THE ROOTS OF FACTIONAL TENSIONS OVER THE ANC GOVERNMENT’S POLICIES IN THE RULING ALLIANCE IN SOUTH AFRICA

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This thesis is presented for the degree of Doctor of Philosophy of Murdoch University 2014.
I declare that this thesis is my own account of my research and contains as its main content work which has not previously been submitted for a degree at any tertiary education institution.

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ABSTRACT

An enduring question concerning the ruling tripartite alliance led by the ANC in South Africa is how such a powerful united liberation movement, which succeeded in defeating the apartheid system to assume governmental control, was torn by ideological divisions in its midst? The objective of this study is to investigate the causes of the disunity within the governing ANC alliance that culminated with the dismissal of the then President Thabo Mbeki from office in 2008. The thesis examines why the ANC alliance’s “revolutionary” language that had largely unified it during the protracted racial liberation struggle proved most divisive in the post-apartheid period.

The inquiry utilises the analytical framework of the alternative functions of ideology to analyse the development of the ANC’s ideological perspectives. The study argues that the ANC-led alliance’s “revolutionary” language is inherently ambiguous. The research excavates the origins of the imprecise ANC’s “two-stage theory” of revolution. It highlights how the theory of the “National Democratic Revolution” used to depict the first stage of liberation and its assumed programme, the Freedom Charter are contentious. The study contends that the inherent inconsistencies in the ANC alliance’s “revolutionary” language were mirrored in trenchant factional ideological disagreements.

Using “critical discourse” analysis, the thesis explains how the inherited “revolutionary” language enabled contending factions within the alliance to make contradictory and divisive interpretations of the ideological complexion of ANC government’s policies. Furthermore, the investigation demonstrates how such a language allowed successive ANC governments to adopt the “Keynesian-reformism” discourse used to rationalise the Neo-liberal macroeconomic policy framework. The thesis contends that the incoherent nature of ANC-led alliance’s “revolutionary” language was also expedient for government to promote the interests of the emerged black capitalists in the post-apartheid period. The Mbeki-Zuma leadership struggle found fertile ground cultivated by prior intra-ANC alliance factional disagreements. It thus apparent that the on-going factional disagreements in the ruling ANC-led alliance over the ideological content of government policies, if not resolved, would continue to impact negatively on their implementation.
ACKNOWLEDGEMENTS

I would like to express my gratitude to my dearest wife, Dr. Nthati Rametse and my children, Nomason, Naledi, and Khotso for their forbearance and patience in this long journey. To a special friend and critical partner, Dr. Jennifer Cramer, I thank you for your ceaseless words of inspiration throughout the years. I dedicate this thesis to my late parents, my cousin Makhewa Aubrey Malinga, my two comrades Abraham Sello Pule, Bra Thami Steven Nqayi and my friend Hugh Mogwe.

A special acknowledgement goes to my supervisor, Associate Professor David Brown who over the years motivated me to complete this thesis. He provided me with clear guidance in researching this topic and writing up this thesis. It was indeed a privilege for me to work closely with David and to be able to tap on his skills and knowledge. I will always be indebted to him.

To err is human. Any errors in this thesis are the responsibility of the author.
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CHAPTER ONE

INTRODUCTION

1-1 Background

An examination of competing ideological perspectives is crucial for excavating the causes of recent schisms within the contemporary ruling ANC-led tripartite alliance in South Africa. The thesis contends that “there is no settled or agreed definition” of ideology, “only a collection of rival definitions” (Heywood 2007, 5). The investigation adopts the view that the different meanings of ideology reflect its alternative functions. Thus, three approaches to ideology are explored. The first one is the “personalist” patrimonial patron-client view which conceives the function of ideology as a ‘camouflage’ for individual self-interests. The second approach focuses on factional ideological disagreements as the cause of political divisions. A third approach grounds ideology in the material interests of different class-based blocks within the ruling ANC alliance. Thus, the thesis employs the alternative frameworks of ideology to examine policy disagreements implicated in the post-1994 ideological ruptures within the ANC-led alliance.

Barely five years after the end of the apartheid, the ruling liberation alliance in South Africa that consists of the African National Congress (ANC), the Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP), was rocked by a bitter leadership struggle. This climaxed with the replacement of Thabo Mbeki as the President of South Africa by Jacob Zuma in 2008. The split of the ANC alliance into two camps was due to perennial disagreements in the ANC alliance. The internal strife did not, however, end with Mbeki’s removal as the President of South Africa. In 2010, Zwelinzima Vavi, General Secretary of COSATU, decried how the ANC-led alliance was one of the most contested organisations with constituent groups jostling to mould it in its own image as “... the hyenas

1 Zwelinzima Vavi was suspended by the COSATU leadership in August, 2013 pending an investigation for engaging in sexual relations with a junior clerical staff member from his office. Vavi claimed that his suspension was part of his “factional” enemies’ designs to sideline him because of his trenchant criticisms of Zuma’s government economic policies (COSATU 2013, 1). The court ruled his dismissal unconstitutional.
want the ANC to look like them” (Vavi 2010, 1). Vavi’s critical statement was indicative of the leadership struggles between the two ideological tendencies in the ANC-led alliance.

The Mbeki-Zuma leadership tensions were sparked off by the state levelling corruption charges against the then Deputy President Jacob Zuma. In August 2003, Bulelani Ngcuka, the National Director of Public Prosecutions (NDPP) held a press conference to announce that “whilst there is a prima facie evidence of corruption against the Deputy President our prospects of success are not strong enough. That means that we are not sure if we have a winnable case” against Zuma (The National Director of Public Prosecutions 2003, 1). Consequently, Zuma was not charged alongside his financial advisor, Schabir Shaik, a Durban businessman and former ANC intelligence operative. Zuma and Shaik had a comradeship bond which was forged when they were intelligence operatives of the exiled ANC based at its then headquarters, in Lusaka, Zambia (Feinstein 2008, 1). Shaik’s trial stemmed from an earlier investigation into the South African government’s deals to buy military arms from various European manufacturers (Feinstein 2008, 2). The state alleged that Shaik had used his company, Nkobi Investments to secure a joint venture with ThomsonCSF, a French defence and electronics giant in which Jacob Zuma stood to benefit financially. Shaik was convicted on 2 June, 2005 by Judge Mr Hilary Squires for corruption and fraud (The State vs Schabir Shaik and 11 others 2005, 161-162).

In his judgment on Shaik’s case, Judge Squires established that Shaik and Zuma had a “mutually beneficial symbiosis” and “a generally corrupt relationship” (The State vs Schabir Shaik and 11 others 2005, 8). Judge Squires denied using the “generally corrupt” phrase, attributing it to the prosecution. Although the court never endorsed the state’s characterisation of the relationship between Shaik and Zuma, the media falsely ascribed this view to the Judge (see SACP 2006; ANC 2006). The state established that Shaik had sought a R500 000 a year bribe from the French defence company, Thales International on behalf of the then Deputy President Zuma as payment to exercise his influence for the procurement of a contract to supply the state with military arms. Shaik was sentenced to fifteen years imprisonment for having paid Zuma R1.2 million (The State vs Schabir Shaik 2005, 8). Following Schabir Shaik’s conviction, President Mbeki relieved his deputy, Jacob Zuma of his official state duties (Feinstein 2008, 2). On 29 June, 2005, Zuma was charged with 12 counts of fraud,
two counts of corruption, money laundering and racketeering before the Durban Magistrate Court (Van Fleet 2009, 5). This was the beginning of Zuma’s legal woes.

In December, 2005 Jacob Zuma was also charged with the rape of a young woman known as Kwezi. Zuma was subsequently acquitted of this charge in May of the same year (The State Versus Zuma 2006, 1). In arguing its case, the defence claimed that Zuma’s rape accusation “was politically motivated, as part of a conspiracy by ‘faceless persons’ aimed at preventing him from contesting ANC’s presidential elections” (Slaughter 2006, 1). Zuma was acquitted of rape while the corruption, money laundering and racketeering charges stood. In the meantime, a judgement in the Durban High Court ruled that the search warrants served on Zuma and his lawyer Michael Hulley by the National Prosecution Authority were invalid. In September 2006, Judge Herbert Msimang had struck Zuma’s case off the roll, declaring that he had “no choice” after the prosecution had indicated to him that it was not ready to proceed with the trial against Zuma (The State Versus Zuma and Others 2006, 3). The charges were, however, dropped due to the prosecution’s ineptitude amid allegations of political victimisation of Zuma by Thabo Mbeki’s government.

A broad coalition of ideologically disparate forces led by the “rhetorical left” of the ANC alliance supported Zuma in his trial. The “left” backed Zuma as part of its struggle against Mbeki’s government. The term “left” is used in this thesis to refer to “any social/political force or individual that professes adherence to an anti-capitalist ideology” and struggles for “a non-capitalist alternative” (McKinley, 2009). The “left”, institutionally represented by COSATU and the South African Communist Party was the leader of the “coalition of the aggrieved” consisting of distinct ideological orientations. To support Zuma, the “left” adopted a ‘liberal” human rights language couched in terms of the “first generation” individual rights (Cronin 2007, 1). This group composed of some black nationalists and communists operating within the confines of a constitutional liberal democracy. For example, despite the latter group’s divergent ideological roots, it rhetorically espoused liberal-democratic principles “to ensure checks-and-balances on state power; the presumption of innocence; the right to fair trial; “justice delayed is justice denied”; protection against invasion of privacy; the need for separation of powers; the condemnation of abuse of political office and the blurring of party and state institutions” (Cronin 2007, 2).
This group was united in its opposition to the then President Mbeki’s government’s policies. The bulk of the leaderships of COSATU and the South African Communist Party believed that there “was an element of an overall conspiracy against Zuma” by Mbeki’s government (Suttner 2009, 4). Brian Ashely shows how the “left” had lent their support to pro-capitalist Zuma-led black nationalists’ group which had long been critical of Mbeki’s government centralisation of power. (Ashley 2007, 10). It was with the backing of cross-section of ideological groups that Zuma ascended to the presidency of the ANC.

Indeed, as Hart explains, the “Zuma camp’s appeals to the ‘people’ versus ‘the power bloc’ were intimately linked with nationalism, in the sense of both the nation and liberation” (Hart 2007, 15). Zuma defeated the incumbent Thabo Mbeki in a secret ballot on 19 December, 2007 at the ANC National Conference at Polokwane (Pillay 2008, 5). Zuma won 60 percent of the votes of the delegates, the majority of whom were drawn from the “left” grouping. Then President Mbeki garnered only 40 percent of votes from delegates (Ashley 2007, 10). Mbeki was endorsed by a pro-capitalist nationalist elite tendency including the former Deputy President Phumzile Mlambo-Ngcuka and the Minister of Defence, Patrick Lekota. It also included individual “left” leaders such as Willy Madisha, the former President of COSATU and Phillip Dexter, the South African Communist Party Treasurer (COPE 2008). Mbeki’s political demise was precipitated by a High Court dismissal of Zuma’s new corruption case. Ten days after Zuma was elected ANC President at the Polokwane National Conference, the National Director of Public Prosecutions had produced more evidence against Zuma. On 28 December, 2007, Zuma was served with court papers detailing various counts of racketeering, money laundering, and tax evasion (The National Director of Public Prosecutions v Zuma, The National Director of Public Prosecutions, 2007, 2). However, in September 2008, Judge Chris Nicholson, presiding in the Pietermaritzburg court, ruled in favour of the argument of the defence team to dismiss Zuma’s prosecution:

I am not convinced that the applicant was incorrect in averring political meddling in his prosecution (Zuma v National Director of Public Prosecutions 2008, 3).

Judge Nicholson’s ruling supported the defence allegation that President Mbeki had meddled in the decisions of the National Prosecution Authority to arraign Zuma. The Judge criticised Mbeki’s “baleful influence” in using state institutions to frustrate Zuma’s political ambition
by removing him from the “titanic struggle” for the ANC presidency (Zuma v National Director of Public Prosecutions 2008, 4). Judge Nicholson surmised that it was “very probable” that the then Minister of Justice Penuell Maduna could have engaged in illegal attempts to prosecute Zuma without President Mbeki’s knowledge (Zuma v National Director of Public Prosecutions 2008, 4). Judge Nicholson maintained that since corruption was a bilateral offence, Zuma should have been charged by authorities alongside Shaik (Zuma v National Director of Public Prosecutions 2008, 4). The judge condemned President Mbeki’s “Apartheid regime-like” manipulation of the National Prosecution Authority; thereby giving “political oxygen” to Zuma’s defence team’s claim of political victimisation by Mbeki’s government (Zuma vs National Director of Public Prosecutions 2008, 5).

Judge Nicholson’s ruling was, however, subsequently nullified by the Supreme Court of Appeal on 12 January, 2009 (The National Director of Public Prosecutions v Zuma 2009, 2). In dismissing Judge Nicholson’s findings of political meddling, the Supreme Court of Appeal ruling reinstated charges against Zuma. With the prospect of the National Prosecution Authority contesting the Nicholson judgment, the Zuma-led ANC National Working Committee of the ANC National Executive Committee was prompted to act (Ashley 2007, 10). On 4 February, 2009 the Pietermaritzburg Court set the time line for Zuma’s case. In the interim, Zuma’s lawyers presented the then acting National Director of Public Prosecutions, Mokotedi Mpshe with fresh evidence of Thabo Mbeki’s government connivance to re-charge him. Evidence from the so-called “Spy Tapes” was obtained using illegal telephone recordings. The contents of the telephone recordings, which were the preserve of Zuma’s defense team and the National Director of Public Prosecutions, allegedly, contained evidence of illegal collusion between one of the officers of the National Director of Public Prosecutions with its former head and an official in President Mbeki’s office (The National Director of Public Prosecutions, 2009). The purported fresh evidence of conspiracy against Zuma led Mpshe, the National Director of Public Prosecutions, not to press corruption and tax evasion charges against Zuma on the 6 April, 2009 by (Southall 2009, 1).

However, new evidence unearthed by the opposition Democratic Alliance (DA) led by Helen Zille suggests that the tapes do not provide reasonable grounds for dropping charges against Zuma. The DA intends appealing for the decision of the then acting National Director of Public Prosecutions, Mpshe to be set aside. It also contends the reasons not to prosecute
Zuma were irrational. The DA submits that the evidence from the tapes show that Mpshe did not base his decision on legal basis, any new information or substantive content (DA 2014). The DA concludes that the 700 charges against Jacob Zuma were “dropped to serve a political agenda” (DA 2014). The proverbial jury is still out on the outcomes of this case.

The new post- Polokwane ANC executive decided to “recall” Mbeki from his position as the President of South Africa due to what it perceived to be his meddling in Zuma’s case (Southall 2009, 2). The word “recall” in ANC “speak” is a euphemism for the replacement and or redeployment of its cadres from government and party positions. On 20 September, 2009 President Mbeki was forced to resign from office six months short of completing his constitutional two terms (ANC 2008). The end of Mbeki’s Presidency instigated by the Zuma led ANC National Executive Committee, split the ANC led alliance (Pillay 2008, 6). The “left” in the ANC alliance enthusiastically welcomed the dropping of the charges against Zuma by the National Director of Public Prosecutions and openly declared its “victory” in the struggle against President Mbeki’s government whose policies they abhorred.

Brian Ashley’s conclusion that Mbeki’s “refusal to play the ball and accept that power had shifted away from him to the new ANC leadership...” captured how the balance of power had tilted against former President Mbeki following his defeat by Zuma in the ballot at the Polokwane Conference (Ashley 2007, 10). The co-existence of the “two centres of power”, one emanating from the control of the state apparatuses at the Union Buildings in Pretoria and the other being the political power wielded by the ANC National Working Committee (comprising the top six candidates who polled the highest votes), which was located at its national headquarters at Chief Albert Luthuli House in Johannesburg, was untenable. If Mbeki’s re-election bid had been successful, it would have led to the creation of two centers of power: “one with a weakened Presidency and the other at the ANC headquarters in Luthuli House” (De Klerk 2007, 1). The struggle for control of the levers of state power by these “two centres of power” within the ANC belied the fact that the balance of power had already tilted against the incumbent Thabo Mbeki in favour of his leadership rival, Jacob Zuma.
1-2 The Root of the Tensions within the Ruling ANC Alliance

This section seeks to review some of the pivotal issues for the examination of the root causes of tensions within the post-1994 ANC alliance. Three perspectives that can be used to explain the causes of the intra-ANC alliance tensions are outlined below. The first one is the “personalist” patrimonial patron-client view of the causes of tensions. The second approach focuses on ideological disagreements as one of the causes of divisions within the ANC alliance. The third approach grounds ideology in the material interests of the different blocks within the ANC-led alliance. The thesis utilises all the three approaches to explain the causes and the nature of tensions that engulfed the post-liberation ANC alliance.

The first “personalist” approach, the “Big Man” theory attributes the intra-ANC alliance tensions to the struggle for political power and state control between two powerful personalities (Utas 2012, 5). This patrimonial approach is premised on the patron-client relationships as a primary cause of tensions within the ANC alliance. It views the conflict as a clash of two political personalities represented by the former President Thabo Mbeki and his then deputy, Jacob Zuma. The competing “egos” of the two “political heavyweights” vying for leadership of the ANC and control of the levers of state to dispense patronage to their supporters is a motivating factor. This view isolates individual leaders from their milieu.

The second approach examines the causes of the Mbeki-Zuma leadership contest focusing on the intra-alliance ideological battles which have been raging much longer. Such a perspective depicts the disunity between shifting ideological coalitions more as a battle of ideas—a battle for the ownership and meaning of the ANC’ “revolutionary” language. The latter approach seems useful to focus on the meaning and ownership of the ANC’s “revolutionary” language. Such an approach enables the excavation of the root cause of post-apartheid political rupture between (what this thesis distinguishes for analysis) the conventional and rhetorical “left” forces and the predominantly pro-capitalist black elite nationalists within the ANC-led alliance. A third approach locates ideology in the material interests of the different “factions” of the ANC-led alliance. The materialist perspective is rooted in Karl Marx’s role of ideology in concealing and hiding “the contradictory essential relations” (Marx 1867). According to Marx, the role of ideology, is therefore, to conceal the “essence of society” as it contradicts its appearance to benefit the existing ruling class (Marx 1867). Thus, the role of ideology is
not only to conceal but to coumaflaging class divisions which exist at a socio-economic level (Heywood 1999, 373). For Marx ideologies “propagate falsehood, delusion and mystification” (Heywood 1999, 146). Thus, ideologies “serve a powerful social function: they stabilise and consolidate the class system by reconciling the exploited to their exploitation” (Heywood 1999, 146). This view of ideology helps to show how the ANC alliance’s “revolutionary” language was used to justify the deracialisation of the inherited capitalist economy to benefit the class interests of the emerged black capitalist class.

Using the three approaches this thesis contends that the ambiguities in the ANC alliance’s “revolutionary” language were critical in unifying it during the struggle against the apartheid system. It is demonstrated how the alliance language, crafted by communists, was expedient in mobilising black classes for national (racial) liberation. The “left” in the alliance shared this liberation goal which it rationalised using its “revolutionary” language. Furthermore, the thesis demonstrates how the inherent ambiguities in its language made it controversial amongst its divergent ideological groups and hence divisive. The investigation describes how this generated disagreements within the post-apartheid ANC alliance. It thus shows how the ANC alliance’s “revolutionary” language was not only useful in unifying liberation forces, but it also proved to be an effective tool to be used in post-liberation “ideological battles” for the control of the soul of the ANC alliance. The thesis adopts these approaches to interrogate the origin, meaning and significance of the ANC’s language during the struggle for freedom and in the post-liberation phase. Such an approach enables an excavation of some of the root causes of the tensions that took the form of a power struggle between Mbeki and Zuma.

Thus, the thesis will show how the clash for power and leadership by the two personalities occurred in a political environment of deep rooted ideological contradictions between some of the “left” from the Communist Party and COSATU and pro-capitalist nationalists within the ANC leadership. A section of the disgruntled ANC nationalists led by Zuma which had wrestled state control from President Mbeki was allied to some leading “left” leaders who had stridently criticised government’s Growth, Employment and Redistribution (GEAR) Neo-liberal macro-economic policy. A small section of the nationalist elite camp sought Mbeki’s re-election as President of the ANC to ensure its continued influence on government policy formulation for the next five years (De Klerk 2007, 2). Hoping to advance its policy agenda, the “left” had decided to support Mbeki’s political nemesis, Zuma. The “left” had
since 1996 been unhappy with the orthodox macro-economic policy adopted by the ANC governments of Mandela and Mbeki. Thus, the schism between the “rhetorical left” forces and the pro-capitalist nationalist elite provide the context for Zuma’s rise to power. The “rhetorical left” forces preferred Zuma, a “traditional nationalist”, as they perceived him a weak leader inclined not only to patron-client relationships but as more amenable to its aim of countering Mbeki’s government’s Neoliberal policies they sought to change.

Devan Pillay (2008, 12) confirms the view that the adoption of the Neo-liberal GEAR policy by President Mandela’s government sparked tensions between the “left” and pro-capitalist nationalist camps in the ANC alliance. These two camps waged political battles using the inherited ANC alliance’s “revolutionary” language which this thesis argues is the root cause of ideological tensions that were cloaked as a clash between two “big men” for the control of the ANC. As Pillay shows, the resignation of Thabo Mbeki and several of his ministers was wishfully “seen by some on the left as a victory against Neo-liberal economic orthodoxy” (Pillay 2008, 12). Another expert sees Zuma as a “left” candidate supported by the trade unions and the Communist Party (Paton 2007, 3). The materialist approach of ideology resonates with the view that “the battle of Polokwane was not about ideology but one for positions of power and loot” (Suttner 2009, 5). What Suttner describes as the competition for “positions of power and loot” encapsulates the politics of “patron-clientele” in post-apartheid ANC alliance. The slow and spasmodic de-racialisation of the inherited racially skewed South African capitalist economy provides fertile ground for political patronage to thrive. This thesis seeks to show how the inherited “revolutionary” language was used to mediate intra-ANC alliance tensions in the post 1994 period. Susan Booysen attests to how while by 2011 the ANC strove to contain dissent and mobilisation in leadership contests and in ideology-policy debates within the alliance, it “had become an amalgam of contradictions” (Booysen 2011, 7). The factional “ideology-policy” debates within the ANC-led alliance that Booysen refers to, used the medium of its inherited contentious “revolutionary” language.

Thus, this thesis maintains that the 2008 ANC split resulting from the Mbeki–Zuma leadership struggle did not resolve the existing intra-alliance tensions between the two ideological camps, as the “left” in the alliance still sought the abolition of the Neo-liberal GEAR macro-economic policy. This view was confirmed by the observation made by the Reverend Frank Chikane, former director-general in the Office of President Mbeki. He
revealed how COSATU and the Communist Party were convinced that the removal of Mbeki as the President of the ANC “meant that there would be changes in the ANC’s policies, because they saw Mbeki as the major barrier to the advancement of the policies they espoused” (Chikane 2012, 20). Zuma’s election did not mean complete victory for the “left” as the pro-capitalist nationalist wing whose leadership he had usurped, and which was complicit in the adoption of such government policies, retained some of its major Neo-liberal planks. As Chikane indicates “this explains some of the rumblings that keep coming from those quarters”, that is the “left” of the ANC alliance (Chikane 2012, 20). The Zuma-led nationalist supporters did not change the policies disliked by the “left”. The tensions within the alliance over the ideological framework of government policies continued unabated.

The disagreements within the ANC alliance over the 2012 National Development Plan which was passed by the ANC’s 2012 Mangaung National Conference using the inherited ambiguous and “revolutionary” language, are indicative of the latent tensions within the front (ANC 2012, 1). In 2013, the general secretary of COSATU’s affiliate, the National Union of Metalworkers of South Africa (NUMSA), Irvin Jim criticised the National Development Plan as a plan designed to co-opt the working class into accepting the government’s adoption of the 1996 Neo-liberal economic orthodoxy in the form of the Growth, Employment and Redistribution (GEAR) policy. Jim accused the ANC leadership of waging “propaganda wars” against COSATU then led by Vavi and NUMSA:

The propaganda wars against those who are pushing for radical policy changes is a dirty campaign; it is liquidationist by character. It says that COSATU under Vavi and NUMSA were working with imperialist forces and have positioned themselves as oppositionists (NUMSA, 2013).

Jim’s view is characteristic of the persisting tensions within the ANC alliance. The purpose of this thesis is to investigate the underlying causes of these intra-ANC alliance disagreements. As already stated, this thesis argues that the disagreements between the two broad ANC factions, with the shifting allegiances of personalities, over the government policies can be traced from its ambiguous “revolutionary” language. The thesis demonstrates how the currency of such language enabled NUMSA, for example, to argue that the Freedom Charter, understood as the minimum platform and program of the ANC-led alliance, had been abandoned by the ANC government in favour of Neo-liberal policies in the National
Development Plan (NDP) (NUMSA, 2013). NUMSA called for President Zuma’s resignation (NUMSA, 2013). In March 2014, NUMSA’s general secretary, Irvin Jim, publicly declared that his union would mobilise the “working class in all its formations, for the radical implementation of the Freedom Charter” and against Neo-liberalism (Jim 2014).

The focus on the fierce factional ideological rumblings within the ruling ANC-led alliance is important as they have far-reaching political and economic implications for the future of South Africa. Tensions resulting from disagreements within the alliance over the ANC government’s policies intensified to fracture the once strong trade union federation, the Congress of South African Trade Unions (COSATU), a working-class ally of the ANC and the South African Communist Party. On the November 8, 2014, one of COSATU’s largest affiliates and its biggest financial contributor, the National Union of Metal Workers of South Africa (NUMSA), led by Jim was expelled from the union federation by a leadership aligned to the Zuma-led ANC alliance. The rhetorical “left” and ANC elite nationalists supported the ejection of the radical left leadership of NUMSA, which the Communist Party derided as “workerist” (SACP, 2014). It can be argued that South Africa is entering a decisive period of reckoning in its history—both in terms of its party politics, economic policy-making and outcomes. NUMSA’s forced divorce papers from COSATU signals, firstly the possible birth pangs of a new radical union outside the once mighty federation and secondly, the beginning of a process towards the formation of a new political movement to champion worker’s rights.

1-3 The Purpose and Approach of the Study

This seeks to show how although problematic, the ANC alliance’s traditions provided a theoretical rationalisation for a compromise between different ideological tendencies. It enabled black nationalists fighting against white oppression and socialists seeking working class revolution to create a powerful united front. The study argues that the development of the ANC alliance “revolutionary” language, which, was used to galvanise the formation of this alliance is inherently incoherent, eclectic and ambiguous. The investigation traces the divisions that developed within the ANC alliance to the ideological eclecticism/ambiguity of its theoretical traditions. The purpose of this thesis is to analyse the significance of ANC alliance’s “revolutionary” language which conceptualised the relationship between the
liberation of the black majority from apartheid oppression and working class led socialist revolution. Thus, views on the relationship between racial liberation and socialist revolution formulated by opposing groups’ constitute the core explanation of the conflict that developed within the ANC alliance. These tensions relate in part to the disagreements that developed within the ANC alliance as to the timing and relationship between the two goals of liberation. The thesis illuminates the nature of the ANC alliance’s “revolutionary” language and its utility in uniting the ANC liberation alliance and how it was divisive in the post-1994 era.

The ANC alliance’s “revolutionary” language is gleaned from researching ANC alliance “position papers”, policy documents, speeches and party periodicals. This thesis argues that goals articulated in these documents may serve to inform, motivate, or to mislead, depending on how they are used. Thus, the impact of ideological statements might be either a unifying one, helping to mobilise support or a divisive one, useful in camouflaging interest rivalries into ideological conflicts. The study shows how the ambiguities of this language enabled warring camps: the pro-capitalist nationalists in the ANC alliance and the “left” tendency largely drawn from the Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP). The investigation also contends that the inherent weaknesses in the ANC alliance’s “revolutionary” language enabled it to justify shifts in the ideological orientation of policies and for the “left” to advance a different policy trajectory.

1-4 The “Two-Stage Theory” of Revolution and its Significance to the ANC Alliance’s Liberation Perspectives

What is discernable in the literature of South African political history is how two different ideological streams which were originally divided into black nationalist and socialists/communist tendencies were unified to become a powerful liberation alliance. Each of these entities had espoused different goals of race liberation and class emancipation. The inquiry examines how the two tendencies united on the basis of theory of two “de-linked” stages of national (racial) liberation and the socialist revolution. The development of the “two-stage” theory and how it laid the philosophical foundation for the formation of the ANC alliance on this basis of a united front between black trade unionists, nationalists and communists from the late 1920s to the 1950s is investigated. This will help to illuminate how
such a strategy enabled the development of the theory of the “National Democratic Revolution”, which in ANC language is posited as the first stage of national (racial) liberation. This is essential to excavate how it provided an “ideological” bridge unifying black nationalists and socialists/communists. Butler, for example, shows how the theory of the “National Democratic Revolution” was introduced into ANC discourse to conceptualise the relationship between the overarching goal of establishing (international) socialism and the more immediate anti-colonial project of national (race) liberation (Butler 2005, 724).

Furthermore, Alexander underscores the “mobilisational-propagandistic” function of the ANC alliance’s language of revolution that developed. He perceived the utility of such a language thus: “Workers and other poor people can be made to mouth and repeat all the heroic phrases that are supposed to give expression to the demands and aspirations of this ‘revolution’” (Alexander 2002, 6). Harold Wolpe, the then South African Communist Party theorist also demonstrates how the theory of “National Democratic Revolution” used to depict the first stage, was expedient for the ideological diversity of the ANC alliance as it avoided both the class reductionist and race reductionist mode of understanding inequalities, which sought to explain everything either by race or class (Wolpe 1988, 63–64). Its usefulness is justified in the 1960 South African Communist formulation of the analogy of the theory of “Colonialism of special type”, which depicts South Africa as consisting of “two nations”: a white nation oppressing blacks (Wolpe 1975, 23). The theory was used by the ANC alliance to justify the conception of a “de-linked” stage of the “National Democratic Revolution”. Despite its long history, Hart (2007, 32) maintains that the theory of the “National Democratic Revolution” remained “a live and influential social category” in the context of political developments in the post-apartheid period.

According to Hart (2007) the utility of the “de-linked” stage of the “National Democratic Revolution” to the ANC nationalists was to justify a focus on racial equality and in fostering national unity in the post-apartheid period. Hart highlights the importance of this discourse:
Articulations of national liberation are not just cynical manipulations from above, or manifestations of ‘exhausted nationalism’. They carry powerful moral weight and connect with specific histories, memories, and experiences of racial oppression, racialised dispossession, and struggles against apartheid (Hart, 2007, 15).

Such articulations, according to Hart, were essential as they “tap into popular understandings of freedom, justice, and liberation from oppression” and served to “bolster the ruling bloc’s hegemony project in crucially important ways” (Hart 2007, 15). Hart shows how the “articulations of the South African nation and hegemonic appropriations of nationalism by the ANC feature prominently in the making of contemporary South Africa” (Hart 2014, 35). This view recognises the place of nationalism in ANC discursive practices (for example the national question and the National Democratic Revolution). Hart argues that forms of nationalism are made and articulated as part of “de-nationalising” and “re-nationalising” processes. “De-nationalisation refers to processes and practices that globalise and restructure South Africa’s domestic political economy centered on the minerals-energy complex. “Renationalisation” refers to discursive practices and processes shaping articulations of nationalism (Hart 2014, 36). These countervailing articulations were reflected in the ANC’s promotion of the strategy of nation-building premised on notions of anti-tribalism, non-racialism and anti-colonialism as tasks of a distinct first stage while effecting Neoliberalism (Netshitenzhe 2005, 2). For the ANC this meant the “liberation of Africans in particular and black people in general, from political and economic bondage” (Turok 2005, 9).

However, the unifying impact of the ANC’s perspective seems to have co-existed with its divisive impact. The language of compromise reached between black nationalists and socialists/communist contained an inherent ambiguity as to how the first stage of national (race) liberation might lead to the second stage of socialism. Analyst Callinicos showed how due to this ambiguity, the “left” and the pro-capitalist nationalists in the ANC alliance had struggled with the relationship between national (race) liberation and socialist revolution (Callinicos 1992a, 77). For example, the “Peoples democracies”, assumed to be the outcome of the “de-linked” stage of the “National Democratic Revolution” were depicted by communists in the 1960s and 1970s as socialist-oriented societies. Paradoxically they were also understood as not yet socialist (Nabudere 1977, 276). Such incoherent descriptions confounded the “two-stage” theory, as for example, the former Soviet leader, Leonid
Brezhnev distinguished “People’s democracies” as “socialist orientated states” which were meant to embark on a “non-capitalist path of development” (Political Economy 1983, 295). This led Hudson (1986, 17–18) to conclude that the notion of “People’s democracies” as neither capitalist nor socialist was incomprehensible. Ironically, the working classes of these countries were, however, advised by communists to develop the revolution stage by stage through the path of “non-capitalist development” towards socialism (Hudson 1986, 20).

The eclectic theory of the “National Democratic Revolution” which was in vogue in post-1994 South Africa was useful in describing the first stage of racial liberation from the apartheid system. It was, however, ambiguous as is indicated by Sono (2008, 5) who argues that the theory is vague in meaning as it “is an ideological formula of imprecise formulations”. Butler shows how it was a “bone of contention” within the post-1994 ANC alliance (Butler 2005, 275). As Hart argues the “two-stage theory” is heavily implicated in the tensions connected to the ANC alliance “revolutionary” language and “has long been the focus of intense critique in the context of South African race-class debate” (Hart 2007, 47).

Thus, although the ANC’s 1995 Freedom Charter seen as the programme of the “National Democratic Revolution” unified black nationalists and communists, it also contained ideological ambiguities that made it divisive. As a coalition, the ANC consisted of free enterprise supporters and those who believed in socialism (Butler 2010, 16). For example Crush (1995, ix) shows how the Freedom Charter’s “economic/property” clauses contained a mix of black nationalist principles, Western liberal democratic ideals and European socialism. Seeking to unite all social forces, the ANC alliance “left much of the Charter to widespread interpretation” (McKinley 1997:21). For example, in the 1970s, the “left” in the ANC alliance read the clauses as advocating a working-class ownership of “the commanding heights of the economy” (Sparks 2003, 172). Consequently, this did not, however, stop Jack Simons, then leader of the South Africa Communist Party, to decry the omission of any reference to the abolition of classes as “inexcusable” (Sparks 2003, 172). These semantic disputes were by no means inconsequential as Hudson demonstrates how “they involved fundamental theoretical and strategic questions” about the ANC alliance’s model of revolution (Hudson 1986, 8). The ANC alliance analyst, Harold Wolpe argues that the interpretations of the Freedom Charter’s “economic/property” clauses “vary according to conjunctural conditions of the...
social formation at any given time” (Wolpe 1988, 63). Thus, the contradictory views on the Freedom Charter engendered contentious policy debates.

Some analysts show how although instrumental in unifying the ANC alliance the “two-stage theory” remained controversial. Callinicos reveals how in the 1980s anti-apartheid struggles, there were, for example, disagreements both within the internal ANC aligned groups and the exiled alliance organisations over the “two-stage theory” (Callinicos 1992a, 80). One view distinguished the two stages while the other saw a connection and continuity between the two stages (Callinicos 1992a, 81). Within the alliance, the ANC nationalists and the “rhetorical left” mostly located in the Communist Party differed over the two stages as to the timing and duration of the first stage. Fine and Davis (1990) also point out how the Communist Party had interpreted the “two stages with different emphasis”, affirming the “rigid separation of stages”, while some times deferring to the idea of “linked stages” in an “uninterrupted revolution” (Fine and Davis 1990, 263). Analyst Masondo shows how, for example, in the 1960s, “the struggle for national liberation was within the ANC alliance linked to socialism because the former undermined the conditions of exploitation of the black working class” (Masondo 2007, 76). The imprecise nature of the stages theory is confirmed by the conclusion that “for the ANC, the “two-stage” revolution ends with the first stage, while for the Communist Party, it means preparing for the next socialist stage” (Nash 2007, 2).

The ANC alliance analyst, Harold Wolpe is critical of the theory of “Colonialism of a special type”, the main rationalisation for the “de-linked” stage of the “National Democratic Revolution”, for what he thought was its treatment of race as autonomous and in isolation from class relations (Wolpe 1975, 18). In his 1972 article on the “cheap labour power thesis”, Wolpe applies the concept of the articulation of modes of production (the capitalist mode and the residual peasant mode) to show how the surplus value was secured by capital through the exploitation of cheap black labour power. The ethnic homelands/Bantustans peasant subsistence production existed to serve the reproduction of such cheap labour (Wolpe 1972, 33). This led Wolpe to conclude then that the struggles for race liberation and working class-led socialist revolution were interlinked and connected.

In grappling with the utility and significance of the “de-linked” stage of the “National Democratic Revolution” in ANC alliance discourse, Hart’s argument that it is “insufficient to
simply point to its analytical inconsistencies and political shortcomings” is apt (Hart 2000, 35). Hart contends that in order to grasp fully how the meanings of the theory of the “National Democratic Revolution” “have been redefined and articulated as part of the hegemonic project of the ruling bloc within the ANC” it is important to examine “how and why these meanings have become an increasingly vociferous site of struggle and contestation within the ANC Alliance and in grassroots politics” in the dawn of the twenty-first century (Hart 2007, 35). This is essential as the ambiguities in the theory of “National Democratic Revolution” had resulted in its different interpretations and re-interpretations over time. For the purpose of this thesis it is thus essential to show how in the post-apartheid period the ANC government had invoked the theory of the “National Democratic Revolution” as part of its discourse to justify the ideological complexion of the policies it had adopted.

Some analysts agree that the tensions between the “left” and nationalists within the ANC alliance resulted from disagreements over the “two-stage theory”. Symptomatic of the inherited incoherent ANC alliance discourse, one nebulous view interpreted the idea that racial liberation was the “elimination of apartheid property relations” (Turok 2005, 9). The “rhetorical left” in the ANC alliance re-articulated the theory of the “National Democratic Revolution” to highlight the limitations of formal de-racialisation, political democritisation and economic liberalisation (Butler 2005, 725). It used the theory to “reiterate the purportedly anti-capitalist character of the ANC’s historical project” (Butler 2005, 725). According to Alexander (2002), in the post-apartheid period, the theory of the “National Democratic Revolution” became “the smoke and mirrors” of the “left” in the ANC Alliance (Alexander 2002, 4). He criticises attempts to frame the class struggles “in terms of the theory of the “National Democratic Revolution” as “no more than tilting at windmills” (Alexander 2002, 5). Alexander puts it more emphatically: “For the leadership of this “National Democratic Revolution” to be an integral part of a bourgeois government while pretending to conduct a revolutionary struggle against the capitalist system is the merest political buffoonery” (Alexander 2002, 5). Alexander argues that the “misleading discourses of the “National Democratic Revolution”, would be realised by workers, the urban poor and the rural poor when it finally dawns to them “that they are being sold a dummy…” (Alexander 2002, 6). Importantly, such “revolutionary” language enabled the ANC government to use “radicalspeak” to ensure support from a range of ideological groups represented in the “broad church” while “moving right” in its economic policies.
Alexander traces the theory of the “National Democratic Revolution”, from “the dual economy, liberal-pluralist notion of “Colonialism of a special type” which, according to him was supposed “to be a paradigm within which the South African Communist Party analysed South African society” (Alexander 2002, 6). For Alexander, the theory of “Colonialism of a special type” has in reality, simply enabled socialists to abdicate “any pretensions to political leadership of the mass movement and permitted the aspiring black middle class leadership of the ANC to lead the struggle” (Alexander 2002, 6). Significantly, Alexander shows that the theory of the ‘National Democratic Revolution’ was evoked by the ANC nationalist leaders “to play a useful mediating role” of changing class relations resulting from the de-racialisation of the inherited capitalist economy favourable to dominant white capitalist interests and a few emerged black bourgeoisie (Alexander 2002, 6). Joel Netshitenzhe, a member of the ANC’s National Executive Committee, admits that the “National Democratic Revolution” could be more advantageous to the bourgeoisie, but he contends that in South Africa’s case it was “more than a bourgeois democratic revolution” (Netshitenzhe 2000, 5). This differed from the conclusion of the “left” who believed that the “National Democratic Revolution” had been hijacked by the ANC’s bourgeois class project (Hart 2007, 85).

What the review of the above documented analyses shows is that the exploration of the development of the ANC’s “revolutionary” language is essential. It enables us to grapple with how and why it is invoked in intra-alliance disagreements over the ANC government policies. It is therefore essential to show how such a language is implicated in the tensions that erupted in the post-apartheid period. It seems probable that the ambiguity of the ANC’s “revolutionary” traditions influenced the different interpretations of the “two-stage theory” and the theory of the “National Democratic Revolution” and its assumed programme, the Freedom Charter. These perspectives appear to have influenced disagreements over the ideological orientation of ANC government policies. The ideological disagreements which had been camouflaged by the development of ambiguous policy documents, now appear to have re-emerged as ideological splits within the post 1994 ANC alliance. One particular split is to be focused upon. This division arose from the governments’ depiction of the post 1994 Neo-liberal reforms, which had the likely impact of favouring a black bourgeoisie, as progress towards the goal of class liberation for all African workers. It is apparent that the use of socialist language to promote a capitalist goal did partially “succeed”; but it also had the countervailing impact of galvanizing opponents who portrayed the government of
camouflaging their self-interests by “stealing” the ANC’s ideological heritage. Thus again, a personalist factional dispute becomes a deeper ideological cleavage.

1-5 Study Design and Methodology

Discourse analysis is a term used in inter-disciplinary research to refer to the examination of the meaning of the abstract language used. “Discourses are the product of social, historical and institutional formations, and meanings are produced by these institutionalised discourses” (O’Sullivan et al 1994, 93-94). This thesis utilises “critical discourse” analysis, which is defined as more than a deconstructive reading of the text. McGregor’s (2003, 27) definition of “critical discourse” as the application of “critical thought to social situation and the unveiling of hidden (or not so hidden) politics within the socially dominant as well as other discourses (interpretations of the world, belief systems)” is of relevance to this investigation. It focuses on comprehending others’ discourse either in spoken or written words to decipher the overt and hidden meanings. Thus, words carry the power that reflects the “world-view”, values and vested interests of those who speak them. Unmasking the spoken or written words can, according to McGregor (2003, 27) be helpful in unearthing a different perspective and thus enable a deeper understanding of interests being served. This means seeking to expose the subtle meanings in ANC’s “revolutionary” language.

Furthermore, Wesemuller (2005, 15) defines “ideology-critical discourse” as a method used to analyse how ideologies impel the political behaviour of groups of people. As discourse is socially consequential, it can be useful in challenging and in justifying the status quo. In analysing the ANC alliance policy documents which are dipped in its “revolutionary” language, the investigation treats them as articulating ideological perspectives which reflect the mindsets, moral and social goals of its leadership. Such analysis enables the examination of inherent problems in the ANC alliance ideological traditions and to show how they were critical in helping to forge unity between two ideological streams and, also, in dividing them.

The data collected are summarised and organised into historical periods using major concepts and theories of the topic. They are filed chronologically into categories on issues related to sub-topics of the study. Data analysis was concurrent with data collection and notes are used
to record, for example, concepts, and meanings found in the data for further questions and interpretation. These data are cross-checked and double checked with various sources of data to ensure reliability, for example, archival data, is compared and contrasted with information from documents from different ANC allies and those of government.

1-6 Chapter Development

The first chapter outlines the conceptual framework. This is useful for investigating why and how is the modern ANC alliance torn by ideological divisions which consumed the struggle for its leadership between years 2005-2009. The chapter argues that the Mbeki-Zuma rivalry for the leadership of the ANC is a manifestation of tensions that have been brewing for a long time. Tensions from disagreements within the alliance result from its ideological traditions. Chapter 2 utilises the theoretical framework which reveals the “double edged-sword” function of ideologies to show how they can serve to unite groups and also become divisive.

Chapter 3 explores the development of the ANC “revolutionary” perspectives from the original Marxist-Leninist formulations and their revision by Stalin. Thus, the chapter traces the initial disagreement between African/black nationalists and socialists-communists. It explores how this would only be resolved through a series of attempts that culminated with the formulation of the revised “two-stage theory”. It then shows how the easing of tensions between African/black nationalists and socialists-communists was through the adoption of the “Black Republic” thesis. It is argued that this was in the form of the “de-linked” first stage of the “National Democratic Revolution” from the second stage of working class-led socialist revolution. The chapter demonstrates how this model provides an “ideological bridge” for nationalists and socialists-communists. It also demonstrates how the “linked” and “delinked” stages caused ideological divisions between early communists and black nationalists.

Chapter 4 investigates how the Freedom Charter was formulated from the collation of demands from disparate ideological interest groups constituted in the newly emerging ANC alliance. It indicates how from such a premise, the Freedom Charter contained ideological ambiguities, particularly in its “economic/property clauses”. Thus, the different ideological inferences on the strategic objectives of the “two-stage theory” seen as related to the ambiguity of the Freedom Charter's “economic/property clauses”, that make it a controversial document. Its political impact in unifying communists and black nationalists during the
liberation struggle is juxtaposed to its divisiveness in the post-apartheid period. It is further demonstrated how in the post-liberation transition, black nationalists and socialists read the “economic/property clauses” differently in seeking to further factional ideological interests.

Chapter 5 describes how in recent times, factional divisions within the ANC alliance are manifested in the existence of two different interpretations of the inherently ambiguous theory of the “National Democratic Revolution”, a term used by the alliance to characterise the post-1994 transition. It focuses on the fractious debate between black nationalists and the “left” within the ANC alliance over the meaning and the implications of the theory of the “National Democratic Revolution” for post-apartheid South Africa.

Chapter 6 demonstrates how factional divisions were evident in the intra-alliance disagreements over the ideological content of ANC government policies. It explores how the ANC governments’ adoption of a Neo-liberal macro-economic framework, a shift from its earlier Keynesian-reformist traditions caused tensions with its left allies. Furthermore this chapter shows how the conflation of different ideological frameworks in the ANC government policies inserted ambiguities in its policy perspectives. Finally, it is contended that these ambiguities permitted the ANC government leaders to use a leftist discourse extracted from its earlier ideological traditions to justify its Neo-liberal pro-market policies.

Chapter 7 describes the nature of the intra-ANC alliance divisions that emerged over the ANC government policies such as the RDP, the GEAR and “Black Economic Empowerment”. The chapter reveals how despite the revision of the policy of “Black Economic Empowerment” to “Broad-Based Black Economic Empowerment”, only the corporate black bourgeoisie stood to gain more than any other black social class. Chapter 8 presents findings and draws conclusion based on the investigation and the analyses made.

1-7 Summary

This chapter introduces the main argument of the topic being investigated. It shows how the personalist view premised on the “big man” dispute emerged within the context of the existing deeper ideological divisions within the ANC alliance. This is an investigation of the
ideological disagreements that have rocked the once united ruling ANC alliance in the postliberation period that in turn precipitated President Thabo Mbeki’s downfall from political power. From reviewing documented analyses, the chapter’s tentative assumptions points to one of the causes of the divisions as arising from the inherited ideological cleavages within the ANC alliance between those whose discourse articulated the rhetoric of class emancipation, and those who focused solely on racial liberation. The chapter highlights how this has implications for the intra-alliance differences on the interpretation of the ambiguous “National Democratic Revolution” theory used to describe the post-1994 transition. It is assumed that these disagreements had ideological significance for the intra-alliance disagreements over the ideological content of government policies. Within this context, the next chapter charts a theoretical framework on the meaning and functions of ideology appropriate for the excavation of the causes of the ideological tensions within the ruling ANC alliance in South Africa in the post-apartheid period.
CHAPTER TWO

THE UNIFYING AND DIVISIVE FUNCTIONS OF IDEOLOGY AND THEIR SIGNIFICANCE TO THE ANC’S IDEOLOGICAL DEVELOPMENT

2-1 Introduction

This chapter distinguishes three broad alternative understandings of ideology advanced by analysts. Ideology is conventionally defined as the articulation of a public mindset consisting of an integrated and coherent system of symbols, values, and beliefs used to unify groups (Freeden 2006, 29). The thesis utilises threefold views of ideology to analyse the causes of recent tensions within the ANC-led alliance. The first one is the patrimonial patron-client perspective which depicts ideology as a camouflage/trick. The second view portrays ideology as a set of values and beliefs which guide and cause action. A third approach sees ideology as the articulation of class interests. (Abercrombie and Turner 1978, 150). The three views of ideology reflect its alternative utility for groups and individuals to rationalise own interests.

The three alternative interpretations of ideology are used to analyse the data extracted from ANC alliance policy documents. The study contends that policy documents being researched cannot be simply dismissed as a futile public relations exercise as they contain the liberation mindset, values and beliefs of the formerly oppressed. Furthermore, their language reflect the ideological mindsets of the ANC alliance elite, mostly nationalists-communists who were schooled in its theoretical traditions. Thus, it is in this context that the ANC alliance ideological perspectives are examined in post-apartheid government policy debates.

The three perspectives adopted can help to illuminate the shift between three functions of ideology in ANC alliance traditions. Of main interest to this investigation is why the once formidable ANC alliance, which was unified during decades of struggle for liberation from the apartheid system ruptured over the ideological framework of government policies. However, the post-1994 ANC alliance is riddled by factional division. This warrants an examination of the causes of tensions. The alternative interpretations of ideology are used to shed light on what caused the paradigm shift in ANC alliance perspectives. The three
perspectives of ideology can be utilised to explain how the once unifying liberation language fomented ideological divisions in the post-liberation ANC alliance.

2-2 The Functions of Ideology and their Utility in ANC Policy Documents

The first perspective of ideology is the “personalist” approach, the “Big Man” theory, which attributes the intra-ANC alliance tensions to the struggle for power between two powerful leaders (Utas 2012, 5). This patrimonial approach is premised on the patron-client relationships as the main causes of tensions within the alliance. Thus, the leadership conflict within the ANC alliance is in terms of this approach explained as the clash of two political personalities represented by the former President Thabo Mbeki and his then deputy, Jacob Zuma. This view identifies the struggle of “political egos” of the two powerful men vying for leadership of the ANC and control of the state to dispense patronage to supporters as the overriding motive. This approach privileges the idea of a dominant leader on the basis of the patrimonial principle (Gill 1989, 288-290). Although, the “personalist” view isolates the individual from the context, it helps to see how ideology and the leader cult are intertwined to sustain and reinforce the existence of the patrimonial structure of power (Gill 1989, 288-290).

The second approach of ideology discernible in the literature is the view that it is the articulation of a mindset. This understanding of ideology depicts it as a “world view”, which is applied to simplify existing complex socio-economic and political conditions and how to maintain or change them. In terms of this approach, ideology is perceived as a tool of public articulation of a mindset, which is transmitted widely (but not unanimously) (Mullins 1972, 500). In this instance, ideology as a belief system, enunciates concepts and ideas to explain socio-economic and political problems and to proffer solutions for its adherents. Ideology not only diagnoses societal problems, prescribes solutions thereof, but it also articulates a “moral code” for its present and future adherents. The internal properties of an ideology mirror the complexity of its varied understandings and functions.

Ideology as an “idea-complex” incorporates consciously or unconsciously held values, understandings, interpretations, myths, and preferences about the proper order of society and how to achieve it (Freeden 1996, 16). It aims to crystallise and communicate widely shared beliefs, opinions, and values of an identifiable group, class, constituency, or society (Freeden
2001, Knight 2006). As a “publicly articulated mindset”, ideology offers elementary diagnoses–prescription based on a particular world view to convince individuals and or disparate groups who are otherwise uncertain. Consequently, ideology is imbued with a “grammar of prescription” but not in the literal sense of a linguistic set of rules (Freeden 2001, 35). Thus, the study of ideology is fundamentally concerned with the use of language (Thompson 1984, 35). The ANC alliance policy documents are records of its perspectives.

The “diagnostic-prescriptive” view of ideology interprets it as originating from the lived experiences of its subjects garnered from the existing socio-economic and political conditions, to change ideas and the consciousness of believers (Freeden 1996, 16). In an ideology, political concepts are located “within a pattern of ideas concerning the understanding and shaping-through of the political world” (Freeden 1996, 51). It enables the interpretation of the social world, and normatively specifies the “good and proper ways” of solving social problems (Freeden 1996, 50). Ideology “mixes together factual description and the analysis of situations with moral prescriptions about what is right and good and technical considerations of prudence and efficiency” (Thompson 1984, 35). The latter attributes of ideology are characteristic of its utility as an “interpretative language”. As group cultivated “shared framework or mental model”, ideology motivates its followers “to contest political arrangements and processes” of society (Jost, Federico and Napier 2009, 309).

Fundamentally, ideology is used to motivate and mobilise its followers into action for the realisation of cherished goals. In mobilising social groups, ideologies link self-interests to moral values and dictate to those who believe in them “whatever general cultural values (freedom, equality, justice, etc.) are relevant for the group [groups]” in the struggle for hegemony (van Dijk 2006, 117). The shared language and practices of a particular ideology facilitate the integration of disparate interests into groups. Thus, ideology unites various groups to form ideological communities which strive to change society in accordance with their vision (van Dijk 2006, 117-118). The “interpretative language” of an ideology can be so influential that despite disagreements about goals and strategies, its followers may still use its group-specific language to argue their viewpoint. Thus, an ideology is not only “abstract thought-exercises” but it also refers to “observable facts and to concrete social practices in the external world” (Freeden 1996, 51). Its basic role is to provide a political “moral code” and a gauge for individual and the collective action to strive for the proper order of society and how
to achieve it (Erikson and Tedin 2003, 64). The role of the “moral code” of ideology is to inculcate core beliefs, moral values as well cultural values among its adherents.

The third alternative understanding of ideology is one that portrays it as a camouflage for elite self-interest. To conceal the real material factors, ideology inculcates a “false consciousness” by indoctrinating its adherents with its “world view”. This perspective is premised on the Marxist belief that ideology functions to change consciousness by subjecting the subordinated classes to it as the “dominant social class determines consciousness” (Abercrombie and Turner 1978, 154). Marx and Engels saw ideology as a form of illusion or mystification, which served to maintain exploitative class relations. In the Marxist view, the economic base determines the superstructure of society. Property relations were seen as pivotal. Thus, to Marxists, “each mode of production has a dominant class which generates a dominant ideology” (Abercrombie and Turner 1978, 160). Ideology is seen as masking elite interests, thus concealing deeper realities of existing social, economic and political conditions. Such a view depicts ideology as a tool used by the elite to rationalise and to legitimate its class interests (Van Dijk 2006, 117).

The Marxist theory, explains the hegemony of ruling class ideas consequent to the ideological subordination of the working class. In terms of the materialist perspective, “the ruling ideas in every epoch are those of the ruling class, i.e. the class which is the ruling material force of society, is at the same time its ruling intellectual force” (Abercrombie and Turner 1978, 165). In his exposition of the mystifying role of the ideology of the ruling class, Habermas characterised “dominant” ideology as a form of “systematically distorted communication” (Habermas 1989, 31). In this way, the role of ideology is reflected in how it is used to promote and camouflaging ruling class interests. Particular social interests articulating competing socioeconomic and political views are for the purpose of this thesis classified as conflicting “ideological interests”. These “ideological interests” compete for support amongst those they can convince to become the dominant ideas. This approach is premised on Ernesto Laclau’s Neo-Marxist historical materialist theory of ideology. Laclau perceives the function of ideology as being to constitute or “interpellate” individuals as its subjects (Laclau 1977, 99–101). Laclau explained ideology as a discourse made up of messages,
opinions, statements, texts and images which interpellate people in sets of beliefs, values and norms (Laclau 1977, 99–101). Ideology is thus useful in mystifying existing class relations.

Fanon’s analysis of the post-colonial party, leader, state and economy, which shows how the nationalist leaders he characterised as the “national middle class” who “fight for democracy against the oppression”, adopt “neo-liberal universalism …as claim to nationhood” is relevant (Fanon 1967, 119). Fanon described the policies of the post-colonial nationalist leadership as reflecting “essentially the same interests as those of the metropolitan bourgeoisie”. (Fanon 1967, 141). For Fanon the nationalist leadership who led the struggle for independence “is two-faced by its very nature, gravitating towards democracy and working class and peasant interests, but at the same time gravitating towards international bourgeoisie class interests which oppress and exploit the people” (Fanon 1967, 172). He concludes that “most of them have become part and parcel of the oppressive system, and their material gains bind them to the exploitative metropolitan bourgeoisie” (Fanon 1967, 172). This theoretical context is useful for analysing how the ANC post-apartheid governments adopted Neoliberal policies.

Thus, Thompson (1984, 4) depicts two “fundamentally differing ways” in which ideology is used by analysts. The first usage of ideology describes it as a “systems of thought”/ “systems of belief” of “symbolic practices which pertains to social action or political projects” (Thompson, 1984, 4). Thompsons articulates the second view as the “critical conception of ideology” (Thompson 1984, 4). As opposed to the first descriptive usage of term, Thompson argues for the “critical conception of ideology” which focuses on investigating ways in which meaning (signification) serves to sustain relations of domination (Thompson 1984, 4). For Thompson ideology is thus “essentially linked to the process of sustaining asymmetrical relations of power”- that is the process of the maintaining class domination (Thompson 1984, 4). This usage of ideology is echoed by what some analysts describe as “structures of domination” (Geering 1997, 971–972). As “structure of domination”, ideology,

   bolsters stable institutional arrangements by explaining, justifying, and prompting support for a particular stratification system whose failure or demise will lead to the disintegration of a particular pattern of control (Wilson 1992, 1).

The view of ideology as bolstering “structures of domination” depicts its function as the legitimisation of the existing order or what is described as “systems-justification” (Jost,
Federico and Napier 2009, 311). However, ideology can also agitate for the failure of a stratified system that is justified and supported by given institutional arrangements leading to the disintegration of control (Wilson 1992, 2). The collapse of control results when the marginalised appropriate the existing “ideological traditions” of the “interpretative language” to use them subversively against patterns of control and domination. These “ideological traditions” are contained in the “interpretative language” of particular groups which are used to legitimise courses of political action in competition with the “structures of domination”. This thesis adopts the three alternatives views of ideology as they are useful in the investigation of how the ideology united and divided the ANC alliance in the different historical periods being examined.

Thus, ideologies potentially have unifying functions when ambiguous ideals bring different groups together. Ideologies also have divisive functions when competing self-interests are clothed in ideological language. As will be shown in this thesis the “revolutionary” language of the ANC alliance initially has a unifying function, but shifts to a divisive function when one group begins to use ideology as the manipulative clothing for class self-interest, and is perceived as doing so by the other group, who use the same ideology to articulate a conflicting mindset. The alternative meanings of ideology are helpful in highlighting its alternative functions which this thesis adopts as its analytical framework.

Using the framework of the alternative interpretations of ideology to unite and divide groups, this thesis seeks to show that there were marked shifts in the development of ANC alliance perspectives. The contradictory ideological perspectives in ANC policy documents reflect a shift in its character in two broad different historical periods. During decades of struggle for black national liberation, for example, the ANC alliance ideology functioned to mobilise and unify black mass resistance against the apartheid system. However, in the post-1994 transition, the ANC alliance used its “revolutionary” language to rationalise the new order. In this instance ideology was used by government to justify its adoption of policies that were favourable to dominant white capitalist and the emergent black bourgeoisie.

When an ideology ceases to be a shared “belief-system” for its adherents, a fissure emerges as experienced by the ANC alliance in post-apartheid South Africa. The tensions resulting from the inherent contestability of ideologies may cause disagreements amongst adherents “as
catalysts to support or contest political arrangements and processes” (Freeden 1996, 16). Divisions within an “ideological community” ensues when one faction appropriates the “interpretive” language” to assert own interests. An alternative vision is then advanced which, “unlike the existing system, is held to repose on legitimate foundation” (Dahl 1976, 63). The marginalised faction may use its ideological view to legitimise its cause in competition with the dominant one. When the struggle for the correct interpretation within the “ideological community” ensues, faction fights escalate into a battle for the “ownership of the ideology”. This also explains how “the revolutionary ideology of one period becomes the reigning ideology of the next” (Dahl 1976, 64). The divisiveness of ideologies is inherent in articulating the discourse of resistance to existing power relations (Van Dijk 2006, 117).

The alteration of relationships between concepts in any ideology is the result of “changes over time in the morphological relations within an ideological structure” (Freeden 2006, 16). The diverse values, concepts and interpretations intrinsic to the morphological structure of ideologies indicate their inbuilt contestability. The dynamism of the morphological structure of an ideology results from the inherent ambiguities, which are a positive advantage, precisely because they allow contestability and (re)interpretation (Dahl 1976, 63). Ambiguities, incoherencies and contradictions can be identified in the morphological structure and relations of concepts of an ideology. These factors constitute the driving forces in the “interpretative language” language, one of the main perspectives of ideology.

Firstly, the thesis contends that the ambiguities in the ANC alliance ideological policy documents were used to unite those who sought priority for class liberation, with those who sought priority for race liberation, and to mobilise mass support for both tendencies. Policy documents were used by the alliance leadership as ways of unifying different groups with different interests and goals. They articulate a “moral code”, and a diagnosis–prescription formulation, around which all can rally. To achieve this, the policy documents are inherently ambiguous. This is necessary in order to cover up the inconsistencies and contradictions of its language. These ideological/policy documents conform to the process in which they are “produced and reproduced in societies through forms of text and talk of social actors as group members” (van Dijk 1995, 243). Secondly, the ANC alliance contains different factions, each with competing interests. Each faction camouflages its factional interests by using ideology to give moral justification to interests. This has led to a deepening of interest rivalries into
ideological conflicts. Thus, the ambiguities and inconsistencies in policy documents have provided ideological ammunition for this deepening disunity within the ANC alliance.

The factional disagreements over the interpretation of the ideological heritage bequeathed to the ANC alliance through its policy documents is at the heart of its post-apartheid discourse that contributed to tensions, divisions and splits. This is because ideology/policy documents are amenable to alternative interpretations by ANC alliance factions: in articulating the moral vision and ideals of a group of activists; in providing moral justification for the material self-interests of a group of activists, or to camouflage particular group self-interests as moral ideals. This is possible because ideology is capable of bending and hosting a number of variations on each of its concepts without collapsing its basic interpretive framework, thus eliciting wide support among different interests. This explains the existence of ambiguities and incoherencies in the internal structure of an ideology (Freeden 1996, 82).

These ambiguities and incoherencies may be accentuated by propaganda using imagery and metaphors intrinsic to the language of ideologies, which is designed to help members of the ideological group to logically grasp experienced or unfolding events (Mullins 1972, 506). The existence of these ambiguities influences the co-existence of equivocal interpretations of the ideological traditions within groups. In mobilising a mass following, ideologies provide the ideal normative language which functions as the discourse of rebellion—opposition against a dominant power structure—by appealing to subordinate groups. In the process, ideology colours how institutions use the policy making tools available to them. Thus, ideology shapes institutions and guides policy. It frames how governments interpret existing socio-economic and political problems and in formulating solutions to address them. The three view of ideology enable inquiry into, and analysis of, the effects of the “de-linked” stages model of “two-stage theory” in unifying black nationalists and socialists/communists as well as with its role in sparking the post-1994 intra-ANC alliance tensions.

2-3 The Relevance of the Analytical Framework for this Study

The three alternative perspectives of ideology are used to analyse the ANC alliance mindset both during the apartheid years and in the post-apartheid era. The research examines the divergence of key ideological policy formulations in these different historical periods and
political contexts. What will be shown is how the “left” within the ANC alliance used ideology as a genuine mindset of liberation to mobilise the oppressed to defeat the apartheid system. This theoretical framework also helps to understand why the ANC’s ideological trajectory stipulating the “de-linked” stage of the “National Democratic Revolution” became a major source of disagreement between the black nationalists and communists. Such a framework, based on the dual functions of ideology, is essential in seeking to understand how the ANC alliance developed its “two-stage theory”. This is extended to the examination of the different models of “two-stage theory” and how they impacted on the (re-)interpretation of the theory of the “National Democratic Revolution” (and its assumed programme—The Freedom Charter) as a “de-linked” stage to justify its rule. It is also appropriate for analysing how the ANC used its traditional language to justify its government’s adoption of a Neoliberal policy framework and granting support to the emergent black corporate bourgeois.

A recurring pattern of ideological ambiguities, contradictions and incoherencies is evident in various ANC alliance documents. In this regard the ANC alliance’s policy documents contain ideological prescriptions on how the then race and class domination was to be resolved. This language is discernible in ANC alliance ideology/policy documents beginning with the 1928 “Native Republic Thesis”, through to the 1950 and the 1962 South African Communist Party Programmes; and the 1955 Freedom Charter; the ANC’s 1969 Strategy and Tactics document; and the ANC-led alliance 1979 Green book. The language of ideological prescriptions continues throughout the transition period with the government’s 1994 Reconstruction and Development Programme; the 1994 Reconstruction and Development White Paper; the government’s 1996 Growth and Employment and Redistribution policy document; and the 2001 South Africa’s Economic Transformation: A Strategy for Broad-Based Black Economic Empowerment document. The latter document was made concrete in the Black Economic Empowerment Act, 2003 (RSA, 2003).

2-4 Summary

This chapter examines the three interpretations of ideology and their dual impact in unifying and in dividing a group or groups. The three interpretations of ideology are helpful in investigating how the inherited ideological ambiguities in the ANC alliance’s “revolutionary”
language were useful in uniting into a powerful organisation to resist the apartheid state. In equal measure, in the subsequent post-apartheid period, the ANC alliance’s “revolutionary” language proved to be contentious thus divisive when evoked during government policy-making. Hence the on-going factional struggles in the post-1994 period between nationalist and left factions within the ANC alliance for the control of its “ideological soul”.

The next chapter charts the development of the ANC alliance’s ideological perspective on the struggle for African/black people for national liberation from Apartheid oppression. The development of the ANC alliance’s theory of revolution is traced from the compromise between contradictory ideological forces: African/black nationalist and socialists/communists whose modus operandi is the ’de-linked “two-stage theory” model of revolution. Although it served as an expedient tool in effecting a front for broad mass mobilisation to defeat the apartheid state, it was divisive in the post-apartheid period as ideological divisions emerged.
CHAPTER THREE

THE DEVELOPMENT OF THE ANC ALLIANCE’S “TWO STAGE THEORY”

3-1 Introduction

The purpose of this chapter is to investigate how the pre-1950 divergent perspectives on race and class liberation between black nationalists and communists in South Africa were bridged. Its aim is to examine how different formulations on black national liberation and working class-led socialist revolution were reconciled between these two ideological tendencies. The purpose and focus of the chapter is on highlighting how the prospects of an alliance between Communist Party and ANC depended to a significant extent on how they each formulated their goals and in particular on which formulation of the “two-stage” theory they espoused.

The chapter covers the period from the early 20th century to the early 1950s. It explores how in the pre-1930 period, divisions arose between socialists/communists and African/black nationalists over whether to prioritise the struggle for (race) black freedom or the working class led socialist (class) revolution. The chapter explains how several attempts were made by the Communist Party of South Africa to submerge differences between itself and the African/black nationalists. How such attempts later succeeded with the adoption of the “two-stage theory” that “de-linked” the two goals of black (racial) liberation and proletarian (class) revolution by South African communists is explored. It is demonstrated how ideological tensions eased leading to collaboration between black nationalists, unionists and communists resulting in the formation of the alliance and the formulation of the Freedom Charter in the mid-1950s. To decipher the overt and hidden meanings in the ANC alliance’s “revolutionary” language, the “critical discourse” analysis outlined in chapter two of this thesis is adopted.

The chapter examines how the theory of the “National Democratic Revolution” was developed to distinguish it as the first stage of racial liberation of the oppressed African/black masses which was to be followed by the second separate stage of working class-led socialist revolution. The chapter shows how the “delinked” stages version differs from the original communist model of a “continuous revolution” between the first and stages to culminate with a proletarian revolution. Thus, to grasp the ANC alliance’s revised “de-linked” stages view,
the model is traced to earlier Communist formulations of race liberation and working class led socialist revolution.

Crucially, this chapter reveals how different interpretations of the revised “two-stage theory”, can be drawn from the study of ANC alliance documents. These formulations are played out into the following models, for example, (I) two simultaneous revolutions (ii) race liberation generating and merging into class liberation (iii) class liberation generating and merging into race liberation (iv) two distinct and separate stages—first race liberation, then class liberation. The chapter shows how it was the latter formulation which eventually triumphed, It is contended, however, that the expediency of this formulation rests on its two inherent problems: (a) that the two separate stages formulation might be adopted by non-socialists who wanted to indefinitely postpone the second class liberation stage-and merely use the idea of a socialist goal as ‘trick’ to gain the support of socialists; (b) that the two stages would each need different kinds of leadership groups-the unresolved problem of how to change from the bourgeois “national democratic” leadership on race liberation to a socialist leadership on class liberation. Fundamentally, although the ambiguities arising out of race liberation and working class revolution perspectives were crucial in helping mobilise the ANC alliance against the apartheid state, it is contended that they became focal points for disunity. The examination of the historical development of the four models of the “two-stage theory” is thus essential in seeking to grapple with how its inherent ambiguities, incoherencies and resultant contradictions, caused disagreements and tensions within the ANC alliance.

3-2 The Genesis of the “Two-Stage Theory” from Marx and Engels to Stalin

The “two-stage theory” of revolution was originally formulated in Marx’s writings after the 1848–1849 revolutions in Europe (Marx and Engels 1848, 165). In his communist revolution thesis, Marx saw the first stage of the “bourgeois democratic” revolution as an incomplete process for the working class. He thus called upon the working class to pursue its class interests in a socialist revolution through a process of what he described as the “revolution in permanence” (Marx and Engels 1848, 165). The idea of “Revolution in permanence” meant an uninterrupted progression from the “bourgeois-democratic revolution” stage to the working class-led socialist revolution stage. Thus, for Marx, the revolution was continuous.
from the first stage to the second stage. Marx developed this concept in his 1848 document to the central committee of the Communist League in which he exhorted German workers to wage a working class revolution against the bourgeois dominated capitalist system using the slogan of “Revolution in permanence” (Marx and Engels 1848, 165).

Using a materialist perspective to analyse social historical development, Marx and Engels saw class conflict as fundamental to social change: “the class struggle is the motor of human history” (Slovo 1990a, 15). They thus identified the distinct feature of modern Western capitalist systems as characterised by two classes directly opposed to each other—the bourgeoisie and proletariat (Marx and Engels 1848, Chapter 1). In terms of their theory, the bourgeoisie became a new ruling class in the emergent capitalist societies of Western Europe following the disintegration of the feudal order. Marx believed that out of the contradictions of the capitalist system, the bourgeoisie, who were their own “grave-diggers”, would inevitably be overthrown by the industrial proletariat who, acting independently as a class for itself, would lead the socialist revolution (Marx and Engels 1848, Chapter 1).

Significantly, Marx and Engels did not adopt a dogmatic interpretation that uses a strict schema for the separation of the two stages’ of revolution. They maintained the analytical distinction between the two stages, but also drew a close link between them. For example, in 1850 Marx and Engels advised the proletariat not to be seduced by the hypocritical phrases of the “democratic bourgeoisie” into refraining from building their own independent party. The battle cry was to be “the revolution of permanence” (Marx and Engels 1850, 3). They argued that the working class could advance from the “bourgeois democratic revolution” to the socialist stage. Since its adoption internationally as a theory of revolution, it has been variously interpreted by analysts, including those who espoused it within the ANC alliance (Slovo 1976, 5; Mzala 1988, 52; Wolpe 1988, 60–61; Burawoy 1981, 295).

The idea of “de-linked” “two stages” of revolution: the “bourgeois democratic revolution” stage and socialist stage, emerged in pre-revolutionary Russia. This model is ascribed to Plekhanov, reputed to be the father of the Russian Social Democracy. Plekhanov argued that Russia had to evolve along capitalist lines as a prelude to the socialist revolution (Chubarov 1999, 103-104). In 1903, the only Russian leftist party, the Russian Social Democratic Labour Party had split into two camps: the Mensheviks and Bolsheviks over several
organisational questions that are beyond the scope of this thesis. The Mensheviks had adopted Plekhanov’s view that the workers in alliance with the bourgeoisie had first to “fight for a democratic republic before they could struggle for socialism” (Martorell 2002, 2). This model “de-linked” the “bourgeois-democratic revolution” stage from the socialist one to become distinct stages.

Initially, Lenin had similarly interpreted the “two-stage theory” as composed of distinct stages. In his document entitled, “The Two Tactics”, Lenin analysed the struggle against pre-1917 Czarist oppression by distinguishing the two stages thus:

The absence of unity on questions of socialism and in the struggle for socialism does preclude singleness of will for a republic. To forget this would be tantamount to forgetting the logical and historical difference between a democratic revolution and a socialist revolution. To forget this would be tantamount to forgetting the character of the democratic revolution as one of whole people: if it is “of the whole people” that means that there is “singleness of will” precisely in so far as this revolution meets the needs and requirements of the whole people. The time will come when the struggle against Russian autocracy will end, and the period of democratic revolution will have passed in Russia; it will then be ridiculous even to speak of “singleness of will” of will of the proletariat and the peasantry, about democratic dictatorship, etc. When that time comes we shall deal directly with the question of the socialist dictatorship of the proletariat. At present the party of the advanced class cannot but strive most energetically for the democratic revolution (Lenin 1905a, 23).

In the above statement Lenin postulated the separation of the “National Democratic Revolution” against Czarist rule from that of the socialist stage characterised by the dictatorship of the proletariat and peasantry. For Lenin the “bourgeoisie democratic revolution” was more important before the second stage of the socialist revolution. Despite holding steadfast to his belief on the inevitability of the second stage of “socialist dictatorship of the proletariat”, Lenin was, however, uncertain as to when the movement between the stages would occur. In rebutting his critics on the policy of the primacy of the “National Democratic Revolution”, Lenin argued that “we are not putting off [the socialist revolution] but are taking the first steps towards it in the only possible way, along with the correct path of a democratic republic (Lenin 1915). Thus, Lenin’s pre-1917 interpretation of the “two-stage theory” was similar to that of Plekhanov and the Mensheviks.
The outbreak of the 1905 Russian Revolution would change Lenin’s view that the two stages were separate and distinct. Lenin, the chief Bolshevik ideologue then criticised the Mensheviks as reformist opportunists for uncritically adopting “the point of view of bourgeois democracy”, thereby “blunting “the weapon of class struggle of the proletariat” (Lenin 1905a, 119). Instead, Lenin pointed out the over-riding importance of revolution, not mere reform for the working class and supported by the peasantry:

It is more advantageous to the working class for the necessary changes in the direction of bourgeois democracy to take place by way of revolution and not by way of reform, because they way of reform is one of delay, procrastination, the painfully slow decomposition of the putrid parts of national organism. It is the proletariat and the peasantry that suffer first of all and most of all from that putrefaction (Lenin 1905a, 130).

Lenin viewed the leadership of the working class and the peasantry as critical for continuity between the two stages. Although accepting the distinctions between bourgeois and socialist revolutions, Lenin had dispelled the notion of a strict division of the two stages thus:

We all categorise bourgeois revolution and socialist revolution, we all insist on the absolute necessity of strictly distinguishing between them. However, can it be denied that in the course of history individual particular elements of the two revolutions become interwoven? (Lenin 1920, 148).

Lenin’s rhetorical question mirrored Marx and Engels theory of “revolution of permanence”. Lenin emphasised its continuous nature. Thus, Lenin asserted that there was no contradiction between the struggle for socialism and democracy:

The proletariat cannot be victorious except through democracy, i.e. by giving full effect to democracy and by linking each step of its struggle for democratic demands formulated in the most resolute terms. It is absurd to contra pose the socialist revolution and the revolutionary struggle against capitalism to a single problem of democracy, in this case, the national question. We must combine the revolutionary struggle against capitalism with a revolutionary programme and tactics on all demands: a republic, a militia, the popular elections of officials, equal rights for women, and the self-determination of nations (Lenin 1915, 408).

Expanding his view on “linked” stages, Lenin argued for the combination of the struggles against political oppression and capitalism thus: “We shall not stop half way, we shall bend every effort, in order thereby to make it easier, to pass on as quickly as possible to the new
and higher task — the socialist revolution” (Lenin 1905b, 150). In his address to the March, 1919, Eighth Congress of the Bolshevik Party, Lenin asserted that the Russian revolution had passed through two stages. The first stage (from November 1917 until June–July 1918) was the “bourgeois democratic revolution”, followed by the socialist revolution (July to November 1918). Lenin further explained his two “linked” stages model of revolution thus:

In October 1917 we seized power together with the peasants as a whole. This was a bourgeois revolution, in as much as the class struggle in the rural districts had not yet developed. As I have said, the real proletarian revolution in the rural districts began only in the summer of 1918. Had we not succeeded in stirring up this revolution our work would have been incomplete. The first stage was the seizure of power in the cities and the establishment of the Soviet form of government. The second stage was one which is fundamental for all socialists and without which socialists are not socialists, namely, to single out the proletarian and semi-proletarian elements in the rural districts and to ally them to the proletariat in order to wage the struggle against the bourgeoisie in the countryside. This stage is also in the main completed (Lenin 1920, 144).

In this quotation, Lenin depicted the two “separate” stages of the Russian revolution marked by the seizure of political power by the urban proletariat through the establishment of soviets in the cities. Lenin explained how the latter stage was followed by the second stage of the alliance of the urban proletariat and rural semi-proletarian to wage class struggle against the bourgeois. He recorded a continuous progression of the revolution from the first stage that led to the overthrow of Czarist rule in Russia, March 1917, which was followed by the second stage of the October socialist revolution led by the Bolsheviks. Lenin’s “two-stage” model did not entail the postponement of the second stage of revolution to an indeterminate period after the achievement of the strategic tasks of the first stage of the “National Democratic Revolution”. To Lenin, the first stage was not an end itself, but was connected to the socialist revolution, which he deduced as the essence of being a socialist (Lenin 1920, 150). Lenin advocated an alliance of the proletariat with the peasantry to pursue one continuous revolution that connects the strategic objectives of both stages. His theory was consistent with the views of Marx and Engels on the first stage of the revolution in which the working class waged the battle for democracy as part of the proletarian revolution. Having achieved political supremacy, the proletariat were expected to centralise ownership of all instruments of production in the hands of the workers’ state.
This was a departure from the Mensheviks, who had rigidly separated the bourgeois-led democratic revolution and the working class-led socialist revolution stages. Lenin concurred with Leon Trotsky’s theory of the “Permanent Revolution”, which held that “the bourgeois revolution will pass directly into a socialist revolution” by “growing into and not skipping over” it (Trotsky 1931, 31–32). For Trotsky it was “nonsense to say that the stages cannot be skipped”, as he noted that “the living process always makes leaps over isolated stages possible” (Trotsky 1931, 32). He perceived the first stage of the “bourgeois democratic revolution” as immediately growing over into the socialist revolution and thereby becoming a “permanent revolution” (Trotsky 1931, 33). Marx and Engels models, as well as Lenin and Trotsky’s stages model are, therefore, more nuanced than the revised “de-linked” view, introduced during Stalin’s era. To Lenin, “the only policy that was revolutionary and Marxist” with regards to the formerly colonised countries (Lenin 1920, 143) was,

...the need for determined struggle against attempts to give a communist colouring to the bourgeois–democratic liberation trends in backward countries; the Communist International should support bourgeois democratic national movements in colonial and backward countries only on condition that, in these countries, the elements of future proletarian parties, which will be communist only in name, are brought together to understand their special tasks, i.e., those of the struggle against the bourgeois democratic movements within their own countries (Lenin 1920, 144).

Thus, Lenin’s call for support of the “bourgeois democratic” national movements was, however, qualified with the condition that the proletariat parties in colonised countries continue their special tasks of struggling against such bourgeois national movements. Addressing the Second Communist International Congress in Moscow from the July 23 to August 7, 1920, Lenin argued that it was no longer correct to assume that the development of a capitalist economy was inevitable in backward countries liberating themselves from colonial rule, as they could obviate the capitalist stage (Lenin, 1920, 150).

On assuming control of Soviet state power, Joseph Stalin revised the Marxist-Leninist theory of independent working class continuous revolution, by reverting to the Menshevik two “deinked” stages theory that was accommodative of the bourgeoisie class aspirations. On the question of national (racial) liberation from colonial oppression, Stalin in his essays published under the title “Marxism and the Colonial Question”, revised the Marxist-Leninist “uninterrupted” revolution model. In propounding his “de-linked” stages version of the “two-
stage theory”, Stalin advocated that the class-conscious workers and peasants enter into a united front with the national bourgeoisie fight against imperialism for a democratic republic before they could begin the struggle for socialism (Stalin 1925, 107). This view was based on a belief that to achieve the “first stage” of the “National Democratic Revolution” the tasks were primarily (or, solely) national and democratic (Stalin 1926, 110). In this way, to achieve their strategic tasks, workers and peasants, therefore, needed to form an alliance with the bourgeois elements. The influence of this model and its other variants on the ANC alliance perspectives was mirrored in developments amongst socialists during the First World War.

3-3 The Original Ideological Split between Socialists and Nationalists in South Africa

Early black nationalists in South Africa articulated liberal reformism while socialists advocated socialist revolution through the class struggle of the working-class. The two ideological strands proffered different diagnoses and prescriptions on solutions to race oppression and class domination. Both ideological formulations influenced the interpretations of the Communist formulated “two-stage theory” to emerge within the ANC alliance.

Early South African socialists had prioritised working class struggle as a solution to race oppression and class exploitation. On September 10, 1915, the International League of the South African Labour Party was established. South African socialists propagated “the principles of International Socialism and anti-militarism” and promoted “International Socialist unity and activity” (SACP 1981a, 14). However on September 24, 1915, the International Socialist League, led by Sydney Bunting, Ivon Jones and W.H. Andrews was formed (Hirson 1989, 51). The latter socialist movement had split from the International Socialist League of the South African Labour Party, which had reneged on the 1915 Stuttgart and Basle International Socialist Conferences’ resolutions, which were against Communist/socialist support for the imperialist First World War (SACP 1981a, 14).

The International Socialist League adhered to the notion of “derivative [colonial] emancipation”. This was a view that racial liberation from colonial oppression could only be realised through awakening and inspiring native workers to grapple with their responsibility. The derived colonial emancipation was regarded as part and parcel of the world proletarian
To this end, white workers were to be encouraged to educate and organise black workers to fight for a socialist revolution in South Africa (SACP, 1981b, 38). The International Socialist League had argued that a working class-led socialist revolution would engender a lasting solution to both race oppression and class exploitation. Thus, the early South African socialists perceived the struggle to have been between two antagonistic classes: “the working class, doing all the labour; and the idle class, living on the fruits of labour” (Dubula 1987, 29). This model subsumed resolution of the “Native Question” [African oppression] with the working class led socialist class struggle (Dubula 1987, 29). It thus relegated the struggle for national (race) liberation to the class struggle of the working-class. As former General Secretary of the South African Communist Party, Joe Slovo argued, these early socialists “believed that the solution of the national question would follow the seizure of workers’ power which would provide the base from which to proceed to free South Africa’s oppressed national groups” (Slovo 1981, 5). Such a focus divided African nationalists and communists/socialists over the question of race liberation and working class emancipation from capitalist exploitation. Consequently, the African/black nationalist liberation ideals, developed separately from early socialists perspectives of class struggle.

African black oppression and working-class exploitation had developed in an interlocking relationship. In 1853, Britain had granted the Cape colony a racially discriminatory white representative government. After several wars of indigenous resistance to colonisation, Britain set out to “civilize” Africans by, for example, targeting their “nudity” and “idleness” and cultivating “their taste for capitalist goods” (Magubane 1979, 60). Africans were obliged “to work to produce the means of buying clothing” through the imposition of a “hut tax” to procure their labour and the alienation of their lands. This added to “general revenue of the colony through customs duties” (Magubane 1979, 61). Africans were required to undergo a “civilisation test” before they could be “incorporated” into the colonial society. The “incorporated” Africans who met these qualifications could register to vote on the white dominated Cape Voter’s roll (Walshe 1971, 78). Coloured men could also qualify for the vote if they owned property for twelve months, valued at 25 pounds or earned a salary of 50 pounds, or a salary of 25 pounds if board and lodging was provided (Nupen 2004, 3).

In granting Africans and Coloureds the qualified franchise, the Cape colonial government hoped to moderate the “lower-class militancy” of these dominated groups rather than using
coercion (Marks and Trapido 1987, 6). The restrictive franchise test was one of the grievances that motivated the emergence of African nationalism. The rise of African nationalism was influenced by the overlapping class-national-ethnic identities (Sitas 1990, 260). Most of the Xhosa Cape Colony Africans, who could qualify for the franchise, though, a class apart from the rest of other Africans in the province, were also oppressed. These influences shaped the emergent African nationalist leaders.

The early African nationalist leaders were gradualists who sought reforms modelled on Western liberal ideals. In the early 1870s the Cape African elite had established the Native Voters’ Vigilance Association to pursue political rights (Walshe 1971, 79). By the dawn of the twentieth century it had split in two with the South African Political Association and the Cape Native Voters Association respectively led by Rev. Walter Rabusana and John Tengo Jabavu. Other writers trace the origins of African nationalism as a political expression to the emergence of the “Imbuba Yama Afrika” (South African Aborigines Association) (Meli 1988, 67). It was formed in Port Elizabeth on 26 June, 1882 by local community leaders to unite Africans to fight for their political rights (Jordan 1984, 3). Its leadership was drawn from amongst aspirant African proto-middle-classes consisting of mostly Christian liberal missionary educated teachers, ministers, editors, doctors, successful farmers, builders and small scale traders (Simons and Simons 1983, 117; Dubow 2000, 4).

As products of mission schools, early African leadership was inspired by Western Christian norms and liberal constitutionalism to struggle for “equality before the law; the vote; freedom of trade; labour movement and equal opportunities in education and employment”, and aimed to become active in the Cape’s parliamentary politics (Simons and Simons 1983, 116). In 1883, S.N. Mvambo, one of the leaders of the “Imbuba Yama Afrika”, called for African unity “on political matters, in fighting for national rights, [and] we must fight together” (Odendaal 1988, 197). Early African nationalists were reformist in their goals, as their dominant strategy was steeped in gradualism and faith in the benevolence of British political institutions.

Modern African/black nationalism in South Africa emerged to challenge African/black exclusion that had been sealed through the British Parliament’s 1909 Act of the Union of South Africa, and which united the Boer Republics and British colonies (Magubane 1979,
The Act excluded African participation in the new nation-state and, in consequence, secured white domination and entrenched African oppression. In 1910, the British Parliament passed the South Africa Act that retained the qualified franchise of Cape Africans but excluded Africans from voting in Natal, the Orange Free State, and the Transvaal colonies (Magubane 1979, 272). This Act entrenched a bifurcated white nationalism to control the South African state, representing the British and Afrikaner settlers, while it excluded the majority of Africans, Indians and Coloureds. This and related unjust policies were, however, challenged by liberal black elite nationalist Africans, Coloureds and Indians (Jordan 1988a, 8). The African elite who stood to lose most from the Anglo-Boer union racially exclusive white state, were in their struggle for equality imbued with “modernising ambitions” and a “social conservatism” (Dubow 2000, 8). The proto-African nationalists sought political inclusion into a state that denied them full citizenship rights.

The exclusion of Africans in the newly created white South African nation-state galvanized the development of formal African nationalism with the establishment of a political organisation to fight for freedom (Wesemuller 2005, 52). Pixley Ka Isaka Seme was the first leading exponent of modern organised African nationalism in South Africa (Magubane 1979, 272). Analyst Wessemeler shows how Seme took the lead to establish an organisation, which focused on race “as category of resistance against white domination” (Wesemuller 2005, 53). In 1906, Seme, who had been a law student in the United States, wrote an article “The Regeneration of Africa”, which extolled the awakened “race-consciousness” of the African people with a common destiny and their desire for change (Karis and Carter 1972, 71). Seme’s notion of African liberation was inspired by the struggle for equal rights led by black leaders such as W. E. B. Du Bois and Booker T. Washington. In 1909, the Native Convention was formed to discuss the impending union of the four colonies (Magubane 1979, 272).

Seme’s 1911 proposal for the establishment of the South African Native Congress, led to the formation of the South African Native National Congress (SANNC) in Bloemfontein on January 8, 1912 (Jordan 2004, 205). In his founding speech, Seme explained the objective of the SANNC as the creation of “national unity [to defend] our rights and privileges as subordinated Africans rather than as distinct tribes” (Walshe 1971, 34). This was the first articulation for racial freedom of the oppressed “as category of resistance against white domination” (Walshe 1971, 34). The SANNC, however, still espoused a reformist line.
The SANNC was liberal reformist in orientation as it struggled to remove racial discrimination against Africans in governmental, educational, and industrial fields. The SANNC constitution, which was devised in 1919, stated as its aim to strive to influence the formulation of Native Affairs policy: “for the benefit and guidance of the Union Government and Parliament” (Karis and Carter 1972, 77). It fought for the equal representation of Africans in parliament through meeting the prescribed franchise qualifications for “civilized” Africans (Walshe 1971, 125). In 1923, the South African Native National Congress (SANNC) shortened its name to the African National Congress (ANC) (Karis and Carter 1972, 89). Wesemuller (2005, 55) ascribes the change to “African” to the post–First World War influence of Garveyism². Prior to the formation of the SANNC, in 1901 the African People Organisation, which was the forerunner of the 1953 South African Coloured People’s Congress, was established (Abrahams 1984, 132).³ In 1919, the Indian community formed the South African Indian Congress in Cape Town to mobilise its community to fight for liberation from white oppression (Pahad 1972, 15).

Early South African socialists were critical of the African/black liberal nationalists. “The Native Congress” leadership was then dominated by a small group such as chiefs, lawyers and clergymen. The liberal reformist approach of these early African nationalists was steeped in what former South African Communist Party General Secretary, Joe Slovo characterised as “cap-in-hand nationalism” (Slovo 1981, 5). They believed in promoting “a spirit of loyalty to the British Crown and all lawful authority” (Slovo 1981, 5). The International Socialist League saw the early ANC leaders as “bourgeois” reformist nationalists in pursuit of “old-fashioned bookish aspirations for the vote as the be-all and end-all” (Simons and Simons 1983, 195). Socialists criticised early African nationalism as “the nostalgic yearning of small proprietors for a vanishing era, or a false patriotism that blunted class consciousness” of the oppressed (Simons and Simons 1983, 195). This “class against class” perspective was premised on the Marxian notion of class struggle (Slovo 1981, 60). Early South African socialists saw the ANC as a “petit-bourgeois organisation”, and accused it of leading the

² Garveyism was the political philosophy of the Jamaican leader, Marcus Garvey. Using the slogan of PanAfricanism, Garvey argued for African independence through self-emancipation as he believed that “No race in the world is so just as to give others, for the asking, a square deal in things economic, political and social”, (Jacques-Garvey, 2009, 10).

³ The African People’s Organisation, the first substantive Coloured political organisation, was founded in Cape Town in 1901 as intensifying segregationism at the turn of the century forced the Coloured people to mobilise politically. It was the forerunner of the South African Coloured People’s Organisation, which would in the 1950s become a sister organisation of the ANC in the Congress alliance, see Fine and Duviv (1990).
“African and Coloured workers along the false trail of collaboration with government and the capitalist class” (Magubane 1979, 283; Simons and Simons 1983, 196). The International Socialist League perceived class rather than racial divisions as paramount by reasoning that, “rich natives [had] combined with rich whites to exploit the masses” (Simons and Simons 1983, 195). Thus, relations between early African nationalists and socialists were marked by tensions.

In July 1921, the pioneers of the South African communism met in Cape Town. The new Communist Party of South Africa was formed from the union of the International Socialist League, the Social Democratic Federation of Cape Town, Communist Party of Cape Town, the Jewish Socialist Party of Cape Town, the predominantly Jewish Socialist Party of Johannesburg and the Marxian Club of Durban (SACP 1981c, 62). The Communist Party had inherited what Bundy (n.d., 3) described as an “unmodified” class view based on the belief that: “first abolish class distinctions and colour bars would disappear” (Simon and Simons 1983, 411). This “one-stage theory” viewed the socialist revolution as a solution to racial oppression. Hence the Communist Party was more preoccupied with the class divisions rather than racial/ethnic differences (Meredith 1997, 59).

Although, silent about the question of racial oppression of the majority of the South African population, the Communist Party’s 1921 Manifesto departed from the previous “class against class” position. It, for example, called for African mass mobilisation against the “skiet-skiet” (shoot) Native policy and pledged to support “any genuine revolt of the masses against tyranny” (Dubula 1981, 27). Despite this shift, South African communists and the liberal nationalists in the ANC remained divided during this early period over whether to prioritise African racial freedom, or the working socialist revolution. The critical question facing the Communist Party of South Africa during this period was how to relate ideologically to the ANC led by reformist leaders, which it characterised as a bourgeois nationalist organisation.
3-4 The Development and Application of the “Two-Stage Theory” in South Africa

In the pre-1928 period, the Communist Party of South Africa focused more on working class struggle dominated by white workers who were more numerous and the most organised of the proletariat. Proceeding from this view, the Communist Party supported the 1922 Rand Revolt by white workers against the Chamber of Mines. During the strike, white mine-workers had adopted the slogan of “Workers of the World Fight and Unite for a White South Africa”: a slogan that excluded the African workers (Ranuga 1996, 15). The white mine workers resisted the Chamber of Mines “cost-cutting attempt to dilute their racist privileges by employing black miners in skilled jobs (but without the same wage)” (Cronin 2006, 3). While the Communist Party refused to identify itself “with every slogan heard in the strike”, it also supported white workers’ fight against capitalist rule (SACP 1981d, 68). It justified its decision as being to guide and to instill “revolutionary consciousness in the strikers” (SACP 1981d, 68).

In its support for the white mine-workers’ strike, Communists had attempted to “infuse a radical content into a racial slogan” (Simons and Simons 1983, 285).

The Communist Party’s approach to and its role in the 1922 white-miner’s strike had compromised its position among African/black nationalists and workers. In seeking to clarify its view, the Communist Party sought to convince white workers on strike that its only permanent allies in the working class struggle were “fellow workers irrespective of race and colour” (SACP 1981d, 69). However, Magubane’s view that the ideological stance of the Communist Party on white workers had ignored the unique and a specific historical South African condition seems to be an apt assessment. In criticising the Communist Party strategy of focusing on the white workers, Magubane argued cogently that it had overestimated “the revolutionary potential of the white proletariat” and thus ignored its racial chauvinism (Magubane 1979, 283). This view finds credence in the Industrial Commercial Union (ICU)\(^4\) January 1924 Conference motion, which declared that the then existing white labour “preferential” policy had “injured any reasonable prospect of inter-racial working-class solidarity” (Simons and Simons 1983, 307). The Communist Party’s’ attempt to synthesise

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\(^4\) The Industrial Commercial Workers Union, formed in 1919 represented over 100,000 African and Coloured dock workers. Riddled with ideological and factional divisions, and beset by organisational problems, the union disbanded in 1929. (The South African Worker, January 1, 1922, in SACP 1981n, 353–385).
the struggle against class exploitation and racial oppression, through the forging of an inter-racial alliance, was up to that period not really effective in gaining support among African/black nationalists.

To win the support of African/black nationalists, the Communist Party was compelled in the mid-1920s, to revise fully its white working class perspective. The Communist Party of South Africa corrected its views in its 1924 programme that advocated “a united front of all workers irrespective of colour” (SACP 1981e, 83). The new Communist Party position criticised the “racial chauvinism” of white workers. It now called for “equal pay for equal work, irrespective of age, sex or colour” (SACP 1981f, 83). The Communist Party also demanded the “expropriation of big estates in favour of the landless rural population”; called for the “nationalisation of the mines and banks” and, the “extension of Cape native franchise to other provinces” (SACP 1981f, 83). Despite this fundamental shift, ideological divisions between African/black nationalists and communists remained entrenched (Jordan 1988a, 10).

A second, non-communist, attempt to formulate a perspective to unite the struggles against class exploitation and racial oppression through the forging of an inter-racial alliance also faltered due to ideological divisions. In 1925, the election of the Pact Government led by Hertzog and Smuts sought to introduce segregation laws. This provoked anger amongst the black communities. This resulted in the formation of the first united front in the form of a United Non-European Convention in Kimberley in June 1926, consisting of the African People’s Organisation, the Cape British Indian Council, the ANC, the Universal Negro Improvement Association, the South African Inter-Racial Association, and the Industrial and Commercial Workers Union (Magubane 1979, 287). The Convention rejected segregationist laws and sought to fight for education, commercial and industrial interests of non-European peoples of South Africa (SACP 1981g, 76). However, the Communist Party opposed the establishment of the United Non-European Convention as it believed that it was a product of “the inevitable result of the anti-Asiatic and anti-native policy of the [white] government” (SACP 1981g, 76). It exhorted workers to “organize along industrial lines irrespective of creed, craft or colour” (SACP 1981g, 76).

Ironically, in the mid-1920s, the Communist Party had sought a united action with the ICU to fight for land and the independence of the oppressed people (SACP 1981h, 126). However,
the Communist Party had criticised ICU leader Clements Kadalie for being influenced by the white liberals and for “selling out” to the bourgeoisie (SACP 1981f, 84). The ideological differences with the Communist Party led Kadalie to expel communists from the leadership in the union, including Coloured general secretary, James La Guma, its Coloured Cape leader John Gomas and its African financial secretary E.J Khaile (Simons and Simons 1983, 354). All of the expelled communists had been instrumental in building the ICU.

The third attempt to unite African/black nationalists and communists was marked by the Communist Party’s shift to break its isolation from the African nationalists struggle. At its fifth annual conference in January 1927, three Africans, Makabeni, Khaile and Thibedi were elected to the central committee of the Communist Party of South Africa (Simons and Simons 1983, 388). As a result, an invitation was extended to two ANC leaders, ANC President-General, J.T Gumede and Secretary General, E.J Khaile, to attend the inaugural Congress of the League against Imperialism in Brussels on February 10–15, 1927 (Sechaba 1982, 6). Josiah Gumede, a liberal nationalist, then secretary of the Natal Native Congress, had once acted as a state witness at the 1918 trial of Ivon Jones, secretary of the International Socialist League. Jones was tried by the state for inciting public violence. Gumede’s testimony exposed his antipathy towards communists, when he expressed his fear that “the African would be made a slave if the Bolsheviks took over government” (Simons and Simons 1983, 217). Gumede’s statement was indicative of the use of propaganda in early African nationalists’ discourse to express their distrust of communists during that period.

However, at the 1927 Brussels conference against imperialism, Gumede, then an ardent anti-communist, was converted when he worked with a coloured Communist Party leader, James La Guma to draft the “Independent Native Republic” resolution (Simons and Simons 1983, 390). The 1927 draft resolution advocated a “two-stage theory” with the attainment of “a democratic independent Native republic, as a [de-linked] first stage towards the final overthrow of capitalism” (Simons and Simons 1983, 390). It called for “the right [of Africans] to self-determination, through complete overthrow of the capitalist and imperialist rule” (Van Diemel 2001, 3). Self-determination implied the attainment of socio-economic and political rights for the oppressed African people through a “native republic” in the first stage of race liberation, to be followed by a second stage of socialism. The establishment of a “native republic” did not, however, entail the secession of Africans from the existing South

After his election to be President-General of the ANC, Gumede urged the organisation to align itself with the Communist Party. In his view, this was “the only party fighting for the oppressed people” (SACP 1981h, 88). In his address to the ANC 1927 convention, Gumede articulated militant African nationalism to fight for racial liberation captured in the words of Simons and Simons (1983):

Africans were dubbed agitators when they respectfully, constitutionally and moderately asked for return of their rights. It was the spate of African legislation that had upset the relations between them and the white population. Speedy and drastic measures must be taken if they were to gain their liberty and keep their self-respect. (Simons and Simons 1983, 427–428).

Gumede’s militant stance represented a major turning point in the development of African nationalism. He exposed the illusion that Africans would obtain justice from Britain’s Ramsay MacDonald’s government (Simons and Simons 1983, 428). Gumede described the failure of early African liberal reformist strategies thus:

Africans have failed petitions to Britain, their supplications to the governor-general, their appeals to the South African government. Applications to the courts of law had resulted in wasteful expenditure (Simons and Simons 1983, 428).

Having pointed to the futility of African liberal reformism to achieve black liberation, Gumede exhorted the ANC to rely on “the strength of the oppressed colonial peoples, on the strength of revolutionary whites” (Simons and Simons 1983, 428). He called upon the oppressed to wage the struggle for liberation: “We have to demand our equal economic, social and political rights” (Simons and Simons 1983, 428). According to Simons and Simons (1983, 428), Gumede expressed the demand for a South African Native Republic with equal rights for all and free from all foreign and local domination. He concluded by
urging the conference to adopt “the militant policy” in “the spirit which has been exhibited by oppressed peoples all over the world” (Simons and Simons 1983, 428).

Gumede’s radicalism alarmed the conservative ANC leaders such as Mahabane, Dube, and Pixley Ka Isaka Seme, who sought to expel communists from the organisation (Jordan 1988a, 7–8). Traditional chiefs represented in the ANC’s “Upper house of chiefs” had disapproved of Gumede’s fraternisation with communists who had killed their fellow royal, the Russian Czar (Simons and Simons 1983, 402–403). The chiefs moved the ANC’s executive resolution agreeing to co-operate with Kadalie, the anti-communist leader of the Industrial Commercial Union and to express their antipathy in associating with the Communist Party (Simons and Simons 1983, 404). In 1930, the conservatives in the ANC leadership forced the pro-communist Gumede to resign as the ANC President (Meli 1988, 68). From the 1930s, liberal reformists led by Seme had reasserted themselves within the ANC leadership until the early 1940s (Fine and Davis 1990, 260).

Although the efforts of some ANC and Communist Party leaders to build a front were fruitless in the short run, they did have a cumulative effect in building up the ideological scaffolding for the establishment of a future ANC alliance. Eventually, these early attempts at collaboration between the communists and liberal African leaders would, however, pave the way for the establishment of a shared ideological perspective on the basis of (race) African/black liberation. The overlapping leaderships and memberships of the ANC, the Communist Party of South Africa and the union movement facilitated such tentative collaboration which was led by black communists who were also ANC members such as Albert Nzula, James La Guma, Moses Kotane and J.B. Marks (Sechaba 1982, 6). However, stark differences between those who sought race liberation and communists fighting for the working class-led socialist revolution still remained.

The fourth and most significant attempt at reconciling differences between the African/black nationalists over the (race) liberation struggle and socialist/communist revolution derived from the official articulation of the “two-stage theory” by the Communist International (Comintern). In 1928, the Comintern under Soviet leader Joseph Stalin’s control reverted to

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5 The Communist International (the Comintern) was an international organisation of national communist parties.
the previous Plekhanov/Menshevik position of the revolution occurring in two “de-linked” stages (Habib 1991, 71). Stalin replaced the Marxist-Leninist theory of continuous revolution led by an independent working class with the “de-linked” stages of revolution. This theoretical model was imposed upon the Communist Party of South Africa, who were at the time affiliated with the Comintern (SACP 1981i, 91–97). Thus, at its August 1928 Sixth World Congress, the Comintern adopted a resolution on ‘The South African Question’, which described South Africa as a society of “a colonial type”, thus:

South Africa was a British Dominion of the colonial type. The development of relations of production has led to British imperialism carrying out the economic exploitation of the country with the participation of the White bourgeoisie of South Africa (British and Boer). Of course this does not alter the general colonial character of the economy of South Africa since British capital continues to occupy the principal economic positions in the country (banks, mining and industry), and since the South African bourgeoisie is interested in the merciless exploitation of the Negro population (SACP 1981i, 91).

The “colonial type” formulation was the first attempt at explaining the relationship between the capitalist economy and racial rule in South Africa. The Comintern’s resolution on “The South African Question” described South Africa as characterised by natives lacking electoral rights and a landless peasantry exploited in an economy controlled by British capitalists allied to a local white bourgeoisie (SACP 1981i, 91). It instructed the Communist Party of South Africa to adopt as a slogan “an Independent Native South African Republic” “as a stage (my emphasis) towards a workers’ and peasants’ republic” (SACP 1981i, 94). The concept of the society of “a colonial type” implied the resolution of racial oppression in the first stage through the “National Democratic Revolution”. Thus, the “independent Native Republic” thesis meant separate stages of revolution.

In accepting the idea of a “de-linked” stage of the “National Democratic Revolution”, the Comintern had shifted from the Leninist idea of the independent working class-led struggle to prosecute an “uninterrupted revolution” linking both stages of revolution. Communists were advised to establish “popular fronts” with anti-colonial nationalist and anti-imperialist forces in the first stage of the “National Democratic Revolution”. These “popular fronts” were to be

Its headquarters were located in Moscow from 1919 until 1943. Individual national Communist parties were affiliated to it as sections of the Comintern (Davidson, et al. 2003, 25).
represented by coalitions of diverse ideological forces united on the basis of an agreed shared common minimum programme of national (race) liberation. The distinctly separate stages theory was useful for reconciling divergent ideological interests, ensuring that each tendency retained its stage-specific mission and discourse within the popular front. The seed that would provide the precursor to such a liberation front in South Africa would be justified on the basis of the notion of an “Independent Native Republic” thesis.

However, tensions ensued within the Communist Party of South Africa due to disagreement over the interpretations of the “two-stage theory”. At the 1928 Sixth Comintern Congress, the delegation leader of the Communist Party of South Africa, Sidney Bunting, a former British lawyer, and founding member of the International Socialist League and the Communist Party of South Africa stated that the majority of his Communist Party colleagues were opposed to the “Independent Native South African Republic” slogan “for practical reasons, in addition to serious theoretical objections” (Simons and Simons 1983, 407; SACP 1981j, 113). Bunting and his followers criticised the “Independent Native South African Republic” slogan as “ideological verbiage” with “no theoretical basis” (Hirson 1989, 53). They therefore, insisted on a "Workers and Peasants’ Republic" “without any intermediary stage” (Van Diemel 2001, 3). Class struggle was seen as not less fundamental to the “native question” but as “practically coincident and simultaneous with the national struggle” (Simons and Simons 1983, 407). They concluded that there was no native bourgeoisie in South Africa and, “certainly no movement for a native republic” (Simons and Simons 1983, 407, 491). This group was opposed to the Plekhanov/Stalin revised “de-linked” stages of national (race) liberation and the socialist revolution approach.

Bunting and his followers were, however, marginalised by the Communist Party of South Africa who accepted the Comintern’s “de-linked” stages model. In seeking to counter criticisms from Bunting and his followers, the Communist Party argued that these disagreements mostly related to the merging or timing of the two stages. The Communist Party held rhetorically that its “two-stage theory” was not different from the “uninterrupted” revolution since the two stages coincide. It claimed “the conception and realisation of native rule merges into that of the Workers’ and Peasants’ Republic: non-imperialist, non-capitalist, non-racialist, classless and, in effect, Socialist” (SACP 1981k, 102). The Communist Party’s defence reiterated the Stalin-inspired 1928 “two-stage theory”, but advocated the Marxist-
Leninist version that depicted continuous stages. This inherent ambiguity was evident in the Communist Party’s theoretical formulations, which while it had mainly posited two “delinked” stages, it simultaneously invoked an “uninterrupted” continuity between the two stages. This model viewed the first stage of African freedom to be merging with the workers’ and peasants’ socialist Republic.

The 1929 Programme of the Communist Party of South Africa adopted the Comintern’s resolution of the previous year (SACP 1981k, 100). In embracing the “independent Native Republic” thesis, the Communist Party had accepted the “de-linked” stages view. This major ideological shift was prompted by the Stalin-led Comintern leadership’s directive to the Communist Party of South Africa. In Bundy’s words, the Communist Party began to “Bolshevise’ itself” as it surrendered its independence to “Stalinism” (Bundy n.d., 3). To effect the “independent Native Republic” thesis, the Comintern advised the Communist Party of South Africa, for example, to transform the ANC into a revolutionary movement “while retaining its full independence”, and “by seeking to broaden and extend its activity” (SACP 1981k, 106).

At its 1 January, 1929 Conference, the Communist Party of South Africa substituted its slogan “Speed up the social revolution” for “Up with national self-determination” to promote natives’ support for African national liberation (Bundy n.d., 3). It did not clarify, however, how the movement from one stage to the other would occur. However, in reaction to the 17 June, 1929 Durban race riots, which the Communist Party saw as “the first fruits” of the election of the Hertzog led Nationalist Party during the same month, and acting on the Comintern’s resolution’s advice, the Communist Party formed the League of African Rights (Simons and Simons 1983, 417). This according to Simons and Simons marked “the first successful coming together of working class and national radicals in the liberation movement” (Simons and Simons 1983, 417). The dethroned ANC President Gumede became the president, Doyle Modiakgotla of the ICU vice-president, Bunting its Chairman and N.B. Tantsi of the Transvaal ANC, the vice-chairman; and Charles Baker, the director of the Communist Party school, the treasurer (Simons and Simons 1983, 417). However, a united front that seemed to be emerging was stymied by a telegram that arrived from Moscow that ordered the “immediate dissolution of the League of Rights” (Simons and Simons 1983, 421).
The significance of the “Independent Native South African Republic” or the “Black Republic” thesis was that it helped to overcome nationalist/communist cleavages and laid the theoretical ground for the formation of the ANC alliance. It was an ideological compromise between those advocating the class struggle and those who prioritised race liberation (Bundy 1991, 2). Undoubtedly, the “de-linked” stages theory enabled a compromise for the opposing ideological streams of African/black nationalism and socialism. As a theoretical model, the “de-linked” stages strategy would not only serve to unite the African/black nationalists and communists but, more importantly, it furnished the ANC alliance leaders with a radical, albeit ambiguous, language of revolution. The broadly unifying discourse helped to broker compromises and to narrow the factional differences between nationalists and the “left” but it did not, however, resolve them. Thus, the adoption of the Comintern’s resolution would lead to further ideological schisms within the Communist Party of South Africa.

3.5 The Development of Ideological Tensions over the “Two-Stage Theory”

In the early 1930s, some leaders of the Communist Party of South Africa who had refused to accept the Comintern’s directive of the revised “de-linked” “two-stage theory”, were either expelled or left the party. Those expelled had believed that the precedence of African/black liberation was reverse racism (Meredith 1997, 59). In a 1930 document entitled “How to build a Revolutionary Mass Party in South Africa”, the Executive Committee of the Comintern criticised the “reformist” elements within the Communist Party for their:

failure to understand the bourgeois-democratic and socialist tasks of the South African proletariat [which] is reflected in the fact that both the leaders and members of the Party have not understood the significance of the slogan of Independent Native Republic, while the Native members, who are still influenced by petty-bourgeois-peasant nationalism, on the contrary do not understand the tasks of the proletarian class struggle, and try to reduce the struggle to nationalist-revolutionary movement (SACP 1981j, 112–113).

The above Comintern directive alluded to the continued existence of ideological cleavages within the Communist Party of South Africa over the “two-stage theory”. While the Communist Party had struggled to gain acceptance within the ANC leadership, radical African leaders and nationalists’ engaged in ideological contestation. For example within the
ANC, a split occurred prompted by conservative nationalist leaders. The ICU and Western Cape ANC provincial leader, James Thaele criticised the Communist Party as being a “white man’s party” and sought the expulsion of its members from the ANC (Simons and Simons 1983, 433). In 1930, ANC leader Ndobe, who was accused by a Thaele-led ANC executive of advocating Communist Party policy, was dismissed from the post of provincial general secretary of the Western Cape (Simons and Simons 1983, 433). In 1930, the expelled followers of the radical Ndobe formed an Independent African National Congress (Cape) (Simons and Simons 1983, 432–433). This movement was, however, defeated when its leaders such as Ndobe were banished by the state from the Western Cape. These early steps to forge an alliance between socialists, trade unionists and African nationalists, faltered due to unsettled differences on the precedence of race liberation or of the socialist revolution.

The 1930 Comintern document accentuated divisions within the Communist Party. Acting on the basis of the Comintern’s 1930 admonition, on 4 September, 1931, the Political Bureau of the Communist Party of South Africa announced in its pamphlet, “Umsebenzi”, the expulsion of a number of leading Communists such as W. H. Andrews, C Tyler, E. S. Sachs, S. P. Bunting, F. Glass and B. Weinbrenn. The Political Bureau resolution stated:

In South Africa, the internal situation of the party has been characterised by the existence of strong right-wing elements which have revealed themselves in opposition to the leadership of the party, in unprincipled, opportunistic acceptance of the line of the party in words, whilst rejecting in deeds (SACP 1981j, 113).

In rejecting the “de-linked” stages theory, the so-called “right-wing elements” adhered to the primacy of the socialist revolution. The expulsion of the “right-wing elements”, that is, the white members of the Communist Party opposed to the “Independent Native South African Republic” slogan, attracted increased African representation in its leadership. At its 9 January, 1931 conference, a new Central Committee of the Communist Party was elected, consisting of 23 members, of whom 19 were Africans and four were Europeans (SACP 1981j, 114). Resolving to avoid what it called “the mistakes of the past”, the conference identified them thus:
Chief among the dangers to be confronted is the Right Wing danger, expressing itself in the lack of faith in the revolutionary capacity of the Native masses and resulting in the past in a reformist chauvinistic outlook on the party of the Party leadership (opposition to the Native Republic slogan (SACP 1981L, 114).

While the adoption of the “independent Native Republic” slogan expedited the paradigmatic shift in the Communist Party’s ideological perspective, this was at the cost of a depleted membership. The membership of the Communist Party decreased in 1929, from a 3,000 strong membership, to only a few hundred members by 1933 (SACP 1981l, 113). This was due to in-fighting, expulsions and resignations of members, a consequence of the ideological change (Hirson 1989, 55). Some of its African members joined the ANC, while a few whites had joined the South African Labour Party. In Moscow, the three dissenters from the Communist Party of South Africa’s line were arrested and executed by the Soviet secret police (Hirson 1989, 56). Opposition to the “de-linked” stages within the Communist Party was either suppressed or driven to oblivion. However, the “independent Native Republic” resolution helped effect a fundamental shift in the Communist Party’s perspective. This led to increased multi-racialisation of the Communist Party rank and file membership.

Although ambiguous, the “two-stage theory” enabled the multi-racialisation of the Communist Party as Africans and Coloureds joined the Communist Party (Simons and Simons 1983, 414). In 1934 Kotane, an African Communist Party leader, argued for the “delinked” stages model, beginning with the first stage of an “Independent Native Republic”. In essence this was a “bourgeois democratic” workers and peasant’s republic (SACP 1981m, 120). Kotane cited the exceptional South African conditions to distinguish a first stage of the “democratic workers” and “peasants’ republic”. He defined this as having a “different premise, language and attitude to the proletarian dictatorship and socialist revolution”: that is, the second stage (SACP 1981m, 120). In personalising his contention of the “de-linked” stages, Kotane asserted that he was first an African and next a communist (Simons and Simons 1983, 492).

James La Guma, a Coloured Communist Party leader articulated the de-linking of the two stages. “First establish African majority rule, he argued, and unity, leading to socialism, would follow” (Simons and Simons 1983, 398). Meanwhile, the Communist Party leaders,
such as Bach, still held to the Marxist-Leninist view of continuous “linked” stages. They believed that since an African bourgeoisie class existed, the two stages would coincide (Simons and Simons 1983, 491). It was the political activities of African communists within the ANC, such as Kotane who helped to bring about ideological change which would unite the two tendencies. Tension within the Communist Party between adherents of the two models persisted against the growing ascendency of the “de-linked” stages version.

With the rise of fascism in Europe in the early 1930s, the Communist Party of South Africa would be forced to seek a broader united front. In 1935 the Comintern directive for South African communists entitled “For a United Front of the People against Imperialism” was issued with the aim to “calm the waters” and the “Independent Native South African Republic” slogan assumed less significance. In July–August 1935, the Seventh Congress of the Communist International advised the Communist Party of South Africa to create a “united front against imperialism and fascism” with other anti-fascist and anti-racist elements amongst blacks and whites (SACP 1981h, 125). The “popular front” orientation advocated for the first stage of national democracy against fascism and colonialism. To win the first stage, a broad alliance of the oppressed classes that include workers, bourgeois and capitalist class was recommended (SACP 1981h, 125–126). The adoption of the “united front” strategy re-focused on the “National Democratic Revolution, as a distinct “de-linked” stage of a two stages process, which would inform the strategy of the ANC alliance yet to be formed.

Thus, the establishment of the “All African Convention” at the 16 December, 1935 conference in Bloemfontein consisting of trade unions, Communists ANC nationalists, Coloureds and Africans represented the first steps at forging a united front (SACP 1981h, 125; Fine and Davis 1990, 49). The formation of this front was prompted by the passing of the 1935–6 “Native Bills” by General Hertzog’s white government. The first bill was to entrench the alienation of land, of which Africans had been dispossessed through the 1913 Land Act (Magubane 1979, 289–290). The second bill disenfranchised the remaining Africans by removing them from the Cape voters’ rolls. The aspirations of Africans for equality were to be restricted through the establishment of a Natives’ Representative Council; an advisory body for the Africans’ plight (Simons and Simons 1983, 493). These 1936 Hertzog bills also planned to restrict the African’s property rights, thereby undermining the African liberal elite’s hopes for political integration into the dominant white order.
The ANC’s role in the “All Africa Convention” represented a tentative move away from its old liberal elitism, which had divorced it from the masses, to adopting a more liberal reformism (Fine and Davis 1990, 51). However, the radicalism of the “All Africa Convention” was blunted by its adherence to a qualified franchise, based on the “civilisation test” of education and property ownership (Fine and Davis 1990, 49). In 1937 ANC reformist leader’s acceptance of the Natives’ Representatives Council divided the “All Africa Convention” constituent members. The Communist Party criticised the “All Africa Convention” for its co-operation with the “Colonial Government and the Anglo-Boer imperialists”, instead of fighting for the “Independent Native Republic” (SACP 1981h, 126). In consequence, the fourth attempt at fostering collaboration between nationalists and communists slowed down.

During the Second World War, Communists had allied with the Soviet Union and Nazi Germany at the beginning of the war against the United Kingdom and France. The latter countries were supported by the South African government but were seen by Communists as “imperialist powers”. Consequent to the June 1941 German invasion of the Soviet Union, the Communist Party’s “anti-imperialist” stance changed to advocating the “destruction of fascism” and “the liberation of oppressed peoples” (SACP 1981n, 153). The ANC, however, only gave qualified support to the government’s war effort after a promise of “full democratic rights” at the end of the war (Fine and Davis 1990, 50). This marked the ANC’s ideological shift from liberal elitism to liberal reformism (Fine and Davis 1990, 41). Its policy focused expectations of change from above (Wesemuller 2005, 57). The Communist Party was now “able to construct an alliance with the ANC on the basis of common support for the war” (Fine and Davis 1990, 46).

The Second World War also produced a change in the ANC ideological perspective as for the first time, it became involved in organising black workers’ to improve their working conditions. In 1942, the ANC launched the Council of Non-European Trade Unions with communist and union leader J. B. Marks as president, Dan Tloome, communist and ANC leader as vice-president and J. Majoro ANC and union leader as its secretary (Baskin 1991, 70). The Council of Non-European Trade Unions had a total membership of 158 000 (Drew 2000, 61). The main aim of the union was to fight against Pass Laws and for the recognition of African trade unions (Walshe 1971, 364). The ANC and the Council of Non-European Trade Unions launched joint campaigns against General Smuts’s government Second World
War measures that had pauperised black workers (Simons and Simons 1983, 570–575). Collaboration between the ANC, the trade union and the Communist Party was strengthened during a series of strikes on the Reef from the 12–15 March, 1946 by African mineworkers demanding “… a minimum wage of 10s, a day adequate food and the withdrawal of war measure 145” (Simons and Simons, 1983, 574–575).

The August, 1945 war measure had prohibited gatherings of more than twenty persons on government proclaimed mining ground (Simons and Simons 1983, 572). Although the strikes were forcefully and violently suppressed by the Smuts government, they led to an alliance between communists and ANC African Nationalists. Indeed, as ANC alliance stalwarts, Simons and Simons (1983) concluded that both the 1922 white mineworkers strike and the 1946 African mineworkers strike had deflected the “currents of class struggle into channels of nationalism” (Simons and Simons 1983, 578). Such predominant nationalistic sentiments entrenched racial divisions between the African working class and the white working class.

African nationalism became salient during this period as the ANC leadership’s “liberal reformism” was infused with radical Africanism. The shift in ANC policy was the launch of the ANC Youth League in 1943 (Fine and Davis 1990, 260). In March 1944, the ANC Youth League adopted the “Congress Youth League Manifesto” which defined Africanism as the “struggle for development, progress and national liberation” of Africans to “occupy their rightful and honourable place among nations in the world” (Karis and Carter 1973, 310). In 1945, the ANC Youth League president, Anton Lembede, wrote an article called “Some Basic Principles of African Nationalism”, in which he opposed the ANC’s cooperation with the Communist Party and instead advocated African self-assertion for own liberation (Davies, O’meara and Dlamini 1984, 285). In 1946, Lembede wrote another article entitled “Policy of the Congress Youth League” in which he reaffirmed his “Africanist” philosophy, thus advocated a racially exclusive character of African nationalism (Karis and Carter, 1973, 315). Thus, Lembede promoted “race-conscious nationalism” as opposed to “class-consciousness” (Wesemuller 2005, 59–61). This would constitute the new mobilisational perspective of the ANC Youth League.

The African nationalism of the ANC Youth League was not, however, dissimilar to the Communist Party’s “Native Republic thesis” that sought to transform the ANC “into a
fighting nationalist revolutionary organisation against the white bourgeoisie” (SACP 1981i, 96). Bonner (2012) shows how until 1950, the ANC had “remained resolutely African in character, with Mandela leading the anti-alliance anti-collaboration” with communists camp. The ANC Youth League’s anti-communism changed over time as the Communist Party worked hard to woo African, Coloured and Indian political groups into a broader ideological community (Turok 2008, 21). Ironically, the Youth League’s “Africanism” had injected a militancy that communists strove for. These events served to entrench the political orientation of the primacy of Africa/black liberation as the “de-linked” first stage of the “National Democratic Revolution”.

In 1946, two African communists: D. Tloome and M. Kotane and a Coloured communist, J. B. Marks joined the ANC National Executive Committee (Meredith 1997, 69). The ANC Youth League members sympathetic to Lembede’s “Africanism” were elected onto the ANC’s National Executive Committee. This was with the support of Communists such as J. B. Marks, D. Tloome and M. Kotane. The elevation of the ANC Youth Leaguers into the ANC National Executive Committee led to replacement of the conservative old guard leaders such as Xuma, Calata and Matthews (Walshe 1971, 363). However, the presence of communists within the ANC’s National Executive Committee exacerbated tensions as they were opposed by the anti-communist “Africanists”. This led to the Communist Party taking the initiative to support the creation of industrial trade unions and native political representation with the hope of arousing the masses to action (Walshe 1971, 364). The rise of Afrikaner nationalist domination in 1948 and the institutionalisation of apartheid laws intensified African/black social, political and economic oppression. The entrenchment of racial domination had the effect of radicalising African nationalism (Karis and Carter 1973, 113).

In the late 1940s, the ANC Youth League began articulating radical African nationalism, in contrast to the constitutional reforms sought by the African liberal “old guard” in its leadership. As part of the response to the rise of the apartheid state, the ANC old guard gave way to militancy of younger leaders such as Nelson Mandela, Joe Matthews, Oliver Tambo, Walter Sisulu, and Anton Lembede (Sechaba 1982, 7; Jordan 1988a, 15). In 1948, the ANC Youth League’s “Basic Policy” document called for the creation of a democratic united nation in which all “nationalities and minorities have their fundamental rights guaranteed in a
democratic constitution” (Bunting 1975, 200). This racially inclusive liberal democratic ideal espoused by a transformed ANC Youth League rejected Marcus Garvey’s slogans of “Africa for Africans”, or “Hurl the Whiteman to the sea”, as an “extreme and ultra-revolutionary” brand of nationalism (Bunting 1975, 84). Although, this marked a departure from Lembede’s “Africanism”, his followers still constituted a faction drawn from the rank and file of the ANC (Fine and Davis 1990, 111). A significant coincidence is that the “Basic Policy” liberation objectives of the ANC Youth League were reflected in the aims of the Communist Party’s independent campaigns, such as the 1948 “Votes for All” campaign and the 1950 “Free Speech” Convention (Walshe 1971, 364). The African/black nationalists’ ideological antipathy towards communists, however, still remained.

Towards the end of the 1940s therefore, ideological differences and tensions between the ANC nationalist elite and the Communist Party seemed to be lessening. In 1949 the ANC Youth League adopted a “Programme of Action” that endorsed the 1943 Bill of Rights, and demanded black political rights (Everatt 1991, 33). The Youth League rejected the conception of segregation and apartheid trusteeship (Jordan 1988a, 16). It shifted the struggle for racial equality beyond the “old guard” liberal reformism. It espoused a more assertive ideology of nationalism and “pan-Africanism”, which were useful in unifying the African nationalist struggle for political liberation from apartheid rule (Johnson 2003, 200). It thus entrenched the primacy of the struggle for African/black political liberation as a first “de-linked” stage.

The ideological cleavages between African/black nationalists and communists would narrow as the Communist Party popularised its “de-linked stages” theory prioritising the struggle for African/black political freedom. In 1949, the ANC, and the Natal and Transvaal Indian Congresses adopted the ANC Youth League’s “Programme of Action” (Mphahlele 1977, 46). This constituted the foundation stone for the birth of a mass based ANC Alliance in the mid1950s. According to Fine and Davis (1990, 109), the adoption of “The Programme of Action” indicated the ANC’s shift to the left” as it committed itself “to a course of direct action and mass mobilisation”. Nation-wide non-violent disobedience and mass protests were organised to demand the right of the African people to national self-determination, through “political independence”, not secession (Wesemuller 2005, 63). Thus, the Youth League “Programme of Action” espoused a more assertive African nationalism in its call for the
“Council of Action”. However, its ideology was tinged with a “popular democratic” stance, and hostile to both socialism and liberal elitism of the old guard (Fine and Davis 1990, 73).

Until this time attempts by communists to unite with African/black nationalists seemed to have faltered, nonetheless they were crucial theoretical contributions motivating the formation of the alliance between African/black nationalists and communists. At the same time however, the ideological divisions within the Communist Party of South Africa sharpened between those who believed in the revised “de-linked” “two-stage” model, and those who adhered to the view of an “uninterrupted/permanent revolution”.

3-6 The Re-articulation of the “Two Stage Theory” and its Ideological Utility

The Communist Party of South Africa was forced to dissolve itself in anticipation of its banning through the apartheid state’s Suppression of Communism Act of 1950. In 1953, the Communist Party reconstituted itself in the underground as the South Africa Communist Party. The “two-stage theory” was re-articulated in the 1950 Communist Party of South Africa Conference Report entitled, “Nationalism and the Class Struggle” (SACP 1981o, 201). The Communist Party advanced the theory of “Colonialism of a Special Type”/“internal colonialism” to justify the distinct stages approach. The Communist Party articulated the theory of internal colonialism by defining the distinguishing feature of South Africa to be a combination of, “the characteristics of both an imperialist state and a colony within a single, indivisible, geographical, political and economic entity” (SACP 1981o, 201). It described how the non-European population, though colonised, had “no territory of its own, and no independent existence, but is almost wholly integrated in the political and economic institutions of the ruling class” (SACP 1981o, 201). As Bundy observed this was “Colonialism of the Special Type” writ small (Bundy n.d., 6). To achieve the liberation of the “Non-Europeans”, the report had stipulated that national organisations such as the ANC should be transformed “into a revolutionary party of workers, peasants, intellectuals and petty bourgeoisie” (SACP 1981o, 211). The “class conscious European workers and intellectuals” were to be allied to such a transformed revolutionary party whose objective of national liberation distinguished it from the Communist Party (SACP 1981o, 211).
The theory of “Colonialism of a special type” was however, a descriptive metaphor fraught with ambiguities and contradictions. Contradicting itself, the Report viewed “Colonialism of a special type” in South Africa, that is, the apartheid system, to have stifled the development of an African capitalist class. It also concluded that “no clear line could be drawn between the bourgeois and working class demands” (SACP 1981o, 211). This approach would be used to justify the alliance of black workers with the nascent black bourgeoisie in the fight for a “delinked” “National Democratic Revolution” stage. The theory of “Colonialism of a special type” became a useful justification to entrench this latest version of the “two-stage theory”. The report argued, however, ambiguously for the “orientation of the national movements on the basis of workers and peasants”, which was to be “brought about by relating the struggle against racial discrimination to the struggle against capitalism” (SACP 1981o, 211).

The 1950 Communist Party Report also criticised the “petty-bourgeois” character of the ANC leadership. It critiqued the statements of the bourgeoisie nationalist leaders by drawing attention to their vague and inconsistent formulations (SACP 1981o, 211). The report contradicted ANC “bourgeois nationalism” with its own version of what it described as “revolutionary nationalism”. It justified its proposition of “revolutionary nationalism” by quoting Stalin’s 1925 advice that, “under these conditions the task of the Communist elements is to do everything to create a united front [with the national bourgeoisie] against imperialism” (SACP 1981o, 201). “Revolutionary nationalism” ignored existing class differences. Ironically, the Communist Party was wary of a tendency within its ranks to emphasise racial differences while neglecting class divisions in the liberation struggle (SACP 1981o, 211). It thus cautioned members to exercise care in defining the relationship between the working class and the national (racial) liberation struggles (SACP 1981o, 204).

In making race liberation the focus in the first stage, the theory of “Colonialism of special type” helped to foster co-operation between the black nationalists and communists, and enabled further ideological development of the ANC. This meant the earlier elite reformism would be eclipsed by radical nationalism. It also assisted a new generation of African nationalist leaders’ emergent from the 1940s ANC Youth League to repudiate the earlier stance of non-co-operation with the Communist Party. This narrowed the chasm between African/black nationalists and communists and thus facilitated the formation of a multi-racial and multi-class ANC alliance from the early 1950s (Simons and Simons 1983, 620).
Furthermore, the Communist Party of South Africa undertook the task of dissolving “racial, tribal and national antagonisms ... and develop a strategy against white domination” (Simons and Simons 1983, 620). The separate stages version of the “two-stage theory” would be crucial in bringing together the two formerly estranged ideological streams into an alliance.

Ambiguous and lacking coherence, the 1950 Communist Party Report criticised the ANC Youth League’s “Programme of Action” averring that “the class conscious proletariat cannot rally under the “national” flag of the bourgeois leaders. It distinguished between the bourgeoisie striving for the “freedom of the market” under capitalism and “the class conscious” workers fighting for the overthrow of capitalism itself (SACP 1981o 205). The Report argued that in colonies with a small and poorly organised working class “the national struggle will embrace the whole of the colonial people and the objectives would be those set by the national bourgeoisie” (SACP 1981o, 201).

In spite of its criticisms against the ANC, the Communist Party’s Central Committee Report left the door open for accommodation, believing that “no clear line” could be drawn between bourgeoisie and working class demands. It ambiguously called for “class conscious workers” who wished to remove the grounds for hostility amongst national groups to strive “to bring about unity between the workers of the oppressing nation and the oppressed” through a “united front with the bourgeoisie” (SACP 1981o, 208). How proletariat hegemony within an alliance with the bourgeoisie was to be upheld as the Communist Party now advised was not explained. However, in castigating the “petty bourgeois” character of the ANC leadership, the Report still saw the possibility of accommodating the ANC.

The Report was also ambiguous in defining the task of the first stage to be race liberation. This was because it criticised Mr Mda, president of the ANC Youth League’s call to oppose “national oppression and foreign domination” for the establishment of “true democracy and a just social order” (SACP 1981o, 208). Additionally, the report stated that “the people were not told what kind of freedom they were to struggle for” or what was to be “the content of the true and just social order” (SACP 1981o, 208). In criticising Mda, the report argued that “the equality envisaged is not the equality of socialism; it is the equality that exists in a freely competitive capitalism” (SACP 1981o, 208). It thus warned about focusing on the race question at the risk of omitting class divisions (SACP 1981o, 211).
Although equivocal, the Report foreshadowed how an alliance between nationalist and socialists could be forged. The “two-stage theory” was re-articulated in the 1953 Communist Party publication “Viewpoints and Perspectives”, written by Michael Harmel, former chairperson of the Communist Party of South Africa, who advanced the notion of two nations in South Africa “occupying the same state, side by side. White South Africa is a semi-independent imperialistic state: Black South Africa is its colony” (Fine and Davis 1990, 127–128; Bundy 1991, 3). These analysts argue that Harmel did not, however, elaborate what he meant in his description of South Africa as a “semi-independent imperialistic state”. The thrust of Harmel’s thesis was that white settler colonialism had stifled capitalist development amongst Africans, hence the belief that African (race) liberation was paramount over class emancipation. Harmel defined the first stage of national freedom from colonial domination as a stage in which it was not necessary “to foster and develop the proletarian element of the liberatory movement” (Bundy 1991, 3; Fine and Davis 1990, 127). Harmel saw capitalist development as a necessary outcome of the stage of black liberation. Ironically, Harmel argued, however, that African nationalism in South Africa did not suffer from “the reformist and idealist illusions” of bourgeois nationalism (Bundy 1991, 3).

The South African Communist Party’s criticism of the ANC obscured the then growing radicalisation of African nationalists. This trend was reflected in Mandela’s 1953 criticism of the White Liberal Party (that was established after D. F. Malan’s Afrikaner led National Party had won the second term to entrench apartheid rule). While the Afrikaner-led National Party espoused racist policies, some white liberals still advocated a qualified franchise to give “equal rights for all civilised people” (Meredith 1997, 127). Mandela, in a June 1953 article, published in “Liberation” castigated the Liberal Party for its insidious strategy to divert the black liberation movement “with fine words and promises and to divide it by giving concessions and bribes to a privileged minority”, rather than using the dangerous task of crushing it (Meredith 1997, 128). Mandela’s view reflected how the ideological development of African nationalism to be what Jordan, ANC veteran leader, deduced as “a liberating, modernist, political outlook, articulating the aspirations of the [racially] oppressed for freedom” (Jordan 1988a, 31). The ANC had led a struggle for national liberation against the racially divisive Prime Minister Verwoerd’s 1959 Grand apartheid policy. The aim of this policy was to divide black South Africans into subjects of own “independent” ethnic homeland/Bantustans polities compromising only 13 per cent of South Africa’s total land
As an alternative to the apartheid system’s plan, the ANC promoted a pro-capitalist “delinked” stage of the “National Democratic Revolution”, which it rationalised on the basis of the theory of “Colonialism of a special type”. Writing in 1980s, ANC National Executive Committee member, Francis Meli described African nationalism thus:

African nationalism in South Africa is an ideological reflection of the unresolved national question. This means that African nationalism cannot be divorced from the national question, which is nothing less than the question of national liberation of the oppressed black majority, especially Africans (Meli 1988, 70).

In the above quotation Meli defined the objectives of African nationalism: the resolution of the national question through the national liberation, not only of Africans but also included other blacks. This perspective on African nationalism was not radically different from the “bourgeois nationalism” that Harmel described as idealistic and reformist (Bundy 1991, 3).

The political spin-off of a growing radicalisation of the ANC leadership was the deepening collaboration of African nationalists and communists towards the synthesis of a shared ideological vision. This would, however, be based on the division of labour within the alliance as the ANC saw its “task of the ‘National Democratic Revolution”, [which] is to eliminate the basic causes of the national grievance wherever and in whatever form they manifest themselves” (ANC 1997, 10). The Communist Party’s mission as the party of socialism was to be the vanguard of the working-class led socialist revolution (ANC 1997, 18). The convergence between the two ideological streams led to a shift in African nationalist politics from Africanism to radical nationalism that was more accommodating of other racial groups and communists as compatriots.
Summary

This chapter fits with and employs, the ideas presented in chapter two of this thesis as to the nature of ideology, and importantly its divergent functions as a unifier and a divider. It is contended that in the pre-1950 period, the Communist Party of South Africa and the ANC nationalist formulations on the resolution of race and class oppression differed markedly. The chapter traced the “two-stage” theory from its origin as a Marxist-Leninist formulation. This chapter explains why the early attempts by socialists and communists and African/black nationalists to bridge differences in the ideological mindset of early black nationalists and socialists/communists succeeded with the articulation of a “delinked” two stages theory. It is contended this is because this perspective is sufficiently ambiguous to cement over the earlier divisions. The chapter established that the evolution of the ANC alliance in the early 1950s reflected the success of the “delinked” stages version in unifying it. The next chapter argues how these were strengthened and broadened with the adoption of the Freedom Charter that is regarded by the alliance as a popular programme of socio-economic and political liberation.
CHAPTER FOUR

THE SIGNIFICANCE OF THE FREEDOM CHARTER FOR THE ANC ALLIANCE

4-1 Introduction

The chapter uses the perspective of the function of ideology to unify groups by showing how the ANC alliance had coalesced around the commonly held vision contained in the Freedom Charter. It utilises “critical discourse analysis” to unmask the meaning and significance of words from the ANC-led alliance documents such as the Freedom Charter. The Freedom Charter is a historic document that was formulated in 1955 by a budding ANC alliance. The chapter shows that the ambiguous language of the Freedom Charter enabled contradictory “ideological tendencies” to exist within the ANC alliance. Its language appealed to both the radical “left” and the pro-capitalist nationalist factions alike. This chapter shows how the Freedom Charter developed to become the ANC alliance’s important document articulating its ideological program in the struggle for black political liberation from apartheid oppression in South Africa. It was drawn up by ideologically disparate groups from across the country’s racial and class spectra. Section 4.4 of this chapter will assert that the ambiguities in the Freedom Charter promoted unity. The chapter contends that in articulating the liberation ideals of the oppressed black South Africans, the Freedom Charter not only did become an expedient document for mass mobilisation against racial inequality, but it also symbolised the unity of diverse “ideological interests” represented in the ANC alliance between those who propounded the free enterprise trajectory and socialists seeking a working class revolution. Utilising the insight of the alternative function of ideology as a subversive and divisive value system, the chapter excavates the inherent ambiguities and contradictions in the language of the Freedom Charter that rendered it vulnerable to re-interpretation by competing “ideological groups” within the ANC alliance.

The chapter shows how the eclecticism of the Freedom Charter is embodied in the ambiguous and contradictory language of its “economic/property” clauses. Crucially, the chapter argues the inherent ambiguities in the Freedom Charter had the opposite impact.
Thus, the unifying impact of the Freedom Charter’s language was contradicted by its divisiveness. It is demonstrated how the eclecticism of the Freedom Charter’s “economic/property” clauses allowed for divergent readings by different “ideological interests” in the alliance. The disagreements which resulted from the different readings of the Freedom Charter’s “economic/property” clauses within the ANC alliance are highlighted. Thus, the analysis of the intra-ANC alliance disagreements over the interpretation of the “economic/property” clauses, two different socio-economic models can be deduced.

4-2 Background to the Formulation of the 1955 Freedom Charter

The ideological shift of ANC leadership from the conservatism of the old guard to the mass struggle of the Youth League nationalists led to the emergence of a de-facto ANC alliance in the early 1950s. The consequence of the adoption of the 1949 “Programme of Action” by the ANC was the election of its Youth Leaguers into the ANC leadership. The rise of the Youth League in ANC leadership marked a turning point from reformist nationalism to a more assertive African nationalism. The Youth Leaguers repudiated earlier leadership’s stance in collaborating with Communist, Coloured and Indian organisations (Wesemuller, 2005:63). The new found spirit of co-operation led to the formation of the Congress alliance.

The ANC-led Congress alliance emerged as an inter-racial political front from the conclusion of the 1947 Xuma-Dadoo-Naicker Pact of Cooperation. The pact also known as “The Three Doctors Pact” was entered into between Dr Xuma, President General of the ANC, Dr Dadoo, Chairman of the Communist Party and leader of the Transvaal Indian Congress and Dr Naicker, leader of the Natal Indian Congress (Sechaba 1982, 13). In 1949, the ANC in conjunction with the Indian Congresses, the Coloured People’s Congress and leaders of the Communist Party embarked on the 1952 “Defiance of Unjust Laws Campaign”, through which over 8,000 volunteers of all races were imprisoned for defying Apartheid laws (ANC 1977, 64). This campaign unified African, Indian, coloured and white communists against the apartheid state (Karis and Carter 1977, 200). In 1953 the Congress of Democrats (CD) consisting of former white communists and social democrats joined the emergent Congress Alliance. This helped to improve the past negative image of communists among black nationalists (Ranuga 1996, 46). This form of multi-racialism, which cut across the ideological
divide, helped to pave the way for the formulation of the Freedom Charter by all the organisations represented in the embryonic ANC alliance.

At the ANC Provincial Conference at Cradock on 15 August 1953, Professor Z. K. Mathews, President of the Cape Province ANC, proposed a motion thus:

> I wonder whether the time has not come for the African National Congress to consider the question of convening a national Convention, a Congress of the People, representing all the people of this country irrespective of race or colour to draw up a Freedom Charter for the democratic South Africa of the future. Once the principle of the establishment of such a Congress of the People was accepted, the details of its implementation could be worked out either by the National Executive or by an ad hoc committee with that special duty (Karis and Carter 1977, 201).

The 42nd ANC National Conference, December 18–20, 1953, instructed the National Executive Committee of the ANC “to make immediate preparations for the organisation of the “Congress of the People” of South Africa” (Karis and Carter 1977, 201). The Congress was to consider national problems “on an inclusive basis”, and to draw up a Freedom Charter for a democratic South Africa (Karis and Carter 1977, 202). It would express deeply held liberation ideals.

Following the adoption of the above motion by the 1953 conference of the Congress Alliance, organisations embarked on nation-wide consultations about the vision of an alternative socio-economic order for South Africa. In March 1954, leaders of the Congress Alliance established the National Action Council to organize the Congress of the People. The National Action Council enlisted volunteers to publicise, mobilise and to educate people to voice their grievances, which were then recorded. After a country-wide consultation, the people’s submissions were presented to the “Joint Congress Consultative Committee” composed of leaders from the ANC, the South African Indian Congress, the South African Coloured People’s Organisation and the white Congress of Democrats (Karis and Carter 1977, 205).

The “National Action Council” led by Z. K. Matthews drafted the Freedom Charter. It was affirmed at the 26 June 1955 “Congress of the People” in Kliptown by 2,884 delegates that consisted of 320 Indians, 230 Coloureds, 112 Whites, and 2,222 Africans drawn from all Congress alliance organizations (ANC 1977, 25). As a manifesto of the aspirations of the
oppressed African/black people for a free, equal and democratic South Africa, the Freedom Charter voiced “the demands and aspirations of an alliance of class forces” composed of black nationalists, trade unionists and communists (Suttner and Cronin 1986,140). The adoption of the Freedom Charter led the apartheid government to introduce repressive measures which had the opposite effect of unifying the ANC alliance. For example, the 1956 Treason trial, in which about 156 leaders of the ANC alliance were charged with treason by the apartheid state, galvanised the budding alliance. The alliance was, according to ANC alliance leader Turok, formalised during the Treason trial with meetings of the joint executives of the Congress Alliance, with ten delegates each from the ANC, the Indian Congress, the South African Coloured People’s Organisation, Congress of South African Trade Unions and the white Congress of Democrats (Turok 2008, 21). By 1958, all the ANC provincial congresses had adopted the Freedom Charter (Turok 2008, 22–23).

The Freedom Charter accommodated the divergent ideological tendencies and enabled their uneasy co-existence within the ANC alliance over the decades (Davis 2003), and can be said to have embodied the people’s socio-economic and political aspirations (Davis 1991, 2). As Bundy observed the Freedom Charter “was essentially a statement of values or principles around which a variety of classes could coalesce” (Bundy 1989, 10). It “became a “roadmap” for a democratic and racially-inclusive post-apartheid society. Thus, the ANC Youth League regards the Freedom Charter as a blueprint from “which all its other policies and actions derive” (ANCYL 2010a, 3).6 The Freedom Charter remains an important ANC alliance document articulating broad policy principles of an alternative order to the then existing apartheid system (Burnham 2005, 18; Peet 2000, 67).

4-3 The Ambiguous “Economic/Property” Clauses of the Freedom Charter

The emergence of the ANC led Congress alliance in the early 1950s represented an ideological compromise between two contending perspectives of nationalism and socialism to

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6 The Freedom Charter is, for example, regarded by one of COSATU’s largest affiliate NUMSA as “the blueprint then and now for the first phase [of the “National Democratic Revolution]…towards a socialist South Africa” (Jim 2014, 2). It was seen to be articulating a “comprehensive coherent vision [of]… the dreams and aspirations of ordinary people”…, an “authentic voice of the people…” (Steytler 1992, xii).
fight against the apartheid system. Only the following Preamble and the first four clauses of the Freedom Charter are selected for the analytical purpose of this chapter.

Preamble

We, the People of South Africa, declare for all our country and the world to know:-

that South Africa belongs to all who live in it, black and white, and that no government can justly claim authority unless it is based on the will of all the people;

that our people have been robbed of their birthright to land, liberty and peace by a form of government founded on injustice and inequality;

that our country will never be prosperous or free until all our people live in brotherhood, enjoying equal rights and opportunities;

that only a democratic state, based on the will of all the people, can secure to all their birthright without distinction of colour, race, sex or belief;

And therefore, we, the people of South Africa, black and white together equals, countrymen and brothers adopt this Freedom Charter.

And we pledge ourselves to strive together, sparing neither strength nor courage, until the democratic changes here set out have been won.

(1) The People Shall Govern!

Every man and woman shall have the right to vote and to stand as a candidate for all bodies which make laws;

All people shall be entitled to take part in the administration of the country;

The rights of the people shall be the same, regardless of race, colour or sex;

All bodies of minority rule, advisory boards, councils and authorities shall be replaced by democratic organs of self-government.

(2) All National Groups Shall have Equal Rights!

There shall be equal status in the bodies of state, in the courts and in the schools for all national groups and races;
All shall have equal rights to use their language, and to develop their own folk culture and customs;

All national groups shall be protected by law against insults to their race and national pride;

The preaching of national, race and colour discrimination and contempt shall be a punishable crime;

All apartheid laws and practices shall be set aside.

(3) The People Shall Share in the Country’s wealth!

The national wealth of our country, the heritage of South Africans, shall be restored to the people;

The mineral wealth beneath the soil, the Banks and monopoly industry shall be transferred to the ownership of the people as whole;

All industry and trade shall be controlled to assist the wellbeing of the people;

All People shall have the right to trade where they choose, to manufacture and to enter all trades, crafts and professions.

(4) The Land Shall be Shared Among Those Who Work it!

Restrictions of land ownership on racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and hunger;

The state shall help the peasants with implements, seed and dams to save the soil and assist the tillers;

Freedom of movement shall be guaranteed to all who work on the land;

All shall have the right to occupy land wherever they choose;

People shall not be robbed of their cattle, and forced labour and farm prisons shall be abolished (ANC 1977, 12–18).

The above selected clauses of the Freedom Charter articulated a vision of an alternative political and economic structure and system (see Appendix 1). The first clause outlines the task of the first stage of national liberation, to forge a racially inclusive nation-state. The second clause calls for representative government. The third and fourth “economic/property” clauses of the Freedom Charter are the most vital, albeit controversial ideals, stipulating broad policy outlines for the future socio-economic system. It is an inherently ambiguous
document that sought to accommodate a range of ideological beliefs and interests. Thus, Hudson’s view that the Freedom Charter is a “notoriously ambiguous” document is insightful in seeking to comprehend its ideological utility (Hudson 1986, 7–8). This view is also advanced by Suttner who argues that while the Freedom Charter articulates the reduction of inequalities, there is “ambiguity in precisely what the Freedom Charter is advocating in terms of state involvement and the distribution or redistribution of wealth” (Suttner 2004, 21). For example, on one hand, the “economic/property clauses” of the Freedom Charter call for the transfer of the “mineral wealth, the Banks and monopoly industries…to the ownership of the people as whole”, on the other hand, it supported the right of people to trade where they choose, to manufacture and to enter all trades, crafts and professions”. Indeed as Legassick (2010, 1) argues, the transfer to ‘the ownership of the people as a whole’ called for the change of existing capitalist relations of private property ownership, which can also be interpreted to justify the de-racialisation of the private ownership of property. The conclusion by several analysts that the Freedom Charter exhibited neither a socialist nor a “free market” stance underscored the ideological elasticity that is inherent in its language (Wolpe 1988, 62). Other analysts conclude that the Freedom Charter is “neither a socialist document nor a conventional bourgeoisie democratic programme” (Jordan 1988b, 3). This eclectic nature of the language of the Freedom Charter’s “economic/property” clauses was shaped by perspectives ranging from “Gandhi’s passive resistance, Christianity, socialism, African communalism, indigenous cultural beliefs, and liberal democracy (Burnham 2005, 19).

It is plausible that the ideological disposition of some of the drafters of the Freedom Charter influenced the formulation of the content of its “economic/property” clauses. Ben Turok, then a leading member of the white Congress of Democrats, recounts how he was in an “extraordinary position” as a member of the drafting committee of the Freedom Charter's “economic/property clauses” to amend its original version (Turok 2008, 22). Turok reveals how he lobbied for their revision since he believed that they were “too liberal and did not reflect the more radical views of the thousands of people consulted” (Turok 2008, 22). In arguing for the adoption of more socialist oriented “economic/property” clauses, Turok discloses how the aim of his amendments was to stipulate the ideal that South Africa’s wealth and resources be shared by all its people (Turok 2008, 22). Unfortunately, the original version of these clauses cannot be sighted nor does Turok explain their original content or language used. Indeed, as Turok indicates, his suggested revision of the content of the Freedom

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Charter’s “economic/property” clauses represented a leftward shift (Turok 2008, 24). His call for the revision of the clauses foreshadowed that there would “be a committee of the workers to run the Gold Mines wherever there is a factory and where there are workers who are exploited, we say that the workers will take over and run the factories” (Turok 2008, 24). In defending his view, Turok argued that this was part of “a distinct shift to the left” as many came to interpret the clauses as embracing “socialist principles” (Turok 2008, 25). Other Communists such as Rusty Bernstein, then a member of the underground South African Communist Party’s central committee undertook the burden of drafting the Freedom Charter (Meredith 1997, 134). Joe Slovo, the former leader of the Communist Party publicly revealed that he was one of the people who drafted the Freedom Charter (Davis 1991, 4). Another view ascribes the drafting of the Freedom Charter to Moses Kotane, then African General-Secretary of the Communist Party of South Africa, whose involvement in drawing the first draft of the Freedom Charter is also acknowledged (Evaratt 1991, 35).

The ambiguity of the “economic/property” clauses encompassed the broad ideological and strategic objectives of both the first stage of racial liberation: the “National Democratic Revolution” and the second stage of a working class socialist revolution that had previously divided black nationalists and communists. Thus, the ambiguity of the “economic/property” clauses camouflages a pivotal fault-line, which is the source of division within the ANC alliance between those who gave a pro-capitalist interpretation and those who held a pro-socialist understanding. This was evident in the contested ideological visions derived from the reading of these clauses (Suttner 2004, 16). Jeremy Cronin, South African Communist Party deputy General Secretary, argues that the Freedom Charter’s “economic/property” clauses do not specifically use the word “nationalisation” (Cronin 2009, 16). But Suttner and Cronin, showed how the concept of nationalisation was generally deduced from reference to the collective noun “the people shall share...”; that national wealth shall be restored to “the people” (Suttner and Cronin 1986, 77). However, the term the “people” is amorphous.

The radical sounding language of the Freedom Charter developed in the ideological context of the 1950s when the idea of nationalisation was in vogue in post–Second World Western Europe (Cronin 2009, 16). The ANC alliance also imputed the notion of nationalisation from the same clauses demanding that the wealth of South Africa be restored to people through the transfer of its mineral wealth, the Banks and monopoly industry to the ownership of the
people (my emphasis). Although, the “economic/property” clauses have been interpreted within the ANC alliance and by analysts to denote the nationalisation of privately owned economic enterprises by the state, the capitalist connotation of the clauses understood them as advocating for the transfer of ownership of state-owned companies through privatisation to the ownership of the formerly oppressed black people as individuals.

4-4 The Freedom Charter as a Popular Vision/Programme for Freedom and Equality

The ambiguities of the Freedom Charter enabled it to be a useful programme to bridge the ideological divide between pro-capitalist nationalists and socialists within the alliance. It was widely embraced as a popular vision of black liberation from Apartheid oppression, articulating aspirations of freedom and equality. It was popularised by the formerly exiled ANC-led Congress Alliance which metamorphosed in South Africa in the early 1990s into the Tripatite alliance of black nationalists, trade unionists and communists. However, its language is inherently inconsistent and contradictory and thus appealed to a wide spectrum of ideological persuasions with the alliance. Meredith’s view that the Freedom Charter contains “simple idealism” and that it was, “more notable for its modest content and naive promises than for any revolutionary intent” reflected its problematic wording (Meredith 1997, 137).

The ambiguous language of the “economic/property” clauses captured the complex relationship between ideas from different ideological perspectives assumed to be solutions for race oppression and class exploitation in South Africa. It was indeed a compromise programme devised to capture the contradictory unity between the racial liberation aspirations of the black petty bourgeoisie and proletariat (Jordan 1988b, 3). As Mckinley (1997, 22) argues the inherent ambiguity in the “economic/property” clauses “meant that the ANC Alliance could claim that their strategic approach was simultaneously a predominantly nationalist anti-apartheid umbrella for all social forces and a revolutionary struggle for radical socio-economic transformation”. It provided a crucial discourse to unify black nationalists and communists and for mobilising them to fight against the oppressive apartheid rule.

Mandela had, for example, captured the expediency of the Freedom Charter for mass political mobilisation of an “alliance of various classes and political groupings amongst the Non-
European people supported by white democratic African, Coloured and Indian workers and peasants, traders and merchants, students and teachers, doctors and lawyers, and various other classes and groupings” (Karis and Carter 1977, 210). It was thus instrumental in unifying a broad church of different races and classes against the apartheid state and in mobilising them to be active agents of their emancipation (Neocosmos 2006, 4). As an influential programme, the Freedom Charter shaped the ANC alliance’s discourse into a socially shared interpretative framework for an alternative to the apartheid system (Davis 2003, 8).

The political significance of the Freedom Charter was reflected in its re-emergence in the 1980s after the banning of the ANC by the apartheid state in the early 1960s. After the mid-1960s political lull resulting from the apartheid state’s violent suppression, the Freedom Charter’s earlier popular status within the country was revived by the internally based groups allied to the exiled ANC alliance. It was used extensively “in the co-ordination of the antiapartheid struggle in South Africa” (Hudson 1986, 7). Its popularisation gained impetus with the exiled ANC alliance’s declaration of 1980 as the “Year of the Charter”, to commemorate 25 years of its existence.

During this time, the Freedom Charter was distributed “through pamphlets and slogans throughout the country”, and was published in local newspapers “in the form of advertisements and full page inserts” country wide (Phillips 1991, 69). It became a potent instrument in the intensification of the struggle for black liberation. For example, in 1981, trade unions, youth and community organisations protested against the celebrations of twenty years of the apartheid republic by distributing the Freedom Charter country-wide as part of the struggle for national liberation (Phillips 1991, 73). Hudson described how during this period there was a de facto obligation on almost all internal political resistance movements to “define at some point their position vis-a-vis the Freedom Charter” (Hudson 1986, 7).

The ban of the Freedom Charter by the apartheid state was lifted by mass political action of the ANC oriented organisations in the 1980s. It was popularised in mass political defiance in black townships led by the United Democratic Front (UDF) to “become the most important symbol of a united and non-racial South Africa” (Davis 1991, 2). A broad front of political, civic, worker, student and youth movements subscribed to the principles enshrined in the Freedom Charter (Maree 1986, 73). It thus inspired the intensification of resistance against
the apartheid state led by the ANC aligned mass organisations and trade unions, such as the UDF, as well as student and community organisations in the 1980s. The UDF had been formed in 1983 as an umbrella organisation consisting of 700 diverse groups ranging from civic associations, Christian and Islamic groups, trade unions, youth and women’s groups, and sporting and cultural bodies. It opposed the P. W. Botha government’s “divide and rule” Tri-cameral constitutional reforms that created separate junior legislative bodies for Coloureds and Indians subordinated to the white parliament (Lodge, et al. 1991, 34–37).

In 1985 a merger of some major unions led to the establishment of the Congress of South African Trade Unions (COSATU), which became sympathetic to the ANC alliance and was pivotal in popularising the Freedom Charter (Lodge et. al. 1991, 34–37). By 1987, most of COSATU and its affiliates had adopted the Freedom Charter (ANC, 2000a, 9). Together with the UDF, they defiantly embraced the Freedom Charter as providing an alternative vision to Botha’s reforms (Lodge et. al. 1991, 131–133). Thus, as a publicly articulated document listing the socio-economic and political rights denied to the majority of oppressed South Africans, the Freedom Charter became a beacon of political emancipation in the mid-1980s anti-apartheid black liberation struggle.

The Freedom Charter was indispensable to the ANC alliance as it enabled it to mobilise mass political support for the liberation of black people from the apartheid oppression and thus ensured continued support. This is evident in the high polling margins from successive post-apartheid elections. Thus the ANC won 62.6 percent of votes in the first 1994 democratic election, largely with the support of black voters. This margin subsequently increased to 66.4 per cent in 1999 and to 69.7 per cent in 2004, before settling at 65.9 per cent in 2009 elections (The Independent Electoral Commission 2009, 12). The Freedom Charter continues to be revered by the ANC alliance as a programme of broad socio-economic and political liberation ideals seen as necessary to resolve race and class oppression, and thus a vision of a free and democratic South Africa. Paradoxically, the eclectic nature of the Freedom Charter ensured its appeal to a wide range of ideological groups without collapsing its basic framework.

7 In the mid-1980s, the UDF evoked the ANC-led alliance’s “revolutionary” rhetoric in songs, slogans and speeches that extolled the Freedom Charter (Lodge, et al. 1991, 61). How the two conjoined factors: the domestic “democratic” stream of the UDF-led mass movement and the “authoritarian” exiled ANC articulated, with the surbodination of the former by the latter as suggested in Good (2014) is beyond the scope of this thesis.
4-5 The Initial Interpretive Differences on the Freedom Charter within the ANC

The divisive impact of the Freedom Charter can be traced to the initial objections of the Africanists within the ANC to its “economic/property” clauses. As explained in Chapter 3 of this thesis, Africanists argued “for the return to the orthodox Lembede stand” as the standard-bearer of Africanism: a racially exclusive brand of African nationalism (Karis and Carter 1977, 320). A special ANC conference held in Johannesburg in April 1956 adopted the Freedom Charter as the programme of the ANC. The 16 Africanists delegates who had objected to the Freedom Charter’s Preamble that South Africa belongs to all who live in it lost the vote as 216 delegates voted in favour of its adoption by the ANC (Bunting 1975, 287). Africanists also derided the language of the “economic/property” clauses as an ideological imposition on Africans by communists (Bunting 1975, 287). In 1959, Africanists broke away from the ANC to establish the Pan Africanist Congress (PAC), which promoted itself as the standard bearer of “genuine African nationalism” (Ranuga 1990, 10). In criticising the Freedom Charter, the PAC journal, “The Africanist”, edited by Sobukwe, advanced the view that the Freedom Charter originated from the “vodka cocktail” parties of white left-wing intellectuals (Karis and Carter 1977, 320). These criticisms of the Freedom Charter reflect how it was often subjected to conceptual vicissitudes and obfuscated for ideological and class predispositions. The utility of the Freedom Charter was evident in how the inherent ambiguities in the “economic/property” clauses were used by ANC alliance factions to advance their own interests.

Flowing from the competing interpretations of the “economic/property” clauses by the various factions within the ANC alliance, two different socio-economic models can be deduced from their readings. This useful analytical approach was confirmed in the 2002 analysis of the ANC Youth League that the ANC movement incorporated the following ideological orientations:
• A nationalist/bourgeois democratic trend
• A socialist trend
• The mainstream national democratic trend which tends to incorporate elements of both of the first two trends (ANC Youth League 2000, 7).

Although, the above quote identified three ideological trends, in reality two broad dominant trends can be deduced as more influential within the ANC alliance. These trends appear as the pro-capitalist and pro-socialist readings of the Freedom Charter.

4-6 The Pro-Capitalist/“Mixed Economy” Interpretation of the Freedom Charter

The ambiguities arising out of the language of the Freedom Charter’s “economic/property” clauses have led to formulations of different socio-economic models for and against nationalisation. Throughout its existence, the Freedom Charter has been subject to disagreement within the ANC alliance between Neo-liberals who were opposed to nationalisation and the pro-nationalisation camp which viewed it as the means by which a developmental state could promote capitalist development.

An early pro-capitalist reading of the Freedom Charter’s “economic/property” clauses was contained in ANC leader Nelson Mandela’s rejoinder to claims made by “The Africanist”, the PAC’s official mouthpiece, that the Freedom Charter was socialist. In his reply in the June 1956 article, entitled “In our lifetime” published in the ANC periodical, “Liberation”, it seems that Mandela argued for a pro-capitalist “developmental state” thus:

Whilst the Charter proclaims democratic changes of a far reaching nature, it is by no means a blueprint for a socialist state, but a programme for the unification of various classes and groupings amongst the people on a democratic basis. Under socialism the workers hold state power. They and the peasants own the means of production, land, the factories and the mills. All production is for use and not for profit. The Charter does not contemplate such profound economic and political changes. Its declaration ‘the people shall govern’ visualizes the transfer of power not only to any single social class but to all the people of the country be they workers, peasants, professional men or petty bourgeoisie.
It is true that in demanding the nationalisation of banks, the gold mines and the land the Charter strikes a fatal blow at the financial and gold-mining monopolies and farming interests that have for centuries plundered the country and condemned its people to servitude. But such a step is absolutely imperative and necessary because the realisation of the Charter is inconceivable, in fact impossible, unless and until these monopolies are first smashed up and the national wealth of the country turned over to the people. The breaking up and democraticisation of these monopolies will open fresh fields for the development of a prosperous Non-European bourgeoisie class. For the first time in the history of the country the Non-European bourgeoisie will have the opportunity to own in their own name and right mills and factories, and trade and private enterprise will boom and flourish as never before. To destroy these monopolies means the termination of the exploitation of vast sections of the populace by mining kings and land barons and there will be a general rise in the living standards of the people. It is precisely because the Charter offers immense opportunities for overall movement in the material conditions of all classes and groups that it attracts such wide support (Quoted in Karis and Carter 1977, 310).

Mandela’s above statement was the first official interpretation of the Freedom Charter as demanding the “nationalisation” of banks, gold mines and land, which was contemplated, would occur once monopolies in these areas have been destroyed. Such an eventuality would, according to Mandela, not only be beneficial for the development of the “Non-European”/black bourgeoisie, but have a positive effect on the economy as trade and private enterprise would flourish. Thus, Mandela posited “nationalisation” within the capitalist economic system. His statement was similar to that of Michael Harmel, then editor of the “African Communist”, the underground Communist Party journal in the late 1950s, who also denied the Freedom Charter had advocated the abolition of private enterprise or it had demanded the nationalisation of all industries and/or state control (Turok 2008, 22).

Seven years later Mandela denied any reference to “nationalisation” to interpret the Freedom Charter’s ‘economic/property” clauses. In his 1963 Rivonia treason trial speech, Mandela countered the prosecution’s charge that the Freedom Charter was part of a Communist conspiracy to overthrow the state. Mandela advanced a pro-capitalist interpretation of the Freedom Charter by asserting that it did not advocate socialism as it was not accidental that the “economic/property” clauses made no reference to nationalisation “since there was no single slogan connecting the ANC to the Marxist ideology” (Karis and Carter 1977, 360). Mandela emphasised that the ANC had never called for “revolutionary change in the economic structure of the country” (Karis and Carter 1977, 360). Mandela’s interpretation of
the Freedom Charter as a programme of the first “de-linked” capitalist stage of the “National Democratic Revolution” deferred the second stage of socialism to an un-determined future.

The leaders of the South African Congress of Trade Unions (SACTU), an ally of the ANC and the Communist Party, formed in 1955 as a non-racial union, interpreted the “economic/property” clauses as articulating “transitionary socialist demands for nationalisation with generalised liberal-democratic demands” (Lambert 1987, 244). Such a view supported “nationalisation” of the “developmental state” in promoting capitalist development. This interpretation of the Freedom Charter’s “economic/property” clauses was compounded by the South African Communist Party’s 1962 Programme which stated that:

The Freedom Charter is not a programme for socialism. It is a common programme for a free, democratic South Africa, agreed by socialists and non-socialists (SACP 1962).

The above interpretation precluded a socialist-oriented view of the theory of the “National Democratic Revolution”.

In arguing for a form of state nationalisation, the 1962 Communist Party programme explained “nationalisation” as the means by which a “developmental state” could promote capitalist development. It foreshadowed a “developmental state” in order to ensure the rapid development of South Africa as well as a balanced industrial-agricultural country”’ (SACP 1962). A “large-scale, planned development of the economy, controlled and directed by the state” was advocated in the programme (SACP 1962). This was to be achieved through “widespread nationalisation of key industries to break the grip of white monopoly capital on the main centres of the country’s economy” (SACP 1962). Consequently, the programme sought “to place control of the vital sectors of the economy in the hands of the national democratic state and to correct historic injustice, by demanding the nationalisation of the mining industry, banking and monopolised industrial establishments, thus by laying the foundations for the advance to socialism” (SACP 1962). It therefore envisaged “the strengthening of the state sector of the economy particularly in the fields of heavy industry, machine tool building and fuel production (SACP 1962). Slovo, then General Secretary of the South African Communist Party seems to confirm this understanding of the Freedom Charter’s as the “historic programme which has evolved to express the common immediate
aspirations of all the classes of the oppressed” (Slovo 1984, 4). Thus Slovo contends that the Freedom Charter “is not, in itself, a programme for socialism, even though it can provide a basis for uninterrupted advance to a socialist future” (my emphasis) (Slovo 1984, 6).

The pro-capitalist nationalisation approach interpreted the Freedom Charter’s “economic/property” clauses as implying a developmental state promoting capitalist development in a de-racialised “mixed economy”. A “mixed economy” interpretation of the Freedom Charter implied the co-existence of the public and private sectors in a de-racialised capitalist economy. Thus, the ANC’S 1985 “Strategy and Tactics” document justified a “mixed economy” as one which the “state will secure the interests of the small property-owner, the petty commodity producer, the artisans, traders and professional strata” (ANC 1985, 2). The state control of certain sectors of the economy in a capitalist system entailed the existence of mixed forms of economic ownership.

The former President-General of the ANC in exile, Oliver Tambo, interpreted the “economic/property” clauses as suggesting a form of state control synonymous with a “mixed-economy”. For example, Tambo states that the monopolies affecting the social well-being of the people such as the mines, the sugar and wine industries would be “transferred to public ownership so that they could be used to uplift the life of the people” (Tambo 1985, 4). Such a form of state control could be achieved through nationalisation of industries within the context of a de-racialised capitalist economic system. Tambo clarifies his “mixed-economy” perspective when he states that the Freedom Charter “does not even purport to want to destroy the capitalist system” (Tambo 1985, 6). In positing the retention of the capitalist system, Tambo envisaged “a mixed economy in which part of the economy, some of the industries, would be controlled and owned by the state and the rest by private ownership” (Tambo 1985, 6). Such a de-racialised “mixed economy” model contrasts with the socialisation of the means of production implemented in communist economic systems.

The 1988 South African Communist Party Programme, “The Path to Power” considered that the achievement of the aims of the Freedom Charter would answer “the pressing and immediate needs of the people and lay the indispensable basis for the advance to socialism” (SACP, 1989). Although such a statement sounds incoherent, such a perspective seems to imply support for the introduction of a “mixed economy” to address the “pressing and
immediate needs of the people”. State intervention in the economy in a predominantly capitalist economy would according to the Communist Party, lay what it hoped be the basis to advance to socialism. As one of its leading ideologues, Slovo had earlier asserted that the Freedom Charter did not project “socialism as the immediate consequence of a people’s victory” (Slovo 1984, 11). In elaborating his view, Slovo called for the introduction of antimonopoly provisions by the post-apartheid state that in his opinion would benefit black business, which was considered the victim of apartheid (Slovo 1988, 10). Such a “developmental state” would intervene through nationalisation “to assist the well-being of the people” (Slovo 1988, 12).

The “mixed economy” view was reiterated in the ANC’s 1988 “Constitutional Guidelines for a Democratic South Africa” which saw the Freedom Charter as a guide for building a free, just and democratic society to replace white political and economic domination (ANC 1988, 10). The ANC’s 1988 Guidelines foreshadowed an economic system to serve the interests and well-being of everyone, and in which the private sector would be obliged to cooperate with the state for realising the Freedom Charter’s objectives (ANC 1988, 10). However, the 1988 ANC Constitutional Guidelines did not mention the nationalisation of key industries but only referred to a “mixed economy” (ANC 1988, 16). The guidelines proposed cooperation between the private sector and the state to realise “the objectives of the Freedom Charter in promoting social-well-being” (ANC 1988, 18). In this interpretive context, the clauses that demanded that “The people shall share in the country’s wealth” were read as calling for the private ownership of the means of production such as land, the factories and the mills by the people (ANC 2000a, 1). This call was made under the amorphous term “the people”.

This “mixed economy” view gave impetus to the creeping Neo-liberal perspective which read the Freedom Charter’s economic/property” clauses as advocating the privatisation of state owned companies such as the electricity utility, Eskom, the South African Airways and the Post Office through a universal share ownership scheme for employees (Vorhies 1990, 6). Neo-liberals thought the deregulation of the economy would enable the transfer of the ownership of the industries and banks to the people (Vorhies 1990, 7). The Neo-liberal opposition to “nationalisation” of the key industries and banks was congruent with the views of earlier ANC liberal-reformist nationalists such as then ANC President Xuma, who in 1945 asserted that: Neo-liberals thought the deregulation of the economy would enable the transfer
of the ownership of the industries and banks to the people (Vorhies 1990, 7). Then ANC President Xuma, who in 1945 asserted that:

   It is less important to us whether capitalism is smashed or not. It is of greater importance to us that while capitalism exists, we fight and struggle to get our full share and benefit from the system (Karis and Carter 1977, 310).

Xuma’s stance shows how the ANC focus was always on the first stage of a ‘National Democratic Revolution’, as representing a “de-raced” capitalist system. In secret pre-release negotiations with his apartheid state’s leaders in 1988, Nelson Mandela reiterated the view that the Freedom Charter was a blueprint for “African-style capitalism” (Mandela 1994, 12).

In the early 1990s, Nelson Mandela repeated his 1950s call for “nationalisation”. On the day of his release from prison, Mandela stated: “[The] nationalisation of the mines, banks and monopoly industry is the policy of the ANC and the change or modification of our views in this regard is inconceivable” (Mandela 1990, 16). In 1991, Nelson Mandela justified his interpretation of the “economic/property” clauses as demanding “nationalisation” in order to address the inequalities of apartheid. Thus, Mandela asserted that: “Nationalisation is a demand which is reasonable from our point of view. Where do we get the capital and resources to tackle the national issues facing us?” (Mandela 199, 5). Nelson Mandela’s demand for nationalisation was to be realised not through a socialist revolution but in the context of a “developmental state” embedded in a de-racialised capitalist economy.

In his letter to the Mass Democratic Movement to refute media reports that the ANC was abandoning “nationalisation”, Mandela confirmed commitment to the nationalisation of mines, banks and monopoly industries. Mandela held that, “a change or modification of our views in this regard is inconceivable” (UDF 1990, 2). However, Patrick Lekota, then publicity secretary of the banned United Democratic Front, interpreted Mandela’s view of nationalisation in the context of a “mixed economy”: “The Charter says monopolies—the commanding heights of capitalism—will be nationalised—but it also says people will be allowed to trade freely” (UDF 1990, 3). Lekota understood Mandela’s statement to imply that, “when an ANC government takes power it will nationalise industries and sectors monopolised by capital” (UDF 1990, 3). Although, sounding radical, Lekota indicated that nationalisation of “industries and sectors monopolised by capital” would exclude “the small
shop owned by the ordinary man” (UDF 1990, 4). Lekota characterised a “mixed economy” as the co-existence of nationalised industry and a capitalist system as he argued that the “ANC has never committed itself to socialism” as, “nationalising certain sectors does not mean socialism” (UDF 1990, 4). Lekota’s statement underlined the UDF’s ambiguous interpretation of the “economic/property” clauses as some socialists within the 1980s UDF still chose to interpret the “economic/property” clause to mean socialism (Lodge et al. 1991, 133). The notion of a “mixed economy” seems not to be incompatible with the role of the “developmental state”. The role of the developmental state operating in the context of the “mixed economy” is defined in the May, 1991 Draft ANC Economic Manifesto as “to lead, coordinate, plan and dynamise a national economic strategy” (ANC 1991b, 2).

A further interpretation by Mandela was indicative of the elastic nature of the language of the “economic/property” clauses. At its 1991 Economic Policy Conference, the ANC committed itself to “the creation of a democratic mixed economy which will foster cooperation between the state, private companies” (ANC 1991a, 2). It eschewed the “commandist central planning system” and the “unfettered free market system” as models not suitable for economic growth (ANC 1991a, 45). The ANC rationalised its developmental state-cum-mixed-capitalist economy view on the principles of democracy as the key framework of its economic policy (ANC 1991a, 45). Ironically, the ANC’s stated objective of a “mixed economy” was to satisfy “the basic needs of the majority and to empower those who are disadvantaged and deprived” (ANC 1991a, 45). In this context in December, 1991 Nelson Mandela assured investors in his address at the University of Pittsburgh: “Contrary to what you might have heard or read, let me assure you that the ANC is not the enemy of private enterprise or the market system” (Mandela 1991b, 3).

At the January 1992 annual World Economic Forum gathering at Davos, Switzerland, ANC President Mandela eschewed the interpretation of the Freedom Charter’s “economic/property” clauses as implying “nationalisation”. Thus, in a bid to reassure investors and calm the international financial “markets”, Mandela had changed his earlier radical view on nationalisation. He posited the following alternative:
Nationalisation in our view, does not mean a universal, blanket policy or sticking rigidly to old dogma. It means examining selected major enterprises on a case by case basis. And our starting point would be those bodies and corporations already in state hands. In each case, the first question would be: is their investment and job creation good enough? If not, the case for taking them into public ownership would be considered *prima facie* positive. We would examine their wages policies, their policies to overcome discrimination, their training policies, their actions on health and safety, and their openness to consultation and negotiation (Mandela 1992).

In the above statement, Mandela conceptualised a pro-capitalist “mixed economy”, in which the state and the private sector would play a complimentary role (Mandela, 1992).

The ideological shift to embrace private enterprise gathered pace with Nelson Mandela and Thabo Mbeki controlling the reins of power within the ANC (Southall 2006a, 7). With the strong opposition from the “left” within the alliance, particularly from COSATU, a compromise solution was reached with the adoption of the Policy Guidelines document entitled “Ready to Govern” by the ANC’s May 1992 National Policy Conference. Using liberation platitudes, the Policy Guidelines promoted fundamental “transformation of the South African political and economic landscape” through the implementation of policies “designed to create an enabling environment to empower black people” (ANC 1992, 5). The Policy Guidelines foreshadowed using the following instruments to de-racialise the economy:

Management of both the public and private sectors will have to be de-racialised so that they rapidly and progressively come to reflect the skills of the entire population. Equity ownership will have to be extended so that people from all sectors of the population have a stake in the economy and power to influence economic decisions (ANC 1992, 6).

The above instruments aimed to de-racialise the inherited capitalist economy. In his revision of his view on nationalisation, Mandela promoted the idea a “developmental state” in a “mixed-economy”, thus:
We visualise a mixed economy, in which the private sector would play a central and critical role to ensure the creation of wealth and jobs. Side by side with this, there will be a public sector perhaps no different from such countries as Germany, France and Italy where public enterprises constitute 9, 11 and 15 per cent of the economy respectively, and in which the state plays an important role in such areas as education, health and welfare (Mandela 1992, 1).

What Mandela envisaged in the above statement was not a wholesale nationalisation by government but a “mixed-economy”. Additionally, Mandela argued, for example, that “taking some enterprises into public ownership will itself be a major step towards overcoming the huge inequality in the ownership of our country’s wealth” (Mandela 1992, 11). With regards to the Freedom Charter’s objective to transfer wealth to the people, the ANC’s 1992 “Ready to Govern” document declared that minerals were a national heritage that should be used to satisfy the people’s socio-economic needs (ANC 1992, 13). It favoured the introduction of a new system of taxation, financing, mineral rights, leasing and emphasised “macro-economic balance, including price stability and balance of payments equilibrium” (ANC 1992, 12). The document asserted that the “developmental state” had the primary responsibility for the delivery of health care, education and basic social security (ANC 1992, 12). The property rights of the majority systematically violated by apartheid were to be restored by the state taking over private property according to law and in the public interest. The expropriation of private property would be “subject to just compensation” that was not to “be based solely on the market value” (ANC 1992, 13). While, the 1992 Policy Guidelines sounded radical they also retained important features of private enterprise.

Mandela’s “mixed-economy” reading of the “economic/property” clauses of the Freedom Charter was consistent with Hudson’s observation that nationalisation imputed from readings of the Freedom Charter’s “economic/property” clauses would not necessarily lead to “a non-capitalist putatively proto socialist path of development” (Hudson 1986, 32). Hudson’s assertion that “nothing in the Freedom Charter entailed the elimination of capitalism and the establishment of a transitional social formation”, was insightful (Hudson 1986, 32). Thus, the transfer of wealth to people was read to imply the state nationalisation of the economy within the confines of the existing capitalist system. Such an ideological trajectory resembles a “developmental state” operating in a predominantly capitalist economy. However, the “developmental state” caused disagreements within the alliance.
The origins of the “developmental state” were attributed to the East Asian experience of “combining manufacturing-sector growth and diversification through authoritarian politics”, though peculiar to this model is, however, more nuanced as the ANC alliance’s own interpretation shows (Bond 2009). According to this model, state intervention in sectors of public interest was critical for enhancing economic performance (Ponte, Roberts, van (Sittert 2007, 936). For the ANC, the state had both a “developmental and transformative responsibility” (ANC 1997, 15). This entailed “the creation of material conditions to ensure that people as a whole benefit from this process through a rising standard of living and a continuous all-round improvement in the quality of life” (ANC 1997, 15). For the “developmental state” to execute this responsibility, an increase in the productive investment in the economy, “in both absolute and relative terms”, was seen as pivotal (ANC 1997, 15). The ANC alliance’s “developmental state” denotes the intensive and deliberate role of the post-apartheid state in promoting economic growth and social progress that is intended to bring about industrialisation and entrepreneurship (ANC 1997, 15).

The ANC’s ideological shift towards “redistribution through growth” was, however, contradicted by its ally COSATU’s 1992 document entitled, “Economic Policy in COSATU”, which reaffirmed the strategy of “growth through redistribution” (COSATU 1993, 2). The “left’s” view was articulated by South African Communist Party formulation of an interventionist “developmental state” characterised by: “a coherent transformation [that] will require state ownership; policies that influence private investment; changed rights of access to and use of natural resources (e.g., land, water, minerals, forests, marine resources); and a range of regulatory and supervisory dispensations” (SACP 1997a, 17). The Communist Party predicated the notion of a “developmental state” on “a purposive strategy to break out of colonial underdevelopment, structural depression, or war-time ruin” (SACP 1995, 8). Thus, the Communist Party disagreed with the ANC’s view it thought had sought to confine the role of the state to defence, keeping law and order and government regulation of the inherited capitalist economy (SACP 1997a, 17).

The concept of the “developmental state” was further refined by the ANC’s 2005 General Council meeting in Tshwane from 29 June to 3 July. Its declaration defined the “developmental state” as one “with a programme to mobilise society at large with the capacity to intervene in order to restructure the economy, including through public
investment” (ANC 2005a, 6). The role of the “developmental state” was to “engage private capital strategically buttressed and guided by a mass-based democratic liberation movement” (ANC 1998a, 32). The main task of the “developmental state” was “to regulate the socioeconomic environment in the interest of national development” (ANC 2006a, 20). And to ensure that “development finance institutions act in concert to back our overarching development approach” (ANC 2006a, 6).

The ANC envisaged deploying “the apparatus of government to direct industrial development, advance the social wage of the poor, and create space for black people to become independent traders” (ANC 2006a, 6). Such a notion was supportive of the creation of a black bourgeoisie operating in a capitalist “developmental state”. Bond showed how the embracing of the notion of a “developmental state” by the ANC alliance was more of a rhetorical shift to appease critics who argued that such economic policies were uniformly tailored according to the demands of global Neo-liberal macroeconomic policy convergence (Bond 2009). For the ANC alliance, a “developmental state” characterised the role played by the post-apartheid government in the first stage of the “National Democratic Revolution”, as a stage “de-linked” from the second socialist stage. Indeed, as other analysts contend, this categorisation represented “the shade of the variety of capitalism under a developmental state banner” (Taljaard 2007, 7).

The ANC concept of a “developmental state” seemed compatible with the “mixed economy” view of the Freedom Charter. Netshitenzhe also posits a capitalist oriented “mixed economy” ideological interpretation of the Freedom Charter’s “economic/property clauses. On the one hand, Netshitenzhe proposes “increasing the public sector in strategic areas through nationalisation by either purchasing a shareholding in companies, establishing new public corporations or by joint venture with the private sector” (Netshitenzhe 2010, 6). On the other hand, Netshitenzhe argues that a reduction of the public sector in certain areas may be necessary to enhance efficiency and to advance affirmative action to empower the historically disadvantaged (Netshitenzhe 2010, 6). These views are not dissimilar to the predominant “mixed-economy” version of the Freedom Charter’s “economic/property” clauses as interpreted in the post-apartheid transition period. It is from this basis of a developmental state promoting capitalist development that Netshitenzhe contends the different forms of ownership
in a “mixed economy” must assess “the ability of the economy to address poverty and inequality and to encourage growth and competitiveness” (Netshitenzhe 2010, 5).

Such a “mixed economy” would consist of “state, co-operative and other forms of ownership and private control” (Netshitenzhe 2010, 6). The state was to establish “enterprises that provide public goods such as infrastructure and basic services” (Netshitenzhe 2010, 5). The private sector, “including monopoly capital, is treated not as an enemy” to be smashed as the ANC alliance 1960s and 1980s versions on post-apartheid state suggested, “but as a potential partner—and yet one that needs to be regulated” (Netshitenzhe 2010, 5). The “mixed economy” view of the Freedom Charter as articulated in the post-apartheid period, however, a language of compromise between black nationalists and socialists. It only served to obscure the meanings of the language of the “economic/property” clauses, thus compounding their ambiguities, contradictions and incoherent nature.

Thus, although the promulgation of the Minerals and Petroleum Resources Development Amendment Act of 2008, sought to reinforce the interpretation of the Freedom Charter’s “economic/property” clauses that the mineral wealth beneath the soil shall be transferred to the ownership of the people as a whole; it posited this in the context of a “mixed economy”. For example, the Act substituted the private ownership of mineral rights, with state custodianship (RSA 2008, 2). The Act conferred the allocation of the right to extract minerals to the state. It prescribed that the ‘State royalty must be determined and levied by the Minister of Finance in terms of the Act of Parliament (RSA 2008, 2). A state mining company was foreshadowed. While, the Act was meant “to expand opportunities for historically disadvantaged persons, including women and communities”, its implementation led to some redistribution of access to South Africa’s mineral rights by the new black corporate bourgeoisie class as Chapter 7 of this thesis explains (RSA 2008, 2).

The ANC Youth League led by its president, Julius Malema, articulated a radical-sounding version of nationalisation, which was more of a call to tinker with the racial ownership of

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8 In 2011 the ANC Youth League led by Julius Malema organised a “March for Economic Freedom in our Lifetime” attended by thousands of participants demanding nationalisation of the mines and expropriation of white-owned land without compensation (Hart 2014, 79). In April 2012 Melema and two other ANC Youth League leaders were expelled by the ANC’s disciplinary committee for bringing the organisation into disrepute in advocating for regime change in the neighbouring state of Botswana (Hart 2014, 83).
mines, banks and monopoly industries, as it does not entail uprooting the class system upon which it is based. Its 2010 Discussion Document, “Towards the Transfer of Mineral Wealth to the Ownership of the People as a Whole: A Perspective on Nationalisation of Mines”, defined nationalisation of mines to mean “the democratic government ownership and control of mining activities, including exploration, extraction, production, processing, trading and beneficiation of minerals” (ANCYL 2010, 2) The document defined the role of state ownership as being to “extract, process, beneficiate and trade mineral wealth on behalf of the people” (ANCYL 2010, 3). The Youth League argued for a nationalisation that ranged from “100 per cent public ownership, or 51 per cent or more owned by the state”, and “partnership arrangements with the private sector in which the state assumes greater control” (ANCYL 2010, 3). This amounted to a form of state controlled nationalisation of the mines.

Individual ANC leaders criticised the Youth League’s call for nationalisation of the mines. The then ANC Treasurer, Matthew Phosa, denied that nationalisation was ANC policy (Phosa 2009, 3). Netshitenzhe argued that in making the call for nationalisation of mines, the Youth League had misread the Freedom Charter’s “economic/property” clauses. He attributed such a misunderstanding to the Youth League’s failure to acknowledge shifts “at a conceptual level” in the alliance during the different phases of the struggle (Netshitenzhe 2010, 1). Netshitenzhe concluded that the ANC Youth League “cannot answer the fundamental question about the evolution in the formal interpretation of the Freedom Charter during various phases of the struggle” (Netshitenzhe 2010, 1). Netshitenzhe’s view about shifts “at a conceptual level” on the question of nationalisation are indicative of the ongoing different interpretations of the Freedom Charter’s “economic/property” clauses within the alliance. In rebutting criticism that it is doing the bidding of troubled black mine owners seeking state bail-outs, the Youth League denied that its aim of nationalisation was meant to bail-out the indebted black corporate bourgeoisie (ANCYL 2010b, 3). The Youth League posited the nationalisation of the mines “within the context of the ANC alliance revised concept of “National Democratic Revolution” (ANCYL 2010b, 6). It therefore interpreted state-led nationalisation of mines as pivotal for the struggle for economic emancipation of the formerly racially oppressed to control “the development of the national forces of production” (ANCYL 2010b, 6). Thus, the ANC Youth League’s version as portrayed was not incompatible with the pro-capitalist nationalist version of state-led nationalisation premised on a “mixed economy” model.
A similar earlier version of state led nationalisation was articulated by the Congress of South African Trade Unions which had criticised the ANC government for not pursuing nationalisation of mines, but of “handing over key sectors like mining, to a few rich individuals”, which does not benefit the majority of people (COSATU 1998, 10). COSATU called for the establishment of a national company to be “owned by the people through the state in key strategic sectors of the economy” (COSATU 1998, 11). It envisaged that the proceeds of the state company would be used to finance “programmes to deal with socioeconomic challenges” facing the poor (COSATU 1998, 11). This mirrored the pro-capitalist tendency that was articulated by nationalists within the ANC leadership. Thus, two different tendencies in the ANC alliance read the “economic/property” clauses of the Freedom Charter to imply two different “nationalisation” perspectives. Black nationalists envisioned “nationalisation” as part of the mixed economy/developmental “national democratic” state to manage the de-racialisation of the inherited capitalist economy.

As a political and economic programme of the ANC-led alliance, the Freedom Charter was a useful document for the justification of the strategy based on the assumption of the convergence the class interests of the oppressed black people of South Africa. It was thus useful for rationalising the multi-class character of the struggle for national liberation. However its popularity as a broad vision/programme of liberation and equality concealed the inherent ambiguity in its “economic/property” clauses that “codified the ANC’s commitment to an accommodationist strategic approach to national liberation” (McKinley 1997, 21). Indeed it can be deduced as McKinley (1997, 21) argues that the Freedom Charter’s ambiguity “provided the logical foundation for strategy of ideological and class accommodation”

4-7 The Socialist Perspective of the Freedom Charter

The second interpretation of the Freedom Charter’s “economic/property” clauses is one that advocates state socialism and working class-led socialist revolution. This view defined the clauses as demanding the socialisation of the means of production through a proletarian revolution. Such a radical version was implicit in Mandela’s late 1950s statement, which saw the Freedom Charter as “more than a mere list of demands for democratic reforms” (ANC 1977, 38). In Mandela’s view, the changes envisaged in the Freedom Charter could not “be won without breaking up the economic and political set-up of present South Africa” (ANC
1977, 38). In making a radical interpretation of the Freedom Charter, Mandela further argued that the “Charter does not only propose merely a reform of the present system, a patching-up of its worst evils, an amelioration of some of its conditions” (ANC 1977, 38).

In foreshadowing fundamental change of the status quo, Mandela’s view was similar, for example, to the one described in the South African Communist Party 1962 Programme interpretation of the Freedom Charter’s “economic/property” clauses. The Communist Party argued that the aims of the “National Democratic Revolution” were defined in the Freedom Charter (SACP 1962). The programme envisaged profound changes such as drastic agrarian reform to restore land to the people; “wide-spread nationalisation of key industries to break the grip of White monopoly capital (SACP, 1962). It considered “the achievement of its aims will answer the pressing needs of the people and lay an indispensible basis for the advance of our country along non-capitalist lines to a communist and socialist future” (my emphasis) (SACP, 1962). Such an interpretation could be understood as supporting the view of an “uninterrupted” revolution between stages.

At the height of the Cold War from the late 1960s, when the ANC alliance was still sponsored by the Eastern European Communist states, it read the Freedom Charter’s “economic/property” clauses to mean socialist ownership of property. The Communist Party saw the adoption of these provisions as a necessary step for “paving the way for a gradual and peaceful transition to socialism” (SACP, 1981q, 314). This view implies a long transition period in which private business interests compatible with public interests are allowed to exist under state patronage.

The “left” in the ANC alliance interpreted the “economic/property” clauses as calling for the socialisation of the means of production through a working-class revolution. The latter view “had envisaged the liberation of South Africa as entailing the capture of the commanding heights of the economy and the nationalisation of at least some of the principal means of production” (Southhall 2004, 16). Such a radical interpretation is documented in the ANC’s 1978 official publication “Sechaba” when it argues, for example, that the struggle for liberation was “not end in itself, but a stage, or one of the stages, to a non-exploitative society, a future without exploitation” (Sechaba 1978, 7). In terms of this view “complete democracy” could “not be accommodated within the existing social order” [inherited
capitalist system] (Sechaba 1978, 7–8). Nationalisation, it stated, would occur once “the financial and gold-mining monopolies and farming interests had been smashed” (Sechaba 1978, 8–9). Drawing inspiration from revolutions in the People’s Republics of Angola and Mozambique, Sechaba argued for “the need to differentiate between formal independence and genuine independence”, but did not did not elaborate on what “genuine independence” entailed (Sechaba 1978, 10).

This socialist reading of the “economic/property” clauses of the Freedom Charter was reiterated during the same period by Thabo Mbeki, then Director of the International Affairs department based in the Lusaka office of the exiled ANC President Oliver Tambo. Mbeki, who was still then a member of the Communist Party, defined blacks in class terms thus:

- We are the producers of wealth
- We produce this wealth for our own benefit to be appropriated by us the producers
- The aim of this production shall be the satisfaction, at an increasing level, of the material and spiritual needs of the people (Mbeki 1978, 15).

Adopting a Marxist-Leninist approach, Mbeki criticised the role of the national bourgeoisie of the colonising countries which he saw as identifying “with the decadence of the bourgeoisie of the West” by “jumping ahead and beginning at the end, and thus senile” (Mbeki 1978, 16). A similarly radical interpretation of the “economic/property” clauses was explicit in the ANC’S 1985 Strategy and Tactics document which argues for the seizure of economic assets owned either by South African capitalist firms or trans-national corporations (ANC 1985, 2). The document identifies the aim of such measures to be the stripping of the “ruling class of the actual substance of its power, by seizing hold of the commanding heights of the economy” (ANC 1985, 2). In the mid-1980s, the internally based ANC aligned United Democratic Front (UDF) also interpreted the Freedom Charter’s “economic/property” clauses as calling for the re-appropriation of the wealth and natural resources owned by white capitalists by the post-apartheid state through measures such as “nationalisation” (Nkululeko 1986, 8).

The interpretation of the “economic/property” clauses as implying the socialisation of the means of production through a working class-led socialist revolution was reiterated in the
South African Communist Party’s 1982 Programme. The programme had advocated “full popular control over the mines, banks and other monopoly industries” (SACP 1982, 25). It had justified its interpretation of the “economic/property” clause as necessary to ensure that the economy begins to be directed towards the needs of the majority not to the profits of a few (SACP 1982, 25). In this way, the Communist Party believed that a post-apartheid state would transform the economic wealth held by the private sector into social property. While, the Communist Party viewed the Freedom Charter as “not inconsistent with an advance towards socialism in the post-liberation period”, it advanced the idea that the realisation of the Freedom Charter’s demands was a precondition for socialism (Hudson 1987, 55).

This view of the Freedom Charter was revisited by Slovo, then a leading theoretician of the Communist Party who in 1988 had expressed hope of a more revolutionary outcome of the South African liberation struggle that would lead to “social control over the main means of production and redistribution by a political power in which the working class is dominant” (Slovo 1988, 12). Slovo had envisaged the adoption of policies by the post-apartheid state to bring about the “immediate sizeable contraction of the private sector” due to the “severe clipping of the wings of the overwhelming mass of existing private capital” (Slovo 1988, 11). In his analysis, Slovo maintained, however, that such a measure would not be tantamount to the elimination of the private sector as this would be a “harmful demagogy and a recipe for chaos” (Slovo 1988, 12). Such ambiguity was reflective and demonstrative of the Communist Party’s ambiguous “revolutionary” language that pervaded the ANC alliance documents.

In its 1989 Programme, the South African Communist Party declared that the achievement of the objectives of the Freedom Charter would lay the indispensable basis for the advancement to socialism (SACP 1989, 8). The Communist Party viewed it as the short-term programme of national (race) liberation (SACP n.d, 3). It stressed that the realisation of the Freedom Charter’s objectives would be necessary for the advancement to the second socialist stage, and this would “lay the indispensable basis for the advance to socialism’ (SACP 1989, 8). Furthermore, Slovo, then the leading ideologue of the Communist Party, elaborated on this radical interpretation of the Freedom Charter’s “economic/property” clauses when he argued for “a peoples state dedicated to the interests of the majority, who are working people, would move towards a redistribution of wealth, and to social advancement rather than to private profit” (Slovo 1990a, 38). In terms of this view, profit seeking private business would be
precluded. This perhaps, explains why political analyst Lodge argued that communists had “helped draft a Freedom Charter to position the ANC on a non-capitalist path of transition to socialism after the successful conclusion of a “National Democratic Revolution” (Lodge 1996, 192). It is in this context that varying interpretations of the Freedom Charter abound.

In the post-apartheid period, however, the Communist Party has shifted from its 1988 interpretation of the “economic/property” clauses as portraying the socialisation of the means of production. Ironically, despite its changing stance, the Communist Party Treasurer, Phillip Dexter still used radical language arguing that the Freedom Charter’s “economic/property” clauses could not be fully realised in a capitalist system (Dexter 2008, 1). It still interpreted the Freedom Charter’s “economic/property” clauses demanding “transfer ownership to the people as a whole” to mean the socialisation of the means of production by the working class (Cronin 2009, 11). It is in this context that the Communist Party criticised the ANC Youth League averring that its proposed model of nationalisation, “wittingly or unwittingly advance[d] the narrow class interests of a small Black Economic Empowerment capitalist stratum” (SACP 2010, 1). In rejecting the ANC Youth League’s version of nationalisation, the Communist Party articulated nationalisation premised on a concept of a “developmental state” operating in capitalist economy.

In reconciling the realisation of the “economic/property” clauses as part of the tasks of a “developmental state”, the Communist Party argued that the phrase: “ownership of the people as a whole” meant state ownership “should be the means towards the socialised ownership” of the means of production (SACP 2010, 1). The Communist Party advocated nationalisation through what it described as “effective state intervention into the economy”, especially in “the critical minerals sector” (SACP 2010, 1). It suggested a range of modalities that could be used for nationalisation, for example, by either consolidating the existing state owned operations, and/or by the “leveraging of ownership over resources to ensure beneficiation and environmental sustainability” (SACP 2010, 2). According to the Communist Party, an appropriate modality was one that would place “the economy on to a new job-creating and equitable growth path” (SACP 2010, 2). State intervention to transform the economy was to be mindful of “whose class interest a particular policy” is being advanced (SACP 2010, 2). In
this version of nationalisation, it was often assumed that workers and the poor, the vast majority in South Africa, would benefit.

**4-8 Summary**

This chapter demonstrates how the Freedom Charter “economic/property” clauses were sufficiently ambiguous to allow diverse groups to interpret it differently, and some groups to change their interpretation over time. Using the theory of ideology that denotes its alternative functions, this chapter shows the contradictory dual impact of ideology to unite and to disunite groups. The chapter indicates two countervailing functions of ambiguities in the Freedom Charter’s “economic/property” clauses which had not only a unifying impact, but also shows how its competing interpretations had divisive impact. The chapter contends that the incoherence, contradictions and ambiguities of the Freedom Charter clauses were useful in “bridging” differences between different ideological groups, thus promoting mass mobilisation. Hence, it indicated how the emergence of the ANC alliance in the 1950s was the outcome of a compromise between black nationalists and socialists/communists to jointly fight against apartheid. The Freedom Charter became the most successful endeavour to unite the formerly estranged ideological tendencies into a powerful liberation force.

The chapter reveals, however, whereas the ANC alliance the Freedom Charter “economic/property” clauses had previously served to unify disparate interests, they, have in post-apartheid years, led to factional disagreements. The Freedom Charter “economic/property” clauses have been interpreted by some as pro-capitalist and by others as pro-socialist. These divisions were reflected in the different socio-economic models imputed from its readings evidenced in the ongoing debate between the pro-capitalist and socialist/communist perspectives. The ANC has, for example, read the clauses to mean nationalisation as the means by which the “developmental state” promoted capitalist development. Whereas, the Communist Party understood the “economic/property” clauses as demanding a working class-led socialist revolution. The ANC’s interpretation of the Freedom Charter was compatible with its “de-linked” stages view. The different interpretations of the “property/economic” clauses articulated by the ANC alliance factions reinforced a range of ideological outlooks that in turn were related to the “de-linked” stages model. The term
nationalisation has become one of the most divisive issues within the broad liberation alliance. Thus, it is these latter disagreements which are central to the argument of this thesis, since they are the seeds of contemporary disunity within the ANC alliance. The next chapter explains how these ambiguities influenced contrasting interpretations of the “two stage theory” of revolution, particularly the conception of the “National Democratic Revolution”.
CHAPTER FIVE

THE GENESIS OF TENSIONS OVER THE THEORY OF THE “NATIONAL DEMOCRATIC REVOLUTION” WITHIN THE ANC ALLIANCE

5-1 Introduction

One critical issue that has emerged as a significant area of difference within our Alliance… is our understanding of the concept of the “National Democratic Revolution” (my emphasis), the motive forces of such revolution in contemporary South Africa (Nzimande 2006a, 8).

The different views on the theory of the “National Democratic Revolution” within the ANC alliance that the General Secretary of the South African Communist Party, Blade Nzimande highlighted in the above statement result from the ambiguities in the ANC’s “revolutionary” language. To unearth the inherent ambiguities and inconsistencies in the ANC-led alliance language, the chapter utilises “critical discourse” analysis discussed in chapter two of this thesis. The phrase “National Democratic Revolution” in ANC alliance language relates to the idea of the primacy of race liberation of the oppressed black from apartheid rule. In formal terms, this was achieved in 1994, but needed backup in various policy areas to become a political and social reality. Thus, the question of the relationship between race liberation and working class’s class emancipation now became more immediate and salient. This has rendered the “two-stage” theory controversial within the post-1994 ANC alliance. The contention is whether the advent of national democracy through the liberation of blacks oppressed by apartheid only means the de-racialisation of the inherited capitalist system or did it imply advancement to the second stage of a working class led socialist revolution.

To discern these differences, the examination of the nature, origins and meaning of theory of the “National Democratic Revolution” and how its revision related the “linked stages” and the separate stages models is essential. This is necessary to establish how the theory of the “National Democratic Revolution” informed the competing versions. The ANC alliance adhered to its held view that the Freedom Charter is the programme of the “National Democratic Revolution”. Thus, the chapter contends that the ambiguities of the Freedom Charter indicated in the last chapter, now emerged in the form of different interpretations of
the “National Democratic Revolution” within the post-apartheid period. The chapter will demonstrate how the ANC alliance is now split into two broad ideological tendencies: a pro-capitalist perspective which is articulated by the post-1994 ANC leadership and the pro-socialist view propounded by the Communist Party and the trade union, COSATU.

It is shown how the ANC’s model is premised on the objective of building a “developmental state” while the “left” consisting of some leaders in the Communist Party and the Congress of South African Trade Unions, promoted a socialist-oriented view of the “National Democratic Revolution”. The chapter argues that the ANC’s nationalist leadership’s interpretation of “National Democratic Revolution” as the first pro-capitalist “single stage” to address the “national question” separately from the second stage of the socialist revolution became a useful language to rationalise the post-apartheid transition and its hold on power.

The ANC 1997 Strategy and Tactics document understood the formation of the post-apartheid “government not only as a “revolutionary break with the past” but also an accomplishment of “a qualitative element of the “National Democratic Revolution” (ANC 1997, 6). Indeed as Southhall observed the ANC evoked the theory of the “National Democratic Revolution” in the post-liberation period as it thought it “necessary to maintain rhetorical commitment to the schema of the old” (Southall 2004, 322). The theory of the “National Democratic Revolution” influenced the language through which, the ANC and its alliance partners pondered the long-term strategy and policies. The chapter shows how to be a useful “schema”, the theory of the “National Democratic Revolution” is ambiguous.

This chapter proceeds from the idea of the alternative functions of ideology to demonstrate how the ambiguities of the theory of the “National Democratic Revolution” were expedient in contradictory ways for the ANC alliance in both the pre-liberation period and in the post-apartheid transition. The theory provided an effective strategy for the mass mobilisation of people across the racial, class and ideological divides against the apartheid system. However, the problematic nature of the theory of the “National Democratic Revolution” led to its different interpretation. The factional disagreements over its meaning that emerged within the post-1994 ANC alliance are indicative of its contentious character. Thus, the different views over the theory of the “National Democratic Revolution” in the ANC alliance between those who advocated a “developmental state” operating within the inherited, albeit de-
racialised capitalist economy, and the “left” contenders who articulated a socialist trajectory are traced. This will help expose how the ANC’s inherited “revolutionary” language has become controversial, thus divisive in the post-1994 period.

5-2 The Development of the ANC’s Theory of the “National Democratic Revolution”

After its legalisation, the African National Congress and its key strategic partners, the South African Communist Party and Congress of South African Trade Unions, have often appeared as seething with fractious internal conflicts, intra-movement debates, arguments and ideological polemics often looked messy even divisive (Jordan 2004, 208–209).

This section explores disagreements between the ANC and its two “left” allies over the meaning of the theory of the “National Democratic Revolution” and its application in the post-apartheid era as the above quotation attests. It is shown how theory of the “National Democratic Revolution” is an ambiguous formulation, used by the ANC as a multi-class nation-building liberation perspective. Such a theoretical formulation was politically useful, albeit briefly, as ideological divisions over the theory of the “National Democratic Revolution” emerged within the ANC alliance from 1996 to 2006. The chapter argues that the ambiguous ideas of the Freedom Charter exposed in the last chapter now echoed in the competing interpretations of the “National Democratic Revolution”. The thesis characterises the divisions that emerged within the post-apartheid alliance as depicting the pro-capitalist and pro-socialist trajectories of the theory of the “National Democratic Revolution”.

For over five decades the ANC and the South African Communist Party had collaborated on the basis of leading the struggle for liberation of the black masses from the oppressive apartheid system. The two allies developed their comradeship to become “reliable and dependable partners in the struggle for the victory of the ‘National Democratic Revolution’” (Makhaye 2002, 1). The “division of labour” defined the so-called “non-antagonistic” roles of allies in the front, the ANC, Communist Party and the Congress of South African Trade Unions who were, however, united in the pursuit of the common objective of race liberation. The chapter shows how the inherent ambiguities in the ANC-led alliance’s “revolutionary” language led to the conflation of the first stage of the “National Democratic Revolution” and
the second stage of the socialist revolution. While wedded to the strategy of mobilising all the oppressed black classes for a “delinked” stage of the “National Democratic Revolution”, both black nationalists and communists in the alliance rhetorically embraced the idea of “linked” stages. The Communist Party held the same view of “de-linked” stages. However, as the chapter indicates, the mission of the Communist Party went beyond the struggle for racial liberation. The Communist Party had an additional objective, that some in the ANC had sympathised with but did not adopt officially, of fighting for the second stage of the socialist revolution. It saw its “revolutionary duty” as the mobilisation of the working class to fight against capitalism and to lead them towards the socialist revolution (Makhaye 2002, 1). This is why the black working class was identified by the ANC-led alliance as the “principal motive force” , credited as having fought a successful struggle against racial oppression [the first stage] but also had the duty to tackle class oppression by replacing the capitalist system in pursuit of the second stage of the socialist revolution (Makhaye 2002, 1). How workers could advance towards socialism in alliance of divergent ideological tendencies is not clear.

The notion of the “de-linked stage” of the “National Democratic Revolution” was not new as it was formulated, albeit ambiguous, at the December, 1960 Moscow meeting of Marxist Parties from around 81 countries. The “National Democracy States” also known as “People’s democracies”, were defined then as states that “fight against imperialism and its military blocs” against “new forms of colonialism and the penetration of imperialist capital” (SACP 1981, 295). The “People’s democracies” were thus distinguished from “dictatorial and despotic forms of government” in ensuring full democratic rights such as “freedom of the press, speech, assembly, demonstration, establishment of political parties and social organisation” (SACP 1981, 295). The “People’s democracies” that emerged did not however conform to the 1960 Marxist definition of national democracy articulated in the 1960 Moscow of 81 Marxist parties.

It is against this historical background that in the post-1994 period, intra-alliance tensions resurfaced over the meaning and relevance of the theory of the “National Democratic Revolution” to depict the post-apartheid transition. The 1997 Tripartite Alliance Summit of all the three organisations accepted that there were competing interpretations of the theory of the “National Democratic Revolution” (Alliance Summit Report 1997, 2). Joel Netshitenzhe, a senior ANC leader, argued that the divergent views on the “National Democratic
Revolution” theory raised conflicting expectations within the ANC alliance (Netshitenzhe 2007, 4). For example, in elaborating the differences between the first stage of the “National Democratic Revolution” and the socialist revolution, the ANC president Thabo Mbeki emphasised that there was “a distinct, material and historically determined difference between the national democratic and socialist revolutions” (ANC 2005b, 9).

The ANC articulated a “de-linked” stage of the “National Democratic Revolution”, which was a pro-capitalist or bourgeois inclined model that depicted the “national democratic transformation as modernising and normalising” phase (SACP 1997a, 5–7). The South Africa Communist Party’s version of the “two-stage” theory perceived the demands for political liberation and social transformation as inseparable “two sides of the same coin, each reinforcing each other” (Cronin 1998, 11). The “left” of the ANC alliance advocated “a thorough-going revolutionary transformation under the hegemonic leadership of the workers and the poor” (SACP 1997a, 8–9). It believed that such a “National Democratic Revolution” would spur movement from the first stage towards the fruition of the second socialist stage.

This chapter heeds the following caution from analyst Hart:

…it is insufficient simply to point to its analytical inconsistencies and the political shortcomings. What needs to be grasped fully is how meanings of the National Democratic Revolution have been redefined and articulated as part of the hegemonic project of the ruling bloc within the ANC alliance, along with how and why these meanings have become an increasingly vociferous site of struggle and contestation within the ANC Alliance and its grassroots politics (Hart 2007, 46).

The examination of the redefinition and articulation of the “National Democratic Revolution” indicated in the above quotation is essential in understanding how it engendered tensions within the ANC led alliance.

The theory of the “de-linked” stage of the “National Democratic Revolution” in South Africa, first mooted in the 1928 “independent Native Republic” thesis was reiterated in the South African Communist Party’s 1962 programme, entitled “The Road to the South African Freedom”. The programme had argued, for instance, that “the immediate and imperative interests of all sections of South African people “demand the carrying out of such a change, a “National Democratic Revolution” which will overthrow the colonialist state of white
supremacy and establish an independent state of National Democracy in South Africa” (SACP 1962). The main aims of the “National Democratic Revolution” were said to have been defined in the Freedom Charter, a shared programme of the alliance (SACP 1962). The marriage bans of the ANC alliance were expressed in the Communist Party’s 1962 Programme thus:

The Communist Party unreservedly supports and participates in the struggle for national liberation headed by the African National Congress in alliance with the South African Indian Congress, the Congress of Trade Unions, the Coloured People’s Congress and other patriotic groups of democrats (SACP 1962).

The emergent alliance found its theoretical “road-map” in the 1962 Communist Party Programme. The programme argued that South Africa was not a colony but an independent state; based on the fact that direct formal British colonial rule ended with the inauguration of the Union of South Africa on 31 May, 1910 that reconciled the victorious British and the vanquished Boers (Magubane 1979, 47). Evoking the 1928 notion of the “independent Native Republic” that characterised South Africa as a society of a “colonial type”, the Communist Party theorised the white minority controlled state as a “Colony of special type” thus:

On one level, that of “White South Africa”, there are all the features of an advanced capitalist state in its final stage of imperialism. There are highly developed industrial monopolies, and the merging of industrial and finance capital South African monopoly capitalists, who are closely linked with British, United States and other foreign interests, export capital abroad. But on another level, that of “Non-White South Africa”, there are all the features of a colony. The indigenous population is subjected to extreme national oppression, poverty and exploitation, lack of democratic rights and political domination by a group which does everything it can to emphasise and perpetuate its alien “European” character. It is a combination of the worst features both of imperialism and of colonialism, within a single frontier, which determines the special nature of the South African system (SACP 1962).

The above quoted description of the theory of “Colonialism of a special type” denoted what was also classified as “internal colonialism” (Mzala 1988, 47). The notion of a colony of a “special type” defined South Africa as consisting of “two nations”: one, a ruling white South African nation state, which had all the features of state monopoly capitalism, and the other, a
“Non-white” South Africa, consisting of a colonised and exploited African population. (SACP 1962). The national question was defined as the dominant contradiction between the black colonised and the white colonial state (SACP 1962). The lack of antagonistic class divisions amongst blacks was seen as justifying the struggle for racial liberation (SACP 1962).

The effects of “Colonialism of special type” were cited as the racialised economic exploitation and political exclusion of the black disenfranchised majority. State racial laws were seen to have stifled the development of the black capitalist and small property-owning class factions (SACP 1962). While the Communist Party defined the main content of the “National Democratic Revolution” as “the national liberation of the African people”, it also saw it at the same time as “in the deepest interests of other non-White groups” (SACP 1962. The 1962 Programme reasoned that the achievement of liberty for the African people would “at the same time put end to all forms of racial discrimination” (SACP 1962).

The Communist Party’s 1962 formulation of the theory of “Colonialism of a special type” influenced the ANC “Strategy and Tactics” document adopted at its 1969 Consultative Conference in Morogoro, Tanzania (ANC 1977, 3). The ANC (1969) document echoed the Communist Party’s theory of “Colonialism of special type” in the following manner:

... (South Africa) is not a colony, yet it has, in regard to the overwhelming majority of its people, most of the features of the classical colonial structures. Conquest and domination by an alien people, a system of discrimination and exploitation based on race, technique of indirect rule; these and more are the traditional trappings of the classical colonial framework. Whilst at one level it is an “independent” national state, at another level it is a country subjugated by a minority race. What makes the structure unique and adds to its complexity is that the exploiting nation is not, as in classical imperialist relationship, situated in geographically distinct mother country, but is settled within the borders (ANC 1977, 32).

The above statement conceptualised the main contradiction in pre-1994 South Africa as between two nations: the colonised black people (Africans, Coloureds and Indians) and the oppressing white minority, was further reinforced by the ANC leader and theorist Pallo Jordan thus:
a) It was a system of white minority rule in which the black majority were statutorily excluded from the political process. The indigenous were ruled as conquered people.

b) It was based on the conquest and dispossession of the indigenous people of their land and its wealth. White minority enjoyed undisguised monopoly over the economic power, the land, mines industry and commerce—which were racially apportioned to its advantage. As a result the propertied classes were virtually exclusively white, while blacks, on the whole, owned little or no property.

c) It was the system of labour coercion compelling the indigenous people to make themselves readily available as a source of cheap labour power.

d) In order to function, the system had required highly repressive state machinery, which was directed against the conquered people (Jordan 1997, 3–4).

Jordan cited the above features of the apartheid system to rationalise the relevance of the resolution of the national (racial) question in a “de-linked” stage of revolution. In advocating a separate stage of the “National Democratic Revolution”, to eradicate “Colonialism of a special type”, the question of working-class emancipation was not directly canvassed except as a rhetorical appeal to the black working class’s leadership in the liberation struggle.

The ANC’s 1969 Strategy and Tactics document conceptualised black working-class leadership of the liberation struggle as “revolutionary nationalism”. Black nationalism was distinguished from the “chauvinism or narrow nationalism” of the apartheid rulers (ANC 1977, 36). In warning against superficial change due to the failure to transform the social and class structure of the apartheid economy, it held that it was “inconceivable for liberation to have meaning without a return of the wealth of the land to the people as a whole” (ANC 1977, 37). For the ANC “victory must embrace more than political democracy” (ANC 1977, 37). It counselled against “allowing existing economic forces to retain their interests” as not representing “the shadow of liberation” (ANC 1977, 38). The objective of “Revolutionary nationalism” was the attainment of black “social emancipation”. The ANC’s 1969 document explained the perspective of “revolutionary nationalism” by attempting to link race liberation and working-class socialist struggles thus,
The symbiosis between political oppression and the apartheid capitalist system was so strong that, if decisive action is not taken to deal with economic subjugation and exclusion, the essence of the apartheid system will remain, with a few black men and women incorporated into the courtyard of privilege. The old fault lines will persist, and social stability threatened (ANC 1977, 41).

As in the above quotation, “Revolutionary nationalism” perceived race oppression and capitalist exploitation as inextricably linked” therefore, it was reasoned that the struggle in South Africa had an anti-capitalist character (Cronin and Suttner 1986, 12). “Revolutionary nationalism” sought to mobilise the black working class as the most revolutionary of all classes and thus leaders of the struggle for race liberation (ANC1977, 42). Consequently, the ANC called upon the black working class to play a leading role in the liberation struggle. To justify this call, the ANC identified three reasons to support its view:

1. The size and strategic position within production of the working class means that real revolutionary change is possible in South Africa only if the working class assumes the role of the dominant social force within our liberation struggle;

2. It is the black working class that stands to gain more than any other class in South Africa from a national democratic revolution in the immediate future;

3. The objective, long-term interests of the working class are for the deepening and consolidation of this democratic revolution, opening the way for the complete abolition of all forms of oppression and exploitation (ANC n.d, 3).

The above statements positioned the working class as the main motive force of the “National Democratic Revolution”. It however contrasted the black working class with a fairly small but growing black middle class made up of the commercial petty bourgeoisie, and the various professional categories, including teachers and nurses (ANC n.d, 4). Despite the potential class divisions, the theory of “Colonialism of a special type” was seen as a unifying experience between all black classes in the struggle for racial liberation (ANC n.d, 4). Thus, the Freedom Charter was said to be expressive of the wishes of the “widest spectrum of class forces” with the black workers identified as the natural leaders of the liberation struggle (Jordan 1988b, 11).
Fundamentally, the 1969 ANC document opposed a reformist alternative to the capitalist system as it feared the possibility of the retention of “the essence of apartheid capitalism that would only benefit a few co-opted black men and women” (ANC 1977, 40). The ANC’s 1969 document warned about the possible hijacking of the liberation struggle by the black petty-bourgeoisie as the “classical drive by an elitist group amongst the oppressed to gain ascendancy so that they can replace the oppressor in the exploitation of the mass” (ANC 1977, 42). In expressing its aversion for a reformist outcome that would simply replace the old oppressor with a new elitist group, the document evinced a radical perspective by calling for the dismantling of the apartheid’s socio-economic structure [capitalist economy], a step it considered essential for the success of its “anti-imperialist” struggle (ANC 1977, 42). Such a stance underlined the ANC’s ambivalence about the role of the black bourgeoisie in the postapartheid society. The 1969 ANC Programme echoed the Communist Party’s theory of the “uninterrupted revolution” between stages.

Such a radical perspective led to tensions in the then exiled alliance. African nationalists in the ANC leadership criticised the 1969 Morogoro ANC Conference’s decisions. The conference resolution to accommodate white communists in the ANC’s “Revolutionary Council”, a senior organ charged with coordinating political and military offensives against the apartheid state, led to an ideological fracture as some individual African nationalists dissented. This “Revolutionary Council” included, amongst other African leaders, Joe Slovo, the white General Secretary of the Communist Party, and Yusuf Dadoo its Indian chairman. In October, 1975, the so-called “Group of 8”, an African nationalist faction within the ANC, was suspended by its National Executive Committee (Nzo 1975, 1). Tom Lodge’s (1983, 304) view that the split “did not seem to involve questions of strategy or considerations of a more obviously ideological dimension” was in contrast to Nzo’s statement that identified racialism and anti-communism of the ANC nationalists as some of the main motives of the split (Nzo 1975, 1).

The African nationalists claimed that the Communist Party was dominated by whites who had hijacked the ANC with the Morogoro Conference’s decision to create a “Revolutionary Council” (Nzo 1975, 2). The ANC’s Secretary-General, Alfred Nzo’s statement singled out the ringleaders of this faction as Ambrose Makiwane and Alfred Kgokong Mqota. Others

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9 Good (2014) claims that the South African Communist Party led the ANC until the mid-1980s.
identified were T. Bonga, J. D. Matlou, G. M. Mbele, P. Ngakane, T. X. Makana (Nzo 1975, 2). The dissenters were seen to be anti-ANC, anti-communist and racist by objecting to the inclusion of white members of the Communist Party into ANC leadership (Nzo 1975, 2). In December, 1975 the “Group of 8” then formed a short-lived separate political organisation, the ANC-African Nationalists (ANC-AN). The split assumed both racial and class ideological dimensions. The influence of the South African communists on the ANC’s revolutionary theory to resolve the twin conditions of race and class oppression was apparent.

In the post-1994 period, tensions resurfaced over the theory of the “National Democratic Revolution” as testified to by senior alliance leaders. Joel Netshitenzhe, the ANC leader and theorist conceded that the divergent interpretations of the “National Democratic Revolution” theory raised conflicting expectations within the ANC alliance (Netshitenzhe 2007, 4). The then ANC president Thabo Mbeki emphasised that there was “a distinct, material and historically determined difference between the national democratic and socialist revolutions” (ANC 2005b, 9). For example, while the ANC alliance was committed to the “de-linked” stage of National Democratic Revolution”, its “left” allies were also of the view that the stages were “linked” as they believed that political liberation and social transformation were inseparable, “two sides of the same coin, each reinforcing each other” (Cronin 1998, 11). Such an interpretation enabled the “left” in the alliance to “hunt with the hounds while running with the hares”, by supporting the nationalist “de-linked” stages approach of the “National Democratic Revolution”, while promoting the idea of “linked” stages designed to proceed uninterruptedly to the socialist revolution. Thus, the competing views of the “National Democratic Revolution” were manifest in the articulation of the different perspectives within the post-apartheid ANC alliance.

5-3 The Pro-Capitalist View of the “National Democratic Revolution”

To grasp the pro-capitalist interpretation of the “de-linked” stage of the “National Democratic Revolution” promoted by the nationalist elite of the ANC, an overview of its further evolution is essential. This section examines the development of the “de-linked” stages model conducive to pro-capitalists within the post-apartheid ANC alliance. The section argues that the two “delinked” stages advanced by communists was, albeit via ambiguities
successful in brokering a compromise leading to parallel existence of the different models. Since its 1969 “Strategy and Tactics” document, the ANC had always, adhered, albeit ambiguously, to the “de-linked” stages theory that prioritised black national liberation. Thus, in his annual 8 January, 1972 address, Oliver Tambo, then president of the exiled ANC, described the struggle in South Africa as “a straight confrontation between the whites who have seized and hold all power, and the blacks who have been robbed of everything” (Tambo 1972, 5). For Tambo, the resolution of the “national question” was imperative, and thus the struggle was “basically and fundamentally a national liberation struggle” (Tambo 1972, 2).

In support of the “de-linked” stages perspective, Tambo explained how Africans, Indians and Coloureds had suffered “misery, humiliation, discrimination, exploitation, and political oppression” at the hands of whites (Tambo, 1972, 2). Tambo’s identification of the enemy of the black man (a category inclusive of Africans, Coloureds and Indians) as the system of white minority oppression expressed the strategic task of the first stage for black national liberation thus: “it is in the sphere of race that the struggle for power, against racism, colonialism and imperialism begins” (ANC 1977, 51). Tambo had notably, omitted the class question, the objective of the second stage. Black liberation had been rationalised using the theory of “Colonialism of a special type”.

Although, the theory of “Colonialism of a special type” became a useful rationalisation for the “de-linked” first stage of black liberation, its explanation was, however, inconsistent. The theory of “Colonialism of a special type” premised on the assumption that South African colonialism was exceptional from other African colonialisms due to its white settler population, was problematic. For example, former British colonies of Kenya and Zimbabwe also had large colonial settler populations. Although, it was a useful rationalisation for unifying the black nationalists and communists against the apartheid system, the theory of “Colonialism of special type” was criticised by former ANC leader and Communist Party theorist, Harold Wolpe, who had developed the cheap labour power thesis. In expounding his cheap labour thesis, Wolpe showed how the theory of “Colonialism of a special type” did not provide satisfactory tools to clarify the relationship between racial oppression and class

10 In expounding his cheap labour theory, Wolpe argued that the dominant capitalist mode of production in South Africa had thrived on semi-proleratisation of the remnants of the pre-capitalist mode of production, which served as the reservoir of cheap labour that was subjected to superexploitation by private capital (Wolpe 1972, 427–450).
exploitation in South Africa (Wolpe 1972, 435). He thus advocated the view of the “National Democratic Revolution” as an anti-capitalist stage, but ironically, Wolpe still supported the predominant approach of the “de-linked” stages model (Wolpe 1988, 58). His view provided a clear example of the ambiguities arising from the “two-stage theory”. The demise of the apartheid system has problematised the theory of “Colonialism of a special type”.

The controversy of the “de-linked” stage approach was further demonstrated with how in 1978 the South African Allied Workers Union and the budding Federation of South African Trade Unions diverged ideologically. The latter left-leaning union had advocated working-class political independence while the South African Allied Workers Union espoused the idea of “community unionism”, which sought the combination of workers’ and community struggles in the factories (Lodge and Nasson 1991, 39). The South African Allied Workers Union differed from the Federation of South African Trade Union’s ideological line with its preference of working class leadership from the shop floor structures (Southhall 2001, 257). Southhall showed how the South African Allied Workers Union was wedded to the “national democratic tradition” line of the ANC alliance’s theory of “de-linked stages” (Southhall 2001, 256). The “community unions” believed that workers’ interests were inseparable from their community interests (Lodge and Nasson 1991, 39). They were inspired by the exiled ANC affiliate, South African Congress of Trade Unions (Lodge and Nasson 1991, 39).

The ambiguities of the “two-stage theory” that gave rise to its different interpretations led to the exiled ANC alliance leadership to establish the 1979 Politico-Military Strategy Commission which consisted of the joint working committees of the national executive committees of the exiled ANC and the South African Communist Party. Although the Commission’s 1979 report dubbed the “Green Book” sought to dispel ideological ambiguities on the “two-stage theory” it was still incoherent as is reflected in the following observations:

We debated the more long-term aims of our “National Democratic Revolution”, and the extent to which the ANC, as national movement, should tie itself to the ideology of Marxism-Leninism and publicly commit itself to the socialist option. The issue was posed as follows:

In the light of the need to attract the broadest range of social forces amongst the oppressed to the national liberation, a direct or indirect commitment at this stage to a continuing revolution
which would lead to a socialist order may unduly narrow this line-up of social forces. It was also argued that the ANC is not a party, and its direct or open commitment to socialist ideology may undermine its basic character as a broad national movement.

It should be emphasised that no member of the Commission had any doubts about the ultimate need to continue our revolution towards a socialist order; the issue was posed only in relation to the tactical consideration of the present stage of our struggle.

We agreed that the way in which we publicly expand on the contents of these paragraphs requires a degree of tactical caution. At the same time it is necessary:

a. For our movement itself to entertain no ambiguities (my emphasis) about the people’s power and the role of the primary forces, both inside and outside our movement, which will underwrite these aims and

b. To gain increasing mass understanding for the idea that, in contrast to many old-style nationalist movements in Africa, we believe that there can be no true national liberation without social emancipation (ANC 1979, 2–3).

Elaborating, the above statements, the report asserted that the seizure of power by the people must be understood not only by the leadership but also by the masses as the beginning of the process in which the instruments of state will be used to progressively destroy the heritage of all forms of national and social inequality (ANC 1979, 3). The statement emphatically stated that “to postpone advocacy of this perspective until the first stage of democratic power has been achieved is to risk dominance within our revolution by purely nationalist forces which may see themselves as replacing the white exploiters” (ANC 1979, 3). Thus, the report proposed a socialist-oriented “National Democratic Revolution” (ANC 1979, 4).

Crucially, while the above report asserted that the ANC strategy of the alliance of all the oppressed classes was necessary, it argued for the speedy progression of the “National Democratic Revolution” to the next stage of the socialist revolution (ANC 1979, 4). The Commission’s report cautioned, however, that while the Front for the Liberation of Mozambique (Frelimo) and the Movement for the Popular Liberation of Angola (MPLA) had adopted the socialist path, the ANC had to be careful on how it projected itself publicly not to
alienate other oppressed classes (ANC 1979, 5). The “two-stage” theory had provided the ANC with an eclectic language.

To justify the need for the multi-class alliance between workers and the bourgeoisie in the first stage of the “de-linked” “National Democratic Revolution”, Joe Slovo, then General Secretary of the South African Communist Party wrote:

In the case of the black middle stratum class mobility cannot proceed beyond a certain point: and again this point is defined in race rather than in economic terms. Objectively speaking, therefore, the immediate fate of the black middle section is linked much more with that of black workers and peasants than with their equivalents across the colour line (Slovo 1981, 6).

Slovo’s rationalisation for the alliance of the black middle class, workers and peasants in the above statement was typical of the ambiguities generated by the “ideological hybridism” due to the multi-class composition of the ANC-led alliance. While advocating multi-class alliance of the oppressed, the exiled ANC-led alliance was also hostile to urban and homeland black business owners who it perceived then as “enemies of the struggle” (Godsell, 1991; Hirschmann, 1991). Despite such rhetoric, the “de-linked” stage conception became a useful theory that underpinned the efficacy of strategy of mass mobilisation of all the oppressed classes for national liberation from the Apartheid state oppression.

While rhetorically wedded to the second stage of socialist revolution, the South African Communist Party also supported the ANC’s model of the “de-linked” stage of “National Democratic Revolution”. This explains why in 1982, the Programme of the South African Communist Party defined the main content of the “National Democratic Revolution” as the national liberation of the African people in particular, and blacks generally (SACP 1982, 24). It conceived the first task of the “National Democratic Revolution” as the attainment of majority rule, based on one person one vote, in a unitary system (SACP 1982, 25). In the mid-1980s, the United Democratic Front (UDF), an internally based ANC allied organisation, echoed this language when it explained that the beginning of the first stage did not mean the beginning of socialism (UDF n.d., 4). In advocating a “de-linked” stage of the “National Democratic Revolution”, the UDF asserted that, “there could be no socialist revolution before the advent of the “National Democratic Revolution” (UDF n.d., 3). It stated that “the first
item on the agenda of our people’s struggle against national oppression and class exploitation was the national liberation of the nationally oppressed and racially dominated exploited black communities—particularly the African majority” (UDF n.d., 4).

The differences over the “two-stage” theory became pronounced in the 1980s internally based ANC sympathetic groups. For example, Jeremy Cronin, then ANC alliance activist revealed how the so-called “right” interpretation of the “two-stage theory” was synonymous with African/black nationalist aspirations of racial liberation (Callinicos 1992b, 85). As Cronin observed, the “right” version placed priority on the national (race) liberation stage. Efforts to raise socialist demands and socialist objectives were “restrained for fear of destroying the national liberation alliance” (Callinicos 1992b, 85). Hudson shows how during the mid-1980s, the “de-linked” stages version of the “two-stage theory” was regaining currency amongst ANC oriented political groups inside South Africa, (Hudson 1986, 6). For example, in defending the “de-linked” stages version, one the leading activists within the mid-1980s internally based ANC aligned Mass Democratic Movement argued thus:

While it is true that the cause of all struggles now including the “National Democratic Revolution” is class-struggle, is it true that the resolution of this “National Democratic Revolution” is the resolution of class antagonism and struggle? The “National Democratic Revolution” can only resolve its content i.e. the national oppression of the African majority and not its cause i.e. the class struggle. This is not because it so wishes it to be so. Nay, it is so and we have no choice but to understand this real situation. These mistakes have led certain comrades to rule out, arbitrarily, the “National Democratic Revolution” stage of our total South African revolution as a waste of time. They argue that after all socialism is the goal and why then do we still have to go through the “National Democratic Revolution”? Comrades, the “National Democratic Revolution” is a necessary qualitative and quantitative step towards our final goal of socialism (Nkululeko n.d., 19).

The above quotation from the statement from the mid-1980s ANC activist argued for the “delinked” “National-Democratic” stage, thus effectively relegated the resolution of class antagonism through the socialist revolution to the second unspecified/indeterminate stage. Such a stage was seen as essential for the resolution of black national racial oppression. Although the theory of the “National Democratic Revolution” was during this period dressed in radical language it however, cloaked the ANC nationalist commitment to the “de-linked”
Such an approach as was expressed in the 1985 speech of then exiled ANC leader Thabo Mbeki:

The African National Congress is the vanguard organisation of the South African movement for national liberation. In its daily activities, it works to mobilise into action all national groups, classes, and strata that share an objective interest in the destruction of the apartheid system of white minority colonial and racist domination, the super-exploitation of the black working people, fascist tyranny, external aggression, and imperialist expansionism, and that are therefore willing to sacrifice for the victory of “National Democratic Revolution” (Mbeki 1978, 8).

In the above statement, Mbeki articulated the ANC’s strategy of mobilising all classes and national groups amongst the oppressed against the “apartheid system of white minority colonial and racist domination”. This view was thus justified on the belief that the class interests of the oppressed black majority coincided in the common pursuit of liberation from the apartheid system through the “de-linked” stage of the “National Democratic Revolution”.

The collapse of the Eastern European Communist states, which the “left” in the alliance had relied upon for political and material support, helped reaffirm and entrench the ANC alliance’s revised “de-linked” stage of the “National Democratic Revolution”. As a self-proclaimed vanguard of the “National Democratic Revolution”, the ANC adhered to the idea of the first stage of the struggle as the national liberation of black people in general and Africans in particular, from what it characterised as the political and economic bondage of apartheid colonialism (ANC 1994, 10; SACP 2004, 11). The ANC articulated its strategic nationalist objective as nation building and the de-racialisation of the previously white dominated South African capitalist economy. The ANC’s 1997 “Strategy and Tactics” document described the strategic objective of the “National Democratic Revolution” thus:

The creation of a united, non-racial, non-sexist and democratic society. It means uplifting the quality of life of all South Africans, especially the poor, the majority of whom are African and female (ANC 1997, 18).

To pursue the above objectives, the ANC committed itself to liberal constitutional democracy in which the market forces previously constrained by apartheid restrictions play a dominant role in the economy (ANC 1997, 20). The de-racialisation of the economy that resulted from the co-option of the corporate bourgeois led to class realignment within the black people.
The ANC perceived the motive forces of the “National Democratic Revolution” as consisting of the historically oppressed Africans, Coloureds, Indians and democratic whites (ANC 2000a, 5). It was in this context that in 1997 the ANC national conference officially accepted the black bourgeoisie, who had previously received scant attention in its documents, as one of the motive forces of “National Democratic Revolution” (ANC 1997, 15). A motive force was defined based on the understanding that it “objectively stands to gain from the victory of the “National Democratic Revolution” (ANC 2000b, 3). Using the theory of “Colonialism of special type” and the perspective of the “National Democratic Revolution” theory, the interests of the emergent black bourgeoisie and middle strata were seen as coinciding “the immediate interests of the majority” in the “National Democratic Revolution” (ANC 1997, 14; ANC 2005b, 2). It was assumed that black workers, the emergent black bourgeoisie and the middle strata shared common national (racial) interests in struggling for political liberation from apartheid oppression (ANC 1997, 14). The “patriotic” black bourgeoisie were elevated to the same level of the black working class and the middle strata to be one of the motive forces of the “National Democratic Revolution” (ANC 1997, 6).

The theory of a separate stage of the “National Democratic Revolution” articulated the liberation of all the racially oppressed classes (Alliance Summit Report 1997, 1). However, the discourse of the shared black national (racial) interests served to disguise the inherited, albeit de-racialising, capitalist system in the post-apartheid era (ANC 1997, 7). Ironically, the ANC openly admitted to the re-alignment of classes amongst the formerly oppressed evident in the rapid rise of the black bourgeoisie (ANC 1997, 16). It thus concluded that “National Democratic Revolution” does not “eliminate the basic antagonism between capital and labour” (ANC 2000b, 6). It also conceded that the emergence of the black bourgeoisie was a direct outcome of its government’s policies, which led to a “situation in which some of the black propertied classes are expanding their positions” (ANC 1997, 14). Such a view problematised the ANC alliance’s theory of “Colonialism of special type” which was predicated on the idea of the convergence of the class interests of the black bourgeoisie and the working class during the “de-linked” stage of the “National Democratic Revolution” (ANC 1997, 15). This theory cannot account for the class changes within the formerly oppressed that resulted from the de-racialisation of the economy following the end of apartheid rule.
Significantly, the 1997 Tripartite Alliance Summit document alluded to the existence of different interpretations of the theory of the “National Democratic Revolution”. As argued, this resulted from the articulation of different views on the “National Democratic Revolution” by the pro-nationalist and socialist factions in the ANC alliance (Alliance Summit Report 1997, 1). In seeking to strike a compromise with its left allies over the disagreement on the “National Democratic Revolution”, the ANC alliance nationalist leadership projected what it perceived as the following forms of “stage-ism”, which emerged from its discourse:

1) That this is the first “capitalist” stage of our struggle, and therefore the “creation” of a “de-racialised” free market capitalism is our key strategic task;

2) An equally mechanical “stage-ist” approach to the “National Democratic Revolution” others dismiss this period of struggle as little more than a platform for a different socialist agenda;

3) Another mistaken variant of the “National Democratic Revolution” is to treat it as, more or less, the equivalent of socialism. (Alliance Summit Report 1997, 4).

These different conceptions stemming from diverse interpretations of the “two-stage theory” are indicative of its multiple connotations which is one of the causes of tensions within the alliance. The first variant described in the above quotation mirrors the character of the current socio-economic and political transition in South Africa. The dominant character of the post-1994 transition constituted a “de-linked” capitalist “National Democratic Revolution” rather than a socialist oriented one. The second model is akin to the idea of structural reform to lay the foundation for a socialist revolution while the third one implies an ‘uninterrupted revolution’ towards the second stage. The usefulness of these models is that they capture the ideological contestation of the nationalist pro-capitalist and the “left” factions of the alliance. Despite the rhetoric of the 1997 Alliance Summit Report, what has occurred in post-apartheid South Africa conforms to the “de-linked” stage view. Significantly, the alliance accepted the eventuality of a “de-linked” stage of the ‘National Democratic Revolution’, which is occurring in a “national and global terrain [which] is dominated by capitalist accumulation” (Alliance Summit Report 1997, 4). In April, 1994, the ANC had assumed control of state power, and thus began the process of the de-racialisation of the inherited capitalist economy.
The existing national and international balances of forces were seen as unfavourable for the advancement to the second stage by pro-capitalist nationalists, thus making the possibility of the socialist revolution unfeasible (Alliance Summit Report 1997, 3–5). This alliance reasoning was used to justify the “de-linked stages version, which the report argued was a strategic task “not couched in narrow ideological terms’ (Alliance Summit Report 1997, 4). However, the ANC alliance report concluded ambiguously in an attempt to strike an ideological compromise between the feuding factions that “the programmatic perspective of the alliance it leads, are neither capitalist nor socialist” (Alliance Summit Report 1997, 4).

Thus, the 1997 ANC alliance Summit report asserted that the “National Democratic Revolution” should not be seen in narrow ideological terms or be thought of as a mechanical stage (ANC 1997, 5). Ambiguously, it held that the symbiotic link between capitalism and black oppression rendered “trite the vainglorious declaration that national oppression and its social consequence can be resolved by a formal democracy underpinned by market forces” (ANC 1997, 8). This led the ANC to cast doubt on the efficacy of market forces to resolve inherited inequalities. It adopted a radical view of the “National Democratic Revolution” that only served to deepen its incoherence.

In re-articulating the “National Democratic Revolution” as a multi-class nation-building and non-sexist project, the ANC confounded the class question. It argued for instance that,

Class struggle in its most advanced form, under capitalism, is a political struggle for social emancipation. It brings together working people, led by the working class, ultimately to create a society in which there is no exploitation, nor classes. The history of national political consciousness was a critical route to class political consciousness, on the part of the working class. In practice, the immediacy of the national grievance means that the working class exercises its struggle for social emancipation, in this phase within the context of the national struggle (ANC 2000b, 5).

In terms of the above perspective, the black working class was seen thus seen as the core revolutionary motive force of the “National Democratic Revolution”. It was assumed that the role of the working class was to ensure that its class interests were hegemonic in policy formulation. However, what the above statement glossed over was how the working class by virtue of its economic class position was subordinated to that of the capitalist class and the
middle strata in an inherited, albeit racially restructured South African capitalist system. Ironically, as the core and leader of the motive forces of the “National Democratic Revolution”, the working class was according to the ANC alliance “required to be managers of the capitalist system” (Alliance Report 2000b, 6).

Thus, the working class were obliged to “transform elements of the capitalist system in line with the objectives of the “National Democratic Revolution”, while managing the broader capitalist system in line with the main “elements of its own logic” (Alliance Report 2002, 6). The working class was encouraged to take active interests in managing transformation from policy formulation to its implementation (Alliance Summit Report 2002, 6). It was envisaged that the working class would have “the capacity to manage the contradictions that should increasingly play themselves out among the motive forces, as the black middle strata and aspirant bourgeoisie accrue material and other benefits from national democratic transformation” (Alliance Summit Report 2002, 7). The rhetorical notion of the working class capacity for leadership of the revolution, was however, contradicted by the Communist Party view that the ANC’s leadership was “increasingly becoming petty-bourgeois and capitalist in its composition” (SACP 2002b, 3). Amongst, the formerly oppressed classes, the risen black bourgeoisie stood to benefit from the post-1994 transition compared to the black working class.

While, the Communist Party also promoted the working class leadership of the National Democratic Revolution”, the ANC insisted that the struggle in South Africa was not one to resolve the class contradiction between the working class and the bourgeoisie (ANC 2007, 58). “The de-racialisation of patterns of ownership” entailed the end of laws that denied blacks equal participation in the economy and promoted the emergent black bourgeoisie (ANC 2007, 58). Using “left” rhetoric to justify the ANC nationalist perspective, President Mbeki defined the “National Democratic Revolution” to mean “the reconfiguration of property relations” which was previously patterned along racial lines (ANC, 2001). Focusing on correcting the racialised social inequalities, this meant that the “National Democratic Revolution” would not per se eradicate capitalist relations of production in general. Ironically, this was largely because the “National Democratic Revolution” was based on the political power of the post-apartheid state (controlled by the majority) while economic power was wielded by the capitalist class (ANC 2001, 10). The democratic political order rested on
the inherited, albeit, de-racialising economic system (ANC 2001, 10). The resolution of the national question, characterised by white minority oppression of black people, remained the ANC’s main focus.

Thus, in the post-apartheid era, the ANC proclaimed the central objective of the “National Democratic Revolution” to be nation-building (ANC 2007, 58). The ANC envisioned the “dominant societal contradiction” in the post-apartheid period as the struggle against national oppression based on the racial exploitation of black people and the triple oppression of women based on their race, class and gender (ANC 2007, 52). It was in this context that President Mbeki reminded delegates to the 2005 ANC National Policy Conference that the “South African Communist Party has always understood that it could not delegate its socialist tasks to the ANC, consistent with the fact that the tasks of the socialist revolution could not be delegated to the “National Democratic Revolution” (ANC 2005b, 21). Thus, race and class oppression were to be tackled as separate phenomena to be resolved in different stages.

The General Secretary of the South African Communist Party, Blade Nzimande further elaborated the aims of the “National Democratic Revolution” as being to address poverty, unemployment, and disease through the provision of minimum basic necessities and services (Nzimande 2001, 8). The ANC alliance stated, however, that these issues were to be addressed in the context of “overcoming the national, class and gender contradictions in their relationship to each other” (Alliance Report 2006, 3). This view of the “National Democratic Revolution” was similar to the Communist Party’s 1980s interpretation, which conformed to the idea that it was for the resolution of racial oppression. The ANC’s ideologue and National Executive Committee member, Joel Netshitenzhe, re-articulated this definition of the theory of “National Democratic Revolution” as the “resolution of the African/black national grievance” (Netshitenzhe 2007, 2). His view reaffirmed the ANC’s nationalist multi-class nation-building approach rather than a socialist dimension of the “National Democratic Revolution” (ANC 1997, 9; ANC 1998a, 2). The ANC’s approach defined the strategic task of the “National Democratic Revolution” in multi-class terms, as the emancipation of the black rural and urban poor, the working people, women, youth and the bourgeoisie (ANC 1998a, 2). The ANC alliance could not, however, agree on the precise meaning of the “National Democratic Revolution” as different factional interpretations persisted. As the General Secretary of the South African Communist Party, Blade Nzimande conceded that the
relationship between the “National Democratic Revolution and socialism is complicated, there is distinction between the two struggles but they are connected” (Nzimande 2007a, 2). The predominance of the “de-linked” stages did not end divisions as different approaches and meanings of the “National Democratic Revolution” persisted. The ANC continued the rhetoric that national liberation and social emancipation were linked (ANC 2007, 13). It did not, however, explain what it meant by social emancipation.

5-4 The Socialist Perspective of the Theory of “National Democratic Revolution”

In the 1960s the Moscow-led Eastern-bloc communist countries had advocated the view that national liberation movements, such as the ANC pursue a “non-capitalist path of development” upon embarking on the “National Democratic Revolution” (Hudson 1986, 20). The main left ANC ally, the Communist Party, adhered to the “de-linked” stage trajectory of the “National Democratic Revolution”, but with political and material support from Eastern bloc Communist countries in the mid-1980s, the Communist Party also rhetorically defined the character of the “National Democratic Revolution” as anti-capitalist (SACP n.d.). The Communist Party’s view during this period was contained in the 1976 unpublished manuscript of Joe Slovo, its former General Secretary, entitled “No Middle Road”. In it Slovo argued that race discrimination was the mechanism of capitalist exploitation and was functional to it, and therefore “the struggle to destroy white supremacy is ultimately bound up with the very destruction of capitalism itself” (Slovo 1976, 15). Slovo had rejected the idea of “two separate or de-linked stages” (Slovo n.d., 13). He reasoned that “national oppression and economic exploitation were inter-linked”, and that there could “be no fundamental liberation without full economic emancipation; without the advance to a socialist and communist future” (Slovo n.d., 13). The “linked” stages view was reiterated and emphasised in an article in the Communist Party’s 1981 periodical, the African Communist thus:

The inevitable victory of the national liberation movement can only be truly meaningful and guaranteed if the capitalist system of exploitation, which is the true foundation and purpose of racist oppression, is destroyed (Dubula 1981, 32).

The above quoted 1980s Communist Party’s perspective rested on the belief in the prospect of the first stage of the “National Democratic Revolution” proceeding to the second stage. In
arguing in favour of this model, Slovo, for example, emphasised that “there was no half-way house” between the two stages (Slovo 1984, 2). Slovo believed that “no significant national (race) demand can be successfully won without the destruction of the existing capitalist structure” (Slovo 1976, 6). For Slovo, “you do not have to be a doctrinaire Marxist to conclude that a liberation which deals only with the rearrangement of the voting system and leaves undisturbed the race monopoly of 99 per cent of wealth is no liberation at all” (Slovo 1984, 3). He maintained that the stages should neither be completely telescoped nor completely compartmentalized as class and race, though separate categories, should not in the South African context be treated as if they were mutually exclusive (Slovo n. d, 5). In his view, there could “be no fundamental liberation without full economic emancipation; without the advance to a socialist and communist future” (Slovo n.d, 8). Slovo pointed out that what was crucial was “how to reach an intermediate stage “without blocking the route onwards to the next destination” (Slovo 1976, 10). Consequently, Slovo surmised that there was possibility of the establishment of “people’s power” led by a working-class leadership to eliminate apartheid through a “National Democratic Revolution” as part of an uninterrupted process towards a socialist revolution (Slovo 1976, 31). Indeed, the Communist Party argued then that the emergence of the working class as a dominant force in the post-apartheid state would prevent the revolution “from grinding to a halt at the point of formal take-over of state power” (SACP 1976, 10).

In advocating for the linkage and continuity of stages of revolution, Slovo held that the “National Democratic Revolution” contained both elements of the national and social emancipation, due to the unique link of the historical connection between capitalist exploitation and racial domination in South Africa (Slovo 1984, 3). Such reasoning led Slovo to conclude that:

In South Africa it is false to counterpose the national and class struggles as if they were two separate forms of struggle. In a situation in which the main immediate interests of the proletariat are served by an assault on racist autocracy, it is its participation in the fight for national liberation which is one of the key ways in which it engages in class struggle (Slovo 1981, 2).

Slovo argued for a revolutionary process premised on the combination of national liberation and class struggles as he believed that, “under South African conditions the “National Democratic Revolution” has great prospects of proceeding at once to socialist revolutions”
(Slovo 1984, 5). To Slovo there was no “Chinese wall” between the stages, as they were integrated phases of the development of an “ongoing” or “uninterrupted revolution” (Slovo n.d, 13). Slovo referred to the 1984 Constitution of the South African Communist Party which declared its aim to lead the working-class towards the strategic goal of establishing a socialist republic “and the more immediate aim of winning the objectives of the “National Democratic Revolution” which is inseparably linked to it” (Slovo 1984, 4). Slovo concluded that “true national liberation is ultimately impossible without social liberation” (Slovo 1984, 4). The Communist Party had also foreshadowed the idea that the “National Democratic Revolution” was to move uninterruptedly to the next socialist stage, thus:

The national liberation of the African people in particular, and the black people in general, the destruction of the economic and political power of the racist ruling class, and the establishment of one united state of people’s power in which the working class will be dominant force and which will move uninterruptedly towards social emancipation and the total abolition of exploitation of man by man (Slovo 1984, 3).

Although the above quotation showed Slovo’s belief in the connection of the two stages, he was also doubtful about the prospects of such a model. For example, Slovo argued that the “objective revolutionary factors” prevailing then would be crucial on how to reach the first stage without blocking the route to the next socialist destination (Slovo n.d, 14). Slovo had maintained, however, that the dominant ingredients of the later stages would “begin to mature within the womb of the earlier stage” (Slovo n.d, 14). To confound the debate, the ANC’s 1982 publication, “Sechaba” argued for the notion of an “uninterrupted revolution” thus:

South African capitalism is inextricably bound up with international capitalism, because the South African economy is deeply penetrated by international multinational corporations our revolution has a deep-going anti-imperialist content (Sechaba 1982, 16).

The above view of an “uninterrupted” revolution was reiterated in the statement of then exiled ANC President, Oliver Tambo: “We fight for the freedom and independence, for peace, for non-racial, ultimately non-national world society; a society without class [distinctions]” (ANC 1977, 154). The ANC rhetoric supported an uninterrupted revolution not only to gain wide support from across the wide spectrum of black classes; it also became part of the “revolutionary” language of the then left-led political rebellion in the mid-1980s.
black townships. Such a radical perspective was echoed in the article written then by ANC alliance sympathetic analyst, Bernard Magubane in which he theorised the liberation struggle as essentially national but also as against racial capitalism, which he saw as a product of capitalist development in the United Kingdom (Magubane 1986, 6). Thus, Magubane viewed the fight against settler colonialism in South Africa as “the African struggle for national and social emancipation [which] developed dialectically from the contradiction inherent in the nature of settler colonialism and capitalist exploitations” (Magubane 1986, 22). This led him to conclude that the national and class dimensions of the struggle were inseparable and neither could be stressed at the expense of the other, they should be resolved simultaneously.

Using a similar rhetoric, in the mid-1980s, the United Democratic Front (UDF), an internal ally of the ANC, argued that black nationalism and socialism were “inter-linked in the living dialectics of the struggle” (Callinicos 1992b, 84). For the UDF, the separation of stages was more an emphasis, rather than a practical separation (Callinicos 1992b, 84). It maintained that: “while it is true that the cause of all struggle, now including, the “National Democratic Revolution” is class struggle ... the resolution of this ‘National Democratic Revolution’ is the resolution of class antagonisms” (UDF n.d., 4). It thus held that “liberation would be meaningless and empty unless the economy is restructured” to benefit the working class (Lodge et. al. 1991, 132). The UDF demanded a program of thorough-going democratic revolution, in which the means of production were publicly owned under the workers’ control (UDF n.d, 5). The movement of the stages, from the “National Democratic Revolution” to socialism, was said to be dependent on the “actual correlation of national [racial] and class forces and the international balance of forces at the moment of political seizure of power” (UDF n.d., 5).

In the 1980s, the “left” version of two connected stages of racial liberation and working class socialist revolution predominated. In rationalising this model, the Communist Party and COSATU defined the “uninterrupted” revolution as “a process, [and] that there is continuity between the phases of the struggle” (Callinicos 1992a, 85). This approach differed from the earlier socialist strategy of the South African International Socialist Organisation, which had subsumed the question of black liberation from racial oppression to the working class-led socialist revolution. The “linked” stages interpretation assumed that the struggle against
apartheid oppression was part of an “uninterrupted” progression of the revolution from the first stage of black liberation to culminate with a proletarian-led socialist revolution.

In 1989, the South African Communist Party’s programme, the “Path to Power” revisited the theory of “Colonialism of a special type”. It described the South African capitalist state as an imposition of imperialist countries, and characterised by a colonial system with racial division of labour and racist laws to profit the capitalist class (SACP 1989, 3). The 1989 Communist Party’s programme, stressed the crucial role of black workers in laying “the basis for transition to socialism” and whose success was said to be dependent on the role of this class (SACP 1989, 7). A “National Democratic Revolution” to eliminate “the existing social and economic relationship” and to bring about “a correction of the historical injustices perpetrated against the indigenous majority” was envisaged (ANC 1977, 186). It did not, however, clarify how and when the advance from the first stage to second stage would occur. These interpretations of the “linked” “two-stage theory” continued to influence political (or policy) debates into the post-1994 period.

The most significant paradigm shift during this period was the revision of the ANC alliances’ Stalinist ideological heritage by its leading theorist and former General Secretary of the South African Communist Party, Joe Slovo (Slovo 1991). In 1991, Joe Slovo wrote an article entitled, “Has Socialism Failed?” in which he criticised “Stalinism” for introducing a “commandist” and undemocratic dictatorship (Slovo 1991, 2). He critiqued the Marxist concepts of “Democratic Centralism” and the “Dictatorship of the Proletariat” to articulate the idea of “democratic socialism” (Slovo 1991, 3). Instead of the bureaucratic state control of the former Eastern European communist states, Slovo advocated public control of the economy through effective democratic participation by “producers at all levels” (Slovo 1991, 5). Slovo defined his “democratic socialism” as being led by a workers’ party which pledges to uphold the liberal democratic rights, such as freedom of speech, thought, press, movement, residence, conscience and religion (Slovo 1991, 5). This would also include “full trade union rights for all workers including the right to strike, and one person one vote in free and democratic elections” (Slovo 1991, 4). Slovo categorised these freedoms as political pluralism and he asserted that they were “the very essence of national liberation and socialist objectives” (Slovo 1991, 5).
Thus, the 1980s Communist Party strategy of “seizure of power” was substituted with a form of radical multi-party parliamentarianism (Slovo 1990a, 5). Slovo also revised the socialist theory, arguing that “the market is a mechanism for the realisation of value; there is nothing inherently capitalistic about it” (Slovo 1990a, 5). Indeed, such softening reflected “a more general shift in the left's stance” symptomatic of the ANC alliance ideological change (Callinicos 1996, 15). In revising the Stalinist version of socialism, Slovo alluded to this as part of the outcome of Gorbachev’s economic and political reforms that changed the Soviet Union, the first communist state. Interestingly, Slovo also attributed the cause of the change domestically. He argued that this ideological shift had been precipitated by what he perceived as the ascendant “democratic spirit” within the 1970s South African union movement (Slovo 1990a, 5). The ascendant “democratic spirit” of the 1970s Slovo referred to had advocated a “national-democratic” path rather than the class struggle route that was inherent in the strategy of the “uninterrupted” revolution to the second socialist stage. Slovo’s revision was in synchronisation with the “de-linked” stages version of the ANC nationalists.

Ironically, in the post-apartheid period, the 9th Congress of the South African Communist Party in 1995, had rejected the “de-linkage” of the two stages as it advanced the slogan “Socialism is the Future, Build it Now” (SACP 1995, 21). With the latter slogan the Communist Party abandoned what it termed to be “a mechanical” “two-stage” theory as “elements of stageism persisted in our theory and practice” (SACP 1995, 21). From 1997, the leadership of the South African Communist Party sought to clarify what it perceived as confusion surrounding the “National Democratic Revolution” and the “two-stage” theory. The Communist Party pointed out how the “National Democratic Revolution” was evoked within the ANC alliance to “mean quite different things” (SACP 1997a, 3). It criticised the reduction of the theory of the “National Democratic Revolution” to “narrow ideological terms” to imply a mechanical “stage” (SACP 1997a, 3). The Communist Party dismissed the propagation of what it described as “two seemingly opposed, but mutually reinforcing conceptions of the “National Democratic Revolution” (SACP 1997a, 3). The first conception was a justification of the present conjecture of the construction of free-market capitalism which sees the first stage as “de-linked” from second stage as necessary to resolve the national question, i.e. black oppression (ANC 1997a, 8). This version of the “two-stage” theory implied the virtual deferral of the second stage of the socialist revolution to an undetermined period.
The 1998 Tenth Congress of the South African Communist Party rescinded the ‘de-linked’ stages interpretation of the “two-stage theory” model. It argued against “a mechanical, stagiest approach”, which sought to postpone the working class struggle against capitalism to some distant “second stage” (SACP 1998, 7). It also criticised the attempt “to confine the present phase of the “National Democratic Revolution” to a simple “de-racialisation” of the South African capitalist system (SACP 1998, 8). The Tenth Congress criticised what it perceived to be the stabilisation and normalisation of a “de-racialised” capitalist bloc (SACP 1998, 15). Such a view echoed the redefinition of the “National Democratic Revolution”, “to modernise the South African economy, to make it more competitive on the global stage” (SACP 1998, 15). In contrast to the pro-capitalist perspective of the “National Democratic Revolution”, the Communist Party called for the “national democratic transformation as a thorough-going revolutionary transformation under the hegemonic leadership of workers’ and the poor” (SACP 1998, 15). The working class was to be mobilised to become the “hegemonic class force in society” to influence capital in what was seen as a still an unfolding “National Democratic Revolution” (SACP 1998, 16).

The 2002 ANC interpretation of its 1997 Strategy and Tactics contended that “national political consciousness was a critical route to class political consciousness, on the part of the working class” in the struggle for national democracy (ANC 2000b, 2). Using its ambiguous “revolutionary” language, in 2000 the ANC reasoned that the working class was the dynamic link between racial liberation and socialism. It warned, however, that the working class, as leaders of the motive forces, does this “not as a class apart, but as part and at the head of, the motive forces of the “National Democratic Revolution” (ANC 2000b, 4). The ANC asserted that in the current phase, the motive forces led by the working-class were required to manage the capitalist system by transforming “elements of the capitalist system in line with the objectives of the “National Democratic Revolution” (ANC 2000b, 5). The ANC statement did not elaborate how the working-class were to transform the inherited white-dominated capitalist system in line with the objectives of the “National Democratic Revolution”. Such a discourse was compounded by the different interpretations of the theory of the “National Democratic Revolution”.

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In contrast to ANC’s view, the Communist Party maintained that the “National Democratic Revolution” was the way to advance uninterruptedly towards the second stage of socialism:

The “National Democratic Revolution” remains absolutely valid. It is the only strategic path down which to consolidate the democratic breakthrough in our country, to overcome the dreadful apartheid legacy, to meet the basic needs of the majority, and to avoid becoming absolutely marginalised within the framework of world power and privilege. The “National Democratic Revolution” path is also the most direct route to socialist transformation in our country (SACP n.d, 1–2).

Attempting to elaborate the above statement, the 2006 statement of the Communist Party rejected the view of its “ultra-left” critics who had criticised it “for having prioritised the national question at the expense of the class struggle” (SACP 2006b, 3). The Communist Party’s statement also criticised the insistence of the “right” that raising the issue of class contradiction at this stage “National Democratic Revolution” threatened to undermine or weaken the unity of the alliance. The statement compounded the issue when it argued that whereas the “national contradiction” remained dominant the “fundamental contradiction” was the “class contradiction” (SACP 2006b, 3). In an ambiguous stance, COSATU believed that it faced a Herculean task in convincing the rest of the movement that the objectives of the “National Democratic Revolution” are far from being achieved (COSATU2006, 5). It thus, emphasised the need for a broader multi-class alliance led by the working class to prosecute the “National Democratic Revolution” (COSATU 2006, 5).

What COSATU implied was either that the first stage was still to run its course before the transition to the next stage or, that the “National Democratic Revolution” would progress “uninterruptedly” towards the socialist revolution. In the same statement COSATU argued that the ultimate goal of the working class was socialism and called upon its members to contest the direction of the “National Democratic Revolution” (COSATU 2006, 10–11). Both COSATU and the South African Communist Party were convinced that their commitment to socialism was not in opposition to the “National Democratic Revolution” (SACP 1997b, 3). However, both “left” organisations believed that “only under socialism will the ‘National Democratic Revolution’ goals be fully realised” (SACP 1997b, 3). How the goals of the “National Democratic Revolution” could be fully achieved through a socialist revolution, was not clarified by the “left” in the alliance. In a self-contradictory stance to a socialist trajectory...
for the attainment of the “National Democratic Revolution” goals, the Communist Party asserted that “to skip the objective, historically determined stage of the ‘National Democratic Revolution’ was a recipe for disaster” (SACP 2009, 4).

In his address to the Young Communist League on 2 December, 2006, the General Secretary of COSATU, Zwelinzima Vavi, expressed his union’s determination to pursue the “National Democratic Revolution” to its logical conclusion (Vavi 2006, 2). Vavi argued that the organised workers of the country had spoken in their parliament demanding “more radical changes in society, based on the Freedom Charter and the noble goals of our revolution” (Vavi 2006, 1). In his address, Vavi declared how liberation was meaningless when millions of workers still “remain trapped in poverty and unemployment amidst plenty for a few” (Vavi 2006, 1). He asserted South African workers had “decided to firmly put the struggle for socialism on the agenda”. COSATU envisaged “a fundamental transformation of social and economic relations, including measures to curtail and discipline monopoly capital” (COSATU 2006, 7). COSATU had called for state involvement in the economy to position the working class as leaders of the process of transformation (COSATU 2006, 7).

The 2006 Information Bulletin of the Central Committee of the South African Communist Party elaborated further its 1995 slogan, “Socialism is the future, build it now”. The document explained what the slogan meant thus:

> Whilst the slogan “Socialism is the future, build it now” does not call for an immediate transition to socialism, it underlines the fact that the 1994 breakthrough provided a situation where momentum was towards, capacity for, and even elements of socialism could be struggled for in the present (SACP 2006a, 3).

Furthermore, the Communist Party pledged to advance and “deepen and defend the ‘National Democratic Revolution’ as a foundation and the most direct route to building socialism” (SACP 2006a, 3). It argued that the contradictions that had “developed under a colonial, racist, patriarchal, capitalist system” could not “be resolved without progressively building socialism” (SACP 2006a, 4). According to the Communist Party, the “profound linkage between the ‘National Democratic Revolution’ and socialism did not mean that it regarded the first stage as merely a stepping-stone to socialism” (SACP 2006a, 4). It interpreted the
Freedom Charter, the programme of the “National Democratic Revolution” as “explicitly anti-capitalist in character and thus a fundamental and crucial link between the first stage and a transition to socialism” (SACP 2006a, 4). The radical rhetoric was, however, ambiguous.

In 2007, the General Secretary, the Communist Party, Blade Nzimande reiterated COSATU’s radical view of the “National Democratic Revolution”. Nzimande declared that the Communist Party had “always acknowledged and appreciated the fact that the struggle for socialism cannot be separated from the struggle to transform the colonial character of our economy, build working class-led national unity and seek to drive a sovereign economic development path” (Nzimande 2007b, 12). Although, Nzimande admitted that the link between the “National Democratic Revolution” and socialism was complicated, he insisted that while there was “a distinction between the two struggles”, the two stages were connected (Nzimande 2007b, 13). The union federation, COSATU, still hoped to “deepen the ‘National Democratic Revolution’ towards the attainment of socialism”, and called upon the working class forces as the primary motive force of the “National Democratic Revolution” “to unite the broadest range of social and political forces to take the ‘National Democratic Revolution’ forward as the basis to build the momentum of socialism” (COSATU 2009, 4).

The differing views on the “National Democratic Revolution” attest to the incoherent nature and the inherent ambiguity in the two models of the “two-stage theory”. Such interpretations suggest that the “two-stage theory”, could have been construed within the alliance as having an open-sided character (or even open-ended) to draw support from a cross-section of its ideological groups. The ANC alliance “revolutionary language” was constructed on the philosophically contentious “two-stage theory”. As this thesis shows, the ambiguities and incoherent nature of the ANC alliance’s “revolutionary” language were expedient for the different factional interpretations of its contentious ideological traditions. Evidence from documents researched showed how the “National Democratic Revolution” is used to rationalise contradictory pro-capitalist and pro-socialist perspectives in the ANC alliance.
5-5 The Utility of the ANC Model of the “National Democratic Revolution”

The nationalist faction in the ANC leadership sees the “National Democratic Revolution” as the ending of the apartheid order leading to the development of a “de-racialised” capitalist system. However, the “left” of the ANC alliance still used the theory of the “National Democratic Revolution” to imply the beginning of the process that would culminate in a working class-led socialist revolution. For example, the ANC leadership’s described the strategic task of the “National Democratic Revolution” as the “the reconfiguration of property relations in a number of ways. This entailed the de-racialisation of society, including patterns of ownership of productive property and distribution of wealth” (ANC 2000b, 4). This did not imply the destruction of the inherited capitalist system but its de-racialisation. Such a view justified the ANC’s revised version of the “de-linked” “National Democratic Revolution”, whose aim was the modernisation and normalisation of the South African capitalist system (ANC 1997, 9).

Empirical evidence confirms the usage of the language of the “de-linked stage” of the “National Democratic Revolution” within the pro-capitalist nationalist faction within the ANC alliance. The “National Democratic Revolution” is thus conceived as a theory predicated on the view that in the post-1994 transition period [in South Africa] “democracy is necessarily capitalist democracy” (Nash 2007, 2). It is in the context of this discourse that the “left” in the alliance had complained that “the ANC had not clearly defined its vision in terms of the “National Democratic Revolution” as a transitional phase towards socialism” (SACP 2006a, 7).

Indeed as Nash (2007, 2) argues, what has remained is the discourse on the revised “National Democratic Revolution” theory, which is “made up of remnants of that theory which now plays a small but vital part in the ideology of the new South African ruling class”. The discourse depicts the alternative functions of the ANC’s theoretical-ideological perspective. While the expediency of the theory of the “National Democratic Revolution” was manifest as public articulation of a mindset to mobilise the pro-capitalist nationalists and the “left” against the apartheid system, its ambiguity and incoherence has allowed it to perform an alternative function. The theory served to legitimise the ANC’s political hegemony and an
interventionist developmental state operating in a “mixed economy” capitalist system. Such a state represented a shift from its 1970s notion of a proto-socialist developmental path.

Thus, the “de-linked “two-stage theory” and its corollary, the “National Democratic Revolution” were both useful for the ANC’s nationalist elite’s rationalisation of its management of the inherited capitalist economy and the abandonment of the second socialist stage, for which the “left” in the ANC alliance still yearned. Use of such “revolutionary” language was useful in justifying a compromise of a political transition led by nationalist black political elites that advocated for the establishment of a “developmental state” to de-racialise the inherited unequal economic relations. The collapse of Communism in the Eastern Europe dimmed any prospects for an immediate advance to the next stage of socialism in South Africa. Instead, the ANC nationalist leadership turned the theory of the “National Democratic Revolution” on its head and it now used it not only for mass political mobilisation, but also to legitimise its rule. In the post-apartheid period, the ANC nationalist elite emphasised nation building as the strategic objective of the “de-linked” stage of the “National Democratic Revolution”. This perspective entrenched the outdated strategy of the convergence of the interests of black classes: the black working class and those of the emergent black bureaucratic bourgeois and the corporate bourgeois. Such an outcome allowed for the continued “co-existence of both nationalist and socialist elements within one movement” and their inter-play also led to disagreements between them (Southhall 2006a, 7).

The ambiguities attendant on the ‘de-linked’ theory effectively enabled the ANC to concurrently couch its policies using its “revolutionary” language. For example, Chapter III of the ANC “Strategy and Tactics” document, adopted at its 52nd National Conference in 2007, refined the strategic task of the “National Democratic Revolution” (Mantashe 2008, 4). It perceived its task as seeking to resolve the fundamental contradictions about national oppression and social exclusion; class super-exploitation and the triple oppression of women (as a class, as black people, and as women). The emphasis on class made the ANC statement sound radical. In fact the same 2007 “Strategy and Tactics” document further stipulated the establishment of a democratic and legitimate state, based on the values of the South African Constitution (ANC 2007, 18). The constitution protects the private ownership of the means of production in a process confined to the resolution of the national question and to the task
of nation building in a “de-linked” stage of the “National Democratic Revolution”. This is why the ANC Secretary General Gwede Mantashe insisted in his 2008 address to the University of South Africa that the objective of the “National Democratic Revolution” of liberating the African people in particular and black people in general, has not been fulfilled yet (Mantashe 2008, 4).

Crucially, the strategic national objective of the “de-linked” “National Democratic Revolution” theory allowed the ANC alliance to articulate a discourse that appeals to a multiclass and multi-strata movement. Butler’s observation that the proliferation of nebulous phases, stages, and time frames of the theory of the “National Democratic Revolution” allow for the contestation by a coalition of divergent class interests over the purpose of the alliance is apt (Butler 2005, 720). The theory has served to provide an intellectual and ideological vent for the divergent interests represented in the ANC alliance, thus providing a curious and contentious language for visualising the resolution of unequal race, class and gender relations. The ANC alliance as a multi-class and multi-strata movement tenuously balanced the interests of the black working class, rural poor, and emergent black bourgeois.

5-6 Summary

This chapter investigates the origins, meaning and significance of the South African Communist Party’s articulation of the twin theories of “National Democratic Revolution” and “Colonialism of a special type” from the 1960s to the late 1980s. These two theories dominated the content of the ANC alliance’s theory of revolution and their usefulness for supporting the “de-linked” stages view that focused on national (black) liberation. The chapter also contends that although both the “National Democratic Revolution” and the “Colonialism of special type” theories were expedient for rationalising the ANC alliance’s ideological perspectives, they proved problematic in the long run as differences emerged.

The chapter establishes that the disagreements between nationalists and communists within the ANC alliance result from ambiguities and inconsistencies that led to contradictory interpretations of the ANC’s theory of revolution. Its variable interpretations emanate from the conflation of race liberation and class emancipation ideals projected in the “linked” and
“de-linked” stages models of the “two-stage theory”. Thus, the post-1994 period represents the triumph of the ANC’s version that confined itself to the first stage of the “National Democratic Revolution”. The discourse of the separate stage of the “National Democratic Revolution” was a useful ideological tool for the nationalists within the ANC alliance to justify what was still seen as necessary and logical convergence of the class interests of black workers and the bourgeoisie. This is despite the inherent weaknesses, incoherencies and ambiguities of the theory of “National Democratic Revolution”. The next chapter explains how the ANC nationalist leadership used ambiguities in its theoretical perspectives to rationalise the Neo-liberal macro-economic framework of its government policies. It portrays how subsequent disagreements within the ANC alliance factions using its “revolutionary” language influenced disputes regarding the ideological framework of government’s policies.
CHAPTER SIX

SHIFTS IN THE IDEOLOGICAL FRAMEWORK OF GOVERNMENT POLICIES
FROM THE EARLY 1990s TO 1996

6-1 Introduction

This thesis argues that the ambiguities in the ANC alliance’s “revolutionary” language of liberation made it pliant and amenable to contradictory policy perspectives of black pro-capitalist nationalists and the “left”. The last chapter sketched the development of theory of the “National Democratic Revolution” used by the ANC to characterise the first stage of liberation from apartheid. It was demonstrated how the “National Democratic Revolution” was interpreted differently by the pro-capitalist black nationalists and pro-socialist “left” within the ANC alliance. Thus, the chapter describes how the ANC government policy shifts were camouflaged by the ambiguous stages idea explained in chapter three of this thesis. This chapter examines how these different perspectives were expedient for these competing tendencies between pro-capitalists and the “left” in rationalising and criticising the ANC government’s policy shifts. Thus, “critical discourse” analysis is important for this exercise.

This chapter explores how the ANC alliance’s pre-1994 “revolutionary” language shifted to adopting the Keynesian language, then to Neo-liberal policies. The chapter indicates how the ANC alliance “revolutionary” language metamorphosed into rationalising the adoption of a Keynesian-oriented 1994 Reconstruction and Development Programme (RDP) Base document, which was part of the “left” ideal of black socio-economic liberation. It is thus contended, that the ambiguities in the RDP Base document made shifts reflected in the RDP White Paper possible. Furthermore, it is illustrated how such changes culminated with the adoption of the Neo-liberal GEAR macro-economic policy by the ANC government. The chapter argues that although the adoption of the GEAR represented a “home-grown” structural adjustment policy, the prevailing balance of domestic and global forces precipitated shifts in the ideological framework of ANC government policies. It is shown how the ANC government evoked the “Keynesian-reformist” language to rationalise its “home-grown” Neo-liberal oriented structural adjustment policy. Utilising the idea of the alternative
functions of ideology, the chapter explores how the ANC’s “revolutionary” language changed as it was influenced by a range of tendencies ranging from the pro-redistribution “Keynesian reformism” premised on the idea of a developmental state and the Neo-liberal perspective.

6-2 The Evolution of the ANC Government Policy Trajectory

For analytical purposes, three major issues on how the ANC government policy course evolved are examined. It is first contended that the shifts in the ANC alliance’s ideological orientation were mirrored in government policy. Secondly, the origin and meaning of the Keynesian macro-economic perspective inherent in ANC government policies are discussed. This section describes how the language of structural reforms, which the “left” had introduced in the early 1990s, had developed. It is demonstrated how by championing structural reforms, the “left” in the ANC alliance adopted the strategy of campaigning for socio-economic changes to deepen black “social emancipation”. This view was premised on the belief that the implementation of structural reforms would galvanise a working-class led socialist revolution. Thirdly, this section describes how the strategy of “structural reforms” metamorphosed into “Keynesian-reformism” as the development of the ANC alliance policy perspectives reviewed in this chapter indicate. It is shown, however, that the policy trajectory that the “left” conjured to advance its socialist aspirations was side lined by the government’s adoption of a Neo-liberal macro-economic policy. The chapter argues that this was possible because of the inherent ambiguities identified in the ANC alliance’s “revolutionary” language in chapters 4 and 5 of this thesis, which rendered its post-1994 policy discourse eclectic. It is contended that this enabled the ANC government to rationalise its policy shifts.

Changes in the balance of global forces, influenced a revision of the ideological perspectives of South African governments’ future macro-economic policies. The collapse of the Soviet led Communist European states that precipitated the end of the Cold War and the ascendancy of global Neo-liberal forces in the Anglo-American countries, dimmed the prospects of the radical change yearned for by the “left” in the ANC alliance. Such a shift was precipitated by the hegemony of international financial institutions such as the IMF and the World Bank. These two international financial institutions foisted Neo-liberal prescriptions to developing
countries in the form of Structural Adjustment policy advices. These policies were promoted as the cure for the ailing developing economies in Africa and Latin America. Besides, the domination of global forces, the ANC policy makers also had to contend with business and political domestic forces already attuned to global pressures to converge government policy with the dominant Neo-liberal macro-economic policy dictates. Indeed, by the beginning of 1990s decade, the ANC alliance had already come under pressure to abandon its Cold War era anti-capitalist and imperialist language that would be substituted with broad Keynesian and Neo-liberal macro-economic perspectives. Although not socialist, the Keynesian redistributive policy was embraced by the “left” to address the socio-economic needs of the formerly oppressed. It was hoped that active state intervention in the economy, seen as crucial for incremental material gains, would create “bases” for socialism. Keynesianism became the new rhetoric employed by socialists who sought to make sure that capitalism developed in at least a semi-socialist reform direction. Keynesianism gave socialists a language to argue for redistribution, thus articulate the view that the nationalist led capitalist stage could merge with the socialist revolution. The chapter shows, however, that the Keynesian policy was revised with the adoption of Neo-liberalism. The Keynesian model which allowed for “growth through redistribution” in a capitalist economy, was the opposite of the Neo-liberal reforms that were later introduced by the ANC government.

The ANC’s adoption of the “Keynesian-reformist” language was evident in the pre-democratic transition period. Maynard Keynes macro-economic management approach advocated government intervention in the economy. Keynes called for government action to address the market failures that resulted in the Great Depression of the 1930s, experienced in the post–First World War European capitalist economies. In his publication, The General Theory of Employment, Interest and Money ([1936][1965]), Keynes identified the faults of the economic society as its “…its arbitrary and inequitable distribution of wealth and incomes” (Keynesian 1965, 372). He thus questioned the belief of classical economists that the market was self-regulating and thus capable of solving the high rates of unemployment in the aftermath of the early 1930s Depression. Keynes attributed the widespread unemployment to a lack of state spending and a shortfall in private domestic investment, which in turn led to

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11 Structural Adjustment Policies are economic policies which countries were required to implement in order to qualify for the new IMF and World Bank loans. These policies usually involved the devaluation of the currency, cuts in government spending, elimination of subsidies, cuts in civil service numbers, the privatisation of state owned companies, liberalisation and the deregulation of the economy (Balassa 1982, 30).
a “fall in demand, output and employment and thus a rise in unemployment” (Corry 1978, 22). Keynes pointed to circumstances in which the capitalist market spiraled “downwards into deepening unemployment, without having the capacity to reverse the trend” (Heywood 1999, 344). Keynes had urged the post–World War II British, French and American governments to adopt fiscal policies such as “increased government expenditure and/or tax deductions, regulating monetary policy by lowering interest rates or increasing the money supply” (Corry 1978, 23). Keynes deemed such reforms essential to alleviating high unemployment.

The overriding Keynesian objective was the stimulation of the economy “through deficit spending or, in the event of labour shortages, reduce spending to choke off excess demand” (Wapshott 2011, 229). Keynes perceived the management of demand as essential to assist the economy “to stay close to its equilibrium track” (Canterbury n.d., 54). Thus, the Keynesian position suggested that “it is the level of effective demand which determines the utilisation of inputs” such as capital and labour (Michie and Padayachee 1997, 188). The reformulation of Keynesian policy included: “a tax-funded welfare state and full employment as a national goal” (Wapshott 2011, 42). It was later translated into “nationalised social security and the National Health Service” (Wapshott 2011, 227).

Keynesianism was further developed and rationalised in the United State’s New Deal-era National Resources Planning Board’s “New Bill of rights” (Wapshott 2011, 228). This bill was introduced to “promote and maintain a high level of national production and consumption by all appropriate means” (Wapshott 2011, 228). In 1944, the American President Roosevelt had introduced a “second Bill of rights” to guarantee “the right to adequate protection from the economic fears of old age, sickness, accident, and unemployment” (Wapshott 2011, 228). Although different to the socialist views articulated in the 1960s by the “left” in the ANC alliance, Keynesianism and “structural-reformism” would influence the development of ANC government policy. The objective of this policy was to redress the inherited black socio-economic marginalisation through redistribution.

Thus, the Keynesian theory was attractive to former socialists within the ANC alliance as an instrument to redress the inherited black socio-economic marginalisation. The linkage of the Keynesian perspective with the “growth through redistribution” model of the ANC alliance was justified on the basis of what Moll (1991, 314) dubbed the “virtuous cycle, in which
redistribution leads to higher demand which leads to higher output, which in turn leads to more resources being available for redistribution”. As Wittenberg (1997, 188) observed, the underlying assumption of the ‘virtuous cycle’, premised on the “growth through redistribution” model, was that “output growth seems to cause employment growth rather than vice versa”. Such a Keynesian position suggested that “it is the level of effective demand which determines the utilisation of inputs” by the government in seeking to solve high unemployment (Wittenberg 1997, 188). Increased government involvement was seen as necessary to address the chronic unemployment rate amongst the historically marginalised. This model was predicated on demand-oriented redistribution to stimulate economic growth (Barberton 1995, 24). Although, this model contradicted the “left” mid-1960s “revolutionary language” of socialist revolution, it was refashioned with the idea that the socialist objective could be achieved through the implementation of the Keynesian oriented structural reforms. The cumulative nature of these reforms was thought as key towards achieving the goal of redressing the socio-economic legacy of the apartheid disfigured South African capitalist system (ANC, 1989, 1990, 1992). There was a consensus within the ANC alliance on how to effect redistribution by expanding government’s role in the economy. The government would adopt the Keynesian path of macro-economic management which prescribed deficit financing to kick-start economic growth seen as vital to its strategy.

The evolution of “Keynesian-reformist” policy within the ANC alliance can be traced to the COSATU initiated 1986 “Economic Trends Research Group”, composed of university-based researchers. This group was tasked to examine the structure of the South African economy and to formulate policy models. Its research findings were published in a book entitled, “South Africa’s Crisis” (COSATU 1988, 4). The “Economic Trends Research Group” recommended a combination of socialist and social democratic policies to promote “inward industrialisation” for “employment-generating development of labour-intensive consumer goods industries” (Legassick 2007, 20). The “Economic Trends Research Group” advised government to adopt an anti-trust policy for conglomerates dominating the economy (Legassick 2007, 20). Such an eventuality was, however, not considered feasible by nationalists in the alliance in the post-communist world (Padayachee 2007, 21). Although the ANC alliance would shift from using such radical language, it influenced the ideological outlines of future government macro-economic policy.
The development of the broad outlines of the Keynesian policy was an indirect outcome of the process of negotiated deals between the unions in COSATU, the National Party led white government and big business that foreshadowed the future outlines of government’s macroeconomic policy. From the mid-1980s, COSATU was engaged in negotiating “a social contract” with the former apartheid state and private capital (Faizel 1994, 52). For example, in September, 1990, COSATU, the government and big business had concluded the “Laboria Minute”, an agreement to reform trade union laws by introducing “institutional bargaining” (Callinicos 1996, 5). The National Manpower Commission was established to scrutinise labour laws before their enactment by Parliament. Pursuing this strategy, COSATU launched nation-wide protests on the 5-6 November, 1991, against the de Klerk government’s introduction of the Value Added Tax (VAT) (Faizel 1994, 53). COSATU highlighted the adverse effects of the tax on workers. One of the anti-VAT campaign demands was for a “macro-economic policy negotiating forum” for labour, government and business engagements on policy matters (Callinicos 1996, 6). Such engagements between the ANC, as the government-in-waiting, big business, and labour laid the foundation for a compromise between redistribution and growth and a capitalist-determined market and state intervention.

As part of its commitment to a “growth through redistribution” model, the “left” sought government intervention in the economy. Government was required to implement policies to stimulate demand in order to kick-start economic growth to meet the social needs of the disenfranchised black majority. The effects of the redistributive Keynesian policy were, for example, corroborated by Wittenberg’s (1997, 191) findings in his study of South African manufacturing data which concluded that the adoption of the Keynesian “demand growth” model would help induce growth. Such an outcome was consistent with the Keynesian recommendation of government management of demand to manipulate employment and growth levels with the aim of securing general economic prosperity (Heywood 1992, 258). The implementation of the Keynesian reforms by the state would boost demand to kick-start economic growth. This in turn, was believed would have a multiplier effect on employment, thus impacting indirectly on the redistribution of wealth in society as more people earn income (Heywood 1992, 58). It took the form of state management of the capitalist economy.

Keynesianism was, however, opposed to socialism and state socialism and did not envisage the replacement of the private enterprise economic system. It sought to improve the capitalist
system by projecting it as a “mixed economy” (Heywood 1992, 259). Nevertheless, the Keynesian perspective appealed to the “left” in South Africa as a model to be adopted to help move the capitalist-oriented “National Democratic Revolution” to the second socialist stage. The broad ideological trajectory of “growth through redistribution” at the heart of “Keynesian-reformist” policy can be traced from the ANC’s 1990 discussion document on economic policy. The document explained the “growth through redistribution” model thus:

The engine of growth in the economy of a democratic, non-racial and nonsexist South Africa should be the growing satisfaction of the basic needs of the impoverished and deprived majority of our people. We thus call for a program of “growth through redistribution” in which redistribution acts as a spur to growth and in which the fruits of growth are redistributed to satisfy the basic needs (ANC 1990, 8).

In the above statement, the ANC viewed redistribution, necessary to satisfy needs, to be reliant on a high rate of economic growth which was seen as vital for increasing employment. With the fall of communism, Keynesianism became attractive to the “left” in the alliance.

The “left” in the ANC alliance adopted the “structural reforms” strategy of cumulative reforms towards socialism. The term “structural reforms” is borrowed from Andre Gore, a French theorist, who had advocated social change to attain “partial victory” by workers’ fighting for incremental structural reforms (Little 1996, 44). Such reforms were seen as “building blocks” towards a socialist revolution (Clinics 1996, 36). A working-class imbued with a heightened revolutionary consciousness would strive for “cumulative gains” by waging class struggle for reforms leading “the capitalist system to a state of crisis” (Little 1996, 43). Socio-economic transformation was to be achieved through the implementation of “popular initiatives” on reconstruction and development (Saul 1992, 4). The analyst Saul argued that such initiatives would “leave a residue of further empowerment” and lead to growing “organizational capacity” for the vast mass of the population (Saul 1992, 4).

Saul believed that the adoption of “structural reforms” could enable the masses to strengthen themselves for “further struggles and further victories” (Saul 1992, 4). He suggested that the vehicle for such reforms was to be a “popular movement-cum party” (Saul 1992, 4). For an analyst Clinics, social transformation would be realized by mounting mass “popular initiatives” to fight for reforms that would lead to the establishment of “bases for socialism”
As part of its new strategy of “structural reforms”, the left-wing of the ANC alliance had proposed a Keynesian inclined policy in the early 1990s. It had hoped that the second stage of the socialist revolution would be achieved through incremental socioeconomic changes resulting from the implementation of such a policy (Saul 1992, 6). The Keynesian macro-economic policy framework was, however, different from the earlier socialist stance of the South African Communist Party. While it was rhetorically committed to a “de-linked” stage view in the 1960s, the Communist Party had also advocated a more radical perspective that demanded the socialization of the means of production. As opposed to the latter strategy of the Communist Party, the ANC alliance’s Keynesian orientation was captured in the words of Nelson Mandela, then first President of South Africa thus:

[To build] a people-centered society of liberty that binds us to the pursuit of goals of freedom from want, freedom from hunger, freedom from deprivation, freedom from ignorance, freedom from suppression and freedom from fear. They will therefore constitute part of the centerpiece of what this government will seek to achieve, the focal point on which our attention will continuously be focused (Mandela 1994, 3).

In the above statement, the former President Mandela outlined the need for government policies to address the needs of the historically marginalized. His view was synchronistic with the objectives of the ANC’s revised “National Democratic Revolution” theory that proclaimed the all-round emancipation of all South Africans—the majority of whom were African—the rural and the urban poor, the working people, women, the youth, the disabled—who were subjected to racial oppression and exploitation from the colonial era throughout to the rise of the apartheid system in 1948 (ANC 1997, 8; ANC 2000a, 4; ANC 2005b, 5).

In adopting “structural reforms”, a distinction between the “genuinely socialist” policy reforms [and] “reformism” of the neo-capitalist or “social-democratic” type was deemed essential (Saul 1992, 3). The reforms envisaged policies which implanted other necessary reforms that flow from it as part of “an emerging project of structural transformation” (Saul 1992, 4). The suggested reforms ranged from employment creation through the production of cheap basic consumer goods by investing capital to develop “labor-intensive light industries” (Gelb 1991, 35). It was hoped that this would lead to the “the expansion of infrastructural services, such as electricity and telephones to the black townships in particular” (Gelb 1991,
The meeting of basic needs such as the provision of health care, education, the right to shelter, a sustainable environment, mobility, and a job “would be ‘decommodified’” (Cronin 2011, 3). These reforms aimed to change the ownership of the means of production such as in the mining and manufacturing industries. The alteration of power relations on the shop floor, in education and health was pivotal (Von Holdt 1990, 12). Using such a strategy, the “left” in the alliance had hoped to pursue a “more socialist, or a radically redistributive, political economy” (McKinley 2007, 1). The dominant belief amongst the “left” in South Africa embraced the “growth through redistribution” orientation it wished to be implemented by a popularly elected “developmental state” in a “mixed” but predominantly capitalist economy. Thus, the combination of Keynesianism and structural reforms crystallise into a new language of “Keynesian-reformism”.

The ANC’s 1990 Discussion Document on Economic Policy foreshadowed strong state intervention in the economy, albeit a mixed one, as it also proposed a significant role for the market (ANC 1990, 7). Such a model of the “developmental state” espoused the route of capitalist development discussed in Chapter 4 of this thesis. However, the document used an incoherent phrase, “the reconstruction and the restructuring” of the economy to describe the process required to establish such a state in post-apartheid South Africa (ANC 1990, 8). Although, what reconstruction and restructuring entailed was not clearly elaborated. However, as Michie and Padayachee (1998, 63), contended, reconstruction and restructuring were “…not inimical to economic growth, as growth would occur through redistribution”. Only an economically active state would effect such a strategy.

In May 1991, the ANC’s trade union ally, COSATU published a document entitled “Economic Policy in COSATU” that favoured the “growth through redistribution” model. It promoted redistribution beyond transferring income only, but also to include the transfer of power, resources and opportunities (COSATU 1991, 19). COSATU also suggested an inward industrialisation strategy to produce goods to meet the needs of the poor. COSATU’s policy options mirror the Keynesian economic perspectives, which advocated the idea of redistribution to stimulate economic growth to satisfy the basic needs of the historically marginalised black communities. The “growth through redistribution” strategy projected the view that the redistribution of resources at different socio-economic levels was necessary for sustained economic growth to create employment. For redistribution to be realised, changes
in the ownership (of land, utilities, services, mining, and manufacturing), power relations on the shop floor, in education and health were seen as fundamental (Von Holdt 1990, 12).

The ANC’s July, 1991 48th national conference issued a draft resolution which indicated a shift towards an elementary Keynesian-oriented economic policy trajectory: “A future government will bear in mind the need to maintain confidence and bind itself to proceeding according to constitutional principles. We are convinced that neither a commandist central planning system nor unfettered free market system can provide adequate solutions to the problems facing us” (ANC 1991a, 6). The draft conference resolution reflected the ANC's desire to chart a middle ground between a socialist system and a laissez-faire capitalist economy. Government involvement in the regulation of the capitalist economy was desired.

Although contested within the ANC alliance, the “Keynesian-reformist” model foreshadowed by the 1986 ‘Economic Trends Group’s’ recommendations” influenced the 1991 ANC Economic conference in Harare, Zimbabwe, that included COSATU and the ANC’s Department of Economic Planning. At this conference, the ANC resolved to pursue the strategy of “growth through redistribution” to address the legacy of apartheid within the black community (ANC 1991a, 5). In embracing the “left” strategy of promoting “growth through redistribution”, the ANC’s 1991 Draft Economic Manifesto argued in support of adopting elements of the Keynesian policy thus:

The immediate post-apartheid period must see a democratic government adopting a new growth strategy capable of guaranteeing steadily rising living standards for our people. Redistribution can provide a kick-start for the growth process, for example, a new housing programme will create employment and generate income. This together with other redistributive measures will expand demand for basic goods (ANC 1991a, 6).

The above strategy advocated Keynesian-oriented policy measures, albeit in a form of a “reformist-redistributive” oriented policy. Such a strategy was criticised by big business as inflationary (Marais 1998, 149-151).

In 1992 the “Industrial Strategy Project” emerged with a brief to help COSATU’s affiliates with policy formulation. Its publications entitled “Improving Manufacturing Performance in South Africa” and the “Industrial Strategy Project” shifted “away from a national, demand
side, developmental approach to a more global, supply-side strategy for economic reconstruction” (Padayachee 1998, 437). The “Industrial Strategy Project” advocated an export orientation based on manufacturing for export rather than in “meeting basic needs” (Bond 2000, 48-50). However, it seems COSATU did not question this apparent ideological “U-turn”. COSATU wanted innovative policies for socialist transformation to be formulated. Such an eventuality was, however, not considered feasible in the post-Soviet communist world (Padayachee 1998, 438). These conceptual shifts can be traced from the May 1992 ANC National Policy Conference document entitled “Ready to govern” that omitted the usage of the slogan of “growth through redistribution”. In this document, the ANC committed itself to macro-economic balance and advocated the establishment of a Fiscal Commission to oversee fiscal reforms (ANC 1992, 23). The policy recommendations of both the “Economic Trends” and the “Industrial Strategy Project” would bear upon the ideological underpinnings of the future ANC government policies (Joffe et al. 1995, 3). Similarly, the unchallenged ideological “U-turn” in alliance policy proposals impacted on the future ANC government macro-economic policy.

The shifts in the ideological perspectives in the above mentioned documents did not translate to an entrenched policy position. The “growth through redistribution” strategy favoured by the “left” was revived in the December, 1993 findings of the Canadian funded Macroeconomic Research Group (MERG) that was established to help the ANC with policy formulation. The MERG published an extensive economic policy document, “Making Democracy Work: A Framework for Macroeconomic Policy in South Africa” (Macroeconomic Research Group, 1993). The report prioritised policy orientation towards “a rapid improvement in the quality of life of the poorest, most oppressed and disadvantaged people of South Africa” (Macroeconomic Research Group 1993, 104). It thus recommended the introduction and phased implementation, for the first time in South Africa, of the national minimum wage (Macroeconomic Research Group 1993, 163).

The proposed minimum wage would be set at a small percentage of the so-called Minimum Living Level (Macroeconomic Research Group 1993, 163). In arguing for transformation, the report identified key social demand failures of the economy: along with huge educational and skills deficits, high unemployment and endemic poverty amongst the majority of citizens (Macroeconomic Research Group 1993, 26). It recommended increased state investment in
social and physical infrastructural developments to stimulate growth to entice private capital investments (Macroeconomic Research Group 1993, 24). Its orientation differed from the supply-side strategy implied in the “Industrial Strategy Project” report as it favoured a demand-side focus on macro-economic management (Padayachee 1998, 435). According to the Communist Party, this demand-led policy was predicated on the view that “envisaged less immediate concern with budget deficit reduction and inflation” (SACP 1997b, 3). The ANC did not accept the recommendations of the Macroeconomic Research Group report whose Keynesian orientated policy aspects echoed the radical socially expansive strategy of structural reforms espoused by COSATU and the Communist Party.

The main policy provisions of the Macroeconomic Research Group report would, however, influence the formulation of policies such as the RDP that the “left” thought could be used as a stepping stone to address the needs of the historically marginalised blacks. As former ANC alliance analyst Wolpe observed, the Communist Party had hoped the de-racialisation of the economy, through the implementation of the RDP, would provide conditions “for the transition to socialism, particularly given the present global system, in one country” (Wolpe 1995, 101). The Communist Party also suggested the re-ordering of budgetary priorities to cater for the RDP: reforming the tax system to focus on levying income tax rather than consumer tax; substituting individual tax with company tax and expanding wealth taxes, such as land and capital gains taxes (SACP 1997b, 7). The belief was that social transformation would result from cumulative structural reforms, to be gradually infused with socialist goals to facilitate the socialist revolution.

6-3 The Roots of Neo-liberalism in ANC Government Policy

A contradictory policy orientation that influenced the ANC government’s policy making was premised on the idea of “redistribution through growth”. The “redistribution through growth” idea refers to a view that the market forces will themselves later lead to the “trickle down” of wealth to the rest of society. This approach broadly encapsulated the Neo-liberalist perspective of less state involvement in the economy. This view articulated the supremacy of market forces “as optimally efficient means of achieving economic growth” (Peet 2000, 3). This policy had its roots in the economic liberalism of Adam Smith’s market mechanism
introduced in his book “The Wealth of Nations”. Smith’s central thesis was that “wealth is created though the process of market competition” (Heywood 1999, 336). He thus concluded that “as far as possible the economy should function as a self-regulating market” (Smith. [1776] cited in Heywood (1999, 340). Smith advocated market competition which he believed would act as an “invisible hand” helping mysteriously, “to organise economic life without the need for external control” (Heywood 1999, 336). To him the economy was regulated by a price mechanism responding to the market forces of demand and supply (Heywood 1999, 337). Its overriding premise was that “if one wants to stimulate output, the logical procedure is therefore to increase the utilisation of inputs” (Michie and Padayachee, 1998, 639). It was thus assumed that if inputs such as labour were not utilised optimally, which results from its incorrect pricing leading to high wages, there was an impediment to economic growth and prosperity (Michie and Padayachee 1997, 188). However, in advocating the “market mechanism” as the primary approach to increasing economic growth, Smith acknowledged that the government had a vital but limited role to play such as in maintaining public order and enforcing contracts (Heywood 1999, 337). Arguably, Economic liberalism was the forerunner of Neo-liberalism.

Outlines of Neo-liberalism were elaborated in the late 1950s by scholars in the Chicago Schools of Economics, such as Milton Friedman, in reaction to Keynesian policies. Friedman showed how government spending had exploded during the development of the Keynesian welfare state in Western capitalist economies such as France and the United Kingdom (Friedman 2002, vii). Friedman explained how the post–First World War welfare state in Western Europe, characterised by rapid socialisation was precipitated by the pre–First World War shift of opinion towards “collectivism” (Friedman, 2002, ix). Friedman ascribed the “failures of the standard doctrine” (Keynesianism) to the economic malaise of the post–World War II welfare state in Western Europe. He maintained that the failed Western European model had influenced the emergence of the “developmental state” perspective which had argued that the “development of the third World required central planning plus massive foreign aid” to achieve economic success (Friedman, 2002: ix). As opposed to Keynesianism, Freidman advocated the limiting of the scope of government to the following functions:
to protect our freedom both from enemies outside our gates and from our fellow citizens; to preserve law and order; to enforce private contracts; to foster competitive markets. Beyond these major functions, government may enable us at times to accomplish jointly what we would find it more difficult or expensive to accomplish severally (Friedman 2002, 2).

In the above quotation, Friedman supported the demand-side macro-economic policies that favoured limited interventionism by governments in the economy. He rejected the use of fiscal policy as a tool to manage demand. He sought to address “the efficiency of market competition, the role of individuals in determining economic outcomes, and distortions associated with government intervention and regulation of markets” (Palley 2004, 25). His view was not, however, dissimilar to Neo-liberalism, which was also sometimes referred to as the “Washington Consensus”. The latter term was coined by John Williamson of the Washington Institute of International Economics to depict the orthodoxy of Washington based institutions, such as the International Monetary Fund, the World Bank and the US Treasury (Williamson 1990, 10). These institutions promoted a free-market, through “Neoliberal”/“structural adjustment” approach to economic, social and environmental policies (Bond 2001, 421). Neo-liberalism extolled fiscal discipline, tax reform, liberalisation of trade and interest rates, competitive exchange rates, the deregulation of the economy, to attract foreign direct investment and privatisation of state owned companies (Williamson 1990, 15). Hart (2002) argues that Neo-liberalism is a manifestation of global economic forces and a rationality of rule. The ANC government would adopt Neo-liberalism to justify its policies.

Crucially, the World Bank’s fiscal and monetary policy advisors exerted pivotal influence on the formulation and adoption of the Neo-liberal macro-economic policy framework which compelled future ANC governments to embrace the “redistribution through growth” model. In 1993, for example, the Southern African section of the World Bank released a report entitled “Paths to Economic Growth”, which argued for the adoption of “sound economic policies” seen to be the key to high economic growth rates required for the South Africa economy to develop (World Bank 1993, 33). The report advised that such policies would result in increased private investments. It proposed that the post-apartheid government undertake to abolish the import substitution bias of manufacturing, and to change the economy to become more export oriented (World Bank 1993, 34). Furthermore, it called for the restructuring of government spending by
increasing levels of investment in infrastructure and, above all, to maintain prudent fiscal and monetary policies that required the down-sizing of the public service (World Bank 1993, 36).

The International Monetary Fund also ensured that the ideological content of the ANC government-in-waiting would conform to its Neo-liberal macro-economic perspective. For example, in 1993 the ANC entered into a secret protocol agreement between the apartheid government and business, on the future government’s economic policy directions as part of a 1993 $850 million loan from the International Monetary Fund. In a “Statement on Economic Policies”, the 1993 Transitional Executive Council, in which the ANC and National Party were represented, consented to the orthodoxy that “increases in the government deficit would jeopardize the economic future of the country”, with a fiscal policy that emphasised “expenditure containment rather than raising taxes” (Business Day 1994, 1–2). In accepting the “Statement of Economic Policies”, the Transitional Executive Council, “committed itself to a Neo-liberal, export-oriented economic policy, and a “redistribution through growth strategy” (Williams and Taylor 2000, 17). The International Monetary Fund agreement included commitments to strict monetary policy, macro-economic and structural policies to address unemployment and weak capital investments. In its 1994 Annual Report, the International Monetary Fund lauded the ANC government’s ideological shift from its interventionist regulations, excessive fiscal and monetary spending and expropriatory tax policies towards embracing free trade (IMF 1995, 89–90).

The role of the International Monetary Fund in advising the South African government in its policy making was, however, not new. In 1993, the government of former President de Klerk had adopted the “Normative Economic Model” which was based on the “redistribution through growth” path. In seeking to improve the economy’s competitiveness, the “Normative Economic Model” prioritised increasing business confidence to attract foreign direct capital investments, the establishment of export processing zones, the removal of import surcharges and the deregulation of the economy (CEAS 1993). The advocates of the “Normative Economic Model” warned that prioritising redistribution would harm the economy. They suggested increasing the economic growth rate, which was seen as the most viable path for creating new resources for redistribution (CEAS 1993). It was assumed that a high growth rate due to rising exports would increase employment opportunities and incomes for the historically deprived (Callinicos 1996, 13). A reduction of the state role in the
economic through the privatisation of state owned enterprises was deemed necessary for internationally competitive manufacturing industries (Callinicos 1996, 14). Adherence to monetary and fiscal discipline was advised (Turok 2008, 85). This ideological framework bore heavily on the development of the future ANC government policy.

In the early 1990s political transition in South Africa, advocates of the “redistribution through growth” strategy had warned that redistribution to ameliorate the inherited economic inequalities would harm the economy. It was estimated that about 40 per cent of the economically active population was unemployed with over half the population, at 57 per cent, living below the poverty line (Statistics South Africa, 1998). A high rate of economic growth was seen as imperative for the creation of resources for redistribution (Nattrass 1990, 6). It was assumed that a high growth rate due to rising exports would increase employment opportunities and incomes for the historically deprived (Callinicos 1996, 13). A reduction of the state involvement in the economy through the privatisation of state owned enterprises was deemed necessary for manufacturing industries to be internationally competitive (Callinicos 1996, 14). Monetary and fiscal discipline was advised (Turok 2008, 85). The ideological trajectory of future ANC government policies would conform to this economic orthodoxy. The “left” in the ANC alliance adopted a contradictory strategy which it hoped would facilitate the eventuality of a socialist revolution. The next section explores how the ANC was influenced by the Keynesian-oriented RDP programme: and which the “left” in the alliance had adopted as a strategy with the hope that it would lead to a socialist transition.

6-4 The Formulation of the Reconstruction and Development Programme (RDP)

This section describes how the Reconstruction and Development Programme (RDP) originated from the objective of the “left” in the ANC alliance to address the needs of the formerly oppressed. The RDP can thus be broadly classified as “left” in the sense that it was based on the notion of “growth through redistribution”. It was articulated in a Keynesian and pro-redistribution language. Furthermore, the section argues that the RDP contained ambiguities that can be ascribed to its drafting by socialists and non-socialist economists. Although ideologically eclectic with its mix of Keynesianism and Neo-liberalism, the RDP
Base document envisaged a form of an “interventionist” state that was in keeping with a Keynesian inclined “developmental state”. The active involvement of the “National Democratic State” in the post-apartheid economy was now seen as essential to achieve socioeconomic justice by catering for the basic needs of the formerly oppressed black people. The objective of such a “developmental state” was seen by the “left” as necessary to rectify market failures inherent in the capitalist economy. The ambiguities of the RDP paved the way for the shift to the right in the GEAR document, which was Neo-liberal. The section traces the changes in the ideological orientation of RDP documents rather than examining the factors that constrained its implementation. The section shows how there was a steady shift from the RDP Base document, which also contained a mix of Keynesianism and Neoliberalism, to the predominance of the latter ideological perspective in the RDP White Paper.

The Keynesian provisions of the RDP Base Programme emerged as a product of wider consultations within COSATU, the Communist Party and the Civic Movement. The RDP originated from what the ANC described as “a series of conferences, workshops and policy forums led by the ANC in the late 1980s and the first half of the 1990s” (ANC 1997, 1). The objectives the Keynesian-oriented RDP Base document espoused were “born in the trenches of the struggle and the purpose of its utopian élan was to unite the variety of ideological viewpoints within the ‘broad church’ into a united front” (Terreblanche 2002, 5). The initial RDP document went through six drafts before it was adopted by the 1993 ANC’s conference on Reconstruction and Development. The ANC characterised the consultation process leading to the formulation of the RDP as “rooted in the participatory traditions of the Freedom Charter” (ANC 1997, 1). According to the ANC, the RDP was then “popularised through people’s forums during the election campaign in 1993/94” (ANC 1997, 1). Indeed, Nelson Mandela reflected on the popular origins of the RDP: “The document is the result of many months of consultation within the ANC, its Alliance partners and other mass organisations in the wider society” (ANC 1994, 4).

The 1994 RDP Base document originated from COSATU and the “left” as part of the attempt to produce an accord ensuring that the future ANC government would embark on a labour-focused development trajectory of “growth through redistribution” (Webster and Adler 1999, 364). Contrary to the idea that the RDP Base document was socialist as Tshiterike (2006,
107) and Michie and Padayachee (1997, 42) maintained, in promoting the “growth through redistribution” trajectory, the RDP Base document resembled Keynesianism. Thus, the “left” in the ANC alliance regarded the RDP Basic Document as an essential step towards the achievement of the second stage of the socialist revolution through the implementation of “structural reforms”. The shift was prompted by the realisation of leading South African communists that “an uninterrupted” transition from the “National Democratic Revolution” to socialism was not possible in the post–Cold War era (Slovo 1990a, 3). COSATU had hoped that the RDP would “enable workers to gain control over their lives in the future dispensation” (Kabwe and Schmitz 2001, 7). Then South African Communist Party leader, Phillip Dexter argued that the working class struggle could be advanced by “gradually infusing the RDP Basic Document with socialist ideals and practices, a socialist programme for South Africa can be developed” (Dexter 1994, 1). However, as with the ambiguous Freedom Charter discussed in Chapter 4, the RDP as will be shown, was also ambiguous.

The final March 1994 draft of the RDP Basic Document was a product of economists from the Development Bank of Southern Africa who Jeremy Cronin, the then deputy general Secretary of the South African Communist Party, accused of having encased it in a “macro-economic straitjacket” (Cronin 1997, 2; Bond, 2006, 8). The drafting process which had compromised the Keynesian thrust of the RDP Base document did not preclude its utility as the ANC’s manifesto for the first 1994 non-racial elections. The RDP Basic Document defined its purpose as an “integrated, coherent, socio-economic policy framework” that sought to mobilise all people and the country’s resources “toward the final eradication of apartheid and the building of a democratic and non-sexist future” (ANC 1994, 1). The RDP obliged the government to produce detailed “positions and a legislative programme” to implement the policy framework identified in the above statement (ANC 1994, 1). It was designed to secure political and programmatic commitment by the ANC government to meeting the basic needs of the formerly racially oppressed. Hence, the RDP called for “the democratic government” to “play a leading and enabling role in guiding the economy and the market towards reconstruction and development” (ANC 1994, 7–13). The liberation aims of the RDP highlighted the objectives of the ANC’s revised “National Democratic Revolution” theory which proclaimed: the all-round emancipation of the majority of people from Apartheid. Its main purpose was to uplift the quality of life of all South Africans—the majority of whom generally comprised black people (Indians, Coloureds and Africans)—and in particular
Africans—the rural and urban poor, the working people, women, the youth, the disabled—who were subjected to racial oppression and exploitation from the seventeenth century European colonisation to the rise of the apartheid system in 1948 (ANC 1997, 8; ANC 2000b, 2; ANC 2005c, 3). The route to such emancipation was through a “delinked” stage of the “National Democratic Revolution” to resolve the “national question”: black national oppression. The RDP was seen as a necessary policy for such a trajectory.

Importantly, the RDP Base document, as a product of ideologically disparate interests within the ANC alliance, was constrained by inherent ambiguity. This resulted from its language which sought to balance competing ideological interests of “nationalists, communists, trade unionists, aspirant capitalists: all with different values system and interests” within the ANC alliance (Kotze 2000, 15). The RDP represented a compromise of ANC alliance factions between those “who favoured more interventionist policies” and those who were “persuaded of the need for market-oriented policies” (Nattrass and Seekings 2002, 32). It was an “eclectic inventory, often described as a wish list” shaped by Keynesian and Neo-liberal ideological frameworks contained in the “operational definitions” that ranged from beliefs in “market-driven delivery to strong state intervention” (Kabemba and Schmitz 2001, 7, 14). The outcome was that the RDP had “combined very different elements” (Nattrass and Seekings 2002, 32). The inherent mixture of the need for high spending on one hand, and on the other hand, the adoption of fiscal austerity, made the RDP Base document an internally contradictory document as it sought to reconcile ideologically contradictory strategies of “growth through redistribution” and “redistribution through growth”.

The RDP Base document advocated a significant role for public sector investment to complement the role of the private sector and community participation in stimulating reconstruction and development. Such a policy orientation was expressed thus:
We are convinced that neither a commandist central planning system nor an unfettered free market system can provide adequate solutions to the problems confronting us. Reconstruction and development will be achieved through the leading and enabling role of the state, a thriving private sector, and active involvement by all sectors of civil society which in combination will lead to sustainable growth (ANC 1994, 78).

The above stated RDP policy provision foreshadowed “a leading and enabling role” for the state in reconstruction and development in the mould of a “developmental state” that exists in the context of a thriving private sector. Such a model envisaged a strong role for the “developmental state” within the inherited white dominated capitalist “mixed” economy. It thus saw the link to development, reconstruction and redistribution to be an “infrastructural programme that would provide access to modern and effective services like electricity, water, telecommunications, transport, health, education and training” (ANC 1994, 6–7).

In this way, the drafters of the RDP Base document hoped that the redistribution would create growth to meet the basic needs of the formerly oppressed (Moll 1991, 14). The RDP Base document was premised on six basic principles that ranged from “an integrated and sustainable programme”; “a people driven process”; “peace and security for all”; “nation-building”; it was to “link reconstruction and development” and the “democraticisation of South Africa” (ANC 1994, 5–7). For the RDP nation-building required linking reconstruction and development as parts of an integrated process (ANC 1994, 5–7). This was in contrast to the commonly held view that “that growth and development, or growth and redistribution are processes that contradict each other” (ANC 1994, 5–7). In breaking with the approach that defined growth as “the measureable increase in the output of the modern industrial economy”, or that “development is a deduction of growth”. The RDP Base document argued for the integration of “growth, development, reconstruction and redistribution in a unified programme” (ANC 1994, 5–7).

The RDP consisted of five key programmes. These ranged from “Meeting the basic needs”; “Developing human resources”; “Building the economy”; “Democratising the state and society”; and, “Coordination of implementation of the RDP” (ANC 1994, 24). The RDP promoted itself as representing a programmatic commitment by the government to meet the basic needs of the formerly racially oppressed majority in an integrated manner, “combining urban, peri-urban and rural development processes” (ANC 1994, 16). Its main objective was:
1.4.2. Meeting Basic Needs. The first priority is to begin to meet the basic needs of people—jobs, land, housing, water, electricity, telecommunications, transport, a clean and healthy environment, nutrition, health care and social welfare (ANC 1994, 7).

To meet the above needs, redistribution through growth was seen as critical to alleviate inequalities in income and wealth by expanding productive opportunities (ANC 1994, 81). As a map for socio-economic transformation the RDP listed the following development targets:

a. The creation of 2.5 million jobs in ten years;
b. The building of 1 million low-cost houses by the year 2000;
c. The provision of clean drinking water and sewerage to 1 million households;
d. The redistribution of 30 per cent arable agricultural land to Black farmers within five years (ANC 1994, 14–52).

The above targets were some of the sectorial priorities of the RDP to meet the basic needs of 17 million black people living below the poverty datum line, with 11 million residing in rural areas (ANC 1994, 2–3). Echoing the Freedom Charter’s “economic/property” clauses, the private mineral rights were to be returned to the “democratic government” as “the minerals in the ground belonged to all South Africans” (ANC 1994, 99). A national health care system was to be established by drawing “all players and services into the National Health System” to “include both public and private providers of goods and services” (ANC 1994, 43). An equitable social welfare system for all regardless of race, gender or physical disability based on “the right to basic needs such as shelter, food, health care, work opportunities, income security” was to be introduced (ANC 1994, 53). A public works programme to address jobs and skills deficit for poor black women and the youth through “an integrated system of education and training” providing equal opportunities to all, were foreshadowed by the RDP (ANC 1994, 18–56). It also advocated tax reform to reduce the burden caused by the fiscal drag on middle income people (ANC 1994, 145), and reform of the company tax system which was biased against small and medium sized enterprises (ANC 1994, 45).

Thus, the RDP Base document envisaged a strong connection between increased economic growth and employment creation. It was not however, an anti-capitalist programme as Southhall (2003, 62) shows, it was only meant to coax and discipline “the dominant private sector into helping overcome huge racial and social inequalities, without which there could be
no sustainable future for capitalism in South Africa”. The RDP as a Keynesian policy relied on boosting demand as a strategy to fulfil the objectives of black “social emancipation” beyond the Keynesian outcome of solving unemployment. It therefore envisioned greater involvement by the state in a predominantly capitalist economy to advance the ideal of “social emancipation”. In promoting social equity, the RDP attempted to link growth and redistribution as the major goal of socio-economic transformation. The thrust of the Keynesian traditions of the RDP Base document would, however, be undermined by some of its major macro-economic provisions, whose language made it left open to a Neo-liberal interpretation.

Big business was opposed to the “growth through redistribution” strategy of the RDP Base document while promoting the “redistribution through growth” (South African Foundation 1996, 12). It criticised the RDP Base document as advocating “risky macro-economic populism” to stimulate demand through deficit spending, which would increase inflation thus impacting negatively on the balance of payments (Nattrass 1994, 15). Other analysts identified the RDP limitations in emphasising economic growth and income redistribution while “under-emphasising” the risk of inflation, deficit financing, external constraints and the reaction of economic agents to aggressive non-market policies (Dornbudsch and Edwards 1991, 25). Big business had criticised the ANC government for lack of a clear-cut monetary policy and for its failure to acknowledge the enormity of the inherited apartheid state debt (Nattrass, and Seekings, 2002; South Africa Foundation, 1996). The rationalisations for the revised RDP White Paper were made under the sway of such criticism.

6-5 Policy Shifts from the Reconstruction and Development Programme (RDP) Base Document to the RDP White Paper

This section argues that the original Keynesian vision of the RDP was progressively weakened by the government with the insertion of Neo-liberal provisions that contradicted its goals. It is contended that the ambiguities, incoherencies and contradictions identified in the ANC alliance’s theoretical perspectives, enabled a stealthy shift from the 1994 Keynesian oriented RDP Basic Document to a Neo-liberally inclined RDP White Paper.
The major ambiguity of the RDP Base document was reflected in its aim to reconcile the implicit Keynesian interventionist programme with elements of the Neo-liberal market-oriented policy. For example, the RDP Base document aimed at “democratising the economy” and empowering “the historically oppressed, particularly the workers and women” (ANC 1994, 79). While the notion of “democratising the economy” was not clarified, the RDP justified itself as the programme informing the policy of the “developmental state” thus:

The RDP integrates [economic] growth, development, reconstruction and redistribution into a unified programme. The key to this link is an infrastructural programme that will provide access to modern and effective services like electricity, water, telecommunications, transport, health, education and training for all our people. This will lead to increased output in all sectors of the economy, and by modernising our infrastructure and human resource development, we will also enhance export capacity. Success in linking reconstruction and development is essential if we are to achieve peace and security for all (ANC 1994, 6–7).

However, the RDP’s “Meeting Basic Needs” section 2.2.1, entitled “Vision and Objectives” made implementation of the RDP objectives conditional. For example, it pledged to tackle poverty by addressing “issues of social, institutional, environmental and macro-economic sustainability in an integrated manner, with specific attention to affordability” (emphasis added) (ANC 1994, 15). It identified the fiscal problem inherited from the apartheid state thus: “a severe imbalance exists at present between insufficient capital expenditure and excessive consumption expenditure” (ANC 1994, 143). Paradoxically, while the RDP needed to finance its programmes, it accepted the inherited onerous apartheid debt thus:

The existing ratios of the deficit, borrowing and taxation to Gross National Product (GNP) are part of our macro-economic problem. In meeting the financing needs of the RDP and retaining macro stability during its implementation particular attention will be paid to these ratios (ANC 1994, 143).

In opting to retain the “existing ratios of the deficit” the RDP justified them as necessary for macro-economic stability and to increase economic growth. Accordingly, in terms of this approach, a commitment to a stable macro-economic policy environment required that the RDP be financed frugally in ways that preserved “macro-economic balances” (ANC 1994, 143). It thus proposed that funding for the RDP would come from “revenues, issuing debt (including general obligation and revenue bonds) and grants” (ANC 1994, 142). Such a decision entailed cutting government expenditure and pledging repayment of the inherited debt.
apartheid state debt. It recommended fiscal austerity and cautioned against increased government spending thus:

> it is clear that government policy and mechanisms of raising finance are crucial to the success of the RDP. If they were to cause excessive inflation or serious balance of payments problems they would worsen the position of the poor, curtail growth and cause the RDP to fail. Government contributions to the financing of the RDP must, therefore, avoid undue inflation and balance of payments difficulties. In the long run, the RDP will redirect government spending rather than increasing it as proportion of GDP (ANC 1994, 142–143).

Consequently, the RDP Base document promoted a “strategic approach” that sought to combine public and private sector funding (ANC 1994, 144). To realise its objectives, the RDP Base document foreshadowed the redirection of government spending rather increasing it as a proportion of the GDP (ANC 1994, 142-143). The funding of the RDP Base document dependent on two contradictory options:

4.2.5.1. In restructuring the public sector in strategic areas through, for example, nationalisation, purchasing a shareholding in companies, establishing new public corporations or joint ventures with the private sector, and

4.2.5.2. Reducing the public sector in certain areas in ways that enhance efficiency, advance affirmative action and empower the historically disadvantaged (ANC 1994, 80).

This ambiguous policy provision foreshadowed an active “developmental state” to intervene in the economy while at the same time it envisioned the privatisation of state owned companies.

The ambiguities of the RDP Base Document were highlighted by Alan Hirsch, the then head of the economic unit of the Policy Coordination Advisory Services in the Presidency, who saw the RDP as “lacking independence from the larger context of a “fiscally constrained economic policy that from the beginning (my emphasis) allowed only limited space for its objectives” (Hirsch 2005, 88). International competitiveness and liberalisation were also seen as pivotal to the RDP (ANC 1994, 88–89). While it had emphasised “fundamental transformation” through meeting the basic needs of the socio-economically marginalised
through the de-racialisation of the economy, it did not question the continuity of the inherited capitalist system. The South African Communist Party argued that such ambiguity camouflaged “the unresolved macro-economic debate” (SACP 1997b, 6). The “ideologically hybrid” nature of the RDP: containing multiple perspectives was mirrored in its evolution.

The origins of the Neo-liberal provisions in the RDP Base document are clouded in controversy. Patrick Bond, one of the key participants in the compilation of the RDP testified to “fragmented voices, multiple identities and competing discourses” during the drafting of the plan (Bond, Pillay, Sanders 1997, 28). The “ideologically hybrid” RDP led to “differently navigated voyages towards its goal” by competing tendencies in the alliance (UNDP Human Development Report 2000, 10). The multiple identities and competing discourses consisted of disparate ideological interests within the ANC alliance. The RDP Base document advocated a radical measure in a form of a strict anti-trust legislation to discourage what it correctly identified as the over-concentration of economic power in South Africa (ANC 1994, 92). The RDP Base document obliged the government to adopt “policies of black economic empowerment” to “make it easier for black people to gain access to capital for business development” (ANC 1994, 93). While this view called for state-aided development of small and medium sized businesses within the market economy favourable to the growth of the black bourgeoisie, it counterbalanced this notion with its stated commitment to upholding labour rights and ensuring “workplace empowerment” for workers (ANC 1994, 94–95, 113–114). The policies represented a balancing act in the “ideologically hybrid” RDP. It was not surprising therefore for the ANC stalwart Mac Maharaj (O’Malley 2007, 405) to conclude that the RDP was idealistic and set unrealistic goals.

The drift towards a Neo-liberal policy orientation became more pronounced in the September, 1994 RDP White Paper. Ideological consensus that developed between big business and the government glossed over the racial and gender [and class] inequalities in the ownership of mining, manufacturing, agriculture, commerce and financial services, which the RDP White Paper evinced (RDP White Paper 1994, 9). Ironically, the RDP White Paper asserted that there were “still clear racial and gender inequalities in ownership, employment and skills” (RDP White Paper 1994, 30). The RDP White Paper bound the government to making “substantial public investments so as to meet the basic needs of all citizens and in particular
the disadvantaged” (RDP White Paper 1994, 29). However, Chapter 3.3.3 of the RDP White Paper contradicted the latter objective thus:

The immediate challenge facing government was the need to finance and staff the RDP without exacerbating the unacceptably high government debt. In particular consumption expenditure has risen to more than 20 percent of the GDP and interest payments are absorbing more than 17 percent of the Budget. Increasingly, the market evaluation of such a situation was that if the government could not curb expenditure, dissaving would continue, the balance of payments would be severely affected and inflation would rise (RDP White Paper 1994, 30).

The market evaluation referred to in the above quotation that contradicted the objective of meeting the basic needs was rationalised thus in Chapter 1.4.11 of the RDP White Paper:

The economy suffers from other barriers of growth and investment, such as government dissaving and a comparatively high proportion of our GDP absorbed in government consumption expenditure. Appropriate tax reforms and a review of exchange controls along with fiscal discipline are being addressed in order to facilitate growth (RDP White Paper 1994, 30).

In pursuance of the above objectives, the RDP White Paper argued for the government to adopt: “financial and monetary discipline in order to finance the RDP … trade and industry policies designed to foster a greater outward orientation” (RDP White Paper 1994, 30). Thus, the RDP White Paper committed government to the progressive reduction of the overall deficit which it rationalised in the following manner:

The government’s commitment to maintain fiscal discipline rests on the belief that the sustainability of the RDP will be at risk if discipline is not maintained. Excessive government deficits will result in higher inflation, higher interest rates, balance of payments problems and lower economic growth, thereby undermining the RDP (RDP White Paper 1994, 32).

Chapter 3.3.4 of the RDP White Paper elaborated that for the RDP to succeed, it was essential to cut “government expenditure wherever possible” (RDP White Paper 1994, 31). Such a policy enabled the ANC led “Government of National Unity” to promote a private sector-driven growth path. Attracting foreign direct investments became the hallmark of the policy. It emphasised that economic growth was “critical for sustainable improvements in services and incomes” as a “low economic growth rate would undermine delivery to meet the socio-economic objectives of the programme” (The RDP White Paper 1994, 24–25, 43).
addition to government enforcing “financial and monetary discipline”, the RDP White Paper advocated these aims:

- the establishment of an economic environment conducive to economic growth.
- trade and industry policies designed to foster greater outward orientation so as to sustain high employment levels and levels of participation in the economy.
- a modernisation of human resource programmes to meet the challenges of changing production processes.
- a reform of labour market institutions in order to facilitate effective and equitable collective bargaining and restructuring of employment patterns (RDP White Paper 1994, 24).

It was assumed that the implementation of these measures would help boost investor confidence and attract foreign direct investments as stated in the following excerpt from the RDP White Paper:

The government is committed to creating an enabling environment that will encourage private investment by facilitating efficient markets and by redressing distortions of the past ((RDP White Paper 1994, 24).

Ironically, in placing faith on private investors and the “amorphous” markets, the government’s capacity to address black needs, such as high unemployment, poor social infrastructure and unequal income distribution would be limited (RDP White Paper 1994, 4).

Consequently, the shift from “growth through redistribution” to “redistribution through growth” strategy would confine the ANC-led government to managing transformation of the inherited capitalist system. Ironically, the ANC adopted the RDP White Paper to execute the tasks of the “developmental state” for reconstruction and development to meet the social needs of the historically oppressed, which Mbeki had correctly characterised as having been thrown up by the inherited unequal society (Mbeki 1998, 5). Indeed, as analyst Terreblanche (2005), shows “the death blow to the RDP was dealt in the White Paper’s objective on the “reconstruction and development” that had departed ideologically from the original RDP Base document in its emphasis on fiscal prudence “not as a means of attaining RDP objectives, but as an added goal” (Terreblanche 2005, 109). Thus, in terms of the RDP White Paper, the inherited socio-economic problems were to be solved in the context of tighter governmental fiscal and monetary policies (ANC 1994, 2.2.1–2.2.3). As a result, the RDP
White Paper’s policies advocating fiscal discipline and macro-economic balance left no “fiscal room” for the implementation of its redistributive poverty-alleviation programmes to meet the basic needs (Terreblanche 2005, 109). Ideological differences distinguished the RDP Base document from the White Paper (Aldelzadeh and Padayachee 1994, 3). As Aldelzadeh and Padayachee (1994, 3) note, the RDP Base document and the RDP White Paper should not be read as complementary, as there was no continuity of economic strategy and policy between them. Thus, the RDP White Paper’s objective to integrate “growth, development, reconstruction, redistribution” to “meet basic needs” would be circumscribed (RDP White Paper 1994, 8).

Harold Wolpe, an ANC alliance leader and analyst saw the main problem of the RDP as arising from the erroneous belief in the reconcilability of conflicting goals based on the assumed ideological consensus about the meaning of what was “fundamental transformation” (Wolpe 1995, 96). Wolpe shows how the contending ideological interest groups understood differently how resources could be allocated for economic growth and development to meet the basic needs (Wolpe 1995, 96). He submits that whatever the view was on resource allocation, tensions would always arise between redistribution and growth because of scarce resources (Wolpe 1995, 97). Wolpe argues that racial, class and gender inequalities that were inherited from the apartheid system had created a fertile ground for the emergence of sharp divisions over the question of the distribution of resources, economic growth or the meeting of basic needs (Wolpe 1995, 97). Thus, Wolpe highlighted contradictions amongst divergent ideological groups about how to meet the basic needs. Wolpe shows how on one hand, it was assumed that “the people” as an undifferentiated mass would drive the implementation of the RDP for the realisation of the needs it had identified. On the other hand, private capital had articulated a view that was opposed to the interests of “the people” (Wolpe 1995, 98).

In 1995, the RDP office in the Presidency was closed down. The government argued that the RDP was now well embedded in line departments making a separate ministry unnecessary (RSA 1995, 2). The RDP was transferred to the office of the then Deputy-President Thabo Mbeki, charged with coordinating functions of government departments (Terreblanche, 2002, 45). The official pretext for the closure of the RDP office belied the view that it was government’s response to big business criticisms of the policy. It is, however, probable that
the technocrats led by the deputy president Thabo Mbeki had changed the RDP’s ideological
direction (Lewis 1999, 10).

The RDP’s “Building the Economy” section 4.4.1 can be read to be articulating a type of a
“mixed-economy’ developmental state”’. It, for example, promoted the need for
“coordinated and effective policies that combine private sector initiatives and government
support” (ANC 1994, 87). However, the very same section also argued for a need for the
government to engage with globalisation when it stated that, “coherent strategies are required
in industry, trade and commerce to meet the challenges of a changing world economy, while
at the same time meeting the needs of the majority” (ANC 1994, 87). It did not specify what
challenges of the changing world were faced by the South African economy and government.
The RDP also foreshadowed a type of a “developmental state” when it proclaimed that “the
key goals of our industrial strategy are a substantial increase in net national investment,
especially in manufacturing, job creation and the meeting of basic needs” (ANC 1994, 87).
Accordingly, these objectives could be achieved by adopting the following policies:

Through the prudent implementation of macroeconomic policies such as
monetary policies and in particular such instruments as interest rates and an
increase in public sector investment, gross investment in industry will
increase (ANC 1994, 87).

As reflected in the above stated quotation, the RDP required strong state intervention in the
existing capitalist economy by a “developmental state” for its successful implementation.
However, to the disappointment of the “left”, “there was little attempt to forge economic
policies directly linked to structural transformation of any sort [of] ‘growth through
redistribution’”’ (Hirsch 2005, 17). Nattrass and Seekings (2002) show how the closure of the
RDP Office precipitated the announcement of the adoption of a Neo-liberally inspired GEAR
macro-economic policy (Nattrass and Seekings 2002, 33). This was a shift from the “growth
through redistribution” demand-oriented approach defined as macroeconomic populism that
emphasised economic growth and income distribution but under-emphasised the risks of
inflation, deficit financing and external constraints (Calitz 1997, 12). The closure of the RDP
Office did not, however, stop the ANC government using its Keynesian traditions to justify
its supply-side oriented approach as advocated in its GEAR Neo-liberal macro-economic
policy.
Macro-economic policy assumes that government manipulation of the levels of employment, investment and consumption and their influence on one another are crucial for increasing the rate of economic growth (Jackson, McIver and McConnell 1994, 203–4). Macro-economic policy also extends to the role of fiscal and monetary policies required in the running of the economy. Such a broad view is helpful in highlighting the ideological contradictions between the GEAR and the RDP policies and how the ANC government sought to sell its Neo-liberal policy using the Keynesian language. Other analysts argued that the GEAR was a “home-grown” policy, anchored on the view that although there were unequal power relations in the international economy, “the nation is not just a victim of the impersonal, necessary and unquestionable dynamics of globalised capital” (Macellari 1999, 3).

The view that the GEAR macro-economic policy was a “home-grown” structural adjustment policy was confirmed by the revelation made in 1995 by Thabo Mbeki, the then President Mandela’s deputy, who had authored the broad policy outlines of a short-lived paper entitled, the “National Growth and Development Strategy”(Mbeki 1998, 2). In a 27 November, 1995 address to the Development Summit, hosted by the Intergovernmental Forum, the then Deputy President Mbeki, praised the new Presidential Ad-Hoc Committee for having refocused its mind on removing the obstacles to economic growth such as the need to ensure that South Africa was an “investor friendly” country (Mbeki 1995, 1). To Mbeki, such a process was necessary in order to address the challenges of unemployment and poverty (Mbeki 1995, 1). Mbeki then articulated the reasons for the need for such a new policy thus:

The Reconstruction and Development Programme established a unique national consensus on the need for prosperity, democracy, human development and the removal of poverty. However, despite its almost biblical character, the RDP Base document did not provide us with all the answers. We have always known that its many priorities and programmes need to be distilled into a series of realistic steps, guided by a long term vision and our resources constraints (Mbeki 1995, 1).

Mbeki then asked the Director-Generals, as heads of government departments, “to produce a more detailed Growth and Development Strategy by February, 1996” (Mbeki 1995, 1). According to Mbeki, the purpose of the Growth and Development Strategy was to “guide the
allocation of public sector resources in the budget” and to “provide a framework for private sector investment” (Mbeki 1995, 2). He also expressed the “need for a stable macro-economic framework for employment creation and growth” with a monetary policy combining “with supply side measures” (Mbeki 1995, 2). Mbeki explained how the RDP White Paper had identified “growth with development as the South African growth path” (Mbeki 1995, 2). He reminded his audience that this meant that “economic growth cannot be separated from the measures to reduce poverty and improve the quality of life” (Mbeki 1995, 3). For Mbeki, in order for the Growth and Development Strategy to achieve the latter goal, resources were to “be allocated in ways that optimize economic growth aspects” (Mbeki 1995, 2). The National Growth and Development Strategy articulated broad elements of a Neo-liberally inclined macro-economic policy. The strategy focused on increasing economic growth as the means for the redistribution of wealth and resources. Furthermore, this approach differed from the “growth through redistribution” approach which tended to resonate with the Keynesian macroeconomic policy framework.

Mbeki’s broad policy proposals for the “National Growth and Development Strategy” were couched in the language of Neo-liberalism while professing commitment to Keynesian redistributive and equity orientations of the original RDP (Lewis 2000, 13). The formulation of the “National Growth and Development Strategy” was an attempt by the ANC government to convert the RDP White Paper into a formal policy. This shift was apparent in Mbeki’s “National Growth and Development Strategy” seen as RDP “Mark 2”, which substituted “growth through redistribution” with “redistribution through growth” as the ultimate goal of policy (Lewis 2000, 1). The unveiling of this strategy led to “a shift in cabinet thinking from service delivery [of the RDP] to economic growth” (Kabemba and Schmitz 2001, 15). It is thus possible that Mbeki’s policy document was the precursor of the February 1996 GEAR macroeconomic policy (McKinley n.d., 2). Although, the “National Growth Development Strategy” document proposals were never adopted officially by the government, analysts agree that they were the forerunner of the 1996 GEAR strategy (Adelzadeh 1996, 67; Lewis 1999, 1; Mckinley n.d., 1). Both these economic policies shared a similar ideological framework.

The articulation of international and domestic forces precipitated the shift in the ANC government’s macro-economic policy. From 1989 to 1994, the apartheid government’s budget deficit had increased from less than 3 per cent of the Gross Domestic Product (GDP) to more
than 9 percent (Terreblanche 2005, 2). The ANC government had inherited a national debt which had risen to 60 per cent as a proportion of the GDP by 1994 (RDP Monitor 1995, 1). In 1996, the South African currency, the Rand, had lost more than 30 per cent of its value in relation to major Western currencies (Terreblanche 2005, 29). The crisis was triggered by the lifting of exchange controls in March 1995, when Chris Stals (Reserve Bank Governor) and Chris Liebenberg (finance minister), abolished the “financial rand” exchange-control mechanism (Terreblanche 2005, 44). This triggered the inflow of “hot” speculative capital into the economy which, in turn, flooded back out in 1996, leading to the devaluation of the Rand (Terreblanche 2005, 42). The devaluation of the Rand and the threat of the balance of payments crisis prompted the South African Foundation, representing the fifty largest corporations in South Africa, hitherto critical of the government’s lack of a clear macro-economic policy blueprint, to call for the introduction of investor-friendly reforms (South African Foundation 1996, 6). The RDP White Paper also articulated maintaining “macro-economic balance” through the adoption of austerity measures and other policies in an attempt to boost investor confidence.

In February 1996, the South African Foundation unveiled its policy document entitled “Growth for All”. The document criticised the government’s fiscal, investment, labour and trade policies and urged a drastic reduction in the budget deficit by cutting social spending (South Africa Foundation 1996, 5). It cautioned that the ANC government spending was “pushing up the deficit to internationally unacceptable levels” (South African Foundation 1996, 43). The policy document highlighted the risks of “moving out of line from world norms”, as being “both low domestic investment and capital flight” (South African Foundation 1996, 43). Thus, the document emphasised that “the world trend is towards lower fiscal deficits” (South African Foundation, 1996, 44). It argued against public sector borrowing which it assumed “crowds” the private sector out of capital markets (South African Foundation 1996, 44).

The “Growth for All” document argued that since “government capital spending” did not “necessarily boost growth, projects proposed” by the RDP “should be evaluated on strict economic grounds” (South African Foundation 1996, 44). It counselled that “many government services should aim to recover costs” (South African Foundation 1996, 44). To achieve this objective, the “Growth for All” document argued that “rapid privatisation would help ease fiscal pressures” (South African Foundation 1996, 12). The privatisation of state owned companies was seen as a way of generating finance to fund the RDP projects. The policy document also
demanded a clear Neo-liberal macro-economic policy commitment from the government unencumbered by its professed commitment to what it saw as unaffordable RDP programmes (South Africa Foundation 1996, 87). To create more employment, the document favoured a flexible labour market through a “two-tier” labour system to “create lower-wage formal sector jobs” (South African Foundation 1996, 85). The document claimed that a more flexible labour market would benefit the poor by stimulating the expansion of relatively low-paid wage employment in a deregulated environment (South Africa Foundation 1996, 5). Furthermore, the “Growth for All” document called for wage restraint by government (South Africa Foundation 1996, 88).

The ANC National Executive Committee issued a statement on 12 March, 1996 rebutting the South African Foundation’s document “Growth for All”. The statement warned that the “Growth for All” document ran the risk of pushing South Africa backwards and that if such policy proposals were adopted, they “could be recipe for disaster” (ANC 1996, 1). The ANC criticised the “Growth for All” document’s fiscal policy proposal that government “slash the deficit” to 2 per cent or less in order to avoid a “debt trap” as blind ideology which failed to contribute “meaningfully to the challenges of development” of the country (ANC 1996, 2). Its recommendation to abolish direct corporate taxes was criticised by the ANC. The proposal to increase the Value Added Tax (VAT) on goods and services would according to the ANC’s statement, only serve to hurt the majority who are poor (ANC 1996, 2). The idea for a “two-tier” labour system that big business favoured was dismissed as a ruling-class ploy to revive the cheap labour system used to exploit workers under apartheid rule (ANC 1996, 2).

The “Growth for All” document’s call for a “brisk privatisation programme” to be implemented by government was criticised by the ANC as flying in the face of “processes to restructure state assets which are well known to business” (ANC 1996, 3). The ANC viewed such a proposal as “an ideologically driven privatisation programme” (ANC 1996, 3). Furthermore, the ANC statement highlighted the silence of the “Growth for All” document on the government’s antitrust policy which it thought “critical for developing a competitive domestic market without which international competitiveness is rendered more difficult to attain” (ANC 1996, 4). The ANC argued that the “Growth for All” proposals would shift “economic policy to the rightwing” (ANC 1996, 4). The ANC statement concluded that the South African Foundation’s document “did not address key developmental issues such as how to empower black people
economically as an important component of transforming South Africa” (ANC 1996, 4). Ironically, the ANC government would later adopt policies with a similar ideological complexion to those of the South African Foundation, which hitherto it had dismissed as “rightwing”.

In April 1996, the left-leaning, alliance trade union, COSATU responded to the “right-wing” South African Foundation’s “Growth for All” document by publishing its own document entitled “Social Equality and Job Creation”, which was inspired by Keynesian thinking (COSATU 1996, 4). The union federation, COSATU, criticised the big business “ideologicallyladen” Neo-liberal macro-economic policy and recommended the adoption of a “growth through redistribution” macro-economic policy to address the inherited social inequalities (COSATU 1996, 5). COSATU argued that the proposals of the “Growth for All” document contained “many disturbing and dangerous features for the working class and the country as a whole” (COSATU 1997b, 5). COSATU saw the document as repeating the old big business’s prescriptions: “privatisation, low wages, lifting of exchange controls the acceleration of liberalisation, and restrictive fiscal and monetary policies” (COSATU 1997b, 5).

Instead of a Neo-liberal policy, COSATU proposed a partnership between the public and the private sectors that focused on economic growth and employment creation (COSATU 1996, 5). It also advocated a more redistributive fiscal policy premised on the adoption of a progressive tax system and the redirection of spending to meet the RDP objectives to benefit the poor (COSATU 1996, 10). COSATU’s “growth through redistribution” strategy was criticised by economist Moll as “a dangerous fantasy” that was similar to “macro-economic populism” of some Latin American countries (such as Chile, 1970–73; Peru, 1986–89; Brazil, 1986–89 Argentina, 1946–49) with disastrous results for the economy and the standard of living of the majority (Moll 1991, 20). The battle over the ideological orientation of policy between government, big business and COSATU entered a new phase with the ANC’s adoption of a Neo-liberal macro-economic policy, which business entities had been advocating.

The origin of the GEAR macro-economic policy was shrouded in controversy. It was formulated by top decision makers in the ANC government. A probable account was that, in 1995, the ANC government had assembled a technical team led by the former Deputy Minister of Finance, Alec Erwin, to formulate a macro-economic strategy to kick-start the economy.
This team consisted of 15 economists from the Development Bank of South Africa and the formerly whites-only universities (Terreblaanche 2002, 114). In June 1996, the GEAR macro-economic policy was unveiled in parliament (RSA 1996a, 3). The policy declared that the South Africa government’s consumption expenditure on wages and services was excessive (RSA 1996a, 3). The focus was to be on the reduction of the budget deficit as then Finance Minister Trevor Manuel explained:

The 1996 was indeed a difficult year for the fledgling democratic government—the currency was repeatedly mauled, rising debt service costs threatened to crowd out expenditure on public services. The economy appeared contained in a rut by a balance-of-payments restraint. That the GEAR called for a period of fiscal consolidation is not in dispute (Manuel 2006, 1).

In the above statement, Manuel not only justified the purpose of the GEAR macro-economic policy in stabilising the economy. The GEAR’s underlying objective was to achieve a higher economic growth rate seen as necessary for redistribution of wealth. The GEAR relied on increased foreign direct investment flows to increase the economic growth rate. Its core features included a restrictive fiscal policy and liberalisation measures (RSA 1996a, 5).

Finance Minister Manuel’s justification for economic stabilisation was contested by analyst John Weeks (1998, 4) who argued that the “imposition of the stabilisation, in the sense of a deflationary programme to redress imbalances and restore lost investor confidence, did not appear necessary” as the South African economy did not suffer from macro-economic policy instabilities typical in Latin America and sub-Saharan economies. For the GEAR to succeed in growing the economy, the following structural adjustment policy package was deemed vital:
The higher growth path depends in part on attracting foreign investment, but also requires a higher domestic saving effort. Greater industrial competitiveness, a higher fiscal stance, moderation of wage increases, accelerated public investment; efficient service delivery and a major expansion of private investment are integral aspects of the strategy. An exchange rate policy consistent with improved international competitiveness, responsible monetary policies and targeted industrial incentives characterise the new policy environment. A strong export performance underpins the macroeconomic sustainability of the growth path (RSA 1996a, 6).

The above stated measures represented a mixture of “Structural adjustment” policies and “developmental state” policies. However, inherent in the GEAR policy was the “trickle-down” assumption that a growing economy which required the injection of capital investments to improve the living standards of the people by creating employment. In a nutshell, the GEAR macro-economic policy articulated the following Neo-liberal policy precepts:

- accelerated fiscal deficit reduction to contain debt repayment obligations;
- sound fiscal, monetary and labour market policies;
- relaxation of exchange controls and keeping the real rate competitive;
- the restructuring of state owned enterprises in order to signal government’s commitment to market oriented policies;
- reduction of tariffs;
- increasing growth in public sector investment.

(RSA 1996a, 27).

To reduce government consumption expenditure, the GEAR advised keeping private and public sector wage increases in check (RSA 1996a, 9). The restructuring of state owned companies, a euphemism for their privatisation, was an emphatic expression of commitment to Neoliberalism. In his 1996 address to the South African Communist Party, Nelson Mandela declared the GEAR was “government policy” and that its fundamentals were not up for negotiation (Mandela 1996, 3). In his address to the South African Communist Party 75th Anniversary in Cape Town, July 1996, Mandela held that there was “no disagreement in the Alliance that some of the assets should be privatised (Mandela 1996, 3). The focus on privatisation was justified by the government as compatible with the RDP’s focus on redistribution on the following grounds:

1. To facilitate economic growth
2. To fund the RDP
3. To create wider ownership of the South Africa economy
4. To mobilise private sector capital
5. To reduce state debt
6. To enhance the competitiveness of state enterprises
7. To finance growth and the requirements for competitiveness (RSA 2000a, 6).

The above listed benefits of the privatisation of the state-owned companies would, however, be opposed by the ANC’s trade union ally, COSATU.

In addition to the above stated policies, the GEAR espoused trade liberalisation and a progressive elimination of capital controls (RSA 1996a, 30). It envisaged a “globally competitive tradable goods sector” characterised by “flexibility within the collective bargaining system”, seen as crucial for the realisation of a “profitable surge in private investment” for South Africa (RSA 1996a, 12). The government hoped that the implementation of such “market friendly” policies would help foster a “competitive outward oriented economy” to secure “a climate for continued investor confidence and facilitate the financing of both private sector investment and accelerated development expenditure” (RSA, 1996a, 38). Thus, the GEAR was based on the ideological conclusion that growth will trickle down” to provide equal opportunities for all. The GEAR anticipated that the implementation of these policies would lead to an economic growth rate of 6 per cent per annum and to the realisation of 400,000 jobs by the year 2000 (RSA 1996a, 40). It assumed that with increasing economic growth, more jobs would then be created and inflation lowered to fuel consumption (RSA 1996a, 42). Its “economic logic” was captured in the following explanation by economist, Nicoli Nattrass:

1. By cutting “wasteful consumption spending” whilst improving the efficiency of the public service and maintain government spending, the negative impact of lower government spending will be minimised.

2. Reducing government debt will allow interest rates to fall, which in turn will boost private investment.

3. Reducing the deficit will send “positive signals” to international investors who will increase investment as a result (Nattrass 1997, 1).

The reduction of the budget deficit by “cutting wasteful consumption spending” referred to in the above list was also to be achieved through the re-prioritisation of government expenditure.
The racially skewed government spending on social welfare services and education was changed. Curiously, the government planned to cut the budget deficit from 5.4 per cent to 3 per cent of the GDP by 2000 (RSA 1994, 10). The irony was that the government took this decision while professing to correct the inherited racial inequalities in fiscal allocation that benefitted the white minority. The state reduced its budget deficit from 10.2 per cent of GDP in 1993–94 to 4.3 per cent in 1997–98 (RSA 2000b, 12). By 2000 it had reduced expenditure to 1.7 per cent, much lower than its targeted 3 per cent (RSA 1998a, 8). The implementation of a tight fiscal policy led to a current account surplus of R2.0 billion in 1999 (RSA 2000c, 2). However, GEAR austerity measures impacted negatively on the RDP despite increased social spending. Some studies show that macro-economic stability was conducive to considerable economic growth in the economy, but this growth did not trickle down to the poor (Terreblanche 2005, 4). Suffice to note that the impact of the GEAR policy on the economy is beyond the scope of this thesis.

The adoption of the GEAR policy was rationalised by other analysts using the concept of the “balance of power”. The notion of “balance of power” was premised on the idea that the collapse of the Eastern European Communist states enabled the ascendency of Western developed capitalist states and international financial institutions to enforce trans-national capitalist interests (Kambemba and Schimitz 2001, 15). Peripheral states were said to have been pressured in multiple ways by the international institutions to conform to Neo-liberal macro-economic policies (Richardson 1997, 6). Since, the uneven balance of power on the global terrain was seen as unfavourable for the poor, it was concluded that “it made sense for the state elites to make the choices they did” in adopting a Neo-liberal macro-economic policy framework (Habib 2004, 93). Thus, proponents of the notion of “balance of power” concluded that the gradual shift to the GEAR policy reflected “the ascendency of a particular faction of policy makers within the RDP process” to adopt the use of the “new discourse of the RDP” and to conform to dictates of dominant capitalist interests (Kambemba and Schimitz 2001, 15). The GEAR was thus dressed and presented by some analysts as the “new strategic discourse of the RDP” (Kambemba and Schimitz 2001, 15). The characterisation of the GEAR as the “new strategic discourse of the RDP” language was crafted by some analysts in an attempt to elaborate on how the ANC linked the RDP with the GEAR policy. The analyst, Terreblanche appropriately described the shift from the RDP to the GEAR as more than an ideological journey but ideological “quantum leaps” (Terreblanche 2005, 6).
Consequently, the ANC explained its adoption of the GEAR policy measures, which were contradictory to the RDP Keynesian traditions, as necessary to stabilise the economy, as well as to avoid possible International Monetary Fund (IMF) policy dictates, (ANC 2000b, 3; Summit Alliance Report, 2001). The ANC government justified the policy shift in the ideological framework as an essential pre-emptive strike to avoid potential economic instability, which it assumed, could then risk the IMF/World Bank intervention in the South African economy (Alliance Summit Alliance Report 1999, 6). It sought to explain its decision to adopt a Neoliberal macro-economic orthodoxy by evoking the notion of the “unfavourable balance of global forces” it perceived to be manifest in the domination of the international economy by Western capitalist states and the International Financial Institutions (ANC 1996, 12).

Contrary to the ANC alliance view, the ANC government took the IMF’s advice to adopt “appropriate macro-economic fundamentals” seen as necessary for increasing the high levels of capital investments required for sustainable economic growth (IMF 1995, 52). The IMF insisted that, “with appropriate macro-economic fundamentals, foreign saving may once again play a substantive role in funding investment” (IMF 1995, 52). In justifying its GEAR policy the ANC government claimed to have taken the initiative to avoid submitting to the IMF dictates as other developing countries were compelled to adopt such policies. The IMF policy advices belied the ANC’s view that the GEAR policy was adopted to avoid being dictated to by the international financial institutions. The ANC government also contradicted itself by arguing that “South Africa must resist the illusion that it can elaborate solutions that are in discord with the rest of the world” (ANC 1996, 15). It was therefore, not surprising when in 1996, Deputy President Thabo Mbeki promoted the GEAR thus:

The policies and objectives in GEAR are a pragmatic balance struck between our domestic economic demands and the realities of our international context. These policies and objectives emerged after a thorough analysis of global trends and the specific conditions in our economy (Mbeki 1996, 3).

In the above statement, the then Deputy President Mbeki attempted to justify the adoption of the GEAR policy as his government’s decision but at the same time, he conceded that the policy was “a pragmatic balance” to the demands posed by international and domestic forces (Mbeki 1996, 3). To rationalise its adoption of a “home-grown” austerity programme, the ANC government claimed that it had inherited a weak post-apartheid economy which had eroded its
power to decide on its choice of the macro-economic policy (Mbeki 1996, 4). The adoption of the Neo-liberal GEAR macro-economic policy framework was deemed necessary to send clear pro-market policy signals to investors that the “macro-economic policy populism” of the RDP had been discarded (Nattrass and Seekings 2002, 35). Alan Hirsch, a senior public officer in several ANC governments since 1994, believed that there was a need for a defensive strategy for the fledgling democracy against the “unfavourable balance of global forces” (Hirsch 2005, 10).

To deflect criticism of its left partners that the GEAR was a Neo-liberal macro-economic policy, the ANC government leaders sought to marry its objectives to those of the Keynesian RDP Base document. The 1997 ANC government budget statement rationalised the GEAR as setting “the broad parameters within which a stronger economy and a sound fiscal structure will make the attainment of the RDP goals possible” (RSA 1997b). In sanctioning the adoption of the GEAR Neo-liberal macro-economic policy, the resolution of the 1997 ANC’s 50th National Conference delegates in Mafeking sought to link it to the RDP thus:

Conference reaffirms that our [Neo-liberal] macro-economic framework policies must be directed to advancing the RDP. We are not pursuing macro-balances for their own sake, but to create the conditions for sustainable growth, development and reconstruction. The strategy for GEAR is aimed at giving effect to the realisation of the RDP through the maintenance of macro-balances and elaborates a set of mutually reinforcing instruments (ANC 1997, 30).

Clearly, the ANC sought to justify the Neo-liberal GEAR policy as necessary for the realisation of the RDP objectives to meet the peoples basic social needs. Pallo Jordan, senior ANC leader and a cabinet minister in both Mandela’s and Mbeki’s governments maintained that the RDP had been refined through the adoption of the GEAR macro-economic policy by the government with the view to operationalising it in the context of the demands of globalisation (Jordan 1997, 3). The pressure exerted at that time by the global financial institutions and Anglo-American conservative governments on countries to adopt the Neo-liberal policy framework, meant that the RDP could only be realised within the context of the austerity measures dictated by the ANC government’s supply-side inclined GEAR macro-economic policy (ANC 1994, 15). This clearly attested to the incompatibility of the RDP and GEAR policies as their inherent contradictions became evident.
The RDP Base document, albeit, ambiguous, advocated a form of economic liberation for the “Africans in particular and black people in general, from political and economic bondage; of uplifting the quality of life of all South Africans, especially the poor” (ANC 1994, 15). These nationalist objectives found expression in the RDP’s Keynesian assumptions of “growth through redistribution”, which relied on a demand-driven macro-economic approach to satisfy the people’s basic needs. To achieve its social objectives, the RDP document foreshadowed an active role for the state in the economy to bring about the redistribution of wealth and socioeconomic reconstruction. The underlying assumption was that the attainment of RDP objectives through requisite government spending would have a multiplier effect on the economy.

As opposed to the RDP, the GEAR relied on market friendly policies to attract private capital investments to grow the economy. As an orthodox policy, the GEAR relied on supply-side policies. For example, the reduction of the government budget deficit and the privatisation of state-owned companies were deemed necessary for not “crowding out” private capital. Private capital was, according to the GEAR, the locomotive of growth. Its mantra was premised on “redistribution through growth”, typical in a capitalist economy. Trevor Manuel, the then Minister of Finance, promoted the GEAR policy thus: “our policies and actions reflect our commitment to sound macro-economic policies, yet we also know that macro-economic stability is a necessary but not a sufficient condition for growth” (Manuel 2000, 4). The GEAR assumed that the implementation of fiscal austerity measures such as financial liberalisation, the lowering inflation and government budget deficits would attract increased capital investments to create employment, thus reduce poverty and inequalities (RSA 1996a). The GEAR policy relied not only on increased exports, but also on the view that the market was an efficient allocator of the usage of resources in the economy (RSA 1996a, 45).

To justify his government’s adoption of the GEAR policy, Deputy President Thabo Mbeki asserted in 1998 that “there are no contradictions between the GEAR and the RDP” (Mbeki 1998, 5). Mbeki argued that the GEAR was necessary for stabilising the economy to create an enabling environment for the realisation of the RDP objectives to meet the needs of the poor (Mbeki 1998, 5). In Mbeki’s view the GEAR “could not displace the RDP, but its correct implementation would lead to the realisation of the RDP” (ANC 1997, 6). Mbeki justified the GEAR policy as compatible with the RDP based on the Neo-liberal macroeconomic language
contained in the RDP’s ideologically ambiguous Chapter Four. Thus, Mbeki’s government’s was able to use the “left” language embedded in the rhetoric of the RDP’s Keynesian language to rationalise its “right turn” evident in its implementation of the Neo-liberal GEAR macroeconomic policy (Bond 2000, 192–195). This is why the ANC would argue that the GEAR was not anti-RDP, but was seen as in keeping with its Keynesian objectives (ANC 1997, 12). This did not extinguish disagreements but only served to escalate the intra-ANC-alliance tensions.

In the interim, the ANC alliance succeeded in using Keynesian discourse of the RDP to rationalise its government’s “U-turn” in adopting a Neo-liberal GEAR macro-economic policy. Thus, although the RDP and the GEAR policies contradicted each other ideologically, they both laid the normative foundation for the government’s policy of “Black Economic Empowerment” as Tshitereke (2006, 100) showed how it was the implementation of the GEAR policy that a small budding black corporate bourgeoisie benefitted handsomely.

6-7 Summary

This chapter investigates the early changes in the ideological framework of the ANC government policies. These shifts began with the departure from the professed commitment to “Keynesian-reformist” policies to advance black economic liberation ideals. It is demonstrated how the ANC’s policies had shifted once government assumed control, from the largely Keynesian-oriented trajectory as embodied in the 1994 RDP Base document into espousing a full Neo-liberal policy as contained in its White Paper. The adoption of mixed ideological approaches in the RDP White Paper made it ambiguous. For example, its aim of meeting the needs of the deprived black majority was contradicted by the insertion of tight fiscal provisions designed to avoid increasing government spending and future budget deficits. The chapter examines how the Keynesian policy trajectory was revised with the insertion of a contradictory Neo-liberal macro-economic policy as prelude to the adoption of the GEAR policy.
The chapter shows how the GEAR macro-economic policy was intended to stabilise the economy and to attract capital investments, which were assumed necessary to kick-start economic growth. The GEAR’s reduction of government spending, however, contradicted the Keynesian orientation of the RDP’s expansive social policy designed to achieve black socioeconomic liberation ideals. As argued in this chapter, the Keynesian language was manipulated by the ANC government to rationalise its Neo-liberal GEAR policy framework. This ploy contradicted the strategy of the “left” in the ANC alliance, which had assumed and hoped that the implementation of “structural reforms” would advance the cherished economic liberation ideals. The next chapter explains the nature of the escalating intra-ANC-alliance tensions that arose from the different ideological elements in its policies.
CHAPTER SEVEN

TENSIONS IN THE AFRICAN NATIONAL CONGRESS ALLIANCE OVER GOVERNMENT’S POLICIES

7-1 Introduction

This thesis seeks to explain why tensions in the post-apartheid ANC alliance emerged. It was demonstrated how these tension developed from the alliance of those who wanted race liberation, and those who sought class liberation. The examination of ANC alliance’s “revolutionary” language reveals how the resolution of this disagreement resulted in ambiguous views on the “two-stage theory”. This theoretical perspectives promoted the ideas that the two struggles for race and class liberation would coincide or overlap or follow from each other. Using “critical discourse” analysis, it is shown how the ambiguous promises of dual liberation enabled the building of a broad church, articulated most influentially in the Freedom Charter and the theory of the “National Democratic Revolution”. It is demonstrated how following the collapse of Eastern European communism, the ambiguous language of “left”/socialism which metamorphosed into Keynesianism/redistribution became the dominant language of the ANC alliance. Furthermore, the thesis contended that this ambiguous “revolutionary” language was used to camouflage the increasingly Neo-liberal policies of the ANC governments. It was this realisation on behalf of socialists that they are being “tricked” which underlies the tensions that emerged within the post-1994 ANC alliance. The statement below from the General Secretary of the South African Communist Party, Blade Nzimande captured the cause of tensions thus:

One critical issue that has emerged as a significant area of difference within our Alliance in the debates is our understanding of the concept of the “National Democratic Revolution”, the motive forces and “policy package” of such revolution in contemporary South African (Nzimande 2006b, 8).

The purpose of this chapter is to examine how tensions between the ruling ANC nationalists controlling the post-1994 state and their “left” allies during the period 1996–2006 were ideological. The intra-alliance disagreements were not merely about power or personality. Ideology was not just used to rationalise personality clashes, but was at the very core of the tensions. The chapter holds the view that the tensions that emerged were ideological in origin.
As argued in this thesis, the ANC’s “revolutionary” language initially had a unifying function, but shifted to a divisive function when one group began to use ideology as manipulative clothing for self-interest, and will be shown how it was perceived to be doing so by the other group, who used the same ideology to articulate their mindset. Thus, for this thesis, ideology is an important explanation of these divisions. The resolution of the inherited racial oppression and class exploitation idealised in the ANC alliance ideologies was shaped by ambiguities and inconsistencies in its “revolutionary” language which the previous chapters of this thesis examined. The ANC alliance factions manipulatively utilised ideology to justify their own power grabs. Thus, the policy disagreements between the pro-capitalist nationalists and the “left” constituted in the post-liberation ANC alliance were at root ideological disagreements. The research findings from the documents studied show how these rival ideological groups within the ANC alliance articulated their own interpretations of its inherited “revolutionary” language used to justify and or criticise factional policy stances.

The intra-alliance disagreements between the ANC and its two “left” allies, the Communist Party and COSATU over the RDP Base Document, the RDP White Paper, the Growth Employment and Redistribution (GEAR) macro-economic policy and the “Black Economic Empowerment” policy ensued. This chapter seeks to show how these factional disagreements over government policies used the inherited ANC alliance ambiguous “revolutionary” language. How black nationalists used this “revolutionary” language as a camouflage to justify government policies, which caused tensions is investigated. It is demonstrated for example, how the different interpretations of the theory of the “National Democratic Revolution” described in Chapter 5 of this thesis were used by the pro-capitalist nationalists and the “left” to advance their own ideological perspectives with regards to government’s policies. Thus, the chapter demonstrates how the government’s policy of “Black Economic Empowerment”, which has not led to the reduction of income disparities as promised, used a similar liberation mantra. It is contended that the latter policy provided an “ideological camouflage” for the class interests of the black corporate bourgeoisie amongst the formerly oppressed black community. The chapter proceeds from the viewpoint of the alternative functions of ideologies to unite the ANC alliance but also in dividing it as the policy disagreements that emerged showed.
7-2 The Clash over the Ideological Complexion of Government Policies between ANC Nationalists and the “Left” Factions

The ideological tensions between the black nationalists and the “left” within the ANC alliance, which had first erupted in 1994 escalated throughout the post-apartheid transition. In 1994, the ANC Deputy-President Thabo Mbeki wrote a document titled “From Resistance to Reconstruction: Tasks of the ANC in the New Epoch of the Democratic Transformation” (Mbeki 1994, 13). In that document, Mbeki warned about the dangers posed by forces within the alliance that would try to sow divisions with the aim of destroying the ANC by:

- Encouraging the SACP to publicly project itself as the “left conscience” which would fight for the loyalty of the ANC in the cause of the working people, against the ANC leadership which is inclined to over compromise with the forces of bourgeois reformism;

- Inciting the SACP to use its independent structures as a Party to carry out such campaign while also encourage the members of the SACP within the ANC to form themselves into an organised faction to pursue the same objective;

- Encouraging the constitution of an ultra-left political formation which would, itself challenge the policies and revolutionary credentials of the South African Communist Party, to force the latter to intensify its offensive to “rectify the line” within the ANC;

- Encouraging COSATU and its affiliates to project the pursuit of political and socio-economic objectives different from those that the ANC has set itself as a governing party;

- Encouraging COSATU to exploit the fact of democratic transition and the place of the ANC in government to interpret this to mean that the ANC has an obligation to “its electorate”, namely the African working class, to support it in all its demands or face denunciation as a traitor;

- On these bases to encourage the launching of major and sustained campaign, which, while addressing various legitimate worker demands would, at the same time, pose the specter of un-governability;
• And otherwise, encouraging the unions to be suspicious of the intentions of the “ANC in government” on the basis that the latter is likely to act in a manner intended to appease the domestic and international business world and multilateral financial institutions (Mbeki 1994, 13, 14).

The above statements represent an “opening salvo” by Mbeki fearful of “left” critics within the ANC alliance. They provide an example of the nature of the acrimonious disagreements that emerged between the “left” and the nationalist pro-capitalist factions of the ANC alliance. The revision of the RDP Base document that contained a combination of aspects of Keynesianism and Neo-liberalism, to the RDP White Paper embracing fully the latter perspective, stirred tensions within the ANC alliance. The “right” faction largely coalesced around Presidents Mandela and Mbeki-led ANC, but was not confined to it, as the overlapping leaderships of the ANC alliance showed. Similarly, the “left” consisted of the shifting alliances between the leaderships of the Communist Party and COSATU.

The disagreements over the government policies between the “left” in the ANC alliance who idealised “Keynesian-reformism” and the governing nationalist elite who introduced the Neoliberal macro-economic policy ensued from 1996. From the inception of the RDP Base Document in 1994, one of the two “left” ANC allies, COSATU, had promoted the idea that this policy document was the key to fundamental black socio-economic liberation (COSATU 1995, 7). COSATU had called for an RDP with a working-class bias in which economic growth was not necessarily an end in itself, but part of the quest for social liberation, which meant a socialist revolution (COSATU 1996, 7). Thus, the so-called “restructuring of production as a second core component of the RDP” was seen by COSATU as necessary to solve the endemic economic crisis that it ascribed to a radical failure of the economy to distribute wealth and other opportunities equitably (COSATU 1996, 8).

The Communist Party also saw the redistribution of wealth and resources as crucial for the attainment of the RDP objectives. An on-going class struggle was seen to be vital for the achievement of redistribution (SACP 1997a, 13–21). The formation of RDP councils in workplaces and communities for “mass consultative transformation” was foreshadowed (SACP 1997a, 13–21). For example, the Communist Party’s 9th Congress “Strategic Perspectives” document extolled the RDP Base document for prioritising “the logic of social
needs over the logic of private profits”, and its “capacity to lay the foundation for a decisive breakthrough towards socialism” (SACP 1995, 15). Thus, the then national chairperson of the Communist Party, Blade Nzimande, exhorted fellow communists to use the RDP as the basis of the socialist revolution thus:

“Our main task as communists in this period is to ensure that the progressive content of the RDP is not diluted…our main strategic objective in this period [must be] the most thorough and democratic implementation of the RDP…The RDP provides us with the most immediate and concrete connection between democracy, women’s emancipation, and socialism…

(Nzimande 1995, 18-19)

Nzimande’s statement reflected how the “left” in the ANC alliance had still believed that social transformation would result from the cumulative structural reforms implemented to satisfy the basic needs, thus paving the way for the second stage of the socialist revolution. The “left” in the ANC alliance had viewed the RDP as vital for prosecuting the next stage of the socialist revolution. Thus, in his address to COSATU’s 15-17 May, 1996 Policy Conference, its General Secretary Mbhazima Shilowa reminded his audience how due in part to the ANC’s history and track record of struggle against the apartheid exploitation, the RDP had emerged as a programme “for the reconstruction of society” (COSATU 1997b, 5). Shilowa told the COSATU conference delegates how the ANC-led government’s adoption of the RDP was “a vote for a new beginning which promised to transform apartheid policies at all levels—economically and politically” (COSATU 1997b, 5). COSATU wanted to put in place “a government that would locate the needs of the working class at the centre of society” (COSATU 1997b, 5). Such a policy echoed the “structural-reformism” of the “left” tendency.

Contrary to the “left’s” hopes, a leading Communist Party/ANC theorist, Harold Wolpe had questioned whether a stable de-racialised capitalist society would be able to fulfill the goals of the RDP and to create conditions “for the transition to socialism, particularly given the present global system, in one country” (Wolpe 1995, 101). Wolpe’s doubts would be proved correct by the expediency arising out of the ambiguous ANC “revolutionary” language, which was used to justify shifts in the ideological perspective of government policies.

Thus, the ANC’s “revolutionary” language enabled a change in the ideological trajectory of the RDP policy. For example, it was only after its official publication did the Communist
Party and COSATU awake to the departure of the RDP White Paper’s Neo-liberal fiscal and monetary policy from the RDP Base document’s Keynesianism (Alliance Summit Report 2002, 4). The “left” of the ANC alliance had not been consulted about the RDP White Paper. It criticised the ANC governments’ failure to bring monetary policy, a traditional function of the Reserve Bank, under its control (SACP n.d, 2). The “left” had hoped for reforms that would lead to more radical social changes in line with its pre-1994 strategy of “structural reform”. It discerned a shift in the RDP White Paper to what it called a Neo-liberal “trickledown” development approach (Cronin 1997, 2). Jeremy Cronin, the deputy secretary of the Communist Party, criticised economists of the Development Bank of Southern Africa, who had contributed to the drafting of the RDP, as having “encased the RDP in a macro-economic straitjacket” (Cronin 1997, 2). Espousing such a critical stance, the Communist Party opposed the decision of Chris Liebenberg, the then Minister for Finance in Mandela’s government, to embark on fiscal discipline as a method of attaining the RDP objectives (SACP n.d, 2).

The Communist Party bemoaned the ideological changes in the ANC government’s macroeconomic policy, which it blamed on the pressures emanating from the “forces of globalisation” (SACP 1998, 15). The Communist Party argued that the dominant forces in the globalised international economy had impacted on the national and regional economies. Communists criticised the government for adopting an orthodoxy, which stipulated the role of the state as a neutral referee between social classes. They exposed the failure of the ANC government to realise the RDP goals to effect the fundamental socio-economic changes, as being due to the constraints imposed on it by the dominant economic orthodoxy of globalisation (SACP 1998, 15). The Communist Party condemned the ANC view that the market forces were “absolute and immutable economic law” (SACP 1998, 16). As an alternative to the Neo-liberal macroeconomic reform, the Communist Party had called for a more interventionist state.

The “left” comprising the Communist Party and COSATU criticised the ANC government’s adoption of the Neo-liberal GEAR macro-economic policy. At its 1997 Sixth National Congress in Kempton Park, COSATU rejected the GEAR macro-economic policy framework (COSATU 1997b, 3). The Congress perceived the GEAR policy as a shift from the ANC alliance’s 1960’s left-wing orientation to centre-right. The “left” feared that the GEAR had enabled big business to “achieve a strategic dominance within the new democratic state” (SACP 2000a, 2). The “left”
saw the GEAR macro-economic policy as an “economic stabilisation programme”, which had served to entrench the dominant capitalist “developed” sector of the economy as opposed to the under-developed sector composed of the majority of people (SACP 2000a, 3; COSATU 2001, 7). The Communist Party characterised the pro-market GEAR policy as the ruling “1996 ruling class project”, designed to further the interests of the dominant (white) capitalist class in South Africa (SACP 2000a, 3).

The latter white capitalist class was viewed to have co-opted the emerged black comprador corporate bourgeois, which was recruited through the process of the de-racialisation of the inherited racialised economy (SACP 2000b, 3; COSATU 2001, 7). Thus, the Communist Party argued that the ANC government’s implementation of the “1996 class project” was a continuation of the apartheid state, and big business’s “1988 class project” (SACP 2000a, 4). It saw the latter project as designed to de-racialise the economic and political order during Presidents P.W. Botha and F.W. de Klerk’s tenures (Cronin 2006, 2). Thus, the ideological underpinnings of the “1988 class project” and the “1996 class project” were seen in a similar ideological prism by the Communist Party, as the former project was said to have left its imprint on the latter (Cronin, 2006:3). The Communist Party believed that the GEAR macro-economic policy was desired by an array of domestic and global capitalist interests.

The “left” perceived the GEAR as more responsive to capitalist class interests to stabilise the inherited economic crisis (SACP 2000b, 3). The “left” rejected the ANC government’s view that the GEAR was a prerequisite policy for a “profitable surge in private investment”, required to kick-start economic growth (RSA 1996a, 6). Both “left” organisations concluded that the GEAR’s fiscal and monetary policy were ideologically at variance with the RDP’s reconstruction and development objectives (SACP 1998, 4). They also feared that the GEAR policy would hamper the government’s implementation of the RDP, thereby undermine the goal of redressing the inherited inequalities. The Communist Party reasoned that the GEAR as a policy framework “places capitalist accumulation at the centre of growth and development, as opposed to the prioritisation of basic needs and the redistribution in the RDP” (SACP 2000b, 1; COSATU 1996, 10). However, COSATU and the Communist Party failed to convince the ANC government to drop the GEAR Neo-liberal policy.
In its 1996 document entitled “Social Equality and Job Creation”, COSATU rejected the GEAR macro-economic policy and suggested an alternative policy. At a seminar marking the 75th anniversary of the South African Communist Party, its General Secretary Sam Shilowa, publicly criticised the GEAR describing it as an “unworkable and unwinnable” plan that “poses serious difficulties for the working class and the country as a whole” (COSATU 1996, 6). Shilowa argued that the ANC government had moved rightward from the original RDP Base document. To COSATU the GEAR could never have emerged from the ANC before the 1994 elections (COSATU 1996, 6). COSATU opined that the introduction of the GEAR policy represented private capital reasserting “its influence over national economic policy” (COSATU 2006, 2). This assessment was confirmed by Joel Netshitenzhe, a senior ANC leader who viewed the GEAR policy’s aim to stabilise the apartheid-inherited economy as being mainly, “to assure an investment community with vested class interests” (Netshitenzhe 2000, 8). Netshitenzhe’s view confirmed the criticisms of the “left” faction about the influence wielded by big business in the adoption of market-friendly policies.

Furthermore, the General Secretary of COSATU, Sam Shilowa described the negative effects of the implementation of the GEAR policy by the ANC government thus:

- Entrenching contradictory fiscal and monetary policy, stifling economic growth and employment creation;
- Trade and tariff policy is undermining significant sections of industry, leading to massive job losses;
- Ideological driven deficit cuts are undermining massive public works and direct state role in housing, health and infrastructure development;
- Overemphasis on the private-sector driven development encouraging privatisation and contracting out of public economic activities…;
- Excessive reliance on the private sector to create jobs, despite the dismal record in this regard (COSATU 1997b, 3).

As result of these negative outcomes of the GEAR macro-economic policy, the following resolutions of the 1997 COSATU 6th National Congress on the “Broad Macro-Economic Framework and GEAR” criticised the RDP and the GEAR macroeconomic policy thus:
• GEAR has its main focus and trust the making of South Africa a paradise for investors…;

• GEAR cannot be relied upon to address decades of abject poverty of the majority of our people through the creation of sustainable jobs;

• GEAR calls on government to reduce social spending, thereby accelerating the rate of unemployment;

• COSATU rejects GEAR as an Economic Strategy and campaigns for a macro-economic policy that is consistent with the objectives of the RDP;

• RDP is a revolutionary programme;

• As alliance we have lost ownership of this programme;

• The government Economic Strategy, GEAR has brought about misery and hardship to the millions of our people in particular the rural masses e.g. cuts in transport subsidy and health budgets;

• GEAR and the RDP are not the two sides of the same coin and the two are not compatible, the objectives of the RDP will never be realised nor met by the GEAR (COSATU 1997b, 10).

In place of the GEAR Neo-liberal policy, COSATU articulated an expansionary fiscal policy whose major objective was employment creation in keeping with its RDP Keynesian traditions (COSATU 1996, 6). COSATU called for the formulation of a strategy within the “left” to fight against handing over the ANC “to the bourgeoisie on a silver platter” which it understood to be the main motive of the GEAR macro-economic policy (COSATU 1996, 7). The union feared that the emerging bourgeoisie intended to capture the “ideological soul” of the ANC as represented in the pro-market and investor friendly GEAR Neo-liberal macro-economic policy.

At the 1997 Sixth Annual Congress, COSATU dismissed the GEAR macro-economic policy as a revision of the ANC alliance’s assumed “left-wing” ideological perspectives (COSATU 1997a, 2). The then COSATU President John Gomomo characterised the GEAR policy as “the reverse gear of our society” (COSATU 1997a, 9). According to Gomomo, the GEAR marked a real shift from the ideological conceptualisation of the ANC government’s macro-economic policy. Gomomo described the GEAR policy as an empty shell that would not deliver benefits to the working class, particularly the rural and the unemployed (COSATU 1997a, 9). He concluded that if the GEAR was “left unchallenged, it can only mean more poverty and the
increase of the gap between the rich and poor” (COSATU 1997a, 9). Gomomo warned that the adoption of the GEAR would “mean that the government is curtailed from addressing the legacy left by apartheid” (COSATU 1997a, 9). This contradicted the envisaged role of the developmental state.

The introduction of the GEAR policy had led to the replacement of the old leaderships in COSATU and in the Communist Party with more radical leaders. Tensions between the “left” and the pro-capitalist nationalists within the alliance over the government’s economic policies intensified with the election of new leaderships in both COSATU and the South African Communist Party. At its 1998 conference the South African Communist Party elected its former chairman, Blade Nzimande, an ardent critic of the GEAR macro-economic policy, as its new General Secretary. In 1999, Mbhazima Shilowa, a new found “left” ally of then deputyPresident Thabo Mbeki, was replaced by Zwelinzima Vavi, a more trenchant critic of the GEAR policy, as the new General Secretary of COSATU. Although in alliance with the ANC who controlled the reins of government, the leading “left” leaders such as Nzimande, acknowledged the salience of the class aspirations of the emergent bourgeoisie due to “social differentiation (within) these black masses, which at times will lead various strata and classes expressing different aspirations and to pursue separate objectives” (Nzimande 1995, 10).

The reduction of the government deficit stipulated in the GEAR policy divided the “left” and elite nationalists in charge of government policy. In response to criticism of his government’s GEAR policy by the ‘left” in the alliance, the then President, Nelson Mandela, castigated his critic’s behaviour as a “bid to sue for the victory of a sectarian approach, at the expense of other social forces whose co-operation is critical for the successes of the [GEAR] programme” (Mandela 1997, 3). In defending the policy, former president Mandela argued: “Our starting point must be the need to ensure that we produce the resources to achieve the goals of reconstruction and development” (Mandela 1997, 3). For example, when addressing a COSATU Special Congress, then ANC Chairperson and former defence minister, Terror Lekota, rebuked COSATU for publicly airing its grievances over government economic policies thus:
The recent trend, on the part of some highly placed comrades, of ascending platforms or by other ways criticising or agitating against policies and actions of the movement, inside and outside of Government, smacks of a lack of revolutionary discipline. This undisciplined approach has a number of negative consequences: It confuses the mass based support of our movement; it lends itself to exploitation by our opponents and opposition parties; it creates a climate in which agents’ provocateur can thrive and advance their counter-revolutionary agendas (COSATU 1999, 3).

However, the Communist Party and COSATU did not heed the ANC’s warning as in 2001, COSATU urged the Communist Party “to win the ANC back to the ideals of the mass democratic movement” (COSATU 2001, 3). COSATU called upon the ANC to ensure that the government implemented the RDP’s social commitments. It had hoped that the realisation of the RDP objectives would spur movement towards the second socialist stage (COSATU 2001, 4). Bond reveals how left-leaning ANC technocrats had naively hoped that the progressive components of the RDP would gain practical momentum (Bond 2007, 15). In the face of the mobilisation of a 30 000 strong march by the “independent left” residing outside COSATU and the Communist Party, at the 31 August 2002 World Summit on Sustainable Development in South Africa, the then President Mbeki charged that:

Our movement and its policies are also under attack from domestic and foreign left sectarian factions that claim to be the best representatives of the workers and the poor of our country. They accuse our movement of having abandoned the people, saying that we have adopted and are implementing Neo-liberal policies. They are therefore contemptuous of the goals that our national liberation movement has pursued since its foundation (Mbeki 2002, 3).

In the above statement, Mbeki attempted to defend the government’s adoption of the GEAR Neo-liberal macro-economic policy by reconciling it to ANC ideological traditions.

During the 2004 national general election campaign, the ANC government’s rhetoric oscillated between a pro-RDP and a pro-GEAR stance. Its election manifesto proclaimed the RDP as guiding its vision for the next ten years of governance and claimed that it had “never renounced the RDP as a concept, but that the GEAR plan was imperative to save the South African economy from the [economic] crisis” inherited from the apartheid state (ANC 2004, 4). However, the GEAR continued to be government’s macro-economic policy. Thus, in 2006, then
ANC National Executive Committee member and Minister of Finance, Trevor Manuel asserted that “there are no contradictions between the GEAR and the RDP” (Manuel 2006, 6). He saw both policies as “mutually reinforcing and have served us well” (Manuel 2006, 6). Manuel’s view belied the contradictions between the ideologically incompatible RDP and GEAR policies.

7-3 The “Left Factionalism” and the “Reformist-Bourgeois” Tendency: Growing Intra-Alliance Ideological Differences

An ideological fall-out between the “left” and pro-capitalist nationalists in control of government who had adopted the Neo-liberal macro-economic policy occurred in 1996. One of COSATU’s sectoral unions, the South African Railways and Harbour Workers Union (SARHWU), organised nation-wide strikes of about 40,000 workers in opposition to the government’s plans to privatise parts of Telkom, South African Airways, Sun Air, Transkei Airways and Autonet (COSATU 1996, 5). The sale of six privatised radio stations in late 1996, for example, netted approximately R516 million into government coffers. From 1997, the following state owned enterprises under the control of the Minister of Public Enterprises were privatised: Eskom, Transnet, Alexcor (Government diamond mining company), Aventura (a chain of holiday resorts), SAFCOL (South Africa Forestry Co. Ltd) and Denel (a commercial component of the armament corporation of South Africa). These enterprises had assets valued approximately at more than R150 billion (RSA, 2000a). In 1997, R74 billion owed by these companies was subtracted from the total value of its assets (RSA 1997b, 4).

In March 1997, 30 per cent of the share stake of Telkom was sold to a foreign consortium for R5.6 billion. About R4.4 billion from these proceeds were to be ploughed back into Telkom to finance 2.8 million new telephone connections while the balance was to be used to reduce central government debt (RSA 1997a, 5). The state sold a further 10 per cent of Telkom equity to enhance black economic empowerment (RSA 1997a; IMF, 1997). The privatisation of these state enterprises was seen by the labour federation as sacrificing workers’ rights on the altar of profits for the benefit of the local and global capital (COSATU 1996, 2). Thus, the privatisation of state companies became a divisive policy as COSATU organized further industrial action.
To camouflage its Neo-liberal economic reforms such as privatisation, the post-apartheid government “restructuring programme” was designed to include an array of strategies such as attracting strategic equity partnerships and the divestment of equity, either in whole or in part where appropriate (Radebe 2000, 4). The Department of Public Enterprises “restructuring” programme also referred to different forms and processes of privatisation that included tendering, franchising arrangements and the establishment of public/private sector partnerships to provide infrastructural services (Radebe 2000, 4). The “restructuring” of state assets entailed the privatisation of state owned companies seen as necessary by government to enable the “injection of financial resources (such as tax, dividends, or proceeds from equity sales) [which] will result in a reduction of the public sector borrowing requirement which, in turn, will enable the state to prioritise public expenditure or reduce demands for borrowing” (South Africa 2000, 11). Although COSATU was in favour of the “restructuring” of state assets as a means of achieving the social improvement of the marginalised and for the realisation of the goals of reconstruction and development, it was ironically opposed to privatisation being the central tool for doing so (COSATU 1996, 6). In saluting the anti-privatisation strikers, the Communist Party vaunted its success as having sent,

a clear and strong message to the bosses and the government that privatisation is not the route to go. Today’s strike was also a conscious offensive against capitalism itself and for the building of a people’s army which meets our people’s basic needs (SACP 2001a, 1).

Instead of privatisation of the state-owned companies, the South African Communist Party advocated what it called “the democratisation and socialisation of the South African economy in the interests of the poor and working people” (SACP 2001a, 2).

The government of President Mbeki became frustrated with its failure to persuade his trade union allies in COSATU to call off the planned August, 2001 two-day strike against government plans to privatise the Electricity Supply Commission (ESKOM) (COSATU, 2001b, 1). The “anti-privatisation” general strike which was supported by 40 000 workers in Johannesburg, was organised by the Anti-Privatisation Forum (COSATU 2001b, 1). The Anti-Privatisation Forum was a loosely structured civil society organisation formed at the behest of COSATU in 2000, consisting of 21 affiliates, the main ones being the South African Student’s Congress (SASCO), the South Africa Municipal Workers Union, the
On 30 August, 2001, the South African Communist Party released a statement entitled “The People Have Spoken—Stop Privatisation: Build a Strong Public Sector: Build A people’s Economy” pledging its support for the August, 2001 COSATU-led general strike (SACP 2001a, 1). The Communist Party stated its opposition to the ANC government’s privatisation programme emphatically: “As a party of socialism, the South African Communist Party is both ideologically opposed to privatisation in principle, and practically and programmatically (SACP 2001a, 1). Arguing in support of the general strike, the Communist Party stated that the struggle against privatisation “was part of the escalating working class struggle rooted in Neo-liberal restructuring of our economy over the last decade” (SACP 2001a, 2). The Communist Party’s statement concluded: “The general strike is a clear message to the bosses and the government that our country’s economic policy will no longer be dominated by the bosses and their narrow selfish interests” (SACP 2001a, 1). In 2002, COSATU withdrew from the Anti-Privatisation Forum as it believed that it had been hijacked by the anti-ANC “ultra-left groups” (Buhlungu 2004, 9–16).

Opening the September 27, 2001 ANC Policy Conference, President Mbeki sharply criticised the “left sectarian factions” in the Communist Party and COSATU (Mbeki 2001, 3). Mbeki alleged that the “left sectarian factions” had worked to implant themselves within the ANC alliance (Mbeki 2001, 3). According to Mbeki, these “factions” were seen as striving to abuse internal democratic processes to advance their agenda, “against policies agreed by most of our senior decision-making structures” (Mbeki 2001, 3). Mbeki disputed the “left sectarian factions” claims “to be the best representatives of the workers and the poor,” but ironically saw them as “pursuing a socialist agenda” (Mbeki 2001, 4).

In his criticisms of his “left” allies, Mbeki identified “the charge of Neo-liberalism [which] constitutes the most consistent platform presented by the ‘left’ opposition in its fight against the ANC government” (Mbeki 2001, 5). According to Mbeki, these “left groupings” within the Communist Party and COSATU had adopted the “position that the ‘National Democratic
had run its course” and had argued that “the time has come to build socialism” (Mbeki 2002, 5). Thus, Mbeki perceived the strategic objective of the “ultra-left factions” as being “to transform our continuing national democratic struggle [a separate stage of the “National Democratic Revolution] into an offensive for the victory of the socialist revolution” (Mbeki 2001, 7). In a scathing attack, Mbeki depicted the “ultra-left factions” as “the anti-Neo-liberal coalition”, which he saw as hoping to “trample over the fallen colossus, the ANC, and march on to a victorious socialist revolution, however defined” (Mbeki 2001, 14). Mbeki further alleged that in order to achieve its objectives, the “anti-Neo-liberal coalition is ready to treat the forces of Neo-liberalism as its ally”, joining forces together “to open fire on the ANC and our government” (Mbeki 2001, 14). Mbeki turned the tables against the ‘left” by accusing it of conniving with Neo-liberals to criticise the ANC and his government. He distanced the ANC from the socialist revolution when he argued that the ANC “like all other national liberation movements throughout the world, is, inherently and by definition, not a movement whose mission is to fight for the victory of socialism” (Mbeki 2001, 4). Mbeki distinguished the ANC’s nationalist goals from those of the socialist revolution thus:

Had there been a merger of the national liberation and socialist goals in our country, with the ANC being both a national liberation movement and a party of socialist change, there would have been no historical need for a Communist Party, and no need for the existence today of our ally, the South African Communist Party (Mbeki 2001, 4).

Mbeki reiterated the ANC’s view of a strategic objective of the “de-linked” stage of the “National Democratic Revolution” as “the all-round liberation of the African majority in particular and the black people in general” (Mbeki 2001, 4). According to Mbeki this entailed the creation of a non-racial and non-sexist society to overcome the terrible legacy of racism and sexism. It is notable again that in the ANC’s notion of nation-building, echoed in Mbeki’s view, the class dimension was expressly omitted.

In a letter written for the 5 November, 2001 ANC-SACP bilateral meeting, the former ANC Youth League leader and member of the ANC National Executive Committee, Peter Mokaba criticised the Communist Party’s support for the COSATU led anti-privatisation campaign (SACP 2001b, 10). He rejected the Communist Party’s justification of the COSATU-led August strike of the same year, billed as the “General Strike—a political strike, intended as a
mass strike which would involve students, civics etc.” (SACP 2001b, 20). Mokaba characterised the strike as “wrong politically, ideologically, organisationally and had no objective-subjective basis” (SACP 2001b, 20).

Mokaba was unhappy with the charge levelled against the ANC by the Communist Party which viewed its “fundamental difference with the ANC as being based on the adoption by the ANC of the Neo-liberal agenda, whereas the Communist Party was committed to building a people’s economy, consistent with its objectives of building socialism now” (SACP 2001b, 10). Mokaba was also disturbed by the Communist Party’s contention of Neo-liberalism as the ideology of the dominant class, and therefore the greatest threat to the “National Democratic Revolution”. He revealed how the “left” were worried about the “ANC’s programmes to attract foreign direct investment and “Black Economic Empowerment etc” (SACP 2001b, 20). Mokaba was troubled by the Communist Party’s view that “the ANC pursues a Neo-liberal agenda which would not only further impoverish the masses, but will also further entrench the domination of a slightly de-racialised bourgeois, contrary to the basic tenets of the “National Democratic Revolution” (SACP 2001b, 12). The “left” opposed the GEAR policy which it criticised for seeking to modernise and legitimise a white dominated capitalist system, albeit, racially reconfigured, as evident in the rise of the corporate black bourgeoisie.

Mokaba dismissed the Communist Party’s contention that the ANC government was compelled by global economic and political forces to conform to the “Neo-liberalist macro-economic policy:

The main problem here is the lack of honesty and lack of revolutionary political and ideological integrity, education and conduct. The SACP in its maneuvering refuses to associate itself with the age-old Marxist Leninist understanding of issues as well as the basic truth (SACP 2001b, 20).

Furthermore, Mokaba revealed how the Communist Party had “taken issue with the ANC on the issue of globalisation, asserting that globalisation is a manifestation of the Neo-liberal agenda, a product of the Washington Consensus” (SACP 2001b, 13). On one hand, Mokaba argued that “globalisation is an objective social process in which we must intervene to ensure that the masses of the people in our country and the countries of the South in particular, do not suffer further impoverishment and marginalisation” (SACP 2001b, 13). To elaborate his view, Mokaba justified his interpretation based on Karl Marx who saw “the emergence of a
world market, globalisation, as a natural and explicable result of the development of the means of production during the capitalist era” (SACP 2001b, 14). On the other hand, Mokaba contended that the ANC government was not compelled by global pressures to adopt a Neoliberal policy. He justified the ANC government’s engagement with globalisation to benefit the poor. In denouncing the “dogmatism” of the “ultra-left” in the alliance on issues of competition” and the “introduction of the private sector in the development of the production of services”, (SACP 2001b, 14), Mokaba invoked an extract from Lenin’s work on the “Organisation of Competition”:

Among the absurdities which the bourgeoisie are fond of spreading about socialism is the allegation that socialists deny the importance of competition. In fact, it is only socialism which...for the first time opens the way for competition on a really mass scale (Lenin V.1, quoted in SACP 2001b, 20).

In seeking to deflect the Communist Party’s criticism of the ANC government’s objective to reduce the national debt, Mokaba expressed his dismay about people [the South African Communist Party leaders] “who claim to be adherents of Marx should go to war against the ANC when it takes decisive steps to wipe out national debt” (SACP 2001b, 12). Mokaba quoted Marx to defend the government’s commitment to reducing the budget deficit thus:

The great part that the public debt, and the fiscal system corresponding with it, has played in the capitalisation of wealth and expropriation of the masses, has led many writers, like Cobbett, Doubleday and others to seek in this, incorrectly, the fundamental cause of the misery of the modern peoples (Marx, K, Capital, Vol.1, quoted in, SACP 2001b, 12).

Mokaba insisted that Karl Marx had unequivocally characterised the accumulation of the national debt, caused by the reliance on budget deficits, as a critical part of the capitalist process of the expropriation of the masses (SACP 2001b, 12).

In a riposte, Cronin, the deputy General Secretary of the South African Communist Party castigated Mokaba’s intervention as “theoretically weak and factually misguided” (SACP 2001c, 14). Cronin resiled from responding to Mokaba using what he described as a “counter charge-sheet” (SACP 2001c, 14). Cronin denied that the Communist Party ever said that “the
ANC has adopted a Neo-liberal agenda” (SACP 2001c, 14). On the GEAR’s aims to attract major flows of foreign direct investment through the adoption of policies such as the “investor friendly macro balances, including the reduction in the budget deficit and reducing and then maintaining low inflation” and privatisation, Cronin argued to the contrary:

Our concerns include an uncertainty as to whether exceptionally constraining macro targets and privatisation are indeed the best means of attracting major sustainable flows of Foreign Direct Investment capable of powering ongoing growth and development. We believe that Foreign Direct Investment follows growth rather than triggering it, and we believe that growth requires much more effective mobilisation of domestic resources (public, parastatal, private and social) around a coherent industrial (or micro-economic) policy (SACP 2001c, 14).

Cronin opposed the austerity measures assumed by Neo-liberals as necessary to attract foreign direct investments. He favoured the mobilisation of domestic resources based on a “coherent industrial policy” that would lead to economic growth needed to attract Foreign Direct Investments (SACP 2001c, 14). With regards to the issue of the reduction of the budget deficit raised by Mokaba, Cronin argued that the question should not be about the ideal budget deficit target, “but what prime strategic purpose that particular target should serve” (SACP 2001c, 15). Cronin voiced the Communist Party’s preference for a budget deficit target optimal for collective mobilisation of domestic resources around a “coherent industrial strategy” (SACP 2001c, 13). This was contrary to a budget based on the assumption “about what will best attract putative Foreign Direct Investment flows” (SACP 2001c, 13).

In 2002 ideological divisions deepened as two senior ANC leaders and former members of the Communist Party, Jabu Moleketi and Josiah Jele, co-authored a document entitled “The two strategies of the National Liberation Movement in the Struggle for Victory of the ‘National Democratic Revolution’ (Moleketi and Jele 2002, 10). In their article, Moleketi and Jele defended the “de-linked” stage of the “National Democratic Revolution” and contradicted the Communist Party strategy of an “uninterrupted” transition towards the socialist revolution (Moleketi and Jele 2002, 10). They accused “left–groupings” of conflating the stages strategy by mistakenly putting the socio-economic tasks of the socialist revolution ahead of the perceived political tasks of the “National Democratic Revolution” (SACP 2002b, 5).
Moleketi and Jele denounced the “ultra-left tendency” of jumping the first stage by “seeking to transform the continuing national struggle of the ‘National Democratic Revolution’ into a struggle for socialism” (Moleketi and Jele 2002, 28). The “left-groupings” were said to have exploited the “the weak development of scientific socialism in South Africa to push their ultra-leftist agenda” (Moleketi and Jele 2002, 28). To Moleketi and Jele the Communist Party had “overstepped” its vanguard role as the Party of the working-class (Moleketi and Jele 2002, 16). They also accused the Communist Party of seeking to use the “democratic state” to advance its project of building socialism as integral to the first stage of the “National Democratic Revolution” (Moleketi and Jele 2002, 15). Consequently, Moleketi and Jele believed that the removal of the “ultra-leftists” was an urgent challenge facing “revolutionary socialism” (Moleketi and Jele 2002, 28). They called upon the alliance “… to act decisively against the ultra-left tendency” which had “succeeded to project itself as the true representative of ‘revolutionary socialism’” (ANC 2002, 12).

Another senior member of the ANC National Executive Committee, Dumisane Makhaye, accused the “left groupings” as an anti-ANC faction that had taken control of the leadership of the South African Communist Party and Congress of South African Trade Unions (Makhaye 2002, 3). Makhaye traced the origin of the “left groupings” from the time of “impending victory of the ‘National Democratic Revolution’” symbolised by the imminence of the post-apartheid transition (Makhaye 2002, 3). Makhaye defended the ANC’s revised version of the “National Democratic Revolution” that “de-linked” the first stage of racial liberation and nation building from the working-class led socialist revolution.

Makhaye perceived the purpose of these groups as being “to question and threaten the ideological, political and organisational construct representing the united movement” (Makhaye 2002, 3). He blamed the manipulation of the ANC members by the “left groupings” “to promote their factional policy positions, pretending that these represent a progressive improvement of the policy positions of the ANC” (Makhaye 2002, 5). Makhaye also accused the “left groupings” of seeking to redefine the tasks of the working-class, and to use the “victory of the national democratic revolution” to create “the possibility for them to use the democratic state power to achieve the goals of the socialist revolution” (Makhaye 2002, 3). According to Makhaye, the “left groupings” had concluded that the first stage of the “National Democratic Revolution” had run its course and therefore, it was time to build
Fundamentally, Makhaye maintained that the “left groupings” were planning to replace the leadership of the ANC (Makhaye 2002, 3).

Makhaye had lamented how the “left groupings” had “resorted to gross and deliberate falsification of everything” relating to the issue of restructuring of state assets. According to Makhaye, these groups “sought to ‘blame’ what they call privatisation first of all on our government” (Makhaye 2002, 7). Another point of policy friction that Makhaye alluded to was what he called the “irresponsible and opportunist demand for the institution of a basic income grant (BIG)” (Makhaye 2002, 6). The basic income grant proposal, which was never adopted by the government, entailed the extension of an income safety net for the unemployed.

In reply to ANC’s vitriolic attacks, the “left” in the ANC alliance, i.e. the majority of the leadership in the Communist Party and COSATU invoked the theory of the “National Democratic Revolution” as synonymous with waging a socialist revolution in the current first stage. In defending themselves against ANC criticisms, some leaders of COSATU accused Makhaye, Moleketi and Jele of dragging in Marxism-Leninism to support their view that the “National Democratic Revolution” should consolidate capitalism (Bodibedi, Craven and Mde 2002, 3). The Communist Party’s Information Bulletin Bua, published a rejoinder to their former comrades by declaring “The two strategies of the National Liberation Movement in the Struggle for Victory of the ‘National Democratic Revolution’” document as “factionalist in the shallowest of ways” (SACP 2002c, 3). The Communist Party reaffirmed its alliance with the ANC and restated its strategic, programmatic and constitutional alliance with the ANC as the leader of the “National Democratic Revolution”. It acknowledged, without specifying its views on the “linked” and ‘de-linked” stages, that the “National Democratic Revolution” “is the key strategic task of the present stage” (SACP 2002c, 3). It was, however, unapologetic about the charge of seeking to transform “the continuing national struggle into a struggle for socialism” (SACP 2002c, 5).

The Communist Party openly admitted to fighting to transform the nationalist struggle into a struggle for socialism, as it had replaced the so-called mechanical “de-linked” “two-stage theory” model and re-affirmed its “programmatic slogan” of “Socialism is the Future, Build it Now” (SACP 2002d, 2). It asserted that advocating and struggling for socialism could not
“be postponed until after the attainment of the objectives of the ‘National Democratic Revolution’ because the national, class and gender contradictions” could not “be substantially resolved outside the transition to socialism” (SACP 2002d, 5).

In rejecting the ANC charge that it was “ultra-leftist”, the Communist Party traced the origins of the concept of the “National Democratic Revolution” from Lenin’s statement made at the 1920 Congress of Communist International. Then Lenin had called upon communists to combat the reformist bourgeoisie who the imperialist bourgeoisie had sought to implant as their agents in colonial countries (SACP 2002d, 8). The Communist Party reasserted the “non-capitalist” version of the “National Democratic Revolution” “programmatically orientated against capitalist consolidation” (SACP 2002d, 8). As a consequence of conflicting policies during the post-apartheid transition, with various groups vying for supremacy of ideas, ideological tensions between the pro-capitalist and “left” factions of the ANC alliance escalated.

While the Communist Party maintained that the transition to socialism was not possible, it also argued ambiguously that the current capitalist order was incapable of resolving conditions created by race oppression and class exploitation (SACP 2002a, 1). However, in contradicting itself, the Communist Party concluded that the “National Democratic Revolution” was not a “detour, but the most direct route to socialism” in South Africa (SACP 2002a, 7). The Communist Party asserted that it was not talking about “interrupted, watertight “stages”, or “a self-contained first stage” (a capitalist “National Democratic Revolution”), “and then an equally self-contained second stage (socialism)” (SACP, 2002b). Furthermore, the Communist Party contended that it was “…talking about an uninterrupted struggle for both national liberation and socialism” (SACP, 2002b).

In repudiating the ANC criticism that the South African Communist Party was naïve in arguing that “a rapid advance” to socialism in post-apartheid South Africa was possible, the Communist Party reminded the ANC of the past shared commitment to alliance perspectives. The Communist Party warned of a counter-revolutionary threat posed by “capital’s attempt to transform the liberation movement and to re-define the trajectory of change” (SACP 2002b, 3). It called for “the “National Democratic Revolution” as “a thorough-going revolutionary transformation under the hegemonic leadership of the workers and the poor” (SACP 2002b,
3). Similarly, COSATU contested the ideological direction of the “National Democratic Revolution” by advocating what it believed was the strategic goal of black liberation from national oppression which would lead to the creation of a democratic, non-racial and non-sexist South Africa in which the working class plays a significant role to advance the class struggle to the second socialist stage (COSATU 2003, 6). Both COSATU and the Communist Party omitted the ANC’s inclusion of the black bourgeoisie as one of the motive forces for the “National Democratic Revolution”.

In March 2006, the ANC responded to “left” criticisms by accusing the Communist Party of agitating for an “uninterrupted struggle for socialism” that it believed echoed the Trotskyite “ultra-leftist” view (ANC 2006a, 5). Then President Thabo Mbeki wrote an article asserting that there were no contradictions between the RDP and GEAR. In his defence of the GEAR policy, Mbeki argued that “it was aimed at giving effect to the realization of the RDP through the maintenance of macro balances and elaborates a set of mutually reinforcing policy instruments” (Mbeki 2006, 4). Mbeki further revealed that at the 9 June, 1996 Tripartite Alliance 6-a-side meeting, the “left” delegation led by Blade Nzimande, deputy-General Secretary of the South African Communist Party and deputy general secretary of COSATU, Zwelinzima Vavi had “agreed on vital aspects of GEAR and agreed to disagree on the fiscal stance” (Mbeki 2006, 4).

In reply, the Communist Party criticised what it thought was Mbeki’s defence of a “delinked” stage of a pro-capitalist “National Democratic Revolution”:

If the working class “forms the core and constitutes the vanguard of the National Democratic Revolution; and if the working class is the “dynamic link” (and not a dormant link awaiting “its stage?”) “between national liberation and socialism”; and if, as the ANC advises, the South African Communist Party should embrace the “National Democratic Revolution” as “the shortest route to socialism, in the continuum of struggle”—then clearly we are not talking about interrupted water-tight “stages”. We are not talking about an interrupted and a self-contained first stage (a capitalist “National Democratic Revolution”), and equally a second self-contained stage (socialism). We are talking about an uninterrupted struggle for both national liberation and socialism—which does not mean that either will be necessarily be rapid, still less plain-sailing (SACP 2006a, 4).

Although the above Communist Party statement opposed what it viewed as the ANC’s “interrupted” model that perceived the “National Democratic Revolution as “water-tight” and
“self-contained” stage of capitalism, it tended to be ambiguous. This is because while the
Communist Party statement maintained that the idea of “uninterrupted struggle for both
national liberation and socialism”, it however, held that it “does not mean that either [stage]
will not necessarily be rapid”. Such a statement accommodated the view of the two stages as
either conterminous or as distinct from each other. Such ambiguity was evident in the intra-
alliance debate on what was meant by the word “uninterrupted”. The Communist Party’s
mouthpiece, Bua Komanisi pondered if it referred to either or the two following assumptions:

A rapid and (relatively smooth) transition from liberation to socialism? Or
the systematic necessity of simultaneously addressing national, class and
gender oppression-however prolonged and contradictory this process might
be (SACP 2006bb, 18).

A lack of consensus on the definition of the word “uninterrupted” in the post-apartheid era
has only served to exacerbate the usage of such ambiguous language, and which generated
ideological tensions within the ANC alliance. The South African Communist Party led a
public onslaught against the ANC President Thabo Mbeki by portraying him indirectly as a
“Judas Iscariot” who sold out the ideological soul of the ANC to the dominant interests of big
business (SACP 2006b, 2). Thus, the Communist Party projected itself as a “voice of
conscience” that sought to return the ANC to its “historic role as pro-
poor and pro-
working
class” movement (SACP 2006b, 3). The Communist Party incoherently defined the “National
Democratic Revolution” as “more than a minimum capitalist programme”, which was not
socialism but was also “not a capitalist programme” (SACP 2006b, 4). These conflicting
trajectories implied two different outcomes and, when invoked by the ANC alliance
ideologues and activists to support their viewpoints, tended to conflate the “two-stage
theory”, which in turn created discord within the ANC alliance. Disagreement was on the
character of the “National Democratic Revolution”: 
At the heart of these class struggles is the question of whether the national democratic revolution should have a capitalist character or a socialist orientation. In our view as the South African Communist Party, the National Democratic Revolution that is capitalist oriented ceases to be a National Democratic Revolution, as it is hopelessly incapable of addressing the complex challenge of underdevelopment and widening poverty in our society. In fact the past twelve years are a proof of the very serious failure by the capitalist market to address even the minimum of these challenges (SACP, 2006c).

Furthermore, the Communist Party argued that the ANC’s electoral victory did not mean the tasks of the revolution were complete. It believed that “advancing, deepening and defending the ‘National Democratic Revolution’ would involve a protracted struggle” (SACP 2006c, 4). It called for a “politically conscious organised working-class, capable of driving a socialist oriented national democratic revolution led by a “development state” under the hegemony of a dynamic, campaigning and a liberation movement rooted amongst the mass of our people!” (SACP 2007, 6). However, the call for a socialist “National Democratic Revolution” led by a “politically conscious organised working-class” in the context of a “developmental state” is ideologically muddled. As already explained in chapter 4 of this thesis, the “developmental state” was conceived as operating within a de-racialised capitalist economic system. To further compound its theoretical model, the Communist Party distinguished the first stage of the struggle for black liberation from the second stage of socialism, but also saw the two stages as somehow inextricably linked (SACP 2007, 5). More importantly, the Communist Party conceded that such an outcome was no longer possible:

In]… the 1960s, 70s and into the 80s, a radical National Democratic Revolution with a socialist orientation was possible and necessary in the specific conditions of South Africa. These specific conditions were the relatively advanced level of capitalist development and the related size and maturity of the working-class…these domestic realities coupled with a relatively favourable post-1945 global balance of forces meant that a radical “National Democratic Revolution” with a socialist orientation was necessary (Nzimande 2006a, 3).

The end of the Cold War following the demise of the Soviet-led Communist Bloc in Eastern Europe led the South African Communist Party to accept that the prospects of advancement to the socialist stage were less propitious than they were in the earlier period (SACP 2006b, 4). The Communist Party conceded that the international balance of forces, manifest in the
global ascendancy of the hegemony of the Washington consensus, were unfavourable for a socialist-oriented “National Democratic Revolution” (SACP 2006a, 4). While accepting that the markets and private capital would continue to play a major economic role, it argued that the “unfettered operation of markets and private capital” were not going to deliver conditions necessary for the attainment of the goals of a radical “National Democratic Revolution” (SACP 2006a, 10).

In place of what the Communist Party perceived as the liberation outcome marked by a “de-racialised” South African capitalist economy, it articulated a “National Democratic Revolution” with an anti-capitalist socio-economic programme (SACP 2006a, 5). It called for the fundamental transformation of the economy rather than the mere de-racialisation, which had led to tinkering of the inherited capitalist relations represented by the rise of the black bourgeoisie (SACP 2006a, 5). Thus, the Communist Party still argued that the objective necessity of South African conditions called “for an uninterrupted struggle for socialist values, socialist momentum, and even elements of socialism” (SACP 2006a, 4). It dismissed the ANC’s nationalist perspective of the “National Democratic Revolution” as limited to the de-racialisation of the capitalist economy (SACP 2006a, 6).

In 2007, the COSATU leadership reaffirmed its belief on the dialectical link between the two stages (COSATU 2007, 5). It bemoaned a conservative reading of the “National Democratic Revolution” that “de-linked” it from socialism that was based on the view it could not change class contradictions in South Africa (COSATU 2007, 5). Such an interpretation was seen by COSATU as diverting attention from the real question, that is, how far has the alliance managed to achieve the minimum programme of the “National Democratic Revolution”, namely realisation of its demands embodied in the Freedom Charter’s “economic/property” clause (COSATU 2007, 5). As chapter 4 indicated, COSATU read the “economic/property” clauses as advocating state nationalisation by a “developmental state”. In 2007 COSATU criticised allies who believed that the end of racial oppression meant that the time for individual accumulation had arrived (COSATU 2007, 5). It warned that this compromising class attitude was a source of a potential rift in the ANC alliance (COSATU 2007, 5). The General Secretary of COSATU, Zwelinzima Vavi, criticised people who had abandoned the radical interpretation of the Freedom Charter calling for nationalisation (Vavi 2010, 3).
7-4 The Evolution of the Policy of “Black Economic Empowerment”

The transformation of the inherited economic relations towards the realisation of the objective black economic liberation of the formerly oppressed black South Africans, haunted debates within the post-1994 ANC alliance. This section examines how the concept of “Black Economic Empowerment” developed to become government policy. Fanon’s perspective of the post-colonial bourgeoisie helps to illuminate the rise and class character of the corporate black bourgeoisie. He showed how the main mission of the post-colonial bourgeoisie “has nothing to do with transforming the nation; it consists, prosaically, of being the transmission line between the nation and a capitalism, rampant though camouflaged, which today puts on the masque of neocolonialism” (Fanon 1967, 122) Fanon argued that this is because, “the national bourgeoisie of under-developed countries is not engaged in production, nor invention, nor building, nor labour; it is completely canalized into activities of the intermediary type.” (Fanon 1967, 120). Thus, the Fanonian framework is useful in analysing the emergence of the corporate black bourgeoisie as “capitalists without capital” in postapartheid South Africa.

Using the Fanonian approach, it is contended that although expressing the objective of black liberation, the policy of “Black Economic Empowerment” dovetailed with the liberal quest for the de-racialisation of the inherited capitalist economy. Thus, the evidence documented demonstrates how the assumption of state power by the black political elite enhanced the slight restructuring of the historically racially determined income distribution. It shows how this led to the co-option of a small class of the corporate black bourgeoisie into a white dominated capitalist system.

Furthermore, this section describes how the language of “Black Economic Empowerment” became useful for the state and big business to rationalise their support for interests of the black bourgeoisie, particularly the corporate strata of this class. Thus, it is maintained that the language of “black economic empowerment” served as a smokescreen for the interests of the emergent comprador black bourgeoisie. It is thus argued how despite its ideological utility, the concept and subsequent policy of “Black Economic Empowerment” caused discord between capitalist oriented nationalists and the “left” within the ANC alliance.
(i) The Genesis of the Policy of “Black Economic Empowerment”: Its Meaning and Utility

The ambiguities in the ANC alliance’s “revolutionary” language identified in this thesis were expedient for the government to articulate and rationalise a policy of “Black Economic Empowerment” that favoured the black corporate bourgeoisie, as part of the broader objective of black liberation. Chapter 5 of this thesis explained how the revised “National Democratic Revolution” theory adopted at the 1997 ANC Mafeking conference justified the elevation of the black bourgeoisie as one of the motive classes of the struggle for liberation. The new policy sought to justify the need for convergence of class interests amongst the formerly oppressed black community irrespective of social class affiliation. The ANC assumed the convergence of black class interests in the post-apartheid transition period essential for building a united nation-state based on racial equality (ANC 1997, 5).

The idea of “Black Economic Empowerment” originated in the early 1960s from the African traders in the urban African townships who had waged a protracted struggle against the apartheid state’s imposed racial restrictions on their participation in the economy (Mkele 1961, 5). By 1969, a small budding black business class, which had historically been racially marginalised by apartheid laws had organised itself into a lobby group called the National African Federated Chamber of Commerce and Industry to fight for equality. Its objective was to fight for black business people’s ownership rights in a racially skewed economy (Maseko 1999, 4). The objective of racial liberation required the de-racialisation of the economy as glaring racial inequality existed, it was the case for example, that by 1993, the 10 top income earners in South Africa were white (Maseko 1999, 4). The then exiled ANC espoused a different notion from the demands of the aspiring black business class. This was evident in ANC leader, Pallo Jordan’s radical view of “Black Economic Empowerment” “if democracy was to serve the purpose of national liberation it must entail the empowerment of the oppressed and exploited classes—the black majority” (Jordan 1989, 32). Jordan invoked the radical language of the ANC’s 1969 “Strategy and Tactics” document, when he argued in 1989 that “empowerment” could not “be reduced to the mere modification or adaptation of the system of racial oppression to render it accommodative to elements of the black elite” (Jordan 1989, 32).
By the 1980s, the phrase “Black Economic Empowerment” had become part of the black political lexicon in the struggle for racial equality. It was first mooted by the African Merchant Bank, an affiliate of the National African Federated Chamber of Commerce and Industry (Keeble 1981, 341, 342). The National African Federated Chamber of Commerce and Industry grew to become an organisational vehicle for the first generation of the black bourgeoisie (Randall 1996, 673-686). Since the early 1990s, focus was on increasing the “black ownership of shares in major corporations” (Southall 2006b, 1). This led to the development of the policy of “Black Economic Empowerment” which was later refined as “interventions to fundamentally correct and address the consequences of institutionalized discrimination against black people in general and African in particular” (RSA 2000c, 11). Instead of focusing on benefitting the marginalised black majority, the ANC used this policy to promote the class aspirations of the emergent black corporate comprador bourgeoisie, who depended on the state and the corporate sector for its class advancement.

The white capitalist class’s aim to de-racialise the capitalist economy was also catalytic. In the mid-1980s the liberal oriented section of the white controlled corporate sector, argued that racism was incompatible with capitalism, and believed that the development of capitalism would eventually erode the apartheid system. Big business promoted the de-racialisation of the socio-economic system in an effort to resolve apartheid inequalities (South African Chamber of Commerce 1987, 1). They argued that the “economy was in essence ‘colourblind’ and there was, through apartheid, an imposition on it by forms of racial domination that were irrational” (Sitas 2007, 40). Liberals also believed that the apartheid system was an aberration of the “normal” patterns of constitutional government in the West” (Rich 1990, 4). The apartheid system was deemed to have rendered dysfunctional the South African capitalist economic system (Williams 1988, 26).

Thus, Liberals concluded that “it was possible to envisage a disengagement of capitalism and apartheid and the creation of a non-racial capitalist system” (Rich 1990, 5). Liberals articulated the individuals’ right to equality before the law and private ownership of property (Progressive Federal Party 1986; South African Chamber of Commerce 1987). For example, in 1986, the Federated Chamber of Industries issued a “Business Charter of Social, Economic and Political Rights” which advocated the rights of black people in freedom of thought, rights to property ownership, freedom to engage in business, freedom to engage in work, freedom to
fair remuneration, freedom of association, equal recognition before the law, …freedom from arbitrary arrest or detention, freedom of movement, to take part in public affairs (Business Day 1986, 12). Big business hoped that the advent of a de-racialised capitalist system following the demise of the apartheid system would result in the introduction of equal rights for all races (Legassick 1972, 253). In this way big business believed that the de-racialisation of the socio-economic and political systems would secure the future of the capitalist system in South Africa.

The ANC promoted the concept of “Black Economic Empowerment” using the pro-capitalist interpretation of the Freedom Charter’s “economic/property” clauses. One of these clauses demanded that “The people shall share in the country’s wealth” (ANC 2000a, 1). To justify black “economic empowerment”, the Freedom Charter’s “economic/property” clauses were understood as calling for the private ownership of the means of production such as land, banks and factories, by the people. The idea of “Black Economic Empowerment” was rationalised by the ANC on the basis of “the vision of economic emancipation of the Freedom Charter” (ANC 2006b, 1). The alliance reached a broad consensus on the objective “that the black majority own the country’s wealth in accordance with the Freedom Charter” (ANC 2006b, 1). The pro-capitalist interpretation of the Freedom Charter was justified by using phrases such as “people” and “black majority” which served to act as a veil for the individual beneficiaries that were drawn from the black comprador corporate bourgeois class.

The policy of “Black Economic Empowerment” found further ideological articulation in the ANC alliance’s 1994 RDP Base document Section 4.4.6.3 thus:
The domination of business activities by white business and the exclusion of black people and women from the mainstream of economic activity are causes of great concern for the reconstruction and development process. A central objective of the RDP is to de-racialise business ownership and control completely through focused policies of black economic empowerment. These policies must aim to make it easier for black people to gain access to capital for business development. The democratic government must ensure that no discrimination occurs in financial institutions. The democratic government must also introduce tendering-out procedures which facilitate black economic empowerment (ANC 1994, 93).

While the ANC advanced a more equitable socio-economic system envisioned in the RDP’s above stated objectives, the idea of “Black Economic Empowerment”, however, rested on the belief that the inherited race-related socio-economic inequalities could be reduced through the development of the “patriotic” black bourgeoisie class (ANC 1998a, 23).

The ANC government defined the objectives of “Black Economic Empowerment” to mean the transformation of the historical socio-economic relations and the equal redistribution of resources and wealth (ANC 1997, 2). This interpretation was similar to Southall’s (2005, 3) definition of “Black Economic Empowerment” as “the increase of black ownership, control and management of state, parastatal and private economic activity in the formal sector”. Thus, the primary objective of government’s “black economic empowerment” was to redress the racially skewed economic opportunities, which the apartheid system had distorted, through the de-racialisation of the ownership and control of the means of production. The transformation of the economy was to be achieved by government promotion of the black bureaucratic bourgeoisie class in control of the state apparatuses and the black corporate bourgeoisie (ANC 1997, 7). The latter strata were, with government support, to be co-opted in the de-racialisation of the inherited economic system dominated by white capitalist corporations.

The cumulative effect of these initiatives led to the elevation of the black bourgeoisie who had previously received scant attention in ANC policy documents, to “objectively important motive forces of transformation”, whose interests were seen to “coincide with at least the immediate interests of the majority” by the ANC’s 1997 Mafeking Conference (ANC1997, 9). The ANC assumed that the “patriotic” black bourgeoisie, as one of the allied motive forces of the “National Democratic Revolution”, would pursue the shared goal of economic
liberation for all the formerly oppressed classes including the black working class (ANC 1997, 9). Ironically, the black working class was rhetorically glorified in the ANC alliance discourse as the principal motive force of the “National Democratic Revolution: (ANC 1997, 21). Curiously, the ANC’s stated aim of black “economic empowerment” was to change the inherited patterns of ownership of the means of production by seeking “access to productive wealth for previously disadvantaged people, as individuals and as a group of people so as to improve the conditions of life and livelihood of blacks in particular and of all South Africans in general” (RSA 2000c, 2). The use of categories of “blacks” and “all South Africans” by the ANC government disguised the “empowerment” of the black bourgeoisie underway.

The first generation of the black corporate bourgeoisie to cut “Black Economic Empowerment” deals can be traced to the efforts of African business people in NAFCOC prior to 1993. The first generation of the black capitalists were represented by the unbundling of stock at Johnnic Consolidated Investment mining house, National Sorghum Breweries, Pepsi, African Bank, Nail and Sun Air for black economic “empowerment” (Businessmap 1999, 6). The first generation of the black bourgeois were mostly ANC aligned politicians-cum-capitalist entrepreneurs such as Cyril Ramaphosa and Nthato Motlana (ANC leaders) who “used their political and personal connections with ANC leaders in government to gain financial backing for the launch of private corporations” (McKinley 2004, 357). One of the first equity deals for black business “empowerment” was concluded in 1993, when Sanlam sold 10 per cent of its stake in Metropolitan Life to New Africa Investment Limited, a black owned consortium led by Cyril Ramaphosa, the former General Secretary of the National Union of Mining Workers, Dr Nthato Motlana, former civic leader, Dikgang Moseneke, the former Pan Africanist Deputy President and Zwelakhe Sisulu, the former United Democratic Front leader (Businessmap 1999, 3).

One of the main catalysts in the development of a second generation of the black capitalist class was the de-racialisation of the economy: a process in full swing by mid-1999. Indeed, the advent of “democracy” led to rapid class mobility whereby the propertied and professional sections of the black community gained from social advancement (Southhall 2004, 316). The rising small black corporate bourgeois was inter-connected with the bureaucratic bourgeois performing state functions to administer laws that were favourable to new black bourgeois class interests. In 1996 the ANC led government passed the National
Small Business Act which introduced funding institutions such as Ntsika and Khula Enterprise promotion schemes to facilitate training and financial support for the aspiring black business people (RSA 1996, Chapter 3(ii)). In a 1997 Green Paper on public sector procurement was reformed to make the tendering process more accessible to blacks (RSA 1997a, 3.4, 3.6.3.8).

In 1998 the Preferential Procurement Act was introduced to support small, medium and micro enterprises owned by historically disadvantaged persons. Such companies would be favoured in the allocation of public contracts to provide goods, services and other works to government (RSA 1998b). The Minister of Public Works, Jeff Radebe sought to draw a link between this policy and the RDP thus:

"The process we embarked upon in 1994 is rooted in the democratisation of our economy that forms the bedrock of our Reconstruction and Development Programme (RDP). We believe that South Africa and its people can only achieve full potential if everyone is afforded the opportunity to participate in the economic endeavour. Our political freedom needs to be consummated with economic freedom (Radebe 1999, 1)."

In the above statement, Radebe articulated the objective of economic liberation he assumed would consummate the political liberation of the oppressed black masses. Radebe assumed that everyone could be afforded the potential to participate in the economy, when in reality only the few black people stood to benefit from the de-racialisation of the economy.

It is in this context that the upsurge of the second generation of the corporate black bourgeoisie in the post-apartheid period developed from the “empowerment” of blacks within the private sector of the economy (Southhall 2004, 1). However, for black “economic empowerment” to be realised, white capital took the initiative “to provide some space for black capital” (Turok 2005, 3). On one hand, the political insecurity of the dominant white capital had compelled it to seek black corporate partners in an effort to legitimise its status in the post-apartheid period. On the other hand, the rising corporate black bourgeois, lacking capital, became susceptible to co-option by the dominant white capitalist class and relied on it for capital finance. Thus, the black comprador capitalist class did not emerge from an independent capital or skills base (Randall 1996, 664).
The second generation of black “empowerment” companies enjoyed professional, dedicated management, with proven track records and had made significant investments on buying shares on the Johannesburg Stock Exchange. Thus, the second generation of investment companies concluded much bigger investment transactions such as Pamodzi, Wiphold (led by black business women), Yabeng and African Harvest (Businessmap 1999, 3). By the end of 1999, 11 black owned companies were listed on the Johannesburg Stock Exchange with a combined market capitalisation of R4.6 billion and increased to R58.7 billion (Businessmap 1999, 3). These were followed by the emergence Patrice Motsepe’s African Rainbow Mining, Tokyo Sexwale’s Mvelaphanda, and Cyril Ramaphosa’s Shanduka Group (Businessmap 1999, 4).

The lack of finance capital by black businesses made them dependent on white capital for start-up finance. (Cargill 2005, 22). The white corporate sector financed the “Black Economic Empowerment” deals in two ways. The first one was the inclusion of blacks as non-executive directors in white controlled corporations. This was later followed by the sale of businesses to black “empowerment” groups through the unbundling initiatives of white businesses. Since the early 1990s, the “Black Economic Empowerment” business ventures have been built in two ways:

On existing pyramid-type ownership frameworks (with stakes in Conglomerates purchased at high share prices via high debt levels), or on special deals crafted for those with privileged access (Businessmap 2001, 1).

To expedite the process of the economic “empowerment” of the black “capitalists without capital”, financial institutions and white capital with the ANC government’s blessing provided the “Special Purpose Vehicles” funding as a means of making it possible for black capitalists to buy into the corporate sector (Businessmap 1999, 2). The “Special Purpose Vehicles” established in partnership with the black “empowerment” companies allowed white owned capital to retain control of such companies through their ordinary shares (Businessmap 2001, 1). To raise the capital required for a business transaction, the black companies offered preference shares to institutional investors. These were known as the low voting N-shares (preference shares). The aim of offering of N-shares to white capital investors was to ensure black control of the “empowerment” concerns. The N-shares became useful vehicles to draw
white institutional capital into black “empowerment” companies while not diluting black control of the company (Businessmap 2001, 6).

The limitations of the “Special Purpose Vehicles” approach used to “empower” the first generation of the black bourgeoisie became apparent with the collapse of the New Africa Investment Limited established in 1997. New Africa Investment Limited was led by high profile black businessmen and former ANC leaders, Dr Nthato Motlana and Cyril Ramaphosa and former Pan Africanist Congress leader Advocate Dikgang Moseneke. New Africa Investment Limited played the role of “Cinderella” at the post-apartheid black “empowerment” ball with the attendance of local and foreign conglomerations. As a new company, New Africa Investment Limited leveraged big financial deals through the structural engineering of pyramids. For example, the company used its first major investment in Metropolitan Life as leverage to support its investment portfolios (Businessmap 2001, 6). However, the problem with this facility was that it,

Obliged black borrowers to repay the debt used to buy control of a company in three to five years and depended on share prices. If shares fell below certain levels, control reverted back to the institutions that funded the deal (Businessmap 2001, 10).

Preference shares held by financial institutions were paid a dividend that was linked to the prime lending rate (Southhall 2004, 319). They were thus vulnerable to market fluctuations. The black investors retained the voting control of the “Special Purpose Vehicles” through their ordinary shares. Initially, this process appeared to have worked well as it gave rise to a number of new black “empowerment” groups. The “Special Purpose Vehicles” operated in by rolling the difference between the dividend income obtained by “Special Purpose Vehicles” and the dividends payable to the preference shareholders are rolled over and paid when the preference shares were redeemed. To redeem them, shareholders of the preference shares and any accumulated dividends, the “Special Purpose Vehicles” would have to sell off some of its shares in the underlying business (Burger, Munian and de Groot 2003, 2).

The “Special Purpose Vehicles” used to facilitate such “empowerment” deals obliged the black borrowers to repay the debt used to buy the control of the company in three to five years depended on the share price rising. As the share prices fell below unsustainable levels, the control of the black “economic empowerment” companies reverted to N-shareholders,
which mostly consisted of financial institutions that funded these deals. In this sense, share prices served as security in “Special Purpose Vehicles” deals. This was a major limitation of the “Special Purpose Vehicles” approach to ‘empowerment’. The “Special Purpose Vehicles” were premised on a bull rather than a bearish market—the inherent logic of capitalism’s profit motive.

As with other black investment groups, the role of N-shares in New Africa Investment Limited raised questions about the sustainability of the institutional share stakes over extended periods. With regards to New Africa Investment Limited its N–shares were by mid1999 valued at R7 billion as against the ordinary shares of almost R350 million. What this meant was that 95 per cent of the equity was controlled by low voting institutional shareholders (Businessmap 2001, 11). Approximately 83 million ordinary shares were in the possession of black investors as opposed to 900 million non-voting ordinary N-shares owned by institutional investors (Businessmap 2001, 13). The latter share distribution in New Africa Investment Limited reflected the limitations of the “Special Purpose Vehicles” approach to black ‘empowerment’. The economic muscle wielded by non-black institutional capital investors through N-shares was thus unquestionable. In practice, the black control of New Africa Investment Limited made possible with N-shares was only artificial. Institutional shareholders became frustrated at their lack of voting power to participate in the effective decision making in the management of the firms to which they belonged (Businessmap 2001, 13).

The lack of capital by the black corporate bourgeois made them reliant on institutional investors who were mostly banks. It was not surprising that ANC Deputy–President Kgalema Motlanthe argued that “The merchant banks have made more money out of ’Black Economic Empowerment’ than the target beneficiaries,” (Johwa 2008, 1). The ANC was convinced that the flurry of these deals, which were aided and abetted by domestic and foreign white capitalists, had given rise to what it called the “rented bourgeoisie” (ANC 1998b, 4). This conclusion was not far-fetched as the key white advisers and managers mostly dominated some of the large black-owned stock firms. The vast bulk of the emergent second generation black businesses were little more than investment syndicates and partnerships with little to offer than their blackness and often dubious political connections (ANC 1998b, 4). Ironically, ANC government’s legislative power and state resources were
deployed to support emergent black bourgeoisie interests, some of whom were politically connected to the ruling ANC politicians and state officials (McKinley 2004, 357). The black corporate bourgeois claimed “to offer woolly services such as contacts, expertise in unfamiliar markets and promotional skill” (Financial Mail (Johannesburg) 1997, 5, 6). The black corporate bourgeois was manufactured and bankrolled from the top by large South African corporations, such as the insurance giant Old Mutual corporations supported and abetted by the “National Democratic” state. The former South African President Nelson Mandela had expressed hope for a budding and more “patriotic” black bourgeoisie that would strive to ameliorate the adverse social effects of privately owned capital enterprises through what he described as private capital’s “social accountability”:

The wider, and critical struggle of our era, [is] to secure an acceptance and actualisation of the proposition that while capital might be owned privately, there must be an institutionalised system of social accountability for the owners of capital. In this context, it may very well be that the success of the strategy for “Black Economic Empowerment” will address not only the objective of the creation of a non-racial South Africa. It might be also relevant to the creation of the system according to which the owners of capital would willingly, understand and accept the idea that business success can no longer be measured solely by reference to profit. According to this thesis to which we must subscribe, success must also be measured with reference to a system of social accountability for capital, which reflects its impact both on human existence and the quality of that existence (Mandela 1997, 8).

In the above statement, Mandela canvassed a system of social accountability for the “patriotic” comprador black corporate bourgeois, based not only on its consciousness, but also the acceptance of its obligation to the wider black cause of the “de-linked” pro-capitalist “National Democratic Revolution”. The black bourgeoisie would be challenged and others deployed to set up new agendas for corporations in the interest of the poor (Jordan 1998a, 4). It was in this context that President Mbeki emphasised that the struggle against racism must include the objective of creating a black bourgeoisie” (Mbeki 2001, 2). The process of the creation of the black bourgeoisie Mandela envisaged was aided by government legislation.

(ii) The “Economic Empowerment” of the Black Corporate Bourgeois
The black corporate bourgeoisie was embraced by the ANC controlled post-apartheid state as a class to promote the development of the productive sectors of the economy. In support of the transformation of the racial ownership of the means of production, former President, Thabo Mbeki argued that “because poverty and wealth were distributed along racial lines, redistribution was not only a class question, but also a national [racial] question” (Mbeki 1992, 2). However, the lack of capital by black capitalists made them inherently dependent on the state, political and financial support. Thus, the second generation of black bourgeoisie did not emerge from an independent capital or skills base (Randall 1996, 664). Turok (2005, 3) characterised the “bourgeoisie proper” as “divided into businesspeople, top corporate managers and public sector managers”. White controlled organised big business groups lobbied both the apartheid state of P.W. Botha and the exiled ANC alliance led by O.R. Tambo. In seeking to secure its interests in future post-apartheid society, big business had since the mid-1980s pushed for a de-racialised economic and political system by unleashing a range of measures to co-opt black business people into its ranks. Thus, the creation of the black bourgeoisie was supported by the post-apartheid state and big business.

In 1995 the government introduced a national strategy for the development and promotion of small business bill in Parliament. The objective of the strategy was the creation of new black owned and black-controlled enterprises. The 1996 National Small Business Act established Khula and Ntsika, state funded agencies to provide financial and other support to black business people (RSA 1996b, 8). To support the emergent black bourgeoisie, in 1998 the ANC government passed the “National Empowerment Fund Act”, which led to the establishment of the National Empowerment Fund Trust (RSA 1998b, 3). The Act defined “Black Economic Empowerment” as the facilitation by the government of ownership of income-generating assets by the historically disadvantaged people. Such people were identified as those persons or categories of persons who, prior to the new democratic dispensation, were disadvantaged by unfair discrimination on the basis of their race, and included juristic persons or associations owned and controlled by such persons (RSA, 1998b, 10). The purpose of the “National Empowerment Fund Act” was to reduce “the economic inequalities suffered by the historically disadvantaged persons” (RSA 1998b, 4).

The object of the 1998 “National Empowerment Fund Act” was to fund 25 per cent of the black share ownership of the companies listed on the Johannesburg Stock Exchange within
ten years (RSA 1998b, 6). The Fund also sought to provide the historically disadvantaged persons with the opportunity to acquire interests in previously controlled state enterprises being privatised (RSA 1998b, 2). The aspiring black entrepreneurs were to be supported “with start-up, franchising and expansion capital, and to encourage black people to save and invest in the establishment of enterprises” (RSA 1998b, 4). Some small and medium black businesses received massive start-up capital in the form of grants, state-facilitated lending, venture capital and project financing from the Department of Trade and Industry through agencies such as Ntsika, Khula, the Industrial Development Corporation, the Development Bank of Southern Africa and the Land Bank (Businessmap 2001, 15). It was estimated that in 2002–3, R2.2 billion from these sources financed black equity partnerships (RSA 2003, 10).

The losses suffered by the “Black Economic Empowerment” companies were generally ascribed to lack of seed capital, exorbitant funding costs and the shortage of management and financial skills. This was certainly the case with New Africa Investment Limited. It was therefore, not unexpected, when in August 1999, the New Africa Investment Limited consortium announced a major restructuring plan that saw control of the corporation moving ownership from its black investors into the hands of non-voting institutional preference shareholders. Institutional investors now exercised voting power equipollent to their share ownership (Businessmap 1999, 6). New Africa Investment Limited’s experience perhaps confirms the view that big business substantially dominated the “Black Economic Empowerment” agenda and process as well as the comprador ‘corporate” black bourgeoisie.

The major trend of “Black economic empowerment” from 1996 to 2012: the equity ownership by black shareholders on the Johannesburg Stock Exchange had been more beneficial to the corporate bourgeoisie than workers. As Cargill (1999, 2), a “Black Economic Empowerment” consultant, aptly observed the bias towards black equity ownership had skewed “empowerment” hence its lack of breadth and depth. Black shareholding excluded state and foreign ownership. The ANC agreed to the view that the rising black corporate bourgeois were the main beneficiary of the post-1994 economic de-racialisation as opposed to the working class and the poor (ANC 1997, 15; ANC 2000b, 25). The “Black chips”: the stock owned by black business on the Johannesburg Stock Exchange, had leapt from 1 per cent in 1996 to 9.3 percent in 1997 and to a total of just over 10 per cent of market capitalisation by the beginning of 1998 (Business Map 1999, 8).
By February, 1998 the Stock Exchange had 28 black owned companies with a market capitalisation of R66.7 billion (Business Map 1999, 8). However, black equity on the Johannesburg Stock Exchange fell to 8.9 per cent of market capitalisation in 1998 and 6.8 per cent in 1999, respectively, due to the 1998 Asian financial meltdown (Businessmap 2001, 16). By the beginning of 1999 the value of listed shares had dropped down to R41 billion or 3 per cent of the Johannesburg Stock Exchange (Cargill 1999, 2). Towards the end of 1999, the black market-capitalisation on the Johannesburg Stock Exchange had recovered slightly to 5 per cent or R58.7 billion with a further 10 per cent or R115 billion under black influence (Cargill 1999, 2).

By the year 2000 around 23 per cent of stock on the Johannesburg Stock Exchange was owned by individual blacks (Holborn 2012, 1). By 2009 the “Black Economic Empowerment” deals concluded constituted 29 per cent of all ownership transactions on the Stock Exchange (South African Institute of Race Relations 2009/2010, 63). In 2010, the percentage of the so-called “Black chips” had dwindled, albeit marginally, to 28 per cent of the shares. Whites owned 72 percent of shares on the Johannesburg Stock Exchange (South African Institute of Race Relations 2012). However, by 6 December 2012, “Black Economic Empowerment” ownership transactions had slumped to 21 per cent of the Top 100 Companies listed on the Johannesburg Stock Exchange (JSE 2012, 1).

A total of 11.6 per cent of black shareholding on the Johannesburg Stock Exchange was through mandated investments such as pension funds and unit trusts (JSE 2012, 1). These figures fell short of the central government’s Department of Trade and Industry’s 1999 target of 25 per cent black corporate ownership in ten years (RSA 1999, 2). The smallness of the emerged black corporate bourgeoisie reinforces the ANC’s “de-linked” version of the “National Democratic Revolution” that the major division in post-apartheid South Africa remained race. However, the class re-alignment that was hastened by the de-racialisation of the inherited South African capitalist economy cannot be glossed over or be treated as insignificant.

A study by Whiteford and Van Seventer (1999, 20) revealed an increase in total national income inequality in the post-1994 period, driven to a large extent by the increase in income
inequality amongst blacks. The overhaul of racial legislative restrictions accelerated the de-racialisation of the ownership of the economy and the income earned by different racial groups. This created a situation in which “class and race have begun to diverge” (Jordan 1998b, 3). In 1993 for example, the top 10 per cent of income earners who were mostly white earned 46 per cent of the total national income. In 1996, the poorest 40 per cent of households who were predominantly black earned less than 4 per cent of the total income, while 10 per cent of the households earned in excess of 50 per cent of the national income (Whiteford and van Seventer 1999, 15). These growing income disparities amongst blacks resulted from the contraction of income earned by whites as the table below shows.

Table 7-1: Trends of Inequality amongst Blacks 1991-1996

<table>
<thead>
<tr>
<th>Racialised Income</th>
<th>1991</th>
<th>1996</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black share of national income</td>
<td>29.9%</td>
<td>35.7%</td>
</tr>
<tr>
<td>White share of national income</td>
<td>59.5%</td>
<td>51.9%</td>
</tr>
<tr>
<td>Proportion of black households in richest 10% of the population</td>
<td>9%</td>
<td>22%</td>
</tr>
</tbody>
</table>

( Figures extracted from Whiteford and van Seventer, 1999).  

As the table above indicates, the de-racialisation of the economy that led to a 13 per cent rise in the per capita income of the rich 10 per cent blacks. Using census data on incomes Whiteford and Van Seventer (1999, 20) concluded that intra-race inequality had increased from 58 percent in 1991 to 67 per cent in 1996. The trend in early apartheid years was towards a narrowing of the inter-racial income divide. The salient income disparities amongst blacks were reflected in how in 1999 the total household income of the top 10 per cent of black earners had increased by 35 per cent while that of the poorest 40 per cent of black household’s income suffered a 21 per cent fall (Whiteford and van Seventer 1999, 22). The richest 10 per cent of the black community were co-opted into the ranks of the wealthiest 10 per cent of white elites who had hitherto dominated the economy (Whiteford and van Seventer 1999, 17). The emergence of the corporate black bourgeois due to the de-racialisation of the economy led to increased social inequalities within the black community and the reconfiguration of race and class divides. Indeed, Seekings and Nattrass (2002, 5) confirmed that high levels of inequality in post-1994 South Africa were increasingly based on
intra-racial than inter-racial income disparities. The 2014 World Bank Report confirmed how in 2009 the highest 20 per cent of the population received 68 per cent of income, while the lowest 20 per cent had to contend with only 3 per cent of income (World Bank 2014, 2.9).

The increased levels of inequality were confirmed by the rise of the Gini coefficient for South Africa by five percentage points over five years from 0.65 in 1995 to 0.70 by 2000 (A Gini coefficient of 0 expresses perfect equality, while a Gini coefficient of one [100 on a percentile scale] represents maximal income inequality (UNDP Report 2003, 113). This Gini coefficient confirmed the view that the rich amongst the formerly oppressed black community had increased. This conclusion was corroborated by analysts, Tangri and Southall (2008, 701) who showed how “Black Economic Empowerment” mainly amounted to the transfer of shares, which were acquired by a handful of politically connected black individuals. Thus, there has been, indeed, a rapid rise of the black capitalist class on one hand and on the other hand, increasing class inequalities within the newly liberated from the oppressive apartheid system.

A chronic problem integral to the growing income disparities between the emergent “empowered” black corporate bourgeois class and the rest of other black classes, was the high rates of unemployment that dogged post-apartheid South Africa. Unemployment was one of the major causes of the widening income inequalities in South Africa. According to the 2013 fourth quarter report of the Household Survey conducted by Statistics South Africa, the rate of unemployment in the black racial group, based on the expanded definition that includes so-called discouraged workers stood at 43.3 per cent which translated to 24.1 per cent in terms of the narrow definition of unemployment that excluded the so-called discouraged workers’ (Statistics South Africa, 2013, vi).12 The high unemployment rate amongst black people in both the urban and rural areas of South Africa is in itself indicative of the failure of the policy of “Black Economic Empowerment” to “empower” the majority of black people. This was compounded by the fact during the years 1998 to 2003 workers (labour) share of the national income fell from 55 per cent to 48 per cent (World Bank 2006, 10). By 2005, a quarter of all households, and a third of those in the poorest 40 per cent of

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12 Statistics South Africa’s expanded definition of unemployment measures anybody without a job seeking to take up the job offered during this period, notwithstanding, whether they looked for it or not (Statistics South Africa. PO211. Quarterly Labour Force Survey, Fourth Quarter. 2013. www.statssa.gov.za).
households relied on government social grants as their main source of income (South Africa 2004, 26).

Other studies showed that overall income inequality amongst blacks rose from 1994 to 2004 (Seekings 2007, 11). Furthermore Seekings (2007, 12) indicate how income inequality had shifted from race to class long before 1998. The declared equity ownership deals brokered under the policy “Black Economic Empowerment” from 1998 to 2008 were estimated at between R500 billion and R600 billion (South African Institute of Race Relations 2012). Undoubtedly, only a few corporate black bourgeoisie reaped the benefits of the government policy of “Black Economic Empowerment” that supported the promotion of its class interest. As aspiring “capitalists without capital”, the black corporate bourgeoisie were financed by the white dominated corporate sector in a process aptly captured in the conclusion that this was “the racial reshuffling of share ownership for the benefit, in general, of a small and politically well-connected elite” (South African Institute of Race Relations 2012). Mathews Phosa, the former treasurer-general of the ANC corroborated this view:

Black Economic Empowerment, although a work in progress, did not make any meaningful or substantial contribution towards addressing the twin ills of poverty and unemployment. What it did is [to] create an upper class of wealthy black investors who initially funded their wealth with debt through the acquisition of share holdings in successful white or international businesses (Phosa 2013, 3).

It was not surprising therefore, that black investors were criticised for having allowed themselves to be used as fronts by established white big businesses (Qunta 2000, 5). This view was substantiated by analyst Moeletsi Mbeki who traced the origin of the policy of “Black Economic Empowerment” as an initiative of the established white big corporations who were keen to gain allies from the new political class (Mbeki 2010, 98). The then Minister of Finance Trevor Manuel, criticised “Black Economic Empowerment” companies for “not adding value” and for acting as mere “rentier” capitalists confined to shareholding in white companies that do the actual work (Manuel 1998, 3). The black comprador corporate bourgeoisie tended to rely purely on the performance of “Black Chips” on the Johannesburg Stock Exchange. The ANC itself, for example had expressed misgivings about a scenario in which the black bourgeois class grew as a result of a “process carried out by domestic white capital, resulting in the formation of a “rented bourgeoisie” (ANC 2000b, 10). Fanon’s notion...
of the class role of the post-colonial bourgeoisie as an “intermediary” illuminates how the black corporate bourgeoisie fronted for white businesses. This prompted calls within the ANC alliance for the revision of the policy of “Black Economic Empowerment” to be broader.

(iii) The New Language of “Broad-Based Black Economic Empowerment”

Despite changes introduced by government to have a policy that is broadly “empowering” to black people, this section argues that such a policy was conducive to providing the “ideological camouflage” to rationalise state support for the development of the miniscule black capitalist class. The policy of “Broad-Based Black Economic Empowerment” was adopted due to the failure of its earlier version to benefit the majority of the formerly economically marginalised black people. For example, in the late 1990s, the policy of “Black Economic Empowerment” was criticised for enriching a “small black elite with political connections with the ANC” (ANC 2006b, 3). Ironically, while the ANC supported the development of the black capitalists, it still evoked the revolutionary rhetoric against the “greedy” black capitalists to soften the impact of its policy of “Black Economic Empowerment”. For example, the ANC’s 1997 “Strategy and Tactics” document, whose drafting was supervised by the then Deputy President, Thabo Mbeki, voiced its abhorrence for the opulent lifestyle of the rising black bourgeoisie. It deplored the “greed”, “crass materialism” and “conspicuous consumption” of the emergent black bourgeoisie that go beyond “the necessary spirit of entrepreneurship, ambition, daring competition and material reward” inherent in a market-based system (ANC 1997, 20). It also condemned what it described as the new ruling bloc in formation that included both major fractions of the old white bourgeoisie and the new capitalist fractions (ANC 1997, 6). Paradoxically, the ANC expressed skepticism about the capitalist solution to racial oppression,
The symbiotic link between capital and national oppression in our country, and the stupendous concentration of wealth in the hands of the few monopolies therefore render trite the vainglorious declaration that national oppression and its social consequence can be resolved by formal democracy underpinned by market forces to which all should knell in the prayer: “everyone for himself and the Devil takes the hindmost”. While democracy may represent opportunities for some blacks and women to advance, without systematic national effort, to unravel the skewed distribution of wealth and income, the social reality of apartheid will remain (ANC 1997, 10).

In voicing its disdain for market forces in the above quotation, the ANC expressed reservations about the emergence of a corrupt black bourgeoisie with a “fatal impact on the building of a democracy representative of the people as whole” (ANC 2000b, 10). It also condemned what it saw as predatory crony capitalism (ANC 1997, 15). In response to criticism of black bourgeois enrichment, the ANC advanced the notion of a “patriotic” and “productive” bourgeoisie as one of the motive forces of the “National Democratic Revolution” and assumed to be pursuing the common interest of other classes (ANC 1994, 6). The view of the black bourgeoisie as a “patriotic” class engaged in social universal “empowerment”, however, is confirmed by the ANC’s admission that this class gained materially from the success of the “de-linked” “National Democratic Revolution” stage (Shilowa 1999, 3; ANC 2000b, 1). It is hard to see how the envisaged broad-based empowerment would work differently from that which spawned the emergent black bourgeoisie.

What is significant is that the ANC had embraced the black bourgeoisie and promoted its class interests as necessary for the resolution of the national (racial) question. During his tenure, President Mbeki had emphasised the historic role of the black bourgeoisie in the “process of the de-racialisation of the ownership of productive property in our country” (Mbeki 2000, 5). The ANC, still held, however, that this “does not in itself eradicate the contradictory interests among the motive forces of the “National Democratic Revolution” (Netshitenzhe 2007, 4). Amidst the swift accumulation of capital by the black corporate bourgeois class, its alliance and solidarity with the black workers and the poor was ruled to have survived its social elevation in the post-1994 era (ANC 2000b, 7). The “patriotic” black corporate bourgeois and the black poor were assumed to have shared racial interest in ventures that contribute to economic development as part of the “National Democratic Revolution (Jordan 1998a, 1).
The ANC’s ally, the South African Communist Party insisted that “Black Economic Empowerment” must be about the needs of the overwhelming majority of “black workers and the poor” (Nzimande 2004, 2). Thus, the November, 1997 Black Management Forum’s National Conference in Stellenbosch passed a resolution calling for the establishment of the Black Economic Empowerment Commission to review the policy of “Black Economic Empowerment” (Southall 2006a, 3). In May 1998, the government appointed the Black Economic Empowerment Commission, led by the ANC member of the National Executive Committee, Cyril Ramaphosa, to evaluate the progress of “economic empowerment” (RSA 1998c, 3). The Commission was mandated to formulate a broader and accelerated National Black Economic Empowerment Strategy for the benefit of black business (Southall 2006a, 3).

Addressing the annual conference of the Black Management Forum in 1999, the former President Thabo Mbeki was emphatic about his government’s support for the development of the black bourgeoisie, which he saw as essential for the de-racialisation of the inherited racial structure of ownership of productive property in South Africa thus:

The struggle against racism in our country must include the objective of creating a black bourgeoisie. I would like to urge, very strongly, that we abandon our embarrassment about the possibility of the emergence of successful and therefore prosperous black owners of the productive property… The government must come to the aid of those among black people who might require such aid in order to become entrepreneurs (Mbeki 1999, 4).

In the above statement, Mbeki criticised the argument that wealth and income disparities among the black people in the post-apartheid era were as wide as those between black and white during the apartheid era (Mbeki 1999, 4). He scorned the view that the “issue of disparity in wealth is purely a class question, as it would be in a country such as Germany, and not an element of the national question as well” (Mbeki 1999, 4). While the ANC’s July 2000 General Council in Port Elizabeth supported the development of the black capitalist class, it rhetorically expressed its revulsion for the comprador black bourgeois who would be exploited by those seeking to enrich themselves or to be used as a “front” to further the interests of the dominant white capitalists (ANC 2000b, 26). Ironically, the government restated its objective of creating and strengthening a black capitalist class as President Mbeki
repeated his 1992 view that the redistribution of wealth and property was not only a class issue, but also a racial question due to the legacy of the apartheid system (Mbeki 2001, 2).

Having investigated, the efficacy of the policy of “Black Economic Empowerment”, the Black Economic Empowerment Commission submitted its report on the “Integrated National Black Economic Empowerment” to then President Mbeki on 11 April, 2001. As Cyril Ramaphosa, Chair of the Commission indicated in his report, that “markets tend to reinforce an existing distribution of incomes and assets” (RSA 2001b, 10). The Commission’s report argued that “economic empowerment must therefore be conceived as an alternative development strategy to fundamentally transform the structure of economic power in South Africa (my emphasis) to enable blacks as individuals, as households and as a community, to participate meaningfully and as equal participants in the economy (RSA 2001b, 8). The Commission recommended the adoption of state-driven reforms with specific guidelines, regulations and obligations for both state and private sectors. It repackaged the idea of broad-based “Black Economic Empowerment” into eight main criteria to include not only ownership but also management representation, employment equity, skills development and corporate social investments (RSA 2001b, 12).

The Black Economic Empowerment Commission report defined “Broad-Based Black Economic Empowerment” as an “integrated and coherent socio-economic process” (RSA 2001b, 2). The report located “Broad-based Black Economic Empowerment” within the context of the RDP. It aimed to redress “the imbalances of the past by seeking to substantially and equitably transfer and confer the ownership, management and control of South Africa’s financial and economic resources to the majority of the citizens” (RSA 2001b, 2). The report sought “to ensure broader and meaningful participation in the economy by black people to achieve sustainable development” that “decreases income inequalities” (RSA 2001b, 12). In calling for the transformation of economic power, the Commission assumed that this would lead to “empowerment” of all blacks, who were historically marginalised. The Black Economic Empowerment Commission concluded that “economic empowerment” can be achieved through deliberate state intervention “to fundamentally correct and address the consequences of institutionalised discrimination against black people” (RSA 20001b, 1). The report viewed “Broad-Based Black Economic Empowerment” as an integrated socioeconomic process of national transformation to redress inherited racial inequalities.
A Black Economic Empowerment Commission and an “Investment for Growth Accord” to be concluded between business, organised labour and the government were recommended. Government was advised to invest 10 percent of its employee’s pension funds for economic development, and to speed up the privatisation of state companies to attract higher levels of foreign direct investment. The private sector was required to adopt targets to increase black participation in the economy. A national Procurement Agency was to establish an accreditation unit to rate companies tendering for government contracts to ensure that 50 per cent of public-sector procurement and 30 per cent of private sector procurement went to black companies (RSA 2001b, 15). The “National Empowerment Fund” targeted achieving black ownership of 25 per cent of the shares of the companies listed on the Johannesburg Stock Exchange, with a ten year benchmark of 40 per cent of black executive and non-executive directors (RSA 2001b, 12). In the 2002/2003 financial year, the government allocated a total R2.2 billion for the financing of “Black Economic Empowerment” enterprises (RSA 2002). In the same period, Khula, the government finance institution spent R1.3 billion to support black economic empowerment enterprises (RSA 2003, 9).

The ANC’s December, 2002 51st National Conference endorsed the recommendations of the 2001 Black Economic Empowerment Commission Report (ANC 2002, 8). President Mbeki committed government to drawing up a “Transformation Charter” that prescribed “Black Economic Empowerment” benchmarks, time frames and procedures to eliminate uncertainty amongst investors (ANC 2002, 25). In 2002, a “Transformation Charter” was adopted by the Department of Mines and Energy which required all mines to be 15 per cent black owned in five years and 26 percent in ten years, and with the industry agreeing to raise R100 billion to fund the transfer (RSA 2002, 3). The Mining Charter stipulated that companies should aspire to achieve 40 per cent blacks in management within five years (RSA 2003, 5). In his 2003 state of the nation address, President Mbeki was rhetorically decried the continued exclusion of the black population from mainstream business activities, he was being manipulative.

To implement recommendations of the 2001 Black Economic Empowerment Commission Report, the South African parliament passed the “Broad-Based Black Economic Empowerment” Act (RSA, 2003). The Act used “black people” as a generic term to refer to
It was hoped that the implementation of these strategies would facilitate broader black economic “empowerment”. The objectives of the Act, No.53 of 2003, sought to facilitate “Broad-based Black Economic Empowerment” to realise the following aims:

(a) promoting economic transformation in order to enable meaningful participation of black people in the economy;

(b) achieving a substantial change in the racial composition of ownership and management structures and in the skilled occupations of existing and new enterprises;

(c) increasing the extent to which communities, workers, cooperatives and other collective enterprises own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training;

(d) increasing the extent to which black women own and manage existing and new enterprises, and increasing their access to economic activities, infrastructure and skills training;

(e) promoting investment programmes that lead to broad-based and meaningful participation in the economy by black people in order to achieve sustainable development and general prosperity;
(f) empowering rural and local communities by enabling access to economic activities, land infrastructure, ownership and skills; and

(g) promoting access to finance for black economic empowerment. (RSA 2003, 5-6).

The monitoring of the realisation of the above aims was to be carried out by “The Black Economic Empowerment Council”, which the Act established with the sole purpose of advising government on the implementation of “Black Economic Empowerment” and to review progress achieved (RSA 2003, 7).

A special so-called “Broad Based Black Economic Empowerment Unit” was established within the Department of Trade and Industry with the brief to,

Work towards ensuring, through equity and empowerment policies and strategic interventions, that the South African economy is restructured, to enable the meaningful participation of black people, women, and rural or under-developed communities in the mainstream of the economy, in a manner that has positive impact on employment, income distribution, structural adjustment and economic growth (RSA 2007a, 20).

What the notion of “structural adjustment” mentioned in the above government statement meant was not clarified. However, the 2007 Government Notice by the Department of Trade Industry entitled Broad-Based Black Economic Empowerment Act 53 of 2003: Codes of Good Practice on Black Economic Empowerment which were to be adopted by all state owned companies and private enterprises that sought to undertake business (directly or indirectly) with the state were introduced (RSA 2007a, 20). A generic scorecard was formulated to measure every business’s compliance with “broad-based empowerment”. The “Broad-Based “Black Economic Empowerment” Codes of good practice were measured in the scorecard that included three core components: direct empowerment (relating to ownership and management); human resource empowerment (relating to employment and equity, skills enhancement; indirect empowerment (relating to procurement and enterprise development) (RSA 2003, 10). Any business that intended to supply goods or services to state-owned enterprises or national, provincial and local governments had to show that it had broad-based “Black Economic Empowerment” credentials. In 2003 the National Budget allocated R10 billion to effect the “economic empowerment” of the black bourgeoisie (RSA 2003, 15).
Contrary to the ideal of equal “economic empowerment” for all black people, the concept of “Black Economic Empowerment” continued to be a “rhetorical tool” to disguise the class interests of the rising black corporate bourgeois in the post-apartheid period. In 2005, the Department of Trade and Industry reported that 1,364 “Black Economic Empowerment” deals worth R285 billion were concluded between 1995 and 2005 (RSA 2007). The black capitalists were a tiny corporate class, the core of whom owned about 21 per cent of stock listed on the Johannesburg Stock Exchange by the end of 2012 (Mail and Guardian, 2012, 2). By 2013, the total value of recorded “Black Economic Empowerment” transactions listed on the Stock Exchange since 1995 was over R600 billion (Zuma 2013, 1). Indeed, a “Narrow-Based Black Economic Empowerment” (N-BBEE) became more dominant as this figure shows. The risen black corporate bourgeoisie consisted mostly of former ANC alliance leaders who were “redeployed” to the corporate sector. Indeed, none other than the then President of the ANC, Thabo Mbeki showed how the multi-class character of the ANC had become more complex:

Whereas in the past there were no captains of industry in the leading organs of the ANC, today there are National Executive Committee members who head some of the largest conglomerates trading on the Johannesburg Securities Exchange. These corporations, moreover, employ thousands of other ANC members as well as supporters (Mbeki, 2005).

Mbeki’s observation was confirmed by a 2007 study which found that 56 ANC politicians were on the boards of directors of the firms listed on the Johannesburg Stock Exchange (Acemoglu, Gelb, Robinson 2007, 16). The minuteness of the black corporate bourgeois class led to calls for the “dilution of company ownership in an effort to broaden “Black Economic Empowerment” (ANC 2006b, 1). The ANC bemoaned “a tendency to form broad-based employee share schemes that ignored employee investment companies to perpetuate white control at operational and board levels” (ANC 2006b, 1).

The inherent ideological ambiguities of the “de-linked” “National Democratic Revolution” were expedient for the ANC discourse in rationalising the de-racialisation of the post-apartheid capitalist order that benefitted the black bourgeoisie. Such alternate usage was foreseen by Bundy who argued that the theory of “Colonialism of special type”, had “glossed over actual and potential class antagonisms within the liberation movement, between those
who wished to free private property from racial restrictions and those who fought against the power of private property” (Bundy n.d., 5). The conclusion that can be drawn is that the theory “Colonialism of special type” was imperceptible to big business’s role in co-opting the black corporate bourgeoisie. The pro-capitalist black nationalists used the theory of “delinked” stage of the “National Democratic Revolution” to legitimise the development of black capitalism in the post-1994 period. As analyst Southhall observed, this discourse thus,

1) Justifies the existence, expansion, wealth and function of a black bourgeoisie.

2) Endorses the need for close co-operation with capitalists of the old order, whose objective (for instance in political stability) may eventually lead to their incorporation into the patriotic bourgeoisie (Southhall 2004, 315).

As Southhall demonstrated above, the ANC’s theory of a “de-linked” “National Democratic Revolution” stage was instrumental in the de-racialisation of the inherited capitalist economy (Southhall 2004, 316). Despite the enduring alliance between the ANC and the Communist Party, and the inherited “revolutionary” language pervasive in its discourse, the ANC leadership has never shows signs of a real shift to the left to fully embrace socialism (Ranuga 1996, 56). The ANC in its true character and practice, has always been a bourgeois rather than a socialist organisation.

As opposed to the “revolutionary” language of workers as leaders of the “National Democratic Revolution”, the ANC now openly embraced the black bourgeoisie as the “vanguard of black integration into the economic mainstream” (Iheduru 2004, 2). It was not, however, the integration of the “black people as a whole” but the black “capitalists without capital” who were the main beneficiaries of the policy of “Black Economic Empowerment”. The ANC assumed that the de-racialisation of the previously white dominated capitalist economy would impact on the growth of capital, and that in turn, would lead to the multiplication of forces loyal to the “National Democratic Revolution” in the context of what is said to be the “general developmental role of capital” (ANC 2000b, 7). The ANC governments’ was determined to build a new “patriotic” black capitalist class “as a catalyst for social change, and an engine of economic growth” (ANC 2005b, 2). It perceived “the interests of the emergent black bourgeoisie and the middle class” would “coincide with at least the immediate interests of the majority” of workers and the poor” (ANC 2005c, 2). The
ANC rhetorically appealed to the working-class and the poor as “the primary motive force” of the “National Democratic Revolution”, an assumption which had served to disguise the budding black bourgeoisie during its governance (ANC 2005b, 6). While the ANC’s policy of “Black Economic Empowerment” professed “equality”, in reality it had only “empowered” a second generation of a small number black corporate bourgeoisie.

The main ideological ambiguity of the policy of “Black Economic Empowerment” was raised by Thabo Mbeki’s observation when delivering the 4th Annual Nelson Mandela Lecture by saying, “there can be co-existence of the values of the capitalist market—almost always driven by individual profit maximisation and greed—and the values of human solidarity” that bind South Africans (Mbeki 2006, 3). On the one hand, the ANC conceded that the policy of “Black Economic Empowerment” would “not be able to achieve mass black wealth. In all likelihood, if successful it will create a handful—relative to the vast majority who are unlikely to gain huge benefits” (Mbeki 2006, 3). On the other hand the ANC justified the tiny emergent black corporate bourgeoisie thus: “Our economy does need those individuals. We should collectively reject attempts to demonise black success, especially when it is our struggle heroes who are perpetual targets of vicious attacks by those who want us to believe that it is okay to have white billionaires but not morally right to have black billionaires” (Mbeki 2006, 3). This explains why the policy of “Black Economic Empowerment”, which on the surface articulated the ideal of “empowerment” for all, has since its adoption largely been synonymous with the mega deals empowering only a few black corporate bourgeoisie with close links to the upper echelons of the ANC government.

While the ANC government supported the rise of black capitalism, it still voiced its reservations about a potential corrupt black bourgeoisie with a “fatal impact on the building of a democracy representative of the people as whole” (ANC 2000a, 10). It also expressed its aversion to what it viewed as predatory crony capitalism. In seeking to revise its stance, the ANC opted to pursue policies that aimed to maximise the number of South African black communities who can “share in the economy and, while improving their own material conditions, gain capacity to help determine the direction, pace and depth of our economic transformation” (ANC 2000a, 27). In contrast to the ANC supported growth of a “patriotic” black bourgeoisie class, a strategy designed to diffuse potential rebellion, existing evidence attests to deepening black mass poverty (Iheduru 2004, 19). In adopting this strategy, it was
hoped that a black bourgeoisie would be a buffer against the rising black social discontent due to the unmet promises of liberation of the majority of the formerly oppressed.

This perspective was contradicted by the Communist Party’s interpretation of “Black Economic Empowerment” policy premised on the RDP’s Keynesian goals. For the Communist Party, Black Economic Empowerment” entailed “the provision of basic economic empowerment to millions of black South Africans through the access to jobs and the provision of affordable and reliable electricity, housing, transport, telecommunications etc” (SACP 2002b, 8). The Communist Party criticised the restructuring of state assets (privatisation of state utilities), however, which “presents opportunities to advance “Black Economic Empowerment” in the narrower sense of the term, viz., through the opening of business opportunities to emerging black entrepreneurs” (SACP 2002b, 19). Criticism of the policy “Black Economic Empowerment” was reiterated by the general secretary of the Communist Party Blade Nzimande: “…has largely benefited a small, and highly dependent and parasitic black section of the capitalist class, without any fundamental change in the ownership of wealth in our country, nor any significant changes in the character of South Africa's workplace” (Nzimande 2009, 4). These social disparities were not ameliorated by the implementation of the policy of “Black Economic Empowerment”, which only served to accentuate them.

The ANC government policy aided the expansion of an African middle class, as well as the development of a “patriotic” black, capital-owning bourgeoisie which were seen as necessary and important planks in its “Black Economic Empowerment” policy (Southall 2004, 16). Indeed, the theories of “Colonialism of a special type” and “National Democratic Revolution” were used by some in the ANC to “justify the current Neo-liberal incorporation of the emerging black bourgeoisie into the structure of capital accumulation” (Masondo 2007, 67). In terms of this approach, the ANC government viewed “Black Economic Empowerment” as a nationalist project of re-distribution of productive resources to benefit blacks in general, and African individuals specifically, from the legacy of historical disadvantage by the apartheid system (Southall 2006c, 5). Its support for the black capitalist class provides legitimacy to “…the instalment of a ‘rainbow’ Neo-liberal economic and political system” and survival of the dominant white capitalist class (Southall 2006c, 5).
The ANC view on “Black Economic Empowerment” differed from that of its left partners. The ANC perceived black economic “empowerment” as an economic transformation process to increase the numbers of black people in management, control and ownership of sectors of the economy to decrease racial inequalities (ANC 1998a, 8). This class project for creation of the black bourgeoisie was equated with what Cyril Ramaphosa, a former leader of the National Union of Mineworkers and a member of the ANC National Executive Committee, described as the “mammoth task of delivering the majority of the historically disadvantaged South Africans from impoverishment to a position of economic power” (Ramaphosa 1998, 2). While Ramaphosa’s interpretation of “Black Economic Empowerment” used the collective reference to “the majority of the historically disadvantaged”, it was a rhetorical categorisation which was in keeping with the ANC nationalist perspective that served to elevate the corporate black bourgeois.

The “left” refused to accommodate the black bourgeoisie that the ANC had embraced as one of the motive forces of the “National Democratic Revolution”. For the “left” “Black Economic Empowerment” was a genuine objective. COSATU, for example, criticised the role of the black bourgeoisie as “contrary to all previous analyses of our struggle, which identified the dominant force driving social change as the working class” (COSATU 1997b, 2). The trade union movement held that just because the black bourgeoisie stood to benefit from economic de-racialisation, it did not mean that they could consistently pursue the “National Democratic Revolution” that the working-class strove for (COSATU 1997b, 3). As the Communist Party’s General Secretary Blake Nzimande asserted, the revolution “has always been about the fundamental transformation of our economic realities as a basis upon which we can truly secure the political power of a radical “National Democratic Revolution” (Nzimande 2006b, 7). The “left” asserted that the working-class were leaders of the revolution.

The South African Communist Party attacked the dominant ANC discourse. It criticised the Mbeki-led ANC government for being dominated in its policy assumptions by “the narrow self-interest of an emerging black capitalist stratum with close connections to established capital and to our movement” (SACP 2006a, 13). The compradorial link of the black bourgeoisie to the dominant capitalists interests was perceived as not acting in order “to advance the “National Democratic Revolution” but for personal self-accumulation purposes”
The Communist Party offered a different perspective on the black bourgeoisie. It for example, called for a broad national democratic bloc that included the emergent black “patriotic” bourgeoisie under the hegemonic leadership of the workers and the poor (SACP 1998, 8). It supported “Black Economic Empowerment” as an “essential component of the national democratic transformation” (Nzimande 2002, 2). In its assessment “black economic empowerment” was “limited to black business”. It thus advocated “significant and meaningful empowerment of the overwhelming majority of black people, particularly the poor and working people” (Nzimande 2000, 2).

Nzimande exhorted the Communist Party and the unions to mobilise workers to “prioritise the eradication of poverty over self-enrichment”. The Communist Party hoped to shift the policy of “Black Economic Empowerment” “away from focusing only on creating black middle class to the empowerment of the poor” (Nzimande 2000, 3). How this would this be achieved in capitalist society was not elaborated except the continued reliance by the “left” on invoking the Keynesian provisions of the RDP.

The South African Communist Party criticised the “parasitic” and “compradorist” nature of the black bourgeoisie as the products of “the post-1996 class project” (Nzimande 2000, 4). The Communist Party reasoned that the emergent black capitalist class, mostly associated with the state and the ANC, was not involved in the expansion of the forces of production to create jobs due to its class origins and character. The Communist Party concluded thus:

Despite some black economic empowerment and advancement, this has largely benefited a small, and highly dependent and parasitic black section of the capitalist class, without any fundamental change in the ownership of wealth in our country, nor any significant changes in the character of South Africa’s workplace (Nzimande 2007b, 8).

The Communist Party leader characterised the black bourgeoisie as a “parasitic” “compradorist” class which did not emerge as a natural outcome of the development of the capitalist system but owed its existence to the patronage of the established order compromising the ANC controlled state and the dominant white capitalists (Nzimande 2006a, 2). Fanon’s 1960s criticism of “the psychology of the national bourgeois is that of the businessman, not the captain of industry” shows how the “comprador” bourgeoisie was not peculiar to South Africa (Fanon 1967, 120). Indeed, as the Communist Party observed, it was
the ANC government policy of “Black Economic Empowerment”, which aided and abetted the emergence of the “comprador” black corporate bourgeois class (SACP 2006b, 25). Using this explanation, the Communist Party adjudged the “comprador” black bourgeoisie as “not a typical “national/patriotic bourgeoisie” (Nzimande 2006a, 3).

The Communist Party leader conceded that despite “many important and welcome advances” made by the “National Democratic Revolution”, the fundamental problem was that the alliance had not succeeded in changing what it characterised as the “colonial character of the economy” (Nzimande 2007, 8). The Communist Party described this version of the “National Democratic Revolution” as one “with some working class buttressed political power, but without economic power (Nzimande 2000, 12). The Communist Party leader explained how “as much as the national liberation movement had ascended to political power, economic power still remained in the hands of the same old white (monopoly) capitalist class as under apartheid” (Nzimande 2000, 15). The Communist Party categorised South Africa as a “highly uneven, developed/undeveloped capitalist formation” (Nzimande 2007, 9). This dual nature of the South African capitalist system was characterised as having the features of a “developed (extremely polarised) infrastructure, high levels of capital formation, and an increasingly dominant finance sector” and an undeveloped extremely impoverished dominated sector of society (Nzimande 2007b, 11).

The Communist Party also espoused an ambiguous socialist rhetoric on the policy of “Black Economic Empowerment”. It interpreted the policy of as entailing a “significant economic empowerment of the overwhelming majority of black people, particularly the poor and working people” (Nzimande 2000, 2). Radical models of “Black Economic Empowerment” promoted by the Communist Party included community initiatives, such as the mobilisation of the “existing black resources through social activities, and “stokvels” (township rotating savings and credit associations) and pension funds, for investment in existing and new assets” (Piron and Curran 2005). It perceived the challenge facing the “left” as being to influence the policy of “Black Economic Empowerment” “away from focusing only on creating a black middle class to the empowerment of the black working class” (Nzimande 2000, 2). Nzimande also called for a politically conscious organised working class to drive a socialist oriented “National Democratic Revolution” (Nzimande 2009, 5). Mindful of the contradictions between the black working class, petty bourgeoisie and the comprador
bourgeoisie, the Communist Party concluded the “fact that there is a social differentiation (within) these black masses which at times will lead to various strata and classes to express different aspirations and to pursue separate objectives” (Nzimande 1995, 10).

COSATU submitted its own version of the policy of “Black Economic Empowerment” at the ANC alliance 2001 Policy Conference, which it described as part of the programme of “National Democratic Revolution” thus:

We therefore do not see “Black Economic Empowerment” narrowly as the enrichment of a few black individuals. Rather, we see it as empowerment of the black majority in the context of dealing with the legacy of apartheid and the “National Democratic Revolution”. We accept that the process of dealing with discrimination may ultimately lead to the development of a new black bourgeoisie. Our approach however, is that for “Black Economic Empowerment” to make sense for the majority of our people, the emphasis must be on blacks as a whole (ANC 2001, 11).

COSATU attempt to devise a version of a broader “Black Economic Empowerment”, which in the above quotation was inclusive of “blacks as a whole” ignored the realignment of the class structure resulting from the de-racialisation of the economy.

The disagreements on the policy of “Black Economic Empowerment” within the ANC alliance are symptomatic of the contradicting models of the “two-stage theory”, previously discussed in this thesis on how to resolve race and class oppression. The rise of the black bourgeoisie eroded the symbiosis that existed between race and class oppression, which was the basis of the ANC’s liberation strategy of the convergence of the class interests of blacks during the anti-apartheid liberation struggle. In the post-apartheid period, the nationalist political elite in the ANC used the “de-linked” stage of the “National Democratic Revolution” theory to justify the policy of “Black Economic Empowerment”.

7-5 Summary

This chapter sought to characterise the tensions that erupted between the ANC and its two “left” allies, the Communist Party and COSATU, which largely centred on the content of government policies, should be understood as having deep ideological roots. The ideological fault-lines inherent in policy-making were ascribed to the on-going intra-alliance
disagreement about the aims of the “National Democratic Revolution” and its economic policies. Post-apartheid policy disagreements between the ANC and its “left” allies ensued over the Reconstruction and Development Programme, the Growth and Employment and Redistribution macro-economic policy, and the “Black Economic Empowerment”.

Following, his arraignment for corruption, then Deputy-President Jacob Zuma, suspended from office by former President Mbeki, was courted by the South African Communist Party and COSATU. The investigation demonstrated how the ideological fault-line within the ANC alliance emerged from policy disagreements between the former ANC President Thabo Mbeki who symbolised the predominance of aspirant African nationalist elites, who wanted a bigger share of white corporate business ownership, and the “left” which consisted of COSATU and the South African Communist Party agitating for a socialist revolution through the implementation of a “Keynesian-reformist” policy. The “left” adopted Zuma as ANC leader and future state president, banking on the hope that he could be malleable to revising, if not discarding, the much maligned ANC government’s GEAR Neo-liberal programme, and would change its corollary policy of “Black Economic Empowerment”, that they deemed favourable to black corporate bourgeoisie interests. This was one of the main reasons why COSATU and SACP had supported Zuma from 2005 to 2007 ANC leadership struggle as they hoped to reverse the government’s neo-liberal macro-economic policy. Put simply, the disgruntled “left” adopted Zuma according to an old Chinese dictum of “my enemy’s enemy is my friend”. In turn, Zuma also courted COSATU/Communist Party support for his ascendancy to the presidency.

The chapter also examines the policy of “Black Economic Empowerment” originally conceived by the as part of the wider objective of the struggle for economic liberation, meant to benefit all black classes equally, but has in fact been more beneficial to the black corporate bourgeoisie. This made problematic the ANC alliance’s ideological rhetoric about the necessity of the convergence of the class interests of black workers and the bourgeois in the post-apartheid period. Empirical evidence cited attests to a growing class divide between the black capitalists and all other black classes in post-apartheid South Africa. The assumed historical role of the working class to bring about the second stage of the socialist revolution has been rendered improbable by the articulation of domestic and global forces. Instead, the policy of “Black Economic Empowerment” equipped the ANC government with the
“liberation” language rhetorically inclusive of all black classes when in reality only the black corporate bourgeoisie stood to benefit.
CHAPTER 8

CONCLUSION

8-1 Introduction

The central focus of this investigation is on why did the ANC alliance, a united political movement that led a successful struggle for national liberation of blacks from the apartheid system, to assuming control government in South Africa, fractured ideologically. To answer this question, the study identifies ideological tensions that erupted in 1996 as one the causes of the ANC alliance split that culminated with the removal of President Thabo Mbeki from office and the election of Jacob Zuma as ANC President. Following President Mbeki’s forced resignation, a small nationalist moderate pro-Mbeki ANC faction, unhappy with his dismissal by the Zuma led National Executive Committee, broke away from the movement (Southall 2009, 3). On 2 November, 2008, the ANC dissidents had established a new organisation: the Congress of the People (COPE). The leaders of COPE were Mosiuoa Lekota, a former ANC national chairman and defence minister and the former Premier of the Gauteng province, Mbhazima Shilowa (COPE 2008, 2). The COPE campaigned for “an inclusive non-racial democratic modern nation with high moral values” (COPE 2008, 2). Rumours that the Finance Minister Trevor Manuel had intended to resign ruffled the Johannesburg Stock Exchange as the values of stocks and equities tumbled. The South African currency, the Rand, suffered the biggest fall against the US dollar in four years (Talbot 2008, 2). In resuming his ministry, Manuel attempted to calm the market by confirming that he had been assured by the then acting President Kgalema Motlanthe that the ANC government would retain its economic policies (Talbot 2008, 2). However, as the introduction of this thesis indicates the intra-ANC alliance ideological tensions continued to simmer in the post-Mbeki period.

The thesis described how ideologies potentially have unifying functions when ambiguous ideals bring groups with different perspectives together. This is attested in how the ANC alliance’s “revolutionary” language was useful in unifying people from different ideological camps by cultivating a common liberation mindest against the apartheid system.
Furthermore, the thesis demonstrates how ideologies can also be divisive as competing
tendencies within the ANC alliance use its eclectic “revolutionary” language. The language is
utilised as the manipulative clothing for class self-interest, and is perceived as doing so by the
opposing group, who also the use same ideology to articulate their own mindset. The thesis
adopts the framework of the alternative understandings of ideology to highlight its alternative
functions. The ANC alliance “revolutionary” language examined was gleaned from the
investigation of various both archival and current alliance and government documents.

Using the approach of the alternative functions of ideology as the analytical framework, the
study shows that although there is a well-documented literature on the shifts in the
ideological perspectives of ANC government’s post-apartheid policies, there is, however, a
gap on how its “revolutionary” language features prominently in post-apartheid intra-alliance
tensions. The study demonstrates how the two groupings within the ANC can be understood
in terms of the two different functions of ideology. Significantly, this research attempts to fill
the lacuna in existing studies on how the inherited ANC alliance’s “revolutionary” language
was used to legitimise government adoption of the “Keynesian-reformist” policies. More
importantly, the thesis highlights how the “Keynesian-reformist” policies were then utilised
by the ANC governments to rationalise the GEAR Neo-liberal macro-economic policy and
more significantly to mask the growing black income disparities resulting from its pro-black
bourgeois policy of “Black Economic Empowerment”. Thus, this study excavates the root
causes of the ideological disagreements that had generated the factional tensions that led to
the above discussed 2008 split within the ANC alliance. While, the new president Zuma
invoked its “revolutionary” language to unify the alliance, the “left” within the alliance
“rhetorically” articulated a contradictory ideological position to government policies.

8-2 The Development and Utility of the ANC Alliance’s “Revolutionary” Language

The thesis explores the historical development of the “two stage theory” and shows how the
ANC alliance had adopted a revised “de-linked” stages model to prioritise the struggle for
black liberation over the socialist revolution. This inquiry reviews the “two-stage theory” of
revolution from its development as a Marxist-Leninist-Trotskyite theory of “permanence”, an
“uninterrupted revolution” of two linked stages to its revision into two “de-linked” stages of revolution. What this investigation exposes is that the black nationalist version of the “delinked” “National Democratic Revolution” had prioritised race liberation as a distinct stage over that of class struggle of the working class when in terms of the original Marxist-Leninist and Trotskyite “two-stage theory” model, the two stages were inseparable. It is demonstrated how the theory of revolution of “permanence” enunciated by Marx-Lenin-Trotsky did not view revolutionary struggle as segmented in stages in a struggle for the resolution of conditions of racial oppression and working-class emancipation from capitalism.

The thesis describes how the revised Stalinist inspired “de-linked” stages model of the “two-stage theory” separated the anti-colonial nationalist struggle from the working-class-led socialist revolution. The thesis contends, however, that although the notion of the distinct stages, expedient in bridging the ideological divide between socialists/communists and black nationalists over the “Native question”/national question, is also sufficiently ambiguous to convey two incompatible meanings. The study demonstrates how key ANC alliance policy documents explored contained ambiguities. The thesis argues that the theory of the “National Democratic Revolution” and its assumed programme, the Freedom Charter, which informed the ANC alliance’s “revolutionary” language, were inherently ambiguous and incoherent.

The thesis shows how these shaped the ANC alliance “revolutionary” language, which was expedient for the strategy of the “convergence of class interests”, to mobilise the oppressed black people in defeating the apartheid system. However, as the study indicates, the ANC alliance “revolutionary” language was inherently fraught with ambiguities and inconsistencies which, although useful for mass political mass mobilisation in pre-1994 period, were in the post-1994 period employed for a new purpose of camouflaging the post-1994 ANC government’s Neo-liberal policy and its “Black Economic Empowerment” policy. These ambiguities coumaflaged incoherencies, that is, to cover over the contradictory policy implications. The thesis shows how this created contradictions and policy disagreements which precipitated tensions between nationalists and the “left in the alliance”.

Crucially, indicative of the inherent ambiguities in the ANC alliance perspectives, the analysis of the ANC alliance documents and statements exposes four distinct models of the “two-stage theory”. For analytical purposes, the study argued that these four models can be
reduced to two identifiable versions in post-apartheid South Africa. The study broadly classifies them as the pro-capitalist trajectory (either in a mixed-economy version or nationalisation similar to state capitalism) and a socialist model (which called for the socialisation of the means of production”). Significantly, the pro-capitalist view and the pro-socialist model differ on which policies favour reductions of economic disparities and redistribution in favour workers and poor. Thus, as this thesis showed, the meaning of the term “nationalisation” derived from readings of the Freedom Charter’s “economic/property” clauses, is one of the most divisive issues within the post-1994 ANC alliance. It became a political football for pro-capitalist nationalists, socialists and populists within the alliance.

It is then shown how in the post-1994 period, the ANC nationalist leadership had invoked the theory of “Colonialism of a special type” to justify the strategic objective of nation-building using the nationalist-pro-capitalist theory of the “de-linked” National Democratic Revolution”. The resolution of the national question: combating racial oppression and material dispossession was prioritised by black nationalists. The study explains how on one hand, this separate-stages model provided the ANC nationalist leadership with an ideological rationalisation for what it still saw as the necessary “convergence of [black] class interests” in the post-1994 period, hence its support for the elevation of the black bourgeoisie to be one of the motive forces of the “National Democratic Revolution”. On the other hand, the thesis documents how some of the “left” in the ANC alliance still incoherently held to the view of the Marxist-Leninist theory of the socialist oriented “National Democratic Revolution” which implied an “uninterrupted” and immediate progression of the revolution to the second stage.

Crucially, the research reveals how the application of the notion of the “convergence of class interests” of the black people in the post-apartheid period has become questionable with the growing income disparities between the black corporate bourgeoisie and the rest of the other black classes. Such a strategy facilitated the ideological and class accommodation that was encapsulated in the 1994 negotiated political deal. The elite-brokered settlement can be characterised as the beginning of the process of “de-colonisation of a special type” that resulted from political liberation leading to the intensification of the process of deracialisation of the inherited capitalist system. Thus, the end of apartheid was the triumph of the black nationalist view of the “de-linked stage of “National Democratic Revolution”.
Fundamentally, what this investigation also reveals is that with the ANC nationalist controlling state power, the first stage of the national (race) liberation was not necessarily connected to the second stage of the socialist revolution. The ANC nationalist elite perceived the “National Democratic Revolution” as a separate distinct stage while communists articulated a socialist oriented “National Democratic Revolution” linked to the second socialist stage. Thus, the advent of the negotiated political settlement in early 1994 validated the elite notion of the “de-linked” stage of a pro-capitalist “National Democratic Revolution”. Importantly, this thesis reveals how the ambiguities in ANC alliance’s “revolutionary” language provided it with a justification for the ideological shifts in government policies. The thesis describes how the different interpretations of the theory of the “National Democratic Revolution” and its assumed ambiguous programme, the Freedom Charter, led to intra-ANC alliance divisions over the ideological content of government policies. Shifts in the government policies from the RDP’s “Keynesian-reformist” perspectives touted by the “left” as a possible route to the socialist revolution, to the steady drift towards the ANC governments’ adoption of the GEAR Neo-liberal macro-economic policy are highlighted. The study shows how such ideological changes in the content of ANC government policies were possible due to the inherent pliability of its “revolutionary” language that extended over the ideological framework of the government’s macro-economic policy. The investigation demonstrated how this began after the ANC alliance’s “revolutionary” language had morphed from its “radical streak” of the 1960s into the 1990s “Keynesian-reformism”.

The thesis characterises the GEAR Neo-liberal macro-economic policy as a form of a “homegrown” structural adjustment” whose adoption the ANC justified on the basis of the unfavourable balance of forces domestically and globally as a main factor. The hegemony of Neo-liberal macro-economic policy internationally which was in the 1980s buttressed by the Anglo-American governments and the International Financial Institutions is presented as of pivotal influence. The notion of the “de-linked” stage of the “National Democratic Revolution” provides a convenient ideological context for the rationalisation of the ANC government’s GEAR policy. As this thesis contended that the redistributive aims of the 1994 “Keynesian-reformist” oriented RDP were contradicted by the government’s own formulated Neo-liberal policy. The much vaunted “developmental state” became a tool to effect a Neoliberal capitalist policy trajectory. The contradictory ideological perspectives of ANC government policies created factional tensions within the post-1994 ANC alliance.
On one hand, the perspective of the “de-linked” stages enabled the ANC government to invoke the “Keynesian-reformist” policy discourse while implementing the GEAR Neoliberal macro-economic policy and the “Black Economic Empowerment” policy. On the other hand, the eclectic nature of the ANC’s “revolutionary” language divided nationalists from their “left” allies in the COSATU and the South African Communist Party. Policy debates were conducted by contending factions using the ANC alliance’s “revolutionary” language. The ensuing ideological disagreements created a policy “paralysis” as provisions stipulated in either the RDP or the GEAR policies were not fully implemented by government due to opposition by divergent ideological interests from the ANC’s “left” allies and big business. This was for example, the case with the stalled policy of privatisation of state-owned companies or the relaxation of the “inflexible” labour market the GEAR proposed.

What this thesis shows is that the “de-linked” stage of the “National Democratic Revolution” was an instrumental tool for the ruling bureaucratic bourgeoisie, in cahoots with big business, in rationalising the shift in the ideological framework of the ANC government’s policies. The inquiry also establishes that using the ambiguities of the ANC alliance “revolutionary” language, the government was able to reconcile its “home-grown” GEAR Neo-liberal macroeconomic policy with its “Keynesian-reformist” RDP which the “left” in the front had embraced as a critical route towards the socialist revolution. This thesis shows how these policies were ideologically contradictory as, for example, the “Keynesian-reformist” policy promoted the meeting of the basic needs through the intervention of the developmental state in a predominantly capitalist economy. On one hand, the “Keynesian-reformist” approach of increased state spending was, for example, synonymous with the notion of “growth through redistribution”. On the other hand, the Neo-liberal GEAR macro-economic policy called for the reduction of government spending, liberalisation and privatisation of state assets. The heavy reliance on the market forces in the latter perspective was reflected in the ANC’s adoption of the strategy of “redistribution through growth”.

The adoption of the “de-linked” stage model has also been a useful construct for the justification of the emergence and acceptance of the “patriotic” black bourgeoisie as part of the motive forces of the “National Democratic Revolution” by the ANC. Thus, the perspective of “de-linked” stages was a convenient schema for justifying the class interests of
the emerged black bourgeoisie as “equal” to those of other formerly oppressed black classes. The investigation shows how the ideological character of these policies provided a favourable ground for the rise of the small black capitalists on the basis of pursuing the strategic objective of black liberation in a separate “National Democratic Revolution” stage. The adoption of the policy of “Black Economic Empowerment” which was couched in a language of black nationalist economic liberation was useful in rationalising the interests of the black corporate bourgeoisie in the post-liberation phase. As this thesis showed, the policies promoted by the ANC government had the effect of increasing economic inequalities and favouring a small black elite. These policies were justified in the ambiguous ideological language examined in this thesis. For example, the notion of “Black Economic Empowerment”, a radically sounding objective has only served to camouflage the interests of a small class of black capitalists. This was disguised by the assumption that black “economic empowerment” would be of equal universal benefit to all blacks. As the cited documentary evidence reveals, the black capitalist class as the “capitalist without capital” had accumulated capital through state support and from white capitalists. The “economic empowerment” of black capitalists on the basis of racial freedom allowed “race” to become classes of “race”.

Undoubtedly, the rise of the black capitalist class has eroded any vestiges of the assumed “convergence of class interests” amongst the oppressed upon which the pre-1994 ANC alliance premised its political mandate. Entrenching the notion of a separate “bourgeois democratic stage” in post-apartheid South Africa, the inherited capitalist economy was de-racialised to accommodate a tiny fraction of members of the historically marginalised, black corporate bourgeoisie. As this study reveals this was achieved through the co-option of the black corporate bourgeoisie by the state, the so-called “capitalists without capital”, and the dominant white capitalist interests. The rise of the black comprador capitalist class in the corporate sector as the main beneficiaries of the de-racialisation of South African capitalism led to the divergence of what, in the 1980s ANC alliance “revolutionary” language, was seen as the “inextricably linked” race oppression and class domination. The latter notion implied that the two stages were “linked”. Instead of adopting the “linked” stages approach, the ANC believed that the class interests of the formerly oppressed still converged in the post-apartheid period. This was despite the current empirical evidence which showed the growing income inequalities within the black sector of South African society. Ironically, it was in this context that the ANC nationalist leadership had elevated the black comprador bourgeoisie as one of
the “patriotic” motive forces of “National Democratic Revolution”. The ANC alliance leadership was dominated by the petty bourgeoisie nationalist politicians, and bureaucratic and corporate bourgeoisie who were predominantly from the African racial group.

To this end, it can be argued that the post-1994 transition represented the triumph of the ANC’s “de-linked” stage of the “National Democratic Revolution”, which was used as the ideological schema to control state power by the ruling black nationalists. Being committed to the nationalist version of the “National Democratic Revolution”, the “left” found itself in a strategic and ideological cul-de-sac with regards to its objective of anti-capitalist struggle. The disagreements over the ideologically contradictory policies between the “left” and black nationalist led to tensions and divisions. Although, the “left” had popularised its post-apartheid period slogan of “Socialism is the Future, Build it Now”, in reality, socialism as an alternative next stage of revolution had been deferred with the adoption of pro-capitalist Neoliberal policies. The socialist revolution was improbable with the globalisation of capitalism and the collapse of Eastern European communist states by the end of the twentieth century.

This begs the question of how could black political liberation be consolidated without the concurrent transformation of the inherited racially skewed productive ownership of the economy. The ANC nationalist language of the “de-linked” stage of the “National Democratic Revolution” focused solely on using the language of racial freedom, nation building, upholding national, territorial sovereignty and political freedoms without addressing the base within which the changing economic relationships existed. Such an approach submerged the class question which as documented evidence shows, had begun to diverge from the historically structured racial divide. Such an outcome was possible as the “delinked” stage theory had compartmentalised the resolution of the national question and divorced it from the class question. This model contradicted the rhetoric of the ANC alliance’s “revolutionary” language that depicted the two stages as inextricably connected.

The study establishes how the power of the ANC “revolutionary” language articulating liberation ideals was re-appropriated in the post-apartheid period by the nationalist inclined black bureaucratic bourgeoisie to rationalise their control of state power. The ANC political elite buttressed the ANC’s ideological hegemony through the use of liberation platitudes to
justify post-apartheid power relations. This language gave a “voice” to the petty-bourgeois nationalist politicians and bureaucratic bourgeois controlling the state and to maintain a sense of false political solidarity amongst the formerly oppressed when, in actual fact contradictory interests existed as the income disparities between the black corporate bourgeois and the rest of the historically economically disadvantaged showed. It is contended that the use of this ideological language had the initial impact of promoting working class support for ANC government’s Neo-liberal policies. The ambiguities and incoherent nature of the ANC “revolutionary” language enabled the shifts in its application to become a deliberate act by the nationalist elite leaders whose real motive was to mask self-interest to keep people in line to maintain political power in the context of a de-racialising, albeit minutely, of the apartheid induced class divisions. Thus, the majority of black voters who had elected successive ANC governments were “duped” to supporting it with the usage of its “revolutionary” language.

Thus, the advent of the “de-linked” first stage of revolution, characteristically “bourgeois-democratic”, entailed political and economic deracialisation of the inherited capitalist system that was more favourable to the emerged corporate black bourgeois than any other class. The analysis of documentary evidence, marshalled and assessed attested to inter and intra-racial class realignments. With regards to these socio-economic and political changes, it is inconceivable that the black working class, as leaders of the “National Democratic Revolution”, would be able to exercise its ‘revolutionary” role as the “leading” class to effect changes inimical to the interests of their assumed bourgeois allies in the ANC alliance. Fundamentally, access to economic power and class advancement remained an illusion to the majority of the historically marginalised communities across the country amidst the rise of a small fraction of the politically well-connected corporate bourgeoisie supported by the state and established big business. Although class divisions amongst blacks in post-apartheid society have sharpened, the second stage of the socialist revolution that the “left” in the 1960s ANC alliance had yearned for, albeit incoherently, appears in the interim to have been deferred sine die. The post-1994 de-racialisation of the capitalist economic system, albeit slow and confined to a few black corporate bourgeois class conceals what one analyst described as “the reality of perpetual ‘empowerment’ of the powerful and the continuous disempowerment of the powerless” (Abe Mokoena, The Star, 20 March, 2014).
8-3 Considerations of the Investigation and Recommendations for Further Research

Given the historical perspectives of the data required for this thesis and the length of time the topic of this study covered, the historical approach is utilised in order to have a have clear grasp of the development of the ANC alliance’s “revolutionary” language. This is necessary as the ANC alliance’s “revolutionary” language under examination is relevant to the analyses of the causes and nature of the tensions between the black nationalists and the “left” in the ANC led movement. Additionally, this examination reveals how the ambiguities and incoherence of the ANC alliance inherited language had influenced factional interpretations of the ideological framework of government policies. The timelessness and historical utility of the ANC alliance ideological heritage was explained thus:

Whereas in other settings knowledge about a society can proceed cumulatively, in South Africa virtually every interpretive effort involves some return to the first principles, even to the first facts. The plethora of contributions also means that every new contribution must struggle with the nuances of difference in the understandings of its predecessors (Greenberg 1980, 2).

As Greenberg indicates above, the adoption of the historical dimension is fundamental for the examination of the development of the ANC alliance’s “revolutionary” language and its contemporary utility using the theoretical approach of the alternative functions of ideology.

From the findings of this thesis, the following areas of further research are recommended. First, an in-depth comparative study of the implementation of the other models of the “National Democratic Revolution” in countries such as Angola, Mozambique, China and Vietnam is recommended. This would enable the examination of the changes in the ideological orientation of their government’s policies and how they can be contrasted with those of the ANC government. This might help to illuminate the character of the South African “National Democratic Revolution” model. Such a comparison would highlight the social costs and consequences of this theoretical schema for the future political and economic stability of South Africa and its peoples. Essentially, the international policy implications of such a study are crucial, particularly in the context of current global policy changes.
Crucially, further research is required to update this study as intense disagreements over the ideological orientation of government policy remained unresolved within the ruling ANC alliance. In the aftermath of the Mbeki and Zuma leadership struggles, and as a result of the incoherent, ambiguous and contradictory traditions, the ANC alliance increasingly appeared like a ship with no clear ideological navigation map and a crew in periodic mutiny over the government’s policy directions as evident in the modern on-going internal ANC alliance discord. This discourse is representative of the events which are still unfolding in South Africa. A further study on the ANC “revolutionary nationalism”, a nationalism purportedly distinct from other African nationalisms is warranted to analyse the merits of such a concept.

8-4 Summing Up

The originality of this research emanates from the investigation of why the ANC alliance’s “revolutionary” language that had unified it during the liberation struggle proved most divisive in the post 1994 period. The study traced the post-apartheid intra-ANC alliance ideological disagreements from the ambiguities of the ANC alliance’s language of “revolution”. The inquiry utilises the analytical framework of the alternative functions of ideology to investigate the development of the ANC’s ideological perspectives from the data collected from the alliance’s and government documents. Thus, the “two-stage theory” of revolution and the perceived advent of the first stage of the “National Democratic Revolution” in post-1994 South Africa were researched. The Freedom Charter as the assumed programme of the first stage is also analysed within this theoretical context.

The study investigated the causes of the intra-ANC alliance split that preceded the dismissal of Thabo Mbeki as President in 2008. The study shows how the ANC alliance’s ambiguous “revolutionary” language is implicated in the disagreements that emerged over the post-apartheid governments’ policies. It illuminates how the inherited “revolutionary” language was invoked by groups within the alliance to make contradictory and divisive interpretations of the ideological complexion of the ANC government’s policies. The investigation describes the utility of the ANC-led alliance’s ambiguous “revolutionary” language enabled successive ANC governments to adopt the “Keynesian-reformism” discourse to rationalise the Neo-liberal macro-economic policy framework. The thesis contends that the incoherent nature of
the ANC alliance’s “revolutionary” language was also expedient for the government to promote the interests of the emerged black capitalists in the post-apartheid period. Thus, the Mbeki-Zuma leadership struggle found fertile ground cultivated by the intra-ANC alliance disagreements. It is therefore apparent that the on-going disagreements in the ruling ANC alliance over the ideological content of government policies, if not resolved, would continue to impact negatively on their implementation.
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APPENDIX 1

The Freedom Charter

Adopted at the Congress of the People, Kliptown, on 26 June 1955

Preamble

We, the People of South Africa, declare for all our country and the world to know: that South Africa belongs to all who live in it, black and white, and that no government can justly claim authority unless it is based on the will of all the people; that our people have been robbed of their birthright to land, liberty and peace by a form of government founded on injustice and inequality; that our country will never be prosperous or free until all our people live in brotherhood, enjoying equal rights and opportunities; that only a democratic state, based on the will of all the people, can secure to all their birthright without distinction of colour, race, sex or belief;

And therefore, we, the people of South Africa, black and white together equals, countrymen and brothers adopt this Freedom Charter; And we pledge ourselves to strive together, sparing neither strength nor courage, until the democratic changes here set out have been won.

The People Shall Govern!

Every man and woman shall have the right to vote for and to stand as a candidate for all bodies which make laws; All people shall be entitled to take part in the administration of the country;

The rights of the people shall be the same, regardless of race, colour or sex; All bodies of minority rule, advisory boards, councils and authorities shall be replaced by democratic organs of self-government.

All National Groups Shall have Equal Rights!
There shall be equal status in the bodies of state, in the courts and in the schools for all national groups and races;

All people shall have equal right to use their own languages, and to develop their own folk culture and customs;

All national groups shall be protected by law against insults to their race and national pride;
The preaching and practice of national, race or colour discrimination and contempt shall be a punishable crime;
All apartheid laws and practices shall be set aside.

The People Shall Share in the Country’s Wealth!

The national wealth of our country, the heritage of South Africans, shall be restored to the people;
The mineral wealth beneath the soil, the Banks and monopoly industry shall be transferred to the ownership of the people as a whole;

All other industry and trade shall be controlled to assist the wellbeing of the people;
All people shall have equal rights to trade where they choose, to manufacture and to enter all trades, crafts and professions.

The Land Shall be shared among Those Who Work It!

Restrictions of land ownership on a racial basis shall be ended, and all the land re-divided amongst those who work it to banish famine and land hunger;

The state shall help the peasants with implements, seed, tractors and dams to save the soil and assist the tillers;

Freedom of movement shall be guaranteed to all who work on the land;
All shall have the right to occupy land wherever they choose;
People shall not be robbed of their cattle, and forced labour and farm prisons shall be abolished.

All shall be Equal before the Law!

No-one shall be imprisoned, deported or restricted without a fair trial;
No-one shall be condemned by the order of any Government official;

The courts shall be representative of all the people;
Imprisonment shall be only for serious crimes against the people, and shall aim at reeducation, not vengeance;

The police force and army shall be open to all on an equal basis and shall be the helpers and protectors of the people;
All laws which discriminate on grounds of race, colour or belief shall be repealed.

All Shall Enjoy Equal Human Rights!

The law shall guarantee to all their right to speak, to organise, to meet together, to publish, to preach, to worship and to educate their children;

The privacy of the house from police raids shall be protected by law;
All shall be free to travel without restriction from countryside to town, from province to province, and from South Africa abroad;
Pass Laws, permits and all other laws restricting these freedoms shall be abolished.

There shall be Work and Security!

All who work shall be free to form trade unions, to elect their officers and to make wage agreements with their employers;

The state shall recognise the right and duty of all to work, and to draw full unemployment benefits;
Men and women of all races shall receive equal pay for equal work; There shall be a forty-hour working week, a national minimum wage, paid annual leave, and sick leave for all workers, and maternity leave on full pay for all working mothers; Miners, domestic workers, farm workers and civil servants shall have the same rights as all others who work;

Child labour, compound labour, the tot system and contract labour shall be abolished.

The Doors of Learning and Culture Shall be opened!

The government shall discover, develop and encourage national talent for the enhancement of our cultural life;

All the cultural treasures of mankind shall be open to all, by free exchange of books, ideas and contact with other lands;

The aim of education shall be to teach the youth to love their people and their culture, to honour human brotherhood, liberty and peace;

Education shall be free, compulsory, universal and equal for all children; Higher education and technical training shall be opened to all by means of state allowances and scholarships awarded on the basis of merit;

Adult illiteracy shall be ended by a mass state education plan; Teachers shall have all the rights of other citizens; The colour bar in cultural life, in sport and in education shall be abolished.

There shall be Houses, Security and Comfort!

All people shall have the right to live where they choose, be decently housed, and to bring up their families in comfort and security;

Unused housing space to be made available to the people;
Rent and prices shall be lowered, food plentiful and no-one shall go hungry;  
A preventative health scheme shall be run by the state; free medical care and hospitalisation  
shall be provided for all, with special care for mothers and young children;  

The aged, the orphans, the disabled and the sick shall be cared for by the state;  
Rest, leisure and recreation shall be the right for all;  
Fenced locations and ghettos shall be abolished, and laws which break up families shall be repealed;  

South Africa shall be a fully independent state, which respects the rights and sovereignty of  