

ASGISA – A Developmental turn or new GEAR?

On 6 February 2006 the Deputy-President, Phumzile Mlambo-Ngcuka, announced a growth strategy for South Africa – called the Accelerated and Shared Growth - South Africa (ASGISA). ASGISA was then given flesh in the 2006 Budget by Trevor Manuel who announced apparently increased expenditure by the state on infrastructure.

Political parties and the media have welcomed the 2006 Budget and ASGISA and within COSATU and the SACP statements are made welcoming ASGISA. Many academics are saying that South Africa is moving away from GEAR and becoming a “developmental state”. The SACP says that there is a “new consensus” developing within the Alliance on macro economic policy and calls on activists not to allow ASGISA to be high-jacked by narrow pro-Business interests.

So what is ASGISA and does it suggest that the state is shifting way from GEAR towards a pro-poor policy?

Where does ASGISA come from?

The government says that although it is pleased with South Africa's growth rate of 4%, it wants to increase the growth rate to 6% so that it can half unemployment and poverty by 2014. ASGISA is supposed to accelerate the growth to that target by removing, what it calls, “binding constraints” on

capitalists' ability to make profits. It therefore appointed a list of experts from US universities to advise the Deputy President how these constraints may be removed.

These “experts” have claimed that the rand is overvalued, that capitalists suffer unnecessary costs in doing business, that South Africa does not have enough skilled labour, that there are limited investment opportunities and that small businesses have to suffer much red tape over workers' rights and environmental protection. The government's reasoning is that if businesses can make enough profits to ensure that South Africa has a greater growth rate then workers and the poor can get jobs and social services.

So what must ASGISA do?

The government now says that ASGISA will focus on six areas:

- macro economic issues
- infrastructure programmes
- sector investment strategies
- skills and education initiatives
- second economy interventions
- public administration issues

In the 2006 Budget the state therefore announced that it will increase spending on infrastructure to R370b up to 2008. Most of this will be on Eskom – which is becoming a big player in Africa and where the state is announcing that it will open spaces for capitalists to make

profits out of supplying 30% of South Africa's electricity. Most of the rest will be on Transnet – which is being restructured to ensure that mining capitalists have good freight services to get their minerals away for export (while its passenger division, Metrorail, is taken out of Transnet and other units privatised).

ASGISA will especially focus on two areas for growth – tourism and, what is called, Business Process Outsourcing (BPOs). BPOs include the setting up of call centres whereby Transnational Companies (TNCs) outsource much of the operations to poorer countries.

ASGISA will also try and eliminate what government calls “the second economy” (poor people) by promoting small businesses and doing away with laws dealing with trade union rights and environmental protection which, apparently, make things difficult for small businesses.

Is ASGISA a turn towards a developmental state?

Some academics and politicians believed that statements made by neo-liberal economists that their ideology was that the state should not be involved in the economy. For these people the GEAR policy was neo-liberal because it committed government to keeping

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Bolivia tilts leftwards

Evo Morales is elected

With the election of the Movement towards Socialism's (MAS) Elvo Morales as the country's president, Bolivia joins seven other Latin American states with centre-left governments. In elections held on 18 December 2005, MAS not only ascended to the highest office in the land, the party that was born out of Bolivia's recent mass struggles increased its parliamentary representation. Having entered parliament in June 2002 with 27 representatives, MAS is now the biggest party in the 130-seat Chamber of Deputies.

But MAS is no ordinary parliamentary party. Established in 1995, the party has in the last five years been at the centre of mass mobilisation in Bolivia. Since water privatisation in 1999, intense struggles have been fought in South America's poorest country. A "water war" that erupted in

the region of Cochabamba forced the government to back off from its water privatisation plans. MAS's entry into government has not prevented the party from "governing from the streets" through barricades, road blockades and strikes. The party together with other social movements was at the forefront of a January 2003 scuffle with the government when the latter attempted to destroy coca leaf plantations. MAS was also involved in popular rejection of government's economic programme that introduced a 12.5% income tax.

Issues of race and class in Bolivia

In three years, Bolivia has had four presidents. Gonzalo Sanchez de Losada who was elected in 2002 had to resign, 18-months into his five-year tenure. A government announcement to sell gas to the United States (US) through Chile, led to a massive general strike and a massacre of 60-people. As a result of anger and opposition to the plan De Losada had to flee the country and Carlos Mesa replaced him as Bolivia's president. But Mesa suffered a similar fate. A three-week national strike forced him to resign in June 2005. The elections that took place in December last year were early. The interim president who came in after Mesa's resignation, called for an early election as a compromise between a governing coalition and social movements.

Besides being Bolivia's fourth president in three years, Morales is the first indigenous person to be his country's head of state. This is significant in Bolivia's 180-years of independence. Although they constitute 55% of the country's 8.8-million people, Bolivia's indigenous communities have never had their representatives at the helm of political life. Governmental politics have been the preserve of descendants of Spanish colonialists. In recent years, the issue of race has become an issue in Bolivia, both in society and within mass organisations.

Challenges facing the MAS

Similar to other centre-left governments in Latin America, a MAS administration faces huge challenges. In its campaign, the

movement promised to repeal of privatisation decrees, nationalise gas, re-establish a national oil company, legalise the production of coca-leaf, give greater say to indigenous communities, convene a popular assembly to draft a new constitution and increase taxes on oil and gas. Elements of this political programme put MAS in a collision course with George Bush's government and Transnational Corporations (TNCs) such as Total, British Gas and Repsol. The Andean Trade Preference Act, which allows Bolivian textiles to enter the US duty-free, has strong anti-narcotics provisions. Morales' plan to legalise the traditional coca leaf flies in the face of US-led counter drug programmes and if implemented may lead to loss of the benefits of the free trade agreement.

But Morales' challenges are not only external. His supporters, and MAS constituency, have huge expectations. Although Bolivia's 12% unemployment rate compares favourably with that of South Africa, the country's population remains very poor. 72% of Bolivia's population ekes its living in the informal sector. Many of the country's social movements have already given signs that they will not accept compromises with ruling elites and TNCs. In a December 2005 interview, the general secretary of the Bolivian Confederation of Workers (COB) declared that "if Evo doesn't nationalize the gas and hydrocarbons, he will fall like Gonzalo Sanchez de Lozada".

This cannot be treated as an empty threat from the country's trade union federation. COB remains critical of MAS' ability to deliver on its promises.

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its expenditure down so that it could end up with a budget deficit of less than 3%. So people who had this view of neo-liberalism can now argue that the fact that ASGISA and the 2006 budget is about increased state expenditure and involvement in the economy means that the government is moving away from GEAR and becoming developmental.

But neo-liberal states – from Thatcher, to Ronald Reagan, to Tony Blair, have always been very interventionist and have always used public resources to get involved in the economy. It's just that they take public resources away from the working class and use them to help particular capitalists make profits. They tell workers that we must not be protected from the market but they always look for ways to help those capitalists connected with finance and export to grow.

In this regard ASGISA is a focussed neo-liberal intervention to use public resources to make doing business cheaper. It commits government to help the mineral capitalists to make their export costs cheaper and to make the rand less "over-valued" so that they can beat their competitors.

As far as the workers and the poor are concerned ASGISA promotes the idea that we should all become small businesspeople. And as such the government will change labour and environmental laws to make it easier for small businesses to do business. And its idea of increasing employment is through

industries which are notorious for greater flexibility, casualisation and outsourcing – tourism and call centres (BPOs).

But does ASGISA show that nothing has changed?

GEAR happened at a time when the foundations of neo-liberalism were still being laid in South Africa. GEAR was a kind of shock treatment introduced from above by the state to signal its programme to the monopoly capitalists of South Africa and the international investors. It still had to stand the test of a working class that had championed the RDP, but it declared to capitalists that neo-liberalism would be the programme in SA and established the investor-friendly credentials of the government.

Since GEAR in 1996 the state has had 10 years to put in place the architecture of neo-liberalism – give capitalist the right to make and move profits around wherever they wanted; ensure the tradeability of the rand and the bond market, privatise certain companies and impose commercialisation on all public services, ring-fence local authorities into competing entities for private finance and opened Africa for South African TNCs. And it has rode roughshod over COSATU and other working class challenges.

The rise of new social movements protesting the absence of



service delivery is a challenge and one that was recognised by government because of its scale in 2005.

ASGISA is however a project, building on the foundations of GEAR, and acting within its architecture, which tells the export-successful South African capitalists that the state is ready to make the cost of doing business cheaper. And, because the architecture of GEAR is already in place and unchallenged, ASGISA, this new pro-business initiative, can even speak the language of poverty-alleviation and job creation.



Voices from the 2006 World Social Forum in Bamako, Mali

"The World Social Forum has come to Africa. The forum will change Africa, and Africa will change the forum!"

- **Wahu Kaara, a speaker from Kenya at the debate on the future of the World Social Forum**

"We who live with HIV/AIDS are stigmatized everywhere. The parents do it, the children, the education department, the headmaster, your own family and colleagues. They call us the walking corpses. Do I look like a walking corpse?"

- **Margaret Wambete, Kenya Network of Positive Teachers**

"Patriarchy in this day is capitalistic and capitalism is based on patriarchy."

- **Genevieve Vaughan, a participant from the USA**

"We live with all kinds of cleavages within the self and between selves. Ubuntu says I am because I am with you and therefore I belong. It is an indigenous African philosophy that is about healing the splits and making us whole. All the really cool and hot radicals of the past spoke about this – the need for love and community."

- **Bernadette Muthien, a participant from South Africa**

"Giving is a different kind of relationship to exchange. Giving makes us human."

- **participant from Canada**

"The local elites in Africa take all the resources for themselves and leave us with nothing. No education, no sanitation, nothing. They send their own children overseas to study."

- **Cheick Oumar, Malian speaker at youth camp**

"The powerless in Africa must become powerful."

- **Hassan Ioe, participant from Niger**

"Maybe it's true that South Africa is playing an imperialist role in Africa. But I think South African imperialism will be less tough on us than European imperialism because South Africa is also an African country."

- **Participant from Zimbabwe**

"This is how we feel about South Africa. We expected more solidarity from them seeing that we risked our own development in order to help them overthrow Apartheid. We hoped more Africans would invest in our country. But from South Africa we see only whites coming in collusion with the government. There is bitterness among Tanzanians. We feel Apartheid is back. We used to call the Boers the Makabure."

Now when we say the Makabure is taking over we mean the South Africans."

- **Participant from Tanzania**

"We have to question our own legitimacy. Our legitimacy is often undermined by the sources of our funding. There is the danger of elitism. Some social movement elites are not in the same struggle as us."

- **Participant from Mali**

"We hear mainly the voices of professionals like academics. We do not hear enough from activists. Talk is good but if it does not lead to action it is useless. I am interested in a programme of action."

- **Mercia Andrews, participant from South Africa**

"When we talk about war we must remember Africa has been suffering under a 500 year old colonial war that is still going on."

- **Participant from France**

"The left in Africa must work together to make a clear leftist and socialist intervention at the next World Social Forum in Kenya. This is what has been lacking here in Mali."

- **Participant from Congo, Brazzaville**

"The social forum process must help with the formation of revolutionary leadership in Africa. Our problem is the crisis in revolutionary leadership."

- **Participant from Nigeria**

"The logistics must be organized better. There must be central information points, events must start on time and there must be adequate translation. I think it would also help if the forum is in one place and not spread out all over the city."

- **Participant from France**

"I could only fly to Casablanca and had to come to Bamako by road. I had to sleep in the villages and saw lots of poverty. In Russia we have been fighting globalization since it started there and we want to make it one fight with our brothers and sisters in Africa."

- **Participant from Russia**

"We need to weigh up the advantages and disadvantages of holding the forum in a particular country. Do we have the forum in a country even if that country does not have the infrastructure to host it?"

- **Fatima Shabodien, participant from South Africa**

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GENDER EYE ON ...

Women and Social Movements

ILRIG's 2005 research project

Last year ILRIG looked at the gender composition of new social movements in South Africa at level of those active within the movements and at leadership level. We questioned women in two movements active in and around Cape Town - the Anti Evictions Campaign, AEC, and the Treatment Action Campaign, TAC. We found that although the members are largely female the leadership was largely male.

Women are the majority in social movements as a result of women bearing the brunt of the commodification and privatisation of social services since 1994 as well as the gendered impact of the AIDS epidemic. The attack on the living standards of the working class comes in the form of a direct attack on spheres of public life which are closest to the domestic sphere and which increase the burden on women. And yet there were almost no struggles around the "woman's question" nor were there strong feminist currents present in these movements.

Why are women not leaders in social movements?

It appears that there are two reasons for this. Firstly the issues of evictions, lack of child-care, HIV, electricity and water cut-offs etc reinforce the socially-defined roles prescribed for women. Women are in the movements because services traditionally associated with women are under attack not because these roles are themselves being challenged. Because their (female) roles are under attack the defence of these

roles (although progressive) reinforces gender stereotypes – that women are mistresses of the care-giving and domestic spaces and men are "natural" leaders. Even in cases where social movements take a more interventionist attitude to women's leadership this is seen as a project of adding women to power rather than attacking male power within the organisation.

Secondly the organisational forms in social movements tend to replicate male leadership and women's marginalisation. In the absence of other influences, such as experiences of the work environment or a strong gender perspective in the movements, the organisations end up borrowing from the 'tried and tested' traditions of the past – that men are the natural leaders - which are out of synch with their new experiences of women's activism.

Opportunities and obstacles for women in social movements

The struggles by women against the neo-liberal attacks on the traditional areas on women's activity provide opportunities for women to challenge patriarchy but these opportunities do not directly lead to women's power. In fact the defensive struggles to protect the female spheres may well reinforce gender stereotypes and male domination. The neo-liberal world in which women find themselves simultaneously serves to recreate and maintain gender oppression even though the interlocking of gender, race and class provide opportunities for new social movements to challenge gender oppression.



Improving women's representation at various levels of organisational leadership may be a good step but does not in and of itself break the constraints. Consciously challenging male power within the social movements and within the domestic sphere requires that social movements must connect to women's needs as identified by women themselves, as they struggle to meet their economic needs. Without tackling the issues facing women in their everyday life, gains in terms of gender representation will be inadequate and hard to sustain.

That there are so many women in struggle is significant as it opens up the potential to challenge what takes place in the domestic sphere and possibilities for women from poor communities to think of ways to address the gender division of labour in the household. But only if the movements themselves are challenging this gender division of labour and are creating an environment in which women (and men) are able to unmask the gender power relations in the public and private spheres and the connections between these two. Women in struggle willing to stand the brutality of the police may make the link with oppressive relationships at home but they need appropriate organisational

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WORKERS WORLD NEWS



WE WANT YOUR VIEWS!

ILRIG is looking to change the design and format of Workers World News. This is an opportunity for activists to suggest what they would really like to see in Workers' World News! Write to ILRIG – by letter at our offices, by fax or by email. The best or most interesting letter on WWN will receive a free ILRIG T-shirt!

ILRIG public forums for 2006:

- 16 February:** The 2006 Budget: Any turn to the left?
- 22 February:** Should social movements participate in the local government elections?
- 7 March:** The End of Capitalism as we know it?
- 29 March:** The World Social Forum in Mali
- 26 April:** Gender activism
- 31 May:** Globalisation and the local state
- 28 June:** South Africa in Africa: Force for good or evil?
- 26 July:** African responses to SA's role in Africa
- 30 August:** Accelerated Shared Growth Initiative of SA (ASGISA)
- 27 September:** Public debate at ILRIG Globalisation School
- 25 October:** New forms of workers' organisation
- 27 November:** Globalisation in crisis?

All public forums are held at Community House, 41 Salt River Rd, Woodstock from 6-8pm. Transport home and refreshments are provided.

ILRIG Globalisation School 2006

This year's Globalisation School will be held from 24th to 29th September – make sure you book early as places are limited. ILRIG will be distributing details soon so watch this space!

ILRIG website

www.ilrigsa.org.za



Check out our website and join current debates ...

The site will allow viewers to find out more about ILRIG, its history, staff and board. It provides an interactive space for interested people to engage with ILRIG's work on globalisation – read articles, contribute to discussion, vote on issues and order publications. Website members will receive regular updates on issues of interest

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Bolivian social movements have also a history of fractiousness. MAS is not the only movement of indigenous people. Rivalry between the organisation and Pachakuti Indigenous Movement (MIP) is intense and has divided organisations of landless people.

In addition to having to deliver to its constituency, MAS is faced with calls for greater autonomy from four of its nine provinces. These separatist tendencies are stronger in Santa Cruz and Tarija, two provinces that have most of the gas and oil deposits. A referendum on increased powers of provinces is scheduled for July 2006. How MAS and Morales are to deal with all these challenges is not very clear. In a country, such as Bolivia, where the temperament of the masses is too volatile, time may not be on Morales and his party's side.

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"This forum lacked a radical spirit. It was too much controlled by NGOs that imposed their particular political agendas. The Southern African forum in Zimbabwe had a much more radical spirit."

- **Participant from South Africa**

"The World Social Forum worked in Porto Alegre and Mumbai because social and resistance movements were strong there. Maybe this is what lacked in Mali. I think this one should have been in Nigeria where resistance movements are the strongest on the continent right now."

- **Participant from South Africa**

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expressions of their struggles which allow this link to be facilitated. The social movements need however to discuss how this new-found self-respect needs to meet forms of organisation flexible enough to accommodate women's multiple struggles and which allow both women and men to challenge the unequal power relations in all spheres of their lives. Fighting for women's liberation or against an aspect of neo liberalism is not sufficient; they must both be done simultaneously.

To achieve more appropriate forms of organisation and representation, including women's empowerment, social movements need to take the valuable traditions of the 1980s, experiment with forms which facilitate greater membership control and creativity, and extend these forms into the community, the family, and the private sphere.

ILRIG will be hosting a report back session on this research in March/April. All are invited to attend. This will form part of ILRIG's larger project looking at building women's activism.