

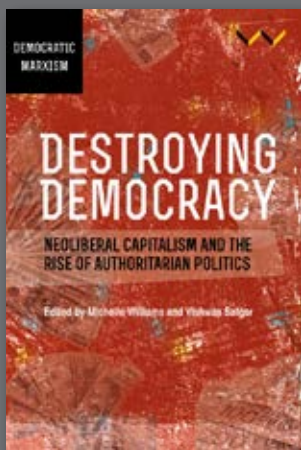
Amandla!

ISSUE NO. 83 | AUGUST 2022

PUSHED TO THE EDGE



OPEN ACCESS through [OAPEN.org](https://www.oapen.org)



ISBN (PBK): 978-1-77614-699-4
ISBN(HBK): 978-1-77614-700-7
ISBN (Web PDF): 978-1-77614-701-4
ISBN (EPUB): 978-1-77614-702-1
ISBN (Open Access): 978-1-77614-704-5

Format: 234 x 156mm

Extent: 280pp

Price: ZAR420 • USD35

Rights: World

Subject: Politics & Government; Politics & Political Theory; Economics, Finance, Business & Management

Publication date: August 2021



@WitsPress #DestroyingDemocracy



www.witspress.co.za

ORDERING INFORMATION



Africa: Blue Weaver:
Tel: 021 701 4477
orders@blueweaver.co.za

UK & Europe: +44 (0)20 7240 0856
www.eurospangroup.com

North & South America:
Retailer and Wholesale orders:
Phone 855-802-8236
or ips@ingramcontent.com

Consumer orders: nyupressinfo@nyu.edu
or visit
<http://witsuniversitypress.nyupress.org>

FOR ALL MEDIA ENQUIRIES, REVIEW COPIES OR INTERVIEW REQUESTS, PLEASE CONTACT:
Corina.VanDerSpoel@wits.ac.za
www.witspress.co.za
Tel: +27 (0)11 717 8700



Destroying Democracy

Neoliberal Capitalism and the Rise of Authoritarian Politics

Edited by Michelle Williams and Vishwas Satgar

Contributors: Jane Duncan, Linda Gordon, Gunnett Kaaf, Dale McKinley, Alf Gunvald Nilsen, Devan Pillay, Mandla J. Radebe, Alfredo Saad-Filho, Ingar Soltý

Democracy is being destroyed. This is a crisis that expresses itself in the rising authoritarianism visible in divisive and exclusionary politics, populist political parties and movements, increased distrust in fact-based information and news, and the withering accountability of state institutions. What is less obvious is that the sources of the democratic rot are integral to the systemic crisis generated by neoliberal capitalism, which assigns economic metrics to all aspects of life. In other words, the crisis of democracy is the political crisis of neoliberal capitalism. Over the last four decades, democracy has radically shifted to a market democracy in which all aspects of human, non-human and planetary life are commodified, with corporations becoming more powerful than states and their citizens.

Volume six of the Democratic Marxism series focuses on how decades of neoliberal capitalism have eroded the global democratic project and how, in the process, authoritarian politics are gaining ground. Scholars and activists from the left focus on four country cases – India, Brazil, South Africa and the United States of America – in which the COVID-19 pandemic has fuelled and highlighted the pre-existing crisis. They interrogate issues of politics, ecology, state security, media, access to information and political parties, and affirm the need to reclaim and re-build an expansive and inclusive democracy.

Destroying Democracy is an invaluable resource for the general public, activists, scholars and students who are interested in understanding the threats to democracy and the rising tide of authoritarianism in the global South and global North.

Key words: Neoliberal capitalism; Democratic capitalism; Neoliberalism; Authoritarianism; Eco-fascism; Democracy; Populism; Fascism; Nationalism; Far-right; Fossil fuels; Climate Change; Media freedoms and surveillance; USA; India; Brazil; South Africa.

About the Author

Michelle Williams is professor of sociology and chairperson of the Global Labour University (GLU) at the University of the Witwatersrand, Johannesburg.

Vishwas Satgar is an associate professor of International Relations at the University of the Witwatersrand, Johannesburg. He is also the editor of the Democratic Marxism series, principal investigator for the Emancipatory Futures Studies in the Anthropocene project and a democratic eco-socialist.

Contributor bios

Jane Duncan is a professor in the Department of Journalism, Film and Television at the University of Johannesburg.

Linda Gordon is a professor of History and University Professor of the Humanities at New York University.

Gunnett Kaaf is a fiscal policy research manager in the Free State Provincial Treasury, and a Marxist activist and writer based in Bloemfontein.

contents

30 | Marikana

Editorial

02 | Organise to avoid collapse

News briefs

04 | News Briefs

Feature: The crisis

06 | South Africa is at another crossroads

08 | The struggles of working class women

10 | A supernova looms: world debt reaches critical mass

12 | The enduring legacy of Gear & the urgent need for a new economic paradigm in South Africa

14 | South Africa's food crisis

16 | After the Tembisa shutdown: go home or build organs of working class power?

17 | Experiences of the unemployed

19 | Combating rising inflation: five alternatives to interest rate hikes

Energy

22 | Privatised energy: a warning from Mexico

25 | Solve loadshedding with public investment



16 After the Tembisa shutdown



34 Why Numsa has degenerated



24 The triumph of the Colombian Left

Women

28 | Roe v Wade and the Global South

Labour

30 | Marikana 10 years on

32 | Can a snake be both pet and carrier of deadly poison? The good the bad and the ugly in Numsa

34 | Why Numsa has degenerated

Politics

37 | SACP's Left popular front: genuine left renewal or more NDR?

International

32 | The triumph of the Colombian left in a country marked by social exclusion and political violence

Book review

42 | Climate change as class war review

ROSA
LUXEMBURG
STIFTUNG
SOUTHERN AFRICA

This was produced with the generous support of the Rosa Luxemburg Foundation

We welcome feedback

Email your comments to info@amandla.org.za or visit www.amandla.org.za for additional articles, news and views.

Tweet at us [@AmandlaMedia](https://twitter.com/AmandlaMedia) // Facebook [amandla! media](https://www.facebook.com/amandla!media) // Subscribe to Amandla! website at www.amandla.org.za // To post material on the website, contact info@amandla.org.za



ORGANISE

TO AVOID COLLAPSE

Kagiso residents hunting zama-zamas. Kagiso, Tembisa and the rioting in many parts of the country indicate how South Africa is on the brink; the ticking cluster-bomb is prefaced by mini explosions.

THE GANG RAPE OF EIGHT WOMEN in Kagiso is an outrage. It is even more of an outrage when you consider this is not an isolated incident. So many women are raped and gang raped in South Africa. It is estimated that a woman is raped every 26 seconds. Adding insult to injury, we have to listen to the crassness of the Minister of Police. He should be overseeing the safety of all women from rape and all people from violence. Instead, he says one of the women was lucky she was raped by only one perpetrator.

This man like many in Ramaphosa's government is completely out of touch with the realities of this country.

Kagiso and Tembisa

The gang rape set off a pogrom of mindless rioting and violence against anyone suspected of being an illegal immigrant and a so-called zama-zama. The Kagiso riots and vigilante violence occurred less than a few days after Tembisa was engulfed in angry riots, this time related to police response to a community-organised shut-down of the township. The shut-down was called to protest electricity cut-offs.

Kagiso, Tembisa and the rioting in many parts of the country indicate how South Africa is on the brink; the ticking cluster-bomb is prefaced by mini explosions.

These are symptoms of the crisis we face in South Africa. They force us to focus not only on what is happening but

on what lies behind the extreme violence tearing our country apart.

Nearly half the working population is unemployed. According to the World Bank, our unemployment rate is by far the highest in the world. Not only the most unequal country. Also the most unemployed. So it is not difficult to understand the collapse of the social fabric.

Crime, gangsterism and substance abuse flourish in these conditions. Throw into the mix the absence of essential services, through the collapse of local government, and desperation is the result.

Life becomes brutal and people are brutalised. Fear and anger pervade. In this vortex, it does not take much for scapegoating and "othering" to be internalised and grip consciousness. Social cohesion and solidarity collapse.

Violence against women

Why these conditions give rise to the pandemic of violence and sexual abuse against women needs greater and more concrete analysis. Nevertheless, it is worth pointing out what we do understand. Patriarchy - the oppression and subordination of women - is rooted in capitalism's dependency on women's unpaid labour. That combines with the subordinate role of women in traditional society.

Then there is mass unemployment, the shift to precarious forms of labour and the re-engineering of cheap labour based

on super-exploitation. These contribute to the break-down in the traditional role of men. We can also talk of a crisis of masculinity: a loss of the sense of power, which is then recovered through violence, in the family and in the neighbourhood.

Alienation and inequality

We also have to factor in capitalism as a system that breeds alienation. Workers have no relation to the products they produce. Yet the products - the car, the cell phone, the Nike trainers - are given iconic status. They are craved well beyond their function.

And these glittering products of neoliberal capitalism are unattainable. The result - alienation and anger, particularly for the youth; any sense of a future of ambition constantly crushed.

South African capitalism creates an extreme form of inequality. It racialises, separates, divides and polarises. There is a huge gap in income between the rich and the poor. It is captured by a statistic not sufficiently quoted: 10 per cent of the richest people in the country own 90 per cent of the wealth. This inequality breeds a system of neo-Apartheid: the wealthy middle class live in their own enclaves clueless of how the vast majority live.

The tiny elite go to exclusive schools, places of worship, night clubs, restaurants, art galleries and sports clubs. They own the media. So their lifestyles shape the content of radio and television broadcasting. Their cultural practices are normalised. They dominate and further

exacerbate a sense of alienation amongst the black working classes.

Economic crisis

This social crisis helps us to see that South Africa stands at the brink of catastrophe. But it is the economic crisis, and its mismanagement by a government out of touch with the people, which gives a sense of inevitability.

The social crisis is rooted in the massive disinvestment by big capital from the productive sectors of the economy and from South Africa altogether. Take the case of Anglo American. At its height it owned 60% of the value on the JSE. Now it's less than 5%. The same is true for other mining, steel, chemical, food, retail and financial corporations which built their conglomerates under Apartheid. Under conditions of globalisation, free trade and capital flows, they reinvented

comes from governance through rule of law, as opposed to arbitrary rule.

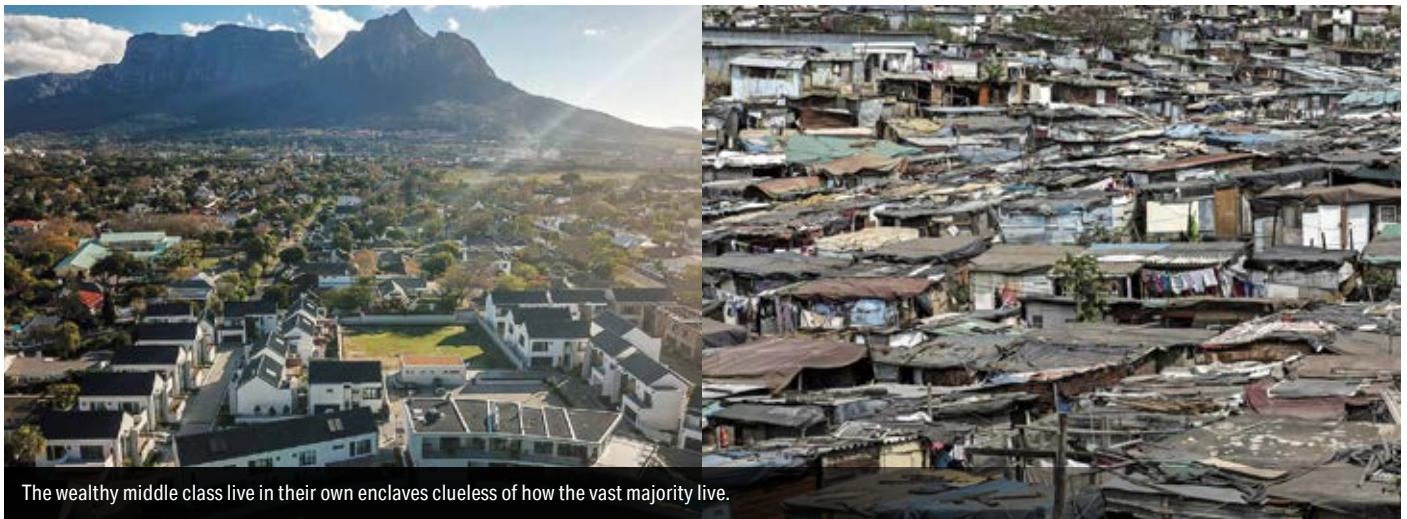
Big business sees the erosion of strategic state-owned industries, such as Eskom and Transnet. It experiences the dysfunctionality of local government and its increasing inability to provide vital inputs and services. This is a major disincentive to investing in the economy. Hence, the drive for the privatisation of electricity and the ports and rail sectors.

The presidency of Ramaphosa has shifted the balance of power away from what has been termed the "predatory elite", the wannabe black capitalists. It has shifted towards the monopoly capitalists, the neoliberals in the state and the creditors as well as their agencies - Moody's and Standard and Poor for example. The government is resolute in cutting the budget, in privatising and in protecting the investment of foreign

working class movement is needed to put forward a credible programme to restore hope. This can channel the anger of working class people towards the state and capital and away from misogyny and xenophobia. Social and economic collapse make this extremely urgent.

Unfortunately the prospects look grim. The SACP just completed its congress without mapping an independent class struggle agenda. They confirmed their support for the Ramaphosa-Gondogwana-Gordhan pro-big business faction of the ANC against the Radical Economic Transformation grouping, centred around Ace Magashule and the KZN region. Cosatu will most likely follow-suit.

Numsa is a potentially powerful force to drive Saftu and influence radicalising affiliates of Cosatu, such as Num and Nehawu in a class struggle direction. But it has been misled. Its leadership is on a path



The wealthy middle class live in their own enclaves clueless of how the vast majority live.

themselves as global companies, playing in global markets. They did not abandon South Africa entirely; their South African operations just became a bit player in a larger pool.

There are many reasons for the disinvestment by big business. Concern for the security of their investment is a big factor. They see BEE ownership targets as a risk. And BEE is a risk in a secondary sense. Drives towards the blackening of the economy come with pressures for inducements, backhanders, corruption and "state capture".

It's not that "monopoly capital" is squeaky clean. We only have to consider all the cases of price collusion brought before the Competition Commission. But "state capture" is about creating vehicles for black business to gain control of the heights of the economy through control over the state. This threatens big business' need for the stability and predictability that

capital, through interest rate hikes and other measures to contain inflation.

Resistance

It is these measures, to address the immediate concerns and interests of big capital, that bring the class struggle between capital and labour back into play. Austerity is a great threat to poor and working class people - especially the attack on public sector wages, and private sector competition for Eskom, Transnet, etc. Job losses and tariff increases will result, as vital services are subjected to the motive of profit maximisation.

Powerful and united working class resistance is needed to roll back this agenda. Cosatu has its Congress in September. This is a major opportunity to map out a programme of resistance and to initiate united fronts with other components of the labour movement and working class communities. A united

of self-destruction, incapable of looking beyond purging those who don't toe their line. "My enemy's enemy is my friend" and "if you are not with us you are against us" are the bases of its sectarian "politics".

In the vacuum, Saftu is taking up the struggle. Through the convening of the Working Class Summit, it is proposing a programme of shut-downs and general strikes. All progressive forces must rally to this cause. It is the only sliver of light in the dark reality we face. The working class movement is organisationally very weak. A campaign which encompasses the demands for decent work, a living wage, free basic services, land and a basic income grant can unite and mobilise both the organised and the unorganised.

Organise, organise and organise must be the line of march of all those who can see the great threats posed to South Africa's fragile nation.

news briefs

SRWP and Stalinism

WE ARE PUBLISHING THIS LETTER FROM the Gauteng Provincial Organiser of the SRWP because, on its own, it is a living testament to the terrible degeneration of politics that the SRWP represents. "Attacking the leadership of the Party is an attack to the party itself." There lies the central heresy of Stalinism compared to the politics of Lenin and Trotsky. An attack on the party is an attack on the working class; an attack on the leadership is an attack on the party...and therefore also an attack on the working class. An attack on the leader is an attack on the leadership... which is an attack on the party...which is an attack on the working class. It's called substitutionism. Substitute the Party for the class, and so on. It is the death of democracy of any sort, "democratic centralist" or otherwise. It is a recipe for blind faith in and fear of the supreme leader.

The crisis at local level

WE ALL, QUITE REASONABLY, COMPLAIN about load shedding. But the residents of 66 houses in Palm Springs in the Emfuleni municipality have been without electricity for three years. No fridge for much needed medication. No heating in the middle of a JoBurg winter. And not only that. Outside their doors, sewage runs freely in the street. That is the extent and nature of the crisis at local level. A complete breakdown of the basic necessities of life. But only of course for the poor.

And we can see the scale of it from a recent report – the [Green Drop Report](#)

from the Water Institute of Southern Africa. Out of 850 municipal wastewater treatment plants, 334 are in a critical state. Not in need of a bit of repair. Not failing to function at 100%. Critical. 39% of them. And as they report, and the residents of Palm Springs know, a lot of that sewage is spilling out before it even reaches the treatment plant. And it's getting worse. In 2022 only 50% of sewage and industrial waste is being treated to the required standard – inadequate as that standard is. In 2013 that number was 61%.

The bosses thrive

WHILE THE PUBLIC SECTOR WORKERS ARE struggling to even get a pay increase to cover inflation, it's good to hear that the bosses are not suffering quite so badly. Mark Blair, CEO of the Mr Price Group, received a bonus of R32.931 million in what they laughingly call a "benchmarking" exercise. Sounds like the public sector unions should put in for a benchmarking exercise of their own. It can be quite lucrative...for some.

Is inflation inevitable?

ALL OVER THE WORLD THERE IS A GROWING crisis of inflation. In the UK it is expected to reach 13% before starting to drop again. It is

used as the excuse to increase interest rates which is expected to lead to widespread recession. But why is all this happening?

It is happening because of a shortage of key commodities – mainly oil, gas, grain and cooking oil. These shortages have mainly been caused by the Ukraine war, although some come as a result of disrupted supply chains from the pandemic. But the fundamental issue is shortage. And under capitalism, shortage means automatic price increases. Simple supply and demand. If a commodity is in short supply its price goes up. It's almost like a law of physics – just the way the world is.

But of course it isn't either natural or inevitable, even under capitalism. It is perfectly possible to react differently to shortage. Keep the prices the same, using price controls. And allocate the scarce commodity according to need, using a rationing system. That way everybody would get the same allocation, instead of the rich getting more because they can afford it.

Shrinking the public sector

WHILE THE WORKING CLASS AND THE POOR suffer all round the country from appalling service delivery, or no service delivery, the



**SOCIALIST REVOLUTIONARY
WORKERS' PARTY**

ATT: GAUTENG DISTRICTS

SUBJECT: DEMONSTRATION AT LABOUR COURT

DD: 02 AUGUST 2022

FROM: PROVINCIAL ORGANIZER

DEMONSTRATION AT LABOUR COURT

Who are our enemies? Who are our enemies? This is a question of the first importance for the revolution. The SRWP Party in Gauteng has been infiltrated by an external forces using our own rented comrades that want to liquidate both NUMSA and the SRWP. The province have to clear the line to demarcate between the enemy and the revolutionary party cadres as we carry the revolution through the end. Attacking the Leadership of the Party is an attack to the party itself. Whoever sides with the Revolutionary people is a revolutionary, whoever side with the enemy is an anarchist. The leading force in our revolution is the industrial proletariat. It is obvious that the enemy is embarking on vicious and vitriolic attack to discredit the leaders of the proletariat revolution.

We therefore inviting the districts members of the party to avail themselves to support both Chairperson of SRWP Cde Irvin Jim and the CC Member Cde Andrew Chirwa at Labour Court, Braamfontein on 5 August 2022 @08h00.

For Logistics and Arrangement

Please liaise with the Secretary Cde Tembeka Baleni Mancotywa and Provincial Organizer Sam Thipa.

This letter is a living testament to the terrible degeneration of politics that the SRWP represents. Back to the old Stalinist mantra that an attack on the leadership is an attack on the party, which is an attack on the working class itself.

number of municipal workers is actually going down. StatsSA has reported that the number went down from 333,412 in 2019 to 311,364 in 2020. More signs of the austerity *Amandla!* has been warning about.

Capital abuses court process

WE HEAR A LOT ABOUT ZUMA AND Mkhwebane when it comes to Stalingrad strategies. Quite rightly too. Using apparently endless supplies of money, legal cases can be prolonged for years. 17 years and counting for Zuma's Arms Deal case.

But abuse of court processes is not restricted to the political elite. We reported on the developments with the interdicted Amazon building development in Cape Town in *Amandla!* 82. Well the developers have now made a unilateral decision that they can continue work because they have appealed to the Supreme Court. This is despite the fact that it is an interim order that they are appealing against, and interim orders are not suspended by appeals.

Clearly, their own version of the Stalingrad strategy is to get so far along the road of completing this development that no court will tell them to tear it all down. Will the courts stand up for the "rule of law" or accept that with enough money somebody can endlessly abuse it?

Conservatives ending outsourcing

EVEN THE CONSERVATIVES IN the UK are beginning to see that outsourcing simply does not result in provision of effective services. A Conservative London Council has voted to end mass outsourcing of services and bring most of them back in-house. In 2013, they promised to outsource all services except the legal minimum required. They said they would provide better services whilst reducing the number of direct employees from 3,200 to 322. Where have we heard that before? Now, a mere eight years later, they describe it as a "failed experiment". The outsourcing company they contracted is called Capita. They now say, "the council has paid £229 million (R4.5 billion) more for Capita core contract services than was originally contracted."

Isn't it time the ANC government woke up and smelled the coffee?

Right to protest is free

THE JOHANNESBURG HIGH COURT HAS ruled that a policy of the Metro to charge convenors of protests a fee for policing

is unconstitutional. They were charging anything between R170 and R15,000. So for them the right to protest had to be linked to the ability to pay. The right to protest for those who can afford it. Fortunately that is not what the constitution says. Rescued again by the colonised courts that Lindiwe Sisulu and others complain so much about.

Mining social audit report

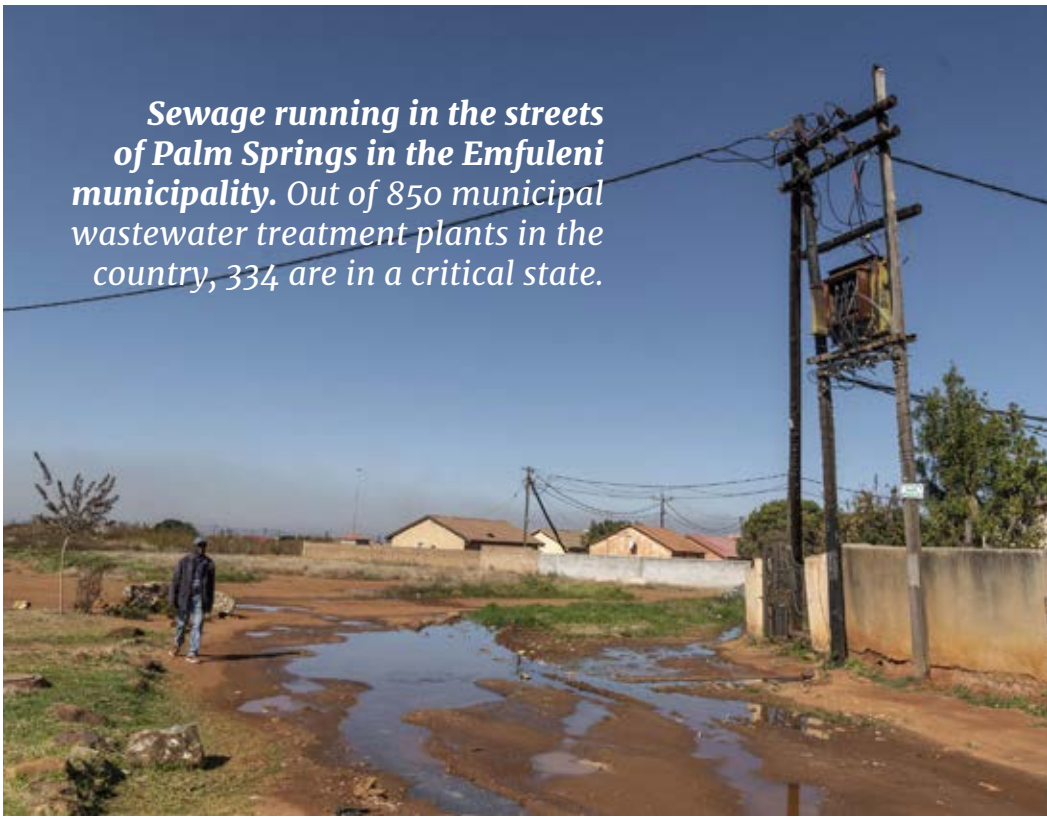
The [2022 social audit report](#) from Mining Affected Communities United in Action (Macua) and Women Affected By Mining United in Action (Wamua) reveals that 79% of mining affected communities have not benefited from the wealth generated by the mines that affect them. And yet the mining lobby persists with its narrative of development and benefit. Little wonder that communities such as the Amadiba are

of Seri. This is the kind of xenophobic fostering by political parties which we described in our feature in *Amandla!* 82.

Friends of a free internet

ON THURSDAY 14 JULY, 91 REPRESENTATIVES of 45 civil society organisations gathered to launch [Friends of a Free Internet](#) – to campaign for a communication commons that is "free as in mahala and free as in freedom". The Conference for a Free Internet took place online and at physical venues in Bloemfontein, Cape Town, Durban, East London and Johannesburg.

Friends of a Free Internet "are committed to both free online expression as well as universal access to communication commons that is user owned and controlled, decommodified, free/affordable, safe and secure. We



Sewage running in the streets of Palm Springs in the Emfuleni municipality. Out of 850 municipal wastewater treatment plants in the country, 334 are in a critical state.

resisting the destruction of their way of life to make way for mining.

NGO threatened

THE SOCIO-ECONOMIC RIGHTS INSTITUTE of South Africa (Seri) represented informal traders threatened with removal from the Johannesburg CBD. After the case was settled they started receiving violent threats "to harm our staff and burn our offices". The temperature was raised by Nkululeko Mbundu ActionSA councillor and Member of Mayoral Committee for Economic Development. He accused Seri of using locals "as a front" and threatened an invasion of the area where the informal traders work. He also published the phone numbers of the two lawyers who worked on the case.

We stand in solidarity with the staff

stand against racism, patriarchy, authoritarianism, imperialism, colonialism, exploitation, profiteering, and corporate control.

We stand for democracy, feminism, anti-racism, dignity, equality, peace, free expression, creativity, transparency, privacy, understanding and truth.

We are committed to economic, social and ecological justice and envision a communications system that enables a world where all the resources required for life are produced democratically in harmony with the biosphere by each according to their ability and shared according to their needs."

Knowledge is power. That's why we need free access to the internet. You can become a friend [here](#).

SOUTH AFRICA IS AT ANOTHER CROSSROADS

A government that is not capable of providing security to the nation must be replaced – democratically – by one that can.

By Moeletsi Mbeki

The Port of Durban and other South African ports, according to a 2021 study by the World Bank, were among the least efficient ports in Africa and the world.

This is an excerpt from a longer article published on the [Moneyweb website](#).

SOUTH AFRICA IS YET AGAIN AT A crossroads. This means South Africans must make a major decision regarding their future.

At the last crossroads in 1994, South Africans had hoped for a bright future that democracy would bring about. Large numbers flocked to the polls and 62.65% of them voted for the African National Congress (ANC). Ten years later an even larger number, 69.7%, voted for the ANC to bring about the promised land South Africans had fought for during 300 years of struggle.

South Africans have now reached another crossroads – brought about by the failure of the ANC government that South Africans had placed so much faith in to deliver on its promise of a better life for all.

ANC government failure and the cost to South Africa

Twenty years ago, South Africa was the largest economy in Africa by far. It had the most developed and diversified manufacturing sector; it had the largest

railway network on the continent and one of the largest in the world; it was the largest producer of electricity in Africa; it had the largest port in Africa, Durban.

By 2019, a year before the Covid-19 virus struck, South Africa under ANC government had gone into steep decline. Misguided economic policies led to employment collapse; for example, in the footwear sector, where employment fell from 27 882 in 1995 to a mere 12 035 in 2002.

Today, South Africa has the highest unemployment rate in the world and not surprisingly 27% of children under five are stunted as a result of extensive malnutrition.

South Africa was overtaken by Nigeria in 2013 as the leading economy in Africa. It was later also overtaken by Egypt in 2020.

Its manufacturing sector had shrunk from 20% of gross domestic product (GDP) in 1994 to 13% of GDP in 2021; South Africa's railway network was ravaged by mismanagement and lack of maintenance so that most of the country's freight moved on road; the state-owned electricity company became a byword for

incompetence.

The Port of Durban and other South African ports, according to a 2021 study by the World Bank, were among the least efficient ports in Africa and the world. South African ports were ranked as follows: Ngqura 363, Durban 364 and Cape Town 365 out of 370 ports worldwide. The highest ranked African port was Djibouti, which is ranked number 19.

The failure of the ANC government was not restricted to economic failures; it extended to the critical area of human security. In 1990 South Africa had one of the most developed militaries. It could field a well-trained and well-equipped army of half a million soldiers. It had highly developed military industries that had grown notwithstanding international sanctions.

Today the South African army has been described as a welfare agency rather than a warfare agency.

Its army of 81 500 (66 500 active, 15 000 reserve) is ill-equipped, unhealthy, aged, and unfit. Most of its active service personnel are above the age of 40, and so are their fighting vehicles. The defence

budget has collapsed from 2.6% of GDP in 1994 to 0.93% of GDP in 2019/2020.

The equipment procured for the air force and navy in the early 2000s is all but inoperative due to lack of spare parts and lack of qualified personnel to maintain and operate it, according to Lindy Heineken, author of *South Africa's Post-Apartheid Military: Lost in Transition and Transformation*. Less than a third of the 37 Oryx helicopters are operational; only five of the 26 Gripen fighter jets are operational; and only five Hawk trainers out of 24 are operational. Only one of the four navy frigates is in service.

Anyone can walk across South Africa's borders and do practically as they wish once inside the country. Foreign poachers kill hundreds of rhinos every year. Importers of heroin and other drug merchants have a free run of the country.

When the orgy of looting, violence, and destruction of commercial property and infrastructure in July 2021 erupted in the provinces of Gauteng and KwaZulu-Natal, the ANC government was paralysed and did not know what to do.

It issued an order to the police in Durban and Pietermaritzburg to do nothing. The police and the army made cameo appearances at riot scenes.

In a period of eight days when the two provinces were engulfed in riots more than 340 people were killed in the mayhem, many trampled to death during the looting, others killed by vigilante groups and private security companies, some burnt in the fires that destroyed malls and distribution centres. According to insurance company Allianz Global Corporate & Speciality, property worth US\$1.7 billion was destroyed.

The July 2021 riots that followed the arrest of former president Jacob Zuma confirmed what many people had suspected for a while – that South Africa is ruled by a failed government that is not capable of providing security to life and limb of citizens, is not capable of protecting the country's assets, and has lost control of the country's borders.

Allianz estimates that social upheavals are here to stay.

In the increasingly unstable world that South Africa is also part of, a failed government adds to the dangers the country faces.

"Incidents of social unrest are unlikely to abate any time soon given the aftershocks of Covid-19, the cost-of-living crisis and the ideological shifts that continue to divide societies around the world," writes Allianz. "Business needs to be alert to any suspicious indicators and designate clear pathways for de-escalation and response which anticipate and avert the potential for personnel to be injured, and or, damage to business and personal property."

This is very good advice, but business on its own cannot provide the security that is the responsibility of government to provide. The message should therefore

of apartheid, it emerged as a credible democracy with a leader, Nelson Mandela, who after many decades of prosecution by the apartheid regime, was preaching reconciliation and nation building.

For several years, Africa and the world adored South Africa and looked forward to it becoming Africa's lodestar. As we have seen, since Mandela, South Africa has fretted away whatever strengths it had. Today South Africa has been described as Africa's lost leader.

According to James Hamill, in his book *Africa's Lost Leader; South Africa's Continental Role Since Apartheid*, South Africa has failed to meet the conditions of a leader in Africa.

Hamill says the following were the conditions that South Africa needed to meet to become a leader in Africa: "The

country would have had to view itself as a hegemon and be prepared to assert a strong claim to African leadership; acquire sufficient material power to make its hegemonic aspirations credible, as well as the ability to translate that power into concrete policy outcomes; and convince other African states to accept its leadership as beneficial for the entire region.

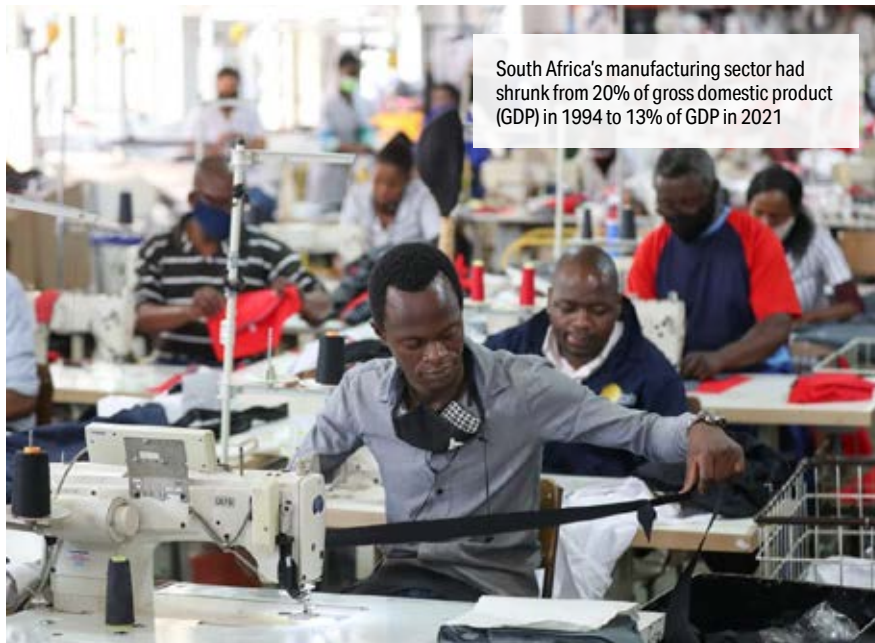
"The country would also have to demonstrate strong ideational appeal within the region, allowing it to build coalitions that promote

core norms and values; and help stabilise the continent through the provision of public goods, particularly economic development, and mechanisms to maintain security and order."

Under the ANC government South Africa has failed miserably to meet any of the above conditions of leadership.

It is largely because of the strengths and sophistication of the country's private sector and academia that the world still invites the South African government to sit in its high councils.

Moeletsi Mbeki is Deputy Chair of the South African Institute of International affairs, an independent think tank based at Wits University in Johannesburg.



be clear to the country: a government that is not capable of providing security to the nation must be replaced democratically by one that can.

Key indicators of ANC government failure are in the areas of security, international relations, and economic policy. These three are a crucial measure for government performance because they cannot be outsourced.

We have seen above how the government has failed to provide security; it has fared no better in international relations.

ANC government's floundering foreign policy

In 1990 South Africa was a giant in Africa. It had one of the largest armies on the continent, with a sophisticated industrial military complex. In 1994, after years

The struggles of working class women

By Mzikazi Nkata

ALL WORKING CLASS communities suffer from the capitalist crises of climate change, unemployment, poverty, and inequality. But women suffer the most. As capitalism advances, it also benefits patriarchy and helps it to flourish. As such, patriarchal capitalism imposes its domination of women wherever they may find themselves, whether in social, political, or work spaces.

Hegemonic masculinity

Hegemonic masculinity is a term used by Malose Langa in his book, *Becoming Men: Black Masculinities in a South African Township*, to explain how men think about and express their power under patriarchy. Patriarchy is a social system that justifies domination of men over women. It also legitimises the domination of ruling class men over working class men, and of heterosexual men over all LGBTQI+ people. Hegemonic masculinity is the way of thinking that patriarchy creates for men to use their power over women and other male identities. Domination in patriarchal capitalism imposes itself through “hegemonic masculinity”.

We find hegemonic masculinity in our organisations (especially in our trade union movements). We find it in political and social spaces where there are egotistic male leaders. Not least, we find it in the economy.

Austerity and Unemployment

Officially, 34.5 % of the South African population is unemployed, although this figure is misleading - the figure for the “expanded” definition of unemployment is more accurate because it includes what are called “discouraged workseekers”. This shows the true figure for unemployment is 46.5%.



Many women quit their jobs and choose unemployment because of sexual harassment in the workplace.

Almost 40 % of those unemployed are women, according to the official figures. This shocking percentage, however, would be more if you included homemakers and discouraged job seekers. The majority of them are women and would take any job if they were presented with one.

This crisis of unemployment for women can be attributed to the flourishing of patriarchy under capitalism. It puts men in positions of power and also leads them to use their power to ask for sex before granting women a job. Many women quit their jobs and choose unemployment because of sexual harassment in the workplace.

Women and unemployment

Under patriarchal capitalism, women perform duties that make this system of capitalism function through unrecognised and unpaid work in the household. This country’s energy crisis impedes women’s ability to fulfil their role in household production. In this context, hegemonic masculinity causes greater levels of physical abuse.

Due to loadshedding, women are unable to provide cooked food for their husbands who expect a meal upon returning home from work. It is the hegemonic masculinity of the egotistic male that leads husbands to respond with violence.

The South African economy does not produce jobs. Instead, we see greater levels of retrenchments adding to already

skyrocketing levels of unemployment. Women are most impacted by unemployment - they also suffer the consequences of unemployment, poverty, and inequality imposed on their husbands. In this sense, women are doubly oppressed by the economic crises afflicting South Africa.

Hegemonic masculinity drives men by creating in them a need to get respect and command submission in relationships when they are breadwinners for the home. Having a job and being able to provide is how hegemonic masculinity induces men to measure themselves as “real men.” When men fail to live up to this standard, they become fragile and project their shame and embarrassment on their partners through physical abuse.

Domestic violence and gender-based violence have proliferated during the coronavirus pandemic and subsequent lockdowns. The South African economy was forced to shed a high volume of jobs. When working class women leave their relationships, often due to violence, they face the brunt of the economic conditions created by the pandemic. They must rely on a social wage which is below the poverty line. At the same time food prices are skyrocketing, and this is why we see greater levels of hunger, malnutrition and stunting amongst women and children.

The case of Community Health Workers

When women do find work in this economy

it is casualised and precarious, requiring them to be more submissive toward their employer.

A good example of this is community health workers (CHWs). 95% percent of CHWs are women. They have operated on three-month contract terms since 1991, and that continues today.

When they were transferred from the municipality to the Department of Health, they were put into the Personal and Salary System (Persal). Persal has been a hindrance to women applying for social grants for themselves and their children, because it regards and registers them as government employees. This excludes them from social benefits provided by government. It has been a hindrance to them in applying for the National Student Financial Aid Scheme (NSFAS) so their children can access institutions of higher learning. It has been a hindrance to women applying for RDP houses. Yet they cannot afford to buy or rent houses with a minimum wage of R3,500.

Against this backdrop – we see these are also women who play a key role in this country's health system by tracing TB or HIV defaulters. We have seen the important role they played during Covid-19 in our communities. Some were bitten by dogs when they walked in our communities tracing defaulters. We often hear their cries from being harassed sexually and sometimes raped when they enter homes in our working class communities. We see them being mugged when on the job, while performing their frontline work in our communities.

Also, these frontline women health workers remain precarious and pray every three months that their contracts will be renewed. When they protested for permanent employment in the Eastern Cape department of health and various regional offices of the department of health in 2020, they were told the government has no money to employ them permanently. It is also the hegemonic masculinity of egoistic men who threaten that they will not renew their contracts because they participated in these strikes. This is what women are subjected to in this current order of patriarchal capitalistic society.

Climate change and women

The Eastern Cape has been hit by greater levels of drought since 2005. Friends in the Nelson Mandela Bay Water Crisis Committee often write about the inept bungling by the government. This has exacerbated the situation into a serious Day Zero in Nelson Mandela Bay. With the municipality's taps emitting a poor quality of water, we see many working class women in long clinic and public hospital queues because they have fallen ill themselves or they are standing with their sick children. These women sometimes stand until the early hours of the morning because their children have been forced to drink this dirty water from their taps.

The women who cannot afford sanitary pads and use cloths struggle during their menstruation cycle. When there is no water they cannot wash their cloths. Again, it is hegemonic masculinity

issues of women, using words such as “our women”; as if they own women as their objects.

These are masculinities that do not look at woman as comrades who can contribute to the cause as equal to men. Rather they look at women as sexual objects to use in eliminating opposition within the organisation. Women are promised positions by men in power on the condition they retrieve information from political opponents by sexually enticing them. Men ask for sex in promise for a position. They often make unwanted advances, touch and hug women inappropriately.

It is the same with the masculinities in leadership positions. They do not believe in democratic debate. If things do not go their way debate wise, they find other means and are even spiteful, to get what they want. These are the conditions we also find in our organisations of the working



Under patriarchal capitalism, women perform duties that make this system of capitalism function through unrecognised and unpaid work in the household.

created by capitalist patriarchy that puts the careers of politicians and the profits of service providers over the well-being of people.

It is at every turn and in every crisis that we see it is women who face the gravest consequences. It flourishes in this environment of hegemonic masculinity which subjugates women to its various expressions of violence, personal, individual, and systemic in nature.

Women's experiences in working class movements

The most annoying thing for me, as a woman who participates in politics, is the talk about women as people who need to be empowered. This expresses hegemonic masculinity by treating women as objects. You often hear them when addressing

class.

These are the conditions in which women find themselves in this society. This is the case in progressive spaces that are supposed to be a refuge, as well as other social spaces. We really do need a feminist society that takes women's interests into account when faced by economic, social and ecological crises, because women suffer the most from their effects.

Mzikazi Nkata is the Deputy Provincial Secretary of National Union of Public Service and Allied Workers in the Eastern Cape and a Forensic Pathology Officer at the Eastern Cape Department of Health. She is the Local Secretary of the South African Federation of Trade Unions in Gqeberha.

A SUPERNOVA LOOMS: world debt reaches critical mass

By John Smith

This article was first published on the [Open Democracy website](#).

Aggressive interest rate hikes portend a global recession. The question is, how bad will it be?

“Global yields lowest in 500 years of recorded history. \$10 trillion of negative rate bonds. This is a supernova that will explode one day.”

-Tweet from ‘bond king’ Bill Gross in 2016

GLOBAL DEBT – OF HOUSEHOLDS, private firms and governments – reached a staggering \$305tn in 2021, up from \$83tn in 2000.

Furthermore, global debt now equals 355% of global GDP, up from 120% in 1980 and 230% in 2000.

In 2021, debtors of all types handed \$10.2tn in interest payments to their creditors; that’s 12% of global GDP. In comparison, the annual income of the poorest 50% of humanity is just 8.5% of GDP.

Global debt has grown twice as fast as global GDP since 1980 and is accelerating, while global GDP growth is slowing and threatening to go into reverse.

While global debt has rocketed, global interest rates have been in almost continual decline since 1980. So low have interest rates fallen since the global financial crisis of 2008 that, by 2021, \$17tn of bonds were trading at negative interest rates, even before inflation is taken into account. That’s \$7trn more than the figure that astounded Bill Gross in 2016, referenced at the beginning of this article.

As a result, interest on debt, as a share of GDP, is well below its peak at the beginning of the neoliberal era. [The Economist calculates](#), for instance, that 27% of US GDP was swallowed by interest payments in 1989, but “only” 12% of it in 2021, despite the massive growth in US debt.

But the world of ever-low interest rates has now come to an end. The US Federal Reserve decided on 15th June to [hike interest rates by 0.75%](#) – the sharpest

increase in nearly three decades, with the promise of more to come. This sent shockwaves around the world and has wiped trillions of dollars off the values of stock and bond markets.

Any rise in interest rates means a huge shift of purchasing power from indebted households, firms and governments to their creditors. The Economist calculates that a 2% increase in US interest rates in 2021 would, by 2026, double the share of global GDP absorbed by interest payments.

Decades of ever-lower interest rates have inflated what Nouriel Roubini, one of the few economists to predict the 2007–8 financial crash, [famously called](#) “the mother of all asset bubbles, eventually leading to a bust, another massive financial crisis, and a rapid slide into recession.”

that will explode one day.”

The dance of death: inflation, interest rates and debt

What has forced the Fed to aggressively raise its interest rate is the dramatic reappearance of a most feared monster: inflation. The events we are witnessing mirror the dynamic that kicked off our current phase of capitalism in the first place.

The neoliberal era was inaugurated in October 1979 by a huge hike in US interest rates aimed at quelling entrenched and rampant inflation. The “Volcker shock”, as it became known (after Paul Volcker, then head of the US Federal Reserve), was [likened by journalist Naomi Klein](#) to “a giant Taser gun fired from Washington,



Now the inflation monster has risen from the dead, prompting the Fed and other central banks to attempt to kill it again before it has had a chance to gain in strength. Cartoon by [Chip Bok](#).

However, a bubble is insubstantial and delicate, and bursts with barely a sound. A far more appropriate and useful metaphor is that of a star, which is immense, and dies in a stupendous explosion. As Bill Gross, the “‘bond king’”, [tweeted](#) in 2016, “Global yields lowest in 500 years of recorded history. \$10 trillion of negative rate bonds. This is a supernova

sending the developing world into convulsions... Higher interest payments on foreign debts... could only be met by taking on more loans. The debt spiral was born.”

This hike in interest rates succeeded in killing the inflation monster, but at the cost of a sharp recession in imperialist countries and a devastating debt crisis throughout Africa, Asia and Latin America.



US Federal Reserve Bank. Central banks have repeatedly cut interest rates and created more and more debt precisely because they feared that a recession, and the ensuing waves of bankruptcies and debt defaults, could quickly develop an unstoppable momentum and crash the global economy.

The debt crisis immiserated millions and forced these notionally independent countries to submit to the dictates of the “[Washington Consensus](#)”: wholesale privatisation, austerity and removal of obstacles to cross-border flows of capital and commodities (but not of people!).

Now the inflation monster has risen from the dead, prompting the Fed and other central banks to attempt to kill it again before it has had a chance to gain in strength. Thus the Bank for International Settlements, which provides banking services for the world’s central banks, has [called](#) on them to “not be shy of inflicting short-term pain and even recessions to prevent any move to a persistently high-inflation world.”

As a result, the debate has moved on from whether there will be a global recession to how severe it will be – and whether central banks really have the guts to carry out their threats and risk a global economic crash. Over the next 18 months we will find out.

Are we heading towards a capitalist supernova?

Why did Bill Gross liken global bond markets to a star about to explode? What are the chances that his prediction may come to pass? What would such a cataclysmic event actually mean in practice?

A star is a production process, in which heavier elements are fused out of lighter elements, releasing huge amounts

of energy. When the energy released by the fusion of lighter elements is insufficient to counter the gravity exerted by the growing mass of heavier elements, the star dies.

It either ends its life as a burned-out cinder or, if it is big enough, in a supernova, an extremely violent implosion that incinerates anything in its vicinity and scatters debris throughout space.

Capitalism is also a production process. The energy that fires it is living labour, performed by workers and farmers who produce more wealth than they consume. The surplus is converted into capital – that is, self-expanding wealth, wealth that must either make profits or shrivel and die. Capital, whether in the form of stocks and shares, bonds, real estate or fine wines, is, [in the words of Karl Marx](#), “dead labour which, vampire-like, only lives by sucking living labour, and lives the more, the more labour it sucks”.

As with a star, when the mass of accumulated capital exceeds the capacity of living labour to breathe life into it, the moment of crisis has arrived, and swathes of capital are destroyed in a financial crash.

With the interest rate hikes, our moment of crisis has arrived. But will the coming crash take the form of a brief recession, or a long and deep depression (as in the 1930s), or something many magnitudes worse – a capitalist supernova?

To understand why this is a real question, we need to introduce a crucial feature of capitalism that has no solar

analogy. The accumulated mass of capitalist wealth is an enormous dead weight that long ago exceeded the capacity of current living labour to breathe life into it.

It has avoided meltdown until now thanks to the exponential growth of debt, which is nothing else than borrowing from the future, or more precisely, using the promise of future flows of surplus value to convert today’s dead labour into capital. In contrast, our dumb sun lives entirely in the present.

Ever-falling interest rates are a major reason why capitalist wealth – in the form of financial assets such as bonds – has grown so vertiginously during the neoliberal era. Thomas Piketty famously [reported](#) that billionaires’ wealth rose by 1,800% between 1987 and 2013. Their wealth doubled [between 2014 and 2022](#) and during the

Covid-19 pandemic, it grew faster than ever, as trillions of dollars of debt-financed stimulus flowed, [in the words of the Financial Times](#), “into financial markets, and from there into the net worth of the ultra-rich”.

Central banks have repeatedly cut interest rates and created more and more debt precisely because they feared that a recession, and the ensuing waves of bankruptcies and debt defaults, could quickly develop an unstoppable momentum and crash the global economy. But each cut in interest rates, each new twist in the debt spiral, not only postpones the inevitable day of judgement, it ensures that it will be all the more terrible when it comes.

So much debt has been accumulated in the global economy that we cannot assume that the coming global depression, triggered by the interest rate hikes, will merely be a repeat of the Great Depression of the 1930s.

Scientists tell us that our sun is not massive enough to die in a supernova. We can’t say the same of our capitalist death star.

John Smith is author of the prize-winning 2016 book [Imperialism in the Twenty-First Century: Globalization, Super-Exploitation, and Capitalism’s Final Crisis](#).

THE ENDURING LEGACY OF GEAR

and the urgent need for a new economic paradigm in South Africa

By Sonia Phalatse

AS THE ONGOING SOCIAL and economic crisis intensifies in South Africa, it is worth reflecting on the policy choices that have brought us here.

Many politicians, liberal economists and others who hold immense power would have us believe that history doesn't matter and that the choices and decisions made in the past have no direct influence on the existing economic crisis. A case in point: a few weeks ago, former Finance Minister Tito Mboweni took to Twitter to express disdain toward Minister of Education (and Chairperson of the South African Communist Party) Blade Nzimande, after a speech he made about the state of South Africa's economy. In his speech, Nzimande spoke critically about the ANC and blamed economic policies, particularly the Growth, Employment and Redistribution strategy (Gear). In his tweet, Mboweni expressed shock that Nzimande was: "still talking about Gear today. He sounds like a brocken (sic) 1970s long play record. The fellow has been in the SA Cabinet for years. I think that he suffers from an Existential Crisis."

We cannot forget

Putting aside the messy politics of both ministers in question, the suggestion in Mboweni's tweet that we should "move on and forget" is misguided. It hides the economic policies that played a crucial role in shaping the economic crisis South Africa faces today and the fact that the same failed economic policies are still being used in current economic policies.

To forget about Gear would be to forget about how we got here and to misdiagnose the roots of SA's existing economic challenges. This forgetting plays into many disingenuous arguments made by South African pundits and conservative economists alike: that since 1991 SA's economic policies have been comprehensive enough and that its current failures are primarily because of a lack of effective implementation. There



RDP houses in Mamelodi. The implementation of Gear marked a turn away from the ANC's redistributive macroeconomic policies, notably the 1994 Reconstruction and Development Programme (RDP), a policy that had some resonance with the ANC's earlier socialist leanings.

is some merit to the argument about institutional and governance failures that existed both prior to and after the onset of democracy. But reducing the economic crisis to an issue of implementation evades important questions about the relationship between ANC's earlier economic policies like Gear and its existing macroeconomic framework.

Gear was implemented in 1996 at a time when South Africa, and the rest of the Global South, were lured by the promise of integrating into the international economy. The rules of that economy were spelled out clearly: an increasing retreat of the role of the state in basic social provisioning, in favour of a highly marketised economy. The implementation of Gear marked a turn away from the ANC's redistributive macroeconomic policies, notably the 1994 Reconstruction and Development Programme (RDP), a policy that had some resonance with the ANC's earlier socialist leanings.

Dominance of neoliberalism

This shift also represents the domination of neoliberal economics, again guided by international financial institutions. South Africa was no exception to its adoption.

Economic policies under a neoliberal agenda fall under three main categories: privatisation, deregulation and fiscal austerity. For many African countries, for example, trade liberalisation with non-African countries – primarily located in the Global North – led to an increasing reliance on export of commodities, such as gold and coal. This left their economies prone to the vagaries of price fluctuations in the global market. Africa remains in a subordinate position within the global trade order. Take a practical example – titanium sand. For every \$100 Africa earns in export revenues for titanium sand, countries outside of Africa earn \$100,000 in sales revenue from titanium products.

The results of adopting a market-based economy in South Africa were an increase in the concentration of wealth and an acceleration in the commodification of basic services. This made access to these services increasingly less available to those further away from the centre of financial power. Within this paradigm, "the market" is presented as the most efficient allocator of resources. This accompanies the belief that the pursuit of profits, at all costs, will create wealth that will "trickle-down".

Neoliberalism has also supported the

increased financialisation of the economy. This means, the penetration of financial markets into more and more facets of economic, social, and political life. This has systemically undermined production, wages, job security and environmental sustainability and fuelled rising personal debt and inequality.

The logic of the privatisation of public goods has led to the mindset that the public provision of goods and services – which typically falls outside of the market – should be limited as much as possible. This should be the case even for essential public goods like healthcare and education. Privatisation in South Africa has resulted in significant changes in ownership since the 1970s, as assets move from public to private hands.

This also entails a shift in power, as greater decision-making is held in the hands of fewer people and vested in multinational corporations and asset managers. This often comes with a greater degree of influence over state decisions,

government's response to the Covid-19 pandemic did not present anything different from what has already failed, including an austerity policy, ironically championed by Tito Mboweni himself.

We have an economy that is shaped by a highly extractive economic and political system that prioritises profit over people. It threatens the wellbeing of the majority in favour of extreme luxury for the few. An economy like this is not well suited to respond to a crisis like Covid-19.

Two years after the height of the pandemic, it is clear that the existing neoliberal economy has not only created the social, economic and ecological conditions under which Covid-19 has emerged but has also weakened the very institutions that would help fight it – like a strong public healthcare system or robust socio-economic safety nets. Public healthcare, for example, has seen decades of underfunding and in some countries privatisation. This has led to outcomes such as 15 of the largest pharmaceutical

as the reliance on scaling up investments in Private-Public Partnerships (PPP) and blended finance for both its infrastructure drive and its climate change policies. These policies seek to leverage private capital investments, using government finances and what is termed “de-risking”. De-risking policies entail shifting the bulk of potential financing risks for large projects onto the public sector. Different financing mechanisms are used. The purpose is to make investments attractive to, and lucrative for, the private sector. The main assumption these policymakers make is that private investors will substantially increase their investments in infrastructure development if the government absorbs greater risks associated with these investments. This includes guaranteeing to remove any risk to revenue from the project, so the company is paid whether there is revenue or not. It also involves offering subsidies to lower the costs for private participants, and investment grants such as equity financing.

Reclaiming public goods

An alternative way of thinking and doing economics in South Africa is desperately needed. It is impossible to recover an economy that is not fit for purpose. The fundamental structure of the South African economy needs to be transformed to set it on a completely different path. It is crucial that we reclaim the power of public investment that is geared toward social provisioning and not private profit-making. Now, more than ever, it is critical that we begin to build social

solidarities that dismantle the current economic order.

Sonia Phalatse is a feminist economist researching and writing at the intersection of economic and climate justice. She previously worked for the Institute for Economic Justice as a researcher/economist in the Climate, Infrastructure and Energy programme.

Beach sand at Xolobeni where Amadiba Crisis Committee is battling mining for minerals including titanium. For every \$100 Africa earns in export revenues for titanium sand, countries outside of Africa earn \$100,000 in sales revenue from titanium products.



further undermining democracy to the detriment of the vast majority of people. This has played a big role in rolling back regulations, be they for worker or environmental protection, which have historically risen and fallen together.

SA's economy is structurally incapable of responding to crises.

Fast forward to 2020, when the most defining health crisis in recent history forced governments to advance rescue and recovery economic packages to save lives and livelihoods. While devastating and unprecedented, we cannot view the Covid-19 pandemic in isolation from the economic crisis triggered by an outright commitment to neoliberal economics. The

companies giving up the research and development of new antibiotics and antivirals because they are not as profitable as other areas. A drive to improve “efficiency” and profitability is poorly suited to the provision of something like healthcare.

New frontiers of privatisation

The legacy of Gear continues today as newer forms of privatisation appear in key economic policy documents, including the ANC's “post”-Covid-19 economic rescue and recovery plan, announced by Cyril Ramaphosa in October 2020. Included in these documents are interventions such

SOUTH AFRICA'S FOOD CRISIS

By Refiloe Joala

SOUTH AFRICANS ARE CONTENDING with a rapidly unfolding food crisis, marked by rising transport and food prices. As they do so, high levels of unemployment, unchecked inequality and deepening poverty continue under the watch of the South African State, threatening the right to food of the most vulnerable in our society. According to StatsSA, annual consumer [inflation reached 7.4% in June 2022, the highest reading since May 2009 \(8%\)](#), during the global financial crisis.

Meanwhile, the supermarket and agribusiness giants that run South Africa's agro-food systems are reporting increased sales and growth, in the middle of this global food crisis. Africa's largest food retailer, Shoprite, reported a double-digit growth in sales at 10%, while agribusiness giant, Astral food, reported a 26% growth in total revenue between October 2021 and March 2022.

This article takes stock of what drives food price increases, which take place in the context of relatively limited oversight and regulation of food prices in

on its obligations to ensure the realisation of the right to food.

Causes of food inflation

[A research brief](#) by the Bureau for Food and Agricultural Policy (BFAP) reported that food inflation rose by 7.6% in May 2022, compared to 6.7% in May 2021. The picture is much bleaker for low-income households. Pietermaritzburg Economic Justice & Dignity Group (PMBEJD) takes a closer look at what the increasing consumer price inflation means for low-income and vulnerable households across some of South Africa's major metros. It reported a 13.6% year-on-year increase of food prices in June 2022. This amounts to an increase of R560.57 in the food basket of low-income households in June 2022 compared to June 2021. Among the 44 essential food items tracked in the flagship Household Affordability Index, the [PMBEJD recorded](#) year-on-year price increases of 11% for maize meal, 15% for brown bread and 69% cooking oil.

Indeed, the increased price of sunflower oil in South Africa, as reported

increasing oil prices. However, the scope of these increases is limited by the import exposure for particular commodities. In particular, the Competition Commission highlights that the level of imports relative to consumption is actually rather low for essential foods such as fresh vegetables, fruit and milk. Nonetheless, food price hikes have not been limited to high import commodities such as chicken, wheat and sunflower oil only.

Essential foods	Import exposure	Export Exposure
Fruit	5,0%	45,0%
Vegetables	0,3%	13,2%
Milk	1,1%	0,9%
Beef	2,1%	3,4%
Chicken	37,5%	6,2%
Wheat	50,5%	5,1%
Oilseed	38,5%	3,8%

[Exposure to trade for essential foods](#)

Are high food production costs being passed down to consumers?

When we shift our attention to fuel prices, we see that higher fuel prices increase consumer inflation. Therefore, recent food price hikes come as no surprise amid skyrocketing fuel prices, which were already on the rise before the war in Ukraine. Furthermore, factors like seasonality can also play a role in pricing patterns. However, the Competition Commission argues that disparities between farm-gate prices and retail prices raise questions about pricing in commodity chains. They are affected to some extent by the anticipation of price hikes among food retailers. There are high levels of concentration in South Africa's agro-food systems. Five big supermarket chains dominate the food retail space. So price increases as a result of oligopoly power have been raised by the [Competition Commission in its 2019 Grocery Retail Market Inquiry report](#). This proposition is supported by a multitude of [empirical studies globally](#), showing an inverse correlation between food prices and food retail concentration. In other words, greater concentration in a given market (in this case food retail) correlates with higher industry prices and profitability.

According to the National Agricultural Marketing Council, the retailer margins



The supermarket and agribusiness giants that run South Africa's agro-food systems are reporting increased sales and growth, in the middle of this global food crisis.

South Africa. It challenges the dominant corporate food system from a right to food perspective. I argue that high levels of corporate concentration lead to higher food prices that disproportionately affect the poor. The declining welfare status in the country points to how the South African government continues to scrimp

in countries in the European Union like Germany, has been widely attributed to the Russia-Ukraine conflict. But it is unclear if this argument holds for broader food price increases. South Africa imports about 38.5% of its total oilseed consumption. There is an impact from the protracted Russia-Ukraine conflict and



The informal food sector continues to be systematically excluded and marginalised.

for super maize meal increased by 3.69% between April 2021 and April 2022, while the farm value share decreased by 1.48% in the same period. This could very well be because of massive increases in petrol and diesel prices from 2021. But data on where the value is actually captured is slightly more challenging to access. The data available lumps together the contributions of food manufacturing, distribution, wholesale, and retail firms.

There is a narrative that says that “economies of scale” are the reason for the considerable power and influence that supermarkets wield in global food systems. But there is a story beyond sales volumes: highly processed and intensively addictive cheap food combines with crafty and unchecked marketing to create armies of loyal customers. This plays an even bigger role in maintaining the profitability of supermarkets versus smaller food retailers. This is what Lisa Jack, the author of *The secrets of supermarket: a model balanced on a knife-edge*, describes as “a food system characterised by over-purchasing, over-eating, over-production and waste.”

Effects of food prices

Where does this leave South African consumers, and, in particular, households living in poverty? [There is a 2018 study](#) on the impacts of food prices on short-term and long-term welfare of low-income and vulnerable households in South Africa that shows that a “[1% increase in food prices reduces household welfare by 21.3%.](#)”

Social grants remain the most important social safety net for South Africa’s low-income and vulnerable households and individuals. [The 2021 General Household Survey](#) by Stats SA reported that 24% of South African

households rely on some form of social grant from the state to access food and meet other needs. However, the child grant and emergency social relief of distress grant currently sit at 26% to 44% of the [Food Poverty Line](#).

What is the South African government doing?

At present, the only state measure that directly and tangibly reduces the cost of essential food items is the VAT zero-rated foodstuffs list that was published by the National Treasury in 2019. Other less direct measures include regulations aimed at monitoring the behaviour of retailers and penalising violations of the Consumer Act. This includes monitoring of food prices and margins by the Competition Commission. Most recently, government implemented an emergency and temporary reduction in the general fuel levy included in the basic fuel price, between 6 April and 31 May 2022. It says it is also exploring long-term measures to mitigate fuel price hikes.

The informal food retail market is an important source of food for about 70% of households in poorer neighbourhoods across urban and rural South Africa. It also provides livelihoods for women. The sector supplies food in affordable unit sizes and on credit. It sells fresh produce at lower costs than supermarket fresh produce. It also sells prepared foods appropriate for households that experience income, time, storage and energy poverty.

Yet the informal food sector continues to be systematically excluded and marginalised. It suffers from discriminatory and violent policing and inappropriate policies that seek to

formalise the sector and introduce new barriers to entry in the form of permits and land zoning.

The government must take immediate actions

In the short-term, the government must take action to ensure access to food for all, especially young children and other vulnerable groups. Increasing social grants above the food poverty line is critical. In addition, there is a need for better oversight and regulation of food prices with the goal of promoting more nutritious diets and ensuring that powerful supermarkets and agribusiness do not prey on consumers and exploit poor and vulnerable households and individuals.

Finally, government must provide the informal food sector and small-scale food producers with appropriate support. This must be based on the expressed needs of different categories of food traders and farmers. This will help to secure food access and livelihoods for millions of South Africans. In the medium- to long-term, government must facilitate the transition from the prevailing fossil fuel-based corporate agro-food system to more localised food markets and production in the interest of pursuing more resilient and sustainable food systems.

Refiloe Joala is the Food Sovereignty programme manager at the Rosa Luxemburg Stiftung Southern Africa office in Johannesburg. Her research focuses on the nature and outcomes of changing agro-food systems in Southern Africa. She also works on seed sovereignty and farmworkers rights in the region.

AFTER THE TEMBISA SHUTDOWN: *GO HOME OR BUILD ORGANS OF WORKING CLASS POWER?*

By Trevor Ngwane and Moeketsi Monaheng

THE TEMBISA SHUTDOWN, following the Nguni meaning of [the township's name](#), was promising. It was sparked by the community's rebellious response to the crisis faced by working class people in South Africa and the world especially in the post-Covid socioeconomic situation. Skyrocketing cost of living in the middle of unprecedented levels of unemployment, poverty and inequality. Working class lives where everything is a problem: water, sanitation, waste removal, electricity, housing, healthcare, transport, etc.

For 48 hours beginning on the first day of August, the township, on the East Rand of Gauteng and governed

Victory for Tembisa Community Forum

In some sections of Tembisa there was sporadic looting but, despite Operation Dudula having launched in June 2022 in the area, there were no xenophobic attacks. The Tembisa Community Forum, a relatively new structure, won the contestation for leadership of the shutdown from the Economic Freedom Fighters (EFF), Dudula and the ANC. It compiled and presented a set of demands to Mayor Tania Campbell of the Democratic Alliance-led (DA) multiparty coalition that runs the municipality. Her mistake was her failure to accede to the residents' demand to meet

tariffs, pegging them higher than most municipalities.

The municipality's austerity budget was partly a response to National Treasury instructions to reduce its expenditure and, it must be said, also in line with the DA's approach to these matters. All the multiparty coalition government parties voted for the budget including the "non-coalition" EFF, whose municipal leader stated that "we do not welcome the budget; however, we do accept and support it".

The response to the shutdown was a combination of reform and repression. The mayor, her mayoral committee and multiparty politicians denounced it as "criminal", with some suggesting that a "third force" was in operation.

Four people died in the melee with two allegedly shot by officers of the Ekurhuleni Metropolitan Police Department.

The ANC provincial minister of local government, Lebogang Maile, addressing Tembisa residents during the crisis, emphasised that a "white" officer had shot dead one of the protesters and how unacceptable this was. He did not mention that the ANC government policy of turning municipalities into commercialised entities that prioritise cost recovery and collection of payments from "customers" might be partly to blame for the crisis in Tembisa and other municipalities.

After the shutdown, Tembisa residents seem to have something to smile

about. In a meeting with residents, the mayor acceded to many of their demands including to reinstate free basic electricity although reduced to 50 units, reconnect the electricity for all, scrap half the historical debt owed by residents, delink sanitation, water and electricity bills, increase the assessment rates rebates threshold, etc.

This partial victory will probably consolidate the Tembisa Community Forum's leadership of the community and affirm the importance and power of mass action in the struggle for a better life. It will also give the DA-led multiparty council

For 48 hours beginning on the first day of August, the township, on the East Rand of Gauteng and governed by the City of Ekurhuleni Metropolitan Municipality, erupted into flames with most roads barricaded with stones, burning tyres and uprooted street and traffic lights.



by the City of Ekurhuleni Metropolitan Municipality, erupted into flames with most roads barricaded with stones, burning tyres and uprooted street and traffic lights. No one could go to work and local businesses could not operate; it was total shutdown.

The civic centre at Rabasotho Section, one of twenty municipal "customer service centres" was burnt down, together with several municipal vehicles. An electricity sub-station was damaged leaving the township in darkness.

with her and instead send five members of her mayoral committee. The packed Rabasotho community hall shouted down the mayor's representatives, collapsed the meeting and resolved to shut down Tembisa.

One of the main demands was the restoration of the 100 kWh units of free basic electricity that every resident enjoyed. The multiparty council had passed a budget on 25th May which reduced this to 50 units, including limiting beneficiaries to registered indigents. The same budget increased electricity and water

some breathing space, helping it to keep the ANC, still sore from losing the municipality, at bay for a while. It might even help the EFF to continue taking no responsibility for its collaboration in decisions that take away free services from the working class.

Don't go back home

After the mayor relented and conceded the residents' demands, everyone went back home. In Sri Lanka, a massive uprising toppled the president from power. Afterwards, the prime minister, an ally of the president, was allowed to take power

and the masses went back home. In Egypt, the masses toppled the dictator, and they too went home.

Is it possible that the time has come for the masses not to stage uprisings and then go back home?

Perhaps the time has come for the masses to follow the example of the storming of the Winter Palace during the Russian Revolution. Instead of going home, the workers in Russia went to their soviets, their worker councils, and began the process of building an alternative power, a workers' government.

Tembisa also means "potential". The time may have come to realise the potential that lies in mass action, the power of the working class to build a different world. To build local and national organs of working-class power. For us, that was the lesson and promise of the Tembisa shutdown.

Trevor Ngwane is chairperson of the United Front in Johannesburg and a member of the Socialist Group. Moeketsi Monaheng is an Ivory Park/ Tembisa organiser and community leader.



The civic centre at Rabasotho Section, one of twenty municipal "customer service centres" was burnt down, together with several municipal vehicles.

EXPERIENCES OF THE UNEMPLOYED

AMANDLA! INTERVIEWED MEMBERS OF THE BOTSHABELO UNEMPLOYED MOVEMENT (BUM) ABOUT THEIR EXPERIENCES AS UNEMPLOYED PEOPLE. THESE ARE SOME OF THE THINGS THEY HAD TO SAY.

Experiences of the unemployed

Amandla interviewed members of the Botshabelo Unemployed Movement (BUM) about their experiences as unemployed people. These are some of the things they had to say.

Unemployment and jobs

Amandla asked them about their experience of unemployment and looking for jobs.

This problem of unemployment, it is hurting us so much because in our area here in Bosthabelo, we see the women, the teenagers with pregnancy. A lot of teenagers have their babies now and we

don't have job. We don't have skills. We don't have anything.

Even when we apply for jobs, they request bribery from us, especially as young boys. To young girls, they request to sleep with them. That is what they do. After matric, you can't get a job without paying anyone bribery. You can imagine how you can pay a bribery while we haven't yet even earned the first month salary. You don't even know how much you're going to earn there.

We have qualifications. But then the system itself when you apply, they request experience. You can imagine when you come from the university,

where do you get your experience? So you can imagine if someone is asking you for experience at your first year from the varsity, where are you going to be employed because you don't have any experience? You haven't yet been employed by any company.

Dignity and respect

The issue of dignity and respect came up frequently in the conversation. The general experience was of being completely disrespected as an unemployed person.

The other thing is that we have lost our dignity. If you are unemployed in our area, you are not getting enough respect from people who are rich.

There is this notion that unemployed people are lazy, they don't want to work, they want handouts. That thing is not okay for us as the unemployed. We are not lazy. We are able and we have so many people who are unemployed but are graduates, so it doesn't mean that if we are unemployed, we can do nothing. But we are saying to those people who are analysing our situation, they must refrain from saying to us we are lazy.

Basic Income Grant (BIG)

Dignity as well as affordability came up in the discussion about the Basic Income Grant.

The government insults us with that R350. From my point of view it's not enough for someone at my age. Because things are costly.

As the BUM we are part of other organisations who are fighting the government, demanding a Basic Income Grant which is R1,500. We don't want this R350 that Ramaphosa is offering us because it's not enough.

For us it is really difficult. A loaf of bread is R14. But when you multiply R14 rand by 30 days, it makes R420. Which means you can't be able to travel from here to Bloemfontein. You can't even buy a cosmetic; you can't even buy food. Or else otherwise, they must go there to open those factories. So that they try to decrease the number of unemployment. The only solution that we need is for them to create jobs. We demand jobs.

Of the three BUM members interviewed in July, one had received their R350 in June; another had received it in March. And the third last received it last year. The two who hadn't received in the last month were told that their grant was "pending". They had no idea what that meant.

Gangsters

The problem of gangsters came up often in talking about problems that comrades experienced.

Most of the other youth around our area, when they finish matric, they end up joining the gangsters. We are living with gangsters around our area, even scared to walk around the street.

Truly speaking, the gangsters, they're fighting. And they're doing the housebreaking. They are taking people at night; even month end they're taking money from people. Even when it's the grant of the older people. And they kill; they kill you at night. They are doing this nonsense because they are unemployed.

That's where I saw the need for us and other comrades to fight this thing of unemployed.

Solution to unemployment

Here is what comrades had to say when asked what the solution was to unemployment.

What is happening in my community is that the government doesn't help us with skills development so that we can have our own companies or cooperatives.

In our area, we have so many factories that have been closed. And I think the government needs to start opening those factories. So that they can employ people to work. That is the only solution that we need.

Part of the solution will be the change of the system. Under the current system, we saw the onslaught of capitalism. Under the capitalist system, we are not going to see any light at the end of the day. But our view is that the government must abolish the system or the people themselves must come out and do away with the capitalist system. Because now the number of unemployed each and every quarter is rising. So it is the system that is doing this kind of job losses in our country.

A message to the employed

Amandla asked comrades in closing if they had any message for those people who still have jobs.

Government is the main source of this crisis. We want to say to the government, and those economists who are analysing our situation, they must not analyse our situation through their eyes because they are living in comfort zones. But we the unemployed, we are living in a dire situation.

I will tell them that sooner or later, the system is going to kick you out, you're going to be unemployed, since you have seen that we are in a fifth industrial revolution that is going to take their jobs. Everything will be done by a robot. So they must work together with us and support us when we challenge the system.

Personal

And finally, the psychological effects of long-term unemployment are rarely discussed, but they are by no means absent.

My comrade was laughing when I say that I'm crazy. This affected me to the extent that I look like I'm crazy. Really. Maybe I'm crazy because of being unemployed for so long.



Puseletso Naha, Thabang Draai, Petrus Mothewane and Lerato Letutu from Botshabelo Unemployed Movement. Amandla! interviewed them about their experiences as unemployed people.

COMBATING RISING INFLATION:

five alternatives to interest rate hikes

By Dominic Brown

GIVEN ALREADY RAPIDLY RISING food, electricity and transport prices, the August reduction in the petrol price is said to be a drop in the ocean. It will offer little relief for cash-strapped and indebted South Africans. Making light of the tumultuous situation, there are memes on social media showing how the petrol price per litre is more than the minimum wage per hour. [Stats SA's CPI release points out](#) that the annual consumer price inflation of 6.5 percent in May 2022 is the highest since January 2017.

To combat rising prices (inflation), the South African Reserve Bank (SARB) has increased the interest rate, most recently by 75-basis points. This is the highest once-off increase in a decade, and more hikes are expected during the year. Elsewhere, I explain why conventional monetary policy, which involves interest rate hikes, is not only a blunt instrument, especially in the current context where external factors are driving inflation. It will also exacerbate unemployment, hunger and inequality.

The interest rate hike is therefore a bitter pill to swallow, not least given that the SARB's 2,305 workers are mostly protected from the unfolding socio-economic crisis in the country. They receive an [average annual salary per employee](#) of R911,062. That's more than 50 times what most people in the country live on each month. The governor, Lesetja Khanyago, alone received an income of R8.45 million for the year, including fringe benefits. The total remuneration for the SARB's four executive directors was more than R25 million for 2021.

In light of rising inflation globally, and some recognition of the limitations of mainstream monetary policy, there are discussions about what alternatives exist. Government has extended the suspension of the fuel levy, offering some respite. But a recent [Mail and Guardian editorial](#) is correct when it says that if this suspension and interest rate hikes are the only policy options before us, we are set for a long, bitter winter.

There are a number of ways to make the winter less bitter for the majority, but they would require a break from neoliberal austerity policies, including [mainstream monetary policy](#). Below are five policy proposals that go beyond monetary policy and include an essential role for government and fiscal policy.

Proposal 1: Strengthen capital controls

As the post-apartheid government integrated into the global economy, it also started to phase out capital controls. Chris Stals, former Governor of the SARB, argued that there was "general consensus" that capital controls "should be removed". The only question was the speed of the process.

And so, government proceeded to deregulate the country's financial markets – enabling greater inflows and outflows of money, to and from the country.

South Africa has a *balance of payments* strategy that is based on having high interest rates compared to other economies. The balance of payments is the balance between money coming into South Africa and money going out. High interest rates attract short-term financial investment from foreign investors. This helps to balance out the fact that otherwise financial flows out of South Africa tend to be greater than flows coming in.

This high interest strategy is compounded in the context of inflationary pressures globally. These pressures have led many central banks in developed



The Reserve Bank's recent 75-basis point increase in interest rates is the highest once-off increase in a decade. Meanwhile, the governor, Lesetja Khanyago, received an income of R8.45 million for the year, (including fringe benefits).

countries [to tighten monetary policy](#) through interest rate hikes. This effectively forces many developing countries, including South Africa, to do the same. Otherwise, there is a risk of financial outflows and the currency weakens.

This begs the question; how much independence does the SARB really exercise?

The alternative to high interest rates is to strengthen [capital controls](#) to limit financial outflows. If financial outflows are controlled, it is not so necessary to increase interest rates to attract inflows. This enables greater independence over monetary and fiscal policies. And it creates increased stability of the balance of payments and the exchange rate. For example, halting financial outflows means that the value of the currency is maintained because there is no dramatic drop in the demand for rands.

Capital controls have proven to be a useful instrument in the past. In fact, most states used capital controls until the International Monetary Fund forced them to "liberalise" as part of structural adjustment in the 1980s.

Proposal 2: Break from austerity – finance a BIG and an expanded public sector

The next critical step is to pay increases in social grants in line with inflation.

Social grants are a critical source of income for large parts of the population. The real cuts to social grants (through increases below inflation) increase the vulnerability of millions of people. In Free State, Eastern Cape, Limpopo

SRD support is scheduled to come to an end in March 2023, the income level of the means testing has been reduced from R595 to R350. This excludes many more from receiving the much-needed relief, underscoring the need for the implementation of a universal basic income grant. The level of the grant should be introduced at R1,500, above the upper bound poverty level of R1,335 per month.

The SARB should step in to cover the cost of the BIG in the short-term. It can do this by financing government directly.



delivery will deteriorate even further. Government itself has acknowledged how low compensation growth in education will have a negative impact on no-fee schools.

Workers in the private sector should demand above inflationary wage increases too. Increasing social grants and workers' wages at above the level of inflation will help to soften the blow of the rising costs of goods and services.

Proposal 3: Invest in a low-carbon, localised re-industrialisation programme

Greater social protection and improved wages are critical, but they are not enough. In the medium term we need to tackle mass unemployment and low wages through investing in the localised productive capacity of the county, particularly directed at driving a low-carbon re-industrialisation programme.

AIDC research publication, [Eskom Transformed](#), shows that if we are to decarbonise at both the speed and scale to meet our climate commitments and create the largest amount of jobs, Eskom must be transformed into a full, public, renewable energy utility. Eskom must be the sole driver of decarbonising our energy sector in the country. Included in this would be the need to decorporatise Eskom. This would eliminate the need for the public utility to make a profit and abandon the user pays principle. The objective of the energy public utility must be to provide a stable supply of affordable, low-carbon energy based on a public goods approach.

The manufacturing of renewable energy infrastructure must be done domestically because this is where most of the jobs are. This will require an import-substitution policy for South African renewable energy infrastructure producers to compete with the international market. Currently, we import virtually all renewable energy components and only assemble the infrastructure in the country.

This would require large levels of investment; some estimate at least [R3.7 trillion by 2050](#). That is equivalent to R132 billion each year for the next 28 years, to decarbonise the SA economy.

The immediate issue would be to address Eskom's debt which sits at just under R400 billion. This is where the government employees' pension fund (GEPF) can play a role. The GEPF has close to R2 trillion in accumulated reserves, most of it under the asset management of the Public Investment Corporation.

and Mpumalanga, primary income for the majority of households is from social grants. Over the next three years Treasury is projected to cut social grants (excluding the social relief of distress grant) in real terms. The "buying power" of most people in the country, especially those on low wages or dependent on social protection and the SRD, will be less. Especially taking into account the Pietermaritzburg Economic Justice and Dignity's (PMEJD) inflation estimates of between 14 percent and 17 percent year-on-year, depending on where in the country you are based.

18 million people and their dependents are going to be in even more precarious situations than they already are.

Worse still, the SRD grant has not increased since it was introduced more than 2 years ago. R350 in 2022 is actually worth approximately R35 less than it was in 2020. To add fuel to the fire, [the SRD grant was not paid](#) to more than 10 million beneficiaries due to government failing to renew contracts with banks responsible for means testing. Moreover, besides the devastating fact that the

If we don't make these urgent reforms, we can imagine many more will join the more than 10 million people (30 percent children) who go hungry each week. This situation drives people to desperation. We can anticipate new manifestations of the July 2021 unrest as well as more outbreaks of violence in society.

Government must also end the real cuts to the public sector wage bill and seek to [immediately fill the just under 165,000 vacancies](#).

The conflict between public sector workers and government is well documented. Some have falsely put forward an argument that public sector workers' interests are at odds with the majority of people who are unemployed. This view fails to consider that the unemployed are dependent on the services delivered by public sector workers. The cuts to the wage bill will not only mean lower wages for the majority of public sector workers. They will also require a reduction in the headcount and the continuation of unfilled vacancies in key public sector institutions. Service

Currently, the GEPF holds approximately 20 percent of Eskom's debt. It could take on more of Eskom's debt and offer below market interest rates, on condition that Eskom remains fully public and becomes the driver of a transition to a low-carbon energy sector.

Secondly, [the agriculture sector has been liberalised](#). This has included the removal of market and import controls. As a result, local food prices are dramatically influenced by international market prices and the exchange rate. The deregulated agriculture sector serves the interest of financial speculators and big scale commercial farmers who make the majority of their revenue through exporting crops. This comes at a high cost. An export-led agriculture sector incentivises [mono-cropping](#). The soil degradation associated with mono-cropping harms the environment.

There are a number of other ways in which the current form of food production induces environmental destruction. They include over-fishing of oceans and rivers; commercial production of livestock, resulting in deforestation; and catalysing phenomena like the Covid-19 pandemic. Furthermore, and fundamentally, export-led agricultural production comes at the expense of sufficient provision of nutritious food for the majority of the population. The transformation of food production is therefore key. This necessitates re-introducing certain market controls, land redistribution, and promotion of and investment in more localised food systems aimed at producing nutritious food. Improved and regulated local food

production also means less dependence on importing goods. These measures will become increasingly vital as we move into a period of more climate shocks

Critically, both of these initiatives – the transformation of our energy and agricultural sectors – will provide the country with greater energy and food sovereignty and create thousands of jobs that simultaneously contribute to reducing greenhouse gas emissions. This should be accompanied by a reduction of borrowing costs through a reduction in the interest rate. This can help to incentivise greater private sector productivity, expanding supply and increasing the demand for labour.

Proposal 4: Price controls

Another important measure would be to implement price controls to limit prices of certain key products. While some kinds of price controls are not uncommon – for example rent control – there are lots of mainstream critiques of its wide-spread use. [A paper for the World Bank group](#) suggests that price controls have good intentions but generate bad outcomes. Some argue that they cause shortages; that they can lead to spending greater periods “in-line” waiting to purchase products; and that once the controls are removed, the impact on the poor is worse than the impact of inflation would have had been. Others have a [different view](#). They point out how targeted price controls (for example controls on prices of fuel and rent, along with minimum wages) offer an important [alternative to austerity](#) and can help address inequalities.

Proposal 5: Tax the rich

The costs of these reforms must come from higher taxes on the rich, among [other financing options](#). Economic modeler, [Asghar Adelzadeh](#), says that “government's decision to avoid permanent tax increases in the overall tax burden has significantly benefited the country's well-off class at the expense of the majority.” This is without considering a tiny elite's accumulation of large levels of wealth. AIDC's Dick Forslund [shows](#) that just taxing high income earners at the same effective tax rate as in 2000 could raise between R145 and R160 billion in additional revenue each year.

It is also high time that we redistribute accumulated wealth through the introduction of a progressive net wealth tax.

Rising interest rates are a major cost on the majority of people in society. In a context where there are extreme inequalities, it is important to avoid tightening monetary policy and rather to utilise all the available tools to address rapidly rising pricing. Of course, this won't happen without a fight against the power of individual and corporate elites.

In summary

As we have shown here, there is no shortage of alternatives to interest rate hikes as a means to mitigate against rising inflation. What's lacking is a government ready to advance the interests of the majority over those of a tiny minority.

Dominic Brown is a member of the *Amandla!* editorial collective.

Nehawu protest in 2020. The cuts to the wage bill will not only mean lower wages for the majority of public sector workers. They will also need a reduction in the headcount and the continuation of unfilled vacancies in key public sector institutions.



PRIVATISED ENERGY: a warning from Mexico

By Bruce Baigrie

Mexican oil refinery. The nationalisation of Mexico's oil in 1938 was, and remains, a source of great national pride after the unfettered foreign pillaging of its resources during the years of the Porfirio Díaz regime

This article was first published by [Africa is a Country](#).

IN THE 2018 MEXICAN GENERAL election, Andrés Manuel López Obrador (known as “Amló”) swept to victory. His presidential victory coincided with the historic collapse of the Partido Revolucionario Institucional (PRI). Barring losses in 2000 and 2006, the PRI had ruled Mexico uninterrupted since 1929 (under three different names). In 2012, PRI’s Enrique Peña Nieto won the presidency with 39.17%; but by 2018, the PRI received just 16.4% of the vote compared with the 54.71% (the largest margin since 1982) of Amló’s Movimiento Regeneración Nacional (Morena). The issue of corruption was front and centre in this election, and Amló explicitly framed it as a [systemic byproduct of neoliberalism](#).

While [markets were initially rattled](#), capital was not in an outright panic; Amló had broadly promised that “his government will not spend beyond its means.” In 2018, *The Economist* cited “uncertainty,” but three years later Amló’s face was plastered on their print edition as [“Mexico’s false messiah.”](#)

The Economist alluded to various ruinous policies, but it is Amló’s actions in the energy sector that justified the typical association of a leftist leader with proto-fascist figures such as Viktor Orban, Narendra Modi, and Jair Bolsonaro.

Amló’s energy reforms are geared toward reasserting energy sovereignty over an (increasingly foreign) private sector

that owns most of Mexico’s renewable energy. The subsequent contestation has sparked national referendums, attempted constitutional amendments, and cases in the country’s supreme court. The market-led transition creates such contestations wherever it leads. It generally wins. Thus, the battle for Mexico’s energy sector offers an essential example for the Left — and for South Africa’s especially.

The PRI and the revolution in development

Mexico offers a rich history of class struggle, from its independence to its ten-year revolution that ended in 1920. The post-revolutionary years saw a series of inter-elite violent contestations. In [Origins of the Mass Party](#), Edwin Ackerman explains that the constitution of the PRI (then the Partido Nacional Revolucionario) was to “‘institutionalise the revolution’ by offering a vehicle for the circulation of the elite and [to] discipline ‘the revolutionary family.’”

Irrespective of the needs of the elites, under President Lázaro Cárdenas (1934–1940), the PRI — then the Partido de la Revolución Mexicana — followed the postwar Keynesian pathway of state-led development. The nationalisation of Mexico’s oil in 1938 was, and remains, a source of great national pride after the unfettered foreign pillaging of its resources during the years of the Porfirio Díaz regime (1877–1911).

Then, Mexico was beginning what

Christy Thornton calls its [“revolution in development,”](#) which sought “to devise new rules and institutions for managing the global economic systems.” Indeed, the World Bank was irked by this state ownership and refused to loan capital in the 1950s to the state-owned oil company, Petróleos Mexicanos (Pemex), although it did offer capital to partially state-owned power utility, the Comisión Federal de Electricidad (CFE). The “revolution in development” even saw Mexico use *foreign investment* to nationalise the electricity sector and the CFE.

Eventually, the neoliberal turn set in, and Mexico’s foreign debt would supply ammunition to its spate of liberalisations under the PRI. Thornton reflects that the “revolution in development” had inadvertently been “used to dismantle the country’s state-led developmental project.” But the energy sector remained largely off the table, and capital would have to bide its time until the PRI returned to power in 2012 under Nieto. This return saw it continue on a path of liberalisation, now explicitly targeting the energy sector through the Energy Transition Law of 2013. Pemex was cleared to do business with private companies on exploration, which came with various modalities of privatising reserves that were discovered. But it was the spate of reforms privatising the power sector that drove the mass confrontation today.

To liberalisation and back again

The opening salvo in the war for Mexico's power sector came in 1992 under former president Carlos Salinas de Gortari. That was when gas companies were afforded power-purchase agreements (PPAs), locking the government into purchasing their power at agreed-upon prices for decades. Two decades later, former Comisión Federal de Electricidad (CFE) officials are in court over awarding contracts to a US gas company "[which had no previous experience in the energy industry.](#)" Despite their lawyer's connection to the Salinas family, these contracts were under Nieto, whom Sean Sweeney of Trade Unions for Energy Democracy calls the "[poster child for 'the standard model' ... power sector privatisation.](#)"

Nieto's *reforma energética* (energy reform), as is standard, empowered the market over the public sector. Private companies were allowed to produce and sell power for the first time, while Pemex

and distribution division. But they could also simply bypass the CFE by forming direct contracts with qualified private end users. In Mexico, these PPAs and other contracts were awarded via auction. The first round saw 18 proposals accepted from 11 companies (three from three Mexican companies), while the second round saw 36 proposals accepted from 23 companies spanning 11 countries.

These private generators could count on significant support from the state. Fixed transmission charges were scrapped, and the extensive transmission infrastructure required to connect renewable energy projects was also covered by the public. Companies were also afforded depreciation-based tax breaks. This was justified on the basis of climate commitments, since solar and wind projects dominated the auctions.

As is so often the case, Mexico adopted the "privatise to decarbonise" mantra. It was therefore able to [further justify these projects](#) as they [expropriated the lands](#) of local communities and deepened their inequality. But such matters

power from private generators that answer to nothing but their bottom line. While the national electricity demand never exceeded 47 gigawatt-hours (GWh), Nieto's auctions had granted enough projects to take the supply to 84 GWh.

Another reality of renewable energy that is consistently ignored is the impact of its intermittency. The existing Mexican grid could not handle the surges and drops in supply that accompany changes in the weather, and private generators refused to support the upgrades necessary to ameliorate them.

In a [landmark memorandum](#) to energy officials, Amló described the CFE as "almost in ruins: indebted, with its productive capacities reduced [and] subject to regulation that privileges individuals in the implementation of the energy reform. The deep-rooted vices of inefficiency, corruption and waste were preserved." He further laid out his own plan: "to implement the new policy to rescue Pemex and CFE it may be necessary to propose a new energy reform, we do not rule out that possibility; that is to say, the option



Amló's energy reforms are geared toward reasserting energy sovereignty over an (increasingly foreign) private sector that owns most of Mexico's renewable energy.

and CFE were demoted from state-owned enterprises to "productive state enterprises" with corporate structures. The CFE was to be "unbundled" and mandated to ensure "value creation" by "ensuring the country's energy security."

Unbundling is a preliminary step towards liberalising a power sector. Traditional power utilities' generation, transmission, and distribution divisions are "unbundled" into separate companies. In the case of CFE, its generation was further separated into six entities to compete alongside private generators. These generators [were granted PPAs for as long as 20 years](#) with CFE's transmission

are apparently not worth considering. Amló's battle with private generators is simply reversing "[positive trends in Mexico's energy industry](#)" in favour of its "[dangerous addiction to fossil fuels.](#)"

Amló has been portrayed as anti-climate and pro-fossil fuels in his support of Pemex. He has been condemned by [Bill Gates](#) and by Mexico's [North American trade partners](#). Seemingly, all his critics have chosen to ignore the dire state of the energy sector he inherited. The Mexican government could do little when the [Texas blackouts](#) of last year came their way. Northern Mexico receives up to 80% of its

to present an initiative for constitutional reform."

In 2021, [Amló's reformed Electric Industry Act](#) (EIA) was signed into law, outraging international investors. Since its passage, Amló's energy ministry has cancelled various transmission expansion contracts. He has demanded that private generators cover these substantial costs that are perennially excluded from total production costs. The piggybacking of large businesses' "self-supply" on the grid, described as a *mercado negro* (black market), was also cancelled. Given the dire state of the CFE under Nieto, Amló's

reforms, pilloried by some as “(counter) reforms,” are better characterised by Sweeney’s description as a “wall of resistance.”

Nieto’s reforms locked the CFE into a subservient position to private generators, whose power got priority. This leaves the CFE in the position of having to back up the intermittency of these generators at a loss.

Mexico is taking back its energy sovereignty, and it has tasked CFE with the job. In doing so, it is laying the groundwork for a potential public pathway towards decarbonisation. Irrespective of its much trumped low cost, renewable energy is still not [profitable enough](#). The market-led transition [is](#) failing us.

We need [public investment](#) divorced

just like the CFE was, although the process is not entirely complete. The South African government’s renewable energy plans are almost entirely reliant on private capital, through auctions producing long-term PPAs. The priority of the power supply from Eskom’s generation division will almost certainly be downgraded by its future “[Independent Transmission System and Market Operator](#)” in favour of clean private generators, but it will have to keep its plants running to fulfil its ultimate purpose to back up the grid.

That Eskom intends to dramatically increase its [gas-power capacity](#) seemingly confirms this. The case of the CFE under Nieto demonstrates that this arrangement will not be economically feasible without significant tariff hikes and continued bailouts. But [the plan has always been](#) for Eskom to be sidelined. Like with the CFE and Pemex, Eskom has also been steadily corporatised, its procurement and provision of services outsourced. Cheap renewables and climate change have made the final blow of unbundling appealing beyond capital. But these play second fiddle to perceptions that Eskom is beyond saving. With South Africans

[constantly in the dark](#), such perceptions are hardly unwarranted.

This is where the Mexican and South African situations diverge. There is no Amló, no Morena, in South Africa.

I have [argued elsewhere](#) that given the choice between capital and the [vanguard of state capture](#), the former is preferred. But it should not be accepted. To reject this binary, the Left needs to go beyond putting credible options on the table ([many already have](#)) to building a political entity capable of delivering it — and taking back the defence of Eskom from those who would continue to loot it.

Morena has centred its politics and much of its policies on tackling corruption — this is an absolute necessity for any prospective South African formation. Of course, Amló did not magically appear in 2018; he had received over 30% of the votes in the previous two elections. But making the South African public pathway credible does not necessarily require taking the reins of government. Amló and Morena have demonstrated an alternative, and the South African Left would do well to look to Mexico for some answers.

Bruce Baigrie is a PhD Candidate at Syracuse University and a climate justice researcher at the Alternative Information and Development Centre in Cape Town.



Instead of leaving the CFE to continue to waste away, Amló’s law guarantees its central position in supplying the nation’s power. And contrary to critiques of fossil addiction, it is the CFE’s emission-free hydroelectric plants that get first priority, and whose underutilisation had previously caused floods.

Last year, the CFE reported that its dealings with private producers had cost some \$20 billion through subsidies, exchange rate and inflation risks, irregular supply of power, and rising rates. Instead of leaving the CFE to continue to waste away, Amló’s law guarantees its central position in supplying the nation’s power. And contrary to critiques of fossil addiction, it is the CFE’s emission-free hydroelectric plants that get first priority, and whose underutilisation had previously caused [floods](#).

But the private sector has fought back and taken the government to court. After various losses in local courts, the EIA [survived the country’s supreme court](#), despite a majority of justices voting against key sections such as the prioritisation of CFE. Amló has also attempted to write the law into the constitution through congress. He held a referendum on his presidency in the buildup, and while he won with 93% of the vote, only 18% of eligible voters turned up. It all made little difference during the vote on constitutionalising the reforms to the EIA, where ALMO’s bid [fell well short](#) of the two-thirds majority required in the lower house. Seemingly undeterred, Amló simply [nationalised Mexico’s lithium reserves](#) (a critical mineral for clean energy) with a simple majority two days later.

from the necessity of profitability. We need what Matt Huber and Fred Stafford call “[big public power](#).” Amló is fighting for big public power, but it is not clear whether decarbonisation is a pillar of his agenda. He did [recently assert](#) that “Mexico is going to show how it is one of the biggest producers of clean energy.” But he did so in the face of a report by his own energy ministry that they are falling short of their targets as private renewables are curtailed. This has been enough for green and climate organisations such as Greenpeace [to sue](#) the government over the EIA. It is a far too common occurrence that, in its desperation for decarbonisation, the climate movement lines up behind renewable capital against relatively fossilised public utilities.

Lessons for South Africa

The similarity between the Mexican and South African situations is uncanny. Mexico can be viewed as perhaps a few years ahead of where South Africa is now. South Africa is set to embark upon its own self-supply “[Wild West](#)” pathway which will no doubt bring about the same problems as it did in Mexico.

The combination of the land requirements of renewables, the [track](#) records of private generators, and South Africa’s land question creates a ticking time bomb. Eskom has been unbundled,

SOLVE LOADSHEDDING WITH PUBLIC INVESTMENT

By Dominic Brown, Jaco Oelofsen and Sean Sweeney

This article is adapted from [a statement on Ramaphosa's speech](#), arising out of a meeting held on the 27th July 2022.

The meeting's participants included representatives from AIDC, Amcu, Assembly of the Unemployed, Giwusa, Naledi, Nehawu, Num, Nupsaw, Rural Women's Assembly, SAGRC, Saftu, Satawu and Tued.

IT IS UNDENIABLE LOAD SHEDDING IS a national crisis that requires decisive action. The recent stage 6 load shedding has put severe strain on the economy and further immiserated a country already experiencing a cost-of-living crisis. And it has finally stirred the state to commit to drastic action.

We agree with President Ramaphosa when he said in his [Address to the nation on energy crisis](#) that government must take bold measures to address loadshedding as expeditiously and efficiently as possible. However, the proposals aimed at addressing loadshedding that have been put forward by government and the private sector are unrealistic and likely to make the situation worse.

These proposals reflect the interests of the Independent Power Producers (IPPs) and their desire to secure subsidies. They also reflect the privatisation designs of the neoliberal institutions, primarily the World Bank, the IMF, and the European Commission. The subsidies give them guaranteed returns on investments and enable them to grow their businesses at the expense of Eskom.

The proposals are likely to result in an increase in the price of electricity. This will cause inflation in general goods

Equally important, the proposals will impede South Africa's transition to a low carbon energy system and expose the country to a state of energy dependency. South Africa has no wind industry and its solar industry is negligible. There is currently no means to produce lithium-ion batteries. We will further surrender energy decision making to multinational companies that do produce these technologies.

The solution to load shedding and the achievement of a just energy transition in the coming decades depends on a well-resourced national public utility.

Repair and maintain existing fleet

According to Eskom, 17,022MW of capacity is currently unavailable due to breakdowns. Clearly, repairing and maintaining the existing fleet of power stations should be the main strategy.

In his statement, the president pledged to support Eskom in improving its efficiency, in expanding its maintenance budget, and in hiring people with the necessary skills to do the job. The need for these measures was clear that same day when electrical faults tripped five

does not depend on decisions of private investors.

Eskom is currently a corporatised and commercialised entity, expected to operate on commercial logic despite being ostensibly state-owned. As long as this is the case, it will continue to run up against contradictions. Eskom is expected to facilitate the introduction of its own competition through investment in battery storage and transmission grid upgrade. These will allow for more for-profit renewables.

But it is also expected to make a profit through electricity sales, and at a



According to Eskom, 17,022MW of capacity is currently unavailable due to breakdowns.

generating units at Kriel Power Station, removing 2,000MW from the system. The underperformance of Medupi and Kusile should also be addressed as a top priority. However, the statement by the president does not give details on how the problems confronting these power stations will be rectified.

We support this "fix Eskom" approach in the short term. This should constitute the first step in re-establishing Eskom as a world class public utility, fully resourced, transparent and accountable to democratic institutions. A transformed Eskom can lead a transition to a low carbon energy future, one that is socially just and

time when its "market base" is rapidly shrinking due to the intractable crisis of mass unemployment, coupled with double-digit inflation in most basic commodities. The recent riots in Tembisa over the cost of electricity show that ordinary South Africans have gone beyond the limit of what they are prepared or able to pay.

The public has reacted with outrage over Eskom's recent proposal for a price increase of almost 33%. Unfortunately, this is the only rational option open to a corporatised Eskom operating on full-cost recovery. There is no doubt that this will lead to a further decrease in the demand

for electricity. Because of this, Eskom's will receive far less than 33% in additional revenue. This will prompt it to raise its prices again, further lowering demand. This is a cycle known as the "death spiral". It has been seen in countries the world over. Government's interventions will accelerate the death spiral.

For the next two decades or even longer, Eskom's coal-fired generation will need to co-exist with power generated from non-coal sources. No one seriously challenges that. At what point does Eskom's "death spiral" hit bottom?

Under the current policy, there is no bottom. If the procurement process

as possible with new generation capacity, mostly through the REI4P.

We see three major problems with this approach:

First, it is not clear how much new capacity is needed in order to address loadshedding. We accept that the transition to a low carbon energy system will require new capacity and that this capacity will be installed during the course of the next 2 or 3 decades. But the need for new capacity in the short term is unclear.

Second, installing (perhaps unneeded) capacity by way of the REI4P will incur costs for Eskom. Power purchase agreements (PPAs) lock in a price for 20

The recent report [Resolving the Power Crisis](#) by Meridian Economics is suggesting a 30% increase on the winning bid levels of the last round of contracting in Bid Window 5 (BW5). Even if fully funded and on schedule, these projects will not begin generating power until mid-2024 at the earliest. Proposals to beef up the capacity through procurement under Bid Window 6 (BW6) will not deliver power until 2026.

Direct Public Procurement the way to go

We propose an indefinite moratorium on BW6. We say no to any across-the-board increases to the IPPs to account for any additional costs they claim to have incurred since BW5. Expanding the REI4P will not address load shedding in a timely fashion.

There is every reason to bring the REI4P program to an end. Globally, the growth in wind and solar power has been almost entirely dependent on public subsidies. In South Africa's case, the subsidies take the form of PPAs with the IPPs, as well as a legal obligation for Eskom to purchase IPP-generated wind and solar power even when the power is not needed. The "system costs" such as transmission upgrades and extensions are shouldered by Eskom; they will be "passed through" to consumers.

Business is fond of referring to the many billions of rands of investment that the REI4P has brought into South Africa. But the PPA model has had the same impact on investors as a honey pot has on bees. PPAs guarantee returns on investment to private companies and developers.

So in through the front door comes investment in building new capacity. But this is overshadowed by what goes out the back door – higher electricity costs for 15 years or longer. And on top of that, a good portion of IPPs' revenues leave South Africa as profits to private investors overseas.

Additional capacity should be procured directly on the basis of a cost-plus procurement model. That is a model in which a supplier is paid for expenses and given a fixed amount for profit. This should be the model for the short-term, to address loadshedding. It should also be the model for the longer term, to install low carbon capacity to gradually and efficiently replace the aging coal fleet. Eskom can purchase and deploy technologies as needed.

Under this simple model, Eskom



A transformed Eskom can lead a transition to a low carbon energy future, one that is socially just and does not depend on decisions of private investors.

known as Renewable Independent Power Producer Programme (REI4P) is expanded as planned, by 2030 Eskom's market share and revenues will have shrunk further. This will make it even less economically viable. But it will still be expected to produce more than 60% of the country's electricity, while being subject to the same funding and operational requirements as a private for-profit company.

This is a dead-end route that will lead to continued need for bailouts for Eskom and vastly worsened energy poverty for the majority.

Install needed capacity

The president said that fixing Eskom's fleet will still leave an "energy gap" of several GWs that must be filled as soon

years. And transmission upgrades and increased battery storage capacity are needed to be able to handle the variable generation of renewables. This will give further impetus to the "death spiral".

Fixing Eskom in the short term in order to undermine it over the medium term makes no sense, especially when (according to the government's own Integrated Resource Plan) Eskom will still be providing the majority of the country's power for the next 20 years.

Third, if new wind and solar capacity is needed to address loadshedding, then the REI4P program has proven to be both a cumbersome and expensive means of adding capacity. The IPPs are struggling to get their projects funded because of the rising costs of components and transport.

will have no need to purchase electricity at above market prices from IPPs. The private suppliers of the technologies are likely to be based in China, Europe or the US. They can mark up the price based on a reasonable return. The advantage of this approach is that key components or whole ready-to-operate systems will be owned by Eskom and will thus become public property.

Towards a global alternative to Green Structural Adjustment

In his July 25th statement, the president said the government will “use climate funding provided through the Just Energy Transition Partnership to invest in the grid and repurpose power stations.” The partnership, it is claimed, will “mobilise an initial commitment of \$8.5 billion for the first phase of financing, through various mechanisms including grants, concessional loans and investments and risk sharing instruments, including to mobilise the private sector.”

The *Partnership* is an example of green structural adjustment. In plain sight, the *Partnership* announced at COP26 in Glasgow last November proposed “an inclusive task force comprised of South Africa and international partners”. Their job was, among other things, to “create an enabling environment through policy reform on the electricity sector, such as unbundling and improved revenue collection.”

It dangles the possibility of “concessional” financing, while endorsing the South African government’s effort to further privatise the energy system.

This type of finance is deeply problematic, on two levels. First, the

amount is tiny when measured against the levels of investment required. Second, the deal is contingent upon South Africa’s willingness to comply with a reform agenda intended to lead to the full-on privatisation of the sector.

As of now, there is no money on the table. Even Pravin Gordhan, the public enterprises minister, has expressed concerns that the finances for the deal may never materialise: “The developing world as a whole has to learn some lessons from our past 18 months of experience in access to Covid-19 vaccines. The reality is that you will get a few minor donations, but the rest of the stuff is going to cost you money.”

A direct public procurement approach is both affordable and possible. New capacity can be financed by utilising the annual surpluses of the Government Employment Pension Fund (GEPF). This must include investing in SA’s capacity to locally manufacture the infrastructure required for the development of a renewable energy industry aimed at providing electricity as a public good and decarbonising our economy.

Each year, the GEPF makes a surplus of between R40 billion and R50 billion. It can invest these surpluses in increasing Eskom’s energy capacity instead of continuing to re-invest in the Johannesburg Stock Exchange (JSE). As it stands, the financial sector in South Africa is valued at almost three-and-a-half times the size of the real economy. Investing in Eskom and the future of the country’s energy sovereignty would be a far better use of public resources.

At the global level, the government should publicly announce its support for a public goods approach to energy transition. This should be facilitated by state-to-state agreements in which, in

the short term, countries of the Global North and also China accept payment for generation technologies, storage batteries, etc in rands. This would allow South Africa to begin to advance decarbonisation with government-issued currency. If the rich countries want to see South Africa transition away from coal, they can make this happen.

Building a public pathway

Government policy has continued on the same neoliberal path for more than 20 years. The results have been load shedding, corruption, job losses, and a growing subservience to the dictates of the Global North and the institutions under its control.

We are not simply calling for a halt to the neoliberal energy agenda; we are calling for the reforms that have wrecked South Africa’s power system to be reversed. The government should note the recent assessment of Riccardo Puliti, the World Bank’s Global Director for Energy and Extractive Industries: “The 1990s model alone will not be sufficient to deliver on global energy objectives...Key environmental and social objectives did not figure into the 1990s paradigm of power sector reform.”

We wonder why the government persists with a policy that, according even to the World Bank, does not meet key social and environmental objectives, only adding to the intersecting crises facing South Africa today.

Sean Sweeney is from Trade Unions for Energy Democracy, and City University of New York (CUNY). Dominic Brown and Jaco Oelofsen work for the Alternative Information and Development Centre (AIDC).



Transmission upgrades and increased battery storage capacity are needed to be able to handle the variable generation of renewables.

ROE v WADE

and the Global South

By Phinah Kodisang

IN JUNE, THE UNITED STATES Supreme Court overturned its previous Roe v. Wade decision which declared the constitutional right to an abortion. Because of this, abortions are now regarded as illegal in certain US states, where the historic ruling was the only law that guaranteed safe abortion for many. Of course, this decision sent reverberations across the world, even before it was official. Weeks before the decision was final there was a leak of documents which revealed what was to come.

This decision by the US Supreme court places immense strain on pregnant people and their ability to access sexual reproductive healthcare. It exacerbates the gaps that already exist in the reproductive justice space. These are mostly faced by the poor and working-class, who also confront multiple, intersecting forms of oppression in their efforts to access reproductive healthcare.

Safe reproductive health intersects with many social issues, such as poverty and economic empowerment. This is especially the case for young women and girls, whose education and overall health can be negatively impacted if they don't access timely safe abortion services. And as many activists say, criminalising abortion does not stop abortions; it just makes them unsafe. Those who are against safe legal abortion are against the right to health and human rights for all.

But what does that have to do with us, in South Africa?

There is a popular phrase that says, "When the US sneezes, the world catches a cold". This was the fundamental concern for many of us in feminist and sexual reproductive spaces. When a powerful country such as the US makes such regressive decisions, they not only impact women in the US. They also change and impact the lives of women all over the world. These kinds of decisions deny women their freedom and the right to choose what must happen to their bodies and how. It is a demonstration of how power dynamics play themselves out: a few are given the power to make decisions that



South Africa and other countries are still recovering from the impact of Donald Trump's iteration of the Global Gag Rule. The experiences from the Gag rule raised anxieties about the potential impact of the overturning of Roe v Wade, beyond the legal possibilities.

impact the majority who, in this instance, are mostly poor, and often Black women and other women of colour.

These concerns are not unwarranted; South Africa has experienced this first hand in the past. In 2017, then-US President Donald Trump reintroduced the Global Gag Rule. This is a policy that prohibits US government aid from funding non-US organisations that perform or advocate for abortions. This includes advocating for access to abortion and for its decriminalisation. This policy blocks funds regardless of whether US funding is used for referrals to abortion service providers.

An unprecedented decision of the Trump administration to expand the Global Gag Rule to money allocated for the US President's Emergency Plan for AIDS Relief (PEPFAR) was devastating across the world. This funding block included South African non-governmental organisations (NGOs) that relied on the funds to offer health services beyond abortion, such as contraception and pregnancy care.

PEPFAR is a crucial partner of the South African government and also partners with "[more than 100 South](#)

[African organisations](#) working in more than 1,500 facilities". In 2021, PEPFAR committed close to R8 billion for activities through these partners. Similar partnerships can be seen across the globe, especially in Global South countries such as ours. And it is through this perspective that activists and NGOs, me included, received the news about the overturning of Roe V. Wade.

South Africa and other countries are still recovering from the impact of Donald Trump's iteration of the Global Gag Rule. The experiences from the Gag rule raised anxieties about the potential impact of the overturning of Roe V Wade, beyond the legal possibilities. South African legal experts have indicated there will be [no direct ramifications for the legal access to abortion](#). We have the Choice of Termination of Pregnancy Act to thank for that. Our abortion law is considered one of the most progressive in the world. It states that any person above the age of 12 years has the right to an abortion during the first 12 weeks of pregnancy. This can be performed by a midwife, a trained registered nurse, a general practitioner or a gynaecologist.

Will anti-abortionists be emboldened?

But it is the socio-political implications of Roe v Wade that are a cause for concern. It is likely to embolden anti-abortion groups in South Africa and across the continent. In most countries, abortion is criminalised except under circumstances such as pregnancy as a result of incest or risk to the pregnant person's life.

There is a prevailing anti-abortion sentiment in this country, with many South Africans holding the general view that abortion is wrong. The African Christian Democratic Party has regularly opposed the Act in parliament, even before it was passed into law in 1996. When this failed, they have tried to find ways to limit access to abortion by seeking amendments to the law, which would require any [patient getting an abortion to undergo an ultrasound scan](#). This would limit access to major health facilities. It is a manipulation tactic popularised by US anti-abortion groups.

Additionally, the [rise of crisis pregnancy centres in South Africa](#) – yet another US anti-abortion tactic – creates a barrier to abortions. They masquerade as safe spaces for people who have an unintended pregnancy. In fact, they offer counselling based on pseudo-scientific information, with the intention of dissuading the pregnant person from abortion.

Challenges in SA

Despite the progressive nature of our abortion law, access remains a crucial challenge for many South Africans.

This results in inconsistent provision of abortion services across the country, especially in rural areas. Additionally, shortages of trained abortion providers, lack of abortion services in all primary healthcare facilities, and limited youth-friendly and stigma-free services are a hindrance.

This is an indication of a lack of political will to uphold and fully implement our abortion laws. Together with the Supreme Court ruling in the US, this will give anti-abortionists in the public health sector more reason to continue the denial of those who seek these services.

Even healthcare professionals are often anti-abortion. They deny patients access to abortion services through excising their right to refuse to perform the procedure on moral or religious grounds. This is called conscientious objection. But studies have shown that this clause is abused. It results in health workers simply refusing to perform abortions without referring patients to where they can get the service. A [2014 study](#), published in a journal called *Reproductive Health*, states that “the right to refuse to provide abortion services applies only to the actual abortion procedure”.

In an already hostile environment, overturning Roe v Wade could give anti-abortion health workers the courage or confidence to deny abortions to pregnant people.

The [Soul City Institute](#) has raised the increasing rates of teenage pregnancy as a structural failure to safeguard girls. This also speaks to issues of access to comprehensive sexuality education, statutory rape, lack of access

to contraceptives and ultimately lack of access to abortion. These issues are intertwined and, as an intersectional feminist organisation, we advocate for the provision of safe reproductive services in a stigma free, non-judgmental and youth-friendly environment.

While Roe v Wade does not directly impact South Africa, we must take it as a wakeup call to safeguard our rights. We must fight more than ever for the full implementation of our own regional and international policies, such as the *Maputo Protocol*, the *SADC Protocol on Gender and Development* and the *Beijing Plus Twenty and Africa Agenda 2063*.

As feminists and feminist organisations and activists, we have the responsibility to hold our governments accountable for these policies that they have signed onto, and to see their implementation. More importantly, we must make sure that the *Choice of Termination of Pregnancy Act* in South Africa stays intact and we see access to abortion even in the most remote of villages and in all health facilities.

Lastly, we stand in solidarity with people, organisations and activists in the US as the devastating blow of Roe v Wade has already started. And we also acknowledge and celebrate that there are moves in the opposite direction in the Global South, for example the decriminalisation of abortion recently in Sierra Leone.

Phinah Kodisang is the CEO of the Soul City Institute, an intersectional feminist organisation.



It is the socio-political implications of Roe v Wade that are a cause for concern. It is likely to embolden anti-abortion groups in South Africa and across the continent.

MARIKANA

10 YEARS ON

On August 16, 2012, the armed forces of the South African state, with the support of Lonmin, attacked defenceless mineworkers. The 'offence' that these workers committed was to have a dispute with Lonmin over wages.

This is a day on which we remember our fallen comrades. They died so that others could live. With their commitment and their calm determination they stood against the might of capital and the state. They are casualties of a class war over the surplus generated by our labour.

-Joseph Mathunjwa



BLACK WORKERS ARE EXPLOITED.

We work like slaves. Even our fathers were rock drillers. Either they die or go back home still as rock drillers. Poverty forces you to forget your ambition, leave school and work as a rock driller at the same mine, where your boss will be the son of your father's boss.

THE CONDITIONS IN THE MINES ARE THOSE OF OPPRESSION, YOU FIND YOURSELF PRESSURED TO REACH THE SET TARGET.

If you haven't reached that set target for the day, then you can't knock off and go home. According to the law we are supposed to work 8 hours, but we don't work for 8 hours. We work for 12 hours and even 13 hours...





IT'S BETTER TO STAY AT THE MOUNTAIN, BECAUSE EVEN THE STADIUM BELONGS TO LONMIN. We decided to gather at the mountain because it's communal land. It belongs to everybody (Photo [Greg Marinovich](#)).

We did not fight we just sang.

And when we had gone for about 10 metres from the police, the police started shooting at us



Can a snake be both pet and carrier of deadly poison?

THE GOOD THE BAD AND THE UGLY IN NUMSA

By Karl Cloete

THE NUMSA PRESIDENT CALLED his fellow comrades snakes and enemies for daring to demand adherence to the Union's constitution and accountability for the union's investment arm, the Numsa Investment Company (NIC). This can lead us to no other conclusion than that this is a call for the elimination or surgical removal of his fellow Comrades. It also suggests that it is the end of the road for internal democracy and vibrant, robust and frank debates in a union that prides itself on democratic worker control.

Tolerance and appreciation of sharp differences and perspectives came to define the culture and tradition in Numsa. Its unravelling is summed up in a recent resignation letter of a Numsa comrade;

I have loyally served the union through the 18 years I have worked for Numsa – from 1988 to 1995 and again from 2011 to the present. For much of that time, Numsa has stood out as a beacon of worker control and working class democracy. But I have looked on over the last months with increasing dismay as Numsa's leadership appears to have abandoned the crucial principles of working class unity and democracy in favour of increasingly isolated sectarianism. For me, democracy is not an added extra that can be suspended where it is expedient to do so. It is integral to the socialist project, woven into its fabric. If the revolution is not a democratic one, it will not be socialist and it will not lead us to communism. Every time a leadership substitutes itself for the masses, it betrays the revolution. Regrettably, that is what is now happening.

These sentiments in the letter of resignation are symptomatic of what is going on in Numsa now. And this takes place at a time when the union should be celebrating its 35-year history as the biggest trade union on the African Continent, a union which has contributed



The NUMSA autocrats. Democracy is not an added extra that can be suspended where it is expedient to do so. It is integral to the socialist project, woven into its fabric. If the revolution is not a democratic one, it will not be socialist and it will not lead us to communism.

to radical Left politics in South Africa and militancy in the manufacturing industry.

Internal democracy until the wheels came off

When Numsa went to its 8th National Congress in Sedibeng in 2008, there was no dispute about credentials. The only thing Regions insisted on was that the ballots do not sleep over at the municipal offices, as proposed by the then Secretariat, but that voting and results be done on the same day. That Congress ended without any drama.

With the 9th National Congress held in 2012 in KwaZulu-Natal, there was no credentials dispute and that Congress ended without any drama.

With the 10th National Congress held in 2016 in Western Cape, there was no credentials dispute and that Congress ended without drama because everything was done in accordance with the union's constitution.

Why then did the 11th National Congress become such a disaster, given the near smooth running of previous National Congresses? The answer is short and simple:

- The lifestyle and monetary spoils sponsored by the CEO of the NIC will disappear if the election is not manipulated in favour of the dominant faction in Numsa.
- Investigations into malfeasance and corruption will expose what

the NIC CEO has been doing, with the knowledge of those who were beneficiaries of all ill-gotten gains.

- The bankrupt political and ideological fog of the dominant faction would cease with no prospects of a political come back in South Africa.

Build-up to 11th Congress

The run up to elective meetings in Numsa which was meant to culminate in the Numsa 11th National Congress was a treacherous one.

There is no doubt in my mind that every single Numsa leader or official must take collective responsibility for the turmoil in Numsa and the current state of affairs. The Labour Court interdicted the Numsa 11th National Congress on the basis that the National Office Bearers, Central Committee and National Executive Committee became constitutional delinquents. They were responsible for unconstitutional decisions which saw:

- 53 shopstewards, elected officials and office bearers suspended or purged simply because these comrades demanded a forensic investigation into the goings on in NIC and accountability of the union's investment arm
- Members not in good standing allowed to attend and vote in elective Numsa Local Shopstewards Councils and Elective Regional Congresses.

Numsa's constitution directs that a member in good standing is a worker who pays a subscription fee equal to 1% of the wages. Some members, unconstitutionally, have elected unilaterally to pay a flat rate, less than the 1%. Any member who pays a flat rate is not constitutionally entitled to participate or vote in meetings of constitutional structures

- The refusal to allow Local Shop Steward Councils (LSSCs) to elect their own delegates to the National Congress. The Numsa Constitution provides that, "For a National Congress, each Local may elect one shop steward per 300 members, as a delegate for their region at the Congress." The power to elect National Congress delegates lies with no one else but the LSSC. The Labour Court came to the same conclusion and thus interdicted the Congress
- The unconstitutional decision to place the Mpumalanga Numsa region under administration and ban them from sending delegates to the Congress. This was simply because the majority in the Region had a different

- A failure to convene a Credentials Committee which is a constitutional prerequisite for the accreditation of National Congress delegates prior to the National Congress. Numsa has a very efficient membership system that can produce a report on who pays 1% subscription fees, who pays a flat rate and who does not pay at all due to the absence of organisational rights in the workplace. To hurriedly convene a Credentials Committee during the National Congress because the Labour Court found Numsa wanting is not just disingenuous but deceitful because it is practically impossible to accredit delegates within a few hours.

It is mind boggling and incomprehensible to understand why certain shopstewards were barred from participation in the Numsa 11th National Congress. To quote one worker leader, it is clear that a devious plan was at play. Sikumbuzo Nkebe says the following in a Facebook posting;

I am the Chairperson of Gqeberha Local. I was elected to be a delegate to the National Congress by the LSSC (Local

unsuspended all of us but I was still not invited to the national congress. So why do you think I must not support President Ruth Ntlokotse for justice and defending the constitution?

This account points to a sinister plot to secure an "uncontested and unanimous election of the national office bearers." It further makes sense now that the primary reason for continuing with an interdicted national congress was to come away from Cape Town with a new leadership, irrespective of non-compliance with the rule of law and adherence to the Numsa constitution. But why?

Business unionism responsible for much of the decay:

In September 2008 the Numsa NEC responded to allegations of corruption and fraud in the NIC, then under the stewardship of Mr Tony Kgobe by:

- Instituting a forensic investigation which was done by ENS Attorneys
- Suspending the NIC CEO
- Bringing disciplinary charges against the NIC CEO
- Dismissing the NIC CEO after a guilty verdict by Advocate Cassim SC.

It is strange that the Numsa General Secretary and National Office Bearers do not have the same vigour as in 2008 to launch a forensic investigation into claims of impropriety and alleged wrongdoing by the current NIC CEO, Mr Khandani Msibi. Another sore point and probable reason for suspension of Comrades was the demand that the NIC pay back the loan which Numsa made to them. It now stands at R136 million of workers' subscription money and NIC is refusing to pay it back. Yet, at the same time they said they cannot afford to pay back the loan, four NIC executives got paid out a preference share of R95 million.

A fuller study of the disastrous role played by union investment companies has become urgent if internal democracy and worker control are to be restored.

Karl Cloete joined Numsa as a member on 7th August 1987 and is the former Numsa Deputy General Secretary.



Advocate Sinclair Nhlapo briefing Numsa second deputy president Ruth Ntlokotse and Saftu general secretary Zwelinzima Vavi. The Labour Court interdicted the Numsa 11th National Congress on the basis that the National Office Bearers, Central Committee and National Executive Committee became constitutional delinquents.

leadership preference. This intrusion resulted in the collapse of two elective Regional Congress in Mpumalanga.

- Interference and obstruction in the Numsa Ekurhuleni Special RECs which prepared for the Ekurhuleni elective Regional Congress. This resulted in intimidation and violence visited on democratically elected shopstewards who are believed to have had a different leadership preference.

Shop Stewards Council). A task force was sent by the Central Committee to rerun the election of delegates to the national congress. I was again elected before the national congress. Before the national congress I was told that I must not attend the national congress through a letter to my region. Before the national congress the courts

WHY NUMSA HAS DEGENERATED

By Roger Etkind

This article has been jointly published with [Daily Maverick](#).

COMRADES FROM AMONGST THOSE unlawfully suspended by Numsa have been asked many times over the last couple of weeks one question. Why is this happening? Why has a union which was once such a shining example of democratic participation degenerated into mass suspensions, vicious personal attacks, eviction of journalists from the congress premises – all the symptoms of a paranoid dictatorship? What has driven this unwelcome transformation? When we see the President of Numsa speaking to the press about those who disagree with him in the union as enemies and snakes that must be crushed, we know something is deeply wrong.

And too often we have answered – it's because of a lack of democracy; it's because of a lack of accountability. But this is to mistake a symptom for a cause. What happened to the accountability of the leadership to the ordinary members? Why did it wither and die? Did it get forgotten? Was Numsa simply unfortunate to fall into the hands of naturally autocratic people? Was it to do with a generational change of leadership? Did the old democratic leadership fail to pass on the organisational culture to the next generation?

We have to ask, and answer, this question. If we fail to understand what has been happening, we will fall into the same trap time and time again.

There is an answer to this question and it's not very complicated. After all, it is a problem that has beset just about every trade union movement in every country. The answer lies in the separation of the leadership of the trade union in crucial ways from its membership.

Not about individuals

First we must be clear about what we mean by the leadership. The popular media (and social media) loves a good personal battle. It makes for a good story. People will read it. In the red corner Irvin Jim; in the blue corner Zwelinzima Vavi; “seconds out.”

There is bad blood between them, they will say. There isn't room for two bulls in the kraal – too much testosterone. If they're lucky, they will find some sex in the story as well. Then it can run for weeks or months.



When we see the President of Numsa speaking to the press about those who disagree with him in the union as enemies and snakes that must be crushed, we know something is deeply wrong.

But this is not an explanation. And it doesn't fit the facts. Because the facts in Numsa are the same as the facts in every bureaucratised trade union. There is no individual monster. Rather, there is a whole layer of leadership who have become isolated from their base. Irvin Jim is absolutely correct to rail against those who demonise him as an individual. He points out very properly that he has been supported by a majority of the Central Committee. He has to take that majority with him. Without it, he is relatively powerless.

Separation of leadership

So now we are talking not about individuals but about a layer of leadership. In Numsa's Central Committee, there are four worker delegates and one elected Regional Official for each of the 9 Regions. That's the top five, in effect, from each Region. Why have the majority of these worker leaders, shop stewards from the factories, supported this degeneration?

Clearly this is not in the interests of their members. So what is it that separates

them from those members? What makes them different?

Under capitalism, people are generally driven by material interests. What holds a trade union together, the glue that binds it, is common material interests. We bargain our wages and working conditions together because we share them.

For the leadership to fail to defend the interests of the broad mass of its members, some competing interest must have got in the way. And as soon as we start looking for competing interests, of course, they are easily found.

Partly they come very simply from the benefits of office. A union regional leadership has benefits simply from being in the leadership. They get regular trips to national meetings. Get to stay in nice hotels or conference centres, eat good food, drink together. A Numsa Regional Chairperson gets a car from the union; the Regional Treasurer gets a laptop so she or he can keep track of the electronic transactions that have replaced cheques. Of course, Numsa National Office Bearers

who don't come from Gauteng get a union house in the JoBurg area. A nice house in a middle class complex or equivalent. And a bodyguard to carry the bag and go to fetch something that got left behind.

But let's go further down the chain of seniority for a moment. Most sizeable Numsa companies have full-time shop stewards. They enjoy completely different conditions of life from shopfloor workers. They work in an office. Many will have (or have access to) a laptop. Probably the full-time shop stewards together

has a benefit, they want to hold onto it. Sometimes at all costs.

So that is the broad scenario in Numsa in the 2000s. Some personal benefit accrued from being in the union leadership.

A trade union does not necessarily become completely corrupt from this. It tends to become conservative – this layer of leadership has an interest in the preservation of the institution of the union because they personally benefit from it. So they take fewer risks. Numsa is understandably reluctant to sanction

as NIC is concerned, Numsa members are either actual or potential customers. The CEO explained that very clearly when he said that there was a good commercial reason for paying R40,000 for Irvin Jim's birthday party – it bought his company access to 300,000 members.

So the Numsa CEO regards Numsa's Regional Secretaries and other Office Bearers as key figures in his business model. They are in effect his actual or potential regional sales managers. He meets with them completely independently

of the union's structures.

After all, their job for him is different. It's not representing the interests of members (their day job for Numsa). It's representing the interests of the company by delivering members as customers.

In a sense, the architects of the NIC may have seen this danger, and they tried to forestall it. Instead of Numsa owning the shares in the NIC direct, they set up a trust to own the shares. The trustees were, and always have been, senior Numsa leaders. The idea was precisely that the NIC would not give benefits directly to members or structures of the union. It would deliver dividends to the Trust. It would be the Trust that would distribute the benefits to individuals and structures, not the NIC itself. That would have

helped protect the union from patronage developing between the NIC and Numsa.

But for most of its life the Trust didn't function. It was simply a proxy for the NIC itself. The NIC CEO dominated it as he dominates the company. The Trust's registered offices were NIC offices. Its secretary was the NIC company secretary. It existed in name only.

In the last couple of years, slowly, there have been attempts to make the Trust functional. And of course this represents a threat to the cosy relationship with Numsa leadership. All that cycle of benefits, the whole business model of NIC, is threatened. If they have to pay dividends to the Trust instead of benefits straight to the members, a lot of people are going to lose the perks they have become used to. And NIC will lose its influence in Numsa.

So when the E.Cape and W.Cape regions started asking probing questions about the NIC and the Trust, when they tried to get the NIC to account properly to the Trust, the NIC could see its business model crumbling before its eyes. It had to take action.



All those who demanded accountability were unlawfully suspended. A huge effort was mobilised by the leadership that was benefiting from all these perks to make sure that they were re-elected (Cartoon by [Brandon Reynolds](#), *Sunday Times* 31/07/22).

will have access to the use of a car. Their lives will be relatively free of supervision and discipline, the normal regime of the shopfloor worker. From time to time they may well be taken by their management for a bosberaad of some sort – a "Relationship by Objectives" (RBO) for example. To a nice venue for a couple of days.

We saw in the case of the disputes in the platinum sector which culminated in Marikana that management in the mines took this too far. Sweeteners for the shop stewards ruptured their relationship with their membership. But in moderation they can work very well. In my first year as a shop steward in a bus company in the UK, at the first plant bargaining session, management indicated that the wages of the shop stewards would be negotiated separately, after agreement on wages for the rest of the workers. This is not a new phenomenon. It's not always as crude as my first experience. But it is always there. There are always some benefits (as well as burdens) for being a shop steward.

It seems to be a normal human response under capitalism that if a person

unprocedural industrial action, for example, because it might be financially penalised for doing so. And it has substantial assets to lose.

Add investment companies to the mix

But then add into that mix the pot of gold that is the union investment company. Now suddenly we're talking about not just a small perk here and there. We're talking about serious money. Numsa Investment company (NIC) had a turnover of at least R1 billion in 2018. It can afford to be generous. A few years ago the NIC sprayed ipads around to the Numsa leadership like they were confetti. Much to the annoyance of the Numsa Head of IT – the ipads couldn't hook into the Numsa network. Then there was a car scheme. And of course the plentiful alcohol for regional meetings. And the jazz festival tickets...and...and...and.

Then add to that the business that the NIC is in. One of its main subsidiaries, 3Sixty Life, sells insurance policies. And Numsa is a fantastic potential market of more than 300,000 policy owners. As far

And the rest, as they say, is history. All those who demanded accountability were unlawfully suspended. A huge effort was mobilised by the leadership that was benefiting from all these perks to make sure that they were re-elected. To be certain, that involved manipulating attendance at the congress so that it would vote the right way. Everything suddenly falls into place and becomes understandable. It explains what has happened over the last few years, and also what happened over the last few weeks.

The majority of the Numsa leadership – at regional as well as national level – had material interests to defend. They were prepared to go to any lengths to protect them. And that's what they have done. And they will continue to use up the resources of the union to defend their own material interests. Up to the Constitutional Court if necessary, as the President said. They will exhaust the small resources of their critics. They will out-Stalingrad Jacob Zuma if necessary.

Just an interesting twist to this story – the role played by maverick Caribbean billionaire, Roy Singham, with a plan to build his own Global South bloc of left organisations and a hefty budget to throw around. In there we can see why the Numsa leadership is so intent on fighting

for the SRWP to be adopted by SAFTU. As [amaBhungane have begun to reveal](#), SRWP is a piece of a heavily funded network that included New Frame, and still includes the Socialist Party of Zambia, the Socialist Movement of Ghana, the MST in Brazil and others. The funding creates another nexus of material interests. Why else would Numsa leadership be willing to risk destroying Saftu for the sake of SRWP?

How do we stop it?

So then comes the question – how is it possible to prevent this from happening to a trade union in the future. And the answer is that we must look for every example of preferential treatment that leadership has and we must root it out and destroy it:

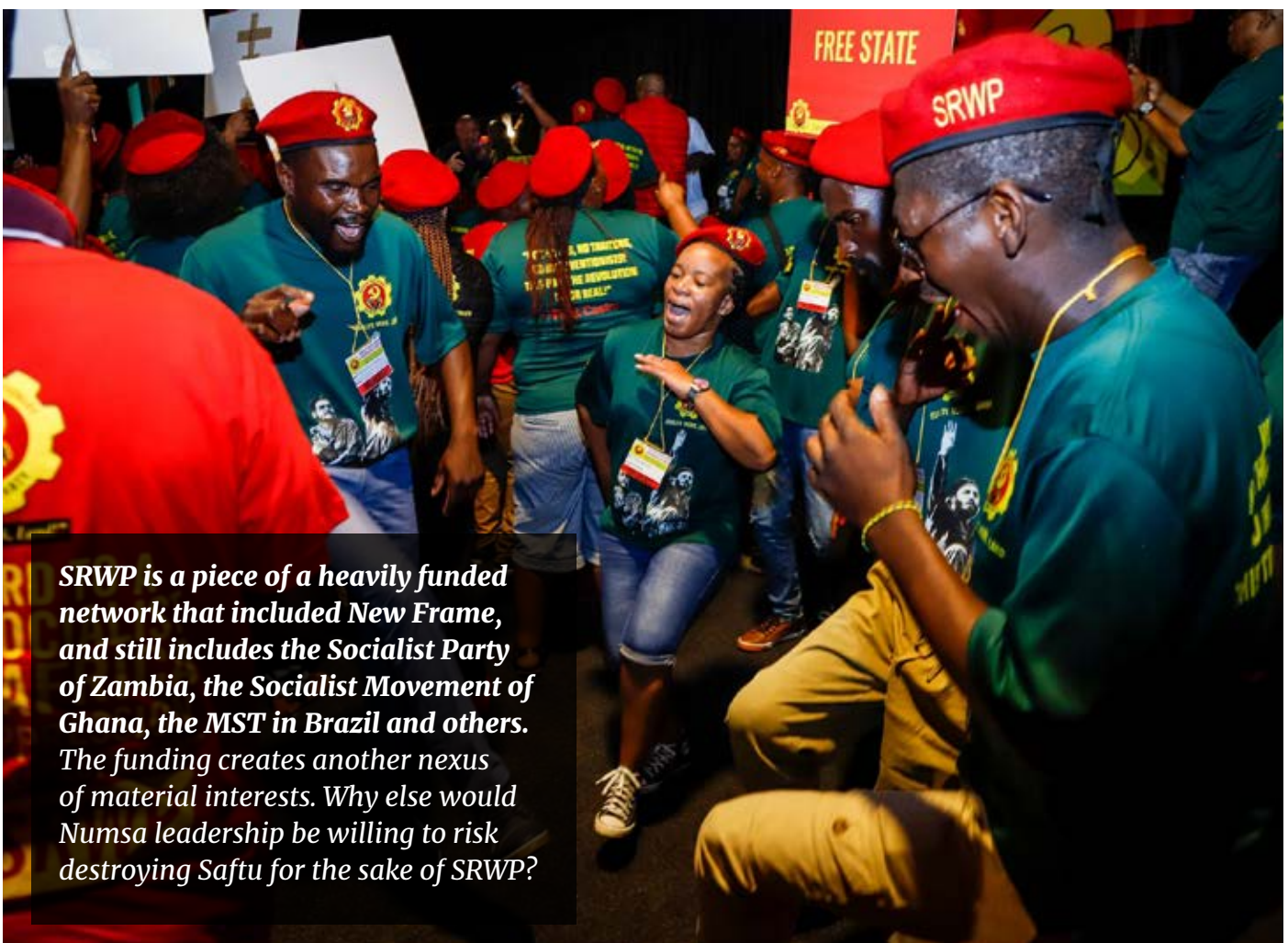
- We must limit all office bearers, at all levels, to a single term of office. That prevents the accumulation of benefits which people then try to defend in order to win more terms of office.
- We must reject full-time shop stewards. They have a working life different from that of their members, and they end up benefiting employers more than they benefit workers.
- We must not pay anybody who works for a trade union more than the average skilled wage in the applicable

industry. The Numsa GS package is more than R1 million per year. In South Africa, that puts him into a different class, in terms of lifestyle, from his members.

- Office Bearers must continue to live where they lived, or housing must be bought for them which is similar to the average housing of their members. No more Sandton complexes.
- Unions should by law be prohibited from owning or having any interest in investment companies. They have wrought havoc in the South African trade union movement. They quite simply have to go.

The battle against bureaucratisation is a constant one. It can only be waged...never won. But if we want to revive the South Africa trade union movement, we have no choice but to fight it.

Roger Etkind is a former Numsa official and contract worker and editor of *Amanda!* He worked for Numsa from 1988 to 1995, and then again on contract from 2012 to May 2022.



SRWP is a piece of a heavily funded network that included New Frame, and still includes the Socialist Party of Zambia, the Socialist Movement of Ghana, the MST in Brazil and others. The funding creates another nexus of material interests. Why else would Numsa leadership be willing to risk destroying Saftu for the sake of SRWP?

SACP'S LEFT POPULAR FRONT: *genuine Left renewal or more NDR?*

By **Gunneth Kaaf**

THE SOUTH AFRICAN COMMUNIST Party has recently emerged from its 15th National Congress (13–16 July 2022) with a resolution to build a Left popular front or a powerful, socialist movement of workers and poor. *The South African Struggle for Socialism*, the SACP's draft political programme adopted at congress, described it as a: "Left popular mobilisation to win over (or win back) many genuine militants who drifted off into other places, groupings or organisations outside our movement." Rolling back the neoliberal macroeconomic framework is identified as its key task.

So, is this Left popular front a genuine proposal for broader Left renewal? Or is it a perpetuation of the sterile national democratic revolution (NDR) strategy of the ANC-SACP alliance?

The political programme has three parts: the first part discusses the multiple crises of capitalism, such as the environmental crisis, the economic crisis, the rural crisis of social reproduction, the crisis of social reproduction and urban slums, a capitalist hegemonic crisis, and the capitalist crisis in South Africa. The second section focuses on "the national democratic revolution and the struggle for socialism in South Africa". Then the third section is on "alliances, fronts, programmes of action and the role and character of a vanguard party of socialism".

So, they are conscious of the deepening social crisis; yet they stick to the sterile NDR.

The SACP's contradictions

There are several problems with the SACP's discussion of these matters which then plunges their proposal of a Left front into disarray.

They actually acknowledge neoliberalism as key to the building of the post-94 social crisis that has now become burning. But they make no serious attempt to analyse in a systematic way the mechanisms and impact of neoliberal restructuring over the last 28 years of ANC rule. It's all generalisations. Nor is there any rethinking of the struggle for socialism

in the context of the neoliberal capitalist crisis, even as we approach 30 years since '94. So even the big crises in the economy, politics, ecology, social reproduction they talk about are just background, despite sounding aware that these crises have become an emergency.

These burning crises do not feature in the conclusions they reach and in their way forward for building a socialist movement and alliances. In other words, this socialist movement they propose is not a coherent proposal for a Left renewal on a clear socialist basis. This is despite the fact that they do acknowledge that the ANC decline has become irreversible.

say the Left front must "certainly be aggressively against some of the dominant trends within the ANC".

28 years of ANC's neoliberalism is a long time, yet the SACP is still ambivalent about confronting it head-on. They are not clear on how they want to build mass power on an anti-capitalist basis, without which the ANC's neoliberalism cannot be challenged.

They make no analysis of why they failed to challenge neoliberalism within the ANC over the past 28 years. They are therefore unable to pose a political programme that can shake the neoliberal foundations and pave a path towards

meaningful socialist struggles in conjunction with popular classes on the ground and other Left forces outside the ANC.

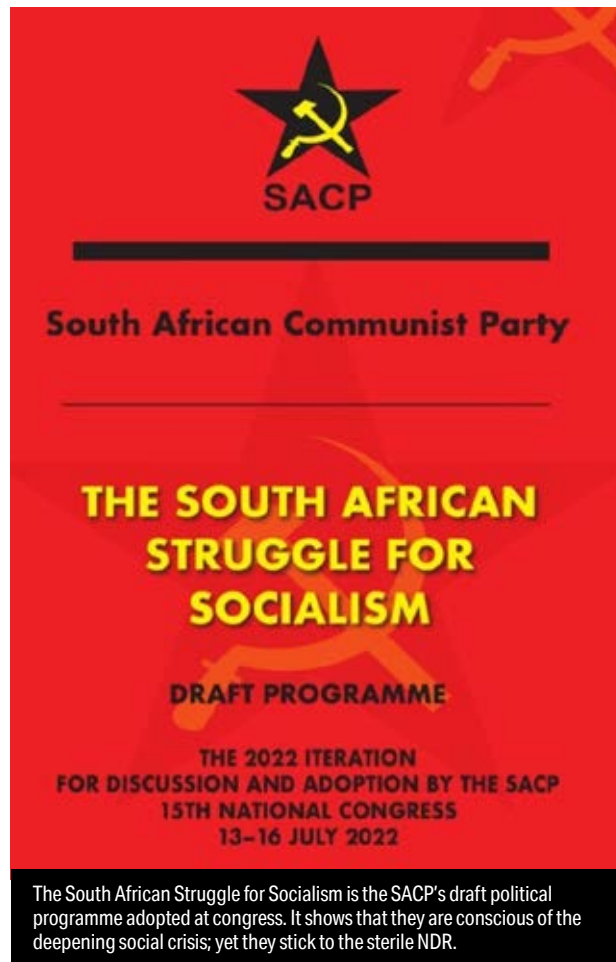
They are not alive to the reality that they can either pose a serious challenge to ANC's neoliberalism within the alliance or break away from the alliance in order to forge a genuine socialist path. And yet what is worse, they still think they can win back genuine militants who have left the ANC (probably Numsa and its political party SRWP, some in the EFF, and other socialist activists who are not affiliated but are committed) and win over other Left forces historically outside the ANC. In their current pathetic state and with their woeful performance, they are clearly daydreaming.

The SACP thinks in this backward and uninspiring way because they are trapped in the ANC quagmire and their old dogmatic Marxist-Leninist template.

Trapped in the ANC quagmire

The ANC has come full circle in its bourgeois capitulation. By being trapped in ANC factional battles, the SACP has reduced itself to a Left-wing of the bourgeoisie. After the 2007 ANC Polokwane conference,

they attached themselves to Zuma. Now they are the main backers of the billionaire capitalist Cyril Ramaphosa. They absolutely defend Ramaphosa on the Phala Phala farm scandal, involving millions of US dollars. This shows how they have not learnt anything from their close relationship with the reactionary criminal Zuma that backfired. ANC veteran Mavuso Msimang



They say there is no contradiction between building the Left popular front and their close ties with the ANC. But the ANC government has been an important linkage and agency of the neoliberal restructuring since 1994. It is now absolutely committed to neoliberal economic policy. The SACP acknowledges that, but only half-heartedly, when they

has a far better approach when he says Cyril should step down until the matter is fully investigated.

Communist Parties no longer offer a viable model for effective Left parties and movements to challenge capitalism and pose revolutionary advances in today's world. But there are other Communist Parties elsewhere in the world that did not unconditionally tie themselves to nationalist movements in the liberation struggle. And after liberation they made tremendous progress in building radical social projects that are worth something. Just look at the Communist Party of China and how it became powerful after dumping the nationalist Kuomintang; how it waged a relentless struggle until the victory of the socialist revolution in 1949. When it was time for communist parties in various

and of modes of action for bringing about radical social transformation amidst the deepening capitalist crisis. The dogmatic Marxism-Leninism of the SACP makes them fail dismally in this challenge.

In their discussion, the SACP don't seem to appreciate the changes that more than 40 years of neoliberal capitalism have wrought in shaping the social formation of post-apartheid South Africa. Changes within the working class - precariousness of jobs, unionised workers becoming a small minority etc. Extreme forms of poverty in township population and rural masses, with a relatively large black middle class and a growing class of millionaires that deepens social inequality.

The SACP continue to put trade unions at the centre of their socialist strategy, despite their drastic decline.

This is all the function of an abstract Marxism-Leninism that is detached from the changing social reality brought about by neoliberal capitalism.

So sometimes they end up making serious theoretical mistakes. For example, they describe the urban poor found in the shanty towns of countries in the Global South as lumpen proletariat. That was the way Marx described the classes that came from old dying European feudal society and could not be integrated into the emerging European industrial capitalist societies. Thus this lumpen proletariat tended to resort to crime as a means of survival. You can't draw parallels between today's urban poor of the Global South and the European lumpen proletariat of 19th century Europe.

There is a crisis of peripheral capitalism only found in the Global South.



After the 2007 ANC Polokwane conference, they attached themselves to Zuma. Now they are the main backers of the billionaire capitalist Cyril Ramaphosa.

states in India to drop the Congress Party in pursuit of militant struggles, for advancing the social demands of popular classes, they did so. And they secured significant victories and even built radical projects in some instances.

It is overwhelmingly evident that the socialist project in South Africa needs to be reborn outside the ANC and on the basis of renewed concrete analysis. Hence the need for renewed strategic perspectives. The SACP is proving incapable of rising to this need.

Failure to analyse change

Changes in contemporary capitalism require an updating: of definitions and analysis of social classes, class struggles, political parties and social movements;

They do this without any sense of trade union renewal, amidst the neoliberal restructuring of work and the economic crisis. They acknowledge the widespread unemployment and extreme poverty in urban areas but they still can't conceptualise any real political agency for these popular classes, who constitute the majority of the population. They are victims of neoliberal capitalism, but they are not workers in the typical sense of industrial capitalism. Neoliberal capitalism has been shedding jobs since the 80s. Yet they still talk about trade unions leading township struggles.

They are clearly found wanting on the changing nature of the social subject for revolutionary change – the nature of the class force that will lead that change.

It is capitalism, but with inadequate industrial development compared to the central capitalism of the Global North. This is so precisely because of the polarisation, which is part of global capitalism, between countries of the periphery – of the Global South – and countries of the centre – of the Global North. It's a polarisation of unequal development. So the crisis tends to express itself differently in the two poles of global capitalism.

The Communist Party comrades simply don't appreciate that, as Marxists, we only have to start with Marx. We don't necessarily have to end with him. Though he was a genius, Marx did not develop a template that we must simply apply eternally. Marx's opus remains open-ended and incomplete. That is why we have

to advance it and develop it further in the light of the changing historical and social reality.

Adapt or die

Even when they discuss the building of the Left popular front, the starting point of the SACP is to quote a 1977 Central Committee Political Report, *The Way Forward from Soweto*. Could not they perhaps find, say, a 2012 document with the title, *The Way Forward from Marikana*? Because that's where we are now. Revolutionary theory can't be eternal and transhistorical. And it is precisely their attachment to an overtly bourgeois ANC that can explain this. The SACP referred to Marikana workers as "vigilantes". But Marikana represents a moment in history when the ANC permanently crossed class lines, to be firmly located within the camp of the bourgeoisie. Sadly, the SACP, that claims to be the vanguard of workers, was with the ANC at this moment of crossing.

We need to build a new historical bloc of Left and popular forces that is rooted in the social reality of post-apartheid South Africa. The anti-apartheid historical bloc disintegrated in the late 1990s when the leadership of working class formations got co-opted into government and given positions in business. They now form part of the new black elite class.

Popular classes have been waging struggles to resist neoliberalism and to pose radical alternatives. Though some victories have been registered over the last 20 years, there has been no significant success in sustaining effective mass struggles and building formidable mass movements capable of revolutionary advances in post-1994 South Africa. Why

have things turned out like this? That's what we need to grapple with; both in theory and in practice. There can be no easy answers from the vanguard, decreed in a sanctified doctrine, even with the change of SACP leadership from Blade Nzimande to Solly Mapaila as the new General Secretary.

The Mapaila euphoria is blind to the fact that there is still no change in theory, policy and practice concerning major class dynamics and how to advance socialist struggles within and outside the alliance. For instance, the new Central Committee includes David Masondo as the 2nd Deputy GS. Masondo is Deputy Finance Minister. In that capacity, he has become an agent in the service of the neoliberal fiscal policy from National Treasury. This means the entrenchment of neoliberalism will be defended even from within the SACP, albeit with a radical sounding, sterile NDR rhetoric that Masondo is steeped in.

Latin America has played a pioneering role in rejecting neoliberalism and posing a viable model for socialist struggles in the 21st century. Popular movements, not political parties, were at the forefront of the struggles against neoliberalism. Those movements were engaged in concrete popular struggles made up of various popular classes. They had decisive victories against elements of neoliberalism (privatisation, neoliberal agriculture and land policies, unequal trade, water privatisation, foreign debt, free education etc).

There is no sense of popular struggles being proposed by the SACP against dominant neoliberal policies in South Africa. For instance, the key anti-neoliberal

demands could include the basic income grant set at R1,300, as per the upper-bound poverty line determined by Statistics South Africa. It could include fighting budget cuts on public sector workers' wages, and austerity on public basic services such as education, health, housing etc.

Another important anti-neoliberal struggle is organising community struggles around the electricity crisis, posing a socially responsible restructuring of Eskom to counter the looming privatisation, and pushing for revolutionary changes in the production, consumption and energy usage, as part of the pathway to ecological survival.

There is no articulation of some of these key anti-neoliberal social demands in the SACP's Left popular front proposal. Where these are mentioned, it is done in a convenient rhetorical way rather than as a basis for genuine popular struggles.

The starting point of being a communist today should be to reformulate an actual critique of late capitalism. It is no longer sufficient to be generally against capitalism. We need to be against this capitalism, the neoliberal capitalism that combines with the historical features of South Africa's capitalism and the capitalism of a world in which we increasingly see failures and crises.

That's what the SACP doesn't get with their proposal of a Left popular front. It falls way short of any meaningful Left renewal and movement building for socialist forces. Instead they perpetuate the sterile NDR strategy!

Gunneth Kaaf is a Marxist activist and writer based in Bloemfontein. He is a former SACP member.



Solly Mapaila and Blade Nzimande. The Mapaila euphoria is blind to the fact that there is still no change in theory, policy and practice concerning major class dynamics and how to advance socialist struggles within and outside the alliance.

THE TRIUMPH OF THE COLOMBIAN LEFT *in a country marked by social exclusion and political violence*

By Daniel Chavez

ON 7TH AUGUST 2022, THE Colombian Left will take over the national government for the first time in the country's troubled history. The presidential election of June 2022 marked a significant turning point in a Latin American nation characterised by a long history of violence and repression. The Left's victory will have profound impacts both at the national level and in the Americas as a whole. Colombia has particular significance as a country ruled for more than half a century by corrupt and bloodthirsty right-wing governments, constantly supported by the imperial power of the United States.

The progressive government will be headed by Gustavo Petro, a former guerrilla militant who became Colombia's president on his third attempt, and Francia Márquez, a Black woman who envisions the vice-presidential office as a platform for empowering feminist, anti-racist and environmental struggles. The Left's electoral commitments include recovering and strengthening the role of the state in the economy and society, higher taxes on the rich, transforming the

health and pension systems, and initiating a just transition. The suspension of oil exploration will make way for renewable energy in the face of the climate crisis.

Petro and Francia: two activists in governments

Gustavo Petro is an experienced activist from four decades of struggle, first as an armed combatant and then within the institutions of liberal democracy. The 62-year-old former guerrilla, parliamentarian and mayor won the presidency in the second round with 50 per cent of the vote against the right-wing populist businessman Rodolfo Hernández, who received 47 per cent. In his third presidential attempt, Petro defeated the elites he had always fought. He moderated his discourse to capture undecided voters. The candidates of the *Pacto Histórico* (Historical Pact) coalition had to confront a mighty establishment that controls every lever of power.

In 1978, at the age of 18, Petro joined the M-19 guerrilla, one of the main armed organisations, until its dissolution in

1990. He was captured in 1985, spent two years in prison, and re-joined the political struggle as a legislator. In the early 2000s, he became one of Colombia's best-known parliamentarians for his denunciations of the links between politicians, government authorities and paramilitary groups. For over two decades, his archenemy has been former president Álvaro Uribe, who served in government between 2002 and 2010 and became the most influential figure on the Colombian Right.

In 2011 Petro was elected mayor of Bogotá for the *Progresistas* party, leading the capital city's government until 2014. In 2010, in his first presidential bid as the candidate of the centre-left *Polo Democrático* (Democratic Pole) coalition, Petro won 1.3 million votes. In his second attempt, in 2018, he got more than eight million and came within a whisker of winning the election. In 2022, after moderating his more radical discourse and weaving deals with centrist political leaders, he managed to make the third attempt a success.

In the past two weeks, Francia



The progressive government will be headed by Gustavo Petro, a former guerrilla militant who became Colombia's president on his third attempt, and Francia Márquez, a Black woman who envisions the vice-presidential office as a platform for empowering feminist, anti-racist and environmental struggles.

Márquez has toured Latin America to deepen the ties between the new government and the region's progressive governments and social movements. In a dialogue with Argentinean activists, Márquez declared that her presence in the Colombian government means "representing historically excluded, marginalised, racialised and forgotten peoples". Márquez was born in 1981 in one of the poorest and most marginalised Afro-Colombian communities. She is a lawyer who gained a national and international reputation in the struggle against indiscriminate extractivism by mining companies. One of the milestones of her social activism was the 2018 Goldman Environmental Prize, considered the alternative Nobel Prize.

Challenges and prospects of the progressive government

The political, economic and social panorama that the new government will have to face is very complex and multifaceted. It includes predictably strong opposition from the military and business powers, the persistence of the armed conflict and the worsening of the social fractures derived from the pandemic.

The Left government will have to respond to the many urgent problems in a country in crisis. Almost 40 per cent of the population is living in poverty. A peace agreement was signed in 2016 between the Colombian state and the Farc guerrillas. There are flashing red warning statistics highlighting the resurgence of violence. The peace agreement identified reintegration mechanisms. These have not been completely implemented. At the same time, the political influence of drug trafficking has not diminished in a country that remains the world's largest cocaine producer.

In parliament, the new government will be backed by an important number of members, but far from the majority needed to pass crucial legislation. To ensure governability and facilitate political agreements, Petro and Márquez have proposed a "grand national accord". This will be difficult to achieve. The recent

presidential election in June has shown that the country is split into two halves, with opposing interests and visions. During his previous experience in government, as mayor of Bogotá, Petro already faced strong opposition from the Municipal Council, which blocked many of his most ambitious initiatives.

In his first public speech as president-elect, Petro tried to reassure the markets. On the night of his victory celebration, he sent a pacifying message to business associations that had accused

50 million inhabitants. The outgoing government tried unsuccessfully to tax the middle class in the midst of the pandemic. This provoked an unprecedented social outburst that left at least 46 people dead due to police repression.

Ocampo already held the same post between 1996 and 1997 during the (neoliberal) government of Ernesto Samper. He was Executive Secretary of the Economic Commission for Latin America and the Caribbean (ECLAC) between 1998 and 2003, and United Nations Under-



The Left government will have to respond to the many urgent problems in a country in crisis. Almost 40 per cent of the population is living in poverty.

him of promoting a failed socialist project during the campaign. In his response, Petro declared that "it was a campaign of lies and fear... that we were going to expropriate ordinary Colombians, that we were going to destroy private property". He added that his government was committed to "developing capitalism in the country, not because we adore it, but because we first have to overcome pre-modernity". In short, the new government will seek a tricky balance. It will try to satisfy the demands and aspirations of its left-wing voters. At the same time it will face the pressures of the establishment.

To appease the markets, Petro appointed José Antonio Ocampo as the minister in charge of economics. Ocampo, a professor at Columbia University, has the responsibility of calming the corporate sector. One of his biggest challenges will be implementing a progressive tax reform in a place where unemployment is around 11 per cent, informality is 45 per cent, and poverty affects 39 per cent of Colombia's

Secretary-General for Economic and Social Affairs between 2003 and 2007. He has also co-authored books with Nobel laureate Joseph Stiglitz, one of the unorthodox economists most critical of the free market paradigm.

Another big challenge is how to control the military. The generals will have to swear allegiance as commander-in-chief to a person who they still see as an enemy, a former leftist guerrilla militant. During the election campaign, Petro accused members of the military leadership of being in business with the Clan del Golfo, Colombia's largest *narco* gang. In response, army commander General Eduardo Zapateiro accused him of "politicking" – an inappropriate statement in a country where the constitution prohibits the military from participating in political exchanges and voting.

The distrust between the president and the military is very obvious. At the end of July, Petro confirmed that he would

remove the current heads of the army and police to “put an end to the policy built on the notion of an internal enemy, which has led to tremendous human rights violations, such as the murder of 6,402 youths to pass them off as guerrilla casualties”. This is a tragedy popularly known as the “false positives”. The new government redoubled its bid to end the impunity of the military with the appointment of former judge Iván Velásquez as Minister of Defence. For the first time, a left-wing government will have authority over the armed forces, and it will do so under the guidance of a judge who investigated the links of businessmen, politicians and the military with far-right paramilitary groups.

The outgoing president, Iván Duque, has given assurance that he would be the guarantor of a “peaceful” and “transparent” transition, while the National Liberation Army (ELN, the last guerrilla organisation still active) expressed its “full disposition to advance in a peace process”. In a press release, the ELN warned the new government that to have the backing of the “popular movement” it must implement “changes that will lead us to overcome clientelism and remove violence from politics, to advance social inclusion plans that include employment and economic opportunities for the majority”. In response, Petro pledged to restart the peace plan of former president Juan Manuel Santos (2010–2018), including implementing the peace agreement signed with the FARC in its entirety and formally requested the Cuban government

to host the dialogue with the ELN.

In this context, a big question that hangs over Colombia’s future is the country’s relationship with the United States government. For decades the US has been directly involved in domestic politics under the guise of combating the guerrilla insurgency and drug trafficking. On 26th May, three days before the first round of the election, a bill was presented in the US Congress to ratify Colombia as a “non-Nato ally”. The maintenance (and eventual strengthening) of Colombia’s military alliance with the United States has great geopolitical significance. Colombia, and its neighbours, Venezuela and Ecuador, are oil-producing countries. Their significance has increased in the face of the worsening global energy crisis provoked by the Russian invasion of Ukraine.

The regional and global significance of the Colombian Left’s victory

The Colombian victory has generated much enthusiasm among progressive parties and movements in Latin America and around the world. There has been a brief interregnum marked by the electoral rise of the Right in several Latin American countries. Many analysts characterised this as the end of the so-called *pink tide*. But now the region’s political course has turned leftwards again.

In July 2018 Andrés Manuel López Obrador, leader of the Morena party, was elected president of Mexico. A year later, in 2019, the progressive coalition *Frente de*

Todos (Everybody’s Front) led by Alberto Fernández and Cristina Fernández de Kirchner, reconquered the presidency of Argentina. In 2020, after a coup against the Movement Towards Socialism (MAS) government led by Evo Morales in Bolivia, Luis Arce was elected president of the Andean country. This was followed by the victories in 2021 of Pedro Castillo, Xiomara Castro and Gabriel Boric in Peru, Honduras and Chile, respectively.

In this context, the success of Petro and Márquez in Colombia has boosted the hopes of the Brazilian Left, currently immersed in the great electoral battle for the presidency that will conclude in October this year and in which Luiz Inácio *Lula* de Silva is expected to win. The triumph of *Lula* and the Workers’ Party (PT), with the support of a wide range of progressive parties and movements opposed to the current far-Right government led by Jair Bolsonaro, would consolidate the political turn in the region. This is a region of the world that has prompted most debate and hope (as well as much disillusionment, particularly in relation to the authoritarian governments of Venezuela and Nicaragua) among Left activists around the world.

Dr Daniel Chavez is a Uruguayan-Dutch political economist. He is a Senior Project Officer at the Transnational Institute (TNI) and a Senior Research Associate at the University of Johannesburg.

Tax protests. The outgoing government tried unsuccessfully to tax the middle class in the midst of the pandemic. This provoked an unprecedented social outburst that left at least 46 people dead due to police repression.



CLIMATE CHANGE AS CLASS WAR

by Matthew Huber

Reviewed by **Carilee Osborne**

IN 2022, THERE ARE A LOT OF BOOKS about climate change and a lot of books that purport to tell us how to address it. Matt Huber's book is not like most of these. It unambiguously centres class struggle, reconstituting materialist analysis as ecological politics. By doing so, [Climate change as class war: building socialism on a warming planet](#) provides us with a compelling case for how to address climate change with thoroughly socialist politics.

Huber's main theoretical point is to argue that the historical materialism that has been so denigrated by large parts of the Left, especially in the so-called Global North since the 1970s, is well-suited as a tool for understanding the climate crisis we now face. It is far less disconnected from ecological questions than is typically thought. Indeed, he convincingly highlights how, "one could argue that when we say 'materialist approach to history' we actually suggest an *ecological* approach that understands human society as inextricably bound to the reproduction of the human species."

Power and class at the centre

As Marx so famously said however, the point is not just to understand the world but to change it, and Huber uses this analysis to explicitly and consistently centre power in his book. He emphasises particularly the fact that the struggle over addressing climate change is a "class struggle over relations that underpin our social and ecological relationship with nature and the climate itself: ownership and control of production". This is reflected even in the structure of the book which is split into three parts, each focusing on aspects relevant to a particular class: the capitalist, professional and working class. These are not, however, merely polemical accounts of the role of each, something which has become common in left-leaning

books on the subject. Rather, we are given thorough case studies on the nitrogen cycle, the electricity sector and even a history of electric utility unions, all of which focus on the point of production.

This focus on production is a key part of Huber's analysis. Following the notion of materialist analysis as ecological, he argues "for a return to the quite orthodox understanding of class as a relationship to the 'means of production'...In fact, the entire human relationship to the natural

managerial class of people who dominate climate action currently. The second is that, if we are to address the climate crisis, we need a mass movement against the capitalist class; only the working class, Huber argues, has the power to do this.

Role of professional class

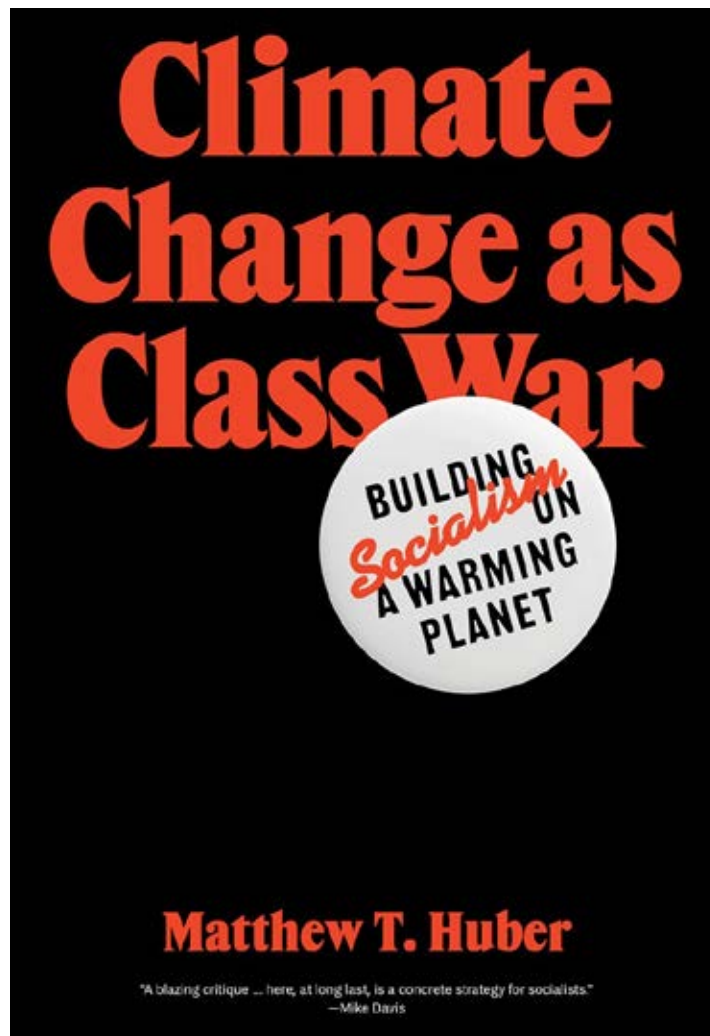
In laying out the role of the first, Huber provides a fascinating account of their historical development and current class position. He takes some of the theoretical

debates on this class – be it Ehrenreich's notion of the "professional managerial class", Poulantzas's "new petty bourgeoisie" or Erik Olin Wright's idea of "contradictory class positions", and he weaves them together with an account of how the current climate movement evolved. Core to this is the idea that it is *knowledge*, to which these individuals by virtue of their unique class position have unique access, which is able to change the world for the better.

From this, Huber identifies three different types of professionals working in climate politics. The first are *science communicators*, those who believe that the problem with climate inaction is that people do not adequately understand the science. By extension, if they did, change would happen. The second are *policy technocrats* who work in think tanks or NGOs and believe that the solution to the climate crisis lies in smart, logical, rationally designed policy solutions. Finally, there are *anti-system radicals* who typically understand better that the root of the climate crisis is in the capitalist system. However,

"their political response is to look inward through moralistic invocations to consume less, reject industrial society, and advocate micro-alternatives at the local scale."

Huber doesn't discount the role of knowledge and education in the climate movement. However, the problem that arises from the dominance of this class



Climate change as class war provides us with a compelling case for how to address climate change with thoroughly socialist politics.

world is, at its core, a relationship of production – how we produce the food, energy, housing, and other basics of life."

This focus has at least two important implications for how we think about organising to address the climate crisis. The first is that we need to think critically about the role played by the professional

and their fixation on it is the lack of understanding of how power operates and how organising works. Because of this, this group focuses on issues like making accessible the science of climate change and encouraging people to change their consumption choices, rather than thinking about how to organise a mass movement and what the class base for this is.

This is undoubtedly a result of the

Need for a working class movement

In stark opposition to this, Huber argues that it is working class organisation that is ultimately what will deliver us a way out of the climate crisis. He is under no illusion about the difficulties of bringing this about. We may make the case that organising to overthrow fossil fuel capitalists or take ownership of for-profit

The situation at Eskom for example illustrates that mere public ownership of an electricity company is no guarantee that it will act as a progressive force in the fight for climate change, or even provide affordable and stable electricity for the majority. Publicly owned companies can easily be co-opted by the same logic and struggles as privately owned ones and be just as susceptible to the vagaries of vested interests. Huber himself acknowledges that public ownership is only one step in this process, but it seems critically important to consider how the next step may be hampered and to plan for this. Having said that, I find Huber's insistence on class analysis, understanding where power lies in a system and focusing on disrupting that, to be profoundly useful for struggles outside of the US. This includes South Africa as we try to understand the problems and possibilities of a just energy transition in our country.

Overall, Huber's book is undoubtedly a must-read for anyone working in climate politics or even in Left organising more broadly. It is profoundly challenging, especially for those



The situation at Eskom for example illustrates that mere public ownership of an electricity company is no guarantee that it will act as a progressive force in the fight for climate change, or even provide affordable and stable electricity for the majority. Publicly owned companies can easily be co-opted by the same logic and struggles as privately owned ones.

fact that, within this paradigm, class is not about relationship to the means of production but about income levels. Here, people become not members of a class but consumers with different "consumer power". This equation of class with income drives the focus on consumption choices. This in turn belies the centrality of production in the process of climate change. It is not capitalists who are therefore the problem but rich consumers who make up monolithic rich countries: all possibility of real class antagonism is eroded and replaced with a set of diffuse individuals whose main tool for change lies in their wallet.

Perhaps the prototype of this approach is the degrowth movement which advocates for the idea that "less is more", largely ignoring the fact that austerity and inequality have meant for the global working class majority – who exist even in "rich" countries – that less is often all they have known.

electricity companies is in the interests of workers. But action to bring this about takes organising.

Huber argues that given the scale of the crisis and the limited time to address these, this means we must be strategic in where we focus our organising energy. In particular, he cites electricity companies as a primary focus – something he "cheekily" (to use his word) describes as "socialism in one company".

And South Africa?

As with much of the rest of the book this argument is centred on the particularities of the US context. Huber himself acknowledges that his focus is limited to this and, given the importance of American political economy to the climate struggle, this is largely understandable. However, it does also raise questions regarding what Huber's argument means for those of us operating in quite different political, social and economic contexts, and also what those experiences may mean for US leftists like Huber.

of us who come from and work within the professional managerial class and have worked in similar climate spaces. By illustrating the profound limitations of widely-accepted approaches and slogans (like for example "system change not climate change" or "less is more"), Huber forces us to think much more strategically and deeply about the mechanisms for bringing about change. As Mike Davis wrote in his review of the book, "here, at long last, is a concrete strategy for socialists."

Carilee Osborne is a member of the *Amandla!* Editorial Collective.

Editorial advisory board

SOUTH AFRICA: Aswell Banda, Patrick Bond, Yunus Carrim, Jacklyn Cock, Jeremy Cronin, Ashwin Desai, Farid Esack, David Fig, Pregs Govender, Stephen Greenberg, Jonathan Grossman, William Gumede, Adam Habib, Ferial Haffajee, Pat Horn, Dot Keet, Leslie London, Hein Marais, Darlene Miller, Siphon Mthathi, Phumzile Mthethwa, Andrew Nash, Trevor Ngwane, Lungisile Ntsebeza, Peter John Pearson, Tebogo Phadu, Devan Pillay, Vishwas Satgar, David Sanders, Christelle Terreblanche, Salim Vally, Mike van Graan
INTERNATIONAL: Gilbert Achcar (Lebanon/Britain), Asghar Adelzadeh (Iran/USA), Alejandro Bendana (Nicaragua), Camille Chalmers (Haiti), Noam Chomsky (USA), Mike Davis (USA), Rhadika Desia, Wim Dierckxens, Nawal El Saadawi (Egypt), Ben Fine (Britain), Bill Fletcher (USA), Alan Freeman, Gillian Hart (USA), Arndt Hopfmann (Germany), Claudia Katz (Argentina), Edgardo Lander (Venezuela), Michael Lowy (Brazil/France), John Saul (Canada), Helena Sheehan (Ireland), Issa Shivji (Tanzania), Hillary Wainwright (Britain), Suzi Weissman (USA)

Editorial collective

Alex Hotz, Brian Ashley, Carilee Osborne, Christopher Morris, Dominic Brown, Jeff Rudin, Mazibuko Jara, Mike Smith, Noor Niefertagdien, Roger Etkind, Shaeera Kalla, Siyabulela Mama, William Shoki.

Amandla! projects

AMANDLA! FORUMS: Amandla! runs a series of discussion on topical issues in Cape Town and Johannesburg. To find out about upcoming fora, or to suggest a forum topic, contact Brian Ashley at brian@amandla.org.za

To advertise in Amandla! magazine or on our website contact us at feroza@aidc.org.za

Distribution & Subscriptions

BOOKSHOPS: Amandla! magazine is available at all leading independent bookshops and many Exclusive Books stores across South Africa. To find a shop near you, email feroza@aidc.org.za

ORGANISATIONAL SUBSCRIPTIONS: Amandla! also distributes through major trade unions and other organisations. To find out more about getting bulk copies for your organisation, email subscribe@amandla.org.za

Amandla! editorial staff

EDITOR-IN-CHIEF: Brian Ashley
ISSUE EDITOR: Roger Etkind

Contact Amandla!

EDITOR: Brian Ashley, brian@amandla.org.za
AMANDLA OFFICE: 129 Rochester Rd, Observatory Cape Town
POSTAL ADDRESS: P.O. Box 13349, Mowbray, 7705, Cape Town, South Africa
TELEPHONE: +27 (0)21 447 5770 **FAX:** +27(0) 86 637 8096 **WEBSITE:** www.amandla.org.za

Amandla! online

Tweet us [@AmandlaMedia](https://twitter.com/AmandlaMedia)

Facebook [amandla! media](https://www.facebook.com/amandla!media)

Subscribe to Amandla! website at www.amandla.org.za

To post material on the website, contact: info@amandla.org.za

Layout by: Esti Joorst

Alternative Information & Development Centre (AIDC)

State of Tax and Wage Evasion

A South African Guide 2019



THIS GUIDE PROVIDES A COMPREHENSIVE analysis of the issue of tax and wage evasion in South Africa. Not only does it build on already existing materials and studies to estimate the impact of illicit financial flows and profit shifting for South Africa and its people, but it unveils the schemes and mechanisms through which such financial flows are taking place.

Subscribe to Amandla!

ELECTRONIC SUBSCRIPTION

Annual subscription for 6 copies: R150/\$20
For all subscription and distribution enquiries please contact Amandla! magazine at subscribe@amandla.org.za

ACCOUNT DETAILS

Name of Account:	AIDC
Bank:	Standard Bank
Branch & Code:	Mowbray 024 90 9
Account Number:	075 139 820
Type of Account:	Current Account
SWIFT Code:	SBZ AZA JJ
Please email proof of payment to admin@amandla.org.za	

MARIKANA



John Kufwano Legingane (24)

MARTYRS OF ECONOMIC EMANCIPATION

We don't want to be prevented from expressing ourselves, we didn't steal anything from anyone, we were only demonstrating for one reason only: to have decent wages, and what they did is they responded by firing guns at us.

Why must we die? All we were doing is fighting for our rights and we did not kill anyone. Why must we then be killed?

-THOLAKELE 'BHELE' DLUNGA



Andries Ntsemye (12) from Saeoburg in the Free State



Semi Jankari (29) from Luakosi in the Eastern Cape



Anise Mlazi (25) from Elliotdale in the Eastern Cape



Makhosane Mkhonjwa (28) from Bizana in the Eastern Cape



Julius Tokos Mangonywa (31) from Swebosgrut in the Eastern Cape



Nandazo Nokhamba (36) from Lebosa in the Eastern Cape



Cebile Yawa (24) from Cala in the Eastern Cape



Jirroviki Richard Liso (17) from Likobong Ha Monyana, Maseru in Lesotho



Mqiseni Nkiki (32), known as Mambush, from Tsalkhulu in the Eastern Cape



Michael Ngweyi (38) from Umtata in the Eastern Cape



Thembakho Mbi (58) from Ntabankulu in the Eastern Cape



Tshepo Mhale (37) from Luthabong, Maseru in Lesotho



Silegisa Muro Gadisa (56) from Drokolwano in Swaziland



Muzeki Sompoti (37) from Umtata in the Eastern Cape



Jackson Lethaba (48) from Mount Fletcher in the Eastern Cape



Patrick Ahona Jiso (28) from Ntabankulu in the Eastern Cape



Nkomoiso Xolabile (30) from Elliotdale in the Eastern Cape



Bongani Nqonqophile (31) from Elliotdale in the Eastern Cape



Thabile Mjuzwa (28) from Mount Ayliff in the Eastern Cape



Mphumeleni Ngwenzi (38) from Lujilwazi, Ngqeleni in the Eastern Cape



Fezile David Saphandu (24) from Ngqandul in the Eastern Cape



Bonginkosi Yona (32) from MacChasru, Ladyfers in the Eastern Cape



Mongeziwe Nwanya (34) from Dutsywe in the Eastern Cape



Thobias Zibambile (38) from Lusikisi in the Eastern Cape



Henry Muzisi Pato (35) from Mkhosana in the Eastern Cape



Mphahleli Tshaka (41) from Ngqeleni in the Eastern Cape



Mofei Cawi Nsokele (40) from Ha Tlabea, Gemonong, Maseru Lesotho



Makoto Mabuya (28) from Dutsywe in the Eastern Cape



Pumulele Sokanyilo (48) from Mdumaxulu Location, Ngqeleni in the Eastern Cape



Thabiso Moxobetsane (42) from Matatiele in the Eastern Cape



Bongani Mzi (28) from Jabavu, Matatiele in the Eastern Cape



Thabiso Johannes Thelipane (55) from Pabellon, Matatiele in the Eastern Cape



Mottaobele Van Wyk Sagalele (50) from Bophanana Selegale in the Ficksburg Municipal District of the North West



Babalo Mshau (28) from Lebosa in the Eastern Cape



Thembinkosi Gwintani (27) from Makhelezi, Lusikisi in the Eastern Cape



Pheleke Elias Monea (38) from Maseru in Lesotho