

COMMENTS ON THE HARARE RECOMMENDATIONS

Alec Erwin

The Need for a Framework

The Harare Recommendations do not read well as a text. The various sections are not very well integrated. This is not surprising considering the practical circumstances within which they were produced.

After some three days of discussion, workshops and plenary sessions there was a degree of surprise at how much common ground existed both in approach and in research finding, but recording this was not an easy task. Different typing machines, computers, software and typists all combined - or more often were prevented from combining by technological and human limitations - throughout the night to produce a document.

The participants then dispersed to different parts of the world and the final editing process had to be a very circumspect one in order to retain the integrity of the workshop process. However, these limitations are outweighed by the fact that such a high degree of common ground - not uniformity - existed on the most appropriate policy framework for a transition of the economy beyond the ravages of apartheid.

Such a policy framework has been missing from our debate. The Freedom Charter provides far too broad a framework to meet the challenges posed by the structural problems that now characterise our economy. A more precise framework that guides debate and research was desperately needed. The Harare Recommendations - if built upon - are a very important step in that direction.

Where to Next?

Developing a coherent and comprehensive economic policy programme is a considerable task - particularly if it is based on active involvement of a constituency in a democratic way. More work now needs to be done in the ANC/SACP/COSATU Alliance on developing the programme in order to enter the debate beyond the levels of proposition and broad policy and relate it to others being made.

At a COSATU workshop on the Harare Recommendations in July the following points were raised in one or other way in regard to taking the process of programme development forward.

The Recommendations reflect leadership views of the needs that have to be met in a transition phase. The policy options outlined in Harare need to be placed before wider and wider layers of our membership for discussion, educative purposes and modification by them if they so wish. We must actively seek out ways of escaping the powerful tendency to leave economic policy making in the hands of the experts alone - there has to be a vibrant interaction. In view of the massive objective obstacles to success of future economic policy, if we fail in this participative process future policy is also likely to fail at high cost to all of us.

In my view the Harare Recommendations are based on three very important conceptions which will have to be well understood if they are to succeed. The first is a clear movement away from a commandist and statist conception of the transition process. Whilst the State's role remains decisive in that it leads the transition through a planned programme of huge interventions, it does not assume responsibility for correcting all the devastation wrought by apartheid capitalism.

This leads to the second and equally important conception. This is the weight of responsibility thrown on the mass organisations located in civil society - trade unions, civics, rural movements, health workers, educators and students - to participate in planning and implementing the transition. This raises very important questions of the nature of the State, the centrality of democratic processes and forms of collective ownership outside central State ownership.

The third conception relates to the proposed growth path - it implies a general rise in productivity *and* a rise in employment. This costing is necessary if we are going to lower the *relative* costs of basic products, begin to phase back into the world market for manufactured products *and* deal with critical levels of unemployment.

It is organised workers who have particular problems with productivity drives since they generally experience its more specific effects in the present growth path. Rising productivity in an enterprise is often accompanied by retrenchment and static wages. Organised workers don't have to be persuaded to try and protect themselves from such adverse effects. However, they will have to be persuaded to enter the process of negotiating industry restructuring packages in the context of an overall growth path. This is new but vitally necessary terrain for the unions.

Those who feel that such an approach is a reformist sell-out to capital should consider the certainty that in the face of our present structural problems workers would likely be obliged to negotiate industry restructuring packages with any new worker government as well. The legacy of apartheid

will not be removed by legislative decree after the seizure of State power.

In short, organised workers face three choices in the transition - a commandist State, the social morality of market forces, or a new democratic process based on the strength of their own organisation. An effective defence of the Harare Recommendations opens the way to the third option. This requires an understanding of the issues outlined above and the organised commitment of organisations to certain positions. This latter is useless if it cannot be defended by mass support and action - this is the challenge we face and the work that has to be done.

Another area that is critical in developing a programme is further research. There are interesting developments in how this could be done but I will not deal with those here. Rather there is an urgent need to co-ordinate research within the framework provided by Harare. In the COSATU workshop there were strong views expressed in favour of a full-time, national research effort.

Interacting with the constituencies, mobilising around and defending key issues and co-ordinating research are all necessary in the development of an effective programme for reconstruction and transition in the South African political economy. We need to speed up all three processes. If we don't we'll have nothing to debate with capital.

Key Issues for COSATU

Participants in the COSATU workshop in July identified certain key areas where more research and discussion is necessary. Briefly stated the areas identified were the following.

Given the massive media attention on nationalisation it was agreed that we need to develop a detailed and comprehensive position on this that covers existing nationalised functions, recently privatised public corporations, new state corporations and various forms of public (collective) as opposed to State ownership.

There is general agreement in COSATU that it is the role of the conglomerates that will cause the greatest tension between capital and labour. The successive power of this organisation in the capital market and in investment patterns is incompatible with the thrust of the Harare Recommendations. We, therefore, need to have a much more detailed understanding of the specifics of the South African conglomerates - their economic performance, managerial style and their distinct characteristics.

It is also clear that we will have to motivate and defend our high-wage argument in the broader public debate. It is either deliberately or unintentionally misunderstood. High wages cannot be achieved by collective bargaining in the present context of the South African economy - it is the growth

path that is critical. It is also important that we as unionists understand this latter point.

Whilst housing and other basic social services are seen as a critical need and as integral to the growth *through* redistribution path it was felt we need a clearer picture of how much of gross investment will be available for allocation in this direction.

These are some of the issues highlighted for further research in COSATU's view. There were a number of others not dealt with here. However, there was a general agreement that COSATU was paying too little attention to the issue of land. A land reform in *both* urban and rural areas is clearly a prerequisite for the success of the Harare Recommendations.

Socialism?

COSATU and many of its affiliates have stated in resolutions that a form of democratic socialism is going to be the most effective systemic solution to the problems faced by the working class in South Africa. Would support for the Harare Recommendations and the mixed economy they entail be an abandonment of this objective? This question has been raised both within COSATU and by political groups outside COSATU.

In my view, this question opens the way to two even more important questions that have to be answered. The first is what a democratic socialist society would broadly look like in South Africa, and the second is the nature of the struggle towards that society. Both answers require to be answered in more time and space than allowed by these brief comments. I wish only to make a few introductory propositions.

The numerous failures of capitalism have not destroyed either the commitment of the capitalist class to capitalism nor have they stopped capitalist theorists from providing a theoretical underpinning to the system. We do not need to be unduly influenced by the instant histories trotted out by the commercial media.

However, on the left we should not replicate the Leon Louw type approach of the right. Louw has made a dogma - of religious proportions - out of the tenets of Adam Smith and neo-classical economics. It is this dogma he wishes to apply without reference to the actual history of capitalist societies since Adam Smith.

Marxist theory is a means of analysis, not a source of dogmatic conclusion. As such it must take into account the actual experience of the Soviet Union as the major socialist country. To deny that the Soviet Union and its allied socialist bloc countries were socialist is to duck the issue.

It seems to me that this experience raises at least three crucial questions

on the nature of socialism in an advanced industrial society. Must a vanguard party entail a one party State? Can centralised command planning be compatible with democracy and/or a responsive economy? What are the democratic processes and institutions that will ensure the domination of the working class within a framework of democracy? These questions will have to be answered in the struggle for socialism in South Africa.

The Harare Recommendations are no blueprint for socialism. They constitute a framework for reconstruction and transition. They will be a transition to socialism if the working class can achieve this by its own organisational strength. Earlier in these comments the questions of the role of the state, planning and mass organisations were raised. Critical policy choices will arise in these areas. Do organised workers develop programmatic positions on these, or do they stand back waiting for State power to move them to socialism.

This choice depends on the answer to the second question posed earlier on the nature of the struggle for socialism. Within COSATU there has always been a majority viewpoint that believes that contesting issues in the present and doing it in a way that builds worker power and democratic processes within worker organisation is to carry the struggle for socialism forward and not to abandon it.