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CHAPTER 7

South Africa: Example or Illusion?

AT THE END of a study which has dealt with important aspects of the evolution of what has come to be called post-apartheid South Africa or the new South Africa, against the background of the peculiarities of this country's history and an analysis of some of the economic, political and cultural-ideological dilemmas, visions, policies and institutions of this new society, we can and should ask whether there are elements that are exemplary for other emerging, or even existing, democratic social formations. Posed in this stark form, the answer to this question is predictable: there are certainly such elements but it is to be expected that the peculiarities of South African development would make even the most desirable of these elements relevant in only a very qualified manner. Another question of significance is that which probes the durability of what can genuinely be seen as the achievements of the South African transition.

Because of the aura surrounding post-apartheid South Africa, it is necessary to focus on those aspects of, and developments in, the new dispensation which are painted by the media as being exemplary or worthy of imitation and to consider the extent to which these perceptions are warranted. This should be done because it is important at the beginning of the twenty-first century that we identify all those dynamic features of our societies – if there are any – which hold the promise of a more civilised existence for the majority of people on Planet Earth. This is all the more important, in my view, because we stand at the threshold of an epoch which seems doomed to become one of profound cynicism and disillusionment in the midst of a technological and scientific explosion which, for the first time in human history, could enable every man, woman and child to become a full and conscious participant in every event in which he or she has any interest at all. That has hitherto been a privilege which only the wealth-

iest and most powerful people have enjoyed, usually on the basis of systemically reproduced social inequalities.

Historical dimension

It is tempting to put forward the view that the peculiarities of South African history render any comparison with other societies, even those of southern Africa, irrelevant. However, it should be obvious that since many of the social formations that came into being in southern Africa during the nineteenth century were settler colonial societies – endowed with a very similar geology and located in a similar macro-climatic zone – there ought to be at the very least a general disposition towards the production of similar conditions of existence and, thus, a similar social dynamic. This is even more obvious in view of the all-embracing character of the migrant labour system which was organised in the whole of southern Africa in order to produce, at the centre of the system, the gold and other precious as well as base metals, as well as the agricultural export goods for which the region is renowned.

In this respect, there are some relevant points to be made. In none of the other societies of southern Africa – not even in Zimbabwe and Namibia which, considered in terms of demography, come closest to resembling South Africa itself – did the conditions occur which could produce the critical balance of forces that gave rise to the intensity of struggle and simultaneously the conditions in which that struggle would be deflected from violent into relatively peaceful channels. Indeed, the demographic composition of South Africa, if we leave aside the episodic historical developments that led to its present borders, is the result of the natural endowment of the area as it was known in the last quarter of the nineteenth and the first quarter of the twentieth centuries, a configuration, thus, which was unique. It is, as I have stressed at various points in my analysis, especially in Chapter 3, the balance of forces that produced a political and military stalemate that made possible in one of many relevant dimensions of the process, the 'miracle' which is lauded by every political scientist and by every ordinary person anywhere in the modern world. It is in South Africa itself that the unique combination of a modern industrial state characterised by a first-class infrastructure in specific economic and social sectors and inhabited, as it were, for the most part by people of European descent came to coexist with a set of Third- and eventually Fourth-World conditions that turned it into a kind of microcosm of the modern world.

However, it is not simply this juxtaposition that is worthy of note. After all, it is to be found in slightly amended form in many other countries, notably in Namibia and Zimbabwe. The critical factor is, as I have indicated already, the system of internally maintained migrant labour which made these elements into complementary, interdependent parts of a larger social system. It has often been remarked that the resultant demographic, economic and political (power) relations are a miniature version of North–South relations in the world. This fact does not necessarily imply, of course, that what happens in South Africa is (or could be) in some systematic sense an example to the rest of the world, although this promise of the new South Africa has been uppermost in the minds of many thinking people and, as a result, the stakes are higher than in most other countries of the South. Allister Sparks, writing about the fateful divide between North and South put the matter as follows:

> This disparity of wealth and power between the first and third worlds cannot continue to be ignored – and here lies South Africa's future value in international affairs. A successful new South Africa, embodying as it does all the elements of the global divide and striving now to overcome them, could develop into a model for the gradual solution of the North-South divide. With a leader of Nelson Mandela's international stature, it has the chance to be the interlocutor between the developed and the underdeveloped worlds (1994: 12).

Is this hopeful scenario justified? I admit that I am one of those Cassandras who believe that this is no more than an illusion. What is clear, however, is that there are certain 'structural' elements in the situation that predispose its people to a search for compromise and peaceful solutions in the absence of a revolutionary break with the past. Of these, the main one is the fact that the modern industrial sector requires (but will not do so for much longer) both unskilled and highly skilled labour in order to reproduce itself as a profitable system. The fact that the distribution of these skills has, historically, been determined largely along lines of 'race' or colour is the defining characteristic of what South African sociologists and historians call the racial capitalist order.

Does this way of framing the question mean that we are suggesting that South Africa represents a special case? Mahmood Mamdani has correctly criticised what he has called 'South African exceptionalism' (1996: 27–32), that is, the tendency on the part of South Africanists in the academy to

view the specifics of South African society as being totally different from the rest of Africa and, thus, subject to quite different strategies for change. His basic thesis is that conditions of internal colonialism in South Africa gave rise to exactly the same conditions as were generated in the externally controlled colonies and neo-colonies of Europe in the rest of Africa. Colonialism, according to Mamdani (1996), used 'race' as a criterion for citizenship and 'ethnicity' to determine who is a subject. This kind of argument, in my view, helps us to see the continuity between the policies of the National Party after approximately 1950 and the strategy of decolonisation as applied by especially the British after the Second World War. However, it does not help to clarify the social dynamics of the peculiar social formation that arose in South Africa. While there was a common policy of divide and rule in all colonies, it did not give rise to identical material (inter)dependencies, nor could it produce exactly the same mental structures in different localities. Or, to put the matter differently: the fact of a large population of European descent, most of whom had come to identify themselves, objectively if not consciously, with the African continent, *does* make all the difference between what happens in South Africa and what happens in, for example, Botswana under the conditions of the dawning twenty-first century.

What is common to all the societies of southern Africa is the ubiquity of racism and racial prejudice. This blight, introduced by mercantile capitalism, spread from the slave station at the Cape to the northernmost areas of the subcontinent over a period of 300 years. Its most devastating effect was the erosion of the self-confidence of the colonially oppressed people it affected. As a consequence, even though the cultural practices, beliefs and dispositions of the indigenous African people are prevalent in the area, the hegemonic ideal of most of the inhabitants is 'European'. This is in many respects a global rather than merely a regional phenomenon, but in the southern African context it has reached its zenith. It is my view that, generally speaking, the impact of colonial-imperialist conquest and of the accompanying technological-cultural revolution has been very different in preliterate societies from what it was in societies – such as parts of India, China and other Asian, North African and West African societies – where there was an established literary tradition and a concomitant extension of historical memory. As I shall demonstrate presently, this fact has major significance for the perspectives we can have for the future development of South Africa.

The ideological-cultural dimension

Can President Mbeki's call for the 'African Renaissance' at last awaken the sleeping giant of Africa?[1] This is by no means a rhetorical question. In some ways, whether or not we get a positive answer to this question will determine the future of both South Africa and of the rest of the continent. Like Nkrumah, Sekou Toure and Julius Nyerere before him, Mbeki has understood that in the era of an ever-intensifying global interwovenness of economies and societies in competition with one another for a share of the global product, poor areas such as Africa have to band together in order to bargain with the stronger ones and to negotiate the best deals. The *de facto* delinking of most of Africa from the world economy is both a weakness and a strength. South Africa, because of its recent history and because of the modern industrial infrastructure which apartheid – albeit as the result of the most ruthless racial oppression – bequeathed to it, can serve as a bridge that connects the continent to the main. The dialectical purpose of the call for the African Renaissance is to ask the rest of Africa to give South Africa more strength while it still has some so that it can, in turn, revive in the continent the strength that is dormant in it. I shall deal presently with the critical question of whether the actual economic conceptions of the ANC government stand any chance to realise these hopes. Suffice it to say at this stage that President Mbeki's New Partnership for African Development (Nepad), which is informed by these continental and global strategic visions, perversely depends on ever deeper integration into the world economy (see Bond 2001: 282).

At the level of ideology and cultural practice, this means in the first place that we have to overcome the ravages of racism and racial prejudice. No sense of national unity or of a national consensus will ever come about in South Africa until all South Africans treat the issue of 'race' as what it is, that is, a contingent biological factor over which the individual has no control or influence. The crippling effects of being born with a dark skin in a country where the hegemonic consciousness favours people of lighter hue have to be eliminated within the next generation or two if South Africa is ever to become a country in which significant advances of a civilising kind are to be made. As recently as 4 February 2000, at the opening of the first session of the second democratic parliament, President Mbeki, in his state-of-the-nation address, quoted a letter written by a white engineer as an example of how far the distance is that we still have to travel in South Africa. It is a letter that deserves to be eternalised for the sheer hubris and calculated insult to people of colour:

> I would like to summarise what the Kaffirs have done to stuff up this country since they came into power . . . If a white buys a house, he pays transfer duties. If a kaffir buys a house it is free of duties because he was 'previously disadvantaged' . . . More than 20% of the GDP [Gross Domestic Product] is embezzled by the kaffir politicians and corrupt civil servants . . . The UIF [Unemployment Insurance Fund] and state pension funds have been embezzled . . . Our girlfriends/wives are in constant threat of being brutally raped by some AIDS infected Kaffir (or gang of Kaffirs) . . . Every day someone you know is either robbed, assaulted, hijacked or murdered . . . Half these black bastards have bought their [drivers'] licences from corrupt traffic cops . . . . All I am saying is that AIDS isn't working fast enough!!!

We need only add to this the evidence of the television footage involving the North-East Rand Dog Unit's training exercise to understand the depth of the catastrophe of brutalisation and racist megalomania, and the steep ascent that faces us in South Africa.

Historically, as I have indicated already, the South African social formation came to be structured as a racial caste system, one where class, language and other social markers were less salient than 'race' or colour. From the perspective of social psychology where in the final analysis the fundamental shifts in 'group consciousness' are recorded, the question we are asking is whether and how the ingrained hierarchical white supremacist attitudes on the one hand, and the debilitating slave mentality on the other hand, can be attenuated and eventually eradicated. The task that we are confronted with is that of changing what in German is called the *Alltagsreligion* (everyday, or common, beliefs) of the people of South Africa. In order to find possible approaches to addressing this challenge, we have to examine the most significant dimensions of post-apartheid South African society.

The economic dimension

Thus, to begin with we may ask: what should happen in the economic base of South African society in order to ease the development of a non-racial ethos? For the question to have any relevance at all to the subject under discussion, it has to be followed up with the corollary question, is this happening or is it tending to happen?

It is common cause in South Africa that unless a radical redistribution of material resources is realised within the lifetime of the present generation, all the glib rhetoric of social transformation, national democratic revolution, and African Renaissance will come to mock their authors and exponents in the years ahead. The well-known liberation theologian, Reverend Beyers Naudé, who is known to be a strong supporter of the ANC government has said that

> . . . 'true reconciliation . . . [is] only possible when we bridge the economic gulf, for you can't build a society of justice on the increasing gap between rich and poor'. Only if the government moved towards an equitable distribution of wealth, land property and income could the political 'miracle' begin to uproot the evil of racism which was 'deeply rooted in South Africa' (see Murray and Garrido 1997: 8).

When we consider the continuing disparities between rich and poor – crudely, between white and black – we may well ask whether the new South Africa, in the words of Constitutional Court judge, Albie Sachs, is doing anything more than legitimating inequality (see Murray and Garrido 1997: 8). The statistics of poverty and wealth in South Africa are readily accessible (see, for example, Wilson and Ramphele 1989; SALDRU 1994; Lam 1999; UNDP 2000).[2] The Poverty Hearings conducted by the South African NGO Coalition in 2000 underlined the glacial tempo at which change is taking place, that is, where it is taking place at all in the direction of ameliorating the conditions of life of the urban and the rural poor. The point is best made in the simple story of Mr Maxwell Flekisi, a 'petrol jockey' as well as 'an archbishop in the Zionist Christian Church', as recounted in an instalment of the *Cape Times* series entitled *One City, Many Cultures* on 26 February 1999. This father of three, sole breadwinner, earning R193 per week, gives vent to the feelings of disappointment that are eating up millions of South Africans today:

> . . . [Since] the 1994 elections Maxwell has felt an increasing edge of desperation in his life. A desperation that renders all the freedoms and dignity guaranteed by the new political dispensation void. 'I can say that the promises that were made by the ANC have not been kept,' he declares. 'I can say things are much worse now than they

have ever been. We are waiting to see what will happen with the next election because what does having freedom mean if you have no money?'[3]

This assessment is confirmed in the UNDP Report on Human Development, which comes to the conclusion that

> Key indicators of human development and transformation show that, at an aggregate level, there have been marginal improvements in conditions for the poorest. However, the reality, as expressed by the poorest themselves, paints a very different picture. *For many of them, poverty has increased*, while social fragmentation and alienation has created new tensions and led to new forms of pathologies – including more violence within the household, trade in drugs and children and a pervasive sense of the devaluation of human life. Desperate poverty, perceived and actual inequality and a consumer culture that is individualistic and aimed at instant gratification are eroding the values that ensure social solidarity, social cohesion and promote the links between social, economic, cultural and political development (2000: 70, emphasis added).

On what we may call broadly the left of the political spectrum, the prevailing view is that the neo-liberal economic paradigm within which the transformation of the country is being attempted is a recipe for disaster at worst and for stagnation at best. The stark reality is that the political settlement of 1993–94 was based on the retention of the *status quo ante* in respect of the fundamental economic relations and on the assumption of a more or less rapid trickle-down effect deriving from the 'miraculous' increase in the rate of growth of the GDP which most commentators and analysts foresaw as one of the main consequences of the end of the apartheid regime. It was assumed that there would be a constant and increasing inflow of foreign capital for direct investment in productive activities which, in turn, would lead to large-scale job creation, the renewal of the country's material infrastructure, upgrading of its transport and telecommunications systems, the provision of housing, better health and educational facilities for all.

Some of this has undoubtedly happened. A romanticised version of the successes achieved can be found in a pamphlet issued at the beginning of

1999 by the Government Communication and Information System, entitled *The Building Has Begun* as well as in a more blatantly selective broadsheet entitled *Realising Our Hopes*. But only an apologist would pretend that that which everyone dreamt of has come true or even appears to be feasible in the present global and domestic conjuncture.[4] The Growth, Employment and Redistribution (macro-economic) strategy of the government (commonly known as Gear), which, at bottom, is a typical World Bank-IMF-style structural adjustment programme, is obviously not the panacea it is marketed to be by its supporters in government and big business. Indeed, the ANC's own alliance partners, notably Cosatu, have stated openly that the time has come to acknowledge that Gear has failed.[5] Concretely, there has been some 'black empowerment' in the shape of co-opting individual black wannabes into the charmed circles of the ruling elites, there has been a measure of opportunities for small and medium scale entrepreneurs, as well as an ill-advised affirmative action programme in the civil service, itself the result of the compromise of 1993 at Kempton Park. Tap water has been brought closer to some urban and rural people who used to have to walk many kilometres in the past to get this basic necessity of life, and row after row of depressing minimalist 'housing units' are seen to be sprouting in the most arid of environments as shelter for those who under apartheid had nowhere to live or were forced to exist in infernal conditions of overcrowding. In the popular consciousness, however, these 'RDP houses' have acquired for many people a stigma similar to the 'toilets in the veld' of the apartheid government under P.W. Botha. There have also been some improvements in the health and educational sectors even if they are often overshadowed in the public perception by negative developments in those self-same sectors.

These are indeed achievements and are considered to be such by the beneficiaries of these policies. But do they amount to much more than inadequate *ad hoc* attempts to deliver on the promises of the first flush of excitement? To draw any conclusions in this regard after a mere eight years of implementation of the projected transformation, even if assessed in terms of its own assumptions and criteria of measurement, would be invidious. Consequently, our consideration of the issue has to be based on questioning the transformation paradigm itself. If it does nothing else, such an exercise will at the very least foreground the question of whether or not the promise of the pot of gold at the end of the rainbow is anything more than an illusion.

The real situation is that hardly any change has taken place in the relations of economic power and control. Moreover, in the foreseeable future and in terms of the prevailing system, no such fundamental change is to be expected. With hardly any exceptions, the sources of economic power remain in the hands that controlled them under apartheid. Again, the statistics are readily available. A detailed and extremely agonised analysis by Hein Marais puts the dilemma of the ANC government clearly. He cites the 1991 warning issued by (then) left-wing economist, Stephen Gelb, who later became 'one of the architects of Gear' against

> . . . an accumulation strategy which focuses on restructuring and regenerating the manufacturing sector in particular, by using 'neo-liberal' (market-based) policies to alter cost structures and restore profitability and to expand markets for manufacturers, above all through exports . . . [a strategy that] would, in sum, reinforce and extend the dualistic structure of South African society.
>
> [and Gelb adds significantly]
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> Yet that formulation captures the strategic direction adopted by the ANC government which, at the same time, claims commitment to a vision that states 'we cannot rebuild our society at the expense of the standard of living of ordinary men and women. We cannot develop at the expense of social justice' (Marais 1998: 172).

A glance at the land reform programme shows beyond any shadow of doubt that delivery even in terms of the modest promises made is unlikely to occur to the satisfaction of those who have been deprived and marginalised. Indeed, some of the manifestations of land 'redistribution', 'restitution' and 'reform' are the exact opposite of what was promised. The legislation which was intended to entrench the security of labour tenants on white farms, for example, has led in many cases to tenants being evicted *en masse* and cheap labour of foreign origin being employed under the most vulnerable conditions of employment. It has become so obvious that even the modest land reform programme adopted on the morrow of the 1994 elections is unattainable that senior officials of the Department of Land Affairs have admitted this bluntly. In a supplement to the *Sunday Independent* Sharon Hammond and Justin Arenstein wrote matter-of-factly:

> The government's land reform programme has failed dismally to redistribute a promised 30 percent of the country's agricultural land to 25,6 million landless black people by 1999. It has instead transferred land to just 0,6 percent, or an estimated 400 000 people since 1994. Land affairs officials said this week that the 30 percent target had always been unattainable and had been imposed on the department by political 'unrealities' (1999).

They quote the then-Director-General of the Department, Geoff Budlender, as saying that '. . . the government simply did not have the resources or capacity to meet its 30 percent target' (Hammond and Arenstein 1999). I would add, however, that the issue of resources and departmental capacity is, in fact, a red herring. The real obstacle to a thoroughgoing agrarian reform programme is to be found in the constraint placed on, and accepted by, the present government in the prescription that the redistribution of land shall be based on the 'willing-seller, willing-buyer' principle. Given the very limited budgetary provision for the buying (back) of land from white farmers and commercial companies and the fact that it is not the intention in the vast majority of cases to create a class of independent small-scale farmers (as against the existing polarity of highly mechanised, large-scale commercial farms on the one hand, and communal settlements on the other hand). In the words of Julian May:

> Most beneficiary households will apply for and be settled as members of groups. This reflects two things: a common – though by no means universal – preference for communal settlement; and proportionally greater buying power when beneficiary resources are pooled, for the buying of land and infrastructure for example. *Most beneficiary households in rural areas will acquire some agricultural land, but not enough to become self-sufficient, full-time farmers. Thus, the benefits of land acquisition and resettlement will be felt most in times of acute economic hardship – that is, land reform serves the function of a safety net, which has implications for both direct beneficiaries and their family members still living elsewhere* (2000: 242, emphasis added).

Job creation is another ever-shifting beacon of transformation. Four years after the founding elections of the new South Africa, the failure of the

Gear strategy to address this aspect of the economic problem, gave rise belatedly to the oft-postponed 'Job Summit', involving central government, business and labour. The imminence of the first regular democratic elections as well as the neo-Keynesian noises that were coming from the World Bank experts in the wake of the crash landing of their famed structural adjustment strategies in East Asia and Latin America, made the summit not only possible but, in fact, essential. Among other things, the elections and the apparent rethink on the part of those who decide on global economic strategy had strengthened the leverage of Cosatu in the alliance that comprises what we call 'the ANC'. Cosatu, at the formal level, had rejected (but not resisted the implementation of) Gear ever since it became official government policy in June 1996. At the time of writing, however, a determined struggle is taking place between Cosatu and the government, although, for reasons of political expediency, it is disguised as a struggle between Cosatu and 'the bosses'.[6]

What is beyond all doubt is that the macro-economic strategy adopted by the ANC government, apparently without due consultation with its allies or even with the rank-and-file membership of the ANC (see Adam et al. 1997: 160–186), no longer has the unqualified sanction of those who can be said to have fathered it in the shadows of the political field of play. A shift has taken place in the strategies of some of the people who control the world economy. This is partly the result of the collapse of the East Asian and Latin American economies as well as instability in African and East European (notably in the Russian) emerging markets; earth-shaking events that threatened to bring down the entire edifice of the global economy. Essentially, it is a move away from neo-liberal towards what one might call neo-Keynesian economics. Joseph Stiglitz, a former vice-president of the World Bank, during a visit to South Africa, captured the essentials of the change in strategic thinking in a newspaper interview. He found the prescriptions of 'the Washington consensus' wanting on two fronts:

> One: they fail to take account of the complexities of the real world, where neither the market nor information is perfect. Two: together with World Bank president, James Wolfensohn, he has shifted the values on which economic policy should be measured. To look at gross domestic product is not enough, they argue – the key indicator of global and national economic wellbeing needs to be human development and equity . . . . (Sole 1999: 21).

By early 2002, Stiglitz had gone further and was pointing out the hypocrisy of United States, World Bank and IMF prescriptions to the so-called Third World. In an address delivered at Cuba's fourth international forum on economic globalisation, he said, among other things: 'While the Bush administration called for Americans to spend their way out of recession and US legislators proposed extending unemployment benefits, Washington had traditionally given just the opposite advice to developing nations. . . .' (*Business Report*, 13 February 2002).

All this, however, is what we might label domestic or household criticism, attempts at reforming and refining the existing structures and dynamics.[7] It tries to deal with the software of the problem. What we have to do is to look at the hardware itself. The real question is whether the moral and political decision by which 300 years of colonial plunder and rapine and 50 years of apartheid (that is, affirmative action in favour of white people and based on 'race' and 'culture') are condoned, can constitute a viable platform from which to launch the rocket of transformation. It might seem to be unreasonable and unrealistic to demand at this late stage that that history of dispossession, expropriation, racist exploitation and accumulation be revisited. However, the fact is that unless this is done, the logic of the capitalist system, as we know it, will simply reproduce, with only slight amendments, the racial inequalities that have been programmed into the South African social formation by the peculiarities of its history. That the leadership of the present government is aware of this can be inferred from numerous speeches, statements and interviews. One of the most eloquent of these is an address by then-Deputy-President Thabo Mbeki (1998b) at a session of the National Council of Provinces, in which he demonstrated clearly the difficulties within which those who want some genuine transformation are compelled to move. Among other things, he stressed the socio-economic challenges and threats:

> It is absolutely certain that whenever the issue is raised of redistribution of resources from the wealthier provinces to the poorer ones, strenuous objections will be made by those who will seek to protect their privileged position. It is equally certain that when measures are instituted to get the more affluent to contribute more of their income to the upliftment of the poor, a mighty hue and cry will ensue . . . .
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> Similarly, the notion that a portion of the assets of private corporations should be devoted to the social upliftment for which the

country cries out, not governed by the objective of the highest profit rates in the shortest period of time possible, will be booed off the stage as an expression of a pernicious communist stratagem against the freedom of the owners of wealth . . . . (1998b).[8]

This brings us to the crucial question: *why did the ANC leadership adopt the super-neoliberal macro-economic strategy of the Growth, Employment and Redistribution (Gear) programme?* The answer can be given in a few short sentences, even though much learned research has gone into producing this answer (see especially Bond 2001). In analysing this critical question, however, it is essential that we keep apart, initially at least, the structural and conjunctural aspect and the personal or individual psychological aspect. In other words, it is relatively easy to explain why an entire political movement such as the ANC, found itself compelled to move in the direction of accepting the dominant neo-liberal paradigm. After all, many similarly placed movements in other parts of the world had seen themselves forced to move in the same direction. In the American formulation, the leadership came to the conclusion that the neo-liberal economic orthodoxy is the only show in town or, more conventionally, that there is no alternative.

For Third World contexts in which liberation movements such as the ANC had been able to use the Cold War rivalry between East and West in order to enhance their own capacities as well as their relative independence, the situation was transformed dramatically after the world historic shift in the political stance of the Soviet leadership, which was initiated by Gorbachev in the mid-1980s. This placed all these organisations, parties, movements and governments at the tender mercy of the international institutions which control and influence investment and trade flows and which, therefore, are able to apply pressure to governments to stick to the so-called conditionalities without which no development aid is forthcoming. Since the early 1980s the axis of what is now the World Bank, the International Monetary Fund (IMF) and the World Trade Organisation (WTO) has been able to dictate terms to all the countries of the South (which now includes most of the 'East'), and has insisted on a combination of structural adjustment programmes and liberal democratic political arrangements. This involves, as a rule:

- the privatisation of state assets and means of production;
- a minimal budget deficit which constrains spending in the social sectors of education, health and welfare;

- a policy of wage restraint;
- the opening up of the markets of these countries to the trade goods and investment capital of the North, allegedly in return for a similar opening up of the markets of the North and for investment in infrastructure and manufacturing industry that would give these countries a chance of being integrated into the world economy on better terms; and
- the introduction or the maintenance of a multi-party system of 'governance' with recurrent free and fair elections as well as a downsized public service ('lean government').

In reality, of course, these measures have proved to be disastrous in most of the countries where they have been adopted, often with incomprehensible enthusiasm on the part of the local elites. South Africa is at the beginning of this learning curve and we are witnessing the incredible rigidity with which the present government is 'sticking to its guns', that is, to the Gear macro-economic policy, which is the local version of the Washington consensus on economic policy. In spite of the palpable failure of the Washington prescription, the loss of some one million jobs since approximately 1996, and the failure to bring about any durable improvement in the lives of the urban and the rural poor, the economic gurus of the post-apartheid government, specifically President Thabo Mbeki and Ministers Trevor Manuel, Jeff Radebe, Geraldine Fraser-Moleketi and Alec Erwin, stick to the ultra-capitalist policy with a fanaticism which cannot be derived from their erstwhile Marxist and communist convictions.

I shall deal briefly with the personal conversion of the individuals concerned presently. It is, however, obvious that these men and women would only commit themselves to this line of action if they believe that they are 'doing good' and that they are, ultimately, acting for the good of 'the people'. In other words, there has to be a strategy behind this volte-face. And, indeed, there is such a strategy. We have Patrick Bond (2001) to thank for bringing together all the contradictory fragments and making sense out of them, so that we can realise that we are not dealing with a schizophrenic leadership. In brief, the strategy involves the weaving together of a network of South–South and South–North strategic alliances. These will enable South Africa and its allies to negotiate a better position for themselves in the global pecking order. At the same time, as a complement to and a condition of the success of this strategy, a concerted effort is being initiated and supported by the South African strategists to overhaul and restructure the world economic system and to fine-tune the Washington consensus in

such a way that the so-called emerging markets have a better chance, jointly and severally, of actually profiting from their willy-nilly integration into the world economy.

In order to attain their ends, the South African leadership has, among other things, set out to mobilise the rest of the African continent for the establishment of a regional bloc that would be able to negotiate a better deal within the 'Davos culture' and at last pull the continent out of the mire of civil wars, poverty, famine and stagnation. This is the logic of the African Renaissance, the rebirth of the Organisation of African Unity (OAU) as the African Union (AU), modelled on the European Union, and of the Millennial Plan for African Recovery (modelled on the Marshall Plan), now known as the New Partnership for Africa's Development (Nepad). The promising signals that have come from the world's richest nations in the North in support of these ideas are in line with the notion of an increasingly integrated world economy and the use of sub-imperialist agencies, such as South Africa, on the continent of Africa. The G8 (comprising the United States of America, the United Kingdom, Canada, France, Germany, Italy, Japan and Russia) as well as the UNO and other international bodies and interests have all been effusive in their overt support for Mbeki's (as well as Obasanjo's [Nigeria's] and Boutaflika's [Algeria's]) plans. There is, despite all the hype that is accompanying these grandiose plans, a definite political naïveté at the bottom of this strategy; a child-like belief in the integrity not only of the individual leaders of the capitalist world but of the system itself. Patrick Bond's (2001) prediction of the failure of this approach has a sound basis in reality. There is no doubt that the South African government is placing its faith in the international capitalist class rather than in the social movements of the common people, the workers, peasants, women and other oppressed strata of the world, to bring about the reform and/or the undermining of the system.

> . . . . [The] failure is already emanating from the very project itself, and its underlying philosophy, inappropriate practical strategies and ineffectual tactics . . . . Instead of leading the world, Mbeki and his Pretoria colleagues run a different danger: treading a well-known dusty path, a cul-de-sac of predictable direction and duration that, notwithstanding mixed rhetorical signals . . . , for all effective purposes excludes or most often rejects, alliances with increasingly radical local and international social, labour and environmental movements who in reality *are the main agents of progressive global change* . . . . Thus the South African post-apartheid official leadership will not achieve its own limited objectives, much less the further-reaching transformation required under the current extremely difficult global conditions. And in concluding that Thabo Mbeki *cannot* change the world, a more radical strategy necessarily arises as an alternative (Bond 2001: 135).

Reduced to its impact on the masses, whom they are supposed to represent, the message of the ANC leadership and that of its allies in parliament, that is, the IFP and the NNP, is a very simple one indeed. They are saying to the urban and the rural poor that consistent and consequential policy will lead to economic growth in the medium term. This, in turn, will produce wealth and create jobs as long as we give ourselves enough time to let the measures we are 'putting in place' take effect. The workers' movement's expectations and aspirations have always been way above the possible and we simply have to accept that there is no alternative to the neo-liberal road on which we have landed.

Whether the formulae for a post-capitalist dispensation can ever look like those that were on offer before the fateful year of 1989 when what was almost universally assumed to have been 'real socialism' collapsed like a house of cards, is a question we cannot consider here. However, whatever the formulae preferred, it is the honest thing to say that within the logic of an increasingly globalising world capitalist sytem, in which the so-called emerging markets constitute at best a Second and at worst a Third World, the promise of real change in the conditions of life of the urban and the rural poor is no more than a siren call that leads to disaster and devastation. Instead, we should be saying to the people of the new South Africa that we will institute every possible measure of reform as rapidly as possible but, in the end, we shall have to align ourselves with those who want to build an entirely new world order. This order does not have to be described in the grand terms of yesterday. Ernest Mandel, one of the leaders of Trotskyism during the second half of the twentieth century, on a lecture tour to South Africa in 1992, made the point that *today,* the programme of the left is biblical in its simplicity. We want, he said, to bring about a society in which it will be possible to feed the hungry, clothe the naked, house the homeless and care for the sick, the elderly and the young. Trite as it may sound, this is the challenge that faces all of humanity at the dawn of

the twenty-first century. The inarticulate question behind this simple programme of demands is obvious: in what kind of world is it possible to do these simple things? It is quite obvious to the three-quarters of the people of the world who live in the South that the capitalist new world order is not that world.

The political sphere

Fundamental economic transformation is a necessary but not a sufficient condition for ensuring the prospect of a non-racial future in the new historical community that is emerging in South Africa. At the political level, it is essential that at least three other developments be initiated and consolidated for this objective to be realised. Even if the economic conditions I have referred to above were to be delayed for many decades, as seems likely at present, the political developments described below would have to be introduced or sustained if the vision of a non-racial democracy is to become more than a utopian mirage in a global desert of racial and ethnic conflict.

It has often happened in the history of peoples caught up in the many interconnected fields of social, economic and technological force that fundamental change is triggered proximately by events in the political sphere. Furthermore, in these fields, the real situation looks very different from that which is projected on to television screens and magazine covers. All South Africans have been enfranchised and the country is blessed with what the government's spin doctors proudly refer to as 'the most progressive Constitution in the world'. On paper, we live in paradise. On the ground, the security forces and the senior civil servants of the apartheid regime, 'diversified' and made to look more 'representative of the broad population' at the top levels by the odd melanin-rich face, continue to rule. The ANC, to repeat a famous dictum, has come into office, not into power. This can be ignored perhaps as being no more than a witticism, but it spotlights a very real problem.

As intimated above, the continuity, coherence and stability of the present political entity and the social order on which it is based – minus its racial faultline – have to be ensured. There can be no doubt that this was the most fundamental aspect of the strategy of the Mandela government. Without it, there can be no talk or hope of reform at any level or in any sector of the society. The avoidance of civil war and countering the threat of right-wing ('third-force') destabilisation are the *sine qua non* of the political life

of the Government of National Unity. Once the Mandela leadership had demonstrated its commitment to the principles of liberal democracy and the 'free' market, the possibility of a reversion to a white supremacist minority government on the territory of South Africa became virtually nil. This was the real reason for the withdrawal of F.W. de Klerk's National Party from the GNU. This is also the basic reason for the perpetuation of the IFP as the junior partner inside the rump GNU.

There is no doubt that, at this level, the efforts of the government have been met with a measure of success. Indeed, given the forebodings of 1993–94, they have been crowned with success beyond the expectations of most people. Nevertheless, it is obvious that the tidal wave of organised and syndicated crime that is overwhelming the country at present and which, next to job creation, is seen by most South Africans as the issue that should have the highest priority on the GNU agenda, is part of a surrogate low-intensity civil war. In terms of its effects – such as widespread feelings of insecurity, paranoia, intensified racial prejudice, xenophobia and general pessimism – it leads many, especially young professionals and skilled artisans, to abandon all patriotism and noble intentions by choosing to emigrate. The spectre of the destabilising implosive wars that have reduced much of the African continent to historical rubble and, in the case of Rwanda, led to the ultimate obscenity of ('black-on-black') genocide haunts the present South African regime and is a constant reminder to it that no 'risky' social, economic or political experiments should be undertaken. This explains the image of a relatively tame South African government as, paradoxically, it is seen in the world outside. This stance not only survived the retirement of President Mandela from active party politics after June 1999 but has become even more characteristic of the regime, in spite of the veil of radical rhetoric which President Mbeki normally draws across his government's conservative foreign and domestic policies.

The second political condition that has to be sustained if stability and confidence are to be maintained is the present liberal democratic Constitution with its multi-party system. This is particularly important because of the nervousness of the racially defined and racially labelled minorities: the whites, coloureds and indians. These groups, in so far as they have voted in elections, have in the main supported those parliamentary parties that operated during the apartheid era such as the New National Party and the Democratic Party. This has to change, and the social composition of these parties, if they survive the coming period of regroupment, will also have to

change dramatically. The one-party dominant system that is emerging in South Africa and the tendency on the part of the ruling ANC to ignore or to deride the political positions of the parliamentary opposition are making it increasingly difficult for a spirit of tolerance and of give and take to be proliferated in terms of the liberal democratic paradigm. It is to be expected that this polarising trajectory will strengthen the hand of those who believe that in a racially divided society such as South Africa, only a consociational form of democracy will succeed in damping down the fires of racial jealousy and hatred.[9] Clearly, should this view become the prevailing one, racial identities will become the normal social condition and a 'non-racial' future will by definition become impossible. It is clear to me that most political leaders do not have a lucid understanding of the interconnectedness of their discourse and the socio-political and socio-economic behaviour of their constituencies.

A last important political condition that will help to bring about a non-racial ethos is total transparency with regard to the policy of 'corrective action'. The evolving position in this regard is not very encouraging at all. In particular, the manner in which the Employment Equity Act and its counterpart for the public service are understood and implemented will determine whether 'redress' will reinforce or undermine attempts at bringing about national consensus and some sense of a new South African identity. In a nutshell, it should be said that the only manner in which, under the difficult conditions of the transition, a policy of affirmative action can succeed is if it is clearly related to discrimination based on skin colour (or gender, or disability) in the past and if it is limited in time to, say, one or two generations. What this means in effect is that affirmative action should be viewed as a grand gesture accepted by those advantaged because of conquest, dispossession, racism and exploitation; an admittedly inadequate *quid pro quo* that does no more than demonstrate the willingness of the beneficiaries of past policies to concede some reparations. Beyond that point, affirmative action should no longer be based on the social categories of the past social order, that is, on 'race'. Once it comes to be based on 'class' or income groups, it will become difficult to distinguish it from ordinary poor relief or welfare measures. In my view, given the capitalist realities of the transition, South Africa needs a large-scale, extended skills-training programme rather than an affirmative action programme which is based, in too many cases, on tokenism, as unintended as this might be.

In his excellent summary and analysis of the problematics of affirmative action in general and in the United States of America, South Africa and Brazil in particular, Powell concludes as follows:

> . . . [The] nature of affirmative action, its components and policy aims, confine it to the parameters set forth by and within the current system of white privilege . . . . Speaking metaphorically, affirmative action seeks to change the size of the pieces of pie distributed without questioning what goes into the pie and challenging who controls the preparation and distribution of the pie. To put it more concretely, affirmative action, even in its most aggressive form, tries to address nonwhite subordination without focusing on white privilege. Indeed, it often entrenches white privilege. The current claim of innocent whites and reverse discrimination operates to both obscure black subordination and assume normalcy of white privilege. So long as white privilege remains intact, antisubordination efforts can only go so far . . . . As a consequence, racial hierarchy not only remains but also takes on a pernicious sense of legitimacy, inevitability, and permanency . . . . Without question, the reality of persisting white privilege undermines the transformative potential of progressive policy initiatives such as affirmative action in all three countries (2001: 398–399).

The stubborn facts of history

Powell's analysis points to the underlying reality of the inequality of assets derived from conquest and race-based super-exploitation of the labour of black people. Given these stubborn facts of our history, how can we conceptualise the movement, if any, along the path from the colonial-apartheid past to a possible non-racial future?

What I call the underlying reality has been determined by the dialectic of domination and resistance that has shaped South Africa's contemporary history, especially since the Second World War. In essence, by voting the National Party into power in 1948, the white minority chose against the liberalisation or opening up of the modern economy and society which had evolved within the borders of the Union of South Africa ever since the discovery of diamonds and gold in the last quarter of the nineteenth century. The labour repressive economy – based on migrant labour, pass laws, and on the location and compound system that had developed largely because of the technical conditions of deep-level mining – had necessitated

the consolidation and expansion of the racial-caste social system which was the consequence of the logic of settler colonialism in general and of slavery in particular.

The neo-Marxist orthodoxy, which for some fifteen years between the late 1970s and the early 1990s shaped our understanding of the South African economic system (see Chapter 1 of this book), described it in terms of a white capitalist ruling class in alliance with the skilled white workers and other white wage earners extracting super profits from the mass of urban and rural black workers ('cheap black labour'). At the level of identity politics, the tendency was to unite all whites regardless of language, religious and ethnic differences into one (white) South African nation on the one hand, and to fragment all black people into as many 'natural' and unnatural ethnic groups and proto-nations as possible on the other hand. Segregation under the United Party government and apartheid under the Nationalists both entrenched the racial and ethnic divisions that constituted such a large component of the baggage of South Africa's past.

It has been said that at the beginning of every great fortune there lies a great crime. In the South African case, as in so many other Third World countries, that great crime was the colonial conquest, subjugation and enslavement of the indigenous people of the country. Today, still, virtually all the arable land of the country is owned by some 60 000 white farmers or white companies. Manufacturing industry and large-scale commerce as well as primary (mining) industry are all dominated by white-owned capital. As indicated earlier, there is no doubt, however, that the present owners of the bulk of the wealth of the country have accepted that it is essential that the ownership and control of capital have to be dispersed and that black entrepreneurs have to be brought on board. Recent attempts to bring some black middle-class individuals and groups into the charmed circle of the bourgeoisie appear to be succeeding within limits. Howard Barrell quotes a study in which it is claimed that the incomes of employed black people generally and of the black elite in particular have been increasing dramatically during the past five years:

> – it shows there has been a 'significant redistribution of income towards previously disadvantaged population groups'. It demonstrates that the country's economic elite is becoming significantly black, and that economic class divisions bear markedly less correlation to race than is commonly thought to be the case.

> The report, entitled Winners and Losers: South Africa's Changing Income Distribution in the 1990s, shows that the white share of total income declined from 59,5% to 51,9%, and the proportion of white households in the richest 10% of South Africans declined dramatically from 95% to 65%. Over the same period, the black share of income rose from 29,9% to 35,7%, and the proportion of black households in the top 10% of all South African households increased from 9% to 22%. There was, however, a vast difference in the economic fortunes of blacks over the period. The richest 10% of blacks received an average 17% increase in income, while the poorest 40% of households actually suffered a fall in household income of around 21% (2000).

Nevertheless, it can be said with a high degree of certainty that even if the proportion of real, as opposed to token, black ownership of the economy were to rise substantially over the next twenty years or so, this will not automatically translate into any radical improvement in social relations. That is to say, a reduction in racial prejudice and a concomitant strengthening of our sense of national unity are by no means mechanical functions of changes in economic or class relations. Given the history of the capitalist system as a world system, it is completely unthinkable that the emerging black bourgeoisie will behave any differently from their predatory predecessors in other countries and at other periods in the evolution of the system. If anything, they can be expected to be even more exploitative in their attitudes, since they would assume that in a 'democratic' country where there is constitutionally enshrined 'equality of opportunity', every other black person should be able to 'make it'. Since colour will not be an insuperable barrier to communication, they will rely on their kith-and-kin advantage to attenuate any latent class conflict between themselves and their 'black brothers and sisters'. This assumption, I maintain, will have validity for only a short period during the honeymoon phase of the transition.

Today, the movement of history is becoming increasingly discernible. There is a clear shift of power in various sectors from exclusive white ownership and control to increasing black – token and real – managerial control. This is indicative of the fact that the black middle class, which had been kept in confinement artificially through the policy of apartheid, has finally liberated itself.[10] As indicated above, there is no doubt that this

rapidly growing class of people are the real beneficiaries of the compromise reached in 1993–94 in spite of the relative failure of black economic empowerment, that is, the promotion of the capitalist ethos and practices among, as well as the accumulation of capital assets by, black middle-class individuals. They, rather than the urban and rural workers, constitute the social base of rainbowism and have every interest in exploiting and even exhausting the implications of that metaphor in economic, political and socio-cultural terms. Since this particular metaphor popularises and entrenches the notion of coexisting colour (or 'racial') groups, it has the potential to create captive markets for ethnic entrepreneurs.

To put the matter bluntly, it is in the interests of such entrepreneurs among the ruling elites to try to keep the definitions of the black 'ethnic groups' as fluid as the National Party ideologues had done in the case of their white constituency previously. By so doing, the cohesion of the majority of the oppressed and their common interest in national liberation which constituted the ideological basis of the struggle against colonialism and apartheid can be pressed into the service of those who are now in a position to inherit or to accumulate power in all relevant social spheres. The 'minorities', which might once again be allowed to fragment themselves as much as they like, are accommodated within a model human-rights charter and a genuine culture of tolerance. On this reading of the evolving situation, one or other version of an 'Africanist' solution of the question of national and sub-national identity appears to be in the offing. However, the actual boundaries of the dominant social category have not yet been drawn. An excellent illustration of the continuing fluidity of the concept 'African' in the South African context is the lyrical extolling of his African being by Thabo Mbeki when he was still deputy president of South Africa in a very significant speech in parliament (referred to above on pages 81 and 107 and expanded on in Note 29 of Chapter 5). It is also clear that the struggle over the definition of identities in South Africa has only just begun. It is in this area that the third set of conditions for a successful transition is to be found (see Chapter 5 of this book).

The ethnic danger

Already, the new democratic openness has created political and ideological spaces which all kinds of charlatans are trying to occupy in the quest for electoral power which they perceive as the key to opening the door of opportunity for themselves. Suddenly, a Griqua, a Bushman, even an Indonesian, identity is being marketed. Although all these purported groups refer to mere handfuls of people, the tendency to exploit *the* 'dialectic of class and tribe' (Saul 1979), as was done in many other African countries immediately after independence with dire consequences in most cases, is one that must be curbed if the Mbeki administration is not to be distracted from its main task of 'reconstruction and development'.

As against these ephemeral attempts at playing the ethnic card, there are the very real facts of the Afrikaner Volksstaaters and the adherents of the Zulu kingdom. These two are without a doubt the most distinctive politicised ethnic identities to have been handed down to the present generation. While there are many other sub-national identities in South Africa – based on religion, on language, on other cultural traits, on specific histories, as well as on perceived or reputed racial features – none of these has been politicised in the recent past, or ever, for that matter. 'English', 'Coloured', 'Malay', 'Muslim', 'Xhosa', 'Tswana', 'Jewish', 'Indian' South Africans have, with negligible exceptions in certain periods of our history, never mobilised themselves as such. Even the 'Zuluness' of a party such as the IFP is denied by its leadership, which insists that it is non-racial in composition and transregional in its conception and in its organisational reach.

It is, therefore, a matter of some concern that the compromise in the Constitution of South Africa which led to the establishment of the Commission for the Promotion and the Protection of the Rights of Cultural, Religious and Linguistic Communities of South Africa may inadvertently open the Pandora's box of ethnic, that is, tribal, politics that has been one of the causes of the underdevelopment of many of the countries of post-colonial Africa. There is no doubt that this provision (Sections 185 and 186 of the Constitution, which should be read together with the possibly fatal provision on territorial self-determination in Section 235 – see the Appendix to this book) constitutionalises ethnic politics in post-apartheid South Africa, as I have already stated in Chapter 5 of this book. The best that can be said about this matter is that the government is obviously aware of the fact that it is not only a highly sensitive issue in every sense of the term but, more than that, that the wisest strategy is to hasten very slowly in the hope that the problem might just disappear of its own accord. That this is a miscalculation, if it is indeed the view of government, can be read from the fact that in November 2000, the Afrikaner Volksstaaters in the guise of the people of the privatised, exclusively white town of Orania

were taking the South African government to the Constitutional Court in order to avoid a local government demarcation decision that incorporated 'their' town into surrounding black majority municipalities.

The African Renaissance

South Africa is increasingly being referred to as the regional superpower of southern Africa. It is a label which most South African politicians and activists decline to promote even though many of them, especially some of the bureaucratic caste, tend to act in terms of this concept. And, there is no doubt, most of the countries of the North behave as though no other paradigm existed, so much so that many diplomatic missions and most transnational corporations are moving, or have moved, their southern African headquarters to one or other South African city.

President Mbeki has understood the need to fashion a metaphorical and conceptual space for the acknowledgement of South Africa's leading role while at the same time affording all other countries of the continent the opportunity to be an integral part of what we might call a new awakening. His government, however, is caught in the double bind of the globalisation processes. For, as Manuel Castells (1998: 308) has so incisively demonstrated (see Chapter 5 of this book), there is a fundamental contradiction between the classical *raison d'être* of the national state, that is, to protect and promote the interests of its own citizens, and the objective functions which the state has come to perform on behalf of global finance capital. Castells' lucid analysis of how the dynamics of the network society disempower the nation state and transform it into an agent of global capital flows and of the global institutions that try to manage these flows provides us with a particularly helpful framework for evaluating the challenges and the achievements of the post-apartheid government. With hardly any exception, Castells' description of the situation in which the state finds itself at the beginning of the twenty-first century tallies with the reality of the new South Africa. The choices made by the political class, 'black and white', as South Africans say, were in a sense scripted for them by global forces beyond their control, since they could not countenance one or other variant of a de-linking strategy (Amin 1990) without inviting the uncertainties of a protracted and bloody civil war.[11]

The Mbeki administration, because of the choices made at the beginning of the 1990s, is doing exactly as Castells' theory predicts. It is attempting, on the one hand, through regional and sub-regional cartells (the African Union and the Southern African Development Community or SADC), involving, among other things, the rhetoric of the African Renaissance, to gain a better place for itself in the global pecking order. On the other hand, it is trying to regain and maintain its legitimacy with its own citizens by devolving power to the lower levels of government, that is, to the provinces and to local government authorities. This represents some guarantee of a liberal democratic future, although the real source of the guarantee is to be found in the social pluralism of the country and in the unequal distribution of economic (white) and demographic or voting (black) power. Even the proximate cause of the constitutional architecture of the new South Africa, that is, its proto-federal character, has more to do with the need to accept a trade-off between a centralising united democratic South Africa and a federalising consociational democratic system based on 'groups', than with any immediate sense on the part of the new regime of having to legitimise itself. Legitimacy had been conquered in the course of decades of struggle and, for the present, much to the frustration of right and left alike, the accumulated interest of the liberation movement ensures that there is no viable alternative to the ANC-led government.

The whole of the relevant passage from Castells' tome on 'the power of identity' represents such a brilliant generalisation that it is well worth citing at length. It has well-nigh universal applicability and demonstrates clearly the penetration of Castells' analysis:

> . . . . [In] the1990s, nation-states have been transformed from sovereign subjects into strategic actors, playing their interests, and the interests they are supposed to represent, in a global system of interaction, in a condition of systemically shared sovereignty. They marshall considerable influence, but they barely hold power by themselves, in isolation from supranational macro-forces and subnational micro-processes. Furthermore, when acting strategically in the international arena, they are submitted to tremendous internal stress. On the one hand, to foster productivity and competitiveness of their economies they must ally themselves closely with global economic interests and abide by global rules favorable to capital flows, while their societies are being asked to wait patiently for the trickle down benefits of corporate ingenuity. Also, to be a good citizen of a multilateral world order, nation-states have to cooperate with each other,

> accept the pecking order of geopolitics, and contribute dutifully to subdue renegade nations and agents of potential disorder, regardless of the actual feelings of their usually parochial citizens. Yet, on the other hand, nation-states survive beyond historical inertia because of the defensive communalism of nations and people in their territories, hanging onto their last refuge not to be pulled away by the whirlwind of global flows (1998: 307–308).

In this paragraph, we find the beginnings of the explanation of numerous contemporary South African paradoxes ranging from the abandonment of the RDP in favour of Gear, to South Africa's policy towards the European Union and towards southern Africa, including intervention in the Congo, Zimbabwe, Burundi and elsewhere. Even the tension in the relationship between central and provincial government arising from the constitutional provision for co-operative governance and concurrent competencies resonates in this paragraph.

More relevantly in the present context, Castells' insight demonstrates the limits inherent in Mbeki's strategy. In so far as Mbeki and the rest of the rulers of the South are bound by the parameters set by the economic balance of power between the North and the South on the one hand, and the definite limits set by themselves, intuitively and more often consciously, to the extent they are prepared to support and especially to initiate national and international mass action against the cannibalistic effects of the forces of globalisation on the other hand, any policy that is deemed by finance capital and by the international institutions of capital, the World Bank, IMF and the WTO, to be too radical, is bound to be penalised by investment strikes which, in turn, will have immediate negative economic impacts especially in respect of job losses.[12] Without wanting to be the least bit negative, and giving the present government the benefit of the doubt in respect of its commitment to alleviating poverty, redistributing resources by fiscal and other constitutional means, and generally promoting a populist strategy, I have to state very clearly that there is simply no hope within the next few generations of realising even the modest goals of Gear, not to mention the optimistic dreams of the RDP. In fact, it is clear even at a cursory glance that the South African government is concerned at all times to do nothing that might keep away foreign direct investment, which it considers to be the critical element for economic growth. Both orthodox liberal and left-wing economists have criticised the government for this

stance and have pointed out the futility of basing policy on trying to attract foreign direct investment as well as the fact that more capital has fled from South Africa since 1994 than has come into it (see Van Zyl 2001 and Bond 2001: 127).

This is not to say that the African Renaissance as a potentially comprehensive social strategy for the 'hopeless continent' is necessarily a dead letter. Certainly, for the 'patriotic' South African and some foreign bourgeois elements, especially for the middle-class beneficiaries of black empowerment, there will be much direct profit to be made. Indeed, there is ample evidence that such profits are already being made (UNDP 2000: 64–67). The more likely area in which the Renaissance rhetoric will become inspiring and driving is that of culture and mass consciousness. It is quite clear that the very marginalisation and immiseration of Africa, even though it is subject to the global pressures of Macdonaldisation, make it probable that the continent will break out of the stifling embrace of these apparently unstoppable forces. Samir Amin's (1990) thesis that the revolutionary breakthroughs throughout history have tended to take place in the periphery of the world system, is likely to be proved correct in this case. This is why we appear to have the paradoxical position of a continent at the very bottom of everything deemed worthy of human life, yet brimful of hope and full of a certain desperate energy. The very weaknesses of the continent, the Aids pandemic and other health hazards that know no boundaries, the poverty push factors which set up the migration to the North and the cynical 'wars' which keep the armaments industry alive in the North (and in South Africa, let it be noted), all these and more may unintentionally give an appeal to the African Renaissance, since it is obvious that a new and militant leadership will come forth out of the despair of the present situation.

South Africa, as far as GNP figures go, belongs to the middle-income countries in the global economic hierarchy. As is the case in countries such as Brazil, or in Nigeria, South Africa is pushed into recurrent crises by the unpredictable flows of globalised capital. While the government of the country is expected to deliver on its 1994 election promises of 'Jobs for All', there is not the slightest hope that it can make good on its threats during the struggle for national liberation of redistribution of wealth and other resources, at least not without triggering a catastrophic, indeed fatal, capital flight. One does not have to look further than the kind of problems that beset the regime of President Robert Mugabe in present-day Zimba-

bwe, to realise just how concretely this assessment has to be understood. Capital retains all the strategic positions it held at the time of the negotiated settlement. This, as I have indicated in different contexts in this book, is the reason why, with or without kicking and screaming, the 'communist' ANC government adopted the neo-liberal Gear policy in 1996.

The so-called left in the ANC and in the SACP were pushed aside unceremoniously and the trade union leadership, especially of the ANC's alliance partner, Cosatu, were checkmated by means of slick tactical manoeuvres and political patronage as well as by structural pressures such as threats of large-scale retrenchments and investment strikes. The ethos of neo-corporatism or tripartism and social partnership, which the comrades of the union movement learned most readily from their German counterparts is today all-pervasive and taken as common sense in the entire labour movement. There are, it is true, vestiges of 'recalcitrant' unionists among the rank and file members and among the shop-stewards and organisers, but it is clear that the dice are loaded against their workerist and pro-socialism stance at present. Even the most recent (November 2001) resurgence of working-class mass action against privatisation of municipal services and for some version of municipal socialism, that is, nationalisation of municipal services at central, provincial and local levels, has little hope of growing beyond the ranks of those who are immediately affected, that is, municipal workers and some of the urban proletariat. Nevertheless, there is a very strong signal being sent out from these struggles to all who are not blind to the movement of history. For the very first time in South African history, these struggles are being fought without the slightest reference to 'race' or colour. They are conceptualised and executed in purely class terms and they involve workers and their families from across the ethnic and colour spectrum. Their demands and aspirations are formulated and articulated clearly and unambiguously as demands and aspirations of workers who are opposed to the bosses and to what they unambiguously call the government of the bosses. There can be no doubt that these struggles, even if they are defeated in the short term, herald a period of heightened *class* struggle. Again, one of the paradoxes of South Africa's racial capitalist system makes this prediction anything but idiosyncratic. For, it is still the case that the shortage of skilled workers, which is the direct result of the policies of the apartheid and previous white minority governments, continues to endow the trade unions with much strategic leverage. In other words, when the present

compromised leadership is replaced, as it is bound to be, by a more militant, worker-oriented generation, the struggles in South Africa will assume a character and a significance which few similarly caused movements in other countries have, or can have, at present.

Of course, there is always the possibility that a 'radical' Africanist current under the leadership of the PAC or one or other of the rump Black-Consciousness groupings, might take hold of the consciousness of the people. This seems to me to be a very unlikely scenario. Recent South African history demonstrates that it is difficult to out-ANC the ANC and, in the context of a global resurgence of worker-orientated anti-capitalist struggles, it is this kind of movement that is more likely to take root among the masses of the people.

It is important, in spite of this assertion, to state clearly that unless other forces and events supervene, these class struggles will be fought out within the framework of a normalised capitalist society. They will not necessarily have the nimbus of apocalyptic dangers which similar struggles have had in South Africa's recent past. That is to say, unless, for instance, the civil and international wars being waged in Angola and in Africa's Great Lakes region respectively, spill over on to South African soil, struggles such as these will in all probability be accommodated within the liberal democratic constitutional order, as they are in other such states. That there is a real danger of spill-over effects from the anarchical conditions to the north of South Africa should not be doubted. We only have to consider the manner in which northern Namibia has become embroiled in these wars to realise how very possible such a scenario is.

In a formal sense, there is very little danger of a left-wing revolutionary upsurge in the short to medium term. As in most other countries in the world, the credibility of a socialist alternative, whatever name is used to label it, will have to be fought for tenaciously in post-apartheid South Africa. Traditions are of the greatest significance in matters of this kind. Consequently, it would be a grave mistake to believe that, except for the rhetoric, the belief in and the desire for a socialist alternative is dead in South Africa. Real capitalism in post-apartheid South Africa manifests itself in such barbaric forms that there is no doubt that, as in many semi-industrialised South American and East Asian countries which have developed beyond mere monocultural primary export economies, a reincarnation of socialist thought, mass organisation and mass action will take place sooner rather than later.

The threat from the right has receded at the same pace as the capitalist credentials of the ANC government have been accepted by the North. There is, in my view, a very slight chance that if the matter of 'traditional leaders' is not resolved expeditiously against the reactionary and profane opportunism of the chiefs and headmen,[13] these people of yesterday will make a desperate bid to retain some power and patronage by forging an alliance with fascist and racist currents whose minimum programme is nothing less than the destabilisation of any black-majority, liberal-democratic government. A careful policy of both rendering the traditional leaders harmless to the modernisation project and to harness their authority in the service of social and national cohesion is being carried out at present. It reflects a relationship which is characterised by tensions and suspicion, one which for the sake of the peaceful image of the country, the government has to keep promoting and the traditionalists will continue to exploit to the full.

Another serious issue which the government is finding it impossible to solve is the widespread anarchy caused by organised and syndicated criminal gangs. While the danger of a kind of Italian or Russian mafia gaining control of the government of South Africa is remote, there is no doubt that the lowering of the quality of life of all South Africans represents a real threat to the continued rule of the ANC. That some of the brains of the security establishment of the apartheid era are deeply implicated in the crime wave is common cause, but because of their continued contacts within the security services and in the state machinery more generally, hardly any of these people have been brought to book in spite of the creation of elite intelligence and police units.

Against the background of what I have said here, it is proper to end on a flat note, rather than on some empty but loud-sounding note. South Africa will become a 'normal', bourgeois, democratic polity. The enormity of the challenges that any – even the most committed – populist government will face during the next few decades should not lead us to conclude that the country will necessarily go into irreversible decline. For one, it is too important strategically within the context of Africa as a target in the tri-polar contest between 'America', 'Europe' and 'Asia' for it to be allowed to sink into a state of total disrepair. Given the global realities for the foreseeable future, the real danger is that, in spite of the protestations of South Africa's political leadership, the only way in which they can make the economic 'miracle' implicit in the promises of the RDP follow on the much-vaunted political 'miracle' of 1994 is by letting the country indeed

become, against their stated intentions, the hated regional superpower which exploits the material and human resources of the subcontinent. This fateful dialectic is already manifest in the aggressive rapidity with which South African-based capital, freed of the fetters of apartheid-induced sanctions, has moved into the other SADC countries. Besides immediate benefits, one of the most critical long-term effects of this strategy on the part of capital will be the weakening of the labour movement. The gains made during the 1970s up to the mid-1990s are in danger of being eroded as the constitutional and legislative guarantees of a humane labour market are eroded and repealed. The dilemma facing the present and future governments of South Africa can be formulated in a simple question: will it be possible to avoid the consolidation and perpetuation of the present 50–50 society without becoming a sub-imperialist power? Future generations and historians will judge the worth of successive South African rulers in terms of the answer they give to this question.

Left perspectives

James Petras, in a seminal article published eleven years ago already, wrote matter-of-factly that

> The rise of neo-liberalism and the transformations of the 1970s and 1980s have created the conditions for a new round of wars, economic crises and social upheavals. World-historical changes are taking place at an accelerating pace. For the Left to successfully intervene, it must come to grips with the scope and depth of these changes and identify the weak links in the system propelling them (1991: 17).

He goes on to describe seven great transformations which have changed radically the context and the dynamics of the political terrain. For our purposes, it is especially the sixth of these seven transformations which is relevant. In his own words, this refers to

> . . . the world-wide ideological and political integration of traditional social-democratic and Communist parties into the neo-liberal project and the conversion of many ex-Leftists of the 1960s to the same process. From Southern Europe to South America [and we would add 'to South Africa'], from Paris to Barcelona, and from Warsaw

> to Managua, ex-Leftists joined the celebration of the market as the most efficient mechanism for organizing the very economies that were disintegrating under the market's hammer blows. This integration of traditional parties – coupled with the flight of intellectuals from the movements to the institutes – deepened the tremendous gap between the political-electoral intellectual stratum and the mass of victims of neo-liberal economics (Petras 1991: 18).

In the context of South Africa, this process can be followed in some detail in the studies published by McKinley (1997), Marais (1998), and Bond (2000, 2001), all of which deal from different perspectives with, among other things, the accommodative politics of the SACP. Marais (1998: 262–263) distinguishes between three strategic-ideological categories within the SACP, that is, the 'traditionalists' (read, 'unreconstructed Stalinists'), the 'neo-Marxists', and the 'realists' (such as Minister of Trade and Industry Alec Erwin). Although there is a continuing debate in the SACP among these and other tendencies, it is obvious that the domestic and international conjuncture has hitherto favoured the realists. This is one of the reasons why Marais believes that it will be extremely difficult for a new 'hegemonic project' of the left to be realised.

Marais' analysis of the dilemmas facing the SACP leadership and membership (see especially 1998: 262–267) is brilliantly illuminating, as are his comments on the disarray and instability of other popular forces and their organisations. I have to agree with his view that the revival of a hegemonic project will evolve out of a process of organic struggles at the grassroots against the depredations of capitalist exploitation and conscious interventions on the part of existing and emerging organised formations of the urban and the rural poor, including the traditional organisations of the working class. In this process, the pivotal role will be played, in South Africa as elsewhere in the world, by radical socialists who will have succeeded in transcending their self-crippling, even suicidal, sectarianism, and thereby inaugurate the process of re-establishing the credibility of the socialist project, regardless of the specific name(s) by which the post-capitalist alternative will eventually become hegemonic in the world. From the point of view of humanity and human survival on the planet, we have to trust that we shall not have to wait until some irreversible ecological or nuclear catastrophe brings the inhabitants of the Earth to their senses, somewhat as the madness of the Nazis exposed the capacity for horrific destructiveness which is latent in ideologies based on 'race' and ethnic chauvinism. That even such a striking back by 'nature' will not automatically lead us to the new Jerusalem is all too clear from the resurgence of neo-Nazi groups in Europe, the United States of America and elsewhere.

New forms of struggle are being forged by ordinary people defending themselves against the barbaric effects of neo-liberal economic policies and practices in Africa, Asia, Eastern Europe and South America, as well as in the economic 'South' of the cities of the North. In South Africa itself, in the guise of a movement against the privatisation of municipal services and of other state-owned giant corporations, a workers' movement with short-term demands which are perfectly feasible within the prevailing capitalist system but the satisfaction of which cannot be countenanced within the framework of neo-liberal economic orthodoxy, is gaining ground. It is succeeding in sucking into its vortex many local struggles against mundane but life-threatening acts of brutality such as terminating unemployed or poor families' access to water and electricity because they are unable to pay the service charges; evicting whole families from their homes of many years because of arrears in rent payments; or denying labour tenants, who have lived on white-owned farms for generations, the right to bury their dead on these farms lest such a 'concession' inadvertently establish the tenants' 'right' to the land. In this unintended manner, a powerful, potentially explosive, movement of the poor, led substantively, if not formally, by public-service workers, is evolving under the eyes of the new ruling elites of a very old South Africa. Other sources of protest against the depredations of the neo-liberal economic policies of the elites in many different countries of the world – such as the anti-debt, ecological, anti-nuclear, landless peoples' as well as immigrant minorities', youth and women's movements – are intersecting, in South Africa, with this movement of desperation. At present, the overall programme of demands of this as yet only sporadically co-ordinated movement can be described as one of increased state intervention informed by one or other variant of neo-Keynesian economics. A first step towards national co-ordination was undertaken in November to December 2001 at a National Exploratory Workshop organised by the Johannesburg Anti-Privatisation Forum. Besides numerous specific resolutions pertaining to concrete struggles in local communities and in workplaces, the workshop took a number of significant decisions. Of these, the most important was undoubtedly the formation of a National Co-ordinating Committee of the movement, which was baptised rather clum-

sily as the *United Front of Mass Based Organisations Against Privatisation*. The tasks of the committee include overseeing the realisation of resolutions such as the following:

> We need to ensure that we bring together the different struggles in each province into a united front of mass based organisation process that will make national connections easier . . .
>
> We need to ensure links between different structures and ongoing communication among ourselves . . . .
>
> Assist each other in developing and promoting an alternative vision and political perspectives on basic service provision based on our vision of socialism. Need to forefront [*sic*] our support of socialism . . . .
>
> Build links with international groups and have solidarity actions . . . .
>
> We need a rapid alert system to quickly mobilise support around the country at key moments of struggle . . . . (Anonymous 2002: 73–74).

Similar movements have emerged for the cancellation of the apartheid debt and against the government's hard-line attitude towards the distribution of anti-retroviral drugs to pregnant mothers at risk and to other Aids sufferers. This latter movement has formed in spite of the fact that the Aids lobby combined forces with the South African government in a successful challenge to the unconscionable patents policy of the multinational pharmaceutical companies, whose profit-driven positions simply rode roughshod over the human tragedy facing almost 20 per cent of the people of South Africa. All of these movements are inspired by and feed into the World Social Forum and the international global justice activists' struggles against the Washington consensus, the Davos culture, and related strategies of the international capitalist classes. To quote the hopeful prediction of Patrick Bond: '. . . The dynamic of progressive change will emerge from the alienation of those who suffer most from neoliberalism, in South Africa and across the world, and from the creativity of those who demand and imagine a better world' (2001: 282).[14]

In some cases, as I have intimated here, the struggles of the urban poor and the rural poor are being supported, and often led, by socialist and other radical activists, who constitute a bridge with struggles of the immediate past and whose understandings of the international and national situations are informed by the incipient revolt of the intelligentsia and of students against the debilitating mathematical abstractions of 'economics', as taught in most universities today. The intellectual movement back to re-establishing the link between social conditions and the production, exchange and distribution of 'man's worldly goods' among young students and other activists, especially in the United States of America (see Anonymous 2000: 15), heralds the beginning of the systematic rehabilitation not only of socialism as an alternative to what exists at present but also of the indispensability of the historical materialist method of social analysis even and precisely in our post-industrial age.

12. Among others, see Posel (1999), Bundy (1999), and Harris (1998).
13. From the point of view of theory, the TRC falters in respect of the 'problem of agency'. This is discussed in some detail by Posel (1999: 28–29).
14. It is ironic that it is precisely in respect of its forensic pretensions that the *TRC Report* has been rubbished by the South African Institute of Race Relation's researcher, Anthea Jeffrey (1999).

Chapter 7: South Africa: Example or Illusion?

1. The choice of the term 'African Renaissance' is unfortunate, to say the least. It demonstrates neatly my point that even though the African stream is prevalent all over southern Africa, it is the European ideal that is hegemonic. There are beautiful African terms such as 'Chimurenga' (Shona) which could have conveyed a similar, if admittedly a more militant message, and they are as 'foreign' to Africans outside Zimbabwe as the word 'Renaissance'. Instead of suggesting the study of European history, their use would suggest that (African) people familiarise themselves with African history. It is also mildly absurd to 'call' for a renaissance. Such socio-historical developments can be recognised as innovative patterns only after they have happened.
2. South Africa still has the second-highest Gini coefficient in the world. The abysmal gulf between most white and most black households is demonstrated by the fact that in the mid-1990s the median white household income was R60 000 per annum whereas for African households the figure was a mere R12 400. The statistics also indicate increasing and significant class differentiation within the racially defined social groups. This is especially noticeable in the category of African people (see May 2000: 26–28).
3. In an article in the *Mail & Guardian* (28 January to 3 February 2000), Howard Barrell cites an authoritative study which comes to the conclusion that

> A small black economic elite has benefited most from the democratisation of South Africa over the past 10 years. While the black share of wages, salaries and other income in South Africa rose dramatically over the five years to 1996, almost all of this increase occurred among the top 10% of black earners, *while poorer blacks actually experienced a decline in income* (emphasis added).

4. In his millennium state-of-the-nation address, President Mbeki tried to put a brave face on it but his own evidence shows that, in fact, the country has not been able to attract the direct investment (in job-creating productive plant) from abroad, which he and his management team consider to be critical for GDP growth. He refers to a speech by the chairperson of De Beers, in which the latter said, among other things:

> 'We believe that foreign investors who have been slow in placing direct investment as opposed to portfolio investment will increasingly share our assessment that South Africa is one of the most attractive emerging markets.'
>
> [And Mbeki adds hopefully . . .]
>
> Our Government fully shares this confidence, which was also communicated to us by all the business leaders with whom we had the privilege to interact at the World Economic Forum at Davos (Mbeki 2000).

Ironically, of course, this very company (on 1 June 2001) was one of the first well-known South African-based giant corporations to delist from the JSE Securities Exchange. Also see Note 8 of this chapter.

5. See Van der Walt (2000).
6. Zwelinzima Vavi, the General Secretary of Cosatu, in explaining the series of warning strikes which were conducted in February to March 2000 in protest against Gear, said recently:

> 'We are desperate for those things [foreign investment]. But we are between a rock and a hard place. We have been keeping quiet about those people who are being forced into poverty through job losses. Our only reward for doing so was more retrenchments.'
>
> He said SA had been shedding jobs for the past 25 years under apartheid. 'Insufficient economic growth since 1994 has not changed the situation,' he said (Grawitzky 2000).

Also see *Business Day*, 28 March 2001.

7. As it turns out, Stiglitz's attack on World Bank policy may have been both premature and opportunistic (see UNDP 2000). For a detailed account of the dynamics within the circles of the 'Washington consensus' and for the various proposals for the reform of the world economic system, see Bond (2001).
8. The following revealing anecdote shows the kind of resistance, even within the prevailing paradigm, with which the reformers have to deal: 'At a dinner in Sandton, foreign businessmen remark on the shorttermism of SA's private sector. Besides the pressure for ever improving quarterly results . . . , there is a sense that assets are being kept liquid, they say. SA business is on the hop, limiting fixed investment in order to be able to leave quickly' (Laufer 1999).

   Since then, of course, many of the major corporations have delisted from the JSE Securities Exchange and transferred their listing to London.
9. A recent example of this tendency is the declaration of the Group of 63 calling for the recognition of minority rights in culture and language (see *Mail & Guardian*, 24–30 November 2000).
10. Sampson (1999: 569–571) points out how unexpectedly rapid the growth in numbers of the black middle class has been. He also discusses the huge prob-

lem of corruption and opportunism and blames the white capitalist class, which is perfectly willing to use bribes in order to get government contracts or blessings for their enterprises, as much as the up and coming class of wannabes for the venality that has come to characterise so many of them.

11. A sophisticated and critical description of the political economy of the transition was published by Patrick Bond (2000). For an earlier but equally compelling account of the moral, political and theoretical debates and agonising that took place within the ranks of the Congress Alliance prior to and in the course of the negotiations, see Marais (1998) and Saul (2000).
12. The 'communist' ministers and ideologues in the South African cabinet and legislature, who represented South Africa in Seattle and again at Prague at World Trade Organisation and World Bank meetings respectively in 2000, were extremely embarrassed by having to defend these institutions and their policies, however ambiguously, against other South Africans representing Jubilee 2000 and other anti-debt groups who were protesting against the neoliberal policies of the international institutions.
13. In November 2000, the question of the powers of these men (and a few women) was the subject of anxious negotiations between the government and the Coalition of Traditional Leaders of South Africa, which is largely steered by the IFP's more arcane elements. In reality, the modernisation of even rural South Africa has gone so far that there is a very tiny layer of elderly people who could be said genuinely to submit to so-called traditional authority. The reality is that the threat of walking out of the agreement between the ANC and the IFP in the rump GNU is being used as an instrument of blackmail by the leadership of the IFP in order to retain as much (illegitimate) power and influence as they can muster. That they are supported by all manner of political riff-raff, some of them suave and polished university graduates, ought not to surprise anyone who is aware of the level of corruption, philistinism and individualism in the new South Africa's political class. Nevertheless, it would be a serious mistake to underestimate the real hold which the Zulu royalty and royal tradition has on the rural population of KwaZulu-Natal.
14. The whole of Bond's (2001) last chapter is useful in so far as he tries to highlight concrete demands and actions, which are calculated to promote the notion of 'socialism from below'.