South Africa's ANC government faces growing opposition

Barbara Slaughter
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At a three-day meeting held in Pretoria last weekend, the South African government's economic strategy received endorsement from the International Monetary Fund and the World Bank. IMF Deputy Managing Director Eduardo Aninat said that South Africa had made important fiscal progress. “We are comfortable with the degree of progress on the economic side,” he said, adding that South Africa had a solid banking system and could become a more sophisticated regional centre.

South African President Thabo Mbeki told reporters, “What was said is that the direction is correct but we need to move a little more vigorously with regard to a variety of matters.” Aninat made clear that two of the most pressing “matters” in question were to reduce workers wages and carry out widespread cuts in public expenditure.

World Bank President James Wolfensohn, also present at the meeting in Pretoria, reassured international investors that there is no possibility of South Africa adopting similar land policies to President Robert Mugabe's Zanu-PF government in Zimbabwe. Investors have been concerned about Mbeki's failure to condemn the occupation of white-owned farms in Zimbabwe. This has been one of the factors responsible for South Africa's currency volatility this year, with the Rand losing almost a quarter of its value against the dollar.

The representatives of international capital recognise the potential for investment in South Africa, with its relatively advanced economy and skilled working class. Their ringing endorsement of the Mbeki government is in stark contrast to the treatment meted out to many other African regimes, like Ethiopia, Eritrea and Mozambique, where despite their desperate need, IMF finance has been summarily cut off. It must indicate that Mbeki's government has provided them with guarantees that they will implement IMF policies to the letter.

This means aggressively implementing the austerity program announced by President Mbeki in his State of the Union Address, at the opening of parliament earlier this year. This outlined further privatisation's, restructuring of the civil service, cuts in public spending and the amendment of labor laws to remove protection for workers.

Economists and business people within the country are also demanding the government pushes ahead with the program. They accuse the government of “bumbling along” and regard the period since the election of the first African National Congress (ANC) government in 1994 as wasted years, during which billions of dollars of investment might have been attracted into the country.

Iraj Abedian, chief economist at Standard Bank, has called on the government to take a much more active role in attracting foreign investment. He cites the local auto industry, claiming that a number of overseas motor investors could be persuaded to invest in the production of auto-components and engines for overseas markets. South African car workers have already been subjected to attacks on their wages and working conditions. This has been carried out in collaboration with the National Union of Metalworkers of South Africa (NUMSA). In February this year, 1,450 Volkswagen strikers were sacked and their rank and file leadership expelled from the union. Mbeki denounced the strike as “illegal and unjustified”.

The ANC government hosted business conferences with international investors in Paris and Copenhagen earlier this year and is proposing joint ventures with international conglomerates like British Aerospace, which is to invest in the government-owned armaments firm Denel. There are plans for the French conglomerate, Suez Lyonnaise des Eaux, to take over Johannesburg's water and sanitation services, resulting in significant job losses.

It is anticipated that the privatisation program will raise R150bn, but only 10 percent of this will accrue over the next two years. The government is moving with caution because of concern this may ignite social opposition to its policies.

The Apartheid regime was brought down six years ago by a massive rebellion of the South African working class. Workers had great hopes of building a better future and were misled by the socialist rhetoric of the ANC into believing that Nelson Mandela's government would implement policies beneficial to them. Since 1994, an elite of black businessmen has enriched themselves under the program of “black empowerment”. But according to an official government report, the distribution of income and wealth in South Africa is still among the most unequal in the world. The poorest 50 percent of the population receive only 11 percent of total income, while the top 7 percent receive over 40 percent of the total. Millions of workers live in desperate poverty. Some are even worse off than they were under the old regime. There is a chronic housing shortage and millions of families are denied basic facilities promised by the ANC, like electricity, fresh running water and adequate sewage provision.

Over half a million jobs have been destroyed since 1994 and the rate of unemployment is almost 40 percent. A further 27,000 employees of the state railway's freight division are threatened with the sack as the part of the government's drive for profitability. When workers lose their jobs, they have to return to the rural areas and their families face a life of destitution.

In addition, more than one person in eight is HIV positive, with no access to treatment. Despite international protests, President Mbeki has still not acknowledged the link between HIV and Aids.

The ANC government was reelected last year with a two-thirds majority, but it is becoming increasingly unpopular. Mbeki's personal approval rating has dropped from over 70 percent last December to

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less than 50 percent today. There is a gulf developing between the ruling elite and the working class and a growing alienation from the parliamentary system. Less than half of all black South Africans think that parliament is interested in what they think. This figure was 73 percent only two years ago.

This opposition amongst the broad mass of the population is resulting in nervousness and divisions in the ruling Alliance between the ANC, the South African Communist Party (SACP) and the Congress of South African Trade Unions (Cosatu). There is even talk among sections of Cosatu and the SACP of developing a "broad movement" to challenge the ANC, including the churches, local chambers of commerce, Non-governmental Organisations (NGOs) and others, on similar lines to the Movement for Democratic Change in Zimbabwe. Also at least 42 ANC members from East London and Port Elizabeth have registered as independent candidates in the local elections on December 5—though the ANC leadership says this is because the individuals concerned did so because they were omitted from the official party list.

There are no differences of principle between the Alliance partners. They all claim to be carrying forward the National Democratic Revolution (NDR), which the Stalinists of the SACP describe as an intermediate stage between colonialism and socialism. The term is a remnant of the ANC's Freedom Charter from anti-Apartheid days—when such radical phraseology disguised the pro-capitalist program of the ANC.

Today all wings of the Alliance support the market economy. However, there is growing dissatisfaction in the lower ranks of the SACP and Cosatu bureaucracy, which see the top leaders enriching themselves in the "New South Africa" and feel themselves excluded.

The SACP is a dominant political tendency in all three organisations, with leading positions in the government. Public Enterprise Minister Jeff Radebe is an SACP Central Committee member, Minister of Public Service and Administration Geraldine Fraser-Molekati is SACP Deputy Chair, head of the Government Communications and Information Service Joel Metshltenahe was trained at the Lenin Party School in Moscow, and Director General of the National Intelligence Service Vusi Mavimbala was trained by the East German Stasi in the 1980s.

The situation is similar in the trade union movement. General Secretary of Cosatu Zwelinzima Vavi is a member of the SACP, as is the General Secretary of the Mineworkers Union, Gwede Mantushe.

Mbeki depends on the SACP and Cosatu to control the working class, but is anxious to rid himself of what he regards as the restrictions of the Alliance. This year he did not convene an Alliance meeting until September 11 and is acting more and more independently.

At the recent congress, Cosatu President Willie Madisha declared that. "despite the tactical differences that have existed between the ANC and Cosatu, anything less than an overwhelming victory for the ANC in the forthcoming elections will be a tragedy for our country." But he complained, "We as an Alliance are in danger of losing our grip on the reins of state power. The Alliance still needs to develop a decisive program to drive the government and all organs of state before we can truly say that we have constructed a state of national democracy." He threatened the government with a campaign against the plans to repeal the labor laws and said, "We believe our program will bring the government and business to their senses."

Cosatu and its affiliated unions long ago abandoned the defense of wages and working conditions. Cosatu General Secretary Zwelinzima Vavi supports the restructuring of some state companies, only pleading that "job losses should not be the primary goal of the exercise."

The trade union bureaucracy is reaping profits from businesses purchased with the R62 million collected from union members, many of whom are earning poverty wages, as part of a campaign "to defend jobs". At the congress Madisha declared, "We are going to control, direct and manage these companies and make them accountable."

In order to maintain some credibility with their members, the unions have organised a protest campaign +against the government's economic policy. This began with a program of limited strikes, with the unions promising there would be no disruption to services. On May 10 over a million workers supported a call for a one-day national strike. At first the ANC opposed the action, but then supported it. A follow-up strike is planned for next March and then on a quarterly basis, "if nothing is done about jobs". In this way Cosatu hopes to control the class struggle and wear down the working class. Moloantoa Molaba, spokesman for the National Education, Health and Allied Workers Union, said the unions accepted the need to avoid more serious strikes because "the economy is not doing well and there is a need to tighten belts, improve productivity and profit margins for economic growth and international competitiveness".

In response to the threat of militant action by workers, the SACP has organized their "Red October" campaign, which they describe as "the first campaign to be solely led by the SACP since the 1940s". It calls for the "transformation of the financial sector", for the right of workers to open bank accounts and for the founding of co-operatives.

When the SACP's low-key criticism of the government was reported in the press recently, however, they immediately issued a denial, stating, " *Business Day* and now the *Mail and Guardian* reported that the SACP attacked and blamed the Presidency of the ANC for problems in the Alliance. We wish to place on record that we never blamed the ANC President for not convening the Alliance meeting."

On privatisation the SACP Central Committee issued a fawning statement welcoming "the development of a comprehensive policy framework on restructuring state assets" and acknowledging the "exemplary way in which the Minister conducted a comprehensive consultative process in finalising the policy framework".

See also:

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