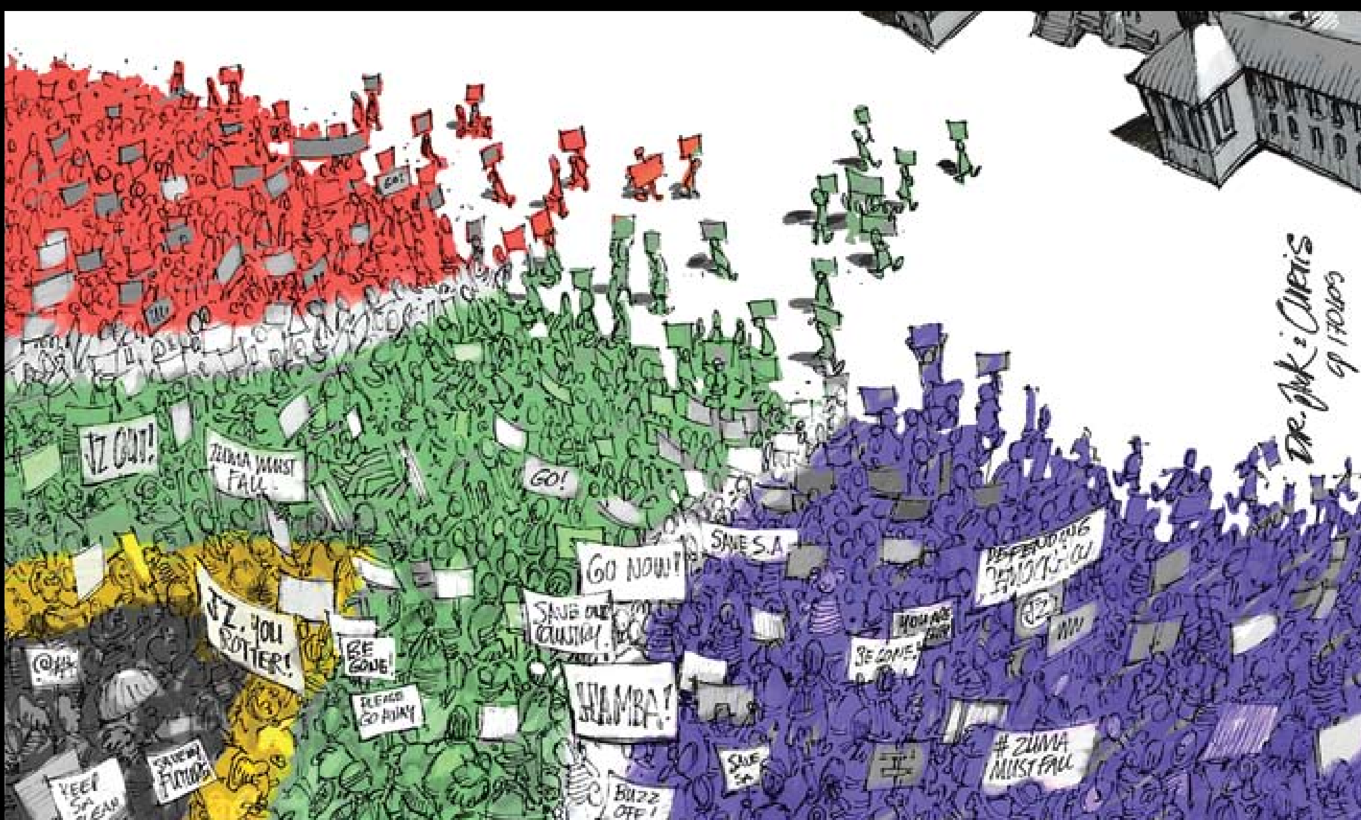
FOURTH QUARTER 2017 - ISSUE 67 www.instituteforafricanalternativescapetown.com

NEW AGENDA

SOUTH AFRICAN JOURNAL OF SOCIAL AND ECONOMIC POLICY

Can the left become a force?

An interview with Prof. Vivek Chibber



From African Claims to GEAR

Vishnu Padayachee & Robbie van Niekerk

ISSN 1607-2820
12067
9 771607 282007
RSA R30 (incl VAT)
Other countries R26.31 (excl tax)

NOTICE TO ALL EMPLOYERS

APPLICATIONS FOR COMPLIANCE CERTIFICATE AND LETTER OF GOOD STANDING

The UIF Compliance unit has created a dedicated e-mail address as a central point to which all applications should be directed/e-mailed.

- In order to apply for a Compliance Certificate or Letter of Good Standing please send e-mail to **compliance@uif.gov.za.**
- You will get an automatic response with an application form attached.
- Please complete the application form and e-mail it back to **compliance@uif.gov.za.**
- The UIF will get in touch with you within 7 days.

Should you not receive a response after 7 days, send a follow up e-mail to **jabu.gabela@labour.gov.za; siphamandla.gumede@labour.gov.za** or **malesela.makgamatho@labour.gov.za**

labour
Department:
Labour
REPUBLIC OF SOUTH AFRICA

NATIONAL DEVELOPMENT PLAN 2030

UIF
WORKING FOR YOU

NEW AGENDA

SOUTH AFRICAN JOURNAL OF SOCIAL AND ECONOMIC POLICY

New Agenda is a publication of the **Institute for African Alternatives (IFAA)**

CONTACT US
Email: **newagenda01@gmail.com**
Website: **www.instituteforafricanalternativescapetown.com**
Facebook: **www.facebook.com/newagendaonline**
Twitter: **@IFAA_CT**
Tel: **+27 21 461 2340**
Address: **Community House, 41 Salt River Road, Salt River Cape Town 7925**

IFAA STAFF

Editor
Prof. Ben Turok

Deputy Editor
Zunaid Moolla

Office Manager
Christine Leibach

Administration and Finance
Shamielah Booley

Research
Michael Smith

Subscriptions
Germaine Habiyaremye

Advertising
Natasha Hendricks

Published by **IFAA**

Layout
Amazon Media

Printing
Formeset Print (Pty) Ltd

Cover picture
©Dr Jack & Curtis (www.africartoons.com) City Press

ON THE DOT

Distributed by On The Dot

New Agenda **is accredited with the Department of Higher Education and Training.**

New Agenda annual subscriptions
South Africa R200 (incl. postage)
Abroad US$65
New Agenda is sold at CNA and Exclusive Books

Transforming the future now

By: Dr Thomas Auf der Heyde

The role of science and technology and of highly skilled scientists and researchers in national development is as self-obvious as it is often understated or underappreciated. After school it takes at least another eight years to qualify as a doctor of science, and at least another five thereafter before a researcher can be said to be an established researcher – no less than 13 years in all. That's a massive commitment required by those who wish to become scientists, and that for a job whose social function is poorly understood and whose material rewards are not more than average. The imperative of ensuring the continuous development of the next generation of scientists must be seen in this context – it's a very hard sell.

Young people make career choices for a range of reasons, some obvious some less so. Future income is certainly one of those factors. As is the visibility of a specific career, often influenced by TV series. The social status of a job and family traditions are other considerations. In addition, studies have shown again and again the importance of role models in encouraging young people to opt for particular careers or professions. Coupled together, these impressions and expectations weave a dream of the future for us, and the more tangible that dream, the greater the determination to pursue it.

Attracting young people into science and scientific careers is a key function of the Department of Science and Technology (DST), exercised in partnership with the departments of Basic and Higher Education and Training (DHET), as well as many other social partners. But this is only the start. A more specific function of the DST is to support and promote postgraduate studies, and facilitate development of researchers

Through the National Research Foundation, the DST is the biggest single source of public funding for postgraduate students, supporting 5% of all honours, 7% of masters and 18% of all doctoral students; on average about 10% of all postgrads. Through increased support by the DST and important interventions by the universities and the DHET, the number of postgraduate students enrolled has grown by 38% (from 134 870 to 184 842) in the last ten years (2006 to 2015), and specifically the number of doctoral graduates by 130% (from 1 100 to 2 530).

This is important to South Africa's future development, because without qualified

scientists the country cannot transition to higher levels of productivity and effectiveness. But the rate of increase is not sufficient, for example, to reach the National Development Plan benchmark of 5000 doctoral graduates annually by 2030 (against the current 2530) without targeted intervention. For this, greater numbers of school leavers and undergraduates would need to opt for a science career, being able to envisage themselves as scientists in the future. Can the average South African learner or student envisage her/himself as a scientist; who is their average role model?

Today the demographic composition of the national undergraduate student cohort is representative of national statistics, but it varies fairly significantly across institutions. Increasingly the demographically transformed character of the undergraduate student population is pushing through at postgraduate levels. The percentage of black masters and doctoral students out of the total enrolled at each level is now, respectively, 70%, and 57%, compared to 61% and 41% ten years ago. While more needs to be done, within a few years' demographic pressure will have transformed the postgraduate student body in line with national distributions.

However, given our history and the long lead-time in developing established researchers, the demographics of our research body are limping behind the changes seen in the student body. For example, in 2015/16, 31% of all NRF research grants were awarded to black South Africans, and 37% to women. Only 28% of the members of the Academy of Science of South Africa are black, only 25% women. These are hardly reflective of national population demographics, and send a signal that science is not accessible to black or women South Africans – the average South African will struggle to see her/his ambitions reflected in our average scientist. In the social context this reduces even further the visibility of science as a career to the majority of South Africa's citizens.

Much as this may seem like sophistry or an oversimplification of a complex phenomenon, the incomplete and slow transformation of our national scientific cadre poses a very direct threat to its sustainability. This is all the more poignant because our research system is highly productive and internationally competitive in several areas.

Between graduating with a PhD and being an established researcher, lies a large cohort of scientists referred to as "emerging researchers", many of whom are black and women. This potential critically must be mobilized as the next generation of researchers – and of role models for those following them. The NRF's Thuthuka Programme is customized to fast-track the development of this cohort into established researchers. The Department of Higher Education and Training (DHET) has established its Next Generation of Academics Programme (nGAP) which targets specifically this entry-level academic cohort, and DST and NRF interventions have been aligned to the purpose of this programme. Together with Universities South Africa and the DHET, the DST is working to unlock the massive potential latent in very large numbers of academic staff who are not research active, including many black and woman scientists – who therefore are invisible as role models in this context.

The larger and more competent South Africa's body of scientists becomes, the more will benefit her national development. But we cannot maximize the human potential of our future corporate body of scientists if today's youth cannot identify with those constituting it, if they cannot imagine themselves part of it. It's a hard sell – no matter that some might appreciate the beauty and promise of science and its importance to development, without constant effort, science as a career would certainly be eclipsed by many others to the detriment of our long-term future. To avoid this, we need to ensure that the average scientist now begins to reflect the average South African – driving the demographics of science now, becomes key to transforming the future into a brighter one.

science
& technology
Department:
Science and Technology
REPUBLIC OF SOUTH AFRICA

Contents

Issue 67

University of Limpopo Researcher finds a niche in Cancer and Diabetes Research Space

Professor Leseilane Mampuru holds a BSc (Biochemistry and Microbiology) and BSc Honours (Biochemistry) degrees obtained in 1990 and 1991 from the then University of the North (UNIN); a Master's degree in Biochemistry in 1995 at the State University of New York at Buffalo (USA) on a Fulbright Scholarship and a Doctoral degree in Biochemistry in 2000 at UNIN. His Masters' research dissertation entitled *"Characterization of Gene Activities Associated with Myoblast Growth and Apoptosis"* was completed under the supervision of Prof Te-Chung Lee. The study was designed to understand the molecular events leading to muscle regeneration and death (apoptosis) after trauma. His doctoral research thesis entitled *"Murine AIDS and Apoptosis: Analysis of Molecular Events Associated with LP-BM5 MuLV Retrovirus Infection of Murine Bone Marrow-Derived Stromal Cells"* was completed at the Division of Haematology/ Oncology, Lucille Parker Memorial Cancer Institute, Markey Cancer Centre, Chandler Medical Centre, University of Kentucky, Lexington, Kentucky, USA under the supervision of Prof Vincent Salvatore Gallicchio, a Professor of Clinical Sciences / Haematology and Internal Medicine at the University of Kentucky. The doctoral research was co-funded by several pre-doctoral fellowships including the South Africa Medical Research Council (SAMRC), the National Research Foundation (NRF), Tertiary Education Linkages Project (TELP), University of Kentucky Medical Centre Research Fund and the Standard Bank of South Africa. The thesis was designed to delineate the intricate molecular events and gene activities associated with LP-BM5 MuLV retrovirus infection of murine bone marrow-derived stromal cells.

Prof Mampuru presently takes keen interest in natural products research for treatment of cancer, type-2 diabetes and associated conditions such as obesity, inflammation and oxidative stress. The critical research focus of his research impetus is on the isolation, purification and chemical structure elucidation of the inherent bioactive principles that possess anticancer and antidiabetic properties. His laboratory uses biochemical, molecular biology and proteomics approaches to

Prof Leseilane Mampuru

understand the molecular mechanism(s) of action of these bioactive entities in the development, progression and treatment of cancer and diabetes. Our ultimate aim is to identify the bio-active compounds that can serve as drug-templates and to further advice on the potential for development of cheap alternative medicinal formulations that could be effective in the prevention, management and treatment of the most recalcitrant forms of human maladies. These approaches are coupled with mechanistic studies that are aimed to delineate the intricate molecular networks (such as the interplay between apoptosis- and cell division cycle-regulatory genes) involved in the aetiology and development of cancer.

Our research also evaluates the expression and translocation kinetics of Glucose Transporter Type-4 (GLUT-4) membrane receptors. GLUT-4 is the insulin-regulated glucose transporter found primarily in adipose tissues and striated muscle (skeletal and cardiac). GLUT-4 receptor translocation from the cytosol to the cell surface permits the facilitated diffusion of circulating glucose down its concentration-gradient into muscle and fat cells. Once within cells, glucose is rapidly phosphorylated by glucokinase in the liver and hexokinase in other tissues to form glucose-6-phosphate, which then enters glycolysis and / or is polymerised and stored as glycogen. Regulation of GLUT-4 receptors therefore plays a critical role in the understanding of prevention of type-2 diabetes. Understanding how insulin signalling alters the intracellular trafficking of GLUT-4, as well as understanding the fate of glucose transported into the cell by GLUT-4, is pertinent for seeking solutions to the current rise in diabetes and other metabolic diseases.

Prof Mampuru heads a group of highly-competent young researchers in the Department of Biochemistry, Microbiology and Biotechnology at the University of Limpopo (UL). The group boasts research funds in excess of over R4, 5 000 000.00 attained from the South African Medical Research Council under the Research Strengthening and Capacity Development Initiative, spanning over a period of five years (2015-2019). The research group comprises Prof Leseilane Mampuru (Principal Investigator), Prof Matlou Mokgotho, Dr Vusi Mbazima and two postdoctoral fellows, Dr Victor Bagla and Dr Khomotso Poopedi. The funding awarded is meant to enhance the research capacity development of young scientists in the specialised and scarce-skilled area of phytomedicine and related fields. The initiative strongly supports postgraduate student training at both Masters & Doctoral levels and intends to enable technology transfer from the highly resourced-collaborator laboratories to UL. The project has already trained three black female MSc candidates to completion and currently has one PhD and three MSc candidates (all African females) registered under the programme.

The envisaged outcomes of our research is the recruitment and development of a new generation of highly-skilled young African scientists, with the scientific competence and aptitude to generate new scientific knowledge that will mitigate the knowledge gaps towards the discovery, development and commercialisation of a pipeline of nutraceuticals, food supplements and drug leads for the prevention and/or treatment of cancer, type-2 diabetes and associated metabolic diseases.

Contact Details:
Prof Leseilane Mampuru
015 268 4892
Leseilane.Mampuru@ul.ac.za

KPMG, GUPTA AND ALL

By **Ben Turok**

It seems that the central objective was to capture the Treasury, one of the remaining bastions of integrity in the country. And Pravin Gordhan was in control so he had to be removed.

Elements in government colluded with SARS which used KPMG to draw up a fake report to remove Gordhan and then the road to the capture of the Treasury was open. Des van Rooyen was a bit player in the scheme but the Guptas were the principal actors and well connected to the Presidency.

The result, in the words of Judge Hans Fabricius: “the subversion of the integrity of the financial system, to put it gently”.

He went on to say “I could not help but wonder whether democracy and the rule of law had somehow been suspended. Could it be that the future, so bright in 1994, was now only history? Do the constitutional obligations imposed on the NPA and police still exist?”

KPMG say there was an error of judgement. But the association with Gupta was for 18 years. Now that they have removed the top management it is clear that they were part of a conspiracy to steal a major state institution which would set the stage for attacks on the PIC, perhaps even the Reserve Bank and much else. Eskom shows how it is done.

This scandal is now world news and South Africa has never had more critical coverage.

What is so shocking is that KPMG, like all the large auditing firms, earn more from their advisory services than from auditing. Government has come to rely on them for a great deal of research and policy formulation. So if any are tempted by corrupt elements they can have a massive impact.

Ben Turok

COSATU and the SACP are now alert to the dangers of state capture which is a close relation to regime change.

But where is the necessary public outrage? Are we too far down the road of defeat by our crooks for a strong moral response from all our public institutions?

New Agenda will play its part in exposing the rot that has infested the whole system. We trust that some new momentum will emerge out of the crisis.

WELCOME TO NEW IFAA BOARD MEMBERS

As the Director of the Institute for African Alternatives I wish to welcome the following members to the board, and thank them in advance for the contribution I am confident they will make:

TONY EHRENREICH, Western Cape Provincial Secretary, Cosatu

PALLO JORDAN, ANC veteran and former Cabinet Minister

STEVEN ROBINS, Professor of Sociology and Social Anthropology, Stellenbosch University

ARI SITAS, Professor of Sociology, Cape Town University

THE FUTURE OF CAPITALISM AND THE LEFT IN THE GLOBAL SOUTH

INTERVIEW WITH PROF VIVEK CHIBBER

Vivek Chibber, Professor of Sociology at New York University, was on a speaking tour of South Africa. He spoke to Zunaid Moolla, *New Agenda* Deputy Editor.

Vivek Chibber

ZUNAID MOOLA: You have been to South Africa several times now. Do you see or hear anything different with this visit?

VIVEK CHIBBER: No. I have been coming to South Africa on and off for about five years and what I hear every time is the same which is an expression of regret, sorrow and disillusionment with the process of liberation and a constant thinking and rethinking of what might have gone wrong. Why did such a powerful liberation movement ended up becoming either captured or neutralized or domesticated as easily as it was. I have to say it is disheartening to see it. At the same time what I have seen is enormous commitment, social commitment, political commitment, on the part of the left that still exists to try to keep the struggle going in spite of a general sense of demoralisation and confusion that has set in.

> **. . . the one vestige that it [the student movement] is not questioning at all is capitalism and the system of class domination and class reproduction in capitalism**

ZM: South Africa is one of the new kids on the block as far as democratic states go. Recently a decolonization movement has emerged on campuses that seek to tackle every vestige of our colonial past including language, labour relations, statues and artwork. Is South Africa following the same trajectory as other countries in the global south and, if so, what do you make of this movement?

VC: Those are two separate questions. On the larger question of whether South Africa is following the same trajectory, I would say that in the recent past, yes, in that South Africa has embraced neoliberalism like many other countries in the global south. It is on the African continent an achievement that it has managed to sustain a stable democracy for now, coming up on 25 years. That is no mean achievement and South Africans have to be congratulated on that. The vigilance in keeping those institutions alive has to be commended.

The narrower question of the student movement, it seems to me that it is probably incorrect to say that it has attacked every vestige, every institution of the colonial past. It seems to me that the one vestige that it is not questioning at all is capitalism and the system of class domination and class reproduction in capitalism. It has a lot of rhetoric of radicalism and questioning the past and it strikes me as being rather narrow in its aims. In many ways the stark racialism that it has embraced, it seems to me to be quite ill equipped to deal with the systematic and structural dilemmas that confront South Africa. It is of course true that the legacy of racial segregation and the legacy of racial oppression is still very much a central issue. In that respect what the "fallists" and the decolonising movement has

taken up is of central importance but to separate that from matters of radical redistribution, to separate that from confronting the real centres of power which are not constituted by race, these are constituted by wealth and economic power. Race is simply the one way in which they are organising themselves. To separate these two means that the movement, even of its own terms, will not be able to get very far and that is worrying to me because I like the passion, I like the dedication and energy that these students show but they are students whose vision is very much a product of neoliberalism, not an alternative to it.

ZM: So would you see at some point a decoupling of race and capitalism?

VC: You cannot decouple them in the South African context. It is impossible to confront South African capitalism without taking up issues of race and similarly it is impossible to confront racism in South Africa without attacking the maldistribution

> “
> **. . . I like the dedication and energy that these students show but they are students whose vision is very much a product of neo liberalism, not an alternative to it**

of resources between the classes. So I would not under these circumstances call for a decoupling. The worry I have is that the students have decoupled it and refused to take up matters of capitalism in a systematic way that limits their ability to fight issues of race.

ZM: A famous quote by Kwame Nkrumah was “seek ye first the political kingdom and all else shall follow”. While political independence was the immediate demand in colonial struggles for which there was enormous mass support, there were those who said that only when economic emancipation is achieved will the colonised enjoy freedom in the full sense of the word. In South Africa now, identity politics has been placed on the agenda of liberation. This has brought the categories of class into collision with race, culture, gender, indigenous vs. settler rights. Is there some advice you can offer on how we can reconcile these competing approaches?

VC: The trajectory that South African politics is taking is actually not to be blamed on the groups espousing identity politics. What it betokens is a massive catastrophic failure of the left, a failure of the left to capture the political ground, to frame the debates, to show that the struggle against gender and racial oppression is as much a part of class struggle and the left agenda as is workers’ issues. »

It is an indication of the abdication of the left, of its role as a hegemonic force, that it has allowed middle class and elite groups to frame issues of identity. The left has never been an opponent of struggles against racial and gender oppression, in fact it has led those struggles for most of the 20th century. But it understood them as being part and parcel of the struggle against capitalism. What the current form of identity politics embodies is not a recognition of the importance of gender and race, that recognition was always there. What the current crop of identity politics embodies is a narrowing of the horizon of gender and racial struggles so that they really embody the agenda of elite and middle class groups. Allowing them to do that, enabling them to capture the political ground is one of the worst defeats, indeed I would call it an abdication on the part of the left. In this of course the CP has to share the bulk of the blame but the South African intelligentsia, which was a very powerful Marxist intelligentsia into the 80s, also has to accept the blame. Housed in universities and in think tanks, it has allowed itself to be out manoeuvred and to be overshadowed.

ZM: Would you see other forces shaping that?

VC: It is of course a symptom of the political defeat suffered by the left but in the face of political defeat to also accept ideological and intellectual subordination is a moral failing on the side of the left. There was plenty of space for debates and discussions to go on in spite of the political defeats that came with 1994 and the transmission to power. What surprises me is how quickly Marxist intellectuals, socialist intellectuals allowed themselves to be eclipsed and overshadowed by race discourse. I would say the largest failing and the largest responsibility in this has to fall on black intellectuals.

> **“What the current crop of identity politics embodies is a narrowing of the horizon of gender and racial struggles so that they really embody the agenda of elite and middle class groups**

One can see why white intellectuals would have been cowed into submission. There is no reason whatsoever that a small but still significant black intelligentsia in this country should have allowed racialism to define politics the way it is now.

ZM: Would you say that the intellectuals have been seduced by capitalism to some extent?

VC:Certainly a large number of them have, no doubt about it. Those closer to power, it seems to me. It is pretty likely that the almost overnight eclipse of Marxist economists in South Africa probably has to do with their proximity to power but it does seem to me that there is a certain amount of just demoralisation and confusion amongst the intellectuals as well and that cannot be explained simply as a consequence of being seduced.

ZM: Formerly colonised countries have a dismal record of economic and human development. Where do we begin to look at why this hasn't happened differently?

VC: I think the answer is clear that what Nkrumah said about the road to paradise going through political power was too narrowly conceived in the liberation movements so that simply capturing state power was something they were content with and they did not accurately and sufficiently foresee that in modern capitalist societies, real power does not reside in the state. It resides in the economy and capturing state power without also having the leverage in the economy means that your state will become subservient to the most powerful groups in the economy which is national and international capital. I think that is where the root of the failure of decolonialisation and independence lies. Sadly, even through the 50 odd years of independence, the left hasn't been able to regroup itself in Equatorial Africa or even in South Asia to the point where it can recommence the struggle. The racialism that is prevalent in South Africa now is a gigantic obstacle. Until the left realises that what is happening in South Africa is a process of a kind of multiracialisation of the ruling class and the struggle has to be against the economic character of that class and not simply its racial character. Until it comes to that realisation, it won't be able to lead successful struggles for social justice, it will keep on getting co-opted into what is in fact a nationalist discourse presented as race consciousness.

ZM: So what do you see as possible solutions?

VC: That would not be my place to do. As somebody who visits the country and has a broad perspective on these issues, I can point in the general direction but spelling out solutions is something that the South African people and South African workers themselves have to come up with.

ZM: If the revolutionary overthrow of capitalism is not on the cards, what do you see for the countries of the global south?

VC: There is much that can be achieved short of the revolutionary overthrow of capitalism. There is still space for the taming and subordination of some of the forces of capitalism to issues of redistribution, of equity, of gender justice and racial justice. We should not fall for the mistake of thinking that if we feel that socialism is off the table then the only option is neoliberalism or some form of unregulated capitalism. There are many varieties of capitalism that are possible. To move the meter towards the direction of social justice requires enormous class and social struggles. What I am trying to suggest is that whether or not socialism is on the agenda in South Africa, it still has the social forces, the political and organisational wherewithal, to shift the political and policy process towards a much more humane and just social order even within capitalism.

ZM: Where would you place planning in this context? Is it an option that can still be considered?

VC: Very much so, in fact I think the only way out of the neoliberal order is to a regulated and state guided capitalism. I do think that the kind of state guided capitalism is something we call developmentalism. I do think that the developmentalism that we saw in the 50s to 70s is not on the agenda because that was a developmentalism that came out of an alliance between state and capital. National capital today, whether in South Africa or just about every part of the global south, is not interested anymore in having an interventionist state overseeing development. So if there is going to be a shift back towards some sort of state guided capitalism, it is going to have to come through pressure from below. It is going to have to come through working class struggles and not only do I think it is possible but I think that any policy shift that leaves investment decisions only to the prerogative of private hands is not going to work. The history of neoliberalism in the past 20-25 years has been massive under-investment and shortfall investment and the result of that has been massive underemployment and unemployment. As a first condition of achieving any kind of decent society which means increasing people's access to jobs and basic amenities, we have to massively increase the rate of overall investment in fixed capital, in housing, in infrastructure. Private capital shows no indication of doing so, so it is going to have to come through massive public investments but that is only going to come about through a struggle from below. I think the best option for the foreseeable future short of socialism is a kind of working class led interventionist capitalism.

> **What surprises me is how quickly Marxist intellectuals, socialist intellectuals, allowed themselves to be eclipsed and overshadowed by race discourse**

ZM: In cases like that, if that were to emerge and capital were to go on strike as we have seen in other parts of the world, what would you say the way forward is from there?

VC: Selective nationalisation and socialisation. If capital issues a threat then you issue your own threat. If capital threatens to leave, you close off the doors. If it still tries to leave you nationalise. With a popular mandate behind you, there is no reason you can't do that. It is the only way out, that is what was done in the 30s and 40s, that is what could be done now. Sometimes when I bring this up, people raise their eyebrows and click their tongues but that really reflects a loss of nerve. If you do not do that, if you simply take and leave to capital the prerogative of shifting and moving out without questioning that prerogative, I do not see how you can even begin to imagine a more progressive economic agenda. The state is the representative of the people and as the representative of the people it has to lay claim to national wealth and when that national wealth is being used to threaten the welfare of the people then that wealth will have to be taken back and given to them.

> **We should not fall for the mistake of thinking that if we feel that socialism is off the table then the only option is neoliberalism or some form of unregulated capitalism. There are many varieties of capitalism that are possible**

ZM: Because we know that some of the weapons that they use in their armour is to devalue the currency »

VC: The devaluation comes from capital flight, from an attack on the currency. We have to remember that the state still has enormous levers at its disposal to counteract such threats. It is absolutely true, as economists will point out, that for a single country to try to wage this war against capital on its own is very hard. But we all have to start somewhere. The doom and gloom that we envelop ourselves in points to the internationalisation of capital and globalisation. It is a doom and gloom that creates and sustains our defeats. The only way that we can think our way out of it, fight our way out of it is through a more ambitious economic agenda that realises that without confronting capital we will never get anywhere.

ZM: On the world stage we see a rise in religious extremism, racism, Islamophobia, a nationalist fervour which some of us might even call fascism, in several countries. Myanmar, India, the United States, France, Netherlands, Eastern Europe to name but a few, and in South Africa the emergence of nativism and indigenisation as a response to its racist and colonial past. And yet this is the age of globalisation. How do we explain this?

VC: There are different sources which in particular setting are behind the rise of these sorts of fundamentalisms and nativism. There is no one source, in the sense that, in some cases it's come about through a very concerted and organised revitalisation of religious movements. India is one example of this. The resuscitation and the rise of the BJP and the larger Sangh Parivaris was very well funded and it has enormous backing. But then places like Western Europe, the far-right parties coming up in the United States, the source is more coming from below. It is an expression of working class discontent and insecurity. In different places, one would say it is different things. I would suggest that there is one structuring element that's common to all this, aside from neoliberalism which is very, very important: it is the historic decline and defeat of the left. Again it's important and people don't realise this for a hundred years, the left has been the only civilising force in capitalism. It has been the force that has generated a sense of commonality, common pursuits, common interests, of humanity's shared visions and goals, of the importance of respect and decency, of non-instrumental and non-economic goals also being important in life. With the decline of the left, capitalism's ability to pit everyone against one another, to increase their sense of insecurity, to reduce people to an animalistic state where all they care about is kith, kin and their material subsistence, this is what we are seeing. It is the first time we've seen it in a hundred years and I've been saying this for quite some time and I'll say it again. The only civilising force capitalism has ever known has been the socialist movement. And until that movement gets going again, the forces of religious extremism, of economic anarchy, of these far right groupings, the anxiety, despair, disillusionment, the anomie that we are seeing. It will continue because capitalism knows one and only one thing and that is profit.

> “
> **if there is going to be a shift back towards some sort of state guided capitalism, it is going to have to come through pressure from below**

ZM: How would you see us counteract these movements, the very right-wing movements that we see springing up?

VC: The right-wing movement and the religious movements gain from the atomisation and the war of all against all that capitalism has unleashed. The only way around them is through very hard plodding, neighbourhood by neighbourhood organising, in which people discover once again that only by coming together fighting around their basic interest, only by discovering their common and mutual needs and their basic humanity and, through that, finding ways of trusting one another, of respecting one another. In other words, only through the means that the left has always used historically will we be able to do it again. We have been in a difficult situation where we've discovered that unless there is a political organisation willing to bring people together, they can't come together. We've also discovered that unless people are organised it is difficult to sustain a political organisation. So it becomes a catch 22, you don't know where to start. But finally after many, many years, I think the glimmer, the first glimmers of hope are visible and this has to do with the way in Western Europe, neoliberal parties, whether the social democratic kind or the conservative kind, are now in a state of utter collapse. It has to do with the wholesale rejection on the part of the electorate of the economic model of the past thirty years. I think now the cultural preconditions for the rebirth of an organised left are coming about. In order to take advantage of that we are going to have to come out of this torpor that we have settled into, one side of which is our total despair at global capital, the other side of which is our embrace of the divisions and mutual infighting that this kind of middle class identity politics has brought about. If we can overcome those things and realise as the left did once that the struggle against gender and racial oppression is part of and needs to be part of the struggles against capitalism. Unless we can do that, we won't be able to take advantage of this opportunity.

ZM: The economic hegemony of the west is on the wane but there is nothing to indicate that capitalism will decline within it. Will our world be any different if the star of the west fades?

VC: Hard to say but I do think that the ability of the west to politically dominate the global south is on its way out. You see the United States losing control of its own backyard in Latin America. You see it becoming a second rate power in the Middle East. You see it losing the battle to dominate Eastern Europe to Russia. All this is happening. Certainly I think that the world is moving toward a more multi-centred political set of alignments. Economically, right now what we are seeing happening is the convergence of ruling classes in the global south and the global north into a common committee of global capitalist interests. That it seems to me is a new phenomenon and again the irony is that, while capital is becoming internationally cosmopolitan, internationally religious social forces that are supposed to be criticising it are becoming less cosmopolitan, more nativistic, more religious and thereby completely abdicating or losing any power of being able to resist it. That's where I think we are right now and I think that is new.

ZM: So these movements that we talked about earlier, the right-wing movements, do we see them losing steam after time because finally they won't be able to deliver the goods?

“ I think now the cultural preconditions for the rebirth of an organised left are coming about

VC: Well, I do think those are two distinct issues. I do not think they can deliver the goods because they do not have an economic plan any different from the economic plan of the mainstream. But if they are the only force out there speaking to working class people and to the poor. If they are the only people trying to address people's needs while the left continues to be housed in universities and NGOs and talking amongst itself, there is no reason to believe they will lose traction because people want to have a political vehicle which addresses their needs. I would not be complacent about the eclipse of the right. I would however say that right now what Bernie Sanders and Jeremy Corbyn have shown is that a basic old style left agenda which brings people together around their economic interests has shown to be, is showing to be, spectacularly popular and it overnight has stripped much of the far-right of their momentum and of their traction. We have to build on that.

ZM: Okay, that was in fact going to be my next question. Can you name some places where you are particularly hopeful?

VC: Well, I think right now the English speaking part of the Atlantic world, England and the United States, is moving in a positive direction for the first time since the 1970s and this is good because that is still the epicentre of global capital. If there is progressive change in England and the United States then it will enable and open up a space for progressivism all around the world. First of all, structurally because both these countries will shift their economic policy agenda which had reverberations across the world. But also morally and politically in that it will increase the confidence that ordinary people have.

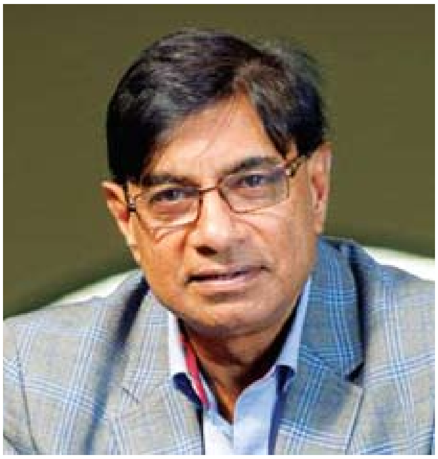
ZM: Finally, Donald Trump has probably done more good for the left than many of us could have imagined the left doing for itself. Would you agree?

VC: No, not entirely because what Trump also does is that he enables the neoliberal left to position itself once again as an alternative, as the more sane alternative, and people like Hilary Clinton using gender ideology and feminism as a way of trying to undermine Trump. No, I understand your question which is that Trump is so barbaric and such a naked expression of class and racial hatred and misogyny that it allows the left to come together. But it still leaves open the question as to what the left is and what its agenda will be and for that we still have to dig ourselves out of this extremely narrow form of identity politics. I want to be very clear, the problem isn't of the left taking up race and gender as issues, the problem is how they are conceptualised. What has happened over the past forty years is that elite groupings have been very successful in turning these issues into something that is opposed to class struggle rather than being part of class struggle. Until the left regains the confidence to bring all oppressed groups together under the banner of the poor and working people, a thousand Trumps can win elections and we won't be able to dig ourselves out. NA

"SHADOWS OF LIBERATION": ANC ECONOMIC AND SOCIAL POLICY FROM AFRICAN CLAIMS TO GEAR

Vishnu Padayachee and Robbie van Niekerk

Vishnu Padayachee is Distinguished Professor and Derek Schrier and Cecily Cameron Chair in Development Economics, School of Economic and Business Sciences, University of the Witwatersrand. Robbie van Niekerk is Matthew Goniwe Chair in Social Policy and Director of the Institute of Social and Economic Research, Rhodes University.



Vishnu Padayachee

Robbie van Niekerk

For the tens of thousands of anti-apartheid activists in South Africa and the world a question that has been asked over and over again is: how did South Africa veer so far away from its original vision of a just social and economic order after overcoming the brutal racist system in 1994. Now a pioneering research study provides the answers

Some 30 months ago we began a joint research project aimed at trying to better understand the nature and character of the economic and social debates that took place within the ANC alliance and between the ANC and other parties and formations in the period from late apartheid to the first years of the democratic dispensation. In particular, we wanted to understand the clearly complex and often haphazard and somewhat murky process by which decisions about economic and social policy were taken in the negotiations over a democratic constitution and in the early years of democracy. Many commentators have commented upon and attempted to explain perceived shifts in the ANC's stance on many issues of social and economic policy. Explanations included Faustian and Elite Pacts and conspiracy theories. The role of external agencies, including the Bretton Woods institutions, was stressed by some. Local white conglomerate capital, the Oppenheimers and Ruperts, feature prominently in other explanations. Accusations of some kind of betrayal by the ANC leadership loom large in some accounts. While yet others claim that the ANC did not shift its positions at all, simply reverting to its true type as a petty bourgeois black nationalist organisation.

Our forthcoming book represents an attempt to critically assess the economic and social policy theorising, thinking and choices made by the ANC (in alliance with the SACP, COSATU and Mass Democratic Movement) in the transition to democracy (c1985-1996) but consciously locating this narrative in a longer historical context.

In our periodisation we have chosen to start with the African Claims document produced under the leadership of ANC President Dr AB Xuma in 1943, and which ends in the publication of the Growth, Employment and Redistribution (GEAR) document produced by the ANC-led democratic government of Nelson Mandela in 1996. In our book we identify a fully recognisable but largely unclaimed social democratic tradition of thinking in the ANC historically, reflected most clearly in its advocacy for state-provided social policies on health, education, housing and social welfare based on social rights of citizenship. The ANC in our view had a very clearly articulated social democratic agenda on a post-segregation and post-apartheid 'good society'. This was specifically described by no less a figure than ANC president-general Albert Luthuli as taking the institutional form of a "democratic social welfare state", along the lines broadly of the Clement Atlee model of the post-war welfare state in Britain which was characterised by the goal of full employment, a state national health service, trade-union rights and state provided comprehensive health, education and social welfare. The ANC of AB Xuma in the 1940s and maintained by Luthuli in the 1950s had no hesitancy in confidently locating South Africa in the global world of progressive social policy ideas and indigenising these ideas to South Africa's own unresolved 'national question'. The Achilles Heel of the ANC though was that it could not muster the economic policy making capacity to give effect to this historical vision reflected in foundational documents such as African Claims and the Freedom Charter. Perhaps even more seriously it eschewed, in the transition era, opportunities presented to develop such economic policy making capacity. Instead the dominant ANC leadership of the time opted for an avowedly 'market friendly' trajectory that was at variance with the historical vision of a social democratic, de-racialised 'good society', the social content arguably of the erstwhile 'first stage' of the 'national democratic revolution'. How this disjuncture occurred is the focus of our forthcoming book which addresses and debunks various myths about what really happened in the 1990s. No one in our view has attempted such a historically grounded and exhaustive research project. Yet we make no claims that ours is the full story of that intense, fast-paced episode of our history. It is hopefully not the last word on this subject, one which continues to interest scholars and policy makers across the world. Far from it: we would in fact like to encourage other scholars to continue to plug holes, offer different takes, provide new evidence, point to other interpretations. In this we agree with archival scholar Hennie van Vuuren, author of *Apartheid Guns and Money: A Tale of Profit*, who argues persuasively that [our archives] should be packed with young researchers – it would be a tragedy if these are the preserve of only aged ...historians. We have to continue to tell our own story as a young nation, and that requires us to dig deep into our past, beyond the point of discomfort. (van Vuuren, 2017: 503)

> **. . .political freedom is accompanied by an appropriate set of economic policies that would serve fundamentally to transform the lives of the people whom the liberation movement represented**

> **The ANC in our view had a very clearly articulated social democratic agenda on a post-segregation and post-apartheid 'good society'**

We are now close to completing an approximately 300 page manuscript, which we have provisionally entitled *"Shadows of Liberation? ANC Economic and Social Policy from African Claims (1943) to GEAR (1996)."* Our title comes from a quote in the ANC's watershed Morogoro Strategy and Tactics document of 1969. "To allow existing economic forces to retain their interests intact, is to feed the root of racial supremacy, and does not represent even the *shadow of liberation*. Our drive towards national emancipation is, therefore, in a very real way bound up with economic emancipation. (ANC Strategy and Tactics, 1969: 17).

The important point made here is about the imperative that political freedom is accompanied by an appropriate set of economic policies that would serve fundamentally to transform the lives of the people whom the liberation movement represented. Anything short of such a fundamental economic emancipation, would therefore represent a 'shadow of liberation'.

Here is the context and main findings for the forthcoming book which we wish to highlight.Talks over the transition to democracy in South Africa began fitfully and (largely) in secret in the mid to late 1980s. But FW de Klerk's announcement on 2 February 1990 that the apartheid regime was unbanning the ANC and other liberation movements followed by the release of Nelson Mandela in 11 February, rapidly accelerated events. That South Africa remained the only fully capitalist economy on the continent at that time, is not in doubt. While we do not subscribe to the notion of "South African exceptionalism" we maintain that its capitalism was an extremely exploitative, stunted and distorted one, all of which in different ways, had a bearing on the very nature of the transition, including, upon economic policy options and choices. Two such features are worth noting here. Firstly, South African capital represented by white-owned conglomerates such as Anglo-American Corporation and Sanlam, both established around the end of the First World War, remained powerful, globally connected and influential. Second, the apartheid regime's economic institutions remained well-resourced and internationally connected, despite decades of sanctions.

These state institutions included the Ministry of Finance, the South African Reserve Bank (SARB), the Central Economic Advisory Services (CEEAS), a number of regional, national and provincial development finance institutions and the national statistics agency. Against these significant forces the national liberation movement, was by contrast fragmented, under-resourced and under-capacitated having perhaps necessarily (and to a point understandably) placed all its resources into the primary objective of overthrowing an undemocratic, racist and repressive white minority regime.

It is true that by the time negotiations began, the ANC had enormous support both among the majority of South Africans and within the international community. These were undoubtedly major assets. But power lay in the hands of white business and in the institutions of the late apartheid state which inevitably influenced the constituencies engaged in informal and formal negotiations. As Martin Plaut argued (2012: 31): "The men who had run South Africa for decades also embarked on a process designed to incorporate senior members of the ANC. Radical economic policies were dropped in favour of more conventional macro-economic prescriptions." As Plaut suggests, this was no accident: it had been thought through by the old regime and it was to prove decisive on many policy battles.

Twenty five years into South Africa's democracy, few can deny that while progress has been made in addressing some of the legacies of the apartheid regime in economic and social terms, that progress has not been as widespread, fast or as sustainable as may have been expected or hoped for. The "triple challenge", as the ANC government of today defines it, of unemployment, inequality and poverty, as well as the challenges of economic growth itself remains stubbornly intractable, and appears by most evidence-based research, to be getting worse in some respects.

Together with a serious crisis of service delivery (water, sanitation, electrification, health) in many parts of the country and a concomitant rise in service delivery protests and labour action, and weak performance by firms, both big and small, a double whammy of macroeconomic disequilibria and microeconomic stagnation faces the country today. Corruption, personal accumulation projects and governance challenges add to the woes of a new democracy. A serious, sober and 'warts and all' analysis of how South Africa has reached this point is necessary and perhaps overdue. Part of the explanation for the current malaise, we maintain, lies in the historic neglect of economic and social policy thinking in ANC political strategy since its formation in 1912, which has impacted negatively on the quality and creativity of its policy thinking in the crucial years of the transition to democracy and beyond. The question of how this came to pass lies at the heart of our forthcoming book.

OUR INTERPRETATION

We accept that a range of factors, forces and influences impacted on what was after all a negotiated settlement under shifting global and local conditions. One key factor that emerges in all this is the residual power of the late apartheid regime in the arena of economic policy-making, in which the powerful and confident Derek Keys, was a central reformist figure in the part of the white minority regime. As Ben Turok has observed with great insight in our view: "Although the ANC had done some work on a future programme for government in the *Reconstruction and Development Programme and Ready To Govern*, these were only broad policy documents. There was no plan of how an ANC government would actually take over the administration of the country, nor did it have trained personnel to run the country. Consequently it took over most of the personnel from the apartheid regime and only replaced them incrementally in the following years. *Hence the actual arrangements of transition were carried out by apartheid officials, especially in the Treasury."* (Daily Maverick, 19 February 2017, our emphasis).

In summary, our findings reveal that the ANC economics team, with few exceptions, (while smart and street-wise) were unevenly or inappropriately trained in economics, as well as inexperienced in economic analysis and policy formulation. Many too eagerly imbibed a few weeks of 'crash course' training in economics provided to them by the World Bank, J.P. Morgan and other corporate ideologues who had an intentional agenda of shaping in a pro-market direction the policy ideas, possibilities and limits of post-apartheid economic reform. We set these events in the context of the hurly burly of the transition which saw the ANC economics team over-stretched in trying to satisfy multiple and often trivial calls on their services and time; we show that the ANC economics team, despite some initial attempts, failed sufficiently to engage with its own rich mass democratic base to develop and defend its position; we show and argue that in terms of economic policy debates that the ANC was eventually outmanoeuvred by the outgoing government and state institutions which had been shifting steadily towards a 'market-friendly' approach to economic policy since the early 1980s. South Africa's powerful conglomerates also played a role in this exercise in persuasion, though not to the determining extent that some argue.

We stress the fatal consequences of a weak ANC economics team who in effect completely de-linked themselves from the mass democratic movement, 'going it alone' against the residual power of the old apartheid state as well as its well-resourced economics institutions and personnel.The economic policy choices that were made in the mid-1990s stems in our view from this fundamentally uneven balance of power created. The hugely respected ANC educationalist and civil servant John Samuel writing in July 2017, and speaking about the early years of the democratic government, makes a broadly similar point in a more elegant style. "Despite much preparation, we were not at all prepared for the subterranean text on the walls of the old government offices we moved into. The absence of guidelines shaped by the ideals of the struggle, coupled with pervading old apartheid culture, was a toxic mix." (Sunday Times, 30 July 2017).

Source: https://www.dailymaverick.co.za/article/2013-05-16-public-protests-gautengs-rising-pressure-cooker/#.WcleE_MjEdU

> **Part of the explanation for the current malaise, we maintain, lies in the historic neglect of economic and social policy thinking in ANC political strategy since its formation in 1912**

GENERAL CONCLUSIONS

- That the modern ANC had a very rich tradition of thinking historically on social policy and the 'good society' reflected in documents such as African Claims and the Freedom Charter. Cumulatively these social policies can be viewed as recognisably social democratic in character based on unequivocal state protected social rights to national health care, education and social welfare amongst others and in the context of a democratic state. This was a decisive response of ANC leadership luminaries such as AB Xuma and Albert Luthuli to what would constitute the social content of the resolution to the South Africa 'national question'. However throughout its long history the ANC failed (arguably with reason) to give similar systematic attention to economic policy. So it entered negotiations in the late 1980s without any history of economic theorising behind it, facing a well-resourced set of opponents, itself unarmed and vulnerable to countervailing forces from all sides, unprepared (as it were) for the implications of an evolutionary process of change which it had never anticipated or planned for.
- If one attempts (in the absence of specifics) to impute some very broad theoretical stance on its economic and social policy thinking in the ANC, then neither a label of "black nationalist bourgeois" nor "communist/ socialist" would appear to be appropriate. Rather one discerns ideas, especially in African Claims,

the Freedom Charter and the RDP 'base document', that could better be described we argue as social democratic (even if it eschewed the use of this European notion). It is this left social democratic and redistributive tradition (rather than some imagined and counterpoised socialist vision or programme) that the ANC leadership conceded by rejecting MERG in December 1993 and the RDP by April 1996. The vague formulations of the 'mixed economy' was increasingly denuded of the re-distributive content suggested by a social democratic agenda and was relatively easily re-directed to emphasising and making dominant the market dimension of the erstwhile 'mixed economy'.

- The DEP's efforts before and after the change in leadership around 1991 appear to have been mostly one of 'putting out fires' and of a 'public relations' nature, meeting, chatting and charming all and sundry, including international investors, local capital, local black business, farmers and others. There is little evidence that the DEP produced, debated and disseminated much by way of documented economic policy options even on such an important matter as SARB independence for example.
- There is evidence that the way in which the ANC worked on policy in general was highly fragmented, compartmentalised, and to some extent personalised. Each NEC committee, including the DEP, worked in its own silo, hugely influenced by who was at the top of these committees, and with little or no reference to what other complementary policy committees were doing, with little or no co-ordination from the centre driving towards a common goal, and most significantly with only very tenuous links to the formal negotiations in Codesa and the multi-party talks where key policy decisions were being approved.

> **"... no evidence exists that the DEP group made itself systematically accountable for its economic and social policy positions to the ANC branches, and the core democratic structures of the movement at local level**

- Most significantly, no evidence exists that the DEP group made itself systematically accountable for its economic and social policy positions to the ANC branches, and the core democratic structures of the movement at local level. For whatever reason (including perhaps a fear of creating disunity) it turned its back on its greatest asset and resource in our view, the broad anti-apartheid forces of South Africa. This culture and restricted method of operations clearly carried into the new government where the RDP was dumped and GEAR produced largely in secret by a small group of 'establishment' economists. As we all know GEAR was made public to the ANC membership and the rest of the world in mid-1996 with the stunning announcement that it was 'non-negotiable'.
- The DEP failed seriously to engage with any alternative policy positions and ideas over the early to mid-1990s. In December 1993 it just dumped MERG's alternative ideas without having the courage to debate them at any level within the movement, simply because it believed it had the power to do so. As Ben Turok observes: "there were indeed critical voices which sought to introduce more radical economic and social policies which were rejected by the top leadership. The RDP was one such voice which was soon closed down on spurious grounds such as budget allocation difficulties. And there were others such as MERG (Macro Economic Research Group). The main problem seemed to be that the leadership did not have a sense of what economic development meant and how it could be promoted." (Daily Maverick, 19 February 2017). ANC participation in MERG workshops and Steering Committee structures was formalistic and not substantive. The SACP and SANCO had little or nothing to say within MERG, and COSATU had effectively nailed its mast to the RDP process and ignored MERG, so rendering the ANC alliance approach to economic policy highly fragmentary. In the context of the economic debates of the 1990s it appears to have been the case that if you did not recognise that 'we had no alternative', one had to be a 'loony leftie' or an 'economic dinosaur'. It was as simple as that: and some so called 'progressive' academic economists, eager to be seen to be toeing the line of the in-coming administration, bought into that view with gusto.
- There is no credible evidence of any conspiracy theory involving the ANC, western governments, the apartheid state and the International Financial Institutions (IFIs) amongst others to repudiate the ANC's perceived programme of

radical economic transformation (nationalisation, redistribution) as argued by Sampie Terreblance, among others. That claim remains "unproven". On the other hand there is evidence that the market-friendly GEAR programme was initiated in September 1995 well before the currency crash of February 1996 and driven in secret by a small hand-picked group of centre-right South African and international economists. (SARB, World Bank, Treasury officials and some academic economists). Those meetings appear to have been held at the Development Bank HQ in Midrand.

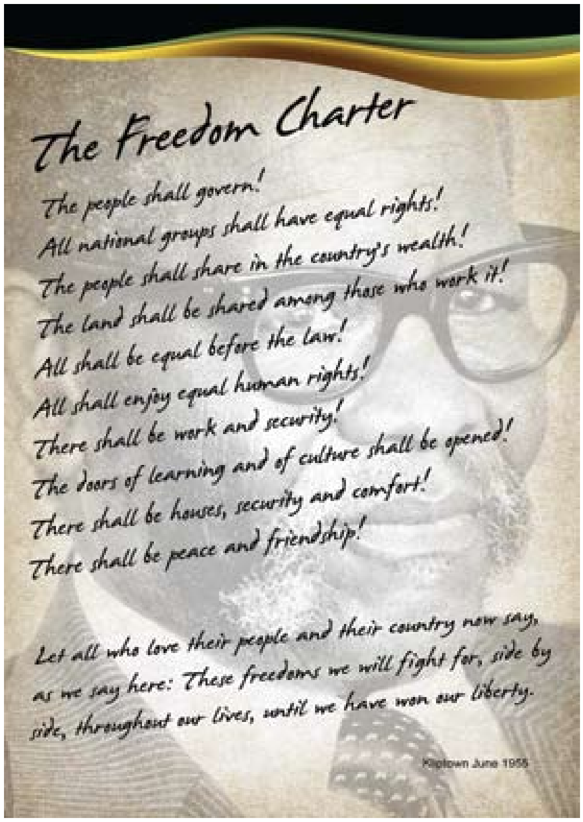
- The IMF and the World Bank had no suitable vehicle through which they could have exerted any direct influence on ANC economic thinking. In some ways the World Bank adopted a not unexpected pro-market but nonetheless fairly sympathetic stance towards the ANC and some level of acceptance of the need for moderate redistribution (eg land reform), albeit for pragmatic reasons in the context of apartheid's devastating social consequences for the black majority. Ironically the ANC on some policy issues appeared to support or push (old) Washington Consensus ideas that the Bank itself was turning its back on after the 1993 East Asian Miracle Report.
- The key historical ANC social policy on a National Health Service (NHS) to overcome the stark inequalities of apartheid health care, and still unequivocally presented in ANC policy frameworks such as the ANC National Health Plan as well as MERG and the RDP by 1993, was diminished by a capitulation to the interests of the private sector and to which there was no accountability to the progressive health care movement. A centralisation of policy-making underpinned this shift to a technicist policy agenda that was effectively de-politicised in the post-1994 era of governance.

Source: http://www.history.com/this-day-in-history/nelson-mandela-released-from-prison

- The late apartheid government, though weakened in some significant ways, nevertheless retained control of the not inconsiderable capacity and resources of key economic institutions including the Treasury, the SARB, and the CEAS, all of them who had come to buy into market friendly economics since the days of the NP's economic reforms beginning in the late 1970s. The positions tabled by the NP, including on SARB independence, the national debt and fiscal policy carried the day in most situations almost by default. These key economic institutions under the leadership of the all-powerful figure of Derek Keys (and then Chris Liebenberg) remained untouched (by agreement) across the key years of the transition to democracy and were allowed the freedom to continue to retain a disproportional influence in shaping economic policy thinking immediately after 1994.
- The role of South African conglomerates needs more careful consideration than what has hereto been offered. Such conglomerates were of course eager to invest time and money in initiatives to dissuade the ANC from what they perceived to be the ANC's socialist economic programme including nationalisation and redistribution. Here the Brenthurst meetings and the scenario planning exercises were key. As Trevor Manuel notes in his biography the Old Mutual scenarios fed into the GEAR in various ways. But our research, especially interviews with senior Anglo executives, suggest that business had anticipated making »

". . . GEAR was made public to the ANC membership and the rest of the world in mid-1996 with the stunning announcement that it was 'non-negotiable'.

concessions to the ANC's programmatic vision of redistribution to a greater degree, than it eventually turned out the ANC was willing to push for. The nature of the transition in the early 1990s and the expectations of concessions politically by the ANC in the context of CODESA were paradoxically not reflected in the economic policy positions the ANC was ultimately willing to put forward and defend. In other words there was little willingness in the ANC leadership to exploit the political opportunity that existed in the transition era to wrest concessions from the conglomerates on the need for more fundamentally re-distributive economic policies in the context of the 'transition moment' and the global focus on addressing the 'crime against humanity' called apartheid. Evidence we present suggests that a more fundamentally re-distributive strategy on the part of the ANC was a reluctant expectation of the conglomerates who had prepared themselves to make more fundamental concessions on economic policy, having handsomely benefited historically from the exploitative apartheid system to say the least. Morales (2015) persuasively argues that in both Chile and South Africa the electoral discourse and the societal expectations generated by such discourse created the basis not for a radical economic programme but a weak social democratic programme and to which business in both Chile and South Africa appeared ready to accede. However both post-authoritarian, democratic governments shifted to the right, towards an embrace of neo-



Source: http://ramaphosa.org.za/freedom-charter-poster/

liberalism, in ways which business in both countries, did not expect.

- Without any history or tradition of economic theorising, without the backing of its former Soviet supporters, with an inexperienced DEP at the helm, having rejected any substantive engagement with the alternative progressive ideas coming out of the RDP processes and MERG and having rejected an inclusive democratic engagement on economic policy with its own internal constituency, the ANC was easy prey to a variety of influences. In this view the ANC, through its DEP, was out-manoeuvred by the apartheid regime and local conglomerate capital: there was no need for 'secret talks' to bring this about.
- Finally, we hope that our book offers a significant and distinctive set of more complex arguments about why the transition in respect of economic and social policy unfolded in the way that it did; that it demonstrates the weakness of arguments based on conspiracy theory; and finally that it de-bunks the myth of an internally coherent 'goose-stepping' neoliberal project under the DEP group of the ANC.The late apartheid South Africa regime that the ANC negotiated with in the early 1990s may have been weakened by international sanctions and internal resistance, not to mention the pyschological impact of the armed struggle but it remained a formidable opposition nonetheless. To recognise that the ANC had to concede more than it might have wanted in this context is hardly surprising but those compromises and the unnecessary lurch to economic conservatism, (or neo-liberalism if you like) have undoubtedly had serious negative consequences for the South African economy and for the poor and the working class, despite some progress in the first seven years of the 21st century. In this broad criticism of ANC policies and outcomes in the lead up to, and in, power, the evidence leads us to concur with the fierce critics of the processes, decisions and outcomes which resulted in GEAR both inside and outside of the ANC today. We simply are not in agreement with most of those critics on how this all came about. In our forthcoming book we offer an explanation why.

REFERENCES

ANC (1969): Strategies and Tactics

Morales-Olivares, Rommy (2015): Inconsistencies between social-democratic discourses and neo-liberal institutional development in Chile and South Africa. Inicio Vol 9 No 2.

Plaut, Martin (2012): The Uneasy Alliance, in Who Rules South Africa? Martin Plaut and Paul Holden (eds.) Jeppestown: Jonathan Ball.

van Vuuren, Hennie (2017): Apartheid Guns and Money. Jacana Media, Sunnyside. NA

Transforming the economy from below: the role of the people in development

By Prof. Richard M Levin

The year 2017 has been declared to be the Year of Oliver Reginald Tambo, in honour of a visionary leader and patriot who would have turned 100 years old this year. In his address to the United Nations Economic Commission for Africa (ECA) in April 1979, Tambo shared the vision of a future in which "we shall no longer experience the haunting spectacle of a child rummaging through refuse heaps, searching for rotten morsels of food" and when "we shall no longer experience the terrible destitution of our peoples that is the heritage of colonial and imperialist domination and the continuing unequal relations between the powerful economic centres of the Western world and our continent".

Despite visionary leaders like Oliver Tambo, Julius Nyerere, Kwame Nkrumah, Nelson Mandela, Kenneth Kaunda, Patrice Lumumba and Samora Machel, Africa has still not fully emerged from the structural contradictions of underdevelopment, inequality and poverty. To some extent this is attributable to an inability of subsequent leaders to fill the shoes of these African giants and pave the way for African growth and development. But the developed world and global institutions are equally culpable for reproducing Africa's post-colonial challenges. Through the Washington Consensus, the IMF and World Bank have exerted pressure on Africa to deregulate the market, when it is and has been controlled by Multinational Corporations (MNCs) for over a century. In 2015 a report on illicit capital flows by the AU/ECA high-level panel chaired by former South African President Thabo Mbeki showed how between 2001 and 2010, an annual average of $50 billion flowed out of the continent illicitly[1]. This would equate with $1 trillion over the past 50 years, equal to all the development assistance received by Africa and enough to wipe out the region's total external debt of $250 billion and leave $600 billion for poverty alleviation and economic growth[2].

Prof Richard M Levin

The illicit flows have grown over time; the trend between 2002 and 2011 is put at 20.2 per cent[3]. The role of MNCs is pivotal through trade mis-invoicing, abusive transfer pricing and base erosion and profit shifting to subsidiaries in low-tax or secrecy jurisdictions. The corruption of the MNCs has also sponsored corporate capture of the state and prevented African states from establishing people's democracies to transform the historical plight of its oppressed and exploited people and communities. Africa needs the rest of the world to stop looting its wealth and resources and to cease being a net creditor for development in Western Europe and North America.

There must be an appreciation that transforming African economies is paramount in addressing socio-economic inequalities, poverty reduction and ensuring wealth creation for the well-being of the African people. The continent is resource endowed – oil and natural gas – and remains home to vast cropland and reserves of minerals, which have in the main been exported without any value added industrial processing. Competitiveness also remains a major challenge to the African economy, with the 2017 Africa Competitiveness Report pointing to a list of constraints on doing business in Africa, critical among these being access to capital, corruption and inadequate infrastructure.

The Millennium Development Goals were far from achieved and the focus has now shifted towards 2030 (Sustainable Development Goals -SDGs) and 2063 (AU Agenda 2063).

One of the SDG goals is to promote **inclusive and sustainable economic growth**, employment and decent work for all. In order to achieve this goal, targets must be set, including the promotion of development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of SMMEs. The achievement of this SDG also requires higher levels of economic productivity through diversification, technological upgrading and innovation.

The Agenda 2063 Framework Document sets out the continent's aspirations, one

continued on next page

1 *Illicit Financial Flow*, "Report of the High Level Panel on Illicit Financial Flows from Africa," Commissioned by the AU/ECA Conference of Ministers of Finance, Planning and Economic Development, (2015).

2 Sean Gossel, University of Cape Town, quoted in "The effect of illicit financial flows in Africa," Corruption Watch (http://www.corruptionwatch.org.za/effect-illicit-financial-flows-africa/).

3 "Report of the High Level Panel..." (2015: 64).

of which is a prosperous Africa based on inclusive growth and sustainable development. This can be achieved inter alia through the establishment of capable developmental states which promote **people-centred development**, gender equality and a focus on the innovative productive potential of the continent's youth. People-centred development places African people at the centre of all continental efforts to ensure broad-based participation in the transformation of the continental economy and building caring and inclusive societies and communities.

Africa now has to also contend with the rise of the Fourth Industrial Revolution (4IR), which puts the global economy on a trajectory that may be unprecedented in many ways, and creating a major impact on development. Klaus Schwab[4] (Founder and Executive Chairman of the World Economic Forum) points out "like the revolutions that preceded it, the Fourth Industrial Revolution has the potential to raise global income levels and improve the quality of life for populations around the world. To date, those who have gained the most from it have been consumers able to afford and access the digital world; technology has made possible new products and services that increase the efficiency and pleasure of our personal lives".

At the same time, Schwab also cautions that the 4IR could increase demand for highly skilled workers while the demand for workers with less education and lower skills will decrease, resulting in a "job market with a strong demand at the high and low ends, but a hollowing out of the middle". It is evident that African countries are not fully equipped to transition to a 4IR economy and it is therefore imperative that one of the focus areas is on human capital development – as a means of transforming the African economy.
Africa also has a young population and a growing labour force, with its working age population reaching 1.1 billion – bigger than China or India's – in the next 20 years (2017 Economic Report on Africa). With penetration of Internet and mobile phones on the Continent, there are huge economic growth and human development opportunities for Africa and the continent must leverage off this demographic opportunity to unleash economic potential.

In its report on *Public Sector Management Reforms in Africa*, the ECA notes that the "public service has always been the tool available to African governments for the implementation of developmental goals and objectives" but many African countries "have not come close to their goal of developing and transforming their societies to the same standards as developed countries".

The role of management development institutes (MDIs) or national schools of government in transforming African economy and society should be scrutinised. The ECA report notes that most African countries established MDIs at independence but standards of capacity building have been compromised due to exclusion from the centre of government administration to the periphery; no consultation about government policy decisions; a relegation to a lower status and inadequate funding (p48). The OECD[5] notes that "schools of government are uniquely placed to enhance the capacity of public servants to meet the leadership, policy and delivery challenges they face" and that they can play this role "both directly, through their learning and training programmes, and indirectly, by encouraging a learning culture that contributes to civil service effectiveness and efficiency".

In South Africa, the establishment of a government school (the National School of Government - NSG), replacing a management development institute (the Public Administration Leadership and Management Academy) was a necessity to broaden focus from leadership and management development to embrace all state actors and employees. This was in line with the vision of the founders of our democracy, to create an African state that is non-racial, non-sexist, able to overcome historical inherited inequalities and committed to opening the doors of learning and culture to all. The establishment of the NSG therefore gave expression to the imperative of creating a centre of excellence for education, training and learning to develop a public service cadre that understands and believes in the vision so ably articulated by OR Tambo to the UN-ECA in 1979.

The National Development Plan (NDP) points to building a skilled and professional public service from both the top and bottom – focusing also on succession planning and developing skills and expertise at junior levels that are necessary for future public service cohorts. We are also duty bound to produce future public sector leaders, if we are to succeed in realising both Vision 2030 and Agenda 2063 in practice. In line with the NDP, the curriculum development process is guided by an integrated learning framework which provides the basis to systematically map courses, programmes and qualifications.

The NSG is emerging as a centre for innovation, thought leadership and elearning. This learning modality is being enhanced through the introduction of open online courses, which truly open the doors of learning and culture to all state employees and include offerings on Managing Performance and Professional Ethics. With regard to the latter, the School has entered into a memorandum of agreement with a state owned entity to offer ethics training to all of its staff. We are engaging with numerous organs of state to offer our programmes. An exciting pilot programme is an open online course on financial delegations for public service managers. The value of open online learning is that it is self-paced and provides participants with the opportunity to learn when convenient for them.

Beyond the capacitation and skills enhancement of public servants, and beyond supporting governmental institutional performance (in many instances, measured by its levels of regulatory and compliance audit, well-structured reporting, and efficient resource utilisation), there has be a role – direct or indirect - for MDIs or national schools of government to contribute to transforming the economy and society. These include:

[4] The Fourth Industrial Revolution: what it means, how to respond (14 January 2016)

[5] OECD Report on National Schools of Government – Building Civil Service Capacity, May 2017

1. Policy implementation and support

When government adopts a policy for implementation (e.g. New Growth Path, Industrial Policy Action Plan), it should not only entail ownership by the relevant policy department or sector cluster, but rather ownership by the entire state. MDIs or national schools of government should be at the forefront of analysing policy documents and identifying the design of relevant curriculum and learning outcomes, development of critical skills across the state, and the application of such policy within the context of workplace learning. Public servants must be part of the discourse and practice of economic transformation and people centred development. Beyond the public service being an enabler of development, it must be seen as an integral part of economic transformation and development.

The South African National School of Government is partnering with key sectors and institutions to support economic planning and development, as well as social policy.

2. Building the capacity of the state

MDIs or national schools of government should focus on building the capacity of state – not only the public sector – either directly or indirectly through partnership and network arrangements. The South African National School of Government is engaging with the three spheres of government and appropriate partnerships have been forged with some municipalities. Additionally, partnerships with state owned entities are also being concluded. The NSG also has a partnership with the legislatures and universities and has developed a Legislature Capacity Development Programme.

3. Developing the capacity of society

Whilst some would argue that building the capacity of society may not be within the mandate and scope of MDIs or national schools of government, it can be equally argued that these institutions can indeed play a role in building capacity of NGOs, civic organisations, and traditional authorities, amongst others. Certainly there must be opportunities for partnerships with the private sector and academia to support knowledge

generation and application of knowledge to make people-centred development a reality.

The NDP places emphasis on meeting people's needs and the role of an active citizenry in achieving developmental objectives. State-people relations have a critical role to play in transforming economy and society, particularly in generating livelihoods, decent job creation, developing social enterprise, entrepreneurship and the establishment of SMMEs and co-operatives. MDIs or national schools of government can play a role in building capacity for these endeavours which can be strengthened through sound project planning and management as well as participatory community-based monitoring and evaluation.

4. Continental Integration

Capable developmental states, as the NDP points out, improve their effectiveness by building strong institutions, enhancing their own capacity and learning from experience. We have taken this notion of learning from experience to the international level, where we have strategic partnerships and networks to

build capacity within our country as well as on the continent.

The African Management Development Institutes' Network (AMDIN) is a continental public sector capacity building network that has the potential to play an important role in supporting the economic transformation agenda on the continent. In December 2016, the Commission of the African Union (AUC) signed a memorandum of understanding with AMDIN in order to, inter alia, develop African leadership and management capacity for the needs of the African people and their governments; exchange knowledge towards common perspectives on public sector management in Africa; and advance the development of the continent by promoting research and training to improve public services in Africa. In this way, AMDIN provides member states in Africa with the opportunity to ensure that the continent will be better placed to cope with rapid socio-economic changes at a global level and the impact of the Fourth Industrial Revolution. The NSG currently serves as the Secretary-General of AMDIN.

school of government
Department:
National School of Government
REPUBLIC OF SOUTH AFRICA

REFLECTIONS ON THE SOUTH AFRICAN POLITICAL ECONOMY

Kgalema Motlanthe

The writer is the former President of the Republic of South Africa and is also Chairperson of the IFAA Board. This is an edited speech he delivered to students at the Nelson Mandela Metropolitan University in August, 2017.

Kgalema Motlanthe

Former President Motlanthe delves deeply into the colonial settlement in South Africa to trace the origins of inequality and deprivation. He lifts the covers of history to reveal the structural nature of economic dislocation of the majority of the indigenous population and how race was used to serve imperial interests. Despite this grim past, he points to ways in which we can overcome this legacy.

"British imperialism wanted to exploit Africa's gold on "easy", i.e. predatory terms, thanks to the almost slave-like conditions to which black miners had been reduced.

I am of the view that a deeper understanding of the political economy of modern day South Africa is located in history. Intrinsic to the character of the South African economy, these features are a legacy of these historical processes and constitute the basis of the challenges the democratic state is facing today. Political oppression, racial capitalism, class/race nexus, labour aristocracy, migrant labour system in the mines, forced proletarianisation and land dispossession are among the chief attributes of South Africa's political economy and extend back to the mercantile history of South Africa, although they were consolidated after the discoveries of gold and diamond and further entrenched with the Union of South Africa in 1910.

Not many will dispute the fact that the economic ownership of South Africa is racially skewed in favour of the white section of society, albeit a smattering of black capitalists is sparking into life. This is no random historical incident. This scenario resulted from conscious human action. It is the result of history. In particular, capital and labour have provided the racial foundations that have shaped current South Africa. As Legassick (1974: 32-33) put it: 'The structures of South Africa sustain a situation in which it is whites (although not all whites) who are the accumulators of capital, the wealthy and the powerful, while the majority of blacks (though not all blacks) are the unemployed, the ultra-exploited, the poor and the powerless.'

Both capital and labour unfolded within the historical process of national oppression and exploitation. Land dispossession is the prime example of how political domination and economic exploitation intersected. Land dispossession was a political act that provided both necessary and sufficient conditions for forced proletarianisation of Africans in the emerging diamond, and later, gold mining economy. Political dominance thus provided cover for economic exploitation within a racial context. The 1994 democratic breakthrough in South Africa spelled the end to political domination of our history but the content of that history remains today.

DUTCH EAST INDIAN COMPANY AND THE BEGINNING OF SETTLER COLONIALISM

The 1652 arrival of the Dutch East India Company in what was to become the Cape was to trigger subsequent events that changed the face of our country forever. Academic and author, Bernard Magubane, captures this historical process vividly:

> 'The landing of the employees of the Dutch East India Company on the Cape of Good Hope in 1652 signalled the incorporation of South Africa into the emerging world capitalist economy. It also represented the formation of classes to complement merchant capital. Initially the occupants of the station were expected to trade peacefully with the Khoi and San peoples for supplies. But the Dutch colonists soon found the method of barter too slow and unprofitable, and they decided to acquire the supplies by force.'

Prof. Sampie Terreblanche contends that '(T)wo centuries after European settlement in the Cape, remarkable attitudinal and ideological changes took place at the Cape. This period saw the emergence of a new and powerful colonial elite – both agricultural and mercantile – which not only controlled political events at the Cape, but also consolidated their status in a repressive system of settler capitalism based on unfree black labour. This period also witnessed the crystallisation of a clear-cut racist ideology to legitimate not only the racially based system of settler (or racial) capitalism, but also the newly designed repressive pattern of black labour. Many historians regard this period as the most formative one in South Africa's history, when a racial and colonial hegemonic order was created that lasted - with some modification - for more than a century.' This is the period during which the first racist labour laws targeting Africans and Coloureds saw the light of day and were to provide the basis for modification and refinement as racial capitalism was gaining ground in the centuries to follow.

DISCOVERY OF DIAMONDS 1867, CAPITAL, LABOUR AND LAND DISPOSSESSION

The most decisive historical stages in the formation of the current South African socio-economic narrative were the discovery of mineral resources. Diamonds were discovered in modern day Kimberly in 1867-8 and gold in Johannesburg in 1886. Political power emerged as the structuring force of the future South Africa, first in Kimberly and later in Johannesburg. The onset of the South African War 1899-1902, was the inexorable result of the interaction of these weighty historical forces. Coming during the era of imperialism, these discoveries brought forth some critical social, economic and political developments in the service of British imperial interests. Among these were infrastructure development to the port cities of Durban, Cape Town and Port Elizabeth; the necessity for unskilled black labour and the political intervention to accomplish this urgent task; the sorely needed skilled labour that could only come from abroad, and the oppressive political laws to safeguard British imperial interests.

Given plenty of land to which Africans still had unfettered access and which made possible their survival on subsistence agriculture, their forced proletarianisation could only occur within the context of wars of conquest. Magubane submits that '(F)aced with the constant cry for labour from farmers and those who were constructing roads and railways and the recently opened diamond mines, the British government launched a series of wars against African chiefdoms and kingdoms. From that time onwards, they felt the thrust of the demands for their labour not as an episodal occurrence but as a permanent feature of their existence. Within 40 years, 1870-1910, all the remaining independent African territories were forcibly brought under imperial control.'

THE DISCOVERY OF GOLD, 1886

According to Prof. Magubane '(T)he central fact about the South African economy after the discovery of gold in 1886 would be its domination by British capital — by British imperialism. It was from its domination by British financial interests that the specific characteristics of the South African political economy flowered. After 1910, white settlers were politically

"

It was in the interests of capital to co-opt white labour into a form of aristocracy with the intention of dividing the labour force in the emerging capitalist society by ensuring that race takes precedence over labour solidarity

in control, but the British owned the diamond and gold mines and the railways that transported these minerals. Through control of the gold industry, British imperialism had power without responsibility. British imperialism wanted to exploit Africa's gold on "easy", i.e. predatory terms, thanks to the almost slave-like conditions to which black miners had been reduced.'

THE RISE OF MONOPOLY CAPITAL

As the scramble for diamonds surged ahead, Kimberly, in the later part of the 1800s, was to see the first ever emergence of monopoly capitalism. Mechanisation such as steam traction, underground shafts and tunnels could not be afforded by small claim holders, most of them white, with black assistants, relying on picks, shovels and animal power for the open mining operation. 'As advanced technology took over, smaller properties and individual diggers were superseded by larger holdings and highly capitalised organisations. The mid-1880s were years of mutually destructive cutthroat competition among those companies.'

LABOUR ARISTOCRACY

From the very beginning of the settler colonial history some of the labour/capital contradictions which could be encountered in Europe where both share the same skin colour were resolved through the shared benefits of racial capitalism. It was in the interests of capital to co-opt white labour into a form of aristocracy with the intention of dividing the labour force in the emerging capitalist society by ensuring that race takes precedence over labour solidarity.

As could be expected, the skilled work of operating complex mining machinery and technology could only come from the white labour force which, in turn, could only come from overseas, especially Britain. Sweat labour was reserved for Africans with most of the white South Africans squeezed from small claims taking up the position of overseer. Thus emerged a labour hierarchy with English speaking white immigrants from Britain taking up skilled jobs, local whites located in the middle as overseers of African labour and the latter confined to the most exploitative and low paying hard labour. It was during this period that 'the working class split into two strata, white and black: the white, privileged, well-paid, and free; the black, unprivileged, poorly paid and unfree'.

> **"When the Union of South Africa was formed both the British victors and the Afrikaner losers harboured no illusion about the future of race relations in the country, especially in so far as labour for their commercial interests was concerned**

UNION OF SOUTH AFRICA

South Africa as we know it today resulted from the compromise between British imperial economic interests and Afrikaner political power following the defeat of the latter in the Anglo-Boer War (1899-1902) otherwise known as the South African War.When the Union of South Africa was formed both the British victors and the Afrikaner losers harboured no illusion about the future of race relations in the country, especially in so far as labour for their commercial interests was concerned. Introduced three years into the formation of the Union Government, the Native Land Act of 1913 was the first among many political measures intended to strip the Africans of all access to arable land, thereby exposing them to a racist labour law regime.

'But Africans, Coloureds and Indians obtained no relief either at the peace settlement or in the post-war reconstruction.' In fact if there ever was a full proof of betrayal of black people's interests in this imperial venture it was what immediately followed after the inauguration of the Union government. *'Africans lost in bargaining capacity under British rule, which turned the republics into colonies, restored authority to the defeated enemy, cultivated their loyalty, and consolidated an alliance with them on the basis of white supremacy.'*

Among the notable outcomes of the Treaty of Vereeniging was the concession Lord Milner made to the defeated Republics on behalf of the British to defer the question of native franchise to until after the introduction of self-government. It did not make sense to leave the

> **"after the Rand Revolt white labour moved totally to the far right of the political spectrum, fully embracing racist ideology towards its black counterpart**

enfranchisement of blacks to the Afrikaners shortly after they were accused of practicing slavery and when, in fact, they had not been known to have the will to co-exist with blacks in political equality.The implications of denying franchise to blacks would be profound. Among others it would mean the permanent loss of political power in the Union of South Africa. It would also leave blacks vulnerable on the economic front, perpetuating their servile status as cheap and unfree labour.

From the inauguration of the Union of South Africa the abiding interests of both Afrikaner commercial farmers and the British mines for the super-exploitation of black labour was laid bare. Indeed soon after the signing of the Union the screws tightened.'He (Milner) tightened the pass laws to restrict the mobility of African labourers, while the mining companies cut Africans' wages and stopped competing for their labour by combining to form a Witwatersrand Native Labour Association; when Africans walked off their jobs, the government responded with force; when Africans failed to come to the mines on the prescribed terms in the required numbers, the government arranged for labourers to be imported from China.'

RAND REVOLT OF 1922

Despite their privileged position within settler capitalism white labour was always forced to look over its shoulders for the threat posed by cheap black labour which could easily undermine its relatively strong position through the machinations of capital. Thus the primary contradictions between labour and capital in the classic sense remained, though always cushioned through the semblance of shared racial interests in the oppression of black labour.

As voters, white labour was also in a better bargaining position, which they could use against capital when the latter threatened to replace it with cheap black or Chinese labour. It was in the interests of white labour to clamour for racist labour laws that headed off competition of black labour and indeed they never hesitated to do so each time the need arose. For its side, capital never gave up the quest to replace skilled white labour with cheap labour and this contradictory process proceeded unresolved, expressed through a number of strikes and culminating in the historic 1922 Rand Strike. The drop in the gold market price in 1921 left mining capital with no option but to cut down the wages of white labour as it could not decrease the already below poverty line wages of black labour.

Yet after the Rand Revolt white labour moved totally to the far right of the political spectrum, fully embracing racist ideology towards its black counterpart and, through the privilege of the vote, ensured that it transformed the political landscape through moving into a Pact government with the Afrikaner dominated National Party and thus removing the South African Party of General Jan Smuts in the subsequent 1924 election.

Joe Slovo summarises this ensuing political fallout of the Rand Revolt for the subsequent developments in South Africa with his usual acuity.

> 'The victory of the alliance between the white South African Labour Party and the Nationalist Party at the polls in 1924 was the real culmination of the strivings of the privilege-seeking white workers. The basic aims of the 1922 strike were given statutory recognition. The new government made vast concessions, and the process of making the white workers appendages of the ruling group in every sphere of life economic, political and social began in earnest.
>
> 'Laws were passed effectively making skilled work a right of white workers alone. A so-called "civilized labour policy" was implemented to maintain Africans as unskilled cheap labour and to prevent the emergence of an organized African working class. Africans (i.e., all who were obliged to carry passes) were excluded from the definition of "employee" in the new industrial legislation. This deprived them of the legal right to strike (in any industrial dispute) or to form their own registered trade unions.'

Our most valuable public assets, the State Owned Enterprises, have not lived up to the strategic role assigned to them

In this regard the Industrial Conciliation Act of 1924 became one of the laws that excluded black labour from the definition of an employee. With the 'Pact' government assuming power, the privileges of white labour were not only restored but guaranteed. Many concessions were made which seemed almost impossible before the Rand Revolt. The Department of Labour was established in 1924 with the creation of employment for poor whites as one of its key functions. Through legislation poor whites were also to be protected from competing with black labour. Scores of white workers found employment in municipalities and public bodies at decent rates of pay. Unskilled white labour gained preferential employment in the railway system, which had started in 1907, but had shot up to more than 15 000 by 1928.

SOUTH AFRICA TODAY

What then, is the current state of South Africa after two decades of democracy?

The truth is that much has changed for the better and much still needs to change if South Africa is to overcome unemployment, poverty and inequality.

Since April 1994 South Africa has seen a range of measures to reverse its apartheid legacy. *'The country's Constitution codified the socio-economic and political rights of all citizens and despite being qualified by 'practicality clauses', its Bill of Rights nevertheless provides citizens with enormous leverage if they want to better their circumstances. The state has done much to improve living conditions for the majority.'*

However, black people in general, and women in particular, continue to bear the brunt of high unemployment, inequality at many levels and poverty. Random citations from economic observers and scholars paint a disturbing picture. Prof. Terreblanche says that '(A)ll South Africans can be proud of the transformation in political and human rights that have taken place over the past...years. Unfortunately, a corresponding socio-economic transformation has not yet taken place. Ugly remnants of systemic exploitation and discrimination from the extended period of colonialism remain. What is really disturbing is that the precarious socio-economic situation in which large numbers of Africans and Coloureds find themselves has not improved during the post-apartheid period, but has in fact become worse.'

Our economy has not seen the necessary growth and development that would lift millions of South Africans from the bleakness into which colonial history and racial capitalism have cast them. Land dispossession is still the issue and to a large extent lies at the heart of the current economic challenges we are facing. From the rural to the urban landscape, our society is still scarred by the deep historical effects of land dispossession. The history of unfree black labour is not comprehensible outside the prism of land deprivation. Land reform is indeed an urgent task; as is the redistribution of productive properties and assets; as is education, housing and black economic empowerment.

> **" . . . commanding all the economic and political resources in the country would be of little help if there is no common passion to make things work for the benefit of all**

A genuine attempt is in progress to create a black capitalist class; there is an increasing expenditure of GDP on pensions and grants covering upwards of 18 million people, thereby expanding welfare provision for the poorest; a low-cost housing programme has covered thousands of the formerly homeless, and access to education for all is increasing.

However, it is unsettling that the statistics of poverty and indigence among black people continues to increase, pointing out a serious weakness in our central strategy of growth and development. The latest Statistics SA report on poverty says:

> 'At the moment Stats SA's most recent release of its Non-financial census of municipalities (NFCM)1 report shows an increase in the number of indigent households across the country. South Africa's 278 municipalities registered 3,56 million indigent households in 2016, the highest number on record since figures were first published by Stats SA in 2004.To put it into perspective, 2 in every 10 households in South Africa were classified as indigent in 2016.'2

These statistics reflect the racial history we have just set out. Race is not only a social and economic, but also, a historical marker. The socio-economic challenges remain racially defined. Among these are high levels of unemployment, the abject poverty of 50% of the population; sharp inequalities in the distribution of income, property, and opportunities.

Many on the left have blamed the ANC for some of the strategic compromises it made on the eve of the democratic breakthrough in 1993. At the time, these were considered necessary economic policy compromises in the light of both national and global objective conditions. Looking at the post-apartheid government economic policy trajectory, Economist Neva Makgetla describes it as follows:

> 'South Africa's post-apartheid economy has been characterised by low growth and investment, and a rise in unemployment (at 30%, higher than any other middle income country). Government economic policy has stressed the encouragement of investment through deregulation, privatisation and fiscal restraint. However, the failure of this strategy to promote growth and create jobs points to the need for a more interventionist strategy, one in which government must do more to stimulate equitable growth. This proposition is highly contested.
>
> 'Nonetheless, in response to the crisis within the economy, the government has adopted limited reforms involving increased spending on basic social services and housing, greater emphasis on job creation and equity, a renewed stress on planning and coordination

Source: https://www.theguardian.com/world/2015/may/19/marikana-massacre-untold-story-strike-leader-died-workers-rights

and greater support for cooperatives. Yet these new initiatives do not constitute a systematic plan for transforming the economy and more integrated policies are required to overcome dualism and stimulate job-creating growth.'

Objective conditions that led to these strategic compromises are hard to deny. The global ideological climate of the 1990s, following the crumbling of the Soviet Union and the Eastern bloc as well as triumphant globalism, militated against some of the hard left economic platforms that the ANC had pursued until then. Oftentimes the leftist critique tends to forget that, as Terreblanche reminds us, '(W)ithout substantial and growing support from the communist bloc, it was not possible for the liberation organisations to defeat the apartheid regime militarily. And without a military victory, the ANC's bargaining power at the negotiations - especially the informal talks on economic matters, was significantly reduced'.

To a large extent this enabled the South African corporate sector to literally get away with murder, despite centuries of being an unfair beneficiary of racial capitalism. It was at least expected that South Africa's corporate sector would keep its side of the bargain by contributing to economic growth and development within the constraining environment the ANC government was faced with. In the event this did not happen.

The 1990s moral high ground of the neo-liberal bloc invested private capital with unquestionable power, and '...power has been concentrated in the hands of the relatively small managerial elite of large corporations which control not only huge economic and financial resources, but also formidable ideological and propaganda power.' With time those who control and manage the commanding heights of the economy are sitting prettier, while for the majority of South Africans the inverse is true. 'This condition has been highlighted by The Rich List Survey published in the Sunday Times (Dec 11 2016) which showed that the top 10 own business interests worth R240 billion in 2016 (excluding fixed assets such as houses, farms, cars etc.).

- The top 10 earners got R292 million in salaries plus R33 million in bonuses in 2015 making a total of R631 million;
- The next 10 earners got R453 million showing that the pyramid is not that steep. This group all got over R40 Million a year. (Sunday Times 11 Dec 2016) .

A SOCIAL DEMOCRATIC POLITICAL ECONOMY

As we move towards resolving the challenges of poverty, unemployment and inequality, it would look like there is no alternative to a concerted effort for the wholesale transformation of our economy.At the heart of this approach is the need for a renewed vision between government, business and labour. There is a need to revisit the basis upon which our economic approach was adopted given that it has not yielded desired results.

Professor Ben Turok contends strongly that '...we also need a larger view about our whole political economy. Perhaps it is time for a "historic compromise" to borrow from the Old Italian Communist

Party, whereby all our social forces, particularly government, business and labour agree on immediate measures to pull our economy out of the quagmire. Only thus can we hope to begin to rectify our inherited lopsided economy. We understand that the distance between the government and big business is substantial and that big business may not be willing to make substantial concessions which would eat into their generous returns. But this crisis in the country requires just that and more.'

I wish to argue that among the cardinal principles of social transformation is the total commitment to a cause, which is in turn incompatible with self-seeking habits that elevate individual and sometimes group interests above those of society. No matter how progressive in intent, revolutionary in outlook and radical in content, the economic transformation programme is bound to flounder under circumstances of political misdirection. Stripped of its racist and hidebound context and spirit, the approach to economic development espoused by the Afrikaner political leadership, leading up to but especially after ascending to power in 1948, illustrates the importance of this lesson.

Our most valuable public assets, the State Owned Enterprises, have not lived up to thestrategic role assigned to them in terms of meeting our developmental objectives in their respective sectors. Instead they have been a drain on the national budget through ineptitude, mismanagement, maladministration, nepotism and downright corruption, which lately goes by the disheartening name of state capture.

> 'State capture is not simply about enrichment of corrupt individuals, it is also about polluting state institutions such as the SABC, SARS, Eskom, and other state owned enterprises and agencies which then inhibit the proper functioning of the economy by virtue of their size and importance. The malpractices have impacted on the performance of the economy as a whole and government is now seen as indecisive and ineffective. What is more, the distortions and injustices of the past continue to plague the country unhindered, including gross enrichment of the few and devastating impoverishment of majority.'

In this regard, as Professor Turok shows, '...the most disappointing part of the story is that the state owned enterprises have become a serious drain on the state resources and burden on the private sector due to high administered prices instead of acting as a mechanism to lubricate the economy. SOEs have become a burden on the private sector due to high administered prices such as rail costs, electricity prices etc.' Again, if we were to draw correct historical lessons from the Afrikaner approach to how they built socio-economic institutions for purposes of development there is much that can be learnt. Of course it may have been all too easy for a section of the population to develop itself through racist and discriminatory policies, and especially against the background of their small number.

Still, commanding all the economic and political resources in the country would be of little help if there is no common passion to make things work for the benefit of all. To use a religious analogy, I would say it is tantamount to heresy and betrayal of the whole people if those entrusted with responsible positions failed to live up to the moral, ethical and corporate expectations.

Showing how the Afrikaners progressed within a remarkable period of a generation or two, Govan Mbeki (Om Gov) holds up Sanlam as among the inspiring examples of most successful mobilization of Afrikaner capital. 'Om Gov'tells us that:

> 'In those days, Afrikaners were by and large destitute and those on the farms were barely literate. But Afrikaner intellectuals would take no excuse if it obstructed the prosecution of their grand plan. In the course of the years, Sanlam has grown by leaps and bounds into the giant which, according to a recent report, was able to increase its assets in a matter of twelve months by R500 million from R2 500 million to R3000 million.'

A key lesson to be learnt from this scenario is that when we are grounded in values of hard work and industry, and driven by the selfless mission to serve all our people for the attainment of a better future for all of us, and mobilizing a broad cross-section of talent for that purpose, no odds, no matter how serious, can hold up our efforts.After Eskom, Transnet is the second biggest industrial enterprise on the African continent. Failure of either or both of them is therefore not an option as that undermines South Africa's development vision.As technically and economically strategic assets, SOEs are well placed to offer training and development for most South Africans in need, as was the case in the past. Conditions allow for this. We have inherited impressive infrastructure and facilities that could make this exercise possible. In-house training in hard core skills of the sciences, management and administration within these institutions could go a long way towards ensuring future investment in growth and effectiveness of our SOEs.

We have it in our power to achieve the goal of socio-economic transformation. All we need is the mobilisation of society at large inspired by the strategic goal of creating a united, democratic, non-racial, non-sexist, just and prosperous society. NA

Reshaping skills policy in South Africa: structures, policies and processes

Dr Siphelo Ngcwangu

The writer is a senior Lecturer, Sociology Department, University of Johannesburg

Siphelo Ngcwangu

South African skills development policy since the promulgation of the Skills Development Act of 1998 has undergone a number of different iterations or attempts at accelerating the quality of provision and the content of training. The writer analyses the proposals to change skills policy for the fourth phase (2020-2025) of the National Skills Development Strategy (NSDS) that have been developed by the Department of Higher Education and Training (DHET).[1]

> **Policymakers should consider reformulating skills policy that address economic requirements that are clearly defined and are relevant to the indicators shown by industry**

The reforms of state policy in the early period of the transition were developed in the context of a broader response to a deepening capitalist crisis globally and in South Africa. A radical black working class organized in COSATU had gained momentum throughout the 1980s and the trade unions were becoming stronger given their mass power. Union strength meant that the terms of negotiating new labour reforms were crucial in ensuring that policies to address historical imbalances were developed. Such policies included skills development legislation that needed to be overhauled to take into account the imperatives of equity and growth, while also ensuring democratization of policy making processes (Ngcwangu, 2016).

Policymakers should consider reformulating skills policy that address economic requirements that are clearly defined and are relevant to the indicators shown by industry. It is difficult to achieve this specific alignment as indication of skills requirements from industry are often not clearly defined or quantified. Research can be used to improve knowledge of skills requirements ››

in the post-apartheid era there has been a weakening of the state's capacity to intervene in skills development resulting in a lower number of artisans being produced in the country

through reliable data analysis and predictions of future skills requirements which would aid the state in planning. On the other hand, the state should use research and policy to respond to community development through skills provision, especially given the rising unemployment levels in the country. The state should strengthen the work of funding bodies such as the National Skills Fund (NSF) to support NGO, CBO and local skills development initiatives that can also bolster skills training in the informal sector of the economy.

Through a method of periodization, this article provides an overview and critique of the structural changes, processes and policy developments in the arena of skills policy in South Africa since the early 1990s. The objective is to locate the proposed new changes (which will come to effect in 2020) against the background of changes to skills policy that have occurred in the period of the democratic transition. The article has four segments: (1) skills development - a contested concept; (2) an overview of skills policy changes: 1990-2008; (3) key policy changes in NSDS III (2009-2016); (4) evaluation of NSDS IV proposals: 2020-2025.

SKILLS DEVELOPMENT A CONTESTED CONCEPT

The contextual character of production and the nature of relations between management and employees shape skills development. Tilly (1988) opposes a narrow definition of skills and maintains that 'Skill is a social product, a negotiated identity. Although knowledge, experience and cleverness all contribute to skills, ultimately skill lies not in characteristics of individual workers, but in relations between workers and employers'. In a sense, the notion of skill is intricately connected to the work or production process in a given work environment or industrial sector. According to Vorwerk (2005), 'The concept of skills has been rehabilitated since the early 1990s. At that time it was mostly applied to manual labour and low-level activities. But since then the term has surfaced far more often and is now linked with far more complex behaviours: people skills, negotiation skills, problem-solving skills, ICT skills etc. These shifts in definition and understanding are reflective of deeper shifts in the language associated with the broad field of education-training and skills.

The South African skills system is a complex interaction of institutions (educational and labour market) and policies which govern these institutions, have numerous sub-systems, all of which can be generally referred to as part of the skills system. Kraak (2004a) notes that the new institutional architecture of skills development as a whole departed from the apartheid system by envisioning training across occupations and qualifications rather than just apprentices; it focuses on sectors rather than industries; incorporates SMMEs and accommodates a wide variety of people in the labour market critically – the pre-employed and the unemployed (ibid, 2004: 118). This is a significant departure which has resulted in the broadening of the concept of skills beyond just apprenticeship and artisanal training.

An Overview of Skills Policy Changes: 1990- 2008

By the early 1990s the reforming apartheid government had begun to explore ways of engaging the growing black trade union movement in attempts to build a social accord. The National Training Board (NTB) developed the National Training Strategy Initiative (NTSI) with the so called 'blue book' as its foundational document. The Manpower Training Act, 1981 was passed following the decisions of the Wiehan Commission. The thinking in the state at the time was that a principle of allowing some into the labour market and skilled trades would diffuse the 'many'. The South African economy was experiencing a rising demand for skilled labour and these could not only be drawn from the white community as many white artisanal skilled workers had been gradually moving into the professions and 'white collar' work in the civil service (Crankshaw, 1994; McGrath, 1996).

It was against this backdrop that under the provisions of the Manpower Act of 1991, 33 Industry Training

will mere bureau-cratic rearrangements address the key structural challenges confronting the poor and the working class?


Source: http://dogreatthings.co.za/foundation/2016/03/mining-for-talent/

Boards (ITBs) were established by the government at the time. The ITBs were focused on artisan training. The NTB together with the Human Sciences Research Council (HSRC) produced a number of reviews of the training system. The main interest groups on these review processes were the apartheid state and the mining sector. The apartheid governments prioritized elements of reforms given the growing popular local and international resistance to the system of racial segregation. Apartheid governments also had interests in education reforms and building of manpower resources to contribute to the rebuilding of the South African economy given the years of its exclusion through international sanctions and the pariah status of the country in international affairs.

The transition from the Industry Training Boards (ITBs) to the SETAs

> **what is clear is that the dimension of power and control over the process of training is critical.**

(Sector Education and Training Authorities) had implications for all the policy actors in the skills system. Kraak (2004a) has described the main differences between the old and new institutional forms as consisting of the following factors:

- ITBs had a narrower focus of training apprentices. The SETAs expand training at all occupational and qualification levels;
- The new institutional environment to be set up around 'Learnerships' is intended to turn around the decline in training due to the demise of the old apprenticeship system;
- "Sectors" are larger than "industries" and include a number of industries previously untouched by ITBs or demarcated by separate ITBs;
- SETAs are also responsible for including people who are not in formal employment, for example, in SMMEs, in job creation programmes, pre employed youth and the unemployed' (Kraak, ibid:118).

The SETA model of funding skills training arose within the context of these considerations. The ITB system had been more employer dominated with very little participation by employees. Training under ITBs was largely focused on artisanal training, was done nationally, had a coverage of 50% to 100% in their sectors and, like the SETAs, had a low coverage of small businesses. SETAs have been criticized for being highly bureaucratic, being mostly regulatory, accused of poor management of funds and inability to keep closer relations with sectors. However these assessments vary between SETAs as some are seen to be more efficient than others.

Since the promulgation of the Skills Development Act in 1998, and until 2008, skills development was the responsibility of the Department of Labour (DoL) and was framed in government policy as part of labour market interventions to bring equity and overcome the apartheid legacy in the economy. Criticisms are that in the post-apartheid era there has been a weakening of the state's capacity to intervene in skills development resulting in a lower number of artisans being produced in the country.Lolwana and Ngcwangu (2015) argue that consequently, there was a significant drop in the number of qualified artisans (from 13500 in 1985 to 5145 in 1999 to less than a 1000 by 2000). With the recent campaigns on artisan development[2], the numbers are slowly climbing up again. However, placement rates after training are still problematic.

A central concern about the new skills development dispensation is the introduction of the learnerships system which is seen by business to have resulted in the weakening of artisanal training. The learnership system is seen to have been useful for training in sectors that did not have industry training boards such as banking and finance as it was a system that gave training opportunities to people at the lower levels of the NQF such as bank clerks, hairdressers, retail jobs etc. But in the artisanal type industries the learnerships model is seen to have weakened the apprenticeship system. What this means is that rather than build on the numbers of apprentices the new skills system actually weakened the capacity of public institutions to train more artisans.

The decline in jobs and the need for entrepreneurs to create employment are critical factors, which can be supported by the production of more artisans for the country. Other more recent developments aimed at addressing the weaknesses of skills development include improvements to workplace training and simplifying the work integrated learning requirements by employers. The NSDS III strategy highlights the need for employers to open up their workplaces for more training, particularly for those students that need the workplace component in order to complete their studies.

KEY POLICY CHANGES IN NSDS III (2009-2016)

By 2009 with political changes inside the ANC precipitated by the historic Polokwane conference, skills development within the state was shifted to the Department of Higher Education and Training (DHET) which has articulated skills development within a framework of a Post School Education and Training system rather than just as a labour market issue. Priority has been given to improving co-ordination within DHET and across the government. As it is common in South Africa, the tendency is to create more policy and more structures. The difficulty with this approach is that due to the short-term nature of political cycles, policy implementation tends to be held back by bureaucratic management. However, what is evident in the NSDS III (2011-2016) is a shift towards an expansionary approach and more financing for vocational training.

Other changes in the NSDS III are related to grant regulation reforms (reduction of the mandatory grant), more funding for full academic qualifications, strengthening of artisanal training and pressure on employers to make workplaces available for training purposes. The new skills development landscape as articulated in the NSDS III has a more direct explanation of the problem, which is to address the socio-economic crisis of the 'NEET'(Not in Employment, Education or Training) category of youth, which is estimated at approximately 3 million young people. Not only is co-ordination a challenge for the state but also the disarticulation of government programmes to the extent that the effect of well-conceptualized policies is not fully achieved.

Various attempts at reforming the image of SETAs and the delivery model are currently under way. In general, the skills system has been a complex and often 'messy' affair to manage, given the competing interests of private service providers, intellectual communities of researchers, employer interests and poor co-ordination from the state resulting in this set of problems leading to a crisis.It is against this backdrop that the DHET has issued proposals to restructure the skills development landscape particularly to redirect the SETAs work, improve governance and centralise the management of the skills system to the DHET through a national skills council. But will mere bureaucratic rearrangements address the key structural challenges confronting the poor and the working class?

EVALUATING NSDS IV PROPOSALS: 2020 – 2025

At the core of discussions about the SETA system are the bureaucratic inefficiencies, perceived corruption, governance problems that arise due to resistance to change by some within the business community, misalignment of skills policy with industrial policy and potential 'scope creep' by the SETAs. Meaning that expectations on what SETAs should do and what their mandate requires is often a cause of conflict between stakeholders within the skills development community. The SETAs are central to the South African model of skills development; however, in their current institutional character SETAs play more of a regulatory role than an actual training role. This dominates the work of SETAs with the actual training largely outsourced to private training providers.There are three aspects of the new proposals that will have a far-reaching impact on the skills system should they be implemented.

Firstly, in their problematisation of the challenges facing the skills system in South Africa , the DHET has presented four options for consideration by the public and stakeholders.

Option 1: Minimal Change
Option 2: Cluster SETAs
Option 3: Skills Council
Option 4: SETAs as an integral part of the larger PSET system

Options 2 and 3 rest on the assumption that the co-determinist model of engagement will be retained but in different sectors of the economy. The overarching framework of the proposal is to increase centralization of the skills system to the DHET which could be perceived to undermine the involvement of other stakeholders such as labour, civil society and business in shaping skills policy. Enhanced stakeholder participation ensures that the original vision of skills policy in South Africa which is anchored on co-determination is achieved even through there have been structural weaknesses in labour and civil society's involvement in conceptualizing skills policy. Workers at the shop-floor level are critical to the skills debate as their constituency are the ones who objectively stand to gain from progressive changes to the skills landscape.

Source: http://www.swisscontact.org/en/country/southern-africa/news/news-detail/news/on-the-job-training-for-south-african-construction-workers.html

Option 4 proposes an integrated PSET system in which SETAs have stronger alignment to government departments ensuring that their research plans are in line with the plans of the 'line function' government departments. This proposal has pros and cons. The 'pros' are that in critical areas such as industrial policy the SETAs that work within industrial sectors will have clear measurable plans that are consistent with government plans , it will also ensure that data being sourced and analysed is consistent in order to make skills planning simpler but more reliable. The 'cons' are that in a government driven system a clear line of engagement with stakeholders needs to be clarified in advance. Business for example has become critical of the skills system because of governance matters. However, it should be noted that business has not contributed much in identifying the potential challenges it faces and the reality of its own restructuring processes that undermine attempts at improving wages of workers and creating more employment in the economy. The antagonisms that already exist could sharpen in a context where the skills system is seen to be purely dominated by government.

Secondly, another proposed change to skills policy is the introduction of a new language of *occupations* rather than that of *skills*. The argument in the proposal is that occupational teams should ensure that broad generic interventions are developed and capacitate service providers in the specific occupational areas of training. While on the face of it these proposals are plausible what is clear is that the dimension of power and control over the process of training is critical. Occupational teams would work in an autonomous way driven by experts. This would weaken the capacity of the government in technical issues while strengthening the role of independent providers. In a way re-running the narrative of the period between 1998 and 2008 where skills training was in the hands of private providers resulting in government merely playing a regulatory role. Another complex system with bureaucratic processes would emerge from these changes with the actual impact not very clearly identifiable given the layers of institutional processes which would be created.

Thirdly, changes to the funding model propose that 80% of the current SETA discretionary grant be located in the National Skills Fund (NSF) with the SETAs automatically receiving funding to cover the allocation from the grant, which covers their administrative costs. In order to appreciate the complexity of the proposed changes to the funding model it is important to reflect on how the current model emerged and what logic informed it. The introduction of the 1% levy in 1999 to fund skills development was revolutionary in the sense that it was aimed at enhancing the role of employers in skills training while ensuring that SETAs were funded adequately. The levy provides funding up to the amount of approximately R5 billion per annum which ensures that skills development is funded outside of the normal taxation system.

This phase of the reorientation of skills policy in South Africa is characterized by technical changes on the structures and institutions that govern skills development. These proposals are different from those in NSDS III which were largely aimed at addressing the 'NEET' youth unemployment problem and reducing the dominance of private provision. The proposed changes will have far-reaching implications for the structures, processes and policies of skills development in South Africa.

This article has briefly outlined the developments within South African skills policy since the early 1990s and

> **"The introduction of the 1% levy in 1999 to fund skills development was revolutionary in the sense that it was aimed at enhancing the role of employers in skills training while ensuring that SETAs were funded adequately.**

the constraints to realising goals of employment growth through skills training. In the first phase between 1990 and 2008 skills policy emphasised institutional reconfiguration, a shift to the SETA system and the implementation of the NQF which was shaped by neoliberal policy assumptions. The second phase of skills policy between 2009-2016 saw a shift from pure market led assumptions to a model of rebuilding state capacity to respond to challenges such as the 'NEET' problem of youth unemployment. The current proposals for future skills policy changes (2020-2025) suggest that South Africa's skills dispensation would have a stronger role for the state through a combination of centralisation of authority over skills institutions and also through greater co-ordination capacity within the Department of Higher Education and Training (DHET). The key issue about this reorientation is that despite the competing demands within the skills system, all efforts need to be directed to responding to both economic development needs and community initiatives of assisting the unemployed. The deepening capitalist crisis is resulting in rising unemployment and worsening socio-economic conditions within communities.Skills development should be one way of overcoming these challenges.

NOTES

1. Gazette 405055 (Dec 2016) Extension of the National Skills Development Strategy for a period of two years. This implies that the new phase of the NSDS will begin in March 2020 for another five-year cycle following the extension which starts on 1 April 2018 to March 2020.

2. The DHET has embarked on a number of campaigns such as 'The decade of the artisan' in order to promote interest in careers in artisanal fields amongst the youth.

REFERENCES

Crankshaw, O. (1994). Race, Class and the Changing Division of Labour under Apartheid. Johannesburg: Doctoral Dissertation, Wits University.

Kraak, A. (2004 a). Training policies under late apartheid: the Historical imprint of a low skills regime in. In S. McGrath, A. Badroodien, A. Kraak & L. Unwin (Eds.), Shifting Understandings of Skills in South Africa: overcoming the historical imprint of a low skills regime. Cape Town: HSRC Press.

Kraak, A. (2004 b). The National Skills Development Strategy: a new institutional regime for skills formation in post-apartheid South Africa. In S. McGrath, A. Badroodien, A. Kraak & L. Unwin (Eds.), Shifting Understandings of Skills in South Africa: overcoming the historical imprint of a low skills regime. Cape Town: HSRC Press.

Lolwana P and Ngcwangu S (2015). Understanding Barriers to Youth Skills Development and Employment in South Africa Draft Report Commissioned by NORRAG. Johannesburg Wits University.

McGrath, S. (1996). Learning to Work: Changing Discourses on South African Education and Training, 1976-1996 (Unpublished doctoral dissertation). University of Edinburgh, Edinburgh.

McGrath, S. (2002). Skills for development: a new approach to international cooperation in skills development? Journal of Vocational Education and Training, 54(3), 413-430.

National Training Board (NTB) & Nedlac (1995). South African Funding Mechanism Research. Industry Training-Supply and Competition Phase 1: Study 2 of 2. Pretoria: Coopers & Lybrand.

Ngcwangu, SU. (2016) A Sociological Assessment of South Africa's Skills Development Regime: 1990-2008, (Unpublished doctoral dissertation). University of Johannesburg, Johannesburg.

Tilly, C. (1988). Solidary Logics: Conclusions. Theory and Society 17(3), 451-458.

Vorwerk, C. (2005). Occupational Qualifications on the NQF: Communities of Mistrust? Paper presented at the Q-Africa 2005 Conference, Cape Town.

NA

THE NATIONAL HEALTH INSURANCE AND TRADITIONAL HEALING IN SOUTH AFRICA

Naseema Vawda, PhD

The writer is employed in a joint medical establishment post as the Head of the Behavioural Medicine Unit at King Edward VIII Hospital in Durban and lecturer at the Department of Behavioural Medicine in the College of Health Sciences, University of KwaZulu Natal.

Naseema Vawda

In the proposed National Health Insurance system, the dominant view is that South Africa has a two-tier healthcare system – one private and the other public. The author challenges this view and presents data to show that significant numbers of South Africans use traditional healing methods for treatment for a range of conditions. She argues that the exclusion of the third tier traditional healing in NHI should be reconsidered.

South Africa's population is estimated to be 51 million with varied cultural beliefs which affect illness attributions and treatment. Economically, although South Africa is classified as an upper middle income country, it has the highest level of inequality in the world with a GINI coefficient of 0.70. The poorest fifth of the population account for 2% of the country's income and consumption, and the richest fifth for 72% (Rowe and Moodley, 2013).

The challenges of providing healthcare in South Africa have been well documented given the quadruple burden of diseases that are being experienced with the simultaneous occurrence of epidemic infections such as HIV/AIDS and tuberculosis, increases in non -communicable diseases such as diabetes and cancer as well as the sequelae of injury and violence (Mayosi, Flisher, Laloo, Sitas, Tollman, and Bradshaw,2009).

An example of the magnitude and the scope of one common condition,the HIV/AIDs epidemic, is evident in terms of the following statistics: South Africa has the highest rates of HIV infections worldwide. An estimated 7 million people were reported to be living with HIV in 2015, with an adult prevalence of 19.2 % and reported figures of 380 000 new HIV infections with 48 % of adults reported being on antiretroviral treatment for the year 2015 (www.avert.org). The costs incurred in the diagnoses and management of HIV/AIDS thus has a significant impact on the availability of funding for other medical conditions. Massive migration both internally within South Africa from rural to urban areas, from other parts of Africa and the world, together with shortages of healthcare professionals such as doctors and nurses, all impact on the quality and quantityof health services delivered (Karodia and Soni, 2015).

THE SOUTH AFRICAN BIOMEDICAL SYSTEM

Within this context, South Africa is described as having a pluralistic, transitional health care system. This two-tiered health care system has separate public and private streams. The public or government led sector, funded by general taxation,is based on a district health systems model. This approach emphasizes primary health care. 68% of the population depend entirely on the public health sector, spending approximately R1 900 per person each year. Only about 16% of the population can afford private medical aid cover or insurance, often with a monthly contribution from their employers, yet this portion of the population accounts for up to 45% of the total national health expenditure. Another 16% of the population rely on the public sector for hospital care but use the private sector for primary care, paying out of their own pockets, with total spending about R2500 per person. In 2010 premiums for private health insurance and direct payments to health providers (about a third of which are not reimbursed) were estimated to cost approximately R11 000 each year.The private sector also enjoys a much more favourable health care provider to patient ratio. Additionally, 70% of all doctors and most specialists only work in the private sector, while the remaining 30% serve the public sector. (Keeton,2010; Rowe and Moodley, 2013). However, private healthcare costs are escalating and given the poor economic outlook with rising costs of living,increasing numbers of people are leaving the private medical aid schemes to use public healthcare services (Karodia and Soni, 2015) adding to the pressure experienced by these services with their limited resources.

THE NATIONAL HEALTH INSURANCE SCHEME

In an attempt to address these inequities, the South African

> “
> **68% of the population depend entirely on the public health sector spending approximately R1 900 per person each year.**

government has developed the National Health Insurance (NHI) plan whose goals are to: provide universal coverage for all South Africans;to pool risks and funds;to improve negotiations with providers for supply of services and rational payment levels with quality assurance;to create one public fund with adequate reserves and funds for high-cost care;to promote efficient and effective service delivery in both public and private sectors and to assure continuity and portability of national health insurance within the country (Keeton, 2010). This does not come without its costs which are estimated to be approximately R128 billion (2012). It is envisaged that the costs will, however, far outweigh the amount and may in fact total R216 billion per annum. It has been suggested that the usage pressures and capacity constraints are likely to place the system under enormous stress. The NHI is to be phased in over a 14 year period commencing in 2012 (Keeton, 2010).

While the healthcare system in South Africa is seen as having a two tiered system costing 8 % of its GDP with 4.1 % being spent on the private sector (www. health-e.org.za), this only takes into account the money spent on western-style bio-medical treatments.While the principles of the NHI are based on, amongst others,that of appropriateness (new and innovative health service delivery models which take into account local contexts, acceptability and is tailored to respond to local needs),the NHI has not reported on what role, if any, traditional healers will play in this new plan (Kirby 2016).

TRADITIONAL MEDICINE AND TRADITIONAL HEALERS

Traditional Medicine has been recognized by the World Health Organization (WHO) as “the sum total of the knowledge , skills and practices based on the theories, beliefs and experiences indigenous to different cultures, whether explicable or not, used in the maintenance of health as well as in the prevention, diagnosis , improvement or treatment of physical and mental illnesses (WHO 2002). These indigenous belief systems about illness etiologies and ways of treatment should be taken into account in order to provide effective healthcare.

Traditional healers in South Africa were marginalized by the previous colonial (as far back as 1891 in KwaZulu Natal) and apartheid governments. In 1953 the Medical Association of South Africa declared that alternative therapies were unscientific and illegal. Successive governments during the apartheid era enacted various laws such as the Witchcraft Suppression Act of 1957 and its amendment in 1970 (Tugendhaft, 2010) which prohibited the use of certain traditional healing practices, as it was erroneously understood that illness and diseases were historically embedded in superstition and witchcraft (Abdullahi 2011). It was only in post-apartheid democratic South Africa that formal policies legitimizing traditional healers were formulated, culminating in the Traditional Health Practitioners Act of 2007. The Traditional Health Practitioners Act 35 of 2004, identifies 4 categories

The NHI has not reported on what role, if any, traditional healers will play in this new plan

of traditional health practitioners as follows: traditional surgeons (iingcibi), traditional birth attendants (ababelikisi), herbalists (iinyanga or izinyanga) and diviners (izangoma or sangoma) and recommends regulatory frameworks regarding their services, training, registration and conduct (Hassim, Heywood, Berger, 2007).

THE USE OF TRADITIONAL HEALERS IN SOUTH AFRICA

Estimates of the number of traditional healers in South Africa range from 190 000 (Gqaleni et al., 2007) to between 300 000 to 350 000 (Lidell et al., 2005). Regarding the use of traditional healers by South Africans, different rates are reported by various researchers ranging from 11.7% (Nene 2014) to 84 % (Gqaleni et al., 2007). Surveys show a significant portion of the population opt for medical pluralism with estimates of 41.49 % of respondents (both students and professionals and blue collar workers) preferring to use both western and traditional methods of healing (Nene 2014).

This substantial number of primarily Black South Africans use the services of traditional healers for both medical and other problems suggesting a robust and widespread consumer –supplier relationship encompassing medical conditions as well as factors such as bewitchment and ancestral wrath.Researchers have found, for example, that in the past year, 14 % of people with epilepsy consulted a traditional healer while 67 % reported use of both a traditional healer and western biomedicine for the treatment of epilepsy (Wagner et al., 2016).Thus, resolution and management of such conditions would require other non-western medical treatments which traditional healers provide.

That the majority of traditional healers are unregistered and, in some cases, may be operating as "quacks" and fake healers (Steyn and Visser, 2012; Abdullahi, 2011) who engage in disreputable and unethical conduct (Richter, 2003), appears not to deter individuals from using their services which are openly advertised (Steyn and Visser, 2012). In fact a recent CNN report "Inside Africa" televised in February 2017, addressed the issue of traditional healing in South Africa, interviewing a western trained medical doctor who is also a traditional healer.

THE ECONOMICS OF TRADITIONAL HEALING

Wagner et al. (2016) found that the median amount charged for treatment of epilepsy by traditional healers was US$52.36 and ranged from US$34.90 to $87.26 paid for in cash by all but one patient (who reported that he was told to pay only if cured).As far back as 2010, the costs of cleansing treatments for HIV ranged from R200.00 to R2800.00 (Walwyn and Maitshotlo 2010). With a mean salary of R5 445 for Black South Africans (who make up the majority using traditional healers) this amounts to a considerable part of income being spent on traditional healing (see www. businesstech. co.za). It is estimated that more than two thirds of the poorest South Africans pay almost 10 percent of their household expenses on traditional healers (Nxumalo et al., 2011).

The use of herbs in traditional medicines is widespread. It is estimated that the women from rural areas make up 74% of harvesters of traditional medicine and that their involvement in this trade is an important means of livelihood (Mander et al.,2007). They are thus suppliers of "pharmacopeia" to traditional healers.Some municipalities such as that of eThekweni (Durban Metro) have established specific herb and traditional medicine markets and have also bought milling machines to assist vendors to grind these herbs. This indicates the level of acceptance of these healing practices and the support that municipalities are prepared to offer for traditional healing methods. (Mander et al.,2007).The income of healers,which is usually in cash,is significant. It is estimated that traditional medicine contributes almost R3 billion to the economy. On average, traditional medicine is used 4.8 times per year predominantly by Black South Africans (Mander et al., 2007).

Traditional healing is thus a part of the private sector healthcare system. The distinguishing feature is that clients pay in cash for these services. Since payment is borne entirely by the client it is not "subsidised" healthcare as is the case in western-style biomedical care in clinics and hospitals in the public sector. Furthermore, while traditional healers are permitted to provide sick certificates for their clients, these are often not accepted by all employers (Mbatha,et al.,2012) which further disadvantages them.

In 1953 the Medical Association of South Africa declared that alternative therapies were unscientific and illegal

“

Estimates of the number of traditional healers in South Africa range from 190 000 to between 300 000 to 350 000

Traditional healing appeals primarily to large numbers of Black South Africans as it is rooted in indigenous belief systems and culture. It currently operates as a private sector healthcare service, in what can be described as a third tier, non -western healthcare system in South Africa. This counters the dominant view that South Africa has a two tier health system. Policy makers would do well to acknowledge this third tier and look at ways of integrating it in the NHI.

In its 1994 National Health Plan, the ANC outlined its reform of the healthcare system to address the “social and economic injustices and to redress the harmful effects of apartheid healthcare services”(ANC National Health Plan, p1).While there are several issues in traditional healing practices that require investigation, the NHI should consider ways in which it can be used to be part of addressing the apartheid legacy in health care. There is no mention of the role of traditional healing as a treatment modality in the NHI White Paper of 10 December 2015 (Kirby, 2016). This suggests a bias towards adopting a solely western based biomedical system in the provision of healthcare to South Africans.The exclusion of traditional healing services from the NHI, despite these now being legally recognized and regulated,could be seen as a lack of support for large numbers of South Africans who wish to use these culturally relevant healthcare practices. Such exclusion may well become a challenge to the constitutionally guaranteed right to fair access to healthcare.

“

Traditional healers in South Africa were marginalized by the previous colonial (as far back as 1891 in KwaZulu Natal) and apartheid governments.

REFERENCES

Abdullahi, A.A . 2011. “Trends and challenges of traditional medicine in Africa.” African Traditional Complementary Alternative Medicine, 8(S): 115-123. doi 10.4314/ajtcam.v8i5S.5.

Business Tech 2016. “This is the Average Salary in South Africa by Race and Industry.” From<Business tech.co.za/news/wealth /131524> (Retrieved on 23 October 2016).

Gqaleni, N, Moodley I, Kruger H, Ntuli A, McLeod H. 2007. Traditional and Complementary Medicine: South African Health Review. Durban: Health Systems Trust, pp. 175-188.

Hassim A, Heywood M and Berger J (2007). “Chapter 7, Traditional and alternative healthcare.” In Health and Democracy. SiberInk, Cape Town, pp.200 -225.

“HIV and AIDS in South Africa”. www.avert.org. Retrieved 09 January 2017.

Karodia, AM and SoniD. 2015. “The Politics of Poor Health in South Africa”. British Journal of Education, Society and Behavioural Science, 6,2 122-133 doi. 10.9734/BJESBS/2015/13516.

Keeton. C.2010.“Bridging the gap in South Africa”. Bulletin of the World Health Organization, Volume 88: 11 , 803 -804.

Kirby. N. 2016. “Health for all?” Moneymarketing, 2, Feb 2016, p.29.

Lidell C, Barrett L, Bydawell M. 2005. “Indigenous representations of illness and AIDS in Sub Saharan Africa.” Social Science and Medicine 60(4): 691-700. http://dx.doi.org/10.10016/jsocscimed.2004.06.020.

Mander. M, Ntuli L, Diederichs N, Mavundla K. 2007. “Economics of the Traditional Medicine Trade in South Africa.” From <http: //www.hst.org.za/uploads/files/chap13_07.pdf.> (Retrieved on 22 October 2016).

Mayosi, B.M., Flisher, A.J., Laloo,U.G., Sitas, F., Tollman, S.M., & Bradshaw, D.(2009). “The burden of communicable diseases in South Africa.” Lancet, 374, 934-947.

Mbatha, N, Street RA, Ngcobo N, Gqaleni N 2012. “Sick certificates issued by South African traditional health practitioners: Current legislation, challenges and the way forward”. South African Medical Journal, 102(3): 19-131.

National Health Insurance for South Africa, White Paper. “Towards Universal Health Coverage”. Version 40, 10 December 2015. www.health-e.org.za.

Nene. JO. 2014. “The concept of traditional healing and its role in African modern society.”Internationalo Journal Social Science and Human Behavior Study, 1(1): 1-15

Nxumalo N, Alaba O, Harris B, Chersich M, Goudge J 2011. “Utilization of traditional healers in South Africa and cost to patients: Findings from a national household survey.” Journal of Public Health Policy, 32(supplement 1): 124-136.

Richter M. 2003. “Traditional Medicine and Traditional Healers in South Africa.” Discussion Paper Prepared for the Treatment Action Campaign and AIDS Law Project. www.tac.org.za/Documents/Research Papers/Tradional_Medicine_briefing. pdf. (Retrieved on 19 August 2016).

Rowe K and Moodley K. 2013. “Patients as consumers of healthcare in South Africa: the legal and ethical implications.” BMC Medical Ethics, 14:15 Page 2 of 9. http://www.biomedcentral.com/1472-6939/14/15. Retrieved 18 December 2016.

Steyn R, Visser H. 2012. “Who will protect us from doctors and professors who promise the world?” New Agenda South African Journal of Social and Economic Policy, 45(1): 46-48.

Tugendhaft. A. 2010. “Medical Pluralism and HIV/AIDS in South Africa: What are the Barriers to Collaboration between Traditional Healers and Medical Doctors?” Masters Dissertation, Unpublished. Johannesburg: University of Witwatersrand.

Wagner RG, Bertram MY, Gomez-Olive FX, Tollman S, Lindholm L, Newton CR, Hoffman K. 2016. “Health care utilization and outpatient, out-of-pocket costs for active convulsive epilepsy in rural Northeastern South Africa: A cross-sectional survey.” BMC Health Services Research, 16: 208. doi: 10.1186/s12913-016-1460-0.

Walwyn D, Maitshotlo B. 2010. “The role of traditional health practitioners in the treatment of HIV/AIDS: A study of their practices and use of herbal medicines.” The Southern African Journal of HIV Medicine, 11(2): 11-17.

World Health Organization. 2002. “Traditional Medicine - Growing Needs and Potential.” WHO Policy Perspectives on Medicines, 2, WHO Geneva. From: <apps.who.int/medicinedocs/pdf/s2293e/2293e.pdf > (Retrieved on 20 October 2016). NA

AN INTERVIEW WITH VISHNU PADAYACHEE

NA: You have been engaged with various institutions and organizations since 1993 dealing with aspects of economic policy for our transition to a democracy. Which ones have been the most challenging for you?

I would mention two, one in the lead up to the democratic transition, one after the attainment of democracy in 1994. The Macroeconomic Research Group (MERG) was set up in late 1991 with a specific mandate to develop a macroeconomic framework for a democratic South Africa. MERG was from the beginning an ANC alliance structure. Initially it was very well supported by progressive academic economists in South Africa and internationally. Unfortunately MERG was not very well integrated into ANC or alliance structures and it relied on good relations with the ANC's Department of Economic Policy, something that simply did not materialize over the 2 years of the project. Neither was MERG nor the DEP well linked to the Constitutional Negotiations where important policy issues directly affecting the economy were debated. This includes issues such as the independence of the Reserve Bank. All in all the MERG exercise was far more complex than any policy process attempted before by the ANC and in the end it failed to have had the impact on economic policy which many hoped for. Tensions between the DEP and MERG, within local MERG researchers, suspicion of the role of some international economists, all contributed to serious strains in the process. In the end and despite all the challenges and tensions MERG, in my view, produced an important progressive policy framework which was sadly dumped by the ANC economics leadership, without any debate or discussion.

My second example is the work that I was involved in at the South African Reserve Bank. I was appointed as the first non-executive director of the SARB in the democratic era, alongside Deputy Governor Tim Thahane. At the time, the board of the SARB had been there for decades, and clearly supporters of the old National Party establishment. Trying to bring about change at the Bank at any level was no easy task – they knew only

Prof Vishnu Padayachee

one way of doing things. The appointment of Tito Mboweni as Governor in 1999 changed all that. The task of transforming the board in all respects was an exciting and important one and this period was one of the most rewarding in my career outside academic life itself.

NA: Do you feel economists at universities and in the private sector are sufficiently involved in issues that are relevant to the lives of the poor and the working class in South Africa? What would you suggest they do more of?

Keynesianism and Marxism were still strong intellectual influences during my academic years. So all courses then had a strong element of the history of economic thought and of economic history and 'descriptive economics'. We were taught about where we came from and what the real purpose of economics was, i.e. the importance of trying to make a difference in the quality of lives of ordinary and vulnerable people. Economics was not shy to embrace considerations of power, and politics. Institutions mattered. My colleagues were mostly Afrikaans speaking and young and though we could not escape the power of apartheid all round us, I know that the ethos around our teaching and research was very compelling and influential and progressive. What an irony then that in a globalized and democratic world, and in a democratic South Africa, that economics has been shorn of all these interactions, ideas and influences and is today nothing more than a technical, mathematical game played out largely as a celebration of an internal beauty, almost totally cut off from the real world and the challenges the majority of poor and working people face everywhere. Economics as taught today in most universities simply does not speak to these challenges, and most academic economists tragically do not care.

NA: Turning to students now, are you seeing any signs with the protests that they have taken a greater interest in economics and a commitment to tackle the policy failures of the past twenty years?

Very little of this is evident. Students with respect to economics are still not influential enough as a force for change. That is sad. The link between the decolonizing movement and the imperative for economics curriculum transformation has not been made. The fact that they are being fed a steady diet of an unreconstructed and largely second class western neo-classical economics has not yet been recognised sufficiently by our students, and this allows lecturers to simply go along as usual. The line that is pushed is that we have to give students what prospective employers in the market want and that (we are told) is neo-liberal ideas and mathematical modelling. Economics departments in the UK, US and Europe that are making adjustments after the 2008 crisis are reaping the benefits in the form of growth in enrolments including at graduate level, in the introduction of new and revised courses linked to real world challenges, as well as a growing interest among economics students in history, power and institutions. That in any case is a view expressed by the Bank of England Chief Economist Andrew Haldane last year, who thinks about these changes in economics teaching as 'one of the silver linings of the crisis'.

DEATH AND TAXES

By Khadija Sharife

Khadija Sharife is a visiting scholar at the UKZN Centre for Civil Society in Durban.

Conventional economic logic has it that resource-rich developing nations, desperately in need of revenue, must locate economies within the extractive industries as a means of increasing growth as indicated by Gross Domestic Product (GDP).

Single or, better yet, double digit growth is precisely the medicine prescribed by economic doctors. Yet GDP, a specialised scorecard designed to measure overall economic activity, is grossly inadequate as it fails to distinguish the quality and coordinates of growth.

This is especially crucial as it relates to the mining industry: liquidating finite resources such as gold is only sustainable if the primary sources of revenue, i.e. tax and commodity prices, are adequately captured and invested. According to the UN, 80% of African exports are primary commodities. Unfortunately for Africa - the seemingly permanent home of the infamous 'resource curse' - despite the 2003-2008 boom in commodity prices, tax concessions and multinational transfer, mispricing prevented governments from optimising mining revenue.

In 2007, suspected transfer mispricing to Europe and the US cost South Africa close co R4,5 billion, while low royalty rates from unrefined minerals such as gold and diamonds saw the government forego R3,4 to R4 billion in royalties for 2006.

In addition, the true costs of mining such as the loss of ecological services providing livelihoods for millions dependent on natural resources, i.e. surface water, fisheries and fertile land, as well as environmental degradation, are externalised or hidden by multi nationals. Ecosystem services are rarely if ever economically valued neither is the true cost of environmental degradation.

Corporations control some 60% of global trade that is largely self-regulated and not subject to corporate country-by-country reporting - documents already possessed by companies concerning actual economic activity, and other details related to corporate operations in those countries.

> **Not only does mining usually result in destroying environments and dispossessed and impoverished communities, but corrupt governments fail to invest state revenue in infrastructure, healthcare...**

Instead, mining activities - the key source of investment in many African countries, including South Africa - are often negotiated in secret by an unholy wedlock composed of governments anxious to attract foreign direct investment (FDI) and multinationals eager to obtain tax holidays, control of national infrastructure such as ports, exemption or limited liability concerning human and environmental laws, amongst other conditions.

Secrecy clauses are often compensated for via corrupt governments extracting bribes and other lucrative 'gifts' from multinationals competing for limited resources. These bribes are then 'washed' in off shore financial centres before being stashed in tax havens. Not all tax havens are alike: some specialise in hedge funds while others in geographic proximity or the creation of complex dummy corporations. These concessions were aggressively promoted by the World Bank and IMF's structural adjustment programmes, following massive loans granted to dictators and other corrupt regimes by foreign banks and international finance institutions such as the World Bank.

These policies, purportedly designed to ensure macroeconomic stability, forced trade and capital liberalisation, drastic cuts co state expenditure on basic services, privatisation and other policies.

Capital liberalisation facilitated the exposure of vulnerable nations to high- risk foreign investment that was subject to mass capital investment reversal, thus destabilising economies.

Meanwhile, trade liberalisation undermined local industries in favour of cheap dumped imports; the domino effect was to further reduce sustainable financing by exterminating local sources of tax substituted by 'rents' from mining and other corporations. Each year, Africa loses $148 billion in capital flight: this is four times the sum of foreign aid. Despite Sub-Saharan Africa maintaining the developing world's highest employment- to-population ratio (67%), the region is the poorest in the world.

Ironically, Sub-Saharan Africa is also the leading source of global capital flight. Not only does mining usually result in destroyed environments and dispossessed and impoverished communities, but corrupt governments fail to invest state revenue in infrastructure, healthcare, schools, water and waste sanitation and other produced and 'intangible capital' industries. The latter refers to the quality of rule, skilled and educated populations and institutions that are both transparent and democratic.

Though Africa is heavily dependent on resources (natural capital), high income or first world countries, such as the US, depend on intangible capital (80%) for their income and just 2% for their natural capital.

As states are no longer primarily (and financially) dependent on and accountable to citizens via taxation (and reciprocal bargaining), corruption, environmental and human rights abuse and appropriated state revenue flourishes.

More than 60% of this global figure is caused by 'creative accounting', i.e. transfer mispricing, tax evasion

“

Africa loses $148 billion in capital flight: this is four times the sum of foreign aid

and tax avoidance of corporations and high net worth individuals (HNWI). Currently, some $11,5 trillion is stashed off-shore, of which a quarter belongs to the UK.

Others include exotic postcard islands such as the Bahamas economically dependent on illicit flight, famous havens such as Switzerland - washing one third of flight capital and the haven of choice for African dictators due to its secrecy laws, as well as states like Delaware, in the US.

One common mechanism used is when multinationals declare no profits in host countries, only in tax havens where subsidiaries are registered.

It is also common for companies to include shelf liability in contracts, allowing for them to declare bankruptcy at any time, delinking debts and accountability of subsidiaries operating in Liberia or Nigeria from parent companies based in the US.

In 2006, according to the South African Revenue Service (SARS), South Africa lost the equivalent of 45% of state revenue to tax evasion and avoidance by corporations and HNWls, yet the bulk of the population have been forced to bear the brunt of taxes conveniently shifted to consumers.

Illicit flight continues unabated as neither individuals nor corporations are subject to mandatory laws concerning automatic exchange of information between states experiencing flight and those on the receiving end.

The legal interface, comprising bankers, lawyers, accountants and other respectable high powered corporate animals ensure that government officials, law enforcement agencies and civil society are kept in the dark for $750 to $1 000 on average, per hour.

Though the recent G20 Summit, held in London - the world's leading offshore centre - declared a new world order built on financial regulation, the task was handed over to a recapitalised but unreformed IMF.

Proposed bilateral reforms included suspected tax evasion on request only, ensuring the continuation of said practices.

In addition, the confidentiality clauses attached to contracts effectively blocks attempts by civil society to monitor how revenues are invested and the concessions granted to multinationals.

Though countries like Sudan, Equatorial Guinea and Nigeria maintain high GDPs, the structural disconnect between growth and development is blatant on examination. The solutions include: legal rights granted to the ecology under the guardianship of communities; transparent and comprehensive tax regimes; databases accessible co civil society monitoring revenue; multi-stakeholder processes concerning exploitation of resources; economic valuation of ecosystem services; mandatory automatic exchange of information between states and corporate country-by-country reporting, amongst others.

It is certainly true that nothing is certain save for death and taxes. The only difference is that, in Africa, it is the lack of (foreign corporate) taxation that causes death.

This article originally appeared in Muslim Views, August 2009. NA

TRUMPONOMICS AND THE DEVELOPING WORLD

By Jayati Ghosh

The writer is a leading development economist. She is a professor of economics at Jawaharlal Nehru University in New Delhi.

Jayati Ghosh

Donald Trump became President of the US on a wave of populism and old style nationalism, promising to make "America great again." While there is much confusion in Washington about his policies on just about everything, the one recurring theme in his statements and speeches is to take America to an age of splendid isolation. Jayati Ghosh looks at how this will affect developing countries, some of whom have at times benefited from exports to the US. While there is much in her analysis that is gloomy, she sees a silver lining if developing countries explore some creative alternatives to the shifting sands in global trade and investment.

So now we know: unlike many other politicians, President Trump will indeed do (or try to do) many of the things he promised or threatened to do before he was elected. Internally, he is apparently seeking to bring back a 21st century version of Reaganomics: a combination of rising fiscal deficits resulting from lower taxes (especially on the rich) and more public spending on the military and on physical infrastructure, with higher interest rates delivered by the US Federal Reserve. He will deregulate private activity further and reduce various protections for labour and the environment that he believes constrain investment. He sought (unsuccessfully) to replace the Affordable Care Act or Obamacare, albeit with little clarity on what to replace it with, and seeks to reduce public spending on various social programmes. All this is supposed to create a domestic boom led by private investment that is presumably to be financed once again by foreigners willing to pour their savings into US financial assets, particularly Treasury Bills. And some have predicted that such a US boom will once again pull the world economy along through the increased demand it will generate for the rest of the world's exports.

> **"If there is one agenda that is now much more likely to be trampled upon globally, it is that of human rights**

Externally, he has already moved the US out of some committed trade talks like the Trans Pacific Partnership and showed a propensity to undermine the World Trade Organisation if it does not work in a way that he perceives to serve US interests. His administration

> **Even the IMF has recently estimated that the multiplier effects of tax cuts generally tend to be much lower than increased public spending**

is already promising protectionist measures and looking at ways to impose unilateral sanctions against other WTO members. He is seeking to reduce immigration by deporting some who have already made it inside the US, and to place significant curbs on future immigration as well as on short-term movement for service delivery, through H1-B visas. He will try to build a wall on the Mexican border and raise tariffs on imports coming from other countries: most symbolically Mexico and China, but also potentially developing countries in general. He will reduce US spending on and engagement with international organisations like the United Nations and probably ignore US pledges and commitments to treaties that seek to address global warming and related issues.

His foreign policy is at present a confused mixture of aggressive bullying and personal support for other aggressive bullies elsewhere, but it is safe to assume that ultimately there will be more continuity than real change in this matter. Given the complete mess that US foreign policy has created in the world over the last few decades that continuity is not necessarily very good for the rest of the world. Such change as does occur is likely to be adverse for progressive people in his country and across the world: it is not just Palestinians and those fighting against authoritarianism in Turkey, Egypt, India and the Philippines who have cause for worry, but people everywhere who are concerned about preserving and enlarging democratic rights. If there is one agenda that is now much more likely to be trampled upon globally, it is that of human rights.

But how much of this agenda can Mr Trump actually achieve? And how much of this is self-contradictory, in that movement in one direction will generate changes that affect other parts of the agenda or the goals? The declarations sound disruptive, but how much difference will all this sound and fury make in material terms? The answers to these questions are crucial not only for citizens of the US. They matter hugely for the rest of the world and developing countries in particular, because the US economy still remains dominant and affects global demand directly and indirectly, and because the continuing significance of the US dollar as the main global reserve currency affects both financial and real flows across countries.

It is probably over-optimistic and even misplaced to believe that Trumponomics can generate a boom in the US and thereby in the rest of the world, along the same lines as the Reagan boom. It is not just that the world economy is different from three and a half decades ago and that global capitalism has altered in significant ways; it is also that much of what he proposes is unlikely to work out as planned, given the political economy forces in the USA at the moment and the contradictory nature of the various impulses in his administration.

It is not just the failure of his attempt at health reform that generates more scepticism about any future possible successes. It is also the internal contradictions in his policy proposals. Consider the issue of whether President Trump will actually deliver in terms of generating a new boom with sustained medium-term growth of activity and employment. The basis for this is supposed to be the perception that increased public spending and lower tax rates will provide a fiscal stimulus to boost the economy, even if it does at the same time increase inequality and disproportionately favour the rich. But the second outcome is far more likely than the first. As of now, the precise tax proposals that the Trump administration itself favours are not known; but the version being pushed by the Republicans in Congress led by Paul Ryan is supposedly "revenue neutral", in that it balances tax cuts in some sectors and categories with reduction of deductions in the same or others. The overall macroeconomic benefit of this would obviously be limited, although it may well imply a further redistributive shift away from working and middle class families in favour of the country's corporations and rich individuals.

In any case, tax cuts alone are known to have limited impact – even the IMF has recently estimated that the multiplier effects of tax cuts generally tend to be much lower than increased public spending, regardless of the beneficiaries of such cuts. Reagan's strategy "worked" in the 1980s because of the massive increases in »

> **Punitive tariffs against one set of countries would simply divert trade rather than generate local production**

military spending that generated new investment by the military-industrial complex, which in turn had spillover effects in other sectors and in terms of technological change. But it is not at all clear that Mr Trump is actually planning such significant increases in government expenditure. The big increases in military spending in his proposed budget are counterbalanced by equivalent cuts in other spending, particularly spending on social programmes. And even these increases may be diminished by the Congressional process.

Much of what Trump has talked about as public investment actually comes in the category of "Public Private Partnerships" (PPPs), in which the government does not invest directly, but underwrites a significant part of the private investment or enables the securing of cheap loans for private investment. There is good reason why this strategy has had such a bad press recently: most countries that have relied heavily on it have found that the actual levels of investment turn out to be much lower than anticipated or planned for, while the fiscal costs tend to be much higher and more prolonged, because the user charges that would cover costs typically turn out to be so high that they are politically impossible to enforce. In other words, these PPPs in most cases have not delivered in terms of actually providing the required physical infrastructure. So a heavy reliance on PPPs may suit several of Mr Trump's cronies and those (including in real estate, a sector of particular personal interest to the US President) who would benefit from certain infrastructure investments, but they are unlikely to generate the kind of increase in investment rates that is being apparently being anticipated by the over-enthusiastic stockmarkets.

> **The workers and other non-traditional voters who installed Trump in his current position are unlikely to get even some of the benefits they expect**

So the fiscal expansion that has been so eagerly anticipated (not just in the US but even globally) on the basis of the declarations of the US President is not likely to be all that significant. And it will come in combination with a monetary policy "shock" in the form of higher interest rates, in an economy that has grown used to near-zero interest rates for nearly a decade now. This could well attract mobile capital back to the US – and thereby cause different degrees of discomfort or crisis in many emerging markets – but that in turn will cause an appreciation of the US dollar, which too must affect profitability in the tradeables sector. In purely macroeconomic terms, it is hard to see how this combination can deliver significantly higher economic growth or employment.

What then of the other strategies, the physical and trade walls both designed to protect US residents from the depredations of foreigners? The infamous wall along the Mexican border has already overrun cost expectations even before work on it has started, from Trump's original estimate of $10 billion to around $15-20 billion or even more now. But while that may seem expensive for an ugly and offensive piece of landscaping, if it is seen only as a Keynesian stimulus, it would not amount to very much. And the economic effects of that spending for the US would in any case be questionable, since reports suggest that Mexican workers (both legal and illegal) are far more likely to be employed in the work of building it.

> **Economic processes in the US are far more significant in determining capital inflows and outflows from their own countries than any measures taken within**

The other wall – the imposition of high punitive tariffs on goods coming from Mexico and China, as well as from other countries seen as "threats" to US production – may well get a few dramatic and highly symbolic gestures in its direction, and may mess up trade relations for a while. How serious and sustained this attempt at protectionist nationalism in trade terms will be is not yet clear, but certainly it will be less emphatic than the cronyism that is already so evident. It is more than likely that the President's basic and well-known instinct for pushing business and profit, irrespective of the impact on workers or consumers, will win over the protectionist rhetoric that helped him get elected. In any case, punitive tariffs against one set of countries would simply divert trade rather than generate local production. Wider protection, sufficient to really alter the trade balance, is not really on the cards. But for well-known reasons, it would do very little to bring manufacturing jobs "back" to the US, and technological changes will continue to erode the employment possibilities of such production at an ever- increasing pace. So the workers and other non-traditional voters who installed Trump in his current position are unlikely to get even some of the benefits they expect, regardless of statements to the contrary. Instead, they are more likely to experience a worsening of material conditions because of spending cuts and other changes in institutional conditions that reduce their entitlements.

Mr Trump's policy stance will, however, mean that the United States – which has been providing less and less of a positive demand stimulus to the rest of the world economy ever since the Global Financial crisis – will continue to shrink its import demand and add to the forces that are making global trade decelerate and even decline.

What does all this mean for developing countries? First, that those who are worried are right to be worried, but perhaps not for the reasons most commonly cited, such as the threat of trade protectionism. Rather, Mr Trump presents a disruptive force in an already febrile and volatile global economic environment, which is weakened not by his election, but because global capitalism had clearly reached the limits of pushing that particular strategy of accumulation.

This was increasingly evident in the "secular stagnation" that seemed impervious to massive injections of liquidity and near zero or even negative interest rates, and in economic trajectories that no longer seem to generate stable and regular employment. In turn, the disruption that Mr Trump generates is only partly because of his actions, and probably even more because of the very impact that his statements and the surrounding chatter have on expectations, both in financial markets and in real economic activities.

The most immediate likely concern is that of capital leaving emerging markets once US interest rates are raised, and the potentially disorderly situations this can create. Developing

"The ongoing slowdown in international trade is likely to get worse

countries have already experienced this several times in the past decade, and have learnt the hard way that policy decisions taken and economic processes in the US are far more significant in determining capital inflows and outflows from their own countries than any measures taken within. The resulting volatility is likely to be compounded by further financial deregulation that will spread from the US to other countries. Since the already inadequate re-regulation of finance that occurred after 2008 in the US is on its way to being dismantled, this will create pressures for associated deregulation even in other developed countries, and add to similar tendencies in emerging markets. This is doubly dangerous for many "emerging markets" because many of them had responded to the global crisis by allowing massively leveraged expansion, and much of that is currently in the process of winding down. Asset markets – particularly of land and real estate – are experiencing a downswing in most countries, rendering them especially vulnerable to financial crises that could originate from an initial outflow of capital to the US.

Obviously, this would be exacerbated by the disruptive impact on global trade that several proposals of the Trump administration are likely to have. The ongoing slowdown in international trade is likely to get worse, and also more uncertain with the unpredictability of US moves. Conflicting signals coming from different elements of the US Government, and even from its leader over time, only add to confusion and reduce the incentive for even medium terms investment in tradeable sectors. Export of commodities from South to North, which powered the expansion of some economies and provided much cheaper goods to consumers in the North, is unlikely to be an engine of growth in the immediate future. This sounds like bad news for many developing countries, and will be so in the short term, but it need not be so bad if it forces a different approach from one that focusses on exports to the North (and therefore treats wages only as a cost), to one that looks at potential in domestic markets and regional arrangements (and therefore treats wages also as an important source of demand).

Certainly, no tears should be shed for the Trans Pacific Partnership. It was a bad deal, that did little to enhance desirable trade; instead it provided inordinate power to corporations, through stringent and unwarranted acceptance of tight intellectual property rights monopolies, reducing possibilities of public regulation in the interests of workers, the environment »

"Financial markets will definitely be more unstable and volatile, and countries across the world may well have to brace themselves for another round of financial crises

and the health and other human rights of citizens; and allowing investor-state dispute settlement in wide-ranging cases. These would definitely have harmed workers and consumers in all the member countries. Developing countries that had put so many eggs into that particular basket will now be forced to think more creatively about both trade and policy options, which would not be an adverse outcome. The danger is that – despite the breakdown of this agreement – such deregulation and greater power to corporations will be granted anyway by the Trump administration, and sheer competitive pressure will then force governments across the world to fall in line. Avoiding this worst-of-all-worlds scenario will require constant public vigilance and mobilisation in all countries.

Similarly, financial markets will definitely be more unstable and volatile, and countries across the world may well have to brace themselves for another round of financial crises. This time, the implications may be worse because of the difficulty of using the same old solutions of large publicly funded bailouts to rescue banks and other financial institutions. The global race to environmental destruction pushed by further deregulation in the US and egged on by international competition in trade and investment, will also have to be fought with public pressure in all countries.

Another concern for developing economies comes not from the economic policies of the Trump administration but from its foreign policies. Clearly, those who in the period prior to the election had seen Hillary Clinton as a greater threat to global security than Trump because of the extreme hawkish position on Russia had got it wrong. President Trump has assembled some of the most hawkish of military characters in his team, including those who were proponents of the Karl Rove version of "the new American century" under George Bush, and has already engaged in one military operation (however botched) and proposed others in the Middle East. His attitude to Russia may be confused, but that to China is more definitively aggressive. Global conflagrations need not start with direct engagements between the great powers; rather through history they have begun with more minor conflicts that explode out of proportion as the big powers get drawn in. Such possibilities are hugely possible with this US administration, and once again the danger for developing countries is that the wars will be fought on our territories and between our peoples. The propagation by the current US government of a sullen, petty-minded pseudo-nationalism is already finding echoes in too many other governments, including in the developing world where this attitude also similarly involves the suppression of any kind of domestic dissent. This is not just bad for internationalist co-operation and for democratic space within countries: it also affects economic flows and processes between countries and therefore within them.

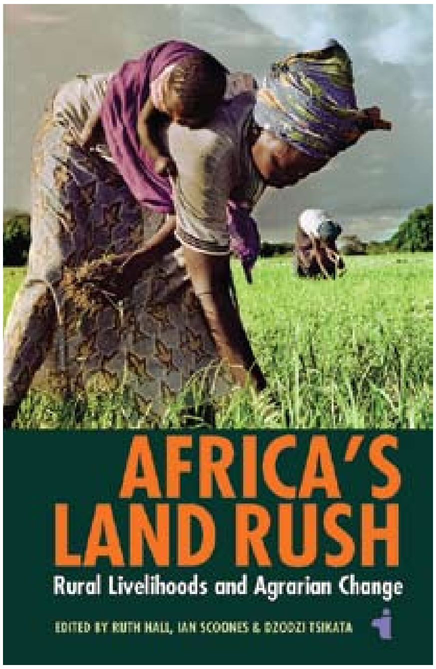
So is it all bad news, with the gloom and doom justified? Not entirely. Periods of disruption are unpleasant and do throw up all sorts of outcomes, often mostly bad. But they are all periods when the older certainties are thrown aside, and some of these deserve to be discarded. The belief in "free" trade and globalised capital being all that is required for development was always wrong, but now it simply cannot be entertained. This must force more creative thinking about economic strategies in different parts of the world. Such thinking about economic strategies will have to come out of both the intellectual and the institutional straitjackets into which they had been put over the past decades. The confusion and disarray in the multilateral economic organisations that will definitely come about during this US administration and the resulting free-for-all in global economic architecture are certainly likely to reduce the possibilities of international co-operation significantly. But they may also open up policy spaces for developing countries seeking to change their position in the international division of labour, and generate more possibilities for autonomous industrialisation and development. This is not going to be easy, and obviously requires changing political economy configurations in many countries – but then, through history, the various paths to progress have never run smooth.

"

The propagation by the current US government of a sullen, petty-minded pseudo-nationalism is already finding echoes in too many other governments, including in the developing world

NOTE

This article originally appeared in Real World Economics Review, issue no. 79, March 30, 2017 NA



Africa's Land Rush:
Rural Livelihoods and Agrarian Change

Hall, Ruth, Ian Scoones and Dzodzi Tsikata (eds).
James Currey: Suffolk and Rochester NY, 2015. 204 pp.

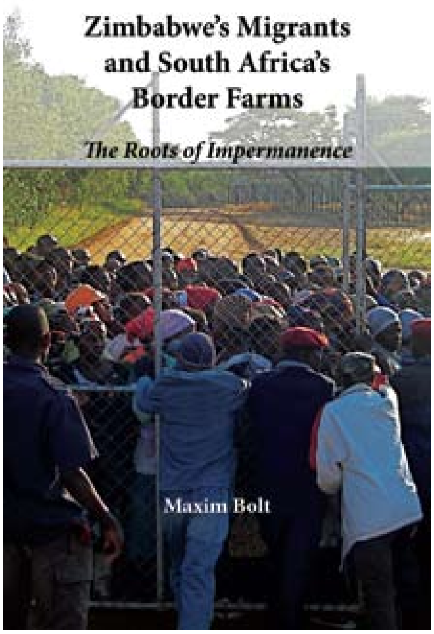
Reviewed by: Isaac Nkuna [Limpopo Legislature]

This book is a compilation of a series of disconcerting case studies on the transnational 'land grabs' gripping the African continent as a result of the collaboration and self-serving interests of direct foreign investment and the local elites in affected communities. It chronicles the challenges and discontents arising from large scale land acquisition deals in the African continent and their impact on land governance and sustenance of livelihoods.

The title of the book clearly captures its main premise by showing that no sufficient assessments were conducted in most African land deals before they were concluded, hence they represented nothing significant other than 'Africa's land rush'. The problematic nature of this approach is that the livelihoods of the poor and the marginalized are threatened and undermined in favour of the interests of big businesses and multinational corporations who are driven by profit making. The book shows that land acquisition should not be taken lightly as a transaction between the buyer and the seller. This process will lead to access not only to the land but useful community shared resources such as water, firewood, medicinal plants, thatch and others, which are critical for the survival of ordinary people. The challenge resulting from these land deals is that communities are often forced to change their livelihoods from food to cash crops which mainly benefit investors (in the form of cheap land, credits and other concessions). It is clear from the cases that land acquisitions have the potential of threatening food security and leading to the feminization of poverty as the cultivation of some commercial crops (i.e. sugar cane) do not necessarily benefit women.

The authors challenge the status quo by arguing strongly against the accepted myth that foreign direct investment in large scale agriculture would result in technology transfer and the improvement of the lives of ordinary people. They are not mincing their words in pointing out that although land deals may appear perfect at face value, they have, however, left a trail of untold suffering in most African countries. Under commercialized land deals, land is no longer a resource that can be enjoyed and shared by the community but a commodity for the advancement of private interests and restricts opportunities for local communities. It has been a common practice among investors to take advantage of unregistered customary interests given their fluctuating and insecure circumstances. The book shows that dispossessions, loss of biodiversity, degradation and conflict are some of the disturbing outcomes emanating from these unprotected land based agreements/contracts. Just in case some readers think that land grabs are mainly an outside job, the case studies reveal that traditional leaders, politicians and the state itself are often implicated as collaborators with 'land grabbers' in exchange for monetary benefits.

The fascinating aspect about this book is that it offers a wide range of cases from which one can richly draw policy lessons, especially for African governments across the continents. Although case studies are drawn from a plethora of African countries, it would have been even more interesting to consider including detailed studies from countries such as Zimbabwe and South Africa. Given the backlogs on land redistribution in our country, South Africa can draw useful lessons from these cases in terms of ensuring that citizens do not end up being 'passive beneficiaries of development' or 'victims of dispossession'. Major projects in mining and the agricultural sector are underway across our country and the African continent, hence it remains a valuable source of reference to guide our understanding of challenges that emanate from land based investments. NA



Zimbabwe's Migrants and South Africa's Border Farms:

The Root of Impermanence

Maxim Bolt

Wits University Press: Johannesburg, 2016. 270pp.

Review by Eugenia Mpofu- Muzenda

This book is based chiefly on research that was conducted by Maxim Bolt at a family farming estate along the Limpopo valley in the Limpopo province of South Africa.

The book provides an insightful scrutiny of the Zimbabwean situation in relation to its neighbouring country, South Africa. The three phases in which Zimbabweans migrated to South Africa are clearly articulated. The 1st phase was way before Zimbabwe attained its independence in 1980 when Zimbabweans (especially males) left their homes for South African mines for waged employment. The early 1980s were characterized by "tribalistic" fights commonly known as Gukurahundi in Shona. These birthed the exodus of some Ndebele people to South Africa. The next and current phase, which is economically and politically driven, started in the late 1990s. The adoption of the Economic Structural Adjustment Programmes (ESAP) saw a number of Zimbabweans losing their jobs. The late 1990s and early 2000s were characterised by white farm invasions by local inhabitants which resulted in the land redistribution programme that was adopted by the Government of Zimbabwe. It is during this period that Zimbabwe had sanctions imposed which restricted it from trading with a number of countries and organisations. As a consequence, a country once known as the bread basket of Africa, started importing basic food commodities such as grain. Many industries closed down. Unemployment and inflation rates skyrocketed. Many Zimbabweans were left with no choice, but to emigrate. It is this last phase that the book focuses: Zimbabweans who left their country for waged employment in the border farms along the Limpopo River.

The book provides a self-evaluation of farmers along the Limpopo River. It is useful to note that these white farmers are a mixture of South African Afrikaners and those who fled Zimbabwe after independence. These white farmers view themselves as visionaries, hard workers as well as fatherly figures to their black employees. They also make a point that farming is not for the fainthearted because loneliness is the order of the day since farmers hardly see each other. The book also highlights the hierarchies on the farm, with whites as either owners or in management positions. Very few blacks occupy management positions and those who do, do not rank with their white counterparts in terms of occupation and salary. With the exception of the few blacks in the management team, the majority are unskilled waged employees. Power relations on farms are clearly described in the book, showing that permanent workers, who are mostly men, experience a better life when compared with seasonal workers and women. The authors present an account of the harsh life experienced by seasonal workers and the vulnerabilities associated with being a woman on a farm. The book goes further to expose how farm workers, whether permanent or seasonal, are vulnerable in light of the changing economic and political conditions and the need to find alternative employment.

Due to high unemployment in Zimbabwe, it is not uncommon to find skilled and educated people doing menial work such as picking fruits during the harvesting season(s). Owing to its geographical position, the estate and its surroundings, has a unique economy and a lifestyle that includes smuggling and informal trading. The book also explores the issue of remittances (in cash and kind) to Zimbabwe and why it is important to remit that way.

The book assists one to understand the 'Who', 'Why', 'When', 'How' and 'What' questions around the Zimbabwean population in South Africa. The authors also give readers a broader view of the dynamics around the subject of migration. NA

INSTITUTE FOR AFRICAN ALTERNATIVES (IFAA)

Publisher of New Agenda

Subscription Form

Name & Surname: ______________________

Organisation: ______________________

Postal address: ______________________

Country: ______________________

Contact Number: ______________________

Email: ______________________

Please tick:

- ☐ Electronic annual subscription R100 (4 editions)
- ☐ South African individual annual subscription R200 (4 editions)
- ☐ South African institution annual subscription R300 (4 editions)
- ☐ International individual annual subscription US$65 (4 editions)
- ☐ International institution annual subscription US$65 (4 editions)

Banking Details

ACCOUNT NAME:
Institute For African Alternatives

ACCOUNT NUMBER:
07 124 072 1(Cheque)

BANK:
Standardbank

BRANCH:
Thibault Square, Cape Town

BRANCHCODE:
020009

BANK SWIFTCODE:
SBZAZAJJ

Community House,
41 Salt River Road ,Salt River,
Cape Town 7925
South Africa

Email: newagenda01@gmail.com
Tel: +27 21 461 2340

Section 21 Co. No. 199202072/08