

# From Racial to Class Apartheid

## *South Africa's Frustrating Decade of Freedom*

**PATRICK BOND**

The end of the apartheid regime was a great human achievement. Yet the 1994 election of an African National Congress (ANC) majority—with Nelson Mandela as the new president—did not alter the enormous structural gap in wealth between the majority black and minority white populations. Indeed, it set in motion neoliberal policies that exacerbated class, race, and gender inequality. To promote a peaceful transition, the agreement negotiated between the racist white regime and the ANC allowed whites to keep the best land, the mines, manufacturing plants, and financial institutions. There were only two basic paths that the ANC could follow. One was to mobilize the people and all their enthusiasm, energy, and hard work, use a larger share of the economic surplus (through state-directed investments and higher taxes), and stop the flow of capital abroad, including the repayment of illegitimate apartheid-era debt. The other was to adopt a neoliberal capitalist path, with a small reform here or there, while posturing as if social democracy was on the horizon.

A few months prior to the democratic election on April 27, 1994, a transitional South African government was formed incorporating both the ANC and the National Party, which had been in power for 45 years thanks to whites-only voting. Even as racist laws were tumbling and the dignity of the majority black population was soaring, December 1, 1993, was the point at which the struggle for socioeconomic justice in South Africa was conclusively lost, at least temporarily. The very first act of that interim government was to accept an \$850 million loan from the International Monetary Fund, ostensibly for drought relief, although the searing drought had ended 18 months earlier. The loan's secret conditions—leaked to the main business newspaper in March 1994—included the usual items from the classical structural adjustment menu: lower

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The author has compiled a reading list (at the end of the essay) for those who wish to learn more about postapartheid South Africa.

import tariffs, cuts in state spending, and large cuts in public sector wages. In addition, Michel Camdessus, then IMF managing director, put informal but intense pressure on incoming president Mandela to reappoint the two main stalwarts of apartheid-era neoliberalism, the finance minister and the central bank governor, both from the National Party.

Another crucial milestone was reached in June 1996, when the top echelon of ANC policymakers imposed a “nonnegotiable” wide-ranging economic strategy without bothering to consult its Alliance partners in the union movement and the South African Communist Party (SACP), much less its own constituents. The World Bank contributed two economists and its model for the exercise, known as “Growth, Employment and Redistribution” (GEAR). Introduced to promote investor confidence in the wake of a currency crash, GEAR allowed the government to distance itself psychologically from the somewhat more Keynesian “Reconstruction and Development Program,” which in 1994 had served as the ANC’s campaign platform. The promises generated by the World Bank’s econometric model were grand indeed: by 2000, the South African economy would be growing at 6 percent and creating 400,000 new jobs each year.

### The Postapartheid Record

The transition’s flaws are excused by some ANC supporters as temporary reversals along what is a broadly progressive trajectory, unique in Africa. A recent document, “Towards a Ten-Year Review,” available on the government’s Web site, makes grandiloquent claims to support such an interpretation. The November 7, 2003 *ANC Today* newsletter on the ruling party’s Web site draws on the review to promote the post-apartheid economy: “Since the ANC was elected to government in 1994, South Africa has achieved a level of macroeconomic stability not seen in the country for 40 years... After the massive investment outflows of the 1980s and early 1990s, the country has had positive levels of foreign direct investment over the last ten years... Between 1995 and 2002 the number of people employed grew by around 1.6 million people.”

Most such claims are distortions or outright fibs. For the ANC to brag of “a level of macroeconomic stability not seen in the country for 40 years,” for example, is to ignore the easiest measure of such stability: exchange rate fluctuations. In reality, the three currency crashes witnessed over a period of a few weeks in February–March 1996, June–July 1998, and December 2001 ranged from 30 to 50 percent, and each led to massive interest rate increases that sapped growth and rewarded the

speculators. These moments of macroeconomic instability were as dramatic as any other incidents during the previous two centuries, including the September 1985 financial panic that split big business from the apartheid regime and paved the way for ANC rule.

Domestic investment has been sickly (with a less than 2 percent increase per year during the GEAR era when it was meant to increase by 7 percent), and were it not for the partial privatization of the telephone company, foreign investment would not even register. Domestic private sector investment was negative for several years, as capital effectively went on strike, moving mobile resources offshore as rapidly as possible. Yet, of all GEAR's targets, the only ones reached successfully were those most crucial to big business: inflation (down from 9 percent to 5.5 percent, instead of GEAR's projected 7-8 percent); the current account (in surplus, not deficit as projected); and the fiscal deficit (below 2 percent of GDP, instead of the projected 3 percent).

The reality is that South Africa has witnessed the replacement of racial apartheid with what is increasingly referred to as class apartheid: systemic underdevelopment and segregation of the oppressed majority through structured economic, political, legal, and cultural practices. Although slightly more expansive fiscal policies were adopted after 2000, Pretoria's neoliberal orientation has never been in doubt. Current president Thabo Mbeki succeeded Mandela in May 1999, but had served as the government's main policy architect and administrator from the start of the transition, as well as the key arbiter in the ANC's unending internecine conflicts.

Job loss has been the most damaging aspect of South Africa's embrace of the neoliberal economic approach. Instead of the employment growth of 3-4 percent per year promised by GEAR proponents, annual job losses of 1-4 percent characterized the late 1990s. South Africa's official measure of unemployment rose from 16 percent in 1995 to 30 percent in 2002. Adding frustrated job-seekers to that figure brings the percentage of unemployed people to 43 percent. Meanwhile, labor productivity increased steadily and the number of days lost to strike action fell, the latter due, in part, to the ANC's demobilization of unions and hostility to national strikes undertaken for political purposes, such as the national actions against privatization in 2001 and 2002.

White businesses wanted to escape the economic stagnation and declining profits born of a classic overaccumulation crisis. They felt besieged by international sanctions, and even more by the rise of black militancy in workplaces and communities during the 1970s and 1980s. It

is here that the core concession made by the ANC during the transition deal is apparent. The deal represented simply this: black nationalists got the state, while white people and corporations could remove their capital from the country, while continuing to reside in South Africa to enjoy even greater privileges through economic liberalization. As for division of the national surplus, the pre-tax profit share soared during the late 1990s, to 1960s-era levels associated with apartheid's heyday. Pretoria also cut primary corporate taxes dramatically (from 48 percent in 1994 to 30 percent in 1999) and maintained the deficit below 3 percent of GDP by restricting social spending, notwithstanding the avalanche of unemployment.

As a result, according to even the government's statistics, average black African household income fell 19 percent from 1995–2000 (to \$3,714 per year), while white household income rose 15 percent (to \$22,600 per year). Not just relative but absolute poverty intensified, as the portion of households earning less than \$90 of real income increased from 20 percent of the population in 1995, to 28 percent in 2000. Across the racial divide, the poorest half of all South Africans earned just 9.7 percent of national income in 2000, down from 11.4 percent in 1995. The richest 20 percent earned 65 percent of all income. It is fair to assume that inequality continued to worsen after 2000.

Notwithstanding deeper poverty, the state raised water and electricity prices dramatically, to the point that by 2002 they consumed 30 percent of the income of those households earning less than \$70 per month. An estimated 10 million people had their water cut off, according to two national government surveys, and 10 million were also victims of electricity disconnections.\* Municipal statistics show that 60 percent of the disconnections were not resolved within six weeks, indicating that the blame lies with genuine poverty (not the oft-alleged "culture of nonpayment," supposedly a hangover of anti-apartheid activism). In addition, two million people have been evicted from their homes or land since liberation in 1994. And of 13 million given access to a fixed telephone line for the first time, 10 million were disconnected because they couldn't pay the bill, once cross-subsidies were reduced in the course of privatization.

Gender relations show some improvements, especially in reproductive rights, albeit with extremely uneven access. But contemporary South Africa retains apartheid's patriarchal modes of surplus extraction, thanks to both residual sex discrimination and the migrant (rural-urban) labor

\* <http://www.queensu.ca/msp>. Although the water ministry has disputed the figures, they may actually be understatements.

system, which is subsidized by women stuck in the former bantustan homelands. These women are not paid for their role in social reproduction, which in a normal labor market would be handled by state schooling, health insurance, and pensions. This structured superexploitation is exacerbated by an apparent increase in domestic sexual violence associated with rising male unemployment and the feminization of poverty. Women are also the main caregivers in the home, and this entails bearing the highest burden associated with degraded health.

With the public healthcare services in decline due to underfunding and the increasing penetration of private providers, infectious diseases such as tuberculosis, cholera, malaria, and AIDS are rife, all far more prevalent than during apartheid. Diarrhea kills 43,000 children a year, as a result mainly of inadequate potable water provision. Most South Africans with HIV have little prospect of receiving antiretroviral medicines to extend their lives (half a million urgently require drugs at present), thanks to the “denialist” policies of Mbeki and his health minister, which senior health professionals and researchers regularly label genocide. Although a roll-out of medicines was finally promised by the Cabinet in September 2003, Mbeki immediately poured salt in the wounds by denying (in a *New York Times* interview) that he knew anyone who had died of AIDS or was even HIV positive.

Mbeki successfully repulsed local opposition from human rights and arms-control groups to the \$6 billion purchase of sophisticated weaponry from European corporations. Africans are nervous about Pretoria’s subimperial interventions. Notwithstanding peace deals in central Africa and Liberia, concerns remain over how durable the interventions are, when they fail to grapple with underlying structural causes of failed states and interethnic conflict. One indication of bully-boy diplomacy was Pretoria’s 1998 military invasion of neighboring Lesotho to prop up an unpopular government. Moreover, the widespread influence-peddling scandals associated with the arms deal—which in late 2003 threatened Deputy President Jacob Zuma (who allegedly solicited a bribe in a manner the justice minister deemed “prima facie corruption”) and forced the resignation of several leading ANC politicians and officials caught in plots with European corporations—suggest that then-president Mandela was correct when he warned that this would be a cancer in the ANC government.

Moving to the environment, it is fair to assess South African ecology today as in worse condition, in many crucial respects—water and soil resources mismanagement, South Africa’s contribution to global warm-

ing, fisheries, industrial toxics, and genetic modification—than during apartheid. The Lesotho Highlands Water Project has become the highest-profile example of third world development corruption. Africa's biggest dam supplies water to Johannesburg from the Lesotho mountains, and further dams are being built even though government officials admit they are unnecessary, and despite destructive environmental consequences. In spite of water scarcity the extremely high costs of water transfer are deterring consumption by poor people. The wealthiest urban (mainly white) families enjoy swimming pools and English gardens, which means that in some of the most hedonistic suburbs, water consumption is 30 times greater each day than in low-income townships, some of whose residents do the gardening and domestic work for whites. Rural (black) women stand in line for hours at communal taps in the parched former bantustan areas. The location of natural surface and groundwater remains skewed towards white farmers due to apartheid land dispossession. With fewer than 2 percent of arable plots redistributed (as against a five-year target of 30 percent), Pretoria's neoliberal land policy has conclusively failed.

Other examples of residual apartheid ecology could be cited, including numerous unresolved conflicts over natural land reserves (the displacement of indigenous people continues), the deleterious impacts of industrialization on biodiversity, insufficient protection of endangered species, and generous state policies favoring genetic modification in commercial agriculture. Marine regulatory systems are overstressed and hotly contested by European and East Asian fishing trawlers, as well as by local medium-scale commercial fishing firms fending off new waves of small-scale black rivals. Expansion of gum and pine timber plantations, largely for pulp exports to East Asia, remains extremely damaging, not only because of grassland and organic forest destruction—leading to soil adulteration and far worse flood damage downriver, as Mozambique suffered in 2000–2001—but also due to the spread of alien invasive plants into water catchments across the country. One constructive, high-profile state program has so far slowed but not reversed the advance of alien invasives.

Thanks to accommodating state policies, South African commercial agriculture remains extremely reliant upon fertilizers and pesticides, with virtually no attention given to potential organic farming markets. The government's failure to prevent toxic dumping and incineration has led to a nascent but portentous group of mass tort (class action) lawsuits that may reach beyond asbestos victims to residents who suffer persis-

tent pollution in several extremely toxic pockets (South Durban, Sasolburg, and Steel Valley). In these efforts, the environmental justice movement nearly invariably fights both corporations and Pretoria.

### **Privatization Fails to Deliver**

It is important to add that the government's canard of "insufficient state capacity" to solve social and environmental problems has been matched by a willingness to turn resources over to the private sector. If outsourcing, corporatization, and privatization can work anywhere in Africa, they should in South Africa—with its large, wealthy markets, relatively competent firms and advanced infrastructure. However, contrary evidence emerges from the four major cases of commodification of state services: telecommunications, transportation, electricity, and water.

First, consider the mess created in the lucrative telecommunications sector, in which 30 percent of state-owned Telkom was sold to a Houston-Kuala Lumpur alliance. The cost of local calls skyrocketed, leading the vast majority of new lines to be disconnected. Meanwhile, 20,000 workers were fired. Attempts by the government to cap fixed-line monopoly pricing were blocked by the Texan-Malaysian joint venture with a court challenge and a serious threat to sell their Telkom shares in 2002. As a result, Telkom's 2003 initial public offering on the New York Stock Exchange raised only a disappointing \$500 million. Thus, in the process an estimated \$5 billion of Pretoria's own funding of Telkom's late 1990s capital expansion evaporated. A pact on pricing and services between the two main private cellular operators and persistent allegations of corruption combined to stymie the introduction of new cellular and fixed-line operators.

Second, in the field of transportation there have been a variety of dilemmas associated with partial privatizations. Commercialized toll roads are unaffordable for the poor. Air transport privatization led to the collapse of the first regional state-owned airline. South African Airways has been disastrously mismanaged, with huge currency-trading losses and an inexplicable \$20 million payout to a short-lived U.S. manager. The privatization of the Airports Company has led to security lapses and labor conflict. Constant strife with the ANC-aligned trade union has thrown port privatization into question. The increasingly corporatized rail service shut down many feeder routes that, although unprofitable, were crucial to rural economies.

Third, the electricity sector is privatizing rapidly, with 30 percent of the parastatal Eskom (the world's fourth largest electricity producer) to

be sold in 2004, resulting in a host of problems. Thirty thousand electricity workers lost their jobs during the 1990s. Potentially unnecessary new generation capacity is being created by private suppliers. While a tiny pittance is invested in renewable energy, the state is likely to expand nuclear energy, through new pebble-bed reactors in partnership with U.S. and British firms. Rates for residential customers have risen much higher as cross-subsidies came under attack during the late 1990s. As a result of increasingly unaffordable rates, Eskom slowed the extension of the rural electricity grid, while millions of people who fell into arrears on inflated bills have been disconnected—leading to massive (often successful) resistance such as illegal reconnections. With tuberculosis and other respiratory illnesses reaching epidemic levels, those who do not reconnect their electricity are forced back to paraffin or coal fires for cooking, with all the hazards that entails.

Fourth, virtually all local governments turned to a 100 percent cost recovery policy during the late 1990s, at the urging of the central government and the World Bank, largely to prepare for a wave of water and waste commercialization. Attempts to recover costs from poor communities inflict hardships on the most vulnerable members of society, especially women and those with HIV positive family members susceptible to water-borne diseases and opportunistic AIDS infections. Although water and sanitation privatization applies to only 5 percent of all municipalities, the South African pilot projects run by world's biggest water companies (Bewater, Suez, and Saur) have resulted in services that are overpriced and a public that is underserved. Contracts have been renegotiated to raise rates because of insufficient profits; services have not been extended to most poor people; many low-income residents have been disconnected; prepaid water meters have been widely installed; and sanitation has been substandard. Across South Africa, the dogma of 100-percent-cost-recovery led to the continent's worst-ever cholera outbreak, catalyzed by mass disconnections of rural residents in August 2000.

As a result of this consistent failure to deliver, alienation and discontent are obviously increasing. According to a late-2002 survey conducted by the liberal Institute for Democracy in South Africa, the number of black people who believe life was better under the apartheid regime is growing. Tragically, more than 60 percent of all South Africans polled said the country was better run during white minority rule, only one in ten people believed their elected representatives were interested in their needs, and fewer than one in three felt the current government was more trustworthy than the apartheid regime. Black people were only slightly

more positive than white and mixed-race groups about the government, with 38 percent deeming it more trustworthy than before. Only 24 percent of black South Africans agreed with the proposition that the current government is less corrupt than the apartheid regime.

For the 10 percent or so wealthiest whites and a scattering of rich blacks who enjoy insulation and segregation from the vast majority, lifestyles remain at the highest level in the world. This is evident to any visitor to the slightly-integrated suburbs of South African cities. Racial apartheid was always explicitly manifested in residential segregation, and after liberation in 1994, Pretoria adopted World Bank advice that included an avoidance of public housing (virtually no new municipal or even cooperatively-owned units have been constructed), smaller housing subsidies than were necessary, and much greater reliance upon banks and commercial developers instead of state and community-driven development. The privatization of housing is, indeed, one of the most terrible ironies of postapartheid South Africa, not least because the man taking advice from the World Bank, Joe Slovo, was chair of the SACP. (Slovo died of cancer soon thereafter and his main ANC bureaucrat, who was responsible for designing the policy, now works for a World Bank subsidiary.)

Nine years later, the provincial housing minister responsible for greater Johannesburg admitted to a mainstream newspaper that South Africa's resulting residential class apartheid had become an embarrassment: "If we are to integrate communities both economically and racially, then there is a real need to depart from the present concept of housing delivery that is determined by stands, completed houses and budget spent." His spokesperson added, "The view has always been that when we build low-cost houses, they should be built away from existing areas because it impacts on the price of property." However, the head of one of Johannesburg's largest property sales corporations, Lew Geffen Estates, insisted that "Low-cost houses should be developed in outlying areas where the property is cheaper and more quality houses could be built."

Unfortunately it is the likes of Geffen, the commercial bankers and allied construction companies who still drive housing creation, so it is reasonable to anticipate no change in Johannesburg's landscape—featuring not "quality houses" but what many black residents term "kennels." Several hundred thousand postapartheid state-subsidized starter houses are often half as large as the 40 square meter "matchboxes" built during apartheid, and located even further away from jobs and community amenities. In addition to ongoing disconnections of water and electrici-

ty, the new slums suffer lower-quality state services ranging from rare rubbish collection to dirt roads and inadequate storm-water drainage.

### **Globalization Made Me Do It!**

How did the degeneration of a once proud liberation movement occur so decisively, and so quickly? It is tempting to again point out that neoliberalism was dictated by the IMF in December 1993 before being codified in GEAR. But three prior decisions were also crucial: to drop “nationalization” formally from ANC rhetoric (April 1992); to repay the \$25 billion of inherited apartheid-era foreign debt (October 1993); and to grant the central bank formal independence in an interim constitution (November 1993).

Various other international economic incidents should be mentioned. A few weeks after liberation in May 1994, when South Africa joined the General Agreement on Tariffs and Trade on disadvantageous terms, the country’s deindustrialization was guaranteed. In January 1995, privatization began in earnest. Financial liberalization in the form of exchange control abolition occurred in March 1995, ironically in the immediate wake of the Mexican capital flight that destroyed the peso’s value. South Africa’s protection was to raise interest rates to a record high (often double-digit after inflation is discounted), where they have remained ever since. Later, from 1998–2001, the ANC government granted permission to South Africa’s biggest companies to move their financial headquarters and primary stock market listings to London.

Under these circumstances, GEAR was merely a set of fantasy projections, and the failure of macroeconomic policy is even sometimes conceded in Pretoria. In an April 2002 article entitled “Great Leap into Stagnation Courtesy of World Bank,” Bloomberg News Service reported that finance minister Trevor Manuel had loyally advocated “spending cuts, the dismantling of trade barriers and fighting inflation during the past six years, all under the guidance of World Bank economists. He is still waiting for the payoff. Now, Manuel and even some World Bank officials say Africa’s largest economy has not gained as expected from the lender’s advice.” Manuel, who was chair of the Boards of Governors of the IMF and the World Bank and currently chairs the Development Committee of the joint body, admitted to Bloomberg, “We have undertaken a policy of very substantial macroeconomic reform. But the rewards are few.” More generally, he conceded, “Developing countries have undertaken many reforms, but the benefits are, in fact, very slim.”

Was Manuel pushed into such substantial “reforms,” or did he jump?

As veteran Africa watcher John Saul has suggested, the tendency is to distract attention with the cry, “Globalization made me do it!” In a somewhat self-critical May 2003 speech, Manuel admitted that “economic integration must be managed because it carries the possibility to severely restrict the degree of policy choice that a country has. It is worth reminding ourselves that the degree to which a country’s choices are limited, and that country’s need for access to capital, are directly proportional. The key variables are first, the financing of the fiscal deficit and second, the dependence on external capital for financing economic expansion.”

This assertion of policy impotence in the face of global finance was sound at a superficial level, but Manuel made no attempts to remedy the power imbalance. The “informal” limitations were in part a function of currency fluctuations. As Manuel continued, “The key issue is the extent of capital mobility and a country’s demand for a portion of the free float.” And yet the crucial lever of counterpower is the application of stronger exchange controls. Consistent with his general zigzag approach to international financial management, Manuel loosened controls yet further in early 2003.

#### **‘We will take Sandton!’**

Rhetoric in South Africa can be confusing. When Mbeki visited Malaysia on the eve of the Cancun WTO summit in September 2003, he advocated that third world governments join forces with anticapitalist social movements: “They may act in ways you and I may not like—breaking windows in the street and this and that—but the message they communicate relates to us.” In reality, many possibilities for unity and cooperation were not merely ignored, but were actively sabotaged throughout the period, as Pretoria sought to impose political order on a society growing increasingly restless.

The repressive side of ANC rule was unveiled to the world during the August 2002 protests against the UN’s World Summit on Sustainable Development—the preemptive arrest of hundreds of activists from three different movements, the banning of peaceful demonstrations, and the use of stun grenades at a candle-light march of 800 people who had emerged from a conference at Johannesburg’s main university. Independent left groups then insisted they would march more than 20,000 people from impoverished Alexandra township to the site of the summit in bourgeois Sandton. A combination of militancy—represented by the widespread call, “We will take Sandton!”—and international

media attention forced Pretoria to back down. But according to Yasmin Sooka of the Human Rights Foundation (formerly a Truth and Reconciliation Commission member), “Many senior police officers from the apartheid force were recalled and put in charge of security operations. . . It was almost unbelievable to watch the heavily armed police and soldiers lining every inch of the route with guns pointed at the marchers.” (A march by the ANC Alliance in support of the Summit covered the same route two hours later, but with fewer than a tenth as many marchers.)

Pretoria’s repressive streak continued during 2003. Leading activists in the black townships of Johannesburg and Cape Town were repeatedly harassed and detained by police—mainly illegally (resulting in high-profile acquittals)—for resisting evictions, electricity and water disconnections, and the installation of prepaid meters for services. As for the global campaign to make AIDS medicines available, Pretoria infuriated local treatment activists by withdrawing the main drug for pregnant women, Nevirapine (on grounds of irregular testing several years earlier in Uganda), just days before Mbeki’s Malaysia remarks. When reparations for apartheid-era profits were being demanded by South African activist groups in the U.S. courts in mid-2003, Mbeki and Justice Minister Penuell Maduna formally requested that the cases be thrown out, and later revealed that this was done due to the prodding of Colin Powell.

Such incidents have alienated a huge proportion of the progressive movements and the low-income population. The independent left’s main grassroots campaigns are the struggles for antiretroviral medicines to combat AIDS, free lifeline water (50 liters per person per day) and electricity (1 kilowatt hour per person per day), land reform, an end to housing evictions, a Basic Income Grant, debt repudiation and reparations for apartheid-era profits by foreign and domestic capital, and security from domestic violence. Protests are regularly mounted against high-profile neoliberal events such as the World Economic Forum. Occasionally the pressure rises to such high levels that Pretoria concedes, as with a long-delayed plan to roll out antiretroviral medicines in November 2003 that followed court battles, periodic protests against pharmaceutical corporations, and a civil disobedience campaign targeting Mbeki and his health and trade ministers. The Sowetans who illegally reconnected electricity beginning in 2000 were rewarded in April 2003 by having their accumulated debts written off, as the minister responsible for privatization unsuccessfully attempted to undercut township militancy. More recent-

ly, the government has embarked upon a systematic campaign to weaken grassroots militancy through judicial harassment and even extra-legal police repression.

Reflecting the lack of cooperation between the independent left and the ANC Alliance, the former organized intensely in 2003 against the Bush administration. Its 300-member Anti-War Coalition repeatedly drew many thousands of supporters to major demonstrations in Johannesburg, Cape Town, Durban and Pretoria, far more than attended ANC-COSATU-SACP-church-organized protests. While strident anti-imperialist rhetoric characterized ANC antiwar posturing, the Anti-War Coalition pointed out these hypocrisies: the arms agency Denel sold \$250 million of high-tech munitions to Bush and Blair; warships docked at Durban on their way to the Persian Gulf; and Bush was received warmly by Mbeki in July 2003, in discussions over future military and economic cooperation. Bush responded in kind, calling Mbeki his "point man" on the Zimbabwe crisis. Bush's Africa hand, Walter Kansteiner, termed the New Partnership for Africa's Development "philosophically spot-on." At the same time the Zimbabwean progressive community and their international allies (including the U.S.-based Africa Action solidarity movement) remain appalled by Mbeki's repeated apologetics on behalf Robert Mugabe's oppressive rule.

South Africa's independent left will continue growing under these conditions. Organizations that repeatedly challenge the ANC and capital include social movement and community activist coalitions such as the national Social Movements Indaba, the Johannesburg Anti-Privatization Forum, the eThekweni (Durban) Social Forum, and the Western Cape Anti-Evictions Campaign, as well as a variety of sectorally-specific groups: the Education Rights Project, Environmental Justice Networking Forum, Jubilee SA, Keep-Left, Khulumani (apartheid victims support group), Landless Peoples Movement, Palestine Solidarity Committee, Soweto Electricity Crisis Committee, Treatment Action Campaign, Youth for Work, and sometimes the inconsistent SA NonGovernmental Organizations Coalition. Information about their struggles is regularly found in mainstream news outlets, but the local independent left use media such as the Indymedia Web sites, the journal *Debate: Voices from the South African Left* and its e-mail discussion list, and *Khanya Journal*. Other left infrastructure includes think tanks and training institutes such as the Alternative Information and Development Centre, groundWork, the International Labour Research and Information Group, Khanya College, and the University of Natal Centre for Civil Society, most of

which have useful Web sites. There are, as well, some militant sections of COSATU, especially municipal workers.

However, divisive conflicts have emerged within South African's independent left movements, especially over how to relate to the SACP and COSATU. Opinions vary greatly on how far to attack the ANC itself, and carry into debates over whether (and when) to form a left political party, and whether to call for a boycott or a spoiled ballot in the 2004 national elections. In addition, there remain traditional South African problems with sectarianism among small political parties and factions. Another major dividing line emerged over how to articulate South African reactions to the Zimbabwe land issue and to the imperialist-aligned section of the Zimbabwe opposition. Nevertheless, my own sense is that many of these splits and conflicts will be resolved in the coming decade, when a realignment of the broad left under a broad-based workers' party umbrella is likely.

Two remarks sum up the situation in South Africa. First, "The government is utterly seduced by big business, and cannot see beyond its immediate interests." Second, "domestic and foreign left sectarian factions...accuse our movement of having abandoned the working people, saying that we have adopted and are implementing neoliberal policies. These factions claim to be pursuing a socialist agenda. They assert that, on the contrary, we are acting as agents of the domestic and international capitalist class and such multilateral organizations as the World Bank and the IMF, against the interests of the working people." These quotes, respectively from the (neoliberal) editor of *Business Day* newspaper in June 2003, and from Mbeki's address to an ANC policy conference in September 2002, reveal an elite awareness that the 10th anniversary of South African freedom will not be a cause for celebration by those who had hoped for a genuine break from apartheid. Perhaps the 20th will allow us a more encouraging report.

### Appendix

For further analysis and information, I highly recommend several Web sites: <http://www.nu.ac.za/ccs>, <http://southafrica.indymedia.org>, and <http://www.aidc.org.za>. Numerous books, written mainly by independent intellectuals and activists over the last few years, reveal the depth and breadth of the radical critique: S. Kimani, ed, *The Right to Dissent* (Johannesburg: Freedom of Expression Institute, 2003); F. Barchiesi & T. Bramble, eds., *Rethinking the Labour Movement in the 'New South Africa'* (Aldershot, Ashgate, 2003); N. Alexander, *An Ordinary Country* (Pietermaritzburg: University of Natal Press, 2002); S. Jacobs & R. Calland, eds., *Thabo Mbeki's World* (London: Zed Books & Pietermaritzburg: University of Natal Press, 2002); G. Hart, *Disabling Globalization* (Pietermaritzburg: University of Natal Press, & Berkeley: University of

California Press, 2002); A. Desai, *We are the Poors* (New York: Monthly Review Press, 2002); D. McDonald, ed., *Environmental Justice in South Africa* (University of Cape Town Press, 2002); D. McDonald & J. Pape, eds., *Cost Recovery and the Crisis of Service Delivery in South Africa* (London: Zed Books & Pretoria: HSRC Publications, 2002); J. Duncan, *Broadcasting and the National Question* (Johannesburg: Freedom of Expression Institute, 2002); T. Bell, & D. Ntsebeza, *Unfinished Business* (London: Verso & Cape Town: RedWorks, 2001); S. Adams, *Comrade Minister* (New York, Nova Science Publishers, 2001); and H. Marais *South Africa Limits to Change* (London: Zed Books & University of Cape Town Press, 2000).

My own efforts to document the problem of neoliberalism in South Africa include *Elite Transition: From Apartheid to Neoliberalism in South Africa*, 2nd ed., (London: Pluto Press, & Pietermaritzburg: University of Natal Press, 2004); *Talk Left, Walk Right: South Africa's Frustrated Global Reforms* (Pietermaritzburg: University of Natal Press, & London: Merlin Press, 2004); *Against Global Apartheid: South Africa meets the World Bank, IMF and International Finance*, 2nd ed., (London: Zed Books & University of Cape Town Press, 2003); *Unsustainable South Africa: Environment, Development and Social Protest* (London, Merlin Press, & Pietermaritzburg: University of Natal Press, 2002); and *Cities of Gold, Townships of Coal: Essays on South Africa's New Urban Crisis* (Trenton: Africa World Press, 2000). For more on why this is a crucial ideological battleground, see also the 2001–2003 debates between John Saul and SACP intellectuals Jeremy Cronin and Raymond Suttner in the pages of *Monthly Review*.

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