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## LETTER FROM THE PRESIDENT

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## LETTER FROM THE PRESIDENT

The G8 - time for concrete and properly assessed results!

This year's annual G8 Summit in Saint Petersburg in the Russian Federation concluded on 17 July. In the "Outreach Session" of the Summit on this day, the G8 leaders, who include the Current President of the European Union (EU) and the President of the EU Commission, were joined by an additional seven Heads of State and Government.

These were from Brazil, China, India, Mexico and South Africa, as well as the Current Chairperson of the African Union (AU), President Sassou-Nguessou of the Republic of Congo, and the Current Chairperson of the Commonwealth of Independent (former Soviet) States, President Nursultan Nazarbayev of Khazakhstan.

Also attending this Session were the UN Secretary General, the Director General (DG) of the World Trade Organisation (WTO), the DG of the International Atomic Energy Agency (IAEA), the President of the World Bank, the Acting DG of the World Health Organisation (WHO), the DG of UNESCO, and the Head of the International Energy Agency (IEA).

By any standard, the Outreach Session therefore constituted an important gathering of leading representatives of governments and inter-governmental organisations, which together play a central role in determining what happens to the world economy, among other things.

The G8 had identified three issues as the principal matters on its agenda. These were Energy Security, Infectious Diseases and Education. It however dealt with other issues including Trade, Non-Proliferation, the Middle East, Africa and Counter-terrorism.

An "Africa update" was presented at the meeting. In this context we must mention that some years back, the African leaders and the G8 had agreed that a comprehensive review of the agreed Africa Action Plan would take place biannually. This took place at the 2005 Gleneagles Summit and will also take place at the 2007 G8 Summit in Germany. This explains why at this year's G8 Summit, Africa was only represented by the Current Chairperson of the AU.

Ahead of the Summit, in addition to participating in the preparation of the G8 documents, the G5 - Brazil, China, India, Mexico and South Africa - had prepared its own Position Paper on the issues that would serve on the agenda of the G8.

Accordingly, the G5 Paper dealt with Energy Security, Education, Infectious Diseases, Trade and the Doha Agenda for Development, and Mobilisation of Financial Resources for Development.

In its Introduction, the G5 Paper said: "Global challenges today in the areas of energy security, education and infectious diseases can only be adequately dealt with through intensified international coordination and cooperation. In this regard we reiterate our proposal, made last year in Gleneagles, for a new paradigm for international cooperation, focused on the achievement of concrete and properly assessed results, taking fully into account the perspective and needs of developing countries. The increased participation of developing countries in the decision-making processes of the United Nations system and other international organisations, is essential to ensure more balanced and legitimate results."

With regard to Energy, the G5 said: "We express concern at the negative impact of soaring energy prices on our development efforts in recent years. We favour the establishment of an international energy order that is fair, equitable, secure and stable, to the benefit of the entire international community. We support an inclusive dialogue on energy, capable of creating a political environment conducive to the peaceful settlement of disputes through consultation."

On Education, the G5 said: "We call upon the international community and G8 members, as well as UNESCO and all international agencies to strengthen cooperation towards the achievement of the Millennium Development Goals and the Dakar Goals. In this context, we welcome and support the development of the UNESCO Global Action Plan to achieve core 'Education for All' goals and recognise the importance of the Monterrey Declaration of the E-9 countries."

On Infectious Diseases, the G5 said: "Infectious diseases such as HIV/AIDS, tuberculosis, malaria, and avian influenza, pose daunting challenges that must be tackled through more efficient cooperation and greater financial resources as mentioned in the Millennium Development Goals..."

"We reiterate the need to reduce major trade barriers to facilitate access to new affordable quality vaccines, medicines, diagnostics and technology aimed at preventing and controlling infectious diseases. The flexibilities contained in the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights and recognised by the Doha Ministerial Declaration on TRIPS and Public Health should be fully used to protect public health."

Reflecting on the WTO negotiations, the G5 said: "The Doha Round is the best chance we have to open world markets, level the playing field, share wealth and create jobs. This is a Development Round and it must create new opportunities for the developing world.

"Poverty alleviation and development promotion are not only ethical and economic imperatives, they are also essential for a stable world economy. All nations, especially the poorest ones, must benefit from the opportunities created by international trade. A substantial reduction of agricultural subsidies and improved market access for agricultural and other products will increase the competitiveness and improve living standards of developing countries."

With regard to the Mobilisation of Financial Resources, the G5 said: "As a

result of the commitments undertaken by the international community in the Monterrey Consensus, progress has been registered in moving towards the achievement of the MDGs, particularly in matters such as: i) debt elimination for a relevant number of highly indebted poor countries; ii) increase of ODA flows; and, iii) a higher and better coordination among economic multilateral institutions in order to achieve the MDGs. Additional efforts are necessary if we are to comply with the MDGs within the deadlines originally agreed upon in 2000...

"The need to intensify efforts to raise additional financial resources for development is relevant to the debate on the issues placed before the G8 Saint Petersburg Summit. In order to win the fight against hunger and poverty, infectious diseases and inadequate education, we must assume our shared responsibility in the search for mechanisms capable of channelling the necessary resources to fulfil common development objectives."

These extracts show that in its Position Paper, the G5 correctly continued to focus on some of the most important challenges that face all developing countries, seeking to ensure that the developed countries of the North understand fully that these challenges stand at the centre of the global agenda in all its elements.

The G5 also went out of its way to focus on the challenges facing our Continent. In this regard it said: "In addressing the issues brought to the attention of the G8, we emphasise the need to follow-up on the work on Africa launched at Gleneagles. As we focus on the issues before the Summit, we agree on the need to look carefully at the special needs of Africa..."

"The international community should continue to cooperate with the African countries in their quest for peace, development and social justice. A true partnership must be established bearing in mind the views and needs of African countries and people. South-South cooperation is of particular value in this regard."

Fortunately, there are many positions adopted by the G8 which coincide with those of the G5. It will not be possible to cite these points of convergence extensively. However, we will now proceed to mention some of the relevant decisions of the G8.

With regard to Energy Security, the G8 said: "We confirm our commitment to the UN Millennium Development Goals, including through facilitating a better access to energy. It is impossible to drastically reduce general poverty...in developing countries without addressing the challenge of energy poverty. We will help vulnerable countries overcome the macroeconomic shocks related to energy prices, and the longer term challenge of facilitating access to energy for the poorest populations."

With regard to Infectious Diseases, the G8 said: "Major diseases such as HIV/AIDS, tuberculosis, malaria, and measles continue to exact a heavy toll on economies and societies around the world, particularly in developing countries, impeding achievement of Millennium Development Goals (MDGs)...The situation is especially acute in least developed countries, particularly in Africa where governments and their people face limited access to prevention and essential healthcare information, inadequate capacity of healthcare systems, the shortage and significant outflow of qualified health workers, resource constraints, and often inadequate nutrition, clean water, and sanitation..."

"We agree to continue to support efforts by developing country partners, particularly in Africa, to ensure that initiatives to reduce the burden of disease are built on sustainable health systems. We will also continue to

emphasise the training, deployment and retention of health workers in our health sector assistance programs. In this regard, we take note of the creation of the Global Health Workforce Alliance, and encourage further work by the WHO and other donor organisations in this area."

Concerning Education, the G8 decided: "We will actively cooperate to achieve high quality basic education, literacy and gender equality in accord with the education-related Millennium Development Goals (MDGs) and the objectives of Education for All (EFA)..."

"We regret that interim targets related to eliminating gender disparities in primary and secondary education have not been achieved. Greater concerted action by all will be needed to fulfill these key goals by 2015. We reaffirm our commitments in this regard. We reiterate our commitment to support Africa in its achievement of the Education for All (EFA) agenda."

Finally, concerning the Doha Development Round, the G8 said: "We regret that the negotiations in Geneva on 29 June -1 July did not close all the gaps between the WTO Members. We welcome the decision to ask the WTO Director General to consult Members intensively in order to promote early agreement and call upon him to report to the WTO Membership as soon as possible with the aim of facilitating agreement on negotiating modalities on agriculture and industrial tariffs within a month. We call upon all countries to commit to the concerted leadership and action needed to reach a successful conclusion of the Doha Round."

With regard to this issue, and of great importance, the Outreach Session agreed that all those present at the meeting should give their negotiators the necessary flexibility to ensure that agreement is achieved within the month to which the G8 had already agreed.

This has created the possibility actually to conclude the protracted WTO Doha Development Round negotiations by the end of this year, as agreed. The outcome will have to be based firmly on the recognition that the focus of the WTO negotiations is to agree on a global trade regime targeted at meeting the needs of the developing countries.

The foregoing suggests that there are important areas of convergence between the developing and developed countries with regard to the struggle against poverty and underdevelopment. It would therefore seem that the principal challenge facing the North and the South is concerted joint effort actually to implement the agreed development programmes.

In this regard, of great importance is the call made by the G5 "for a new paradigm for international cooperation, focused on the achievement of concrete and properly assessed results, taking fully into account the perspective and needs of developing countries".

Thabo Mbeki

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## SACP DISCUSSION DOCUMENT

Our 21st century Marxists declare war on black capitalists

Earlier articles in ANC TODAY have reflected on various theses contained in the current South African Communist Party (SACP) Central Committee Discussion Document. In this article we discuss the open war that evidently the SACP has declared on the black bourgeoisie and petty bourgeoisie.

The Discussion Document denounces these strata in our society as being "comprador and parasitic", and therefore a negative factor with regard to the progressive development of our society.

It goes further to charge that these "negative" class and national forces have to all intents and purposes captured the ANC, obliging it to abandon the interests of the working class. Among other things it says:

"Emerging black capital (at least the key faction most closely associated with the ANC and the state) tends not to be involved with an expansion of the national forces of production, including significant job creation. It is, rather, excessively compradorist and parasitic...

"Its parasitism is reflected in its reliance upon and symbiotic relation with the upper echelons of the state apparatus. It is state policies (BEE charters, with their ownership quotas and tender policies) that are driving the emergence of this class fraction, putting pressure on established capital to cut this emerging fraction 'a slice of the action' in order to remain in favour with the 'new political reality'....

"This is not to say that we should condemn small-scale entrepreneurial activity. In fact, it is the only chance of survival for millions of South African households...The problem with the current petty accumulation tendencies, which are so rife within the ANC, is that they are under the economic, social and moral hegemony of private capital...

"(According to Lenin, describing the situation not long after the victory of the October Revolution, 'profiteering forces its way into every pore of our social and economic organism.') The dominance of this phenomenon is particularly noticeable in the ANC legislature caucuses, in ANC-run councils, and is a driving force in many ANC branches. Unless the ANC as a mass-based, democratic and self-styled 'disciplined force of the left' begins to assert a real revolutionary authority and discipline over its legislature caucuses, for instance, a petty bourgeois cadre focused almost entirely on commercial racketeering will swallow the organisation."

These seemingly "Marxist" comments raise important questions about the understanding of the SACP, our 21st century "Marxists", of the nature of our own, specifically South African, national democratic revolution.

They suggest, unequivocally, that it is wrong and counter-revolutionary for the democratic state to encourage the formation of a black bourgeoisie and petty bourgeoisie. Similarly, they suggest that the ANC should spurn these social strata, rejecting them as comprador and parasitic elements that are an obstacle to the achievement of the goals of the national democratic revolution.

Interestingly, and not surprisingly, the views expressed in the SACP CC Discussion Document coincide with those of the established white domestic and international bourgeoisie, many of whom are of the firm view that the black empowerment policies and programmes of our democratic state constitute an unacceptable interference with the functioning of the 'free market'.

Like the SACP CC, many within this domestic and international bourgeoisie are opposed to the "special share deals, 'affirmative action', BEE quotas, BEE charters, with their ownership quotas and tender policies", which the SACP Discussion Document identifies as the objectionable instruments that are used by the democratic state to "drive the emergence of this (black bourgeois) class fraction".

In reality, this means that the SACP is opposed to the emergence of a black

bourgeoisie, preferring that ownership of capital should remain the almost exclusive preserve of the white section of our population. This strange outcome reflects the difficulty the SACP obviously has to adopt a correct approach to the national and class questions as they relate to further advance of the national democratic revolution.

For its part, our movement continues to be guided by such proposals as are spelt out in the Freedom Charter, where it says: "All people shall have equal rights to trade where they choose, to manufacture and enter all trades, crafts and professions...The state shall help the peasants with implements, seed, tractors, and dams to save the soil and assist the tillers."

In this regard, in its 1992 document "Ready to Govern", our movement also said: "We envisage a dynamic private sector, employing the skills and acumen of all South Africans, making a major contribution to the provision of good quality, attractive and competitively priced goods and services for all South Africans. Small business activities, which contribute significantly to job creation, should be actively encouraged by a democratic state. Special attention will have to be given to the informal sector, small and medium-sized businesses, cooperatives, family and village economic activity and generally to the encouragement of development in poor and depressed areas..."

"Racism and sexism are present in all areas of economic activity in South Africa. The ANC will ensure that all aspects of economic policy address this situation and transform it in accordance with democratic principles of non-racism, non-sexism and the equality of all South African citizens. To this end, affirmative action will be introduced in all areas of the economy in order to redress imbalances arising from the limitations on opportunities of black people and women."

We have known that the big bourgeoisie, both domestic and foreign, has, from the beginning, been essentially opposed to this perspective, which is focused on the de-racialisation of our economy. The Discussion Document communicates the clear message that the SACP is also similarly opposed to this perspective.

Naturally, and consistent with its ideological imperatives, the SACP visualises the day when the socialist revolution will emerge victorious, with the SACP at the head of the triumphant working class.

At that point, as a ruling party, it will perhaps have to consider with all due seriousness, what its attitude should be towards domestic black and white private capital, and international private capital.

We say this bearing in mind the experiences of the Communist Party of China (CPC), which is presumably a fraternal Party of the SACP. The CPC is the longest ruling Communist Party, having taken power 57 years ago, in 1949.

Necessarily, it has accumulated extensive experience with regard to the task of building socialism, admittedly within the specific context of Chinese national reality. We would however assume that its experiences bear some relevance to what all Communist Parties would regard as the challenges of building socialism.

We do not know what effort the SACP has made to study and understand the experience of the CPC in this regard, nor what the SACP thinks of the views and activities of the CPC.

Interestingly, however, we are currently faced with the situation that the

SACP and our trade union movement treat the People's Republic of China (PRC) as one of the principal global threats to the interests of our own working class. Among others, this puts into question the validity of the historic Marxist slogan - workers of the world unite: you have nothing to lose but your chains!

It may therefore very well be that our own 21st century Marxists will see socialist China as an enemy of the working class and the victory of socialism in our country. This would be emphasised by the tasks that the CPC and the PRC have set themselves.

In his report to the 2002 16th National Congress of the CPC, the then General Secretary of the CPC and President of the PRC, Jiang Zemin, said:

"Over the past 13 years, with clearly defined objectives, we worked with one heart and one mind and scored historic achievements. In 2001, China's GDP reached 9.5933 trillion yuan, almost tripling that of 1989, representing an average annual increase of 9.3 percent. China came up to the sixth place in the world in terms of economic aggregate. On the whole, the people made a historic leap from having only adequate food and clothing to leading a well-off life...

"Keep economic development as the central task and solve problems cropping up on our way forward through development. Development is the fundamental principle. We must seize all opportunities to accelerate development. Development calls for new ideas. We should stick to the principle of expanding domestic demand and implement the strategy of national rejuvenation through science and education and that of sustainable development...

"Development requires that we always concentrate on economic growth, base ourselves on China's realities, conform to the trend of the times and continue to explore new ways to promote the progress of the advanced productive forces and culture. Development requires that we uphold and deepen the reform. It requires that we do away with all notions which hinder development, change all practices and regulations which impede it and get rid of all the drawbacks of the systems which adversely affect it. Development requires that we trust and rely on the people who are the motive force for pushing forward the advance of history. We will pool the wisdom and strength of the people of the whole country and concentrate on construction and development...

"By both 'bringing in' and 'going out', we should actively participate in international economic and technological cooperation and competition and open wider to the outside world... Implementation of the strategy of 'going out' is an important measure taken in the new stage of opening up.

"We should encourage and help relatively competitive enterprises with various forms of ownership to invest abroad in order to increase export of goods and labor services and bring about a number of strong multinational enterprises and brand names. We should take an active part in regional economic exchanges and cooperation. In opening wider to the outside world, we must pay great attention to safeguarding our national economic security."

Frankly, what all this means is that our economy, like many others across the globe, will continue to face serious and increasing competition from goods and services produced by the workers of socialist China. Given its ideological positions, the "left" in our country, including our 21st century "Marxists", will have to adopt a position towards the proletariat of socialist China.

At this point we must confess that our original objective in referring to Jiang Zemin's report to the CPC 16th Congress had nothing to do with the international economic relations of the PRC. Rather, it related to the militant objection of the SACP to the development by our democratic state of a black bourgeoisie and petty bourgeoisie.

We therefore return to Jiang Zemin's report to the 16th CPC Congress. Among other things, Jiang Zemin said:

"The public sector of the economy has expanded and steady progress has been made in the reform of state-owned enterprises. Self-employed or private enterprises and other non-public sectors of the economy have developed fairly fast. The work of building up the market system has been in full swing. The macro-control system has improved constantly. The pace of change in government functions has been quickened. Reform in finance, taxation, banking, distribution, housing, government institutions and other areas has continued to deepen. The open economy has developed swiftly. Trade in commodities and services and capital flow have grown markedly. China's foreign exchange reserves have risen considerably. With its accession to the World Trade Organisation (WTO), China has entered a new stage in its opening up...

"We should follow the orientation of reform toward the socialist market economy and make sure that the market forces play an essential role in the allocation of resources under the state's macroeconomic control. By both 'bringing in' and 'going out', we should actively participate in international economic and technological cooperation and competition and open wider to the outside world...

"It is essential for the Party to give top priority to development in governing and rejuvenating the country and open up new prospects for the modernisation drive. A Marxist ruling party must attach great importance to the liberation and development of the productive forces. Without development, it would be impossible to maintain the progressiveness of the Party, give play to the superiority of the socialist system and make the people rich and the country strong...

"Emerging in the process of social changes, entrepreneurs and technical personnel employed by non-public scientific and technological enterprises, managerial and technical staff employed by overseas-funded enterprises, the self-employed, private entrepreneurs, employees in intermediaries, freelance professionals and members of other social strata are all builders of socialism with Chinese characteristics. We should unite with the people of all social strata who help to make the motherland prosperous and strong, encouraging their pioneering spirit, protecting their legitimate rights and interests and commending the outstanding ones in an effort to create a situation in which all people are well positioned, do their best and live in harmony...

"We must pay great attention to less developed areas and the industries and people in straitened circumstances and show concern for them. In particular, we must see to it that the people in financial difficulties have subsistence allowances, and we must take effective measures to help them find jobs and improve their living conditions so that they will truly feel the warmth of our socialist society...

"First, it is necessary to consolidate and develop unswervingly the public sector of the economy... Secondly, it is necessary to encourage, support and guide the development of the non-public sectors of the economy. The non-public sector of self-employed, private and other forms of ownership is an important component part of the socialist market economy.

"They play an important role in mobilising the initiative of all quarters of the society to quicken the development of the productive forces. Thirdly, we must stimulate the development of the non-public sectors while keeping the public sector as the dominant player, incorporating both into the process of the socialist modernisation drive instead of setting them against each other. All sectors of the economy can very well display their respective advantages in market competition and stimulate one another for common development..."

"We must give full scope to the important role of the non-public sector of self-employed, private and other forms of ownership of the economy in stimulating economic growth, creating more jobs and activating the market. We should expand the areas for the market access of domestic nongovernmental capital and adopt measures with regard to investment, financing, taxation, land use, foreign trade and other aspects to carry out fair competition. We should strengthen the supervision and administration of the non-public sectors according to law to promote their sound development. We should improve the legal system for protecting private property..."

"We should attract more foreign direct investment and use it more effectively. We will open the service sector to the outside world step by step. We will utilise medium- and long-term foreign investment in many ways, combining it with the domestic economic restructuring and the reorganisation and transformation of state-owned enterprises and encouraging multinational corporations to invest in agriculture and manufacturing and high and new technology industries. We should try to bring in from overseas large numbers of professionals and other intellectual resources in various areas. We should improve the environment for investment, grant national treatment to foreign investors and make relevant policies and regulations more transparent..."

"We should help the general public to change their mentality about employment, introduce flexible and diverse forms of employment and encourage people to find jobs on their own or become self-employed. We should improve the system of pre-job training and employment services and raise workers' skills for new jobs. We should strengthen employment management in accordance with law, safeguard the legitimate rights and interests of workers, pay great attention to safety at work and protect the safety of state property and people's life..."

"We must see to it that all people are equal before the law. We should tighten supervision over law enforcement, promote the exercise of administrative functions according to law, safeguard judicial justice and raise the level of law enforcement so that laws are strictly implemented. We must safeguard the uniformity and sanctity of the legal system and prevent or overcome local and departmental protectionism."

"We will extend and standardise legal services and provide effective legal aid. We should give more publicity to the legal system so that the people are better educated in law. In particular, we will enhance the public servants' awareness of law and their ability to perform their official duties according to law. Party members and cadres, especially leading cadres, should play an exemplary role in abiding by the Constitution and other laws..."

The foregoing communicates the unequivocal message that the CPC and the Chinese socialist state are determined to encourage the development of a Chinese bourgeoisie and petty bourgeoisie.

In this context, the CPC states that, "entrepreneurs and technical personnel

employed by non-public scientific and technological enterprises, managerial and technical staff employed by overseas-funded enterprises, the self-employed, private entrepreneurs, employees in intermediaries, freelance professionals and members of other social strata are all builders of socialism with Chinese characteristics.

"We should unite with the people of all social strata who help to make the motherland prosperous and strong, encouraging their pioneering spirit, protecting their legitimate rights and interests and commending the outstanding ones in an effort to create a situation in which all people are well positioned, do their best and live in harmony..."

"The non-public sector of self-employed, private and other forms of ownership is an important component part of the socialist market economy."

Fundamentally, all the foregoing is based on the basic Marxist proposition mentioned by Jiang Zemin, that "a Marxist ruling party must attach great importance to the liberation and development of the productive forces. Without development, it would be impossible to maintain the progressiveness of the Party, give play to the superiority of the socialist system and make the people rich and the country strong."

To talk of the "development of productive forces", as Jiang Zemin did, is to refer to stored financial and intellectual capital, the savings, or "surplus value" derived from earlier production and intellectual activities, which can be brought to bear further to develop the country's productive forces.

The "genius" displayed by the CPC and the PRC when they announced in 1978 the adoption of the "open door policy", under the leadership of Deng Xiaoping, consisted in recognising that the "stored financial and intellectual capital", the material base for the "development of productive forces", was not owned exclusively or even mainly by the state, or the public sector.

In reality, then as now, much capital is in private hands. Consequently, the development of the productive forces in any country, including socialist China, requires the mobilisation of these privately owned resources, both domestically and internationally.

For this reason, the CPC, currently the longest ruling Communist Party, took the logical decision that to attend to the fundamental challenge of the development of China's productive forces, it had to mobilise private national and international capital to reinforce domestic state capital.

This is the reason why Jiang Zemin argued, among other things, in favour of "entrepreneurs and technical personnel employed by non-public scientific and technological enterprises, managerial and technical staff employed by overseas-funded enterprises, the self-employed, private entrepreneurs, employees in intermediaries, freelance professionals and members of other social strata".

This shows that the combination of theory and practice had taught the Chinese Communists that the advance to socialism could not be achieved by an indiscriminate attempt to destroy domestic and international capitalists, based on the false notion that, in conditions of Communist Party rule, publicly owned capital had an unrestricted possibility to replace privately owned capital.

Our own 21st century "Marxists" have not had the opportunity to rule even over a single local municipality. It may indeed serve as a very important school that they should have the possibility to govern such a local

municipality, to implement whatever programme they may have, to use the democratic revolution to advance their "socialist" perspective.

Hopefully, in this regard, they would have the humility to study and understand the experience of the longest ruling Communist Party, the CPC, as it has striven to build socialism. The PRC has developed into one of the most powerful world economies. No rational person can discuss the future of all humanity without considering the role and place of the People's Republic of China.

And yet, only four years ago, the most senior leadership of the PRC had the humility publicly to speak of the underdevelopment of the PRC, and its limited possibilities, despite the fact that it had become the sixth largest world economy. In his report to the 16th National Congress of the CPC, Jiang Zemin said:

"We must be aware that China is in the primary stage of socialism and will remain so for a long time to come. The well-off life we are leading is still at a low level; it is not all-inclusive and is very uneven. The principal contradiction in our society is still one between the ever-growing material and cultural needs of the people and the backwardness of social production.

"Our productive forces, science, technology and education are still relatively backward, so there is still a long way to go before we achieve industrialisation and modernisation. The dual structure in urban and rural economy has not yet been changed, the gap between regions is still widening and there are still quite a large number of impoverished people. China's population continues to grow, the proportion of the aged is getting larger, and the pressure on employment and social security is mounting.

"The contradiction between the ecological environment and natural resources on the one hand and economic and social development on the other is becoming increasingly conspicuous. We still feel pressure from developed countries as they have the upper hand in such fields as the economy, science and technology. The economic structure and managerial systems in other fields remain to be perfected.

"There are still some problems we cannot afford to overlook in improving democracy and the legal system as well as the ideological and ethical standards. We need to work hard over a long period of time to consolidate and uplift our current well-off standard of living."

In his report, Jiang Zemin also said: "We must conscientiously free our minds from the shackles of the outdated notions, practices and systems, from the erroneous and dogmatic interpretations of Marxism and from the fetters of subjectivism and metaphysics. While upholding the basic tenets of Marxism, we must add new chapters of theory to it. While carrying forward the revolutionary tradition, we must acquire new experience. We should be good at seeking unity in thinking through the emancipation of our minds and guiding our new practice with the developing Marxism."

Contrary to this respect for the study and understanding of objective reality, the dialectical interaction between theory and practice, including proper understanding of the role of and the need to support domestic private capital even in a socialist society, the SACP Discussion Document argues that:

"Because we are talking here not of a genuinely new national accumulation process, but rather of different consortia, alliances and personalities all competing for slices of existing action (privatisation proceeds, mergers and acquisitions, BEE quotas, BEE tenders), this black capitalist faction is not

galvanising a national developmental effort. It is, in fact, highly factionalised, incapable of uniting itself, and, therefore, increasingly incapable of uniting a national bloc behind its hegemonic leadership...

"This emerging (capitalist) class fraction has, typically, not accumulated its own capital through the unleashing of productive processes, but relies on special share deals, 'affirmative action', BEE quotas, fronting, privatisation and trading on its one real piece of 'capital' (access to state power) to establish itself... This black capitalist faction is not galvanising a national developmental effort... The (state) interventions have sought to transform existing community activities (everything from spaza shops and stokvels to church volunteerism) into 'business-planned', 'emerging' 'SMMEs'. With a barrage of (largely unsuccessful) technical, top-down projects, this 'informal' sector has been invoked as a petty (i.e. infant) bourgeoisie, under 'incubation' for greater things..."

Any genuine Marxist, who has understood what China, the biggest socialist country in the world, is striving to achieve, based on hard experience, will not fail to recognise that what has been said by our 21st century "Marxists" in their Discussion Document is nothing but words.

For example, as our movement has argued for many decades, it is patently obvious that, after centuries of dispossession, the black population could never have had the possibility to "accumulate its own capital through the unleashing of productive processes", as the SACP CC Discussion Document demands.

The Discussion Document singles out "different consortia, alliances and personalities all competing for slices of existing (business) action" as the principal beneficiaries of the interventions of the democratic state to promote broad-based black economic empowerment.

In this regard, the SACP Discussion Document simply reflects the hostile propaganda of the big bourgeoisie, which is opposed to broad-based black economic empowerment. The reality is that, with regard to the single element of business development, the intervention of the democratic state has never targeted "consortia, alliances and personalities all competing for slices of existing (business) action".

On the contrary, the interventions of the democratic state, including the state owned enterprises, have given birth to many enterprises focused on "galvanising a national developmental effort".

State-owned enterprises and agencies like Eskom, Transnet, Telkom, the Industrial Development Corporation and Umsobomvu Youth Fund have all facilitated the formation of productive enterprises.

It is perfectly obvious that precisely because of the manner in which capitalism developed in our country, expressly based on the suppression of an African bourgeoisie, it will be impossible to develop this stratum without the support of the democratic state.

In this regard, the formulation 'comprador and parasitic', as understood by Marxists, and not used merely as a swear-word, has a specific historical meaning. The SACP will have to prove that it is applicable to the broad-based BEE programme of our democratic state.

The democratic state, responding to the aspirations of the black masses, has an obligation to "transform existing community activities", into "business-planned" and "emerging" "SMMEs"... under "incubation" for greater things..." This is one of the central tasks of the national democratic

revolution. This includes providing the finance and business training to ensure the success of these ventures.

Like the CPC, our movement takes the view that: "We must give full scope to the important role of the non-public sector of self-employed, private and other forms of ownership of the economy in stimulating economic growth, creating more jobs and activating the market."

We are perfectly conscious of the fact that all societies, including our own, are prone to corruption and parasitism. However, we reject totally the insult flung at honest patriots and loyal members of the ANC as contained in the SACP CC Discussion Document, that ANC members of our legislatures, municipal councils, and branches, are nothing more than corrupt rogues.

The SACP CC Discussion Document makes the bold assertion that there exists "emerging black capital (at least the key faction most closely associated with the ANC and the state)", which reproduces itself on the basis of "reliance upon and symbiotic relation with the upper echelons of the state apparatus". Symptomatic of the bankruptcy of much that currently poses as "left critique", no evidence can be adduced to substantiate these assertions.

On the contrary, and of central relevance to the views and activities of the SACP, which describes itself as a proletarian, socialist, vanguard party, is the observation in the SACP CC Discussion Document that:

"This is not to say that we should condemn small-scale entrepreneurial activity. In fact, it is the only chance of survival for millions of South African households. Much of the SACP's recent campaigning has been focused on liberating this kind of activity from the suffocating grip of the credit bureaux, the banks, and the white-dominated agricultural sector. But in doing this we should be seeking, in Lenin's words, to 'subordinate' these strata to the popular mandate of the national democratic state and the broader hegemony of the working class.

"Hence, for instance, the SACP's emphases on coops, on sustainable communities, on land reform for household food security, on people's land committees and other forms of popular power. The problem with the current petty accumulation tendencies, which are so rife within the ANC, is that they are under the economic, social and moral hegemony of private capital."

In the context of Marxist theory, this means that the SACP is actively involved in developing bourgeois relations of production. Seemingly embarrassed by this reality, which it should not be, it makes the meaningless assertion that such "capitalist accumulation" should be "subordinated to the popular mandate of the national democratic state and the broader hegemony of the working class".

The reality is that the "petty accumulation tendencies", which the SACP as a strange "mass-vanguard party" is promoting, are as much "under the economic, social and moral hegemony of private capital", as they are when pursued by the organisational structures of the ANC. If such "petty accumulation" is a "rife problem" when pursued by the ANC, so is it a "rife problem" when it is consciously promoted by the SACP, through its so-called "mass campaigns".

The strange reality of our day is that we have a Communist Party, our 21st century "Marxists", who pride themselves on conducting campaigns to promote the development of capitalism, and, simultaneously, denounce our national liberation movement, the ANC, for managing the capitalist system in a manner that benefits our working people.

As they continue to search for their own road to the victory of socialism, our 21st century "Marxists" would be well advised to study the views of the CPC, which say, among other things:

"With the deepening of reform and opening up and economic and cultural development, the working class in China has expanded steadily and its quality improved. The working class, with the intellectuals as part of it, and the farmers are always the basic forces for promoting the development of the advanced productive forces and all-round social progress in our country...

"We should unite with the people of all social strata who help to make the motherland prosperous and strong, encouraging their pioneering spirit, protecting their legitimate rights and interests and commending the outstanding ones in an effort to create a situation in which all people are well positioned, do their best and live in harmony...

"It is necessary to foster notions and form a business mechanism in conformity with the basic economic system in the primary stage of socialism and create a social environment in which people are encouraged to achieve something and helped to make a success of their career, so as to unleash all the vitality contained in work, knowledge, technology, management and capital and give full play to all sources of social wealth for the benefit of the people."

The "left" in our country will have to pronounce what it intends to do, to help "create a social environment in which people are encouraged to achieve something and helped to make a success of their career, so as to unleash all the vitality contained in work, knowledge, technology, management and capital and give full play to all sources of social wealth for the benefit of the people".

This means that all of us, especially the progressive movement, face the challenge to answer the question - what shall each one of us do, to ensure the success of the national democratic revolution.

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#### MORE INFORMATION:

Bua Komanisi, Vol. 5, Issue No. 1, May 2006  
<http://www.sacp.org.za>

ANC NWC response to Bua Komanisi, 19 June 2006  
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'God save us from the false prophets!', ANC Today Vol 6 No 24  
<http://www.anc.org.za/ancdocs/anctoday/2006/at24.htm#art1>

'The Communist Assault on the Year 1996', ANC Today Vol 6 No 25  
<http://www.anc.org.za/ancdocs/anctoday/2006/at25.htm#art2>

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<http://lists.anc.org.za/mailman/listinfo/anctoday>