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Retrieved on 25th June 2021 from www.anarkismo.net

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to the historical ANC project, cannot bring genuine freedom and equality to the majority (even if that state is headed by someone like Mandela). On the contrary, these measures generate conditions that consistently undermine social and economic equality, as well as possibilities for grassroots and participatory democracy and decision-making.

Contents

COSATU was drawn deeper and deeper into a complicated mesh of corporatism and institutionalised social dialogue, which, despite COSATU's hopes, proved more a means of bureaucratising and weakening unions, than providing a real say (GESAR itself was never passed through NEDLAC); its leaders were often given positions in the state, with the ANC alliance with COSATU providing a conveyer belt into state office for ambitious COSATU leaders; even at that stage, the alliance with the ANC entailed ANC interference in COSATU's inner life, and spill over of ANC factionalism into COSATU, as different factions sought COSATU backing in their struggles for access to lucrative state office and contracts.

When co-option does not work, such as in the student protests in 1995, the police were sent in to deal with protestors using tear gas, batons and even live ammunition; squatters and strikers faced similar violence in 1994 and 1995. During this period, Mandela also, despite his earlier strong commitment to struggles against injustice said "unruly" protests could not be tolerated under the post-apartheid state. This was not a moral failing, but was in line with the politics of cross-class alliances, which require "balancing" contending classes – and thus also set deep limits on working class demands.

Conclusion

It goes without saying that Nelson Mandela must be saluted for his sacrifices and contribution to the fight against apartheid. But it is also vital to look at how and why the hopes of millions of people for socialism in South Africa were dashed, and why South Africa today remains the most unequal country in the world. Through this we can draw many lessons: about how it is vital to base struggles on direct democracy, how important it is not to cede power to a leadership (even if they are the calibre of Mandela), and how embracing capitalism and taking state power, which were both central

tal essentially owns vast tracts of the economy in the region and is the largest foreign investor – exploiting labour and extracting profits. Under the ANC state and Mandela's presidency this situation even deepened and to keep this going the South Africa state had to continue to dominate the region after 1994. Indeed, the South African state's adoption of neoliberalism in 1994 saw the role of South African capitalism and the state expand in southern Africa (Shawn Hattingh, 2012, "South Africa's role in Africa: An anarchist perspective," *South African Labour Bulletin*, vol 36 no 2).

South African capital from 1994 could move anywhere in southern Africa and extract profits; and to do so the South African state had and has military power to back it up. As part of this, in 1997 the South African state even invaded Lesotho. This was explicitly done to protect South African investments in the Lesotho Highlands Water Project and to ensure the flow of vital water to South Africa's industries from that country was not jeopardised. Likewise, the system of cheap migrant labour from across the sub-continent, which is central to South African mines, was never addressed under the ANC and Mandela. If it had been, profits within South African mining would have declined, impacting on the white section of the ruling class badly, but also potentially undermining the ANC's goal of fostering a black section of the ruling class.

Containing working class struggles

As the new black section of the ruling class expanded, centred around the state and under Mandela's leadership, attempts were made to co-opt black working class struggles, and where this was not possible, state violence was used to intimidate. The co-option of struggles in fact saw the ANC disbanding organisations such as the UDF and actively incorporating leaders into the state by giving them senior ANC posts or government jobs – essentially co-opting them into the ruling class.

The destruction of the apartheid state form, with its odious policies of coercion and racism, was a major triumph for the working class in South Africa and elsewhere, showing that ordinary people can challenge and defeat systems that seem quite unbreakable. Mandela did play a heroic role, but was also the first to admit that "It is not the kings and generals that make history but the masses of the people, the workers, the peasants, the doctors, the clergy." And indeed, it was the black working class, above all, that through struggle tore down many features of apartheid by the late 1980s, such as the pass law system, the Group Areas Act and numerous other odious laws and policies.

The 1994 transition in South Africa was a political revolution, a break with the apartheid and colonial periods of state-sanctioned white supremacy, a "massive advance" in the conditions of the majority. It introduced a new state, based on non-racialism, in which South Africa was to be a multi-racial, multi-cultural but unified country, founded on human rights; welfare and social policy and legislation was transformed; capitalism was kept in place, but despite this, there were very massive and very real changes, political and material, that made qualitative differences in the daily lives of millions of black and working class people. And for millions, it is precisely the association of Mandela with that victory and with those changes that makes him so emotionally powerful.

Yet at the same time, Mandela's policies and politics had important limitations that must be faced if the current quandary of South Africa, nearly 20 years later, is to be understood. Mandela never sold out: he was committed to a reformed capitalism, and a parliamentary democracy, and unified South Africa based on equal civil and political rights, a project in which black capitalists and black state elites would loom large. These goals have been achieved, but bring with them numerous problems that must be faced up if the final liberation – including national liberation – of South Africa's working class is to be achieved.

The 1994 breakthrough was a major victory, but it was not the final one, for a final one requires a radical change in society, towards

a libertarian and socialist order based on participatory democracy, human needs rather than profit and power, and social and economic justice, and attention to issues of culture and the psychological impact of apartheid.

As long as the basic legacy of apartheid remains, in education, incomes, housing and other spheres, and as long as the working class of all races is excluded from basic power and wealth by a black and white ruling class, so long will the national question – the deep racial / national divisions in South Africa, and the reality of ongoing racial/ national oppression for the black, Coloured and Indian working class – remain unresolved. And so long will it continue to generate antagonisms and conflicts, the breeding ground for rightwing populist demagogy, xenophobia and crime. By contrast, a powerful black elite, centred on the state and with a growing corporate presence, has achieved its national liberation.

Since Nelson Mandela's death, thousands of articles and millions of people have paid tribute to him. They have rightly praised him for his stance against the apartheid state, which saw him spend 27 years in prison, his non-racialism, and his contribution to the struggle in South Africa. For much of his life Nelson Mandela was indeed the most prominent figure in the liberation struggles in Africa that were waged in the 1960s, 1970s and 1980s.

The destruction of the apartheid state, with its odious policies of coercion and racism, was a major triumph for the working class in South Africa and elsewhere, showing that ordinary people can challenge and defeat systems that seem quite unbreakable. The 1994 transition in South Africa was a political revolution, a break with the apartheid and colonial periods of state-sanctioned white supremacy, a "massive advance" in the conditions of the majority (Workers Solidarity: the voice of anarcho-syndicalism, 1995, no. 1). It introduced a new state, based on non-racialism, in which South

was the source of the huge profits for the ruling class, both local and foreign investors and private as well as state companies. Rather, under the ANC, this core inequality has been entrenched by the adoption of neoliberalism (although, given the structural limitations, it would likely have been the same under any post-apartheid leadership). The slashing of social services to the working class, a key feature of neoliberalism, has ensured that the cost of reproducing the working class to the ruling class has remained low. This has meant the systemic source of the huge profits was kept in place by the post-apartheid state. In fact, the wealth of the black elite is based on the very system of cheap black labour that previously and currently benefits its white counterpart.

This meant the systemic source of the huge profits that the ruling class reaps – *cheap black, Coloured and Indian labour* –was kept in place by the post-apartheid state. In fact, the wealth of the black section of the ruling class that was created through state policies and positions from 1994 onwards was based on the very same system of cheap black, Coloured and Indian labour: this is illustrated by the involvement of billionaire ANC leaders like Cyril Ramaphosa in the mining industry. For the black section of the ruling class, therefore, their wealth too came and comes from this and is based on this. To create a rich black elite, therefore, the black working class majority was, and is, ruthlessly exploited under the ANC state.

South Africa's imperialism

Another continuity in South Africa's economy was that the relations with neighbouring countries too remained imperialist – even though Mandela and others in the ANC wanted a more united Africa. For most of its history South Africa has dominated southern Africa; it has extracted wealth from it and to do so it had to politically and militarily dominate the region. South African capi-

Workers too were directly attacked through GEAR. It promoted greater labour "flexibility", increased productivity, but limited or no real wage increases. GEAR and its implementation were presented as non-negotiable by the ANC, after it was drawn up by a handful of neoliberal economists and state officials, with no public participation,

Under these policies the working class reeled. Inequality based on class lines increased even when compared to the appalling heydays of apartheid; alongside the rapid growth of the black elite, and its capture of the central state, was massive black, Coloured and Indian (and even white) working class poverty. Millions of people were cut off from basic services through cost recovery policies, and hundreds of thousands of black working class families were evicted from their houses for non-payment. Although connections to the electricity grid brought millions online, cost recovery and rising prices also saw millions disconnected. By one estimate, by 2003 up to 10 million had experienced water cut-offs due to non-payment of water bills (D.A. McDonald, and J. Pape, 2002, *Cost Recovery and the Crisis of Service Delivery in South Africa*, HSRC publishers).

Unemployment, already rising from the 1970s, rose beyond 30% in the 1990s, and has never come down. Mass unemployment was linked, to a deep lack of competitiveness in South African manufacturing, to deindustrialisation in the face of cheap imports, to a massive mechanisation drive by capital to cut labour costs and avoid unions and massive financialisation. Indeed, inequality was never addressed. In many ways this was always going to be a problem due to ANC leaderships' commitment to some form of capitalism; but their implementation of the neoliberal form of capitalism made the situation even worse.

Because of its embrace of capitalism and the state, and because of the limitations imposed by the global turn towards neoliberalism, the ANC-headed state could not and did not address a core apartheid legacy, whereby a deliberately low paid, massive black, Coloured and Indian working class living in abysmal conditions

Africa was to be a multi-racial, multi-cultural but unified country, founded on human rights.

"Massive victory" but incomplete

Capitalism was kept in place, but despite this, there *were* very massive and very real changes, political, economic and social, put in place that made qualitative differences in the daily lives of millions. And for millions, it is precisely the association of Mandela with that victory and those changes that makes him so emotionally powerful. The attempt by attention seeking pop stars and celebrities, of repressive regimes and imperialist warmongers, and of crooked South African politicians, to ride the wave of enthusiasm for publicity cannot take away this basic fact.

Yet at the same time, Mandela's policies and politics had important limitations that must be faced if the current quandary of South Africa, nearly 20 years later, is to be understood. Mandela never sold out: he was committed to a reformed capitalism, and a parliamentary democracy, and unified South Africa based on equal civil and political rights, a project in which black capitalists and black state elites would loom large. These goals have been achieved, but bring with them numerous problems that must be faced up if the final liberation – including national liberation – of South Africa's working class is to be achieved.

As long as the basic legacy of apartheid remains, in education, incomes, housing and other spheres, and as long as the working class of all races is excluded from basic power and wealth by a black and white ruling class, so long will the national question – the deep racial / national divisions in South Africa, and the reality of ongoing racial/ national oppression for the black, Coloured and Indian working class – remain unresolved. And so long will it continue to generate antagonisms and conflicts that bode ill for the future, and undermine the basic achievements of the new South Africa. This

is the breeding ground for rightwing populist demagogy, xenophobia and crime. By contrast, a powerful black elite, centred on the state and with a growing corporate presence, has achieved its national liberation (van der Walt, 2013, "Who Rules South Africa?," *Zabalaza*, no 13).

The 1994 breakthrough was a major victory, but it was not the *final* one, for a final one requires a radical change in society, towards a libertarian and socialist order based on participatory democracy, human needs rather than profit and power, and social and economic justice (*Workers Solidarity: the voice of anarcho-syndicalism*, 1995, no. 1), and attention to issues of culture and the psychological impact of apartheid.

Imprint of the working class

For the millions of people that were involved in the struggle against apartheid – and specifically, the large battalions of the black working class that spearheaded it – Nelson Mandela was an inspiration and an emancipator, and would embody for many the victory over apartheid, and the vision and hope of a new South Africa the possibility of a new century based on freedom.

However, if Mandela did play a heroic role, he was also the first to admit that "It is not the kings and generals that make history but the masses of the people, the workers, the peasants, the doctors, the clergy" (Speech, Soccer City, Soweto, February 13, 1990). And indeed, it was the black working class, above all, that through struggle tore down many features of apartheid by the late 1980s, such as the pass law system, the Group Areas Act and numerous other odious laws and policies.

The phasing out of formal apartheid from 1987, the negotiations of the early 1990s led to a transitional government including Mandela's African National Congress (ANC) in late 1993, then the coun-

dom Charter was out of date – indeed the type of capitalism it promoted already went into a crisis in the 1970s and to restore profits neoliberalism had already replaced it in most countries; even the apartheid state had adopted aspects of neoliberalism from 1979, including the privatisation of state corporations ISCOR and SASOL, and the initial commercialisation of ESKOM.

The first of the economic policies that included important elements of neoliberalism under the ANC was the RDP White Paper, which was presented to Parliament in 1994 – long before the the so-called "1996 class project" of hardline neo-liberalism commonly associated with Thabo Mbeki, who succeeded Mandela as president. It promoted financial, investment and trade liberalisation. Growth of the economy and profits – instead of the needs of the working class – was deemed all-important. In fact, it was a continuation of the neoliberal policies the apartheid state had attempted to drive through during its last few years in power. In 1996, the commitment to anti-working class policies deepened with the adoption of the Growth, Employment and Redistribution (GEAR) policy.

Cheap black labour still central

This witnessed a wholesale attack on the working class, including an attempt to privatise and commercialise basic services. Corporations received massive tax cuts under GEAR; while state spending on services for the working class was slashed. Linked to the fact that from day one the ANC-headed state had a neoliberal housing policy (similar to the one proposed when P.W. Botha was heading the state), the consequences were devastating. In key respects, townships have not been transformed and still resemble urban ghettoes; core spatial dynamics of apartheid – despite some deracialisation of previously white middle class and upper class suburbs – have remained.

constitutional guarantees of jobs, dignity, water, housing, a clean environment etc. co-exist with the grim realities of mass unemployment, desperation, homelessness, shortages of sanitation, and filthy streets and air and workplaces…

Part of the reason for this is that the leadership of the ANC even ditched the Freedom Charter. With this, the Freedom Charter's form of capitalism, which also promised strong welfarism, was tossed aside by the ANC leadership when it began to increasingly flirt with neoliberalism in the run up to 1994.

Mandela's ANC drove through neoliberalism

This shift to outright neoliberalism happened as soon as the ANC, under Mandela's Presidency, gained state power in 1994. While many labour laws were massively improved, pushed thorough by massive struggles, this was alongside a slew of anti-working class policies soon followed, such as privatisation and free trade.

The reason why the elite within the ANC could so easily shelve the Freedom Charter was because the main goal of the ANC was to create and foster black capitalists and a black middle class. Many within the top ranks of the ANC had come to realise by the 1990s this could in fact be achieved through neoliberalism, including through various forms of privatisation, such as outright privatisation, public private partnerships and tenders.

It was not due to the ANC, as part of the Transitional Executive Council of 1993–1994, signing a modest loan deal with the International Monetary Fund (IMF) that the country adopted neoliberalism. External debt was small, and debt to the IMF and World Bank almost non-existent. It was not due to the ANC or Mandela "selling out" that the country adopted neoliberalism.

The ANC supported capitalism. The ANC wanted black capitalists. But for the capitalism that existed in the 1990s, from a ruling class perspective (which the ANC elite had now joined), the Free-

try's first non-racial elections to a parliament in 1994 … it was massive struggles that forced such changes.

For many of the militants involved in these struggles, Nelson Mandela was a hero, but it is also true that it was through the heroism of large sections of the working class that Mandela himself was eventually freed: by 1990 mass mobilisation by millions of workers and the poor ensured that the anti-apartheid veteran, and many others, were released, that banned groups like the ANC and the South African Communist Party (SACP) were again legalised. The ANC's own armed struggle from abroad, despite subsequent myth, achieved very little against the armed might of apartheid – in contrast with union organisation, civil disobedience and mass struggle, which were decisive. Movements like the "workerist" Federation of South African Trade Unions (FOSATU), the United Democratic Front (UDF), the National Forum, and COSATU, were essential.

This is an important lesson. South Africa today is still shaped by the *massive imprint* of those class and national struggles, and a *balance of class power* in which the working class today is retreating, but is still very far from defeated. These constrain what the ruling class can do, even now, and these – not the liberal elite, not the courts, not the capitalist press, and not the ANC – provide the basic defence of the gains of 1994. If anything, the ANC today is itself, through its corruption, paranoia, authoritarian traditions and the politics of capturing parts of the state for accumulation purposes, a *threat* to the gains of 1994, not their heir, nor their champion.

Such was Nelson Mandela's stature, and such were the myths that had developed around the ANC, that large sections of the black working class placed their faith in the African National Congress (ANC) to embark on negotiations with white sections of the ruling class to bring an end to apartheid. Mandela played a huge role in these negotiations (although the ANC undertook them as a leadership collective, with people like Thabo Mbeki and Cyril Ramaphosa taking the lead at times).

Non-racialism

The non-racial politics of Mandela's ANC faction meant that its positions in the negotiations were shaped by the vision of a single South Africa, of all races, whites, Coloureds and Indians as well as blacks, a deliberate attempt to forge a future and a compromise that avoided taking South Africa into a Beirut-style war of attrition and decline.

For Mandela, "A new South Africa has to eliminate the racial hatred and suspicion caused by apartheid and offer guarantees to all its citizens of peace, security and prosperity." He also insisted that "No man or woman who has abandoned apartheid will be excluded from our movement" (Speech, Soccer City, Soweto, February 13, 1990).

His commitment to the principle that "South Africa belongs to all who live in, black and white" (*Freedom Charter*, 1955) and call to the large white working class to join ANC-linked unions (Speech, Soccer City, Soweto, February 13, 1990) was part of an important non-racial oppositional tradition that helped lay the basis for a peaceful and progressive settlement in the 1990s. By this stage, the country was polarised between an opposition movement, centred in the black working class, and now led by the ANC and SACP, and an apartheid-linked bloc, compromising not just the white capitalist and political elite, but also a powerful black elite ensconced in the apartheid apparatus through the homelands system, notably in Bophupatswana, Ciskei and Kwazulu.

Principle, in other words, not race or ethnicity, was cemented in place as an appropriate basis for unity and political struggle, rather than birth and blood. While the ANC's dominant position was from the 1950s at least in this "non-racial" mould, it always included racist "populist" or "Africanist" factions, such as those of Peter Mokaba in the 1990s (a tradition more recently represented by figures like Jimmy Manyi and Julius Malema). Mandela's faction was crucial to defending, against these factions the ascendancy of

would lead to a concrete deal (between the elite in the ANC – including Mandela – and the white ruling class) gained pace.

Within four years, two deals had in fact been reached. Alongside the massive democratic advances that were secured – an open non-racial franchise, a massive reform of state welfare and urban policy and labour laws, the new Constitution and all the rest – was an economic deal that saw white capitalists keeping their wealth and corporations. In exchange, the black elite in the ANC would have state power and some would be given shares within corporations, including the Mandela family, as part of a programme of Black Economic Empowerment and affirmative action. (In fact, the Mandela family have come to hold interests in over 100 companies – held through various trusts – in South Africa alone: SAPA, 29 April 2013, *IOL Online*; this is the background for the unseemly squabbles between the Mandela heirs in recent years).

Real working class gains, even limited ones

For the black working class promises of jobs, decent housing and a better life were made.

There were, as previously noted, real material gains: welfare as massively expanded, and now covers around 13 million people directly, and one million free houses were provided. But at the same time, there were deep limits. Houses provided were small, and often of low quality. Welfare grants are often modest (a Child Support Grant, for indigent mothers or caregivers, is around $USD 28 a month), and massive reliance on the grants reflects the single largest economic problem in the post-apartheid economy: mass, structural unemployment that affects around 30% (up to 40%, depending on the source) of the working age population, much of this concentrated among black people under 35.

South African capitalism remains based on a low wage system, and massive inequality in wealth and power: in this context,

The political deal and the economic deal

By the 1990s, the struggles of the working class had made apartheid unworkable, as had economic decline. At one level, this meant that a new political arrangement had to be reached: despite initial attempts at a settlement short of parliamentary democracy, the apartheid elite were eventually forced to accept one-person-one-vote in a unitary South Africa.

But at another level, economically, the situation was different. The dominant sections of South African capital wanted neo-liberalism as part of a bid to restore the profits that they had seen declining since the 1970s. The apartheid state, due to resistance and its complete lack of legitimacy, could not successfully deliver this. (Although it did try to implement neo-liberalism, massive resistance in practice blunted important parts of it). Added to this, the very real spectre of a social rupture, which could have gone in the revolutionary direction of a form of socialism, or, alternatively to a slow war of attrition and decline, a Beirut-type meltdown, also loomed in the background as an incentive to reach a compromise.

With the days of apartheid clearly numbered, and seeking solutions to the economic crisis they were experiencing, the white ruling class began to look to the elite in the ANC as potential allies; already in the 1980s they were sending out feelers to try and make a deal. This involved both open and secret meetings between sections of the white ruling class and the elite in the ANC to discuss a possible deal including a capitalist future for South Africa post apartheid.

The cross-class nature of the ANC – with a black elite dominating the leadership, and the ANC's basic commitment to capitalism and the state – would come back to haunt the working class as these discussions went forward; the fact that the leadership was not directly accountable amplified this.

The release of Mandela, due to the massive struggles taking place in the country, became a key moment when the momentum that

non-racialism, a tradition that has its roots in earlier revolutionary syndicalist and Communist movements in South Africa.

This non-racial principle, so revolutionary in the context of apartheid South Africa, and so essential from the perspective of a class struggle politics, made the ANC relatively more progressive than its nationalist rivals. The Pan-Africanist Congress (PAC), an ANC breakaway from the late 1950s, for example, aimed at outright race war; meanwhile, on the extreme right of white South Africa, reactionary forces, including sections of the military, sought a final racial showdown as well. Such an outcome could not, and can not, deliver anything but more horrors. Yet it was actively sought by both groupings in the early 1990s through provocations and violence, such as the 1993 St James Church Massacre by the PAC's armed wing, and the 1993 assassination by white right wingers of SACP leader Chris Hani.

The gains of 1994

By contrast, the 1994 breakthrough saw massive changes took place; labour laws were deracialised and formal union rights were expanded to all categories of workers. The welfare system was hugely expanded, with around 16 million today beneficiaries of one or other grant, including a means-based Child Support Grant for poor families; racially discriminatory state spending patterns, which had evolved in the 1960s and 1970s up to a 7:1 disparity between white and black, and affected everything from schools to public parks and busses, were ended. Education spending increased on black schools, and historically segregated universities were largely opened up: black numbers increased to a majority, although overall white enrolment did not fall. Absolute (not relative) poverty declined sharply by the 2000s, to today under less than 10% of the population, although general living standards remain very low, and a large part of the black, Coloured

and Indian population remains immiserated, joined by a growing "poor white" layer.

A new housing system (eventually delivering one million free houses to the poor by 2010) was set up; basic apartheid practices and racial insults became illegal; basic freedoms of speech and association were entrenched, and in theory, at least, South Africa adopted the world's most progressive state constitution, barring discrimination and making provision for socio-economic rights like access to water and housing. Although national/ racial oppression was the central element of the anti-apartheid struggle, the new measures included protection for groups like gays and lesbians, women and the disabled.

The limits of nationalism

As we will see, there are important limitations in all of these areas, linked directly to the limitations of the policies and politics of Mandela himself. The ANC's programme always remained trapped within the framework of nationalism, and of capitalism, and of state power.

For Mandela, it was "the labour of black workers that has built the cities, roads and factories we ee" and so, they "cannot be excluded from sharing this wealth" or from a system of "participatory democracy involving our people in the structures of decision making at all levels of society" (Speech, Soccer City, Soweto, February 13, 1990).

Yet at the same time, ANC nationalism advocated an alliance of all classes: Mandela himself stressed that "The ANC is just as committed to economic growth and productivity as the present employers claim to be" and called on employers to join the ANC (Speech, Soccer City, Soweto, February 13, 1990). Workers would not rule society, but rather, be protected by trade unions and "bona fide ne-

The clauses emphasising nationalisation were thus consistent with the party's desire to create state capitalism (which is what its vision of "socialism" amounted to), and thus they had a large degree of convergence with the ANC around the Freedom Charter. Like the ANC, much of the leadership of the SACP was also drawn from the ranks of professionals and intellectuals and they wanted to capitalism and the forces of production as a stepping stone to their "socialism".

Being sympathetic to state ownership was not by definition a sign of socialism in the 1950s, or even today; in the 1950s it was a commonsense approach to *capitalism*, not least in countries with a colonial history, like South Africa. The apartheid NP itself undertook large-scale nationalisation in both of its terms of office (1924–1934, 1948–1994): it created, for example, South African Airways (SAA) through the takeover of the private Union Airways in February 1934; in 1948, the NP was central to the process whereby the giant Victoria Falls and Transvaal Power Company was nationalised into state electricity company ESKOM.

Nationalisation is not socialist

Nor is there anything particularly socialist about nationalisation: like private ownership, state ownership of industry operates through top-down decision making, control of the means of production by a small elite, and the extraction of surplus value from workers.

Some of the most bitter working class fights under apartheid, and post-apartheid, have been with state companies, not least the giant ESKOM combine, a state-owned profit-making multinational (see Tina Sizokvuka and Lucien van der Walt, 2013, "Alternative Needed to Nationalisation and Privatisation," *Zabalaza*, no 13).

The nationalisation measures were essential to ensure that "monopolies are first smashed up" to "open up fresh fields for the development of a prosperous Non-European bourgeois class" that "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" (Mandela, "In Our Lifetime", July 1956, *Liberation*). And to this, he could point that the Charter also stated: "All people shall have equal rights to trade where they choose, to manufacture and to enter all trades, crafts and professions".

Along with developing capitalism and nurturing a black section of the ruling class, the Freedom Charter however also envisioned strong welfare delivery for the working class, again reflecting the times it was written in, but also the commitment that the likes of Mandela and Sisulu had at the time to a social democratic form of capitalism that was relevant to Africa.

The SACP's two-stage line

Key ANC ally – the then-illegal SACP – fully supported the Freedom Charter, and key SACP members, among them Ben Turok, played important roles in its drafting and design. Nationalisation was fully consistent with the SACP's two-stage theory of revolution: the first stage would be "national-democratic" capitalism, which would have a mixed capitalist economy, laying the basis for a subsequent socialist stage, which the SACP (in Marxist-Leninist tradition) envisaged very much as a system on the lines of the Soviet Union, a massive, centrally planned state-run economy. Nationalisation, or state ownership, was compatible with both stages, but (as Turok noted) the Freedom Charter itself did not seek to create a "command economy by nationalisation" but a reformed capitalism (*Business Day Live*, 25 September 2013, "Changing Meaning of the Freedom Charter").

gotiations" and "mechanisms to resolve conflict" (Speech, Soccer City, Soweto, February 13, 1990).

This required that capitalism survived, with serious consequences. But capitalism requires, at its heart, a class system, where the working class many work for and are exploited and dominated by the capitalist few; nationalist cross-class alliances always perpetuate this system, since they seek to unite these two classes. Those who look today to a reformed nationalism, whether in the form of a rejuvenated ANC, or of a new nationalist formation outside of the ANC, will not be able to avoid this basic trap.

Central to nationalism is the notion that the nation-state is the vehicle of change, the voice of the multi-class nation. And for Mandela and the ANC, therefore, it was through the state that all changes would be made: thus, "participatory democracy," it transpired, really meant that citizens would elect state officials, within a capitalist system, and would also be "consulted" through various forums regarding their views on policy (see the 1994 *Reconstruction and Development Programme*, or RDP, of the ANC). Under pressure from COSATU, which aimed to maximise union influence on the new capitalist state, these included corporatist forums, such as the National Economic Development and Labour Council (NEDLAC); not even those forums have any sort of binding power.

The state, too, rests on the massive centralisation of power into the hands of a small political elite; the structure of the state, like the structure of a corporation, is top-down, and totally incompatible with bottom-up participation.

The logic of statist politics

The libertarian or anti-state socialist Mikhael Bakunin foresaw the possibility of such a situation arising in cases where supposed national liberation was based on capturing state power.

Just as the survival of capitalism meant the perpetuation of an economic system run by a small elite, ridden with crisis and inequality, so the use of the state meant a political system run by a small elite, and ridden with corruption and inequality. Capturing state power changes the make-up and some of the personnel of the ruling class, but it does not end the basic inequality (in terms of wealth and income and power) that the state and capitalism entail. Due to the centralised nature of states, only a few can rule: a majority of people can never be involved in decision making under a state system.

Hence, when former liberation fighters or activists enter into the state, because of its top down structure, they become rulers. They get used to the privileges and the exercise of top down power their new positions entail; they literally become governors and gradually begin to rule in their own interests. And since this requires funding, this requires ensuring that capitalism (or another class system) remains in place to generate the wealth and taxes. This in turn requires exploiting and oppressing the vast majority of the people.

Even a great man like Mandela could not escape this logic. Despite his commitment and sincerity, because he and the entire ANC leadership never truly wanted to end capitalism and later entered into state power, they could never implement true freedom and equality – even if they wanted to. It is not our intentions alone that decide our outcomes, but the methods we use, and the methods used here have proven, time and again, to simply lead to the replacement of colonial or apartheid elites with postcolonial or postapartheid ones; to remove some elements of national oppression, but not to remove poverty and inequality, and to make some major changes for the better in many cases, but not to fundamentally solve the problems the majority face: inequality, discrimination, unemployment and exploitation. At the same time, capitalism as a system requires and reproduces such inequality, as does the state.

Freedom Charter not anti-capitalist

The core document that guided the ANC in its struggles against the apartheid state from the 1950s to the early 1990s was the Freedom Charter. In tune with its times, the Freedom Charter (written in 1955) proposed a form of capitalism that was popular with emerging independent states in Africa and Asia in the 1950s and 1960s. It called for a strong state to direct the economy though nationalisation of key industries, including mining. This, however, was not socialist. The ANC's Freedom Charter never aimed to remove the profit motive of capitalism, nor did it intend to change the relations of production that define this system, or in fact alter the class system. Rather it called for state ownership of key industries; around which a black section of the ruling class could be built. In the rest of the economy private capital would be welcome.

Indeed, it was a priority for the ANC to create a black section of the ruling class and a strong black middle class – this was its main goal throughout most of its existence. And, Mandela was overtly honest about this point even in the 1950s, locating nationalisation squarely within this project.

Through this, the ANC leadership hoped that black capitalists too would be created and fostered. Certain supporters of the ANC, as well as opponents of the ANC, have often insisted that the Freedom Charter's mention of nationalisation was proof of its socialist character. Mandela himself was quite explicit that this was not the case, "Under socialism the workers …. and the peasants own the means of production, the land, the factories and the mills … production is for use and not for profit."

But ""The Charter does not contemplate such profound economic and political changes." It envisaged not "the transfer of power not to any single social class but to all the people of this country be they workers, peasants, professional men or petty-bourgeoisie" (Mandela, "In Our Lifetime", July 1956, *Liberation*).

fairs Committee of the House of Commons, 29 October 1985, London).

Mandela himself was always explicit that he was not a socialist and nor was the ANC. The ANC rather was for most of its history a nationalist organisation that believed a cross-class alliance was needed to defeat apartheid. It had significant numbers of working class members and supporters, but its leadership was largely drawn from an elite section of the black population, a pattern that has remained throughout. On the other hand, even if the whole leadership was somehow drawn from the working class, nationalist politics dictated alliances with other classes, including the black elite.

The main avenue for advance the black elite under apartheid and the previous segregation system was the homeland system of semi-autonomous states: men like Lucas Mangope of Bophupatswana secured in this way control of small armies, state budgets, TV stations, and large civil services. But outside of the homelands, the black elite was frustrated in its attempts to become genuine capitalists and join the ruling class by apartheid: it was unable to accumulate land; its trading was restricted its access to finance laughable; its mobility within white-run corporations and the state apparatus (outside the homelands) was blocked by rigid colour bars and rampant discrimination.

Thus, it had a real interest in overthrowing apartheid; but not in ending capitalism. On the contrary, it sought to reform capitalism, and would only join organisations that were compatible with this aim. That is, the nationalist project required embracing capitalism, without which the black elite would remain frustrated and stifled. And since the black elite in any case dominated the ANC, inevitably its vision of reformed capitalism dominated the ANC.

The limits of change

Many within the working class hoped that the ANC, under the leadership of the likes of Mandela, would implement socialism once the apartheid National Party (NP) was out of state power. Many hoped this would bring an end to class inequality and racial oppression once-and-for-all.

This was an illusion: the ANC kept capitalism, *not because Mandela or the ANC "sold out" but because capitalism was always ANC policy*. Keeping capitalism meant, on the one hand, maintaining a system of economic inequality, run by a few. On the other hand, because of its changing nature, it meant the development of a new form of capitalism – neoliberalism. Because of the timing of its assumption to power in the 1990s, the ANC, like governments the world over, implemented it.

While an end to formal apartheid was secured, universal rights to vote in parliamentary elections won, and freedom of speech legally recognised (all major gains for the working class, brought about though mass struggle), and other massive changes took place (including the end to formal segregation in services, space and incomes), unfortunately, these deeper hopes for socialism and thoroughgoing economic and social equality did not materialise.

National liberation from apartheid-type oppression for the black elite proceeded rapidly. Today, the black elite controls the state apparatus, wields an Africanised army and police; and the state bureaucracy, and so, perhaps 30% of the economy and 45% of fixed capital assets, including state banks and large state corporations like state electricity monopoly ESKOM, harbours, rail, transport, mass media, the weapons industry and South African Airways; the state also hold 25% of all land (including 55% in the provinces of Gauteng and the Western Cape) (e.g. *The Citizen*, 29 Feb 2012, "Blacks 'Own more Than 13% of Land'"). For despite (white) corporate hesitancy, around a quarter of Johannesburg Securities Exchange-listed company directorships are held by people of

colour (*City Press*, 10 Oct 2010, "Black Directors Arrive on JSE"). This was simply unthinkable under apartheid.

But, as the doors of state office and of the corporate boardroom opened up for the black elite – which was after all, a core plank of ANC policy – for the African, Coloured and Indian working class, national liberation was left incomplete, with massive gains in civil and political rights continually undermined by an ongoing system of centralised wealth and power: capitalism and the state. A complete removal of the legacy of apartheid in education, urban space, incomes, jobs, and land, and a complete removal of the larger class system in which a ruling class of capitalists and state managers hold power over the majority requires a radically different social order. Constitutional provisions for jobs, dignity, water, housing, a clean environment and the rest are deeply limited in a society based, like South Africa, on deep inequalities rooted in a vicious class system.

At present, from the working class perspective, South Africa has incomplete working class (proletarian) national liberation, and its completion requires a major social change in which the working class must take centre stage.

The ANC and the struggle against apartheid

At various points in history, other political ideas, ideologies, and groupings other than the ANC were at the forefront of the struggle against segregation and apartheid. For example, in the 1920s the Industrial and Commercial Workers Union (ICU) – influenced by a variety of ideas including revolutionary syndicalism – were in the vanguard of the fight against racism and capitalism in South Africa. Likewise, in the 1970s Black Consciousness played a large role in the struggles during that decade. In the 1940s the Communist Party of South Africa (CPSA, later the illegal SACP) was arguably the dominant force in black politics, as well as influencing a substantial

part of the white working class, at a time when the ANC was still relatively weak. And in the early 1980s, FOSATU "workerism" was a massive influence.

However, in the 1950s and more importantly from the mid-1980s to 1994 the ANC and its ideas were central. It was Mandela and others, like Walter Sisulu and Govan Mbeki, that played a key in the ANC's rise to prominence in the 1950s. At the same time, the SACP and the left generally were integral, both as ANC activists and as independent forces, and also contributed. They pushed for more radical tactics in the fight against the apartheid state, when compared to the tactics of lobbying the ANC used prior to this, and attracted a whole new generation to the ANC. It was also largely "graduates" of the 1950s generation that played a key role in laying the basis for winning large sections of the black working class to the ANC in the 1980s.

Capitalism, blacker

Despite this though, the ANC was never a socialist organisation, and never claimed to be. No doubt, some ANC activists were socialists; some wished to push the ANC towards socialism; some presented the ANC as socialist, dishonestly, to increase its appeal at a time when large sections of the black working class were convinced that the end of apartheid had to be accompanied by the end of capitalism, since the two systems were so deeply intertwined.

But even at the height of the 1980s revolts, exiled ANC leader Oliver Tambo was quite clear: "The Freedom Charter does not even purport to want to destroy the capitalist system. All that the Freedom Charter does is to envisage a mixed economy in which part of the economy, some of the industries would be controlled, owned by the state (as happens in many countries), and the rest by private ownership – a mixed economy" (Evidence before the Foreign Af-