worker rights. ●

### ROBBEN ISLAND MUSEUM SEMINAR

*The Robben Island Museum Education Dept. hosted a seminar on the 2 May 2000 on "The Relevance Of Manifestoes, Charters And Programs Of The Liberatory Struggle Before 1994". Papers were presented by the Vice-President of APDUSA, Bobby Wilcox and Blade Nzimande, the general secretary of the SACP. APDUSA's contribution was well received.*

## A CALL FOR WAGE RESTRAINT

The ANC secretary general Mr Kgalema Motlanthe is on record as calling on trade unions to exercise wage restraint. Workers and their allies will obviously reject this with the contempt it deserves. However, if we consider this call in the light of past and ongoing battles between the unions on the one hand and the state and big business on the other, the following question arises: how far off is the day that we are going to be faced with calls for **moratoriums on wage increases ... or a call for wage reductions?** If the government's inflation targeting crusade is anything to go by, these possibilities are not as far fetched as they may sound. ●

## THE UGLY FACE OF CAPITALISM

We are often told that capitalism is the best and most democratic system that we can have. The truth is a lot different. A recent report on human development produced for the United Nations Development Programme states that the 200 richest people in the world (capitalists) own wealth to the equivalent of 1 trillion American dollars. On average it means that each of these individuals are billionaires 5 times over – each has wealth of about 34 thousand million Rand. This is compared to the income of 582 million people in the 43 poorest countries in the world who earn in total about 146 billion American dollars per year. This means that each of these poor and exploited people must try to live on a miserable income of a miserable 250 dollars per year (about R1700 per year or R150 per month!).

Most economic experts agree that through the history of capitalism the income gap between a small minority of very rich people and the overwhelming majority of the poor has steadily become bigger and bigger. There is no sign that this ugly reality of capitalism will change in the future. The time is past where we can believe those who preach the virtues of this pitiless and inhuman system. ●

## PROBLEMS IN THE ANC

The history of the ANC is well documented in the annals of the liberation struggle in South Africa. In most instances those who did and do these historical accounts are those liberals who usually sing the praises of the organisation; they popularise and champion the ANC as the real liberator of the masses in this country. At its recent National General Council congress held in Port Elizabeth (mid July 2000) the true colours and character of the ANC became clear, if not to the delegates/members, then to the public at large.

From the secretarial report and statements made by leading figures the following emerges:

1. Careerists and political opportunists must (feel welcome to) get out of the organisation. Strange that this should concern the ANC! With its record of unprincipled struggle it has become the natural political home for characters of all hue and cry: tribalists, reactionaries, liberals, white supremacists and the like.
2. Its new members should be engaged in "political programmes, cadre development and general activities". After the Freedom Charter and the ➡

➔ RDP, the ANC is stuffing its members with the already discredited GEAR policy. The membership must therefore be educated in the political philosophy of neo-liberalism; of the content and intent of oppressive capitalist politics. The ANC leadership expects of members to become part of the oppression and exploitation of their fellow South Africans. Is it any wonder that its membership has declined rather spectacularly? "Cadre development" means nothing more than conditioning the membership to implement and defend these capitalist policies – and to be rewarded for that.

3. The ANC leadership always finds it useful to turn people's eyes away from the real issues at stake. As a party of and for the capitalist class it is yet again resorting to its double talk to fool people. Why should it, as the ruling party want to bother about the welfare of the millions of poor if it has the state machinery at its disposal to play the usual political games (e.g. electioneering) with the poor majority? From presently being an empty political shell, bereft of any progressive political substance, it is bound to end up

like many similar parties elsewhere in the world: offering the people crumbs, empty rationalisations for its ineptitude and dutifully executing the economic program of the international capitalists.

For all its posturing and show of democratic debate, the ANC cannot run away from its past. It is an organisation steeped in the traditions of compromise, betrayal and of furthering the interests of minority classes who prosper on the backs of the toiling masses. ●

### RACISM LIVES

*The Western Cape branch of the APDUSA relaunched its program of public discussions with a meeting held on 30 May examining racism in post-apartheid South Africa. In the lively discussion the point was made that racism is underpinned by class inequalities and that the government's program of affirmative action was more about a black middle class sharing in the spoils of exploitation than about non-racial equality.*



## From Around the World

### SMASH THE DEBT SPIRAL!

While Third world countries are stuck in a widening debt spiral which directly diminishes resources to fight poverty, global capitalists, like arms manufacturers, financiers, etc, are reaping rich benefits.

Mozambique's foreign debt burden runs way over US\$5 billion. After the devastating floods, the government begged the IMF/World Bank, Paris Club and London Club for debt relief. But according to the grand scheme of these foreign creditors, Mozambique would still owe them one billion dollars, draining some US\$50 million annually from this ruined country over a number of years. Reconstruction costs from the flooding had been estimated at around \$250 million. Now the loan sharks see this reconstruction cost as a new means to continue Mozambique's indebtedness. What these financiers grant with one hand they seek to take back with the other.

Economic crises amplify the destructive powers of the debt burden. In fact, the excessive debt, plus the speculation it spurs on, directly adds to the anarchy in the markets. Once caught in this economic turmoil, wreaking havoc on any poor country's domestic financial system, global capital just peddles more debt to the battered country. The largest portion of the payback of these "bailout loans" gets funnelled into the pockets of corporate giants.

Meanwhile these "stabilisation packages" balloon government liabilities. Making things worse, a currency collapse and interest rate rises by imperialist countries swiftly swells the public debt repayments. Today, for instance, the Mexican government has an additional US\$100bn debt due to a bailout package of US\$48bn it got in 1995. Some emerging economies wrecked in the latest wave of capitalist crisis, got these bailout loans: Thailand (1997) US\$17bn, Indonesia (1997) US\$40bn, South Korea (1997) US\$57bn, Brazil (1998) US\$41.5bn. Strings tied to these "emergency loans" include: speed up privatisation, cut corporate taxes, increase exports, more labour market flexibility and so forth. Tight fiscal policy demands the slashing of education, health and social service budgets, but not the servicing of the debt! Lenders want all budget surpluses left over from financing the state machine, that is the army and parliamentarians. Thailand's state debt, as a percentage of GDP, may soon overshoot 40%. At the end of last year, the same ratio for South Korea was 22%. With its "crisis loan", this leaped to 32%. Nevertheless, in February the World Bank (WB) released a report, applauding South Korea, among other Asian governments, for promptly servicing their debts.

The Brazilian government, a star pupil of imperialism, is squeezed to generate budget surpluses and reduce its debt-to-GDP ratio to 46% in December 2001. That ratio could only be pulled below its 52% peak of 1998 by means of deep cuts in social spending, including pensions of public sector workers.

Debt repayments come at huge social costs to working people in the third world countries without denting the debt burden. But third world debt is an oasis of lifelong profits for imperialist creditors. Finance capital is constantly on the lookout to get poor countries hooked onto more loans over longer repayment periods, with solid legal protection.

Mexico's latest predicament, a hangover from the "1995 tequila crisis", clearly illustrate this last fact. They obeyed all neoliberal dictates to slash social spending, scrap food subsidies on tortillas, privatise faster, etc. Almost all banks propped up with government bonds had been auctioned to Spanish and American multinational banks who snatched them up at knock down prices. They also became bondholders in the process. In 1998 Citigroup, an American banking conglomerate, bought Banco Confia for US\$195 million and took over the US\$2.5bn bond. Early in May, the government agency handling the 1995 banking mess, prepaid its American ➔

➔ creditor \$1,1bn in order to "reduce the excessive interest costs". This made Robert Rubin, Citigroup's co-chairmen and the US ex-treasury secretary, furious. They now threaten to charge the Mexican government with violating some NAFTA-clause. On the surface this case seems to defy common sense. Should a creditor not be happy when a poor debtor makes repayments ahead of time? But Citigroup wants to lock Mexico into an 8-year contract from which it would rake-in nearly US\$100 million per year in interest revenue alone! (Financial Times, 10/05/2000)

Unconditional cancellation of all debt should be high on the agenda of the workers movement. Coupled with this, all the secrets of the debt wheeling and dealing must be placed under a magnifying glass. These are just the initial steps to expropriate all private banks and bring them under the control of a workers' government.

### *The Debt Relief Sham of the G8*

The annual summit meeting of the seven most powerful of the world imperialist powers plus Russia, the G8, took place in Japan in July this year. The debt relief programme, trumpeted with such fanfare at the previous G8 summit in Cologne, Germany in 1999 has been exposed for the hollow sham that it is. At that summit, the imperialists promised to bring \$100 billion of debt relief to 24 of the world's poorest countries by the end of 2000. They claimed that their programme of debt relief would lead to significant poverty reduction.

So far only nine countries have satisfied the rigorous conditions imposed by the big lenders, which will allow them to benefit from the

scheme. When their debts are eventually written off, it will amount to no more than \$15 billion. Ann Pettifor, the director in Britain of Jubilee 2000, a debt relief coalition active in many countries, had this to say of the summit; "The final communiqué offers no response to the public outrage at the G8's failure to act. They have merely repeated their promises of a year ago. They did not keep their promises then. Why should we believe them now?" (The Independent, 24 July)

The poorer countries are having to spend \$60 million of their budgets every day on interest alone. The debt relief campaigners point out that as long as this situation prevails, the poor countries will remain in a trap, where they cannot feed their populations, educate their children or tackle diseases such as tuberculosis, malaria and Aids, which are decimating their people. The first step in escaping from this trap is the cancellation of all the debt. This, the imperialist exploiters will resist with all their might. ●

## **ARGENTINE WORKER MILITANCY**

On 9 June 2000 the Argentine working class staged a general strike against the austerity plan of the government. 85% of Argentina's 14 million workers participated in the strike action.

Over the last six months Argentine workers wielded their economic power on at least two other occasions. When a squad from the IMF arrived in Buenos Aires, Argentina's capital, on May 31, no less than 40,000 demonstrators marched

on parliament. Poor people oppose IMF-dictates attached to a \$7.2 billion emergency loan, because neo-liberal medicine multiplies the misery created by the economic slump. In March this year, when the government passed a new anti-worker law, the labour movement also flexed its muscle. The Economist coldly admitted: "the new measures give the flexible reality of labour relations the force of law, and will accordingly be welcomed by many businesses and the IMF" (25/03/2000). This again shows how bourgeois governments enact laws in the interests of the bourgeoisie to oppress and exploit labour!

These pro-capitalist economic policies are imposed by an alliance between the Radical and Freposa parties who won the December 1999 elections against the Peronists of Carlos Menem. In fact, the new president Fernando de la Rúa from the Radical Party, attended a Paris gathering of the Socialist International not long before his election. But the bedfellows Mr De la Rúa flirts with are not socialists. They are actually those European social democrats parading under the "third way" and "new labor" masks, but capitalist right to the core. Political double-speak is their stock in trade. That is why its not strange for Mr de la Rúa to wave a "socialist" leaf while doing the job left undone by the Peronists.

Cutting through the tricks of the Radical-Freposa alliance, is still far from a victorious working class revolution. But with the proper leadership and program, this militant resistance, which already inspired an uprising by "small farmers" for easier credit, can target bigger revolutionary goals. ●

## *Letters*

Dear Editor

I would like to raise a big concern regarding the failure of people amongst the oppressed to buy the newsletters of progressive organisations. The cost of these newsletters is a fraction of what the mainstream newspapers charge. Yet the same people buy the newspapers of the bourgeoisie on a daily basis, without questioning the amount of money that is being spent to absorb the bourgeoisie propaganda. Our families are fed with the ideas of the enemy of the oppressed, without analysing the meaning behind these printed words.

I am not saying that people should not read the bourgeoisie newspapers. But I would like to urge people to also read the pamphlets and newsletters of progressive

organisations in order to have a balanced understanding of the political situation national and internationally. This will empower us to make informed decisions about the doings of the bourgeoisie class.

The newsletters and pamphlets printed by various organisations cost money, and that is why most organisations ask for donations from those who receive them. Such donations help us to ensure that our newsletter is published regularly. The reading of progressive literature will assist in ridding ourselves of the poisonous illusions fed to us by the bourgeoisie media. It is also important that peoples organisations submit articles and even notices of events for publication in these newsletters.

Comrades! An informed nation is a free nation, free from a slave mentality.

Apdusan