

Letter from South Africa

Malema prophesies ‘nationalisation’ of mining

14 September 2010

The African National Congress Youth League has had a reputation as the home of firebrands since it was radicalised by Mandela, Tambo, Sisulu et al. These “Young Lions” in their day called for armed struggle at a time when their seniors were still committed to waging a non-violent campaign against the apartheid State. The Youth League is to this day able to carry its vision thanks to the clout it wields at the elective conferences of the mother body. So confident, in fact, is it of its power in ANC structures, that the predictions of its president Julius Malema, in certain circles, enjoy the authority of unerring prescience.

In truth, there is something in the respect accorded Malema as soothsayer. First, he said that Thabo Mbeki would lose his post as national president. Mbeki was duly removed as ANC president at Polokwane in 2007, and vacated his job as national president a few months later. Going further, Malema announced that Jacob Zuma, then beset by various scandals, would be the next president. Zuma, having beaten not only rape, but also corruption charges, duly became president after Kgalema Motlanthe’s spell as caretaker president. Lately, Malema has said that all South African mineral exploration and extraction operations are to be nationalised.

In response, senior ANC leaders including Zuma himself and his minister of minerals and energy Susan Shabangu, denied that nationalisation was government policy. This was true in spite of the fact that it was adopted as a resolution in the “Strategy and Tactics” document at the 52nd National Conference of the ANC in December 2007. Nationalisation of mineral resources is nonetheless to be discussed at the ANC National General Council in Durban this month. General Councils are the second most-important convocations of ANC members, occurring as they do, midway between elective National

Conferences. This is not however, to say that legislation nationalising minerals is imminent.

Still, the increasing prominence of the nationalisation debate as championed by Malema, is suggestive in several ways. First, it intimates that the Malema clique in the ANCYL, and its mentors in the ANC proper, are prepared to use state power in the pursuit of personal objectives. What personal ambition are Malema and friends trying to satisfy through nationalisation? According to the *Sunday Times* of 14 March, a consortium backed by Malema was frustrated in a deal to acquire part of the 40 percent of ASA Metals (owners of a potentially rich chrome mine) held by the Limpopo Development Agency, a government entity which is partner to SinoSteel, owner of the remainder of ASA.

Black economic empowerment legislation was designed to enable the broad participation of the poor black majority in the traditionally white “commanding heights” of the economy. In reality, it has become the preferred route to riches for the ANC elite while the majority continue to struggle. Having failed in the BEE accumulation strategy, critics like the *Sunday Times* suggest, Malema is now touting nationalisation as a means to self-aggrandisement.

Secondly, the sharp differences between ANC leaders, broadly divided into “nationalists” and “leftists”, are subjecting the organisation and the ruling tripartite alliance itself (the ANC, the dominant confederation of labour unions Cosatu, and the Stalinist South African Communist Party) to deepening rifts. This is merely a reflection of the objective state of affairs globally. The credit crisis and the bailing-out especially of the American financial institutions in the midst of a deep recession and massive layoffs have together dented the image of capitalism as the panacea to paradoxes of human development in the 21st century.

That did not stop the ANC from adopting a prevaricating line in its response to the Youth League's discussion document "Towards the Transfer of Mineral Wealth to the Ownership of the People as a Whole: A Perspective on Nationalisation of Mines", tabled at the ANCYL's own recent National General Council in Gauteng's Midrand. "For a capitalist economy to succeed," the parent body's response read, "the state has to keep business sufficiently profitable. It should act to raise costs for business only where required by the imperative of achieving a more inclusive and equitable economy. We can no longer afford to let individuals, departments or agencies raise the cost of doing business in line with their own priorities or through poorly thought-out measures at the expense of national needs and aims."

The ANCYL took exception: "This suggests that there is a bigger ideological battle than we initially thought, because this capitalist notion affirms an intention to subjugate all other socioeconomic interests to reducing the cost of doing big business."

But both groups probably protest too much. In other words, Malema's rhetoric is likely useful to nationalists in the ANC as a means of ridding the party of the working class component now coalesced around Cosatu and the SACP. There is no doubt that the ANC as a middle-class party will, in the final analysis, side against workers and in favour of international capital, if the recent remarks of its leaders during the current strike by 1-million-plus public sector workers are anything to judge by. So, even if minerals nationalisation never gets beyond the stage of debate, the ANCYL discussion document has served its purpose. It has stolen the thunder of the "lefts". The ANC and ANCYL nationalists may later reason that Cosatu and the SACP did not formulate positions such as those in the ANCYL "Towards the Transfer of Mineral Wealth"—therefore the ANC can do without them.

Already, some petty-bourgeois publications such as the Johannesburg *Star* have been drooling over the prospect of the ANC freeing itself of working-class influence to pursue unabashedly pro-capitalist policies. It would not be the first time that the nationalists have tried to squeeze out the leftists, as similar attempts were made by those who surrounded Mbeki in his heyday as president. The schism once effected would convince foreign bondholders and stockholders that protecting their South African interests at working-class expense is of first importance to the ANC. Indeed, the ANC can hardly act otherwise, having through BEE legislation made itself a junior partner to international capital.

A permanent split between ANC nationalists and the leftists, whether hastened by Malema's utterances or not, would hold important lessons for the South African working class. It would be the clearest indication yet, that in a party like the ANC, a mere change in the leading personalities (as from Mbeki to Zuma) is insufficient guarantee of a turn towards working-class policy. This is due firstly, to the provenance of the ANC in petty-bourgeois African nationalist agitation, and its later spell as acolyte of the South African Communist Party. Even if mines and the rest of the South African economy were nationalised, the prime beneficiaries of such nationalisation would be ANC members.

Certainly some ANC leaders and supporters idealistically believe that nationalisation as understood by the likes of Malema would solve all socio-economic problems in the country, but that mistake is only due to the lingering hold of the Stalinist fog in their minds. Stalinism could not lead to socialism and much less to communism in Soviet Russia, because it addressed itself only to the ownership of the means of production. The second vital component of socialism, the mode of distribution of the necessities of life, remained inherently bourgeois in character, with the Stalinist bureaucratic apparatus assuming the role of the erstwhile bourgeoisie. The ANC, not understanding this, therefore has no chance of ever leading the country towards anything even remotely egalitarian.

A fair and equitable South African society, free of hunger, strife and preventable disease, is certainly possible. But it is only feasible through the efforts of an exclusively working-class party. That party must furthermore base itself on the lessons propagated in works like Trotsky's *The Revolution Betrayed*, and through the efforts of Trotsky's intellectual heirs at the *World Socialist Web Site*.



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