RKERS WORLD NEWS

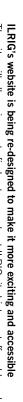
ALTERNATIVES TO GLOBALISATION

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for interested people to engage with ILRIG's work on globalisation – read articles, The site will allow viewers to find out more about ILRIG, its history, staff and board. It provides an interactive space contribute to discussion, and order

publications. Website members will receive regular updates on issues of interest.

ILRIG website — www.irig.org

WHAT IS ON THE CARDS

2014 is the 20th anniversary of our victory over apartheid. 2014 is also the year of the 5th General Election - set for 7 May. But the year started with the police killing 9 community activists and there were new uprisings in Brits, Valhalla Park and Limpopo and a strike by workers of AMCU in the platinum sector.

All this while the rand collapsed as there is a massive outflow of capital out of SA and there are signs that the global capitalist crisis of 2008 - that SA was somewhat shielded from until now - is being unleashed in SA as well.

It looks like 2014 will be a difficult year. But yet one in which quite significant steps towards building a mass movement for social justice may be taken.

The collapse of the rand

SA capitalism has long been noted for being an exporter of resources based on cheap black labour power. This path skewed manufacture towards the needs of mining capital. Within world capitalism SA had gold - which acted as a counter-cyclical hedge - and more recently, a monopoly of the world's platinum. SA capitalism became financialised in the 1990s. The state encouraged SA's monopolies to move offshore. The state began borrowing by selling bonds to speculators.

With the 2008/009 global crash SA was shielded for some time - US Quantitative easing programme favoured capital flows into countries such as SA with high interest rates, bond markets and a neo-liberal government. SA's balance of payments was kept positive by these capital inflows and the rand became strong. Also platinum and other resources were boosted by demands from China and from SA's imperial domination of Africa.

Now Chinese stagnation and the US state's decision to taper QE is seeing a flight of capital from SA. Since December 2013 the full onslaught of the global crisis is now on the cards and the rand is collapsing.

Already the state has put up interest rates and this is likely to be the pattern in 2014. It will make all debt more expensive - from housing bonds to credit card payments. Huge sections of the middle classes will be driven to bankruptcy. And with so many working class people also in debt - being forced to buy houses and pay for school fees, and basic services by borrowing. This will also hit the us hard.

The increase in interest rates will however favour the banks and those capitalists buying bonds - who make their profits out of high interest rates. So some will get rich out of the crisis.

Ongoing struggles of the movements

As the year starts the number of struggles has increased - now almost 4 instances of protests per day. In almost every part of the country community activists are protesting against water

cut-offs, no services and poor housing, expressing their anger that 20 years after the end of apartheid the quality of life for the poorest sections of the working class has gotten worse.

From Mthotlung to Valhalla Park; from the North West and Limpopo to KZN and the Western Cape these struggles can no longer be dismissed by bourgeois commentators as just "service delivery protests or "pop-corn" struggles. This is a movement - a rebellion of the poor. A movement of the unemployed, of shackdwellers and of small towns, all across the country.

The police have responded with violence, and there are attempts by the political parties and the media to criminalise the activists in the movement but it is one that won't go away and will continue in this fashion for 2014. A movement which must still find its own political identity, but one which is already shaping the landscape of politics in SA.

Strikes and the industrial sphere

The strike in the platinum sector of some 80 000 AMCU workers, is currently under way. AMCU has taken over from NUM as the voice of workers in the strategically important platinum mining sector. Only a court order stopped the union from challenging NUM's majority in the gold sector and having a strike there too. This is a strike however which is different from the spontaneous strike wave of 2012,

Continues on page 3...



THE GLOBAL CRISIS: **EASING QUANTITATIVE EASING**

The US state has done everything in its power to protect the interests of the US ruling class during the capitalist crisis, especially the section of that class that owns financial corporations and banks. Since 2007 the US state has spent way over 20 trillion dollars bailing out banks and other financial institutions, to ensure they did not collapse and that they were returned to profitability. This all happened while the US state cut spending on education, healthcare, housing and pensions for the working class – showing how the state is an instrument of the ruling class.

Money for nothing

Since 2009 the US state has been undertaking what it calls Quantitative Easing (QE). QE involves the US Federal Bank printing 85 billion dollars a month and transferring it to banks through "buying back" bonds from these financial institutions - which the banks had originally purchased from the Fed – because the banks were carrying so much bad debt through all the speculation they had carried. Through this, these financial institutions have actually been given \$85 billion a month for the last five years.

the US state has also been lending these banks money at zero percent interest. For the banks and financial institutions this has been a wonderful last few years as money from the state has poured into their coffers.

More speculation

The banks and financial companies that have been given all this money have used it to increase speculation. They bought derivatives, bought back their own shares to inflate the prices, played the stock markets and speculated on real estate. In other words they continued with the massive speculation that led to the crisis in 2008 in the first place. As part of this speculation frenzy many have also used the money given to them to speculate on and treasury bonds in countries like India, Indonesia, Brazil, Argentina, Turkey and South Africa.

The bond market

To raise loans, states sell bonds to investors. A bond is actually a promise to pay back the value of the bond, in the future, along with interest. Financial institutions were buying the treasury bonds of states such as South Africa, Brazil, and Turkey because of the high interest rates these bonds were offering investors. The interest rate on bonds sold by the South African state has been over 6% for the last few years. This resulted in a situation whereby speculators from the US used interest free loans and money from QE to buy such bonds and make a guaranteed profit.

The reason why states such as South Africa, Argentina, Brazil and Turkey etc. offer such high interest rates on bonds is that they all import more than they export and need the money from bonds to cover this. South Africa needs speculators to buy its bonds to cover the capital companies, mainly big South African corporations, are taking out of the country. Without this, the state faces a major problem.

The easing of Quantitative Easing

Late in 2012 the US state announced that it would begin tapering off QE. But it only started doing so in late 2013. The US state felt that with the trillions of dollars it had given the financial corporations - for which the working class is paying dearly - the corporations were now secure enough. In December 2013 it reduced QE to \$75 billion a month and in January this year it reduced it by a further \$10 billion. This, along with slower growth in China, caused a panic amongst financial corporations. With a reduction in the easy money they have been getting from states their profit margins will decline, something which they don't want to happen.

As a result, many financial corporations started selling the bonds of states such as South Africa, Brazil and Turkey. They did this to move their money to assets that are seen as safe havens in times of crises, such as US treasury bonds and gold. This saw R 8.9 billion worth of the South African state's bonds being sold off in January alone as money flowed into US treasury bonds. Added to this, in the same month, over 12 billion dollars was taken out of the stock markets of countries like Brazil, India, Argentina and Turkey by speculators.

This caused a major problem for states such as South Africa, Argentina, Brazil and Turkey. With their bonds being sold off by speculators these state's balance of payments went into deficit and the value of their currencies fell sharply.

The working class pays

To try and stop this, Turkey and Brazil pushed up their interest rates to try and entice speculators to return to their bond markers. Turkey raised its interest rate in January by almost 5%.

"What is on the cards for 2014" continued from page 1...

which was self-organised by workers' strike committees and was outside the framework of the traditional unions and the LRA.

This being an election year and with so many of the big formal unions - both public sector and private sector - locked into 3-year agreements the traditional unions will want to avoid strikes or make sure that wage negotiations follow proper procedures. But the tension between the pressures on the working class and the trade unions wanting to avoid conflict is likely to see a new surge in wildcat strikes, and strikes by workers who are not in the "bargaining unit". Already we have had strikes by casual workers at Telkom and threats by AMCU members who joined after Marikana that they are not happy with AMCU and want to forge their own strike committees. Farm workers have also indicated that they want to continue a campaign around payslips in the aftermath of the 2012 strike.

The state and the government

The forces that acted to install President Jacob Zuma into power have opened up a Pandora's box of greed and corruption as every ambitious entrepreneur, every BEE dealer and every businessman out to make a quick buck seeks to use the state to make money. Those who lost out or those who suffered a backlash from Zuma now regroup to challenge the presidency. The ANC is at war with itself and every state department has infighting and disfunctionality.

In the midst of this disfunctionality the state turns increasingly to violence as the only way to crush dissent. We saw the massacre at Marikana in 2012, now in 2014 community activists are being killed across the country as the state responds violently to protests. This is likely to continue throughout 2014.

On NUMSA

NUMSA is calling for a break up of the Tripartite Alliance and no support for the ANC in the 2014 elections. Instead it wants to build a "united front" of struggles with the protests all over the country. Alongside this NUMSA wants a movement for Socialism and claims to convene a Conference on Socialism before 2015. The union also wants COSATU to convene a Special Congress to review the relationship with the ANC and the SACP. 8 other unions have joined calling for such a Special Congress, threatening to take COSATU to court.

NUMSA has a more radical position calling on its members to march to the COSATU CEC in February and for NUMSA to mobilize for a national stayaway on 26 Feb against the Employment Tax Incentive Bill.

Key challenges facing us in 2014

Given that it is an election year and the 20th anniversary of democracy the ANC government will be going all out to claim that its programme has been a success.

We will be bombarded with "good news" - a propaganda war - even as the number of protests across the country increases, telling us the very opposite.

Political parties to the right of the ANC, such as the DA, will mount their own attempts to win the hearts of people fingering the ANC government for corruption and inefficiency whilst calling on the ANC to implement its neo-liberal programme even faster. They have little to say to activists. Julius Malema's EFF is a different kettle of fish however. The EFF speaks the language of the movements and many activists are already aligning themselves with the FFF

Local government elections will be fiercely contested as these spats tempt activists to seek local solutions from this or that local councillor.

Activists will have to debate our attitude to the elections and to be mindful of the weaknesses of simply saying "No House, No vote" etc as millions of people look to the elections to make decisions that will affect their lives in very difficult times.

Protests are likely to be greeted with even more violence on the part of the state and we will see more deaths – like the 9 people killed by the police in January alone. Everyone who demonstrates will be called a criminal. We will have to seek new ways of struggling that takes struggles out of the confines of the townships and builds links across townships and across communities and workplaces.

"Easing Quantitative Easing" continued from page 2...

The South African state responded by raising its interest rate by 0.5% in late January. If the Rand continues to fall and speculators continue to sell South African bonds, it is likely interest rates will be raised even further. These states are attempting to lure speculators back by offering them greater profits.

This is going to hit the working class and the lower middle classes hard. Real wages have not kept up with inflation or have in some cases declined since the 1970s. Millions of workers in Brazil, Turkey, Argentina and India have borrowed to try and maintain some semblance of a decent lifestyle. In South Africa millions of people from the working class are indebted to retailers, micro-lenders and banks. With hikes in interest rates, many more workers and sections of the lower middle class are going to battle to service this debt.

They will face repossession, garnishee orders and debt collectors. Yet again we are seeing the South African state intervene for the benefit of banks and it will be the working class that suffers the consequences.

THE 2014 ELECTIONS: WHAT TO DO?

The upcoming 2014 elections will be a major event as the country marks the twentieth anniversary of South Africa's victory over apartheid. But in the aftermath of the Marikana massacre and the killing of community activists engaged in service delivery protests against the neo-liberal policies of the ANC what do we do? We look at different options chosen by activists.



- Despite the neo-liberal policies of the ANC many activists still see the organisation as the only vehicle for stopping things getting even
- These activists still see the ANC as the movement that defeated apartheid and that parties to the right of the ANC might bring back apartheid if the ANC is not victorious
- Others argue that many local AMC councillors can be influenced to get better deals for local communities
- At the national level COSATU takes the position that the ANC must be won from the neoliberal forces that currently hold sway. They say the way to do that is by being active in ANC branches and structures by swamping the ANC and establishing a working class presence.

Campaign for a spoilt vote!

- In terms of this view it is important not to waste what people have struggled for for so many years.
- But it is necessary to show that activists reject all the parties as neo-liberal.
- Therefore people should go to the polling booth and spoil their vote to show their rejection of the choices available to them. Spoilt votes are actually counted so a campaign can measure how far such a campaign has reached.
- Unlike in 2009, where some activists in the Anti Privatisation Forum argued for such a tactic there has not been any campaign by such position to date.

Don't Vote!

- Westonaria Concerned Residents' Association says that the entire community has decided not to register to vote. At a recent community meeting of 6 February residents expressed their dissatisfaction with the ruling party and said that they did not register because the ANC-led government will continue to rule despite not fulfilling their promises where service delivery is concerned. "Residents are not fooled by the call to register to vote because nothing is ever done for them. "They hardly benefit so that on its own is reason enough not to vote."
- Sounds of the South, a cultural movement, claims that they need to start building movements into a massive power that can smash capitalism and the state; and throw out the capitalists and politicians from power. According to SOS voting does not bring the working class closer to this; but organizing and struggle on the streets, in the mines, farms and at factory floors does. "DON'T VOTE! ORGANISE!"
- The community of Blikkiesdorp in the Western Cape refuses to vote, not because they are lazy or apathetic as the media tends to claim. Instead, "we refuse to vote because our vote is too precious to give to corrupt politicians and political parties". "NO LAND! NO HOUSE! NO VOTE!"
- Many individuals who are ANC members are not casting their vote merely because of Jacob Zuma's lack of credibility; with some claiming that the ANC they once adored has betrayed their struggle for the emancipation of the working class with its neo-liberal blueprint.







- Workers and Socialist Party is calling on people to vote and extends its invite to NUMSA to join the Party with leadership positions to be afforded to the union.
- WASP is claiming that this is a moment not to be missed, regarding the 2014 elections as an arena of struggle that it would be dangerous to abstain from". Whilst the concept of the political independence of the working class has made enormous strides - particularly amongst the mineworkers and NUMSA members - not to concretely offer an alternative in these elections could introduce confusion and could see some of the advances of this ideological conquest slip back.
- WASP views abstention as a benefit for the ANC, therefore it calls on the working class to vote for WASP.
- The Economic Freedom Fighters claim the former liberation movement in office will never be a sustainable solution to South Africa's developmental problems, owing to its ideological zigzags, and the open dominance of neoliberal and right-wing politics.
- If left unchallenged by a radical left political formation, like the EFF, this will give political legitimacy to political parties whose agenda and political programme is to continue with white supremacy and the imperialist domination of South Africa.
- The EFF leader, Julius Malema has promised to cause political upsets, particularly for the ANC urging the working class to go and vote for EFF.

Build a United Front in preparation for the next round!

- At its Special National Congress, NUMSA took significant decisions
- The union wants the establishment of a United Front that will coordinate struggles in the workplace and communities
- The task of this front will be to fight for the implementation of the Freedom Charter and to be a weapon against neoliberal policies such as the NDP.
- NUMSA will also explore the establishment of a Movement for Socialism as the working-class needs a political organization committed to the establishment of a socialist South Africa.
- The union's members and shop stewards must be active in all struggles against neo-liberal policies, whether these policies are being implemented in the workplace or in communities. NUMSA will stop paying into the COSATU/SACP political levy and not endorse the ANC or any political party in 2014; whilst recognizing the constitutional right of its members to vote
- Officials and shop stewards who want to campaign for the ANC will do that in their own time using their own resources. No NUMSA Office Bearer is allowed to hold any office bearer position in any political party.
- The Democratic Left Front will engage in the process towards building a United Front. It is the "only solid rock upon which to find mutual, shared and collective socialist alternatives to the challenges facing South Africa." They will contribute to this prospective socialist transformation of South Africa on the basis of deep participatory democracy.



THE MOTHOTLUNG COMMUNITY DEMANDS WATER

In January 2014, the residents of Mothotlung, a township in Brits falling in the Madibeng Local Municipality in the North West, embarked on a struggle to demand water. Community members in their hundreds marched and built barricades to express their anger at the failure of ANC-led Madibeng municipality to provide water. The area had been without water for more than three months and relied on water tankers to bring water every three days. The water cut-off was because of the breakdown of the three water pumps. Two of the three pumps were out of service for more than two years.

Water pumps do not just break

The Municipality reported that there were mechanical problems with the pumps. The Minister of Water and Environmental Affairs, Edna Morewa, while saying it was strange for three pumps to break down at the same time, promised an investigation. But community members believed that municipal officials had deliberately allowed the pumps to break so that those who bring water with trucks will benefit financially. Others believed that the lack of water supply was due to the awarding of tenders to the relatives of municipality officials and politicians. Many in Mothotlung believed that it was due to corruption that they were without running water.

The failure by the municipality to maintain infrastructure contributes

to the declining capacity of the municipality to provide services. This failure opens the door to privatisation by many municipalities. Municipalities give the lack of capacity as the main reason for turning to the private sector. But it is the same municipalities that destroy their capacity by not maintaining and investing in their infrastructure. Cutting maintenance is also a saving mechanism for many municipalities that do not get sufficient funds from national government. Many municipalities close or collapse their maintenance sections by outsourcing this function or not filling vacant posts in the maintenance section. In the case of Madibeng the municipality had not employed a technician who could have identified the problems with the water pumps before they broke down.

The adoption of neoliberal policies by the ANC government has had disastrous consequences for the poor. In Mothotlung it meant an irregular water supply for the community. People wasted time queuing for water from trucks. This was an additional burden for many women who carry domestic chores on their shoulders. The repressive state response also resulted in the loss of four lives because of police brutality.

The Response of the State

The state's response was to send the police to maintain "law and order". This is the ANC government's suppression of the collective efforts of communities to deal with the social problems they face. But despite the police killing four

community members, the Mothotlung community continued with their struggle and inspired community struggles in the other areas that under the Local Municipality.

Then the government changed tack. Minister of Cooperative Governance and Traditional Affairs, Lechesa Tsenoli, condemned the killing of the four people. Edna Molewa vowed to return running water and promised to investigate what happened to the water pumps. The problems with water pumps were addressed after Molewa's visit. Police Minister, Nathi Mthethwa, promised that an Independent Police Investigative Directorate (IPID) investigation of the shootings by the police. An internal investigation lead to the suspension of 14 police officers.

The ANC Secretary General, Gwede Mantashe, also visited, whereafter the Madibeng Local Mayor, the Council ANC Speaker and the ANC's council chief whip all resigned from their positions. President Zuma also raised concerns about the trigger-happy police and said that police needed to be trained to be ready for protesters, while blaming the protestors for the actions of the police. The Madibeng Local municipality has been placed under administration as from the second week of February, which means its daily affairs will fall under the province.

The ANC response through its ministers and general secretary was an attempt to do damage control since we are few months away from the national Election Day. The ANC responded in this way not because it cares for the people, but

because of the courageous struggles that Mothotlung people waged to demand water. The partial victories won by Mothotlung community is an inspiration to other working class communities confronting the failures of the ANC government. Collective struggles that produce tangible results allows the working class to build its confidence in itself to collectively resolve its social problems.

Lessons from Mothotlung struggles

The key lesson is that for the poor to be listened to by those in authority, we must engage in collective struggle and be organised. This raises the need on the part of community activists to pay attention to how we go about organising. There is no external force or correct policy that will resolve problems faced by poor communities except by we, ourselves, building our own collective power to realise our demands. It also raises the need to think through struggle methods that can attract others to support community struggles. Methods of struggle that attract other community members can certainly emerge when communities democratically discuss what methods we use to advance our demands.

An outcome of such discussions will certainly go a long way to avoiding soft targets like passing motorists or burning buildings that communities use. It can be out of such discussions that the method of occupation of buildings instead of burning them can be explored. Embarking on methods of struggles that really take forward our struggles will take away the excuses police use to justify their actions. Police brutality cannot be justified. Community struggles are the only means of defence for working class communities and the only means to advance our demands.

THE HOUSING ASSEMBLY

Origins of the Housing Assembly

The idea of a Housing Assembly first surfaced in a community activist course run by ILRIG. For a number of years this Housing Assembly was an annual event that brought together about 100 housing activists from all parts of Cape Town to discuss the housing crisis and what could or should be done about it.

Participants on the course and in the workshops had been involved in arrange of housing struggles; some had been active in the Anti-Eviction Campaign, others were members of Abahlali baseMjondolo.

Comrades began to realize the limits of fighting quite local housing struggles. Often the aim of these protests and occupations was to fast-tracking access to RDP housing; in other words people were competing for the limited number of housing allocations.

Comrades felt that there was a need to build a City Wide Movement that would unite people to take on the City and the Province in relation to housing. This, we are sure, will lead to a country-wide movement for decent housing for all.

The Housing Assembly has emerged in response to this crisis, expressed in the fact that more than half of Cape Town's population live in unfit housing.

Working class people have risen up in all parts of the country against bad housing conditions and poor or non-existent related services.

The building of the Housing Assembly has involved a combination of bold and patient activity. We are indebted to organizations like the Anti-Privatisation Campaign and the AEC that have preceded us, drawing on the lessons of struggle, both positive and negative.

We proceed to our launch, drawing strength from a number of key housing struggles on the ground, including those in Zilleraine Heights, Langa, Tafelsig, Blikkiesdorp and Siqalo, among others. In all these struggles there are powerful stories of courage, commitment and unity in actin in the face of state hostility and repression.

Yet the mass unity and organization that we strive for have not yet been realized; and the grievances that prompted these struggles remain.

In all these cases, struggles have been undermined and people have been divided by the actions of politicians, government officials and misguided community leaders.

The Housing Assembly's call for decent housing

Above all else, the Housing Assembly is associated with the demand for decent housing for all.

We have workshopped this slogan in all five districts of the Housing Assembly and are clear that when it comes to housing the ANC government has sold the working class out.

Why do we say so and what are the facts?

The Freedom Charter, adopted in 1955, raised the demand for "decent housing". In the 1970s and 1980s this demand was echoed in countless housing and related struggles across the country.

In 1994, the Reconstruction and Development Programme (RDP) also promised decent housing.

However, in the same year, the ANC government adopted a neoliberal capitalist housing framework, commonly known as the RDP housing policy.

The expectations of the masses were further raised by the inscribing of the right of access to "adequate housing" in the 1996 Constitution. However, the same Constitution severely limited access to land and housing by guaranteeing property rights to the capitalists and the upper classes. 1996 was also the year in which the ANC

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government undemocratically imposed the anti-working class neoliberal policy called Gear.

Twenty years into the 'new democracy', it has become quite clear to the Housing Assembly that the ANC and DA government have no intention of delivering decent housing to poor working class communities.

Our launch

We believe that the Housing Assembly has begun to the lay the political and organizational basis to address these challenges and take the struggle for decent housing onto a higher plane.

We are committed to building a strong fighting organization that unite all people living in informal settlements, in backyard dwellings, in tiny and badly built RDP houses and overcrowded

public rented dwellings and other overcrowded public, unfit or insecure housing.

The launch of the Housing Assembly is 350 delegates will adopt a Constitution, elect a leadership, decide on plans to build strong branches and affiliate of the Housing Assembly in all five districts and announce a campaign for decent housing for all.

Housing Assembly fills a political and organizational void; and can be a turning point in the struggle of the working class.

It is our intention to build fighting alliances with all organisations who have similar aims as ours, for the time for a united front against neoliberal capitalism and its effects has come.

We are therefore ready to respond to Numsa's call to build a united front that welds together the struggle of workers and communities, unions and township/ village organizations throughout South

We are tired of living this way.

We are sick and tired of the promises of the ANC.

We now take our destiny into our own

It is only we - the working class - who can liberate ourselves.

For more information concerning the Housing Assembly:

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Workers World News Now a Monthly

ILRIG will be producing WWN as a monthly newspaper this year.

We will also be changing the content - combining international and local news and comment with debates amongst activists. We have a vision of increasingly hearing your voices in future editions over the rest of the year so that WWNs may become a mustread for activists. We will continue to have a My Organisation page, and you are most welcome to send us information about your organisation and your current struggles.

We will soon feature a new Education Series. We hope this series will develop into a resource for activists. The series will help us to develop our knowledge about important questions, concepts and experiences whilst building our organisations and our consciousness. Look out for this new series and if you have any suggestions feel free to contact us

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The 2014 April Conference

11th to 13th April 2014

Details in the March edition of Workers World News

ILRIG Public Forums 2013

Every month ILRIG hosts a public forum to create the space for activist from the labour and social movements as well as other interested individuals to debate current issues.

All public forums are held every last Thursday night of the month at Community House, 41 Salt River Rd, Woodstock from 6-8:30. Transport home and refreshments are provided.

February 27: NUMSA's call for a United Front