# New Unity Movement



#### PRESIDENTIAL ADDRESS

delivered by

Cde Basil Brown

at the 4<sup>TH</sup> BGM (29<sup>th</sup> Elective Conference)

at the

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## PRESIDENTIAL ADDRESS 4<sup>TH</sup> BGM DECEMBER 2017

#### **WELCOME**

Dear comrades, friends and invited guests it gives me great pleasure to welcome you all to this our fourth BGM.

Before proceeding with this address, I would like to pause in order to pay a brief tribute to a number of individuals either who were members of the NUM or who were known members of our predecessor the NEUM or its affiliates. They all passed on since our last BGM

#### They are:

- 1. Maureen Adriaan
- 2. Holford Nyikana
- 3. Helen Kies
- 4. Sidney Adams
- 5. Kenneth Abrahams
- 6. Phyllis Ntantala-Jordan
- 7. Joyce Meissenheimer
- 8. Renee Kapp
- 9. Joan Kay
- 10. Appolis (Polly) Slingers

Let us please rise and observe a moments silence in honour of these heroes and heroines of our struggle.

#### Thank you.

May I also take this opportunity to congratulate a true stalwart of our organisation, Cde Lionel Adriaan who celebrated his 80<sup>th</sup> birthday in November.

#### INTRODUCTION

We are living in the midst of great geopolitical turbulence. This turbulence can be felt not only here in this country, but globally. Moreover, it is our belief that

this turbulence is essentially created by an ever-deepening crisis within the system of capitalism –imperialism.

We in the New Unity Movement are committed to the pursuit of bringing about the total abolition of the system of capitalism-imperialism and bringing into being the socialist alternative.

The question of course is; how is this objective to be achieved?

Perhaps, since this year sees the commemoration of the centenary of the Great Russian revolution it would be appropriate for us to again consider the significance and the relevance of this event as it pertains to the struggle for socialism in the 21<sup>st</sup> century.

So, what is the UMs approach to dealing with this question?

It may be recalled that when we commemorated the 70th anniversary of the founding of the Unity Movement in 2013 we showcased the contribution that the UM has made to the resolution of the as yet unresolved National Question in this country.

We have subsequently elaborated on our response to this question. This took the form of a chapter in the book "The Unresolved National Question: left thought under apartheid", Edited by Edward Webster and Karin Pampallis. The book was published by Wits University this Press, this year.

In a discussion of the book published online at <a href="https://theconversation.com/profiles/edwardwebster189940">https://theconversation.com/profiles/edwardwebster189940</a> the following statements that largely reflects our own viewpoint on the matter, are made:

"The National Question cannot be resolved solely through the country's constitution. Much as it contains the potential for a far more radical transformative project than traditional liberalism, it cannot resolve the National Question."

"The resolution of the National Question will require the resolution of what has been called the "social question". This is a historic demand for the redistribution of wealth and the right of all citizens to education, health and welfare. Without addressing the legacy of land dispossession, economic exclusion, long term unemployment and racialised inequality, the National Question will remain unresolved."

And in trying to provide signposts on the way to the country resolving the NQ we have adopted the watch words: Mobilise, Rebuild, Organise! Whilst at the same time making a call "For the building of a new movement against capitalism-imperialism.

I believe that these watchwords and the call for the building of a movement for socialism have become even more relevant in the current conjuncture and it is to this end that the theme for this conference is the endeavour to bring about a Re-awakening, or a new awakening of the people.

This last mentioned endeavour is inspired by the book "The Awakening of the People", a history of the All African Convention (AAC) written by IB Tabata, a founder member of the Unity Movement which was published in 1950. We believe the current conjuncture cries out for the formation of a body like the AAC, which can serve as a catalyst to the building of a movement for socialism in this country.

We will also during the course of this conference be commemorating the 80<sup>th</sup> anniversary of the founding of the New Era Fellowship in 1937 an organisation which played an important role in the history of the UM. By so doing we wish to highlight the need for such organisations at this time in our history.

Also, since our approach to resolving the national question is rooted in our policy of anti-imperialism, I will be addressing this subject in some detail with special reference to the book, "Imperialism in the 21<sup>st</sup> century: Globalisation, Super-Exploitation and Capitalism's Final Crisis written by John Smith. The publication of the book in 2016 is very timely since it provides one with greater insight and understanding into the workings and the nature of this beast called Imperialism.

First, we need to examine the nature of the society in which we find ourselves.

## THE NATIONAL SITUATION: THE STATE OF PLAY AFTER 23 YEARS OF "DEMOCRACY"

This country has seemed to lurch from one crisis to another since the dawn of the new democracy in 1994. But the pace and tempo of these crises have increased over the past five years.

Starting with the Marikana massacre in 2012 the body politic in South Africa has been shaken up to various degrees of seriousness by a number of significant developments or events which have exposed the true nature of the society brought into being by the negotiated settlement of 1990.

Whilst most of these crises can be directly attributed to failings of the ANC government itself, sight must not be lost of the fact that forces operating in the global sphere also have an impact on developments here.

After Marikana which is generally acknowledged as being a watershed event in the history of ANC rule there has been a succession of developments and events which serves to expose the brutish nature of this constitutional democracy whilst exposing the true colours of the ANC in particular.

Some of the occurrences that come to mind include the following:

- 1. The Nkandla scandal
- 2. The Public protectors report on state capture
- 3. The #RMF and #FMF movements, which came to the fore in 2015. Whilst The energy generated by the #FMF movement appears to have dissipated it has left behind the decolonisation project especially as it applies to tertiary education
- 4. The firing of Nhlanhla Nene and his replacement by Van Rooyen as minister of Finance which led to the re-instatement of Pravin Gordhan in response to market pressure in 2015
- 5. Jacob Zuma's cabinet reshuffle which included the ouster of Finance Minister Pravin Gordhan and his deputy in the early hours of 31 March this year
- 6. The recent ratings downgrade, followed by the Bell-Pottinger, KPMG and McKinsey scandals,
- 7. The decline in the economic growth rate to 0.7 %
- 8. The ANC's poor showing in ME 16 has further eroded its hegemonic status and given the opposition parties, particularly the DA and EFF a tiny glimmer of hope that they will outdo the ANC in 2019.
- 9. The controversy around Zuma which resulted in calls for his resignation and the formation of a #ZumaMustGo and Save South Africa campaigns.
- 10. The endemic service delivery protests that is a reflection of the inability of the ANC to deliver on its promise of "a better life for all".
- 11. The taxi wars and gang turf wars, which have afflicted communities across the country which have added to the sense of insecurity felt by mostly poor communities.

- 12. Rampant crime especially those of gender based violence and child abuse.
- 13. The level and extent of the wanton destruction of not only state property but that of private individuals during protest action by communities. The petrol bombing of a school bus filled with children was a particular low point in this regard.
- 14. Sporadic outbreaks of Xenophobic violence
- 15. The Life Esidimeni scandal which one commentator, Professor Christi Van De Westhuizen has likened to the Marikana massacre in terms of its impact, whilst drawing analogies with Nazi Germany and that regimes policy towards disabled people.

All of the above-mentioned developments contribute to a sense of things falling apart not only, as far as the ANC is concerned, but for the country as a whole.

#### FACTIONALISM AND SPLITS IN THE ANC

That the ANC is being rent by factionalism is manifested by squabbles around Zuma and the policies being followed by it. The appearance of no less than 7 candidates vying for the position of president which is due to become vacant in 2019 is telling. As is the fact that provincial elective conferences have been marred by physical confrontations between supporters of one or other r of these candidates, whilst the courts have been kept busy dealing with legal challenges brought by one or other disgruntled faction unhappy with the outcome of these elections.

Another manifestation of this is support from within the ANC itself, for the call for Zuma to go. This came to the fore when a motion of no confidence brought by opposition parties in parliament got support from no less than 35 ANC members and the subsequent resignation of a prominent member, Dr Khoza who has since gone on to form her own party, which will contest the national elections in 2019.

As a result, the possibility of splits occurring looms large.

These developments within the ANC, coming in the wake of previous splits leading to the formation of COPE and the EFF, are very reminiscent of what

happened within in the Nationalist Party during its rule from the '70's to the '90's. This creates the irony of our Black Nationalist party emulating its white Nationalist counterpart.

The internecine battles between factions within the ANC have been accompanied by what appears to be an irretrievable breakdown in the Alliance between the ANC and its partners, the SACP and Cosatu.

Beginning in 1998, already the fault lines of splits within the Alliance became evident. And as of this year the alliance is for all practical purposes defunct. Developments, which bear witness to this reality, are:

- 1. Strong criticism from the leadership of both against state capture and support for the call for Zuma to go.
- 2. Cosatu failing to invite Zuma to address their national conference
- 3. The SACP standing for election in its own name in a recent municipal byelection

And to add to what has been stated above, I think the views expressed by the liberal historian RW Johnson in his book titled "How Long will South Africa Survive", published in 2015 may have some validity. In it, he paints an apocalyptic picture of what he sees as the future for this country under ANC rule.

RW Johnson has been giving his rather jaundiced views on the political situation in this country over many years. He published a book with the same title in 1977 when he pontificated on "how long it would be before the ruling white establishment encountered a regime crisis."

He says that there is a political crisis in the country, so much so, that he makes bold to predict that "regime change" as happened in 1994 is in the offing!

Whilst giving a fairly accurate account of the circumstances surrounding the settlement of 1990 he makes the following assertions:

- "The key to understanding SA's development lies in its integration into a world capitalist political economy"- which has been so since the development of mining in the 1880's. This development depended on a steady and constant inflow of capital from outside i.e. Foreign Direct Investment (FDI)"
- "The iron law of SA history is that if FDI is seriously threatened then " not only can no government survive but an interruption tends to produce a generalised regime crisis which is solved only by a new regime"

- "An extremely serious situation was reached by 2014 and that SA is now fast heading for an investment crisis which will end in another regime change "as occurred in 1990."
- Corruption has become embedded within the ANC describing what he calls "the "Zuma system" in some detail. He characterises Zuma as someone who behaves himself more like a chief than a president. One who encourages loyalty from his underlings by bestowing patronage and favours. Shows how this has worked to make JZ almost invulnerable within the ANC claiming that this is so because he has the loyal support of the ANC leaderships in KZN, OFS and Mpumalanga.
- The Zuma era has brought about the "sweeping criminalisation" of the state and accuses the ANC of practising "Tammany" politics which is characterised by cutting deals, patronage, bribery and corruption. This is clearly a description of the ANC with which one can only but agree!
- Tribalism in the ANC is manifest and the organisation is "riven by incipient tribal tensions"

Johnson has gone to great lengths to research the tribal affiliations of members of the ANC and the SACP, describing the latter as having a predominance of Zulus!

In the final chapter in the book titled "the impossibility of autarchy", Johnson says that in the current conjuncture "South Africa is likely to be hit by a major economic crisis".

In what can only be described as a vitriolic attack on the ANC, Johnson makes the following statements:

"Liberation has failed – the regime produced by it is quite incapable of governing South Africa as a free, democratic and functioning country"

"Regime change" is inevitable"

"As a rule of thumb anything controlled or touched by the ANC- works very poorly or doesn't work at all"

"The country is set up for a huge and obvious failure"

"South Africa can either choose to have an ANC government or a modern industrial economy. It cannot have both "

Then he concludes by spelling out what he considers to be two possible scenarios for the future of the country.

Scenario 1: The ANC is forced to take an IMF loan in order to deal with the economic crisis. This action will result in a split with Cosatu and the SACP. This will result in an ANC - DA government coming into being. Virtual civil war between supporters of an ANC - DA government and "left wing" forces will result. Reminiscent of the Fusion government formed by the South African Party and the National Party in 1930 this will be coalition between the DA and the promarket faction of the ANC

Scenario 2; The ANC refuses an IMF loan. He calls this "the Mugabe option" and predicts that if this option is adopted it will result in an ANC-EFF coalition.

Johnson says that should this option eventuate, it will result in: capital flight, currency collapse, the emigration of skills and professionals, increase in unemployment, the country will land up in a debt trap and xenophobic violence will come to the fore.

It certainly seems that, given the rate at which things have been unravelling here, we'll know soon enough which of Johnson's predictions if any, will come to pass.

#### THE DECLINE OF COSATU AND THE RISE OF SAFTU

With the expulsion of NUMSA from within its ranks in 2015, Cosatu has become a mere shadow of what it was at its height in the '80's.

The decline of Cosatu has seen the arrival on the scene of the South African Federation Trade Unions (SAFTU), which is led by the former General Secretary of Cosatu, Zwelinzima Vavi, and has, as its strongest affiliate, NUMSA. We wait to see what the impact that this new organisation will make, with keen anticipation.

#### STATE CAPTURE AND CORRUPTION

The Public Protector, Thule Madonsela last year, brought the phenomenon of state capture- to our attention.

What is it? An entry in Wikipedia defines it thus:

"State capture is a type of systemic political corruption in which private interests significantly influence a state's decision-making processes to their own advantage.

The term 'state capture' was first used by the World Bank (c 2000) to describe the situation in central Asian countries making the transition from Soviet communism. Specifically it was applied to situations where small corrupt groups used their influence over government officials to appropriate government decision making in order to strengthen their own economic positions; these groups would later become known as oligarchs

Allegations of state capture have led to protests against the government in Bulgaria in 2013-2014, and have caused an on-going controversy in South Africa which started in 2016."

This article gives a time-line of developments in this matter that is as follows:

In 2016, there were allegations of an overly close and potentially corrupt relationship between the wealthy Guptas and Jacob Zuma, his family and leading members of the ANC.

Opposition parties made claims of 'state capture' following allegations that the Guptas were offering Cabinet positions and influencing the running of government. These allegations were made in light of revelations by former ANC MP Vytjie Mentor and Deputy Finance Minister Mcebisi Jonas that the Guptas at the family's home in Saxonwold, Johannesburg, had offered them Cabinet positions.

Mentor claimed that in 2010 the Guptas had offered her the position of Minister of Public Enterprises, if she arranged for South African Airways to drop their India route, allowing a Gupta linked company (Jet Airways) to take on the route. She said she declined the offer, which occurred at the Guptas' Saxonwold residence, while President Zuma was in another room. This came a few days before a cabinet reshuffle in which minister Barbara Hogan was dismissed by Zuma. The Gupta family denied that the meeting took place and denied offering Vytjie Mintor a ministerial position. President Zuma claimed that he had no recollection of Vytjie Mentor.

Deputy Finance Minister Mcebisi Jonas said he had been offered a ministerial position by the Guptas shortly before the dismissal of Finance Minister Nhlanhla Nene in December 2015, but had rejected the offer as "it makes a mockery of our hard-earned democracy, the trust of our people and no one apart from the President of the Republic appoints ministers". The Gupta family denied offering Jonas the job of Finance Minister.

In May 2017, Jacob Zuma denied the allegation of blocking an attempt to set up a commission of inquiry to probe state capture.

The Guptas' alleged "state capture" was investigated by Public Protector Thule Madonsela. President Zuma and Minister David van Rooyen applied for a court order to prevent the publication of the report on 14 October 2016, Madonsela's last day in office. Van Rooyen's application was dismissed, and the President withdrew his application, leading to the release of the report on 2 November 2016. The report recommended the establishment of a judicial commission of enquiry into the issues identified, including a full probe of Zuma's dealings with the Guptas, with findings to be published within 180 days.

Zuma and van Rooyen denied any wrongdoing. The Guptas' lawyer disputed the evidence in the report, and the Gupta family denied any wrongdoing and welcomed the opportunity to challenge the report's findings in an official inquiry.

On 25 November 2016, Zuma announced that the Presidency would be reviewing the contents of the state capture report. He said it "was done in a funny way" with "no fairness at all," and argued he was not given enough time to respond to the public protector. [29]

On 11 September 2017 Pravin Gordhan, estimated the cost of state capture at 250 billion Rand, in a presentation at the UCT's Graduate school of Business.

On 13 November 2017, Jacob Zuma in an exclusive interview with ANN7 defended the country facing 'State Capture' allegations by calling the term a fancy word used by the media houses for propaganda proliferation.

However, as this saga has unfolded it has become clear that the issue of state capture has evolved into a battle for the very life and soul of the ANC. The battle lines have been drawn between those represented by Cyril Ramaphosa and Pravin Gordhan who strive to retain what they see as the "true values" of the ANC versus those who represent the interests of the aspirant black bourgeoisie or rather the "bureaucratic" bourgeoisie as described by Johnson. It is this latter grouping that champions the ANC's adoption of policy positions in the form of "white monopoly capital" and "radical economic transformation" which are but smoke screens to obscure their complicity in promoting state capture and hiding the widespread corruption prevalent within its ranks.

#### POVERTY AND UNEMPLOYMENT: TWO SIDES OF THE SAME COIN

If, as has been described above, corruption has become a defining feature of ANC rule then then are two others as well, namely unacceptably high poverty and unemployment rates.

Statistics South Africa has recently published data in respect of these .In August it released a comprehensive report titled: "Poverty Trends in South Africa An examination of absolute poverty between 2006 and 2015 and in October it revealed that the official unemployment rate had reached nearly 28% . This data has served to further expose the true nature of South Africa under ANC rule.

The following brief extract from the 128-page report gives one a sense of the size of the problem:

- By 2015, approximately 30,3 million people in South Africa were living below the UBPL – an increase of 3,1 million from 2011.
- Females remain more disadvantaged than their male counterparts, consistently recording higher headcount, gap and severity measures at each point in time; however, the difference between the sexes is narrowing.
- Approximately 64,2% of black Africans were living below the UBPL in 2015 and have consistently recorded much higher headcount, gap and severity measures than the other population groups.
- The higher poverty gap and severity measures showed that poor people living in rural areas were not only further away from the poverty line on average, but the poorest of the poor in those areas are significantly worse off than their poor counterparts living in urban areas.
- While there were substantial gains made towards reducing poverty across all age cohorts between 2006 and 2011, by 2015, poverty had increased for all age groups.
- Levels of poverty differ significantly across provinces, with the Eastern Cape (72,9%), Limpopo (72,4%), and KwaZulu-Natal (68,1%) recording the highest levels of poverty in 2015, while the Western Cape (37,1%) and Gauteng (33,3%) had the lowest levels.
- An individual's educational level is closely related to poverty; 79,2% of individuals with no formal education were poor as compared to only 8,4% of individuals who had a post-matric qualification in 2015.

Another section the report states: "Between 2006 and 2011, there is a general decline in the depth of poverty (with the exception of the FPL in 2009) indicating that those who were poor were slowly improving their financial position and moving closer to the poverty line; thus, moving closer to graduating out of poverty. However, as observed with the poverty headcounts, the poverty gaps also increased between 2011 and 2015. This means that not only were more

people poor in 2015, but those who were poor were slightly further away from the poverty line relative to their position in 2011."

The data in this report is substantiated in the book, "Poverty, Politics and Policy in South Africa" by Natrass and Seekings which was published last year. In it the authors gives some valuable insights into the question of Poverty in South Africa and into the manner in which the ANC government has dealt with it.

However, before going on to consider what these authors have to say some of us may need reminding that poverty is not a new phenomenon in this country.

Here I wish to make reference to the fact that the first Carnegie inquiry into poverty in South Africa was published in 1932 but it focused solely on the 'poor White' problem. This report gave rise to policy changes which over time, effectively eradicated poverty amongst Whites

The Second Carnegie Report on poverty in South Africa, *Uprooting poverty in South Africa: Report for the 2nd Carnegie Inquiry into Poverty and Development in South Africa*, authored by Francis Wilson and <u>Mamphela Ramphele</u>, was released in 1984. The report highlighted the appalling conditions in the rural areas and townships of South Africa.

This report revealed that fifty years after the first report, "most Black South Africans endured a level of poverty even more acute than that suffered by the Afrikaners." The level of poverty revealed by the report was devastating and extensive.

Whilst focusing on poverty the authors of the book mentioned above who are both academics at UCT, also touch on issues that relate to the nature of South African Society as it has evolved under ANC rule...

They describe South Africa as being a social democratic state and go to great lengths to counter the narrative that depicts the ANC growth path as being in thrall to neoliberalism.

They go to some length in bolstering their argument that the ANC adopted pro poor policies that were more consistent with that of being social democratic than with being inspired by neoliberalism.

However, whilst they do offer convincing facts in support of this contention they paradoxically end up by concluding that the growth path and policy positions adopted by the ANC has features of both a social democracy and of implementing policies dictated by neoliberalism

Some interesting facts gleaned from a reading of this book include the following:

- · Apartheid's legacy included shocking levels of income poverty.-
- Accurate data on the extent and impact of poverty only became available in 1993 when the World Bank and UCT conducted South Africa's first countrywide income and expenditure survey-.
- The survey found that nearly half of the population lived in poverty, which was defined as income less than R850/month for 2 adults and 3 children.
- People living in the Eastern Cape and Northern Transvaal were found to be the worst off, with up to two thirds of the population being affected.
- Income poverty was strikingly visible and offensive in South Africa because it existed alongside great affluence. The poverty income data being highest amongst Africans.
- The authors provide a lot of technical detail regarding the measurement of the poverty rate and the poverty gap and they commend the ANC government for is commitment to the scientific measurement of these. However, they also say that the government tended to be dismissive of interpretations of the data when the data did not show them in a good light.
- The poverty gap, which is the aggregate amount by which poor people's incomes are below the poverty line, as a proportion of the total income in society was 5% in 1993. This means that although more or less half of the population were poor, a targeted transfer of 5 % of national income from rich to poor would suffice to eliminate income poverty. Given that the richest 10% of households earned at least one-half of national income, they would have to forsake at most 10% of their aggregate income to eliminate poverty.
- Whilst modest reductions in both the rate and the gap were noted, the overall outcome, especially after 2008 were for increases in both these indices.
- In 2013, the government sanctioned the use of three poverty lines. These were: the Food Poverty Line (FPL), the Lower Bound Poverty Line (LBPL) and the Upper Bound Poverty Line (UBPL) which were equivalent to \$ 2 (FPL), \$3 (LBL), \$4 (UBPL) per person per day
- Upon coming into power in 1994, the ANC set about implementing policies meant to reduce poverty.
- · Was it because the ANC embraced the neoliberal ideology? The authors think not!

They quote numerous writers on the new dispensation, like Patrick Bond, Hein Marais amongst others, who documented this.

- They question whether neoliberalism was ever a significant political project in South Africa arguing that the public policy positions adopted by the ANC have been very different to and even the antithesis of neoliberalism.
- They place great emphasis on the impact of social democratic distributional regimes followed by the ANC

However, the most telling point they make is that poverty and inequality became more entrenched after Apartheid despite the "pro poor policies" adopted by the ANC.

Most commentators on the left, including ourselves, support the view expressed by John Saul who, whilst commenting on what he called the post-Apartheid denouement said, "many of the most desperately poor people in the world are being sacrificed on the altar of the neoliberal logic of global capitalism

These authors argue that the persistence of poverty almost entirely amongst Africans is not simply the result of a lack of "transformation" and the continuation of white privilege, but rather to a complex mix of factors including the adoption of neoliberal policies. Public policy was deracialised without being transformed, being heavily path dependent.

Public policy was deracialised without being transformed, being heavily path dependent.

So why has poverty persisted?

According to them it was because the state was reformed, not transformed arguing that South Africa, unlike most social democracies employed public policy to transform the racial composition of the economic elite-and coerced capital to promote a black middle class and super rich elite. These goals they say are neither social democratic nor neoliberal. They say groups of black South Africans acquired a vested interest in these policies and wielded sufficient political power to veto any challenges to them.

Ultimately they conclude that it is because of high unemployment and the low earnings of the working poor that poverty has persisted.

They discuss processes of commodification, recommodification and decommodification in relation to the neoliberal versus social democracy debate and how all of these affected poverty.

#### **UNEMPLOYMENT IN SOUTH AFRICA**

The high levels of poverty revealed by Statistics South Africa and described by Seekings and Natrass has to be seen against the following background facts:

The shockingly high unemployment rate of more than 27% released by stats SA in October was followed by the South African Institute of Race Relations (SAIRR) Fast Facts report that was released on 7 November. The report highlighted the following facts:

The changing structure of South Africa's labour market as evidenced by the economy which was once based on mining and manufacturing having changed to one based on skills and services.

For example, whereas in 1990 formal sector jobs in mining and manufacturing accounted for 12.9% and 28.7% respectively, these have declined to 4.9% and 12.3% respectively.

This year jobs in the formal sector were dominated by more jobs that are skilled: Finance 22.6%, Trade 21.98%, and community, social and government services 26.9%. These account for the bulk of South Africa's formal employment. Hence since the majority of the labour force is unskilled, the chances of them being absorbed is very slim

The number of unemployed people in 2001 was 6.6 million. This figure has increased to 9.3 million in 2017. Of these 9.4, 6 million are under the age of 35 years and 8.3 million are Black

The report predicts a continuing trend of job shedding and increasing unemployment rates.

As Seekings and Natrass say, "millions of poor people were unemployed because the state facilitated an economic growth path that reduced the demand for unskilled labour whilst providing such low quality public schooling that few poor people acquired skills."

Crucially, in dealing with the question of poverty and unemployment we do need to look at them in the context of the state of the economy.

#### THE SOUTH AFRICAN ECONOMY: SOME KEY FACTS

The average annual GDP growth rate from 1994-2017 was 2.8% with the current rate being 0.7 %.

In October 2016, it was reported that Total government debt for 2015/2016 amounted to R1.8 trillion or 44.3% of GDP.

In November, Stats SA released the stats on government expenditure which Total revenue for 2015/16: R1.35 trillion

- 1. Total amount spent R 1.52-trillion
- 2. Public debt payments: R129-billion

In February, this year Finance Minister Pravin Gordhan told the National Assembly that South Africa now owes more than half of what it produces every year to lenders.

He announced that the country will be repaying R162 billion on the debt in 2017/18.

And as some commentators have pointed out, South Africa spends more on debt repayment than on Tertiary education and land reform.

#### THE INTERNATIONAL SITUATION: KEY CONCERNS

As far as the international situation is concerned I will not be going into any detail on this occasion, save to say that there are some concerns that will be elaborated on when we discuss the paper on the international situation in conference...

#### The concerns are:

1. With Donald Trump in charge, America seems to be gearing up its war machine. This is confirmed by a recent report that the United States Congress has submitted a \$700-billion defence budget for Trump's signature. The figure is \$26-billion more than even Trump requested, and if signed it will signify a 15% increase in spending.

We have been warned!

#### 2. BRICS

On the subject of the BRICS, Patrick Bond has written a report published in the International Journal of Socialist Renewal in January this year. It is very informative giving a rather bleak outlook for the future of this bloc.

He says, "Thanks to blatant corruption, presidential delegitimation has reached unprecedented levels in both Brazil and South Africa, while ruling party religious degeneracy in India also included an extraordinary bout of local currency mismanagement. And sudden new foreign policy divergences may wreak havoc in China and Russia. The BRICS blocs relations could well destabilise to the breaking point".

#### 3. ZIMBABWE

The recent developments in Zimbabwe calls to mind a reference I made to the "Zanufication of the ANC" in my address to conference in 2009. In it, I highlighted the fact that corruption in the ANC was mirroring that exhibited by Mugabe and Zanu-PF.

As I said then, "By Zanuficaton I mean the emulation by the ANC of Robert Mugabe and ZANU-PF's practice of subverting all organs of state to promoting their own selfish interests and appropriating the wealth of the nation for the benefit of an elite few"

And as if to dispel any illusions that some might have concerning a positive outcome for Zimbabwe after the ousting of Mugabe a report by Chris Marsden published on line on 27 November 2017 was headlined: "IMF lays down the law for Zimbabwe post-Mugabe" suggests the contrary.

He gives a comprehensive time-line of developments, and gives revelations concerning developments before and after the ousting of Mugabe. Inter alia, he reveals, "The replacement of Mugabe with the equally corrupt billionaire Mnangagwa, installed by the billionaire leadership of the armed forces, was prepared for months during which Mnangagwa and his backers reassured the US, Britain and other imperialist powers, as well as key trading partners China and Russia that he would meet all demands placed on him."

He reveals "the participants in the political and social conspiracy being prepared against the workers and rural poor behind the official celebration of Mugabe's fall."

This report provides valuable insight into the goings on behind the scenes in Zimbabwe which don't auger well for the benighted people of that country.

### IMPERIALISM IN THE 21 ST CENTURY AND THE GLOBAL CRISIS OF CAPITALISM-IMPERIALISM

We now come to dealing with what I consider to be the focal point of this address, namely a consideration of our main enemy, namely, capitalism – imperialism and how to challenge its hegemony.

The book by John Smith, which I mentioned in the introduction deals more specifically with its neoliberal phase. The neo-liberal era started at the end of the 70's and the policies associated with it were those introduced by Ronald Reagan and Margaret Thatcher.

The author shows how neoliberalism has deepened inequality and exploitation worldwide. The book has been described as being a meticulously researched and forcefully argued, and is regarded as a major contribution to the theorization and critique of global capital and as essential reading for an understanding of the foundations of the global system of capitalism today.

Before going into the specifics of how capitalism operates in the neoliberal era, we need to understand what he calls the division of the world into oppressor and oppressed nations. The former occupy the metaphorical global North while the latter lies in the global South.

And in terms of that schema he likens how this system works to South Africa under Apartheid. Under the system of Apartheid Blacks were corralled off in labour reserves called Homelands and were super exploited as cheap labour, had their free movement strictly regulated and denied basic human rights. In the same way the workers living in the global South have their labour power super exploited , are denied basic human rights and have their movements across borders strictly regimented.

He explains and how and why the restructuring of the world system came about with the start of the neo liberal era.

This restructuring became necessary when capitalism's tendency to overproduction of commodities and the over accumulation of capital. These being what he calls the twin evils of capitalism-imperialism. When the system

started delivering a reduced rate of profit, it became necessary for the adoption of measures to deal with them. This took the form of increasing debt or the financialisation of the system and outsourcing production to low wage countries.

As he says: "There has been a fundamental change in the nature of capitalism at the end of the 20<sup>th</sup> century- capital formation in the realms of goods and services has become subordinate to finance, i.e. the characteristic feature of neoliberal capitalism is financialisation and outsourcing

It was as a result of the bursting of the bubble created by the financialisation of the capitalist system that the financial meltdown that occurred in 2007 happened.

Smith calls the events of 2007-2009 when the financial crisis hit, "the definitive end of the post WWII world order"

By outsourcing is, which is the other measure instituted to deal with the crisis caused by a reduced rate of profit, is meant the process whereby Transnational Corporations (TNCs) shifted production of goods from imperialist countries in the global north (the core) to low wage countries in the global South ( the periphery). This process has led to structural trade imbalances.

He gives a time line of developments preceding and succeeding the crisis which started in 2007 quoting the OECD's Interim report in April 2009 which said: " the world economy is in the midst of its deepest most synchronised recession in our lifetimes, caused by a global financial crisis and deepened by a collapse in world trade"

However he challenges the view that the financial crisis caused a crisis in the system of production and trade arguing that this putative cause was in fact a symptom and a side effect of the transformations in the sphere of production, in particular its global shift to low wage countries.

With the introduction of outsourcing, it is estimated that 83% of the world's manufacturing work force lives and works in the global South. And it is this work force which is super exploited by having had the value of their labour power grossly reduced.

In discussing the forms of the capital labour relation, he makes the following points:

- 1. Capitalism depends on the extraction of surplus value from the labour of workers
- 2. Capitalism has gone through three stages in its development and each of these stages was characterised by extracting ever increasing amounts of surplus value
- 3. In its first phase it was called absolute surplus value; then relative surplus value during the second phase and in its current form, characterised by super exploitation or global labour arbitrage where increased surplus value is extracted by forcing down the value of the labour power of workers in the global South.
- 4. Global labour arbitrage is the driving force of the globalisation of production that in turn is the defining feature of the neo-liberal era and has become the predominant form of the labour-capital relation.

This last point brings to mind Samir Amin's concept of imperial rent, which is a term that means that the wages of workers in the global South are below the value of their labour power.

The third phase is described in Dependency theory as "the notion that resources flow from a "periphery" of poor and underdeveloped states to a "core" of wealthy states, enriching the latter at the expense of the former.

And in elaborating on his delineation of the characteristics of Imperialism in the 21<sup>st</sup> century he is critical of certain European Marxists and particularly so of prominent Marxist theorist David Harvey whom he calls an "imperialism-denier"

He subscribes, if only in part, to the Dependency school of thought represented by Andre Gunder Frank, Samir Amin, Marini and Hosea Jaffe (although he does not mention the latter)

The book consists of 10 chapters, nine of which deals with a defining feature of capitalism–imperialism in the 21<sup>st</sup> century. Because of time constraints I will only deal with the contents of some of them.

Under the heading of the global commodity, he uses the manufacturing of T-shirts and iPhones and the production of coffee to illustrate the fact that global capitalism is characterised by extreme rates of exploitation of workers in the low wage countries where the production of consumer goods and intermediate input has been relocated.

Given the fact that less than 2% of clothing worn in the USA is actually made there. He describes in detail how the manufacturing of T-shirts has been outsourced to Bangladesh where factory workers earn the lowest wage in the world. He gives the example of T-shirts made in Bangladesh for a company in Germany where it is sold for 72% more than its cost of manufacture. He says that whereas the extraction of surplus value is organised by Bangladeshi owners, its fruits are overwhelmingly reaped by companies in the global North.

The point being that "each item of clothing expands the GDP of the country where it is consumed by far more than that of the country where it is produced". He says: "Only an economist could think there is nothing wrong about this!"

Similarly IPhones are made in China at a fraction of the retail cost in the USA for example and poses the question: what contribution do the 1.23 million workers employed by Foxconn International in Shenzan, China, who assemble Dell's laptops and Apple's iPhones, make to the profits of Dell and Apple? The answer according to GDP, trade and financial flow statistics and to mainstream economic theory is none! The only part of Apples profits that appear to originate in China are those resulting from the sale its products in that country. In other words, the flow of wealth from Chinese workers, which sustain the profits of Northern firms and nations, is rendered invisible in economic data.

The Foxconn factories in Shenzan employ a work force of 430,000, most of whom are young migrants from the rural areas, whose right to live in the city depends on their employment. They are denied access to municipal services, health and education, and are not allowed to bring their families to live with them. This is the *hukou* system that the government uses to control the influx of labour from the countryside and to create a cheap, captive labour force for TNC's and their suppliers

As far as coffee is concerned, I will simply highlight this extract where he gives a harrowing account of the genocide in Rwanda that followed that imperialist inspired destruction of the International Coffee Agreement in 1989. He provides evidence to the effect that it was this action and its ensuing after effects that created the conditions for genocide in Rwanda, a country which relied almost solely on coffee for its export earnings.

And again he gives detailed facts concerning the manner in which TNC's based in the global North super exploit the workers on coffee plantations in Countries of the South who are also prevented from the processing of coffee beans for consumption. He reveals facts about the huge differential between the value obtained by the coffee producers when compared with that earned by the Starbucks' of this world, which is astronomical.

And in passing, two facts gleaned from the chapter on commodities are:

- 1. It is estimated that TNC's defrauded developing countries of \$160 billion per annum through unpaid taxes.
- 2. For every \$ spent on "made in China" products 55c goes for services produced in USA

Chapters dealing with other key topics are: global wage trends, Purchasing Power Parity (PPP) and the Productivity Paradox, Imperialism and the law of value, the GDP Illusion.

Each of these topics is dealt with in great detail. Time does not permit one to address all of them, save to say that he builds a very clear picture of how capitalism operates and does so in the context of the various Marxist schools of thought.

In the chapter titled the GDP Illusion, he outlines three distinct ways in which GDP data obscure the exploitative and parasitic relations between imperialist nations and the global South.

"GDP is not an objective, more or less accurate measure of a nations product but is rather a veil concealing not just the extent but the very existence of North-South exploitation".

We learn that the concept of GDP was introduced in 1991 when it replaced GNP as the main measure of economic growth.

He explains how GDP hides the fact that the "North is walking off with the South's resources and calling it a gain for the South..."

He says that GDP is the ultimate measure of development and no nation in recent year has experienced GDP growth and therefore faster growth than China.

Yet when externalities e.g. the pollution of all its river systems and 80% of its ground water, its poisonous levels of air pollution are taken into account, it is highly questionable whether China has experienced any development at all China's state environmental protection Administration estimates that environmental damage has cost China 8-15% of GDP per annum.

Smith says it was with unintended irony that that the director of the US Bureau of Economic analysis described GDP as one of the great inventions of the 20<sup>th</sup> century.

Other points made by Smith include the following:

"The current crisis is the most profound in the two centuries of the existence of capitalism - and this is before we include the added dimension of climate change, a euphemism for the capitalist destruction of nature. A decades long economic depression, increasingly punctuated by wars and revolutions, is not unavoidable There are two possible outcomes: either humanity resumes the transition to socialism inaugurated by the Russian revolution one century ago, or it will descend into barbarism "

"Climate change is a euphemism for the capitalist destruction of nature. This means this is not just capitalisms greatest ever crisis, it is capitalisms final crisis, an existential crisis for humanity"

"Which of socialism or barbarism will come to pass will depend on the struggle of millions and on the capacity of revolutionaries to forge a leadership of the calibre of Russia's Bolsheviks or Cuba's July 26<sup>th</sup> movement."

#### WHAT IS TO BE DONE?: "A TIME FOR THE RE-AWAKENING OF THE PEOPLE"

Here I would like to introduce the idea that the state of the world and in South Africa in particular cries out for a co-ordinated response to the crisis that confronts us.

And that is, to paraphrase the title of a book published in 1950 called "the Awakening of the People", we need to call for the "Re-awakening of the People"

We need to call for a re-awakening or a new awakening to the fact that the primary cause of all the world's woes is the system of Capitalism-Imperialism and to build the only alternative, socialism

In "The Awakening of the People' the author IB Tabata, a founding member of the UM detailed .the history of the All African Convention.

Here I would like to ask whether there are parallels to be drawn between challenges faced by the oppressed today and that, which prevailed in 1935 when the All African Convention (AAC) came into being.

Then the people had woken up to the need to challenge the imposition of the three Herzog bills which were designed to further disempower them and alienate them from the land of their birth.

To-day the oppressed have to respond to the effects of deepening poverty, inequality and the failure of the ANC to implement their promise of "a better life for all" which they enunciated in 1994.

Then the oppressed had to confront Apartheid, and challenge the hegemony of the white ruling class. To-day the oppressed have to challenge the imposition of neoliberal capitalism inspired policies being imposed by an ANC government and to challenge the hegemony of both white and black capitalists.

So, what was the AAC all about and what are the prospects for the re-awakening of the people at this conjuncture in our history?

In order to answer that question we need to know:

- 1. The nature of South African society in the 21<sup>st</sup> century. That matter has been addressed in earlier sections of this address.
- 2. What signs if any exist that the people of South Africa are standing on the brink of an awakening as that described in this book.
- 3. How should we go about embarking upon a programme of action that will result in the "re-awakening" of the people, not only here in South Africa, but in the whole world.

In the introduction to the 1974 edition of the book, Dora Taylor who worked very closely with IB Tabata writes:

"The Awakening of a People at once records in detail and epitomises the outlook of the leadership that realised "the necessity for the people first to understand the exact nature of South African society and the forces of oppression, that they grasped the dynamic of an unfolding revolutionary process in South Africa It is manifest in their clearly defined policy and programme, in their rejection of inferiority and the whole machinery of segregation (apartheid) elaborated in a system of laws against Blacks. Their programme for full democratic rights for all men and women, irrespective of race, colour or creed, was accurately defined as a minimum Ten-Point Programme and included the all-important demand of land for the peasantry."

Can we learn something from what Tabata describes as the shape and form adopted by the AAC? Tabata says the following:

"In this period, then, a number of organisations sprang up all over the country And all of them were on an individual basis or membership. There were political organisations, professional organisations, trade unions, civic bodies and religious organisations, etc. All of them had one purpose, the fight for liberation. Yet each organisation operated in isolation from the rest In other words, the struggle was uncoordinated, ineffectual, and resulted in a dissipation of energy. Mutual suspicion and rivalry between the organisations aggravated the position."

And further on he says, "....... We have said that the idea of coming together in a convention of this nature had been a spontaneous one. It was not invented by any one particular leader. It would be more true to say that it was generated by the stress of events and a common danger. By organising the conference through the already existing channels, namely, the various organisations established through the country, the leaders had lighted upon the only effective means of bringing the people together. So great was the response that those delegates present felt that this bringing together of the existing organisations into a Convention was the very form which unity should take. Conference decided that Convention should meet again in June, 1936."

He goes on further to say: "Notwithstanding the temporary vicissitudes which overtook the Convention, the indubitable fact remains that the formation of the All-African Convention was a turning point in the political history of the African people. The period 1935-37 marked the highest point of development in organisation affecting them as a group.

The political exigencies of the time and the crisis of the Hertzog Bills had compelled them to organise on a nation-wide scale. The creation of the A.A.C. was a spontaneous act. Without any premeditated theory the people brought into being a form of organisation which could knit them together into a single compact unit, capable of being a fighting force."

And in the concluding paragraphs of this book IB Tabata says the following:

"In the course of this book we have endeavoured to depict the awakening of a people. The evolving of the organisation, the All-African Convention, has been dynamically bound up with this process of awakening. Its ideas, its policy and programme are an expression of new ideas and a new outlook foreshadowing the nature of the struggles to come. We are but at the threshold of a great movement which will arouse stirring events in its wake. It might be said that the

All-African Convention marks the beginning of a new epoch where for the first time our struggles are guided by a set of principles, where every issue is viewed and tackled in the light of these principles, where our approach to every problem is guided by them."

Given the current conjuncture are we to-day not at "the beginning of a new epoch" where for the first time in our struggles here, the people are galvanised into taking a stand in answer to the question first posed at the beginning of the 20<sup>th</sup> century, namely "Barbarism or Socialism"

Now, "The Awakening of the People" was one of a number of publications produced by the UM which sought to "take the nation to school" Included in this process of taking the nation to school was monographs such as "The contribution of Non-Europeans to World Civilisation", by BM Kies.

Another forum used was that of Educational fellowships, the first of which was the New Era Fellowship (NEF).

This brings me to what will be a highlight of this conference namely a lecture commemorating the founding of the NEF in 1937.

We are indeed honoured to have a noted activist academic of the calibre of Professor Crain Soudien, currently director of the HSRC presenting a lecture on the significance of the NEF, in the political history of this country. The lecture, which will be delivered tomorrow, is open to all.

#### THE NEF COMMEMORATION

We decided on this commemoration because we felt that the exigencies of the times cry out for the establishment of organisations like the NEF.

Two years ago now we decided to reactivate what we have chosen to call cultural societies in an attempt to stimulate community involvement in political work.

This has led to the establishment of the Joint Cultural Societies (JCS), which was commenced last year.

In "South Africa's Radical Tradition: A documentary history, Volume II 1943 – 1964.

Edited by Alison Drew the NEF is describes thus:

"The New Era Fellowship which was formed by Goolam Gool in 1937 and which ran until the late 1960s. It met at the Stakesby Lewis Hostel and in the Fidelity Hall on the edge of District Six in Cape Town. It initiated the campaign against the CAC, launching the Anti-CAD on 28 February 1943. The views of its leading members are found in *Trek*, published in Cape Town. The NEF's success led to the formation of a network of fellowships throughout the Cape Peninsula, a venture in which Hosea Jaffe was centrally involved. Fellowships were set up in the Cape Flats, South Peninsula, Southern suburbs, Northern areas, Langa and Paarl and eventually in Port Elizabeth and Kimberley".

I am sure that we can all look forward to Professor Soudien's presentation tomorrow when he will add considerably to our knowledge of this important organisation in the political history of this country.

#### WHITHER THE STRUGGLE FOR TRUE EMANCIPATION?

Over the past seventeen years, at least there have been a number of attempts made by organisations of the broad left to form an extra parliamentary movement committed to promoting the socialist alternative.

The most recent attempt at this was that ushered in by the so-called "Numsa moment" of 2013. Numsa's call for the building of a United Front and a Movement for Socialism gave promise of a resurgence of the Left in this country. Sadly, that initiative appears to have been stillborn.

This development was followed by the formation of the #RMF and #FMF movements, which came to the fore in 2015. These movements also showed promise of developing into a vibrant, progressive student movement in this country. Sadly, the energy

Subsequently civil society organisations like the #ZMF and the Save South Africa campaign came to the fore.

And the current conjuncture is again characterised by calls for the unity of the Left and the formation of a "Left Bloc" from various individuals and groups.

However, given our own experience of such previous initiatives we remain sceptical of the success of such initiatives. Our feelings of scepticism have been strengthened by the tone and content of views expressed by participants in the debates that have largely occurred on —line and which suggest that there is some way to go before any consensus is reached amongst the participants.

I believe that we as the NUM should engage each other during this conference around the question of building a national movement for socialism based on the model of the AAC.

How do we use the widespread, groundswell of opposition from civil society, which resulted in the formation of movements like #FMF, Save SA campaign, #ZMF and social movement organisations like the Landless Peoples Movement and Abehlali baseMjondolo?

There has recently been a flurry of commentaries from various individuals and groups on the left. And not for the first time we are being assailed by calls for building the unity of the Left with the aim of intervening in the current conjuncture. However, the commentaries from these entities have been disparate and have elicited a very critical response from Bob Archer of WIRFI (Workers International to Rebuild the Fourth International) who is in England

Similar polemical differences have come to the fore with respect to interpretations of the Russian revolution.

#### THE OBSTACLES IN THE WAY OF SOCIALISM IN THE 21ST CENTURY

John Smith's belief as stated in his book that with over 80% of the world's industrial workers living and working in the global South there is every likelihood that new revolutionary and anti-imperialist movements will arise there. He believes that the global crisis of capitalism is creating the conditions for the rebirth of an international working class movement.

The first glimmer of this development came from South America where Hugo Chavez famously promoted the idea of socialism for the 21<sup>st</sup> century, his Bolivarian revolution in Venezuela being the first manifestation of it.

However, the outcome of the Bolivarian revolution has been disappointing and if anything it served to confirm the fact that that socialism could not successfully, be built in one country and that a transition to socialism could only occur as the result of a worldwide movement in this regard.

Much has already been written on the subject of the significance of the Russian revolution. And I think it would be fair to say that for many political commentators the impact/promise of the Russian revolution in terms of bringing about the overthrow of capitalism and the establishment of socialism in its place had dissipated with the collapse of the Berlin wall in 1989.

Since then however, despite the ascendency of a belief that the collapse of the Berlin wall signified "the end of history" and the belief that "there is no alternative 'or TINA to Neo-liberal capitalism, the world system has been shaken by a series of crises created by that very system, resulting in a widening of the income gap between rich and poor, unprecedented levels of poverty, homelessness and joblessness in most countries of the world. Moreover, all of this being accompanied by the virtual destruction of the earth's ecological systems, as the result of climate change, which John Smith says, is a euphemism for the capitalist destruction of nature.

We ourselves, like so many others, believe that that only alternative to the system that has wrought all of this is a socialist, one. However, the basis on which this can be achieved is unclear.

It is in this context that a consideration of the commemoration of the centenary of the Bolshevik revolution of 1917 is relevant.

There has been a welter of commentaries dealing with the significance of the Russian Revolution for us to-day.

Whilst there is general agreement about its significance as being the first to lead to the coming to power of a party and a government committed to the socialist transformation of society, it's relevance in terms of whether it can be reproduced in the same way in the 21<sup>st</sup> century is in dispute.

The differences of opinion are between two viewpoints, the one having a traditional vanguard party approach and the other advocating a movement from below approach

Nevertheless, as stated by Oliver North "It is not an exaggeration to argue that the Russian Revolution remains the most important historical event of the last 150 years. Therefore, even with the fall the Berlin Wall, and of the dissolution of the state born of the Russian Revolution, the Russian revolution will continue to

cast a long shadow over the 21<sup>st</sup> century, albeit in a manner that is different to the way it cast its long shadow over the 20<sup>th</sup>. The key issue here is that the theoretical, strategic and tactical questions that were debated on the eve of the revolution and that indeed gave birth to the revolution, and the ones that continued to enliven it on morrow of its victory, are now returning with a vengeance: imperialism and war; hegemony and socialist strategy; strategy and tactics in the building of mass working class movements; socialism and democracy; socialists and bourgeois parliaments and other institutions and so on. In a word: the issue of "socialism or barbarism!" - posed most forcefully by the a revolution that was born in the midst of a barbaric imperialist war - has now returned, and will certainly be the longest shadow cast over the 21<sup>st</sup> century."

And to quote John Smith again who attributes the following statement to Raul Valdes Vivo the Cuban revolutionary;

"Not socialism or barbarism, but socialism or nothing"

The left internationally has become mere bystanders in witnessing the unravelling taking place, seemingly unable to create a unified front to challenge the hegemony of capitalism-imperialism.

We ourselves, amongst the numerous groups and grouplets that exist worldwide have failed to capture a working class following needed to overthrow the prevailing system.

It is against the background of all that has gone before that I think we need to revisit the writings of the late comrade Hosea Jaffe to help us in discussing the path to be followed on the way to the socialist alternative.

#### **HOSEA JAFFE'S VIEWS ON A POLICY OF ANTI-IMPERIALISM**

From reading John Smith's book one comes to the conclusion that any movement for socialism can only succeed if it is, first and foremost, based on a policy of anti-imperialism. As stated above, Smith is more in support of the Dependency school of Marxist theorists, who would include Jaffe; than he is with mainstream Marxists like David Harvey and most of the group, he calls Euro Marxists including Ernest Mandel.

Ziyana Lategan, in a very good essay titled "The contribution of Hosea Jaffe to South African Political Thought" says the following:

"Jaffe is in agreement with the basic position of the Dependency school (Lenin, 1917; Frank, 1989; Marini, 1973, etc.) which is that colonialism (and by extension imperialism) is what moves surplus value from the colonised to the imperial world. According to Jaffe, the 'degree of exploitation' of the 'Western proletariat' is the inverse of that of the colonial workers. This implies that a falling rate of profit, which is dependent on an increase in the organic composition of capital (faster than the degree of exploitation), is only sensible if we neglect to give due weight to the super-exploitation of colonial

I have distilled the following facts from Jaffe's writings on the question of what he calls ANTI-IMPERIALIST PRINCIPLES AND POLICY:

- 1. The main driving force for anti-imperialism is the working class of countries in the global South
- 2. Anti-imperialism is practiced by applying what he calls Abandonment Policy which means breaking ties with and countering the influence of all manifestations of Imperialism. This he says is embodied in the NUMs policy of Non-collaboration.
- 3. The Unity Movement's policy was conceived of as being anti-imperialist in intent and content from inception.
- 4. In practice abandonment policy advocates breaking all trade links with imperialist countries (First world and "white settler" dominated states), in favour of trade with China and other worker states.
- 5. Anti-Imperialism is not international working class unity but national and class struggle to "unchain" (he uses "unchain" in preference to Samir Amin's "delink") workers and peasants of the global South from Imperialism.
- 6. Marx's concept of class struggle as being that between the Capitalist class and the Working class is "simpletonic" and results in the Eurocentric concept of socialism versus capitalism, whereas he believes the struggle is first and foremost an anti-imperialist one.
- 7. The anti-imperialist struggle is a class struggle but the contending classes are not those contemplated in traditional Marxist ideology.

#### CONCLUSION:

I trust I have been, successful in getting across the message that, just as was the case at the beginning of the 20<sup>th</sup> century the world at the beginning of 21st

is in a state of turmoil. The only difference is that now the stakes are much higher, with the threat of a third world war being ever present as well as living with the ongoing capitalist destruction of nature.

I believe that in this year of the centenary of the Russian revolution we should issue a call for the founding of modern day New Era Fellowships where rigorous, open and frank debates are held to decide on the form and content of a modern day AAC in this country.

Let our watch words be: Organise, Rebuild, Mobilise

Forward to the building of an anti-imperialist movement for socialism.

A Luta continua

I thank you for your attention and look forward to any comments on what I've said here to night

Basil Brown President