

# NEW UNITY MOVEMENT

23<sup>rd</sup> ANNUAL CONFERENCE



PRESIDENTIAL ADDRESS

delivered by

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## **PRESIDENTIAL ADDRESS PRESENTED TO THE 23<sup>RD</sup> ANNUAL CONFERENCE OF THE NEW UNITY MOVEMENT 25 APRIL 2008.**

Good evening. Comrades, friends and invited guests I bid you all a warm welcome to this open session of our 23<sup>rd</sup> Annual Conference. A special word of welcome to our comrades of the newly formed Border branch. I trust that you will find this address both interesting and informative.

Before proceeding with my address this evening, I wish to pay tribute to four men who, although they were not all members of the NUM at the time of their deaths, cut their political teeth in the Unity Movement and upheld most of its policies and principles.

They are:

1. Cde Jerry Fife who died in April 2007. He will be remembered as a stalwart member of the Gleemore Civic Association and the Cape Flats Cultural Society. He was a staunch believer in the principles and policies of the NUM.
2. Cde Andrew Lukele who died in New York, USA, on 2 February 2008. The fact that he still considered himself an exile from South Africa fourteen years after the attainment of democracy is an indictment of the political dispensation in this country. He played a leading role in organisations like the All African Convention (AAC), the Society of Young Africa (SOYA), the Non European Unity Movement (NEUM) and Unity Movement of South Africa (UMSA).
3. Cde Victor ("Scrape") Ntshona who died in February 2008. He was a leading member of the Cape African Teachers Association (CATA). He was one of the more than 200 members of CATA who were summarily dismissed from teaching by the Apartheid government in 1957. He also played a leading role in the formation of the All African Convention (AAC).
4. Chief Bangilizwe Joyi who died in April 2008. He was active in the Transkei Organised Bodies and in the AAC. For his

activities against the Apartheid government's Rehabilitation schemes during the 1950's he was banished to the Northern Transvaal and subsequently fled into exile in Lesotho. When he returned to the Transkei in the 1970's he was persecuted by the Matanzima regime for his opposition to the Homeland system. His heroic story is recounted in Cde Livingstone Mqotsi's book, "The Mind in Chains". This is a sequel to his "House of Bondage" and is awaiting publication.

## INTRODUCTION

We are meeting at a time of economic, social and political upheaval and uncertainty in many parts of the world. In searching for reasons as to why this might be so one will find that of all the possible explanations, the main one at the root of most of the world's ills is the system of Capitalism-Imperialism.

Therefore the theme of my address is based on an examination of the Capitalist-Imperialist system as the hegemonic power in the world, and the prospects for challenging its hegemony.

Capitalism-Imperialism and its philosophy of Free Market Fundamentalism has, more so since the collapse of Socialism in 1989, blighted the lives of the majority of the more than 6 billion people that inhabit the earth; and, if left unchallenged, it will lead to the destruction of human society. The only alternative to that system is Socialism. Therefore the choice that the people of the world must make is that between Capitalist Barbarism or Socialist Humanism.

The World Social Forum's slogan, "Another world is Possible", while expressing an anti-capitalist, anti-imperialist sentiment, does not tell us what that other world is, or how it is to be achieved. I believe we must provide them with the answer!

A major focus of our deliberations over the next two or three days will be the strategies and tactics that we as an organisation opposed to the system of Capitalism-Imperialism will adopt in bringing about its overthrow. And so, in an attempt to inform that debate, the address will attempt to highlight matters that must be taken into consideration in this regard. Quite clearly our strategies and tactics must take

account of the objective political, social and economic conditions that we find ourselves in at this juncture in the history of the world. But it must also be grounded in a sound political theory. That theory must in turn be informed by thoroughgoing research into the political, social and economic factors at play at this time in our history, because in order to change the world we first need to understand it.

That analysis may well need us to develop a new theory of struggle and may lead to us undergoing a paradigm shift in our thinking as to how we see the world that we live in and how we are to go about changing it for the better. For, as we shall see, the overthrow of the Capitalist system is easier said than done.

I will deal with issues related to the International situation only in so far as they relate to the theme of this address as this subject will, I am sure, be well covered by the paper to be presented by our Southern suburbs branch.

I will however deal in more detail with certain aspects of the national situation.

## THE CURRENT CRISIS IN THE CAPITALIST SYSTEM IS NOT THE BEGINNING OF ITS END.

As we speak, the whole world is in the grip of a looming economic recession as caused by rising inflation rates, rising food and fuel prices. This will result in social dislocation, joblessness, poverty, starvation and death for millions of people.

Already there is talk that the USA which controls ¼ of the world's economy may be entering a recession which was triggered by its sub-prime mortgage interest rate regime. Already the threat of famine is being stared in the face by many countries in the third world and there have been reports of food riots in Haiti, Egypt, Indonesia, Cameroon, and Peru (Sunday Times 13/4/08).

The rise in food prices is said to be due to a number of factors: Demand from the booming Chinese and Indian economies, the production of bio-fuels (bio-ethanol) from cereals by the USA and

other industrialised countries, the effects of global warming and its concomitant spin-off of Tsunami's and hurricanes on previously productive agricultural areas.

A second major cause of inflation is the rising energy and fuel costs. Once again the poor are affected more than middle income earners because not only do rising fuel costs lead to rising food prices and transport costs, but paraffin, which is their main source of energy for heating, lighting and cooking, increases in price as a result of the rising oil price. Inflation is actually a tax on the poor who are the worst affected by rising food and fuel costs.

This crisis is just another in a series of "busts" that regularly affects the Capitalist system. For example there have been at least five from 1973 onwards, the last one being in 1997-98.

Capitalism is characterised by booms and busts which occur against the background of what is known as the Kondrotieff cycle or long wave. This is a phenomenon peculiar to the Capitalist system and the cause of untold misery and hardship for millions of people, not only especially those living in the third world but also the poor who are to be found in every country in the world where the capitalist system holds sway. The third world seems to act as a shock absorber by mitigating the effects of economic recession on the citadels of capitalism, thereby enabling them to weather the storm, so to speak.

For with each major economic crisis predictions of the eminent demise of capitalism have been made. But the Capitalist system has endured and continues to frustrate the best efforts of all those seeking its overturn.

The Marxist economist Dick Roberts in his book "*Capitalism in Crisis*", written in 1975, had this to say in response to Robert Heilbroner (1953) who had pooh-poohed Marx's sentence of doom pronounced on capitalism in 1867: "If the American capitalist system is not in its final death agony, it is nevertheless in dire straits." What then is the cause of its resilience if not its ability to deflect the worst consequences of recession onto the poor and disadvantaged people of the world?

## THE FUTURE OF CAPITALISM-IMPERIALISM

While the boom and bust cycles of the Capitalist system explain the current crisis and are in a sense a manifestation of its underlying nature; there is a still deeper, more sinister aspect of the system which has come to the fore since the 1980's. That is what has come to be known as the Free Market or Neo-liberal economics or more simply as globalisation. This aspect of what is called Free Market Fundamentalism is well described by Naomi Klein in her book, called "*The Shock Doctrine: The Rise of Disaster Capitalism*" which was published last year.

Many of her revelations may not be new to some of us but she describes in detail how the ideological underpinnings of the Neo-liberal Free Market economic system developed by Milton Friedman and Friedrich von Hayek through their work at the School of Economics at Chicago university, came to be imposed upon the world in the 1970's. She describes how the testing ground for their "counter revolutionary" policies against the Welfare state concept of the Keynesian school of economics was first applied in Augusto Pinochet's Chile. The latter of course had made a military coup, supported by the USA, against Salvadore Allende's democratically elected socialist government in 1973. Pinochet, advised by economists from what is known as the Chicago School of Economics, introduced an economic programme that encompassed "the most radical free market policies possible".

The economic policies that were being recommended were so radical that they could only be implemented under conditions of extreme political repression. What Friedman advocated was the imposition of large scale privatisation and deregulation which were best implemented in societies which had been afflicted by severe social dislocation as with military (war in Iraq), ecological (Hurricane Katrina) or Financial (Economic depression) disasters. Klein uses examples of countries like Chile, Iraq, South Africa and the USA in the wake of Hurricane Katrina, as case studies to illustrate how what she calls the shock doctrine works. She draws an analogy between the torture techniques developed by the CIA and used on prisoners captured during the so-called war on terror and the way in which

these economic policies were implemented in the countries mentioned above.

In a chapter on South Africa she describes how the ANC was "persuaded" by officials from the World Bank and the IMF to ditch their social-democratic inspired Reconstruction and Development Plan (RDP) in favour of the neo-liberal macro-economic policy called GEAR. From our own knowledge of the disastrous effects that the GEAR policy has had on workers and the poor of this country, we can readily attest to the correctness of her analysis.

Klein paints a picture of a violent, inhuman system which has created what must appear to be an apocalyptic, brutal world for the poor people living in areas or countries where this system holds sway. First they experience the horror of war, or natural disaster, and then witness their world being reconstructed in such a way that their right to political freedom and social security is sacrificed on the altar of this Free Market Fundamentalism which promotes the privatisation of all social services, the removal of the poor from areas or sites which might have commercial potential for big business, personal aggrandisement, corruption and the rebuilding of their environment in the interests of the profit motive.

She is brutally frank in exposing the pernicious influence that the neo-liberal, free market system has wrought in the world.

However, the Marxist historian Eric Hobsbawm in his book *"The New Century"* says that the ideology of free market fundamentalism is in crisis and that it crashed in 1997-98, nearly taking the American economy to the brink of disaster. He says that the collapse of free market fundamentalism was "because of the lack of control over investment procedures and the flow of international finance." And that since then the rejection of free market fundamentalism had begun to spread and that "intelligent capitalists" like George Soros had developed a critique of that system. So much so that he detects a reversal of the USA's free market policy and a return of protectionism in the world economy. There is also now talk of "democratic capitalism" which, to our ears, sounds like a contradiction in terms. Democratic capitalism means that "large

corporations and heads of households alike will take part in the feast and share out the profits", or a system in which "ordinary citizens of the world can share in the incredible increase in global wealth." According to Hobsbawm the "democratisation of capitalism" has made great strides in the USA in recent years as judged by the fact that the investing public is incomparably larger than before.

We will have to counter this trend by teaching people the meaning of "socialist democracy."

Yet another perspective comes from the Pakistani Marxist and writer Tariq Ali who in his book *"Speaking of Empire and Resistance"* says Capitalism's hegemony is unchallenged at the present time. It is not cracking up and it may take a long time to do so. Capitalism will not disappear until people see an alternative with which to replace it. The only alternative that was seen was from 1917-1989 was what he calls the "false dawn of communism". Nevertheless, he believes that the only alternative is Socialism. How to go about achieving it is the problem. Ali says capitalism has failed on a number of occasions, but it is still around, socialism has only failed once. He describes the USA as the new empire controlling 1/4 of the world's economy. The USA has economic, strategic and geo-political interests which it will defend with the largest military arsenal in the world. He sees the USA using its economic and military muscle to reshape the world according to its needs and interests. To this end it has military bases placed strategically all around the world; significantly, the largest military base outside the USA itself is in Qatar in the Middle East.

But dominant though it be militarily, the USA's economic dominance is being seriously challenged by the so called BRIC's (Brazil, Russia, India and China). China in particular which today has the second strongest economy, is starting to play a significant role in world affairs. Hobsbawm certainly sees China becoming a great power, even in the military sense.

The 15-21 March edition of *"The Economist"* magazine front cover had the title "The New Colonialists" and carried a 14-page special report on "China's thirst for natural resources". It makes interesting reading, and raises questions in one's mind concerning the nature of

that country's political economy of "capitalism with Chinese characteristics", and whether the manner in which it conducts its trade relations with African countries like the DRC, Sudan and Angola, for example, differs from the clearly exploitative relationships that were held with the former European colonialists.

Francis Fukuyama famously declared that the collapse of socialism as a political and economic force in the world and therefore the triumph of capitalism signified "the end of history". And it was Margaret Thatcher, the British Prime Minister, who coined the phrase "There is no alternative" (TINA) to the capitalist free market system.

Their views and pronouncements will be consigned to the dustbins of history.

#### **THE ROLE OF MULTINATIONALS AND THE NATION-STATE IN THE WORLD SYSTEM**

It is generally recognised as a given that as a result of globalisation, multi-national or trans-national corporate business entities play a dominant role in controlling the world economy and are able to influence developments in countries. Some believe that this has developed to the extent that there is no longer a need for the nation state.

Tariq Ali believes this argument to be false. In his view multinationals still require the existence of the nation state to defend their interests, militarily. They are therefore tied to particular nation states.

#### **THE USA'S WAR ON TERROR**

In explaining the motivation for the USA's "war on terror" Tariq Ali asserts that after the collapse of the Soviet Union a power vacuum was created. As a result the USA was left with no enemy to fight and so had to find one.

The enemy became identified as Islamic Fundamentalism which had been created by the USA at the height of the cold war to serve their needs in Indonesia, Afghanistan and the Arab world.

Ali explains how the USA encouraged and supported people they now call the main enemy in order to destroy nationalist regimes that allied themselves with the Soviet Union and threatened USA interests.

He points out that Islam is not monolithic and cites the example of Indonesia which is the world's largest Muslim country but had the world's largest Communist Party outside of the communist bloc countries.

It was the destruction of these oppositional currents that created the monster the USA now pretends is a massive enemy.

Furthermore, Islam has become the enemy because the bulk of the world's oil reserves lie underneath Muslim lands.

As Ali says: The mother of all fundamentalisms is American Imperial Fundamentalism!

It is against this background that I now turn to aspects of the national situation.

#### **ASPECTS OF THE NATIONAL SITUATION**

Poverty and hunger, joblessness and the lack of adequate housing together with a number of other social disabilities, as is the case in most third world countries, is still the lot of the majority of people in this country.

The ANC as the government in power has shown itself to be a willing lackey of Capitalism-Imperialism and functions as a typical nationalist party of the bourgeoisie. As Tariq Ali says, "The ruling elites of countries subservient to the USA are collaborators or local lackeys of imperialism". However, notwithstanding that fact, the ANC has the overwhelming electoral support of the oppressed and exploited people in this country. Just as its counterpart in Zimbabwe, ZANU-PF, had until recently.

One needs to address the national situation against the background of a number of strategic considerations.

Some considerations that come to mind including the following:

- What is the nature of the system of rule that came into being after 1994?
- How does the crisis in Capitalism alluded to above manifest itself in this country?
- What are the driving forces behind the fight for the soul of the ANC which came to the fore before and after that party's national conference held in Polokwane in December?
- What is the role of COSATU?
- What are the social forces challenging the status quo and more specifically what is the role of the social movements, the civics, the intelligentsia and academics, the churches?

Arising from our responses to these questions we should be able to assess the prospects for the bringing about of social and political change in this country.

A further question which follows on this is: What will the vehicle be that leads to the overthrow of the current dispensation? Will it be a new national liberation movement, or a workers party?

We ourselves, as an organisation, must undergo a process of deep introspection, analysing our own strengths and weaknesses, our own strategic objectives as we have not been doing.

Because of time constraints I will not attempt to respond to these questions here save to say that our position on many of these matters has already been set out in previous papers and articles presented at our conferences and in our Bulletin. And I am sure we will get further input on many of these matters arising from our discussion of the national situation paper to be presented to this conference by our Northern Suburbs branch.

#### **SOUTH AFRICA AS ARMS PRODUCER AND THE ARMS DEAL**

The arms deal has been in the news in relation to the imprisonment of Tony Yengeni on charges of bribery and corruption, the impending prosecution of Jacob Zuma by the Scorpions and the recent case

brought by Trevor Manuel against Crawford Browne of Economists Allied for Arms Reduction-SA (ECAAR-SA), to prevent the latter from making allegations concerning his involvement in the arms deal.

The matter of South Africa being an arms producer is serious enough in itself but when taken together with its function as a sub-imperial power in Africa it assumes more sinister connotations. Similarly arms deals which have mostly been conducted by European countries are notorious for promoting corruption in the recipient countries.

We need to recall that the government in 1999 ratified a plan to purchase defence equipment to the value of R60 billion from Britain, Germany and Sweden. It was argued that this investment would yield R100 billion in counter trade or so-called offset investment and create 65,000 jobs.

One of these counter trade initiatives was the building of a deep water port and an Industrial Development Zone (IDZ) at Coega, near Port Elizabeth.

This deal involved the purchase of three submarines from Germany. In terms of this deal, the Ferrostaal Company would build a stainless steel plant costing \$1 billion and create 250 jobs.

This stainless steel mill did not materialise and somehow they were let off the hook by being allowed to build 3 small factories, including a condom manufacturing plant in East London.

The Coega Development Company then had a problem of finding a new anchor tenant for the project. In the meantime the construction of the deep water harbour and the civil engineering required for the surrounding IDZ had commenced and is nearing completion at this time.

First, a French company, Pechiney, was recruited to build an Aluminium Smelter, even although there were serious misgivings about the economic viability of such a smelter given the fact that there was a glut of Aluminium on the world market. This French company subsequently withdrew its bid and has now been replaced

by the Canadian company Rio-Tinto-Alcan. Now the implementation of this deal has had to be placed on hold, indefinitely, because of Eskom's inability to provide electricity.

According to ECAAR-SA this deal has been classified as an offset investment even though it has nothing to do with the arms deal.

Now the case against SA needing to purchase arms in the first place has been well set out by ECAAR-SA in their presentation to the World Summit on Sustainable Development (WSSD) which was held in Sandton in 2002.

The developments at Coega were described as a "disaster in the making" by ECAAR and as a "white elephant" by professor Steven Hosking, an economist at the then UPE. The case against the Coega project is well set out in a chapter written by prof. Hosking in the book "*Unsustainable South Africa*" edited by Patrick Bond.

Simply put, scientific research, which had been presented to government, had shown that "vast unmet needs in the urban and rural areas could be resolved with the infrastructural resources that would be wasted at Coega"

And as already alluded to above, the current energy crisis debacle of Eskom has also served to bring Coega into the spotlight because the development of an aluminium smelter is predicated on the supply of heavily subsidized water and electricity to the facility.

The arms deal and the Coega debacle have brought out a number of important lessons that are relevant to a developing nation such as our own.

These include the importance of having a well-researched, sustainable industrial development plan.

These developments have exposed the sinister underbelly of the arms trade controlled by imperialist governments operating through and in concert with unscrupulous, multinational companies. These companies supported by their governments have no compunction in paying huge bribes to local corporate interests such as a Shabir Shaik, state employees like the other Shaik brother or politicians like Tony Yengeni in order to win the tenders for supplying these arms.

Andrew Feinstein, the former ANC MP and chairman of parliament's SCOPA, resigned from the ANC over the arms deal. Why? "Because (of) the ANC leadership's refusal to allow an unfettered, comprehensive investigation into the multi-billion rand arms deal that was tainted with allegations of high-level corruption".

An insight to the arms manufacturing side of things is this: According to a report in the M&G (April 4-10 2008) the SA government opposes a ban on deadly cluster bombs which has been endorsed by all African countries. The reason? The state-owned arms company DENEL is one of only two countries on the African continent which manufactures these bombs. In addition, the SANDF is said to have a large stockpile of these deadly weapons.

This illustrates how financial gain has come to supercede morality and common sense within the new SA.

#### **POLOKWANE AND BEYOND**

Given the amount of media coverage it has received, it is almost impossible not to comment on developments within the ANC.

These developments, whether they relate to the run-up to the Polokwane conference or its aftermath; or to goings-on within the Tri-partite alliance, or the charges of bribery and corruption laid against the National Police commissioner, Jackie Selebi or now president of the ANC, Jacob Zuma, all help to expose the true nature of the transition to democracy ushered in by the Negotiated Settlement of 1994.

The conference of the ANC in Polokwane during December last year has enjoyed unprecedented media attention with commentators of all shapes and stripes giving their interpretation of the events that unfolded there, both before and after.

For the record, the conference saw the overwhelming defeat of Mbeki and his supporters. The Zuma camp won all top six positions of the NEC as well as dominating the 80-member NEC which was effectively purged of all Mbeki supporters.



At first sight the succession debate appeared to be the main focus but as events have unfolded it is clear that it was not just about who would become president of the ANC. It was more about a rejection of the ANC's policies and the lack of service delivery by the government.

There are clearly dynamics within both the ANC and between the ANC and its alliance partners, the SACP and COSATU, which have to be analysed.

Whatever those dynamics are the key question to be asked is whether this will result in any meaningful change in government policy.

There appears to be a genuine groundswell of dissatisfaction with the failure of service delivery welling up from below within the ANC. It is this element in the situation that we might be able to exploit to our advantage.

Whatever outsiders might think of him, the rank and file membership of the ANC has demonstrated their overwhelming support for Zuma, warts and all. Furthermore, the outcome of the election for positions on the NEC may be seen as a reflection of a groundswell of opposition to the policies of the ANC, and its GEAR policy in particular. That would certainly be the spin placed upon it by the SACP and COSATU which both backed Zuma. But will Jacob Zuma deliver on this expectation? Significantly, it must be noted that even before he was elected as ANC president, Zuma did exactly what his predecessors did, viz. go to reassure the Imperialists that there will be no change in economic policy on his watch; in other words, it will be business as usual. Not only did he visit specific countries like the USA and Britain, he also attended the World Economic Forum (WEF) meeting held in Davos, Switzerland, in January. Reports indicate that his submissions were generally well received by the representatives of the G8 as well as the business leaders gathered there.

The question is: when will the masses realise that the improvement in their lives will not come about simply as a result of a change in leadership style?

Then, as far as the moral and ethical values of rank and file members of the ANC are concerned, it is worrying to note that the person who garnered the most votes for the NEC was Winnie Mandela and that she, together with people like Tony Yengeni and Willie Masetla, all of whom have been convicted of criminal offences, were elected.

This debacle within the ANC and between it and its alliance partners is reminiscent of the verligte / verkrampte split in the National Party which took place in the 1970's. There the differences were between those who stood for change and those who wanted to see grand Apartheid further entrenched. That split resulted in the formation of a new party led by Andries Treurnicht. This does not seem likely to happen to the ANC at this time

#### THE ECONOMY

Professor Brian Kantor of Investec Bank in a recent talk described the SA economy as "winning" and as "an undoubted success story supported by highly supportive global capital markets". This seems to be a view held by most economists in South Africa. According to Kantor the economy took off in 2003 and peaked in October 2007. He placed South Africa in the same category as other "Emerging markets" all of which were the best performing until October 2007.

Nevertheless, emerging markets are very vulnerable to fluctuations in the American market which represents ¼ of the world economy. As we are currently witnessing, recession in the USA affects the rest of the world, and emerging markets are proving to be the most vulnerable.

According to Kantor the reason why China has become dominant is the fact that it has instituted a policy of Capital control and engineered a weak currency: decreasing domestic consumption while increasing production.

The success of an economy, according to Kantor, is measured by productive capacity or economic growth. In a capitalist system this is a sine qua non for providing social benefits like Medical Aids, for example.

It is within the logic of Capitalist economics that any intervention designed to improve the quality of the lives of the poor and downtrodden members of our society, whether it be in the form of social grants/pensions, decent housing, water and sanitation, is frowned upon as being "not promoting economic growth". Accordingly, Kantor was critical of Trevor Manuel for wanting to reduce the retirement age for men to 60 years as this would have a negative impact on economic growth.

In his talk, he said that the greatest threat to the South African economy is slow growth which is just what the current economic indicators are suggesting. The minister of Finance, Trevor Manuel, recently confirmed this fact and stated that the government was expecting a growth rate of less than 4% until the end of 2009.

The neo-liberal, free market supporters have lauded Manuel for yet again producing a budget surplus. While we may regard it as scandalous that there can be a budget surplus in the face of the widespread poverty that exists in our country, the Capitalists see this as the application of sound and responsible financial planning.

It is interesting to note that while the SACP was generally complimentary to Manuel, Zwelinzima Vavi, the general secretary of COSATU, was critical. What does this signify?

However, with some economists now predicting that the world economy is entering or has entered a phase of Stagflation by which is meant inflation with no growth, things are not looking very bright for world capitalism.

It is of course the job of Tito Mboweni and Trevor Manuel to ensure that conditions for economic growth are sustained or promoted. And this they are doing with uncommon zeal, with the former pushing up interest rates in an attempt to curb inflation and the latter producing budgets designed to bring smiles to the faces of the bourgeoisie in this country through lowering corporate taxes and creating a budget surplus.

The economic fundamentals may be sound but they are beneficial for only a small elite. The economy is failing the majority of South Africans who have experienced increasing joblessness. Foreign Investment and economic growth of more than 6% have been the watchwords of the GEAR policy for providing jobs, but neither have materialised.

On the other hand commodity prices have been sky-rocketing which has been to South Africa's advantage. For example, the Gold price breached the \$1000 per ounce barrier in February. When one considers that the gold price was below \$300 in 2002, then that is phenomenal.

However, platinum and other commodities like coal, copper, nickel and zinc have also reached record highs which, needless to say, have resulted in increasing mining activity in various parts of the world and thereby exposing the exploitative nature of mining companies.

South Africa's platinum mines which are located in the Rustenburg area are in the news because of the negative social and health impacts on communities living in the area, caused by their mining activities.

Nearly 90% of the world's platinum reserves are in Southern Africa and the world's largest producer is Anglo Platinum which is a subsidiary of Anglo American, which is now registered on the London stock exchange. In order to cash in on the growing demand for platinum they are commissioning new open cast mines. This has already resulted in the displacement of 20 000 people and exposure of communities living in the vicinity of these mines to nitrate poisoning (blood disorders and stomach cancer) from polluted water.

As an aside, Anglo American has a nickel mine in Loma de Niquel in Venezuela. This mine produced 16 000 tons of nickel in 2006. The current price is nearly \$30 million per ton. I am pleased to report that this mine was nationalised by the Venezuelan government last month.

## PROSPECTS FOR SOCIALISM: CHALLENGING CAPITALISM'S HEGEMONY

Despite being in crisis the hegemonic position of Capitalism-Imperialism seems unchallengeable. And yet there are stirrings of opposition coming from South America as epitomized by the "Bolivarian" revolution led by Hugo Chavez in Venezuela.

If, as we stated often before, "the only alternative to the present dispensation in the world in general and in South Africa in particular is Socialism", then we had better get down to the work that is needed.

The time has come for the socialist alternative to be propagated in the public domain. We need to use the word at every turn and produce informative literature about what socialism means.

One of the initiatives we regard as important is the building of solidarity networks with like-minded organizations. We have committed ourselves to working with other organisations on the left. This is reflected in our involvement with the Radical Left Network which came into being in 2006.

### THE RADICAL LEFT NETWORK (RLN)

The initiative was taken by the African Peoples' Democratic Union – Western Cape (APDUSA-W) which sent invitations to about ten organisations on the radical left to participate in the initiative to establish a broad-based national "anti-capitalist-globalisation collaboration and solidarity network". The political organisations participating in the radical left network at the present time are:

- (a) Apdusa- WC
- (b) Democratic Socialist Movement (DSM)
- (c) Unity Movement (NUM)
- (d) Socialist Group (SG)
- (e) Workers Organisation for Socialist Action (WOSA)
- (f) Comrades for a Workers Government / Labour Left Collective (CWG/LLC)

The basis for our collaboration is broadly "anti-imperialist, pro-socialism" until such time as the basis for our collaboration could be determined in greater detail.

There was agreement that a solidarity network needed to be established locally and internationally in order to build the power of the working class, to fight the global enemy, capitalist imperialism.

Networking between the constituent organisations takes the form of exchanging literature, attending each others' activities, informing each other of events which could contribute to the building of solidarity, and joint activities like an "internal" debating forum (i.e. only for participating organisations) and a public debating forum.

The necessity of "intervening" in local struggles is emphasized. This has thus far taken the form of involvement with the Anti-War Coalition, the Anti-Eviction Campaigns, the Anti-Privatization forum and other workers' campaigns. Internal debates which took place were: The World Social Forum; Cosatu and the Trade Union Movement.

Public debates were held on: The struggles in Latin America, the Russian Revolution, the Politics of Solidarity, the Public Service Strike. The celebration of the Russian Revolution in November 2007 was a part of the public debate activity.

A number of events that took place during the past year focussed our attention on the question of socialism providing us with an opportunity to survey the rich legacy of the struggle for socialism in the world.

The 40<sup>th</sup> anniversary of the death of Chè Guevara in October last year brought to mind his involvement in the Cuban revolution and afforded us an occasion yet again to reflect upon his heroism which went together with the socialist principles he espoused and the revolutionary spirit he exuded. He was a true socialist, an internationalist. His writings reflect all of these attributes. He represents the face of socialist humanism just as Milton Friedman represents the face of capitalist barbarism. A Chè Guevara

celebration was held at the Durban University of Technology on the 6 October.

Another event I wish to refer to is the celebration of the 90th anniversary of the Russian Revolution in November 2007 which was organized by the RLN in Cape Town and by Khanya College in Johannesburg. A document prepared by Khanya College for the symposium that took place indicates that a number of factors account for the significance of the Russian Revolution, and therefore on the need to reflect on its meaning and lessons. I will quote the text in full:

*Firstly*, the revolution was the first to lead to the coming to power of a party and a government committed to the socialist transformation of society. The revolution therefore opened up a whole period of debate over the **path to power** for socialist parties, and on the **politics of the transition from capitalism to socialism**.

*Secondly*, while the Russian revolution was the only successful one in the late teens and early 20s, it was part of a **chain of revolutions** that broke out in Europe in that period. Among the various attempts at socialist revolution and socialist transformation of society were the German Revolution of 1918, the Hungarian revolution of 1919, and the factory occupations in Italy in 1920, to name but some. Moreover, even in countries where no direct attempts at revolution took place, major waves of strikes and other struggles by the working class took place. The Russian revolution, the failed attempts at revolution, and the **wave of struggles** of which these were a part, led to the **consolidation of major working class movements** in Europe and in other parts of the world.

*Thirdly*, the Russian revolution was preceded by, and it in its turn consolidated, a major **historical split in the working class movement** in Europe, and all over the world. Up to the 14 August 1914 working class parties and movements were organized into two main political currents – the

anarcho-syndicalists on the one hand, and the social-democratic (Marxist) movement, on the other. In many countries of Europe the Marxist current steadily gained hegemony within the working class, and on the eve of the war this movement enjoyed significant electoral successes in many European countries, and in Belgium the first socialists even entered government. The successes of the Marxist parties, and the **strategies and tactics** used to achieve these successes, became major sources of debate within the socialist movements of all countries. The debate encompassed questions of organisation in socialist parties, organising strategies, attitudes to bourgeois parliaments, questions of socialists and their relation to the peasantry, questions of socialists and trade unions, and so on.

These debates were fought out most intensely in Germany, the country of the largest Marxist workers' movement of the time, and the theoretical headquarters of European Marxism. In its turn, the debate in Germany ("reform or revolution") was fuelled by the unfolding events in Russia – in particular by the Russian revolution of 1905 (the so-called "dress rehearsal" for the 1917 revolution), and the new phenomenon of the "mass strike" to which it had given birth. While the split in the workers movement was triggered by the positions of the respective currents within the social-democratic movement, it was the Russian revolution with completed this split in social democracy, and led to the emergence of a new major current in the working class movement: the Communist movement.

*Fourthly*, the emergence of the first socialist government in history, on the one hand, and the consolidation of mass based, radical, working class movements expressly committed to the overthrow of the bourgeois order (the Communist movement), on the other, opened up debates on a range of issues, and gave these debates a sense of practical urgency that had been lacking in the pre-war social democratic movement. Among these debates were controversies over socialism and culture, or the working

class and culture; economics of the transition period; debates over socialist industrialisation; the struggle for socialism in the colonies – the so-called colonial question; socialism and democracy, or socialist democracy; the position of women under socialism; the agrarian question and the transition to socialism in agriculture; the debates on socialism and law – or socialist legality; debates on socialist aesthetics; debates on the military doctrine of socialism in power; on the international policy of a socialist government, or socialist diplomacy; and so on. The early years of Russian revolution, up to the middle (and maybe the late) 1920s, probably represent the most dynamic and controversy-filled years of the revolution, and in the history of the socialist movement.

*Fifthly*, as the revolution unfolded it gave birth to the rise of Stalin, and of the political (and social) phenomenon that became known as **Stalinism**. Stalinism as a political current within the working class movement was to remain dominant in the international working class movement until (at least) the fall of Berlin Wall in 1989. The rise of Stalinism in the Soviet Union had major ramifications on all the issues and debates that had been thrown up by the Russian revolution. Stalinism either suppressed debate on some of the issues, or it changed the course of the debate entirely. Its most important impact, however, was on the debates on socialism and democracy, or socialist democracy, and on the debates on the economics of transition period in both town (industrialisation) and country (the transition to socialism in agriculture).

It is not an exaggeration to argue that the Russian Revolution remains the most important historical event of the last 150 years. And so even with the fall of 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 the 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 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.

In conclusion I need to reiterate that we and other organisations on the left are confronted by daunting challenges indeed. We have to begin a process of growth and renewal in our own organisation and in broader civil society whether it be in civics or cultural societies. In my address last year I pleaded for the building of a United Front for Socialism in this country. So far we have only been successful in forming the RLN in Cape Town. We need to extend that initiative to other centres.

I thank you for your attention.

Aluta Continua



Basil Brown  
President  
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