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REVIEW OF THE MONTH

Cry for the Beloved Country: The Post-Apartheid Denouement

by John S. Saul

A tragedy is being enacted in South Africa, as much a metaphor for our times as Rwanda and Yugoslavia and, even if not so immediately searing of the spirit, it is perhaps a more revealing one. For in the teeth of high expectations arising from the successful struggle against a malignant apartheid state, a very large percentage of the population—among them many of the most desperately poor in the world—are being sacrificed on the altar of the neoliberal logic of global capitalism. Moreover, as I had occasion to remark during a recent stint spent teaching in that country, the most striking thing I personally discovered about the New South Africa is just how easy it has now become to find oneself considered an ultra-leftist! For to talk with opinion leaders or to read their public statements was to be drowned in a sea of smug: this is the way the world works; competitiveness is good; get with the program; *get real!* One does not know whether to laugh or cry at this kind of realism—"magical market realism," as I have termed it elsewhere.¹

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Editors' Note: We are publishing this article in full despite the fact that it is much longer than a normal MR article because we are aware that MR readers are intensely interested in and perhaps puzzled by recent developments in South Africa. We also want to counteract the complete absence in the mainstream media of any meaningful explanation of the obstacles (both external and internal) encountered in the most recent phase of this historically unprecedented struggle for liberation.

For there is absolutely no reason to assume that the vast majority of people in South Africa will find their lives improved by the policies that are being adopted in their name by the present African National Congress (ANC) government. Indeed, something quite the reverse is the far more likely outcome.

Why this sad denouement? Are we mourning here the state of the world of globalization, marking soberly the wisdom of Adam Przeworski's famously bleak aphorism—"Capitalism is irrational; socialism is unfeasible; in the real world people starve: the conclusions we have reached are not encouraging"—and accepting (albeit with less glee than some of them do) the oft-stated premise of many members of the new South African elite: There Is No Alternative (TINA)? Or are we marking, instead, the failure of South Africa's popular movement or even, as some would have it, a betrayal on the part of the ANC itself? The answer may well be that both emphases contain some truth, although just how one weighs them will depend a great deal on what one believes regarding the art of the possible for nationally-based political movements and parties under present worldwide (and continental) conditions generally—or in South Africa more specifically.

The Dual Transition

We must, of course, be circumspect. In South Africa, the 1990s witnessed the transition from a system of racially driven authoritarian rule toward an outcome far more peacefully defined and democratically realized than most observers would have predicted at the end of the previous decade. Given the difficulties of such a transition, the relatively peaceful consolidation of a functioning liberal-democratic system must be deemed a considerable achievement. Nonetheless, we must also ask ourselves just what are the most appropriate criteria for evaluating this dramatic process of change. One point of reference might be the mid-1980s formulation from Magdoff and Sweezy with which I began my interim report of the early 1990s (in *New Left Review*) on South Africa's then-fledgling democratic transition:

[South Africa's] system of racial segregation and repression is a veritable paradigm of capitalist superexploitation. It has a white

monopoly capitalist ruling class and an advanced black proletariat. It is so far the only country with a well developed, modern capitalist structure which is not only 'objectively' ripe for revolution but has actually entered a stage of overt and seemingly irreversible revolutionary struggle.²²

Magdoff and Sweezy did leave open the possibility of other, less palatable outcomes, but noted, by way of summary of what was at stake, that "a victory for counterrevolution—the stabilization of capitalist relations in South Africa even if in somewhat altered form—would...be [a] stunning defeat for the world revolution."²³ Unfortunately, if measured in the year 2000 against such a standard, defeat would seem to be an appropriate description of what has transpired during the past decade in South Africa. For "the stabilization of capitalist relations" is, by any measure, one clear attribute of the country's transition.

True, the cause of "world revolution" has taken a fearsome beating since Magdoff and Sweezy wrote the above words only a decade and a half ago, and perhaps South Africa will not now seem the most serious of the defeats that the presumed revolutionary-cum-socialist alternative has suffered in those years. Indeed a more basic question might well be whether invocation of the "S" word itself can any longer provide us with a very relevant reference point against which to measure the direction and pace of change these days. After all, the world was a very different place in 1986, and not just as viewed through the eyes of a Magdoff or a Sweezy. While there was already plenty of scope for pessimism of the intelligence on the left, there still seemed then to be room for a certain optimism of the will. Much of this optimism has been lost in the intervening years, public pronouncement and academic writing alike reflecting the notion that an ineluctable and transcendent process of globalization is crushing the very plausibility of proactive states and meaningful national jurisdictions. And even when some quasi-left observers grant more room for maneuver to states and nations, it can consist of disciplining globalization only just enough to advance the competitive interests of elements of national capital. To think to act, nationally or globally, in order to challenge the underlying logic

of capital or to realize some more social and humane purpose is, at best, seen as merely naive. Thus Hirst and Thompson write, without apparent irony, of what they seem to consider the height of contemporary progressive aspiration:

Such institutional arrangements and strategies can assure some minimal level of international economic governance, at least to the benefit of the major advanced industrial nations. Such governance cannot alter the extreme inequalities between those nations and the rest, in terms of trade and investment, income and wealth. Unfortunately, that is not really the problem raised by the concept of globalization. The issue is not whether the world's economy is governable towards ambitious goals like promoting social justice, equality between countries and greater democratic control for the bulk of the world's people, but whether it is governable at all.¹

To paraphrase Margaret Thatcher: there is no society, only corporations and their intermediaries.

Are we then setting the bar too high in even thinking of evaluating South Africa's level of accomplishment against the criteria evoked by Magdoff and Sweezy? Not necessarily. After all, South Africa's dramatic transition to a democratic dispensation ("One Person, One Vote, in a United South Africa,") has been twinned with a simultaneous transition towards an ever more sweeping neoliberal socioeconomic dispensation that has negated in practice a great deal of the country's democratic advance. We will return to this point below. But it is also important to repeat the point about just how much of an advance has in fact been made. Recall, in this respect, that nothing seemed very certain about moving beyond even the system of racial authoritarianism when I wrote the article in which I quoted Magdoff and Sweezy less than a decade ago (1991). At that point, it was apparent that the passage from an apartheid South Africa was fraught with danger—the country, in the early 1990s, still a killing field. And yet, through the 1994 election and its aftermath, South Africa has been able to realize and to stabilize the shift to a constitutionally premised and safely institutionalized democratic order—making peace without suffering the potentially crippling backlash from the right wing, both black and white, that many had predicted and without suffering the collapse into chaos or dictatorship that

some had seen to be threatened by the establishment of majority rule. Moreover, this political stability was sustained through the five years of Mandela's presidency, reconfirmed by the very munificence of the 1999 election, and has been carried unscathed into the Thabo Mbeki presidency. A cause for celebration, surely, on a continent where apparently lesser contradictions have proven far more difficult to resolve.

It is true that the door to the transition was being opened by some behind the barricades of white power: it was becoming evident by the later 1980s to both dominant business circles and sufficient numbers within the ruling political elite that a situation of relative stalemate had been reached and that some steps would have to be taken to incorporate the ANC into the circle of legitimate political players. However, the full significance of this development would only became fully apparent in retrospect. What seemed more immediately pressing at the time was the fact that, in spite of the release from prison of Nelson Mandela in 1990 and the unbanning of the ANC, President F. W. de Klerk and his associates had still not reconciled themselves to the notion of the ultimate establishment of an ANC government. Well into the transition period (1990-1994), they continued to harbor hopes of safeguarding various attributes of the existing racial order within any new constitutional and political dispensation that would eventually emerge from negotiations. Moreover, de Klerk was almost certainly knowledgeable of various ongoing attempts by the South African military and police both to strengthen the hand of Chief Gatsha Buthelezi and his conservative Inkatha Freedom Party (IFP) in the jockeying for political positioning that occurred and to actively undermine, in this and other ways (both direct and indirect), the capacity of the ANC to emerge as a hegemonic force in a new South Africa.

There was also a significant threat to a peaceful transition from further to the right within the white polity. Both the Conservative Party (CP) and more overtly fascist organizations like the Afrikaner Weerstand Beweging (AWB) remained players to be reckoned with, committed as they were to rolling back the clock to the days of unqualified apartheid. As Jonathan Hyslop has con-

vincingly argued, however, by far the greatest danger from the White Right was represented by General Constand Viljoen. He, not Ferdy Hartzenberg (of the CP) or Eugene Terreblanche (of the AWB), had lines into a security establishment not otherwise inclined towards *putschist* activity and also had a much better chance of linking up with potentially divisive forces in the African community (with Buthelezi, for example, and with the independent Bantustan governments of the Ciskei and Bophuthatswana). This was because, as a realist, Viljoen had concluded that the Afrikaners' last best hope lay in separationism, not apartheid overlordship. The foiling of white intervention to shore up Lucas Mangope's regime in Bophuthatswana narrowed Viljoen's options, however, and when the ANC skilfully allowed some space in the negotiations for the separatist notion of a Volkstaat to remain a possibility the general chose, late in the day but fatefully, to commit himself to the electoral process. Despite a spate of bombings on the eve of the elections, the white right was thus largely corralled into the fold of peaceful transition. And even though his own last-minute entry into the election did not create quite so peaceful a process in KwaZulu, Buthelezi's decision to participate must surely have been produced, at least in part, by Viljoen's decision to abandon his own resistance.¹

One might argue that the ANC was equally adept in dealing with Chief Gatsha Buthelezi and Inkatha. The IFP brought to the table a bloody record of harassment of the ANC, often carried out hand-in-glove with the apartheid state. But it had also developed a significant base among many (although by no means all) Zulu speakers in the rural areas and squatter settlements of the KwaZulu bantustan and in workers' hostels especially on the East Rand. Small wonder that, despite Inkatha's eleventh-hour conversion to participation in the 1994 polls, fraud, violence, and considerable chaos marked the electoral process in Natal—with “no go” areas for one or the other of the chief protagonists in the election, especially in Inkatha-dominated rural Natal, imposing a firm limitation on open campaigning, for example. In the end, no accurate count of the vote proved to be remotely possible in Natal: the result was, quite simply, diplomatically brokered and in

the IFP's favor, this being a choice of tactic made by the national-level ANC in order to draw Buthelezi further into the tent of compromise. This result also meant that the IFP would form the government in the province of KwaZulu-Natal (KZN), one of nine such provincial units established within the new federal system affirmed in the constitutional guidelines produced by the inter-party negotiations that preceded the elections.

Here Buthelezi found himself beneficiary of a process—that of constitution-making—that he had himself chosen to boycott. It was primarily white politicians, denied any more direct guarantees of minority privilege, who successfully held out for a federal division of powers as one means of hamstringing an ANC government that, they feared, might with victory seek to use the central government actively for progressive purposes. Another line of defense of established socioeconomic inequalities was the attempt to bind the ANC to a constitutionally prescribed protection of individual human rights, in particular of the right to property. In addition, the so-called sunset clauses safeguarded for a period the positions of whites in public employment. The agreement on a Government of National Unity meant positions for both National Party (NP) and IFP politicians (including both de Klerk and Buthelezi) in the cabinet formed by the ANC after its electoral victory, and an amnesty offered some protection to those who had committed various gross abuses of power in defense of apartheid (albeit an amnesty that was sufficiently qualified to prepare the ground for the subsequent establishment of the Truth and Reconciliation Commission [TRC]).

There were other ways to interpret such constitutional compromises, of course. Take the tilt in the constitution toward a pre-occupation with human rights. There were those within the camp of national liberation who themselves championed such an emphasis not in any counterrevolutionary spirit but rather to help safeguard against the danger of abuse of power by an ANC that was far from immune—given its own hierarchical, even Stalinist, past—to temptations towards highhandedness. There were also those who sought to balance any concession to the privileging of the right to property with the writing into the constitu-

tion of a much broader range of economic and social rights, rights designed to give validation to the ongoing claims of the impoverished in South Africa. Just how such rights (carefully qualified as they were) might be rendered operational in a post-apartheid South Africa remained to be seen (not easily is the simple answer) but that they appeared in the text at all suggests something of the balancing act between defense of privilege and demands for redress of historically embedded wrongs that the constitutional moment embodied.

Nor has the limited federalism of the constitution presented any real impediment to the ANC's undertakings. True, the provinces have provided space for the expression of a degree of diversity in South Africa, even if such diversity has not always been of the most enlightened kind. As noted, the KZN government became a formally recognized shelter for the IFP and the Western Cape government a similar outlet for the quasi-racist preoccupations of the white and Colored constituencies of the National (NP) and Democratic Parties (DP). Most often, however, the provinces have tended to become mere instruments in the hands of those who determine national-level budget allocations (and of a depressing brand of ANC infighting) rather than vibrant political sites in their own right. It is surely no accident that the ANC did not seem to push particularly hard in either the 1994 or 1999 elections to win the two-thirds majority that it would have needed in order to change unilaterally the terms of the constitution in this or any other particular (although on both occasions, it was actually very close to gaining just such a margin). If long-term constraints on the ANC's freedom of action have existed, or costs have had to be borne for the kind of negotiated transition that the movement did achieve, they have lain elsewhere than in the constitutional realm.

One place where a more obvious price has been paid can be found, many would argue, in the ANC leadership's tacit support for the demobilization of those popular energies that had been so crucial to the weakening of the apartheid state in the first place. To be sure, these energies did find political expression from time to time during the negotiations. Thus, the Congress of

South African Trade Unions (COSATU), the country's largest trade union organization and a key ANC ally, effectively manifested its unease at late-apartheid government policy initiatives (and at its own absence from the formal negotiations process) with a dramatic two-day general strike against a proposed new value-added tax, among other actions. And negotiators were further reminded of the mass presence beyond the conference halls when, at a crucial moment, a series of rolling mass demonstrations (climaxing in the Boipatong massacre and the shooting by Ciskei soldiers into a large group of protesters marching on Bishop) were employed by the ANC together with COSATU to re-activate stalled talks. But, as Jeremy Cronin of the SACP put the point forcefully at the time, there was a tendency to view the latter kind of "mass action" primarily as a "tap" to be turned on and off at will by the ANC rather than as a foretaste of ongoing popular empowerment. Another ANC activist, Raymond Suttner, had a similar sense of the direction in which things were going:

JS (Joe Slovo) is absolutely right to underline the massive victory we have scored at the negotiations. He fails, however, to mention that the past three years have also seen the transformation of our organizations, particularly the ANC. This transformation could have a serious, long-term impact. In particular, the negotiations have had a dissolving effect on mass organization, a tendency for our constituency to become spectators. If we conduct the coming election campaign in a narrow electoralist manner, the dissolution could be deepened. Whatever the victory, we should not underrate the strong sense of demoralization in our organizations.¹

In fact, elections have been, as Suttner feared, fully revelatory of what little has come of popular mobilization in South Africa—as has been the virtual collapse of the ANC as a mass political organization (although not as an electoral machine) since 1994. True, the 1994 election had the distinction of being a freedom election: one could not have asked for much more than that such an election would ratify, through a massive African vote for the ANC, the coming into the political kingdom of a population that had been denied any such voice for centuries. By 1999, however, it was difficult to miss the significance of the fact that the election

had become a mere popularity contest, the ANC still floating to a considerable degree on its legitimacy among Africans as a successful liberation movement, rather than on any record of delivery on popular expectations during its first term in office. Meanwhile, the vote in KZN continued to fall along quasi-ethnic lines (producing, once again, a narrow victory for the IFP) and the vote in Western Cape along racial ones (producing a NP and DP government, with the two parties since merged into a new Democratic Alliance). Nationally, the DP became the official opposition (albeit with only 11 percent of the vote compared to the ANC's near two-thirds poll): it did so, significantly, on the basis of a campaign pitched, to whites, Coloreds, and Indians, in terms of issues of crime, corruption, and the dangers of abuse of power inherent in a one-party dominant (read also, African-dominant) political system, issues that were given, tacitly, a racist spin.

Of course, this tendency may also have reflected the fact that there was not so very much more to campaign about. The DP hewed to a particularly business-friendly, neoliberal line as regards socioeconomic policy during the election but, by 1999, this did not much distinguish the party from the ANC itself in policy terms: on many potentially important strategic issues the space for democratic disagreement and contestation had by now been papered over by a crippling consensus among the main political contenders regarding the presumed imperatives of economic orthodoxy. Small wonder that some observers have found it difficult to avoid a relatively narrow and unenthusiastic reading of what, substantively, was actually being accomplished in South Africa in democratic terms. Thus, David Howarth distinguishes the "democratic transition" South Africa has achieved from the "democratic transformation" that it has not really attempted—using the term "democratic transition" to refer "to the process by which negotiating elites manage to oversee the installation of formal liberal-democratic procedures, whereas [democratic transformation] designates the longer-term process of restructuring the underlying social relations of a given society." Since, in South Africa, these "underlying social relations" encompass a measure of socioeconomic inequality that is virtually unparalleled elsewhere in the world (only Brazil and Guatemala are ever mentioned as being in the same league on the GINI scale), it is not difficult to see what Howarth is driving at.¹

Some have viewed the aforementioned incorporation of Buthelezi into the national fold as one particularly graphic instance of the high price paid for the kind of transition that has occurred. Certainly, this is true if one takes seriously the preoccupations of Mahmood Mamdani who, in recent writing, has suggested that a clear distinction needs to be made between "citizen" and "subject" within the theory and practice of democratic struggle in Africa. In particular, he criticizes much thinking about democracy for focusing far too exclusively on urban pressures (by self-conscious "citizens") for change and overlooking the importance, if genuine democratic transformation is to be realized, of simultaneously helping rural dwellers who are often still trapped as "subjects" within quasi-traditional structures of authority to liberate themselves.² Does reflection upon Mamdani's model not raise the fear that the ANC, in the name of peacemaking, has merely handed over the rural poor (and the poor who are resident in the many peri-urban shantytowns around Durban and Pietermaritzburg) of KZN to the ministrations of the caste of abusive chiefs and warlords who cluster around Buthelezi and his Inkatha structures?

This is, in fact, the argument made by Gerry Maré, the most articulate academic critic of Chief Buthelezi and his Inkatha project. Maré bemoans the extent to which the unsavory Buthelezi has apparently forced the ANC to accept him as political player more or less on his own terms. Thus, in spite of the fact that Inkatha won a mere 10 percent of the vote in 1994, and in spite of being named in the TRC report as carrying responsibility for "gross violations of human rights," Buthelezi has escaped with scarcely a blenched and with apparent absolution from the ANC itself... his position as elder statesperson acknowledged through the number of times that he has served as Acting-State President in the frequent absence of both Mandela and [then Deputy President] Mbeki.

As for his cronies, people "closely associated with horrendous acts of violence," they have "simply defied or ignored the storm and

survived—often as members of various provincial parliaments or the central parliament, such as warlords David Ntombela and Mandla Shabalala, and the notorious prince Gideon Zulu.”¹⁰ True, some may argue that such an outcome merely epitomizes the success of a judicious strategy of incorporation, a legitimate tactical ceding of ground to a dangerous and decidedly ruthless opponent, a purchasing of peace in one important region of South Africa at some real but nonetheless acceptable cost to principle. And yet one might be more inclined to accept such an argument were this not merely an example of the more general pattern of ANC peacemaking efforts: an across the board following of the line of least resistance towards centers of established power, a continued broadening of the scope of mere elite-pacting to consolidate, on every front, a turning away from the interests of the poorest of the poor.

Buthelezi has not been the only, or indeed the central, target of such appeasement tactics. Far more important in this respect have been the wielders of corporate power who have lived to tell the tale of the dual transition with increasingly self-satisfied smirks on their faces. There can be little doubt that, in the end, the relative ease of the political transition was principally guaranteed by the ANC’s withdrawal from any form of genuine class struggle in the socioeconomic realm and the abandonment of any economic strategy that might have been expected directly to service the immediate material requirements of the vast mass of desperately impoverished South Africans. This was to occur in a society where, as noted above, the gap between rich and poor has been, and remains, among the widest in the world: a society in which, as one mid-1990s survey demonstrated, “the poorest 60 percent of households share of total expenditure is a mere 14 percent, while the richest quintile’s share is 69 percent” and where, across the decade of the nineties, a certain narrowing of the income gap between black and white (as a growing number of blacks have edged themselves into elite circles) has been paralleled by an even greater widening of the gap between rich and poor.¹¹ Granted, the negotiations in the sphere of economic and class relationships were far less public than the formal meetings of the

Convention for a Democratic South Africa (CODESA) and the Kington Park negotiations. But they were, perhaps, even more important. As one close observer wrote in 1994:

Since 1990, when the democratization process began, some foreign governments, notably the US and some of its allies—Britain, Germany, Italy and Japan—successfully induced the ANC to move away from its socialist economic policies, including that of nationalization. Instead, they succeeded in persuading the movement to embrace Western-style free market principles which the ANC increasingly, albeit reluctantly, adopted. It is interesting to note, for example, that Mandela’s evolving position on fiscal responsibility was a direct response to pressures from foreign investors and governments.¹²

Moreover, this brand of compromise was merely part of a decade-long process of accommodation, one hailed in retrospect by no less a source than South Africa’s corporate think tank par excellence, the Center for Development and Enterprise (CDE):

The evolution of the ANC’s policy position was...influenced by foreign perceptions and pressures (from foreign investors, potential investors, the World Bank, IMF and others). Other important policy influences were the *Growth for All* document of the South African Foundation (representing the country’s fifty largest corporations) published in February 1996.

The result: “Throughout the 1990s the ANC’s economic policies have shown a clear shift towards greater acceptance of the market... (one sealed) finally in the Growth, Employment and Redistribution (GEAR) proposals of June, 1996.”¹³ But if 1996 was the crucial year for putting the finishing touches on the ANC’s capitulation to neoliberal orthodoxy, it seems plausible to argue that the die had already been cast during the transition period itself. As Hein Marais observes, “by 1994...the left had lost the macroeconomic battle.”¹⁴

Liberating Capitalism

This defeat was no accident. As anticipated above, from the mid-1980s the cooler heads in the camp of capital had begun to develop a counterrevolutionary strategy designed to shape the socioeconomic transition that would now parallel the political one. The trigger: the near revolutionary mobilization of popular

forces against the established system that marked the 1980s. Faced with so serious a political crisis, Anglo-American business executive Zac de Beer enunciated his classic warning (*Financial Times*, June 10, 1986) that "years of apartheid had caused many blacks to reject the economic as well as the political system." His corollary: "We dare not allow the baby of free enterprise to be thrown out with the bathwater of apartheid." Armed with this sensibility, capitalists, both worldwide and local, prepared themselves to sever the marriage between the structures of capitalist exploitation on the one hand and of racial oppression on the other that had proven to be so profitable in the past. Indeed, increased interaction with Nelson Mandela in prison and Thabo Mbeki and others in exile merely helped to confirm the growing sense that the ANC might be a potential participant in (and even possibly the best guarantor of) a transition that safeguarded the essentials of the established economic system. The fact that a powerful stratum of Afrikaner capitalists had by now joined the upper echelons of South Africa's business community was also important here. This group increasingly became protagonists within the NP for reformist strategies for a deracialization of capitalism that began to jettison the interests of those Afrikanners—less well-off and most vulnerable to colorblind competition for jobs and other privileges—who had once formed its chief political base. The fact that de Klerk held out until quite late in the day for more firm guarantees of continuing racially defined privilege proved to be much less important to the outcome of negotiations than this underlying pull on the part of capital towards the granting of extensive concessions on the racial-cum-political front.¹¹

Intriguingly, this preemptive strategy was twinned to the saliency of a related perspective on the crisis the late-apartheid economy was deemed to be confronting, a perspective that served further to underscore the need for reform. For South African capitalism was increasingly viewed not only as prisoner of an outmoded (and increasingly politically dangerous) racial ideology but of an outmoded economic strategy as well: in an ever more neoliberal age, the racially motivated interventions of the South African state were merely one way in which that state was now

deemed to be unduly intrusive into the sacrosanct domain of the market and therefore a drag on economic progress. Thus, in its last years, the NP government itself had moved a long way towards the embrace of neoliberal orthodoxy, a trend most clearly manifested in the centrality of "privatization, trade liberalization, spending cuts and strict monetary discipline" to the Normative Economic Model (NEM) that it released in 1993. But, as has already been suggested, the most significant conversion to such orthodoxy was to take place, under intense pressure from the world of capital, within the ANC itself.

There were some counter-tendencies to this outcome. True, many within the ANC were caught flatfooted in the sphere of economic policy in 1990, with only some vague if progressive nostrums from the Freedom Charter ("The mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole") to fall back upon. Perhaps it was this that allowed Nelson Mandela to state militantly immediately upon his February 1990 release from prison that "the nationalization of the mines, banks and monopoly industry is the policy of the ANC and a change or modification of our views in this regard is inconceivable"—a position Mandela himself would soon so distance himself from that by 1994 he could tell the US Joint Houses of Congress that the free market was a "magical elixir" that would produce freedom and equality for all!¹² But even if Mandela himself was not to be counted upon in this respect, there was also available a more considered expression within the ANC of a radical sensibility relevant to thinking about the macroeconomic sphere—one grounded, for example, in early position papers developed by the Research Department (with the assistance of such figures as British Marxist economist Lawrence Harris), among other sources. This sensibility produced chiefly a kind of *dirigiste* neo-Keynesianism perhaps, but it nonetheless contained the possible seeds of a deepening challenge to capital's prerogatives in favor of a prioritization of popular needs in the sphere of production. Its impact was best exemplified by the then-prominence of the proposed guideline "growth through redistribution" in ANC circles.

This perspective also found early voice in the ANC's new Department of Economic Policy (DEP), in its very first major policy pronouncement (the "Discussion Document on Economic Policy" of 1990) in fact:

The engine of growth in the economy of a developing, nonracial and nonsexist South Africa should be the growing satisfaction of the basic needs of the impoverished and deprived majority of our people. We thus call for a program of Growth through Redistribution in which redistribution acts as a spur to growth and in which the fruits of growth are redistributed to satisfy basic needs.¹⁵

Such emphases were reinforced by the report of the Macro Economic Research Group (MERG) crafted, between 1991 and 1993, by ANC-aligned economists working with progressive counterparts from overseas. And it found significant public expression in such claims as that made in 1992 by then-DEP economist (and presently governor of the Reserve Bank), Tito Mboweni:

the ANC believes that a strategy of 'growth through redistribution' will be the appropriate new path for the South African economy... In our growth path, accumulation depends on the prior redistribution of resources. Major changes will have to take place in existing power relations as a necessary condition for this new growth path.¹⁶

This logic appeared momentarily compelling. After all, the vast majority of South Africans were (and still are) desperate in their poverty for a wide range of the simplest goods and services on the one hand, and a very large percentage of people (most often the same people) were (and still are) equally desperate for jobs, on the other. Why, the ANC seemed poised to ask, can't those two key pieces at the center of the South African economic puzzle simply be put together? Why must they be joined so indirectly and inefficiently through the circuits of global capital and the process of generating surplus value (profits) for those few who have the power to dictate terms and guarantee their massive cut of the action? But any such questions were very soon lost from view as Mboweni and other young ANC highfliers—in a rightward shift which was also congruent with that being made, alongside Mandela himself, by older heavyweights like Joe Slovo and Mac Maharaj—increasingly looked elsewhere for economic cues.

The voices raised against anything like the "growth through redistribution" model were ferocious, with attack dogs for capital like the notorious business economist Terence Moll quickly labeling it "macroeconomic populism" and "a dangerous fantasy."¹⁷ Moreover, a wave of much more capital-friendly scenarios (the Mont Fleur proposals, for example, and the recommendations of both the Nedcor and Old Mutual "Professional Economists' Panel" [entitled *Prospects for a Successful Transition*] and insurance conglomerate Sanlam's own *Platform for Investment*)¹⁸ soon washed over the macroeconomic debate—even as other global players "arranged for key ANC economic advisers and politicians to receive training at business schools and international banks and investment houses in the west where they were fed a steady diet of neoliberal economics."¹⁹ As DEP economist Viv McMenamin put the point frankly at the time, ANC economic thinking now registered "a shift away from policies that may be morally and politically correct, but which will cause strong adverse reaction from powerful local and international interests."²⁰ Ironically, even COSATU, which would eventually prove a rather sharper critic of burgeoning neoliberalism in South Africa, found itself wrong-footed in this early going. Thus, its own team of academic advisors (the Economic Trends Group and the Industrial Strategy Group) began by advocating various interventionist measures vis-a-vis capital but soon found itself so taken with models of shaped and competitive advantage and with supply-side and external-market driven preoccupations, as to offer advice that fit quite comfortably within the rising tide of orthodoxy. In the end, ex-United Democratic Front (UDF) activist Trevor Manuel, instrumental in pulling the DEP to the right in the early 1990s, and ex-trade-union militant Alec Erwin, patron of the COSATU academics, would become, as Ministers of Finance and of Trade and Industry respectively, the principle protagonists of the global conservatism that had come to characterize ANC economic policy at the turn of the century.²¹

One last throw of the dice by the left within the Mass Democratic Movement was the document that became, in effect, the electoral manifesto for the ANC in the 1994 election cam-

paign, the Reconstruction and Development Program (RDP). To a considerable degree driven from below by the trade unions and civic organizations, and adopted only rather more opportunistically by the core group of ANC senior leaders, it emphasized the centrality to the planning process of both the meeting of the populace's basic needs and the active empowerment of that populace in driving its own development process. Nonetheless, the central chapters on macroeconomic policy were already markedly compromised in the direction of free-market premises, the document as a whole being at best (as I wrote at the time) "less what it is, than what it might become" in the context of further class struggles. Unfortunately, it was the rightward pull that proved predominant, reinforced (as Asghar Adelzadeh has carefully recorded) in a range of government documents, each more neoliberal in tone and substance than the last, that ran from the RDP White Paper of September 1994, through the draft "National Growth and Development Strategy" of February 1996, to the "Growth, Employment and Redistribution, a Macroeconomic Strategy" document of June 1996.² As Marais notes of the latter,

Rhetorically, attempts were made to align [GEAR] with the socially progressive objectives of the RDP. But the central pillars of the strategy were fashioned in accordance with standard neoliberal principles—deficit reduction, keeping inflation in single digits, trade liberalization, privatization, tax cuts and holidays, phasing out of exchange controls, etc. (171).

And in March of that same year, the RDP Office, until then strategically located in the President's Office as cabinet-level overseer of what was left of a popularly driven development mandate, was closed—its activities folded, ostensibly, into the various line ministries.

For many of the government's most sympathetic critics, it is the extreme, precipitate, and unqualified nature of the ANC government's move towards a neoliberal strategy that is so surprising. As Adelzadeh suggests, what has transpired appears to be in significant part a self-inflicted wound, an "adoption of the essential tenets and policy recommendations of the neoliberal framework

advocated by the [International Monetary Fund] IMF in its structural adjustment programs" which is all the more remarkable in view of the limited, even negative impact of such programs, especially in southern Africa, the lack of any leverage that the international financial institutions such as the IMF and World Bank have over South African policy makers, the lack of any dramatic shifts in economic and political environment to warrant such major shifts in policy orientation, and the lack of a transparent and fully argued justification for the adoption of an entirely different policy framework.

What there is, Adelzadeh concludes, is merely "a lame succumbing to the policy dictates and ideological pressures of the international financial institutions."³² Moreover, the pronouncements of these documents have been paralleled by a range of concrete policies that epitomize just such a "lame succumbing." Crucial in the constitutional negotiations per se—alongside the property rights clause—was the agreement to guarantee formally the "independence" of the Reserve Bank, a reassurance to capital that removed from government hands any real leverage (especially in facilitating expansionary policies) over crucial monetary decisions. Moreover, as a member of the caretaker South African government, the Transitional Executive Council, the ANC spent most of 1993 signing on as party to a range of decisions that firmly cast the die for future policies once it was in power: inking an extraordinarily market-friendly letter of intent to the IMF in order to guarantee a balance-of-payments loan, for example, and joining the General Agreement on Tariffs and Trade (GATT).

Perhaps the most noteworthy aspect of this latter move was the fact that it set the stage, after 1994, for the ANC government to remove tariffs in key areas much faster than even GATT required—with catastrophic effects on many local firms. Moreover, Patrick Bond argues that the same kind of "moral surrender" to the market was evident in an ongoing propensity to cut back corporate taxation and in such decisions as those "to repay in full apartheid's twenty billion dollar plus foreign commercial bank debt and to phase out exchange controls in the name of attracting new foreign finance."³³

These, and a number of other choices made in the early going, were crucial ones, rendering cumulatively more difficult and more

unlikely any opting for the plausible alternative policies that existed at the outset of the transition. Left critics would argue that many of the ANC's more recent claims to be powerless in the face of the marketplace have a disingenuous ring when measured against the fact that the movement itself had, early in the game, thrown away so many of the instruments that might have been useful in crafting a more assertive strategy towards capital.²¹ Instead, and ironically, the ANC has come, full circle, back to the late apartheid government's NEM. The central premise of South Africa's economic policy now could scarcely be clearer: ask not what capital can do for South Africa but what South Africa can do for capital. This meant an overwhelming preoccupation with foreign investment, an (at best) trickle-down approach to development more broadly conceived, and an attendant encouragement of a culture of stock markets (with even many trade unions becoming substantial players in the game through their own investment companies) and, for more marginal players, of institutionalized lotteries and other games of chance. All of this done in a context where a sophisticated case can and has been made against the continued prioritizing of supply-side economics and for an approach ("growth through redistribution") that highlights the far more central brake on economic growth that exists on the demand side of the equation.²²

In light of such circumstances it is difficult not to feel, with Adelzadeh, that the option for neoliberalism was, first and foremost, an ideological one. For in strictly economic terms, the underlying premises of this wholesale capitulation to the market have been desperately shaky. As Colin Leys and I have recently concluded in these pages (*MR*, July/August, 1999) from our survey of the capitalist prospect in Africa, the likely result is "relegation to the margins of the global economy, with no visible prospect for continental development along capitalist lines...Africa's development, and the dynamics of global capitalism are no longer convergent, if ever they were." The point stands, I fear. And what of South Africa itself in this regard? In his own analysis of Africa, the eminent sociologist Manuel Castells sees somewhat more room for South African maneuver within global capitalism than is the case elsewhere on the continent.

Castells argues this because of the country's size and relatively sophisticated economic structure compared with other African countries ("South Africa accounts for 44 percent of the total GDP of all sub-Saharan Africa, and 52 percent of its industrial output," he reminds us). And yet even Castells must conclude his discussion of South Africa by evoking the possibility of South Africa falling, like "its ravaged neighbors," into "the abyss of social exclusion." As he writes, "the real problem for South Africa is how to avoid being pushed aside itself from the harsh competition in the new global economy once its economy is open."²³ Not easily is the most plausible response, a point reinforced by numbers that indicate not the dramatic increase in employment figures forecast by those who launched GEAR but a spiraling downward trend in that regard (a loss of at least a half a million jobs between 1994 and 1999, it has been estimated). These figures are paralleled by evidence in such spheres as GDP growth, investment, savings, exports and interest rates that "virtually all GEAR's targets were missed" and missed by a very great deal.²⁴ Indeed, it is difficult to escape the conclusion that, in the summary of one analyst,

GEAR has been associated with massive deindustrialization and job shedding through reduced tariffs on imports, capital flight as controls over investments are relaxed, attempts to downsize the costs and size of the public sector, and real cuts in education, health and social welfare spending.²⁵

To highlight such negatives, it is sometimes said in South Africa, is to indulge in "Afro-pessimism." But it can much more easily be argued that the real Afro-pessimists are those who state that South Africa has little choice but to tag along behind a global capitalism that actually offers it very little by way of development prospect. Colin Bundy, the South African historian, acknowledged some years ago that to continue to hold out the prospect of a socialist transformation in South Africa might seem to require something of a "leap of faith." But, he continued forcefully,

to imagine that a milder mannered capitalist order can secure a decent future for the majority of South Africans—or that deracializing bourgeois rule will meet the aspirations of exploited and oppressed people—or that South Africa can somehow be

absolved of its economic history and enter a future like that of Sweden or Taiwan: now that *really* requires a leap of faith.¹¹ Surely there are stronger grounds upon which to build an "Afro-optimism" than through such a feckless flight to the right.

Meridional Thatcherism

Interestingly, the sensibility evoked by Bundy parallels the thoughts of leading left political economists like Greg Albo who also, in their more general work on such themes, juxtapose self-consciously the claims of "utopian capitalism" against the promise of "realistic socialism."¹² For Albo, the latter objective would focus (among other things) on "more inward-oriented economic strategies" and the devaluation of "scale of production as the central economic objective," goals that

can only be realized through re-embedding financial capital and production relations in democratically organized national and local economic spaces sustained through international solidarity and fora for democratic cooperation.

Not that the precise nature of such an alternative can readily be sketched in blueprint form. It would have to be specified in practice by those social forces who might yet mobilize themselves to place a more progressive agenda on the table in South Africa. Perhaps, as I have suggested in earlier writings,¹³ the growth through redistribution emphasis that floated momentarily through the movement could still provide the starting point for a process of structural reform with longer-term transformative potential. But there would also have to be a greater willingness to embrace the fact that the existent market-dominated global order—driven by "a minority class that draws its wealth and power from a historically specific form of production"—is (in Albo's words) "contingent, imbalanced, exploitative and replaceable."

Unfortunately, this is precisely the kind of sensibility that the ANC's present leadership has continued to devalue in South Africa. It is true that, for all their talk of TINA, this group most often does not present itself as the reluctant slave of the imperatives of the global marketplace but rather as its enthusiastic, born-

again protagonist. Still, many explanations of the neoliberal turn the ANC has taken are cast in terms of the structural determinations upon their actions that are defined by economic necessity. For Ann Bernstein and her big-business backers at the CDE, there is no doubt, given the strength of capital and the (benign) workings of the global economy, that "at the turn of the century, there is not much choice for South Africa. ... There is only one road to follow if we want to...put the country on a sustained high growth path." Evoking the example of "Britain's Tony Blair [who] has led the Labor Party away from its socialist and union-dominated past...[and] is ruthless in ensuring that key members of the cabinet and party toe the new line," the CDE suggests that, similarly in South Africa, "a certain degree of toughness is...required to impose the new vision on the party and follow through with the chosen policies." And despite concerns about too slow a pace to privatization and too little government action to meet the need for greater "labor flexibility," the CDE survey is nonetheless pleased to cite the fact that "business leaders who have met Mbeki are positive" and affirm, with minimal qualification, that "South Africa is fortunate to have a person of Mbeki's quality to lead it into the next century."¹⁴ Or, as one banker stated even more frankly in the wake of the 1999 elections: "The ANC are not fools. They know where the balance of economic power lies."¹⁵

The more detailed specification of just how the differing demands of diverse fractions of capital have shaped the policy substance of the transition is more debatable. At the most general level, there is a commonsensical reading that it is the presumed imperatives of retaining in-country as much as possible of the investment funds of large-scale domestic capitalists and of attracting fresh investments from abroad that determines government thinking. Some observers also emphasize a less South African-centric logic to the choices made, suggesting the drive of certain key sectors of domestic capital to free themselves from the shackles of their South African siting as sufficient impetus to impose neoliberal policies on the government. Here the emphasis is on the crucial role of "the Mineral-Energy Complex" (MEC) that Fine and

Rustomjee have shown as being so central, both historically and contemporaneously, to the South African economy.¹¹ The increasingly diversified global role of the main components of this MEC (and, in particular, of the vast Anglo-American conglomerate) and the extent to which the substantial percentage of its assets are now held in potentially footloose financial form provide another strong reason for it to seek as open a horizon as possible for its movements. Did this factor give an added edge to the pressure on government to lift capital controls, for example, and to give its blessing to the decision of a significant number of key companies to relocate their corporate centers offshore?

For critics, the search for explanations continues, especially in light of the fact that the government's choice of strategy has been quite so unqualified and its capitulation to the world of market signals and market forces quite so complete. Not surprisingly, critics have sought additional explanations for the precipitous rush to go much further and faster to the right than even the most informed emphasis on the pressing nature of global constraints might seem to warrant. Was the ANC leadership pushed or did it jump? Is another structural determination not that of the "imperatives" of class formation, the upper echelons of the ANC having bought quite comfortably into a common class project with the white bourgeoisie, both global and local? Here, it is suggested, the best point of reference for analyzing the South African transition might be Frantz Fanon's notion of a false decolonization: the rising African middle class, both entrepreneurial and political and bureaucratic in provenance, merely sliding comfortably into their political positions as, yes, intermediaries of global Empire and, from these heights, fending off the claims of the poverty-stricken they have left behind.

Such critics find evidence for this interpretation in statements like that of Nelson Mandela who, as early as 1992 (*Star*, September 15, 1992), was warning a journalistic interlocutor that "we are sitting on a time bomb...their enemy is now you and me, people who drive a car and have a house. It's order, anything that relates to order [that's the target], and it's a very grave situation." And they will find further confirmation in *The Economist* (October

12, 1996) which could write (albeit more in glee than in anger) that

For all the fears that resentful ANC socialists would confiscate wealth, the new breed shares the same capitalist aspirations as the old. Though black incomes are barely a sixth of white ones, a black elite is rising on the back of government jobs and the promotion of black business. It is moving into the leafy suburbs, such as Kelvin and Sandton, and adopting the outward symbols of prestige—the BMW, swimming pool, golf handicap and black maid—that so mesmerize status-conscious whites.

Or to take another equally sobering account (that by Mark Gevisser in *The Nation* [September 29, 1997]):

On an April evening almost exactly three years to the day after South Africans voted Nelson Mandela into power, you could watch, at a black-tie dinner in Johannesburg, the dynamics of South African power relations change before your eyes. The dinner celebrated the deal in which Anglo-American—the vast mining house that rules the South African economy—sold a controlling share of Johnnic, a \$2 billion company with blue-chip industrial holdings, to a group of black businesses and trade unions called the National Empowerment Consortium (NEC), led by Cyril Ramaphosa. "I think," said Anglo-American's Michael Spicer when introducing Johnnic's new head, "we can call you chairman Cyril rather than comrade Cyril." Replied the former trade unionist who led the mineworkers' charge against the company a decade ago: "It's wonderful to have Anglo as a minority shareholder!" Ramaphosa, the man most responsible for organizing the working masses into the collective action that brought apartheid to its knees, now leads another charge: an advance, by the mushrooming black middle class, on the commanding heights of the economy. The corporate sector is crowing. "Cyril Ramaphosa was the man who built the unions in the eighties," one very senior Anglo-American executive tells me, "and he'll be the one to break them in the nineties."

Nor, despite Ramaphosa's own subsequent difficulties in keeping his place as a would-be captain of industry, is this an isolated incident. One can almost never find examples of prominent ANC personnel who, when resigning or being removed from office, announce their return to the ranks of the popular movement. Like prominent former ANC provincial governors Tokyo Sexwale and Mathews Phosa, they tend to wind up following such pursuits

as the diamond business or casino development in Mozambique. Small wonder that the authors of one careful analysis of the transaction could conjecture that,

on the one hand, the government seems, in a way very reminiscent of equivalent groupings such as [South West Africa People's Organisation] SWAPO in Namibia or [Zimbabwe African National Union (Patriotic Front)] ZANU-PF in Zimbabwe, to resemble a club of old party militants who are more concerned to reap the rewards of their own earlier sufferings than to effect major changes in society. On the other hand, with the disappearance of the revolutionary vision which undoubtedly spurred such militants on in the past, what is left is largely a class promotion project, the promotion of a new class of wealthy and powerful African movers and shakers.⁵³

One could easily overstate the significance of this trend in broader developmental terms, of course, whatever its implications for class formation within the country's black population. Structurally, black capitalism has proven to be quite a weak force, especially since the Asian crisis of 1998 and subsequent falling stock prices and rising interest rates that confounded black capitalists' hopes of repaying the loans with which they initially purchased shares in various enterprises. Recently, too, "black empowerment enterprises" (often fronts for white enterprises in any case) have had a sharply declining share of Johannesburg Stock Exchange listed stocks (after an early high-water mark of 9 percent in 1996), with certain enterprises earlier devolved to "black" ownership even reverting back to their original owners (like the Afrikaner economic giant, Sanlam). In this and other ways, contemporary South African capitalism actually offers little room for the emergence of a vibrant and transformative "national [and/or 'racial'] bourgeoisie," however much ANC statements (and certain of its affirmative action policies) may seek to imply otherwise. All the more startling, then, is the saliency of the dis-

course that has come to rationalize the role of this ostensibly rising class. In the most general terms, a key trope has been Thabo Mbeki's evocation of the "African Renaissance" to describe the moment, continental and national, that he and his ANC now embrace. His speeches on this theme (notably his "I am an

African" address to the South African Constitutional Assembly in 1996 and his "The African Renaissance, South Africa and the World" speech to the United Nations University in Tokyo in 1998) can sometimes sound notes of dramatic resonance.⁵⁴ Equally often, however, such ideas have come to be attached precisely to the rather narrower definition of "black empowerment" evoked above, a note struck most dramatically in a speech by Mbeki to a meeting of black managers late last year:⁵⁵ There the emphasis was on the need to "strive to create and strengthen a black capitalist class," a "black bourgeoisie." Since "ours is a capitalist society," Mbeki continued, the "objective of the deracialization of the ownership of productive property" is key to "the struggle against racism in our country."

There is a problem, however: "Because we come from the black oppressed, many of us feel embarrassed to state this goal as nakedly as we should." Indeed, Mbeki continued,

our lives are not made easier by those who, seeking to deny [sic] that poverty and wealth in our country continue to carry their racial hues, argue that wealth and income disparities among the black people themselves are as wide as the disparities between black and white. Simply put, the argument is that the rich are rich whether they are black or white. The poor are poor, whether they are black or white.

All of which, Mbeki continued, "frightens and embarrasses those who are black and might be part of the new rich." In short, the new black capitalist class are victims—of class analysis. Of course, structures of racial inequality are a continuing problem in South Africa. But can the issue of class formation and its longterm social and political implications really be finessed away so easily in the New South Africa? Like them or not, the statistics suggest otherwise: as it happens, "the rich are rich whether they are black or white."⁵⁶ One fears that as the celebrated African Renaissance comes to be more and more about the embourgeoisement of the favored few it becomes a very tawdry thing indeed.

Some hardboiled analysts of the ANC's history profess no surprise at such an outcome, having interpreted the ANC's entire history as a nationalist movement as the expression, first and foremost, of a narrow netr-bourgeoisie project. Certainly the knot of

assertive nationalism, middle-class opportunism, liberal-democratic aspiration, and all-too-Stalinoid socialist ideology that have come to define the ANC's politics over time remains to be further untangled. But recall, in this regard, Mbeki's own forceful assertion as early as 1984 that "the ANC is not a socialist party. It has never pretended to be one, it has never said it was, and it is not trying to be. It will not become one by decree for the purpose of pleasing its 'left' critics." True, he saw fit to add that the ANC represented the "notion of both an all-class common front and the determined mobilization of the black proletariat and peasantry," with this working class to be viewed as "a conscious vanguard class, capable of advancing and defending its own democratic interests."¹⁰ Nonetheless, despite this latter utterance, Mbeki seems to have had little trouble in adapting comfortably to a bourgeois milieu. A columnist in the *Washington Post* last year (June 6, 1999) reassured his readers by quoting a remark made to him by a prominent London-based investment banker:

Mbeki holds things close to his chest and makes decisions in a secretive way. However, he is not a populist, and has been a 'Thatcherite' in his fiscal ideas. His experience in exile introduced him to the financial world—he is unlikely to abandon the close ties to business developed in those years abroad.

Although there is no evidence of personal corruption, the account of Mbeki's preferred social circle, frequented on numerous occasions by shady figures from the soccer world and by business hustlers, in a recent (otherwise largely hagiographical) biography—in a chapter entitled, significantly enough, "The Enigma"—also makes for sobering reading.¹¹ As does the moment, at the public launch of GEAR, when he took particular delight in giving the left by himself declaiming: "Just call me a Thatcherite."¹²

The latter moment, in its selfconscious crassness, in its smug ultra-hipness, seems especially revelatory—its very bravado capturing eloquently the prevailing undercurrent of the ANC-dominated transition. Not the undercurrent represented by Mandela's contribution to that transition, to be sure. As Andrew Nash has imaginatively argued, Mandela evoked a more traditional ethos

("a tribal model of democracy," Nash terms it) in playing his own crucial role in the first five postapartheid years, muffling societal contradictions (for both good and ill) within a mythos of consensus. Beyond structural determinations (of economy, of class formation), here was one way in which variables defined in terms of politics and personality must also be made part of the explanation of outcomes in South Africa. But Mandela's was not a polities that the younger generation, epitomized by Mbeki, either could or would choose to play. Their sense of self-importance bore no quasi-traditional markings. It was auto-produced: having pulled off the impossible, the overthrow of apartheid, they are very pleased with themselves indeed. Too smart now to be mere ineffectual lefties, they expected to play the only game in town (capitalism) successfully. It is this kind of coolly self-satisfied, self-righteous, and profoundly ideological thrust on the part of the new ANC elite ("sellout" is much too crude a term for it) that is the single most depressing attribute of South Africa's transition.

It is worth bearing in mind, of course, that such cadres had seen some kinds of "socialism" in tatters—in Mozambique, in the Soviet Union—and sensed the dangers of the fierce discipline, economic and political, that global actors might inflict upon South Africa if it stepped too far out of line. They also saw some of the weaknesses of the institutions of the state that they had inherited and the limits these might impose on any attempt to undertake too heroic a collective project. Such considerations (including as well the very pointed sense of just what risky work it would be for them personally and collectively to choose to swim against a worldwide tide) may also have helped counter any misgivings some might have had about the nature of the global capitalist system to which they now pledged allegiance. For there have been signs of such misgivings. Consider, for example, Mandela's own statement at the 1999 Davos forum that brought together heads of state and of multinational corporations to discuss the question: "Is global capitalism delivering the goods?" According to press reports, Mandela (January 30, 1999) was prepared to ask some questions of his own: "Is globalization only to benefit the powerful and the speculators? Does it offer nothing to

men, women and children who are ravaged by poverty?" Or take Mbeki's 1998 observation to the twelfth heads of state meeting of the Non-Aligned Movement (October 3, 1998) that "the 'free market' path of development...has failed to live up to the expectations of the people of the South." And what is one to make of Mbeki's pronouncement the same year that South Africans "must be in the forefront in challenging the notion of the market" as a modern God, a supernatural phenomenon to whose dictates everything human must bow in a spirit of powerlessness.¹²

Note, however, that this latter assertion, for all its seeming radicalism, was immediately fleshed out by Mbeki's praise for the IMF, the World Bank and the World Trade Organization (WTO) as examples of the kind of "human intervention" that is needed to anchor any such challenge! Note, too, the tenor of this year's celebrated tour by Mbeki of world capitals when he touched base with the Clintons, the Blairs, the Schroders, and the doyens of the International Financial Institutions, the WTO, and the global business community. It is true that at every stop his emphasis, invariably well-received, was on poverty alleviation. Yet this is a seemingly progressive trope that is actually not such an uncomfortable one for those at the top, looking down, to swallow. Who could deny the existence of poverty in Africa (including South Africa) and who would not be, charitably, against it? But what if the problem were named differently: as a deepening polarization of social classes across the color line and around the world that is reinforced by the very logic of capitalist-centered development strategies? Unsurprisingly, this is not a language that either Mandela or Mbeki have cared to employ, let alone to use as reference point for drawing any more assertive conclusions for domestic policy from their occasional (and apparently quite fleeting) expressed suspicions regarding the magic of the market. More often such murmurs of dissent about global contradictions seem designed to make it that much easier, in terms of local mass consumption, to shuffle off responsibility for any lack of economic progress in South Africa to rather more shadowy forces deemed to be beyond the ANC's control.¹³

Indeed, in the context of a particularly subtle analysis of "how the ANC has reproduced its power since 1994," Hein Marais has identified such displacement of responsibility for the slow pace of change as one—albeit only one—dimension of the hegemonic narrative that ANC leaders have skillfully woven together.¹⁴ But there is also the legitimacy, slow to dissolve, that accrues to the ANC as the historical agent of black liberation and African nationalism—as well as the legitimacy that springs from the movement's continuing evocation of a project of racial redress. Moreover, despite its ambiguities in class terms, this latter project does have real resonance: after all, there continue to be cadres within party and state who have dedicated themselves to the betterment of conditions of their fellow South Africans and availed themselves of the fresh opportunities opened up by deracialization and democratization to work for positive improvements in the lives of their fellow citizens. Perhaps such militants have too often taken comfort in the notion that half a loaf is better than none, but Marais suggests they have nonetheless staffed programs in a range of sectors that have had some pertinent and positive effects. "[T]he often-valid critiques of ANC delivery mounted by the left—especially its impact on levels of inequality and poverty—have tended to play down its many notable accomplishments," he writes, and then cites a range of encouraging official figures for areas such as water, electricity, telephone, nutrition, housing availability, and some spreading of welfare benefits to back up his point.

Yet Marais himself is also forced to admit that "sadly, some of these claims lose their luster once scrutinized." Certainly, the squeeze on expenditure arising from fiscal conservatism and the prioritization of deficit reduction has been linked to such realities as the often rapid breakdown of what have turned out to be merely jerry-built services, the rising backlog in the quantity of public goods actually delivered, and the parallel decay of many public health and educational programs (in a context where private facilities have begun to multiply geometrically for the well-to-do). Moreover, many possible areas for innovative policies seem merely untouched, land reform for example, where "fewer than 20 of the 23,000 land claims lodged with the statutory Land

Commission have been settled [and]...less than 1 percent of South Africa's farmland has been redistributed to poor, African households." There is, of course, the obvious question: why has the backlash to such realities (and to other, even more central ones, like the desperately high rate of joblessness) been so muted? Here Marais introduces another variable, what he suggests to be a shared and tolerant understanding on the part of the populace as to just how long the road to redress of widespread penury must be in a situation such as that inherited by South Africans from apartheid. As he puts it,

the majority of South Africans know that the road to freedom and a better life will not take just five (or ten) years...[this is] not fatalistic patience...but the residues of knowledge accumulated through countless personal and collective struggles.

The country did not actually feel like that to me during my stay there, I must confess. On the left, there was the sense that the road, however long, is not actually running in a very promising direction. But more generally, and even more striking, was, yes, quite a lot of fatalism (and/or cynicism). And, equally marked, the weakness, not the strength, of any sense of shared purpose—together with clear signs that the ANC, reluctant to facilitate a substantial mobilization of people for any more transformative purpose than fairly passive vote delivery, is content to allow the profoundly individualizing logic of a market society to help actively to demobilize and to neutralize the mass of the population. No doubt this outcome has been facilitated by the fact that South African society is so deeply (albeit unevenly) marked by capitalist development, that it is a society in which a profoundly (if frustrated) consumerist culture, especially in the sprawling urban areas, now seems far more resonant than any presumed residue of the much-discussed traditional and collective-oriented spirit of "Ubuntu." Yet the ANC's choice against mobilization and for neoliberalism has also helped deepen this culture, a culture which has become, in turn, a crucial ingredient of the ANC's hegemony: the common sense of a South Africa that is, at least for the moment, only narrowly politicized. Can there be any doubt that this represents a sad denouement for South Africa's

mass democratic movement, a movement that in its march to victory promised so much more in terms of sustaining positive social purpose and releasing social possibility? Here, surely, will lie one of the harshest of the verdicts ultimately rendered by historians regarding the ANC: that (to return to our opening paragraphs) it chose to sacrifice so much of that promise on the altar of the marketplace and, in doing so, squandered an opportunity of world-historic proportions.

Starting from Scratch?

In focusing upon the terms of ANC hegemony, we should avoid any underestimation of the hard edge that Mbeki and his party also maintain in order to lock their project firmly into place—the iron fist beneath the velvet glove of their undoubted legitimacy, as it were. The truth is that many members of that leadership group are people of limited democratic sensibility who simply do not like to be crossed. Most importantly, Mbeki's own approach to the exercise of power is far less avuncular and "chiefly" than Mandela's, a style of top-down control and micro-management already visible during Mandela's term when Mbeki effectively orchestrated much of the hands-on functioning of the state apparatus. Mbeki's peevishness was also on display during that period. It was he, for example, who seemed principally responsible for the ANC's initial rejection of the TRC's final report, an approach, based on a demagogic and willful misrepresentation of that report's mild critique of the ANC's own abuses of power in exile, that undermined much of the positive resonance that report might have been expected to have. As president, Mbeki has further centralized things in his own hands, the fact that virtually no leading ANC politician would publicly critique his stubborn attempt to contradict progressive consensus on the question of the link between HIV and AIDS may provide some indication of just how far the writ of his own authority runs. But his very stubbornness on this issue may also suggest exactly what one would be up against in daring to cross him: in consequence, an air of considerable trepidation scars official circles, with only the occasional bold soul (like Johannesburg councilor

Trevor Ngwane, recently suspended from the ANC for choosing to defy the government's sweeping privatization schemes for the city) daring to risk career prospects in defense of principle.¹⁵ Moreover, this distaste for disagreement has proven to be even more pronounced with respect to the policy-making centerpiece of the Mandela and Mbeki presidencies, the commitment to meridional Thatcherism epitomized by the adoption of the GEAR strategy document. Recall that from the outset this document—although never publicly debated, nor even, it would seem, vetted by Mandela himself—was declared “non-negotiable.” Recall, too, the tone adopted by both Mandela and Mbeki in defending it. At the 1999 conference of the South African Communist Party (SACP), the ANC’s ostensible partner (along with COSATU) in a formally institutionalized political “Alliance,” both men produced paroxysms of rage against any who would have the effrontery to criticize the polity. The language used to whip its allies into line was harsh, variously described by *SouthScan* (July 10, 1998) as “markedly aggressive,” as a “scathing...barrage,” and as a “public onslaught.” Mbeki accused SACP leaders of “fake revolutionary posturing,” terming them “charlatans” and “confidence tricksters” attempting to build their organization “on the basis of scavenging on the carcass of a savaged ANC.” As for Mandela, he stated firmly that “GEAR, as I have said before, is the fundamental policy of the ANC. We will not change it because of your pressure.” And he hinted darkly of the consequences that might well follow from any continued criticism of GEAR.

Although the rhetorical fury unleashed by Mandela and Mbeki at that conference was particularly vitriolic in tone, this kind of attack has been linked to an offensive also directed in recent years against criticisms by the ANC’s other major ally, COSATU and its affiliates. A particularly startling example was Mbeki’s 1998 address to the South African Democratic Teachers’ Union (SADTU) congress where he contemptuously characterized the membership as a “bunch of drunken and ill-disciplined teachers” and lashed out at their unions’ expressed skepticism about GEAR:

The members of SADTU stand out as competent practitioners of the toy-toy. We [Mbeki sardonically used the associative “we” in making his points] come across as militant fighters for a better pay check at the end of the month. We are seen as excellent tacticians as to when to disrupt the school program so that we can extract from the Government the greatest material benefit for ourselves. ...We behave in a manner which seems to suggest we are alienated from the revolutionary challenge of the education of our youth and masses and greatly inspired by the value system which motivates the traitor and the criminal.¹⁶

Flash forward to 2000 and the ominous report that now-President Mbeki “has lost patience with COSATU’s and the SACP’s opposition to government’s market-friendly policy,” with the union’s national strike (May 2000) “against spiraling unemployment and grinding poverty (being) the last straw for the President.” “What irks Mbeki most,” the *Financial Mail* (May 19, 2000) continues, “is the COSATU and SACP contention that his free-market economic policy mix is to blame for rising unemployment and poverty.”

Not surprisingly, perhaps, this virus of contempt for dissenters has been catching among ANC ministers. In 1998, Derek Hanekom, then land affairs minister, launched an attack on the National Land Commission when that non-governmental organization (NGO) advocated the scrapping of the property rights clause in the constitution in order to facilitate land restitution. He accused it of being “stubbornly frivolous” and “ultra-left,” the latter being precisely the phrase used about the same time by constitutional affairs minister Valli Moosa to dismiss a campaign by the South African Municipal Workers’ Union (SAMWU) against the privatization of water and municipal services. And when, a year later, Public Service minister (and SACP member) Geraldine Fraser-Moleketi—dubbed “Thatcher-Moleketi” by a sympathetic conservative Sunday newspaper for her pains—also used that phrase in coldly backing down the wage and antiprivation demands of public sector workers; she even proposed that they read Lenin’s *“Left-wing” Communism, an Infantile Disorder!* Meanwhile, at COSATU’s 1999 conference, Terror Lekota, minister of defense and chairman of the ANC, delivered a speech on behalf of Mbeki in which he warned the union darkly that “the

recent trend on the part of some highly-placed comrades of ascending platforms or by other ways criticizing or agitating against policies and actions of the movement, inside and outside government, smacks of a lack of revolutionary discipline." "Sharp and uncontrolled criticism merely confused the masses," Lekota continued, while also creating a climate "in which agents provocateurs can thrive and advance their counter-revolutionary agendas" (*South African*, August 20, 2000).

Here is the "one-party dominant system" so feared by many liberal observers in South Africa showing its teeth, albeit teeth that are more often flashed at those on the left than those on the right. Not, as we have seen, that the ANC has much to fear from the political right. But then, at the moment, some would argue that it really hasn't too much to fear from the left either. Thus, despite the raw treatment they often receive, the unions have clung to the Alliance, once again acting uncritically at election time in 1999 as a key political tool in mobilizing votes for the ANC. It is true that some labor-linked analysts have seen COSATU, with this strategy, as continuing to be a potent player in the transition, still armed within the Alliance and within far-like the tripartite (government-business-labor) National Economic Development and Labor Council (NEDLAC) to carve out space to force a class compromise upon capital that is, at least in some of its particulars, to labor's advantage. These analysts cite, for example, certain progressive aspects of postapartheid labor legislation in support of their further hopes in this regard and suggest that, in any case, the world for COSATU outside the Alliance with the ANC would be even colder than that which currently seems to exist within. And it does seem likely that COSATU will accept at least this latter premise for the foreseeable future—despite the pounding it has taken and despite a certain amount of open debate within the labor movement as to the costs and benefits of the Alliance.

Perhaps all they can realistically hope to gain in this way is a bit of time, however. Thus, early in 2000, born-again neoliberal columnist Howard Barrell writes (in a column in the *Mail and Guardian* [July 21, 2000] about Mbeki entitled "Talking left and

doing right") that the new President will certainly sustain the party's conservative trajectory even if he may do so somewhat more surreptitiously than some (including Barrell) would like. Why? In order

to avoid disturbing the ANC's left-wing Alliance partners...[since] an open declaration of the depth of its resolve to privatize, rationalize, downsize and liberalize may provoke an unhelpful [sic] response from trade unionists, communists and some in the African National Congress. So much better just to slip things past the awkward squad, if at all possible, with a few pat or ambiguous phrases and empty reassurances.

Nonetheless Barrell concludes, "government economic measures are unlikely...to be any less decisive for the stealth with which they may be implemented." Small wonder, then, that a figure like Saki Macozoma, identified as chief executive of Transnet, one of South Africa's biggest soon-to-be-privatized companies, and a former senior ANC leader, could hail Mbeki's ascension to the presidency by suggesting that his "term will be an opportunity to revisit legislation of the past, like making labor regulations more business-friendly."¹⁴ Certainly, legislation that favors greater "flexibility" in the labor market (with the threat this poses of eroding gains already made by workers in terms of minimum-wage guarantees and other related provisions) seems likely in the future. So too does a continuation of the wearing grind of policies of privatization and retrenchment and of macroeconomic strategies (fated to produce, at best, jobless growth) that have become so marked a dimension of the South African labor scene in the post-apartheid period.

Inevitably, some will judge that trade-union leaders have remained unduly naive and/or unduly timorous vis-a-vis the ANC and the Alliance. Their approach has not dictated absolute passivity, however. In May, the trade unions (COSATU, together with its allies in other smaller federations) were able to organize a day-long stay away in protest against joblessness that pulled over four million people away from work and produced demonstrations by hundreds of thousands of workers in major cities. And despite ANC's threats, COSATU vows to continue with its critical role:

Undeterred [COSATU general secretary Zwelinzima] Vavi says he has put in place a second program of rolling mass action if government and business fail to respond positively to COSATU's demands to stem job losses, stop privatization and for the state to play a direct role in correcting market 'imbalances.' 'The economy is not working for us. GEAR is not working. How can we support this?' Vavi asks' (*Financial Mail*, April 19, 2000).

True, the unions have been weakened by the postapartheid drain of trained personnel to government and to business and they have paid a price for defensiveness and for the difficulties they have had in defining a countervailing political economy for South Africa. But they continue to criticize and even to keep alive a debate about macroeconomic alternatives as in their 1995 report *Social Equity and Job Creation* and the exhaustive 1997 report (to that year's sixth National Congress of COSATU) of its own in-house September Commission. In particular, the latter commission sharply attacked GEAR (49-50) as spawning

economic policies [that] are likely to lead to the strengthening of vested economic interests which have their roots in the apartheid era...[thereby promising] to strengthen capital, and specifically its financial interests, and weaken labor [and to offer] very little redistribution of wealth and economic power in our society.

The report also evoked the possibility of a "new kind of struggle" and of more ambitiously progressive economic strategies that would "reclaim redistribution as the fundamental goal of economic policy and as an instrument for generating economic growth." Moreover, trade unions have the numbers, revenues, and level of organization that will continue to make them the most important players on the left in South Africa.

But not the only players. Indeed, in terms of such potential as still exists on the left in South Africa, it may be that the most immediate question for COSATU is not what to do with reference to the (capital "A") Alliance (made up of ANC, SACP, and COSATU). At least equally important is the question of how to reach downward and outward to actors in other sectors who also feel the pinch of neoliberalism: to dust off the language so potent in the 1980s, of "progressive and working-class civil society" in order to rebuild, from below, a movement of resistance to

the strategic direction that postapartheid South Africa has taken. One should certainly not romanticize the possibilities of reconstructing such a base and forging, in effect, a new (small "a") alliance. The popular forces start at a low ebb, as an important article by Shamini Meer has recently reminded us:

A striking feature of the post-election period has been the demobilization of civil society. As the anti-apartheid struggle has waned, the organizations that sustained it have lost ground and influence in public life. Trade unions, civic associations, youth and women's organizations—in which the struggle was grounded—are all weaker.

Is rebuilding an effective popular movement therefore a matter of starting all over again, from scratch?

Not quite. As Meer also reminds us, "the poverty and inequality associated with apartheid—and which fueled the struggle—remain."¹⁸ And it is not only trade unionists who have begun to reanimate their efforts to question this outcome. Take the churches, for example. In 1998, Anglican Archbishop Njongonkulu Ndungane was himself slammed by Mandela for questioning the gospel according to GEAR. Nonetheless, the churches returned to the charge at the triannual conference of the South African Council of Churches (SACC) later in the year.

There that redoubtable campaigner against apartheid (and former secretary general of the SACC), Dr. Beyers Naudé, argued that "while GEAR is a 'party political issue,' when it affects the poor, the church has no option but to intervene." At the same meeting, Mzwandile Ntuli, representing the worker ministry in KwaZulu-Natal, noted the government argument that they are "cutting social spending in favor of lower company taxation which will subsequently create an environment for more companies to invest." But, he continued, "what we see on the ground is different. The bulk of poor people remain where they were many years ago." The lesson? As another delegate to the conference, Professor Takaito Mofokeng, put the point, the churches "should go back to the trenches, because it seems that is the language the government understands." "People should demand what they are entitled to and use the methodology that works. GEAR didn't

come up for referendum. If people are not happy about it they must stand up against it."¹⁶

This kind of sensibility continues to percolate through church circles, providing some of the clout for the growing strength of a local Jubilee 2000 campaign that focuses on the question of apartheid debt, for example. While it is true that the formerly prominent South African National Civics Organization (SANCO) is among those organizations hit hardest by postapartheid institutional decay, circles of township militants, focused on issues of schools, health facilities and services, remain. New voices are beginning to be heard that ask tough questions and may give more dramatic life to broader township-based initiatives (although it is too early to say whether the recently-nimted National Association of Residents' and Civics Organizations [NARCO] will prove to be a promising case in point in this respect). Some fledgling reactivation of grassroots women's organizations—significantly demobilized both by too sanguine assumptions about the extent of the victory for feminism achieved with liberation and by the movement of many militants into the state—has occurred around struggles over such issues as the state's child benefit grant. Peasant-linked NGOs like the influential National Land Committee and the Rural Development Services Network have taken fresh energy from recent developments around the land issue in neighboring Zimbabwe. Moreover, these latter two organizations are among those feeding into an assertive umbrella body, the South Africa National Non-Governmental Organizations Coalition (SANGOCO), which has taken a number of signal initiatives including, in the past few years, a revealing set of nationwide public Poverty Hearings and the establishment of an Economics Commission of its own in order to seek to design a new framework for economic and social policies.

Can such initiatives begin to add up, giving real thrust and substance to the kind of (small "a") alliance of organizations of the dispossessed hypothesized above? Fortunately, there are some signs that this is already beginning to happen. Thus, a recent news item on "New Seeds of Opposition" by William Gumede in

the *Financial Mail* (April 19, 2000) highlights the fact that "organizations aligned to the ANC-led [A]lliance have regrouped into a formidable lobby, which, judging by their frustration with government policy, could develop into SA's real political opposition," thus underscoring the point that "the real opposition in SA is not to be found in parliament, but in extra-parliamentary politics—as was the case before the ANC's unbanning in 1990." COSATU, Jubilee 2000, and SANGOCO are among those identified as key actors in this initiative, with the spirit they exemplify captured in the words of SANGOCO executive director, Albie Dithlake, a key figure in the group: "The debate on economic and social policy needs to be broadened. We need a reconfiguration of the nature of politics in SA. A realignment of politics will allow space for fresh input into the economic debate." As the *Financial Mail* report continues,

The new grouping argues that with the lack of a serious blacked opposition to the left of the ANC, an alternative group is one of the few means of pressuring the government. ... The May 10 national strike against job losses and rising poverty, led by COSATU, should be seen as the grouping's first direct action. A steering committee comprising representatives of COSATU, SANGOCO and civic bodies has been formed to take the campaign further. It is demanding greater openness and inclusiveness in economic policy formation. Quiet but authoritative, Dithlake captures the mood of the new grouping. He quotes Reserve Bank statistics to show that the income of the poorest 40 percent has dropped by 21 percent in recent years. "Figures like this prove that the social responsibility of the state is eroding. We (SANGOCO) need a close link to COSATU to present a consolidated front on macro-economic policy," says Dithlake. "With the State's delivery infrastructure being put into private hands, or corporatized and expected to make a profit, it will be increasingly difficult to win the war on poverty," he says. "Unless urgent measures are implemented to improve the standard of living of the unemployed, the social cohesion of our society will be threatened."¹⁷

It is, of course, far too early to evaluate the prospects of any such attempt by various forces in South African civil society—including trade unions but also organizations of women, the church, the environmentally engaged, and those focused on issues of land or education or community concerns, among oth-

ers—to link up more self-consciously, within and across sectors, in a popular alliance from below. But if it proves possible to do so, they can be expected to take strength from each other and encouragement to think beyond parameters of their separate assertions—and also to take further steps to crystallize the institutions of a (heretofore often only implicitly) shared theory and practice of struggle. Perhaps in this project, one that is still fugitive and under construction but also increasingly visible and marked with tangible potential, we can begin to see the seeds of the kind of “structured movement” that Canadian trade union activist Sam Gindin has recommended in his own country: “something transitional that is more than a coalition and less than a party,” as he puts it. Indeed, Gindin argues forcefully that the much-debated “party question” (the New Democratic Party? a new party?) be postponed for, say, five or six years in Canada while the left movement and alliance—without abandoning its immediate concerns regarding self-defense and more appropriate policies—give priority to the development of its “political capacities” (specified by Gindin in terms of “our understanding, our ability to win others over, the creation of new forums and structures for studying, working and fighting together”).¹⁰

For South Africa as well, this kind of analysis may suggest a downplaying, at least for the moment, of divisive and repetitive debates over the merits or demerits, from a progressive perspective, of working with and through the ANC itself and/or the Alliance. It bears noting, for example, that the new grouping evoked above is still described by the *Financial Mail* as being located “within [the] ANC family,” and it seems almost inevitable that this should be so, at least for the foreseeable future. As for the longer run, it is quite simply premature to say where a revived popular movement of the sort anticipated here might eventually fit into the South African political equation. There have been those within COSATU (especially within the National Union of Metalworkers) who speak, from time to time, of the possibility of forming a new workers’ and socialist party outside the Alliance and to the left of the ANC. This seems an unlikely, certainly preposterous, demand for the time being. Yet the fact remains that the

“official” ANC has by now been pulled so far to the right that, whatever the degree of (sometimes grudging) legitimacy it may retain among the mass of the population, it would be unwise to consider it automatically to be some kind of natural, necessary, or exclusive home for progressive assertion. The current party leadership has surely sacrificed that mantle, even if one believes that the ANC could once have laid claim to it. Thus, if not now then eventually, the question will have to be asked as to whether and to what extent the universe of the ANC and the Alliance provides a fruitful context within which to advance a rejuvenated popular movement and, in Gindin’s sense, “an alternative politics.”

Of course, within the Alliance, some continue to argue the case that a promisingly radical role can be played by the SACP—even though the latter’s self-definition as an (ostensible) political party that is at once both mere cheerleader for and occasional left critic of the ANC seems a near-impossible one (and one that must also be a contributing factor to the party’s currently sharply declining membership figures). The fact that many of the most rightwing figures in the ANC government are senior SACP leaders provides additional grounds for skepticism. True, the party can produce some radical-sounding pronouncements of its own, SACP general secretary Blade Nzimande’s recent calls for a deeper commitment to socialism and for more state action in the economy offering interesting cases in point.¹¹ It is also true that in the party—as in many other sectors—a cadre of younger activists, their number still small but growing, is emerging that is less wedded to time-honored icons and homilies. Still, it is difficult, on past and present performance, to feel any great confidence in the SACP’s vocation for driving a revolutionary revival.

How likely is it, alternatively, that any new stirrings of organized mass-based dissent will find effective expression within the ANC and even, possibly, begin to push that organization in a more leftward direction? This is not entirely implausible perhaps, and one is occasionally jolted by a surprising development or two on that front. There was, for example, the 1998 publication of an internal ANC discussion document entitled “The State, Property Relations and Social Transformation.” It is true that the docu-

ment (whose precise provenance is not entirely clear, although it appears on the ANC's official webpage [October, 1998]) ridicules any tendency "within the NLM [the National Liberation Movement]...to propose solutions that would be way out of line with current realities, such as punitive taxes." Yet it is just as uneasy about an equally "dangerous tendency...to be so awed by financial capital that we throw the NLM prostrate in front of this sector as if in pagan prayer." More specifically, the document allows the notion of "the developmental state," so much maligned by recent critics of the early years of postindependence experimentation in Africa, to assume centrality in its formulations:

...in terms of the broad array of economic and social policy, information and even political integrity, the state has lost much of its national sovereignty. This applies more so to developing countries. While on the one hand they are called upon to starve and prettify themselves to compete on the "catwalk" of attracting the limited amounts of foreign direct investment (FDIs), they are on the other hand reduced to bulimia by the vagaries of an extremely impetuous and whimsical market suitor!

Can a developmental state survive, let alone thrive, under such conditions? The answer is yes! The starting point should be that constructors of this concept should not live in a fool's paradise. They cannot pretend that they operate in an environment entirely of their own making. ...[However] what is of even greater significance is that many forces, both within and outside the government, both in the developed and developing world, do appreciate the disadvantages of the dictates of the multinationals and particularly the predatory nature of international financial capital. A significant sector of humanity is honestly searching for answers to these problems; and the ANC alliance is part of this global movement.

In consequence, the document suggests, not only should this developmental state "use the resources that it commands to ensure redistribution of wealth in the interest of the poor and disadvantaged" but "it should put in place regulatory and other mechanisms that not only seek to obviate market failure, but also afford the state the capacity to intervene in a proactive way to facilitate growth and redistribution."

The significance of such formulations should not be overstated. Overall, the message of this discussion document is much more cautious and balanced than some of the above quotations, taken alone, might suggest; it is circumspect in particular (albeit not altogether mistakenly) about the limits of institutional capacity and shortfalls of effective leverage that must qualify the rebirth of a more transformative government strategy in South Africa. Does it reflect, nonetheless, a South African version of that souring of the neoliberal honeymoon that has become more of a worldwide phenomenon than might have been hoped even a few years ago, a task that could begin to put not just the "developmental state" but even socialism back on the agenda? In the event, the press told us (*Mail and Guardian*, October 23, 1998), any such signs of second thoughts within ANC official circles was "not roundly welcomed by economic hawks like Deputy President Thabo Mbeki and Minister of Finance Trevor Manuel." Still, by mid-2000, there was the curious case of Kgalema Motlanthe, the ANC's secretary general, who contradicted the government's own condemnation of COSATU's May 10th national strike by calling on union members (*Mail and Guardian*, April 12, 2000) to "intensely hate capitalism and to struggle against it" and who affirmed that "the ANC is not a bourgeois organization. The country's leading socialist minds are in the ANC. Anyone who argues for socialism will find allies in the ANC." But it is equally true that Motlanthe's reported statements have often been quite contradictory (he is much given to dismissing out of hand those he calls "limbo socialists...who write resolution from armchairs") and there seems an opportunist underside to his emphasis that "the unions should hold the capitalist system's transnational units accountable for job losses in the country—not the ANC or government!"

Can we take more seriously the even sharper comments one hears (albeit as often as not in private conversation) from some party militants that "the ANC is itself a site of class struggle"—and that, given the party's continued popular legitimacy, it is actually a privileged site of such struggle, one not to be cavalierly abandoned by the left? Can we also take heart from rumblings that the stars of the Mbekis, the Manuels, and the Erwins may have begun

to wane somewhat within the ANC or from accounts (for example) of the emergence of a deepening left-right division cutting across the ANC in vitally important Gauteng province (*Mail and Guardian*, May 19, 2000)? I have suggested above that it would be wise for the left to approach the ANC, as presently organized and led, with great suspicion. And yet one does sense that within the ANC there are indeed militants who have begun to grasp that the leadership's macroeconomic strategy does not and cannot work.³² And they may also suspect that, in the absence of material advance and with the ruling out of court of a class-based politics, the situation is unlikely to stand still: it can quite easily get a very great deal worse, deepening already existing conditions of social distemper and producing further morbid symptoms of both the freefall into "the abyss of social exclusion" so feared by Castells and the threat to "the social cohesion of our society" invoked by Dithlake. There is, as a direct reflection of socioeconomic polarization and communal decay, the precipitous rise in the crime rate (much of it crime of an extremely violent nature). There is the cruel decline of health standards, most marked, albeit not exhausted, by the escalating HIV/AIDS pandemic.

There is also, Marais suggests, the danger of much more dramatic expressions of loss of "social cohesion," one of these inherent in the ANC's own propensity—recall our earlier discussion of the cooptation of Gatscha Buthelezi—to shore up its hegemony by pandering to local chiefs, in KwaZulu and beyond, whose power is rooted "in a blur of ethnicized tradition, coercion and clientelism." As Marais then argues,

the constant disbursal of tangible benefits is one way of easing [the resultant tension]. Drawing the subjects and their leaders into the fold is another—hence, for example, the ANC's courting of the IFP, and the salary hikes for chiefs and kings decreed by the ANC government shortly before the recent election.

The problem: "If this largesse cannot be sustained, the tension between the modern and the traditional will increase, allowing politicized ethnicity to regain its muscle."³³ Add to this the fact that the venal Winnie Mandela can still find fertile ground for her racist populism in the gangrenous inequalities that lie untreated

in an untransformed South Africa—even as, at the other extreme, some whites seek, in the more "privatized" racism of their guarded suburbs and schools, defense against the leveling so necessary in such a society—and one gets a further sense of just how potentially dangerous are the tensions that seethe beneath the surface in that country.

Such facts further underscore the need to generate an "alternative politics." But is the ANC itself (like some latter-day PRI in Mexico) not more likely to fall back on ever more authoritarian methods as its preferred means of seeking to contain (rather than resolve) the contradictions that now scar the South African social formation? Time alone will tell what the Mbeki years can bring. Still, one senses that for all his cocky self-confidence, Mbeki is not always quite certain himself as to just how best to ride the whirlwind he has helped create. Despite his apparently unqualified commitment to his chosen role as architect of South Africa's appeasement of capitalism as presumptive engine of South African economic transformation, one can still find him bobbing and weaving rather uncomfortably—as he did in the run up to last year's election when he permitted himself some pretty radical-sounding formulations of his own. One such instance (*SouthScan*, June 12, 1998) saw his revealing attack not only on wealthy whites (afflicted, he said, by "social amnesia") but also on a "black elite" that abuses "freedom in the name of entitlement." This latter group, he charged, "seek to hijack the sacrifices which millions of ordinary people made to liberate our country for noble purposes, in order to satisfy a seemingly insatiable and morally unbound greed and personal thirst for wealth and comfort, regardless of the cost to our society." And he concluded by warning of "the danger of a mounting rage to which we must respond seriously."

An intriguing statement with which to conclude this essay, then, but perhaps as much for what it says about present-day South African society as for what it tells us about Thabo Mbeki himself. Does the slightly desperate tone of such pronouncements suggest, for example, an uneasy sense on the part of the leadership of just how impossible it will be to overcome the grim legacy of

racial inequality on a capitalist basis? And perhaps, too, a certain subliminal suspicion that even when local elites do everything possible to conform to global market dictate, the dependent capitalism they seek to facilitate simply cannot be expected to lift off the ground as once it (sometimes) did. Moreover, even if Mbeki and his team can continue, by and large, to dodge these realities, there are others who have begun to recognize that it is precisely in the failure of the promise of neoliberal deliverance that lie both the tragedy of South Africa itself (as evoked at the outset of this essay) and the broader global resonance of the South African case. We have also posed a further question: if the current leadership of the ANC cannot be expected to act upon any such understanding—cannot be expected to respond to the looming South African crisis by focusing “mounting rage” and potential political volatility into positive and transformative popular energy—who (if anyone) can? Whatever the answer to this question, the stakes are certainly high: for the phrase “socialism or barbarism” rarely has had more meaning than in contemporary South Africa.

NOTES

1. John S. Saul, “Magic Market Realism,” *Transformation* (Durban), 38 (1999); I have adapted some paragraphs of this text in writing the present essay, a version of which (including a much fuller set of footnotes and bibliographical references) will also appear as a chapter in my *Millennial Africa: Capitalism, Socialism, Democracy* (Lawrenceville, NJ: Africa World Press, 2001).
2. John S. Saul, “South Africa: Between ‘Barbarism’ and Structural Reform,” *New Left Review*, 188 (1991). The original source of these quotations from Magdoff and Sweezy is their editorial, “The Stakes in South Africa,” introducing a special South Africa issue of *Monthly Review*, vol. 37, no. 6 (April, 1986).
3. Paul Hirst and Grahame Thompson, *Glocalization in Question* (London: Policy Press, 1999), 189.
4. See Jonathan Hyslop, “Why was the white right unable to stop South Africa’s democratic transition?” in Peter Alexander et al. (eds.), *African Today* (Camberwell: IIRC, 1996), 145–165.
5. See Jeremy Cronin, “The boot, the tap and the Leipzig tax,” *The African Communist*, 130 (1992); Sutner is quoted in “Central Committee discussion of Joe Slovo’s presentation,” *The African Communist*, 135 (1993), 14.
6. David Howarth, “Paradigms Gained: A Critique of Theories and Explanations of Democratic Transitions in South Africa,” in D. Howarth and A. Novak (eds.), *South Africa in Transition: New Theoretical Perspectives* (New York: St. Martin’s Press, 1998), 203.
7. Mahmood Mamdani, *Citizen and Subject: Contemporary Africa and the Legacy of Late Colonialism* (Princeton: Princeton University Press, 1996).
8. Gerhard Maré, “Makini” Nice with Buthelezi, *Southern African Report* (N.R.), vol. 14, no. 3 (May, 1999), 10.

9. As cited in Asghar Adelzadeh, “Loosening the Brakes on Economic Growth,” *Nypol*, 1, 2 (February, 2000).
10. Chris Lautenberg, “Directing from the stalls: The international community and the South African negotiation forum,” in Steven Friedman and Doreen Atkinson (eds.), *The small miracle: South Africa’s negotiated settlement* (Braamfontein: Ravan Press, 1994), 280–291.
11. The Center for Development and Enterprise (CDE), *Policy-Making in a New Democracy: South Africa’s challenge for the 21st century* (Johannesburg: CDE, 1989), a report funded by South African Breweries and written by Ann Bernstein, 83.
12. In his important volume (soon to be issued in a new edition), *South Africa: Limits to Change: The Political Economy of Transformation* (London and New York, and Cape Town: Zed Books and University of Cape Town Press, 1998), 156; as Marais quotes Anglo-American executive Clem Sunter, “Negotiations work. Rhetoric is dropped, reality prevails and in the end the companies concerned go on producing the minerals, goods and services” (147).
13. See, on this subject, Dan O’Meara’s magisterial study, *Tony Last Years: The Apartheid State and the Politics of the National Party, 1948–1994* (Ravan Press and Ohio University Press: Randburg and Athens, Ohio, 1998).
14. Cited in Andrew Nash, “Mandela’s Democracy,” *Monthly Review*, vol. 50, no. 11 (April 1999), 26. Mandela’s reversal of ground on the nationalization question was actually quite rapid after 1990, such that by 1994 he could assure *Sunday Times* readers (May 1, 1994): “In our economic policies...there is not single reference to things like nationalization, and this is not accidental. There is not a single slogan that will connect us with any Marxist ideology” (quoted in Marais, op. cit., 146).
15. Tito Mboweni, “Growth through Redistribution,” in G. Howe and P. le Roux (eds.), *Transforming the Economy: Policy Options for South Africa* (Natal: Indicator Project SA, University of Natal Institute for Social Development, 1992).
16. T. Moll, “Growth through Redistribution: A Dangerous Fantasy?” *The South African Journal of Economics*, vol. 59, no. 3 (1991).
17. As described in Patrick Bond, “Social Contract Scenarios,” *Efile Transition: From Apartheid to Neoliberalism in South Africa* (London: Pluto Press, 2000), ch. 2.
18. Bill Freund and Vishnu Padavanee, “Post-Apartheid South Africa: The Key Patterns Emerging,” *Economic and Political Weekly* (May 16, 1998), 1175.
19. Quoted in Marais, op. cit., 154.
20. As columnist Howard Barrell wrote in *The Mail and Guardian* (June 18, 2000), at the time of Mbeki’s announcement of his new cabinet: “Both [Ervin and Mantlali] have won the confidence of the markets, and their presence in their current portfolios is seen as a measure of the government’s determination to stick to its current economic course.”
21. Asghar Adelzadeh, “From the RDP to GEAR: The Gradual Embrace of Neo-Liberalism in Economic Policy,” *Transformation*, 31 (1996), the accounts of the rise and fall of the RDP in Marais (op. cit.) and Bond (op. cit.) are also essential.
22. Adelzadeh, *ibid.*, 157. As Patrick Bond has summarized this pattern, “Much of South Africa’s national sovereignty continues to be offered up on a platter to impetuous and whimsical local and international financial markets” (op. cit., 216).
23. Bond, op. cit., p. 200. See also Marais, op. cit., and Charles Millward and Vella Pillay, “The Economic Battle for South Africa’s Future,” in E. Maganya and R. Knighton (eds.), *Transformation in SA? Policy Debates in the 1990s* (Braamfontein: If-AA, 1996).
24. A point underscored for me most forcefully by South African economist Olupi Lehure in private communications.
25. The point is convincingly argued, and linked to the extreme inequalities of economic power and income that exist in South Africa, by Adelzadeh, “Loosening the Brakes on Economic Growth” (op. cit.).
26. Mantel Castells, *The Information Age, vol. III: End of Millennium*, (Oxford: Blackwell Publishers, 1998), the subsection entitled “Africa’s hope? The South African connection,” 199.

27. Bond, op. cit., p. 193ff. For a further detailed critique of GEAR's performance, see Asghar Adelzaih, "The Costs of Staying the Course," in *Ngema*, vol. 1, no. 1 (June, 1999).
28. Lieven van der Walt, unpublished communication (July, 2000).
29. Colin Bundy, "Problems and Prospects for South African Socialists," unpublished paper presented to the Political Science Seminar, York University, October, 1991.
30. See Albo's seminal essay "A World Market of Opportunities? Capitalist Obstacles and Left Economic Policies," in Leo Panitch (ed.), *Socialist Register 1997: Ruling Capitalism of All that Exists* (London: Merlin Press, 1997), 29-30, 41.
31. See John S. Saul, *Recolonization and Resistance: Southern Africa in the 1990s* (Trenton: Africa World Press, 1995), chs. 4 and 5.
32. CDE, op. cit., 45.
33. Gordon Smith, an economist with Deutsche Morgan Grenfell bank, quoted in Norm Dixon, "ANC reassures big business after win," *Citizen Left Weekly* (e-mail, n.d. [July, 1999]).
34. Ben Fine and Lawrence Rostenjee, *The Political Economy of South Africa: From mineworkers to monopoly to privatization* (Boulder: Westview Press, 1996). On this and other related points see also Andrew Bassett, "Negotiating South Africa's Economic Future: COSATU and Strategic Unionism," unpublished Ph.D. dissertation, York University, June, 2000.
35. Freland and Platjachev, op. cit., 1179. As they continue, "There was a phrase that captured the imagination of South Africans black and white within a year of the ANC taking power: it was that of 'the gravy train.'"
36. The speeches are included in the final section of Adrian Haslam and Joyol Rantao's useful biography of Thabo Mbeki, *The life and times of Thabo Mbeki* (Rivonia: Zebra Press, 1999).
37. Thabo Mbeki Speech at the Annual National Conference of the Black Management Forum, Kempton Park, November 20, 1999 (ANC website).
38. Closer to the truth, in fact, may be the frank and quite unequivocal statement of a brash emergent African entrepreneur, Tunji Modise, interviewed by David Goodman (in his strong volume *Final Times: Journeys into the New South Africa* [Berkeley and Los Angeles University of California Press, 1999]): "Race is not the issue anymore," she told Goodman, "It's class."
39. I have cited this statement (from 1984) and explored other questions posed in seeking to divine the historical character of the ANC in my "South Africa: the Question of Strategy," *New Left Review*, 160 (November, 1986).
40. Haslam and Rantao, op. cit., ch. 7.
41. Quoted in Bond, op. cit., 83.
42. Statement by Deputy President Mbeki at the African Renaissance Conference, Johannesburg, September 28, 1998 (ANC website).
43. Albeit not to much responsibility, on balance, Mbeki's South Africa seems quite content to prop itself for the role of the US, and global capital's tributary (and gendarme) on the African continent for as long as this role has begun to play itself out in southern Africa; see, for example, Ian Swanepoel, "Bulls on the Block," *SAR*, vol. 15, no. 3 (2000). Recall also the warm tone adopted by Mandela during his presidency towards dictators in Indonesia, Malaysia, and Saudi Arabia who often were not only key targets for South African arms sales but also to become important contributors to the ANC's electoral war chest in 1994.
44. Hein Marais, "Topping up the tank: How the ANC has reproduced its power since 1994," *Development Update*, vol. 3, no. 1 (October, 1998), from which the quotations in the next two paragraphs are drawn.
45. For a parallel argument, see the article in the *Mail and Guardian* (June 9, 2000) where educator Sipho Sepe describes Mbeki as "a president who is ultra-sensitive, unable to accommodate others and who is impatient with differing opinions. . . . A president who is unable to accept that he could be mistaken, and has conveniently surrounded himself with sycophants."

46. Quoted in Salim Vally, "Education on Trial: The Poor Speak Out," *SAR*, vol. 14, no. 1 (December, 1998), 27; it is Vally who suggests that the reader note "the disarming use of the associative 'we,' Mbeki apparently seeking in this way to signal his affinity with the teachers even while merely casting them." As for the "toy-toy," it is a vigorous dance step engaged in collectively and associated with demonstrations.
47. As quoted in Norm Dixon, op. cit.
48. Shaniun Meer, "The demobilization of civil society: Struggling with new questions," *Development Update*, vol. 3, no. 1 (1999).
49. The quotations in this paragraph are drawn from an article by Werner Hollnagel, "Church asked to fight Gear from the trenches," *Mail and Guardian*, July 10, 1998.
50. Sam Gordin, "The Party's Over," *This Magazine* (November, 1998), 15. This has been further defined by Gordin (*This Magazine* [July, 2000]) as a politics that differs from the practices of currently established political parties in Canada (but also, we might add, from the practices of the ANC in South Africa) in terms of "how it organizes, educates and mobilizes, the depth of its challenge to the status quo, the emphasis it puts on developing a counterculture; its faith in the potential of ordinary people."
51. See, for example, Blade Nzimande, "Towards a socialist South Africa," *Mail and Guardian* (February 18, 2000), 30, and also his "State should drive the economy," *Business Day* (May 29, 2000), 10.
52. Note, however, the terms in which such criticism is sometimes cast on the center-left of the party. Emphasizing that encouragement by the current ANC leadership of the ever deeper penetration of monopoly capital in South Africa may actually contradict that leadership's claim to be expanding the scope of a nascent black bourgeoisie, such critics suggest that the least compradorean elements of this bourgeoisie might therefore be recruitable to a class alliance capable of redirecting the party to the left (see Z. P. Jordan, "Ruth First Memorial Lecture," Witswatersrand University, August 28, 2000 for a particularly clear statement of this position). The temptation visible here to merely recycle the ANC's old "national-democratic revolution" concept at the expense of a more working-classcentered definition of on-going revolutionary struggle illustrates once again the difficulties of conceptualizing a left-project from within the ideological universe of the ANC.
53. Marais, "Topping up the tank" (op. cit.), 27.

Bourgeois Political Economy

"Poverty is that state and condition in society where the individual has no surplus labour in store, or, in other words, no property or means of subsistence but what is derived from the constant exercise of industry in the various occupations of life. Poverty is therefore a most necessary and indispensable ingredient in society, without which nations and communities could not exist in a state of civilization. It is the lot of man. It is the source of wealth, since without poverty, there could be no labor; there could be no riches, no refinement, no comfort, and no benefit to those who may be possessed of wealth."

—Patrick Colquhoun (a London Police Magistrate), *Treatise on the Wealth, Power and Resources of the British Empire, 1815* (quoted in Michael Perelman, *The Invention of Capitalism*)