

## **8.1 Build working class unity for economic liberation towards Socialism**

### **8.1.1 Introduction**

This report to the CEC is primarily based on the foundation laid out clearly by the 14<sup>th</sup> National Congress Political Report and the tasks arising from it. It is primarily about taking the CEC through the period under review, which is February till May, 2023.

The Congress Political Report, in section One, entitled, “the National Democratic Revolution and the Strategic Tasks of the Working class in the current conjuncture”, well narrated the historic development of both the theory and the practice of the national democratic revolution (NDR) in its international and domestic essence.

It went on to outline how the 1994 democratic breakthrough and the ascendance to power by the ANC has not been able to profoundly change the material conditions of the working class, owing to the consistent imposition of neo-liberal policies, with GEAR as the most dominant in 1996.

Towards this end, we can safely conclude that the state of the alliance, its components and the whole society, are in no small measure, a reflection of that material reality and balance of power, hence the fundamental questions COSATU CEC has pondered over in the last week months till today.

There are pressing questions facing COSATU and the working class in our present situation, critical to which are;

1. Basing ourselves on the assessment made by the 14<sup>th</sup> National Congress Political Report, we must engage more directly with the issue of the clear role of COSATU in uniting and leading the working class in the current period. Linked to that is our understanding of the state and mood of workers, as a class and in the workplace and what are their clearly spelt out expectations from COSATU and its affiliates?
2. It is also very important to understand that, in responding to its constituencies or its primary base, every affiliate of COSATU, act in accordance with the expectations of its own members or base, which may not necessarily be similar to the next affiliate. Towards that end, the key issue is how should the federation relate to these complex diversities in one family in pursuit of the unity and cohesion of the federation and the working class as a whole.

3. Flowing from that analysis, what is our understanding of the role of the SACP in the current period, both in class terms as a vanguard of the working class and as an immediate political force and organisation in the lives of workers and the NDR? This should help us clarify both ideological and organizational questions facing the NDR and the working class in particular

Finally, having understood the class content of the current period and the posture of the primary motive forces, what is our understanding of the role of the ANC and broad allied forces in general?

These are a few questions at the heart of our current assessment and effort to find a way out of the crisis we face, particularly as COSATU in uniting and leading the working class to economic liberation and socialism. Our fundamental task lie in unpacking these and defining the wayforward, more practically and guided by clear perspectives arising from these honest analysis.

Our starting point is that we remain guided by the fivefold tasks well articulated by the Political Report of the 14<sup>th</sup> National Congress, which are;

- Building and strengthening COSATU and its affiliates
- Building unity in action with unions and federations
- Building and strengthening the socialist axis
- Building campaigns with mass based organisations and progressive NGOs
- Building and fighting for the renewal of the ANC

### **8.1.2 Reconfiguration of the Alliance:**

COSATU 4<sup>th</sup> Central Committee Declaration, clearly outlined the political program of the alliance and that, should serve as our barometer to assess progress on the social transformation, employment creation and eradication of poverty. The alliance should be a vehicle and political center that should drive policy formulation and implementation; direct deployment and hold cadres accountable.

The continued side-lining and the consequent declining influence of the Alliance in relation to policy-making, the intensification of a culture of self-enrichment and display of opulence has represented a shift away from the politics of mass driven struggles for transformation upon which the alliance organically emerged. The Alliance has not been able to take up the responsibility to meet with the civics, as well as other mass formations, which formed the core of the MDM, to discuss how to move forward under new conditions.

The challenge to COSATU and the Alliance is to play a key role in mobilising these forces, rebuilding organisations, and helping to give direction to the Mass Democratic Movement. The role of the ANC as government has added to the natural class and

organisational tensions within the ANC and between the ANC, COSATU and the SACP. Managing these tensions is made more difficult when policies are adopted without proper or adequate consultation. These tensions are also made difficult by the failure of the Alliance to meet regularly, which makes it difficult to evaluate it as a whole.

The most worrying observation has been lack of urgency and appetite from ANC to discuss the reconfiguration of the alliance and develop a common perspective on the strategic questions of the National Democratic Revolution. In the process the alliance has been reduced to being just another NGO who is subjected to respond from the periphery, and it has been clear that the neo liberal forces have been elevated to the privileged position to assert their ideological influence on the content and direction of the NDR. This reality was best captured by the 2015 Alliance Summit which observed a growing social distance between leadership and our mass constituency, including

- a) A disconnect between the focus of branch activities and the social and economic realities of communities
- b) Crass displays of wealth and arrogance.

This behavior is also the entry-point for state and corporate capture and private business interests outside of our formations to undermine organizational processes. It is in this context that both COSATU and the SACP had adopted a more combative approach and to sharpen the contradictions on matters of the alliance as could be seen in the outcomes of bilateral meeting between the SACP and the COSATU. It is now clear that without COSATU and the SACP standing up to confront issues, the NDR will remain moribund.

Our starting point is that the Alliance must truly drive policy formulation and implementation; direct deployment and hold cadres accountable; and mobilize our people as their own liberators. The alliance machinery must be reinforced to ensure that it discharges this responsibility and a Protocol governing alliance relations must be developed. The Alliance remains the most powerful vehicle to advance the NDR. Its role needs to be clearly articulated because in our view, it represents the most concentrated expression of the unity of the disparate motive forces of our revolution.

One thing that any revolutionary will not contest is that being a leader of a revolution is not something that is divinely ordained, but it is something that is consistently cultivated in the field of struggle. The alliance role and tasks are in essence, to destroy the power of monopoly capitalism and imperialism in our country. China is a perfect example of where a national liberation movement lost leadership of the NDR. Consequently it fell upon the Chinese Communist Party to advance the NDR and to effect socialist transformation. Vietnam is another instance where a Marxist-Leninist Worker's Party led a successful NDR. These examples demonstrate the importance

of revolutionary ideology in the national liberation movement, and how a national liberation movement can lose its leadership position once it begins to subsume the national-democratic aspirations of the working class under those of other classes.

The Alliance must not be reduced into an election machinery. COSATU has long argued that its usefulness and activities must not be limited to delivering and working together only during elections, while being excluded from governance. To that end, it must exercise effective oversight and collectively define a deployment strategy. It is in this context that the reconfiguration of the alliance needs to be understood as a process that must organically arise out of the material conditions and not simply based on our subjective wishes.

COSATU and SACP joint political school should be able to give direction on the divergent conceptualizations of the Alliance, which the Ekurhuleni Summit did not resolve.

- a) *Some argue that the ANC must be the political centre, although they also call for a stronger Alliance. In this case, however, there does not seem much purpose to the Alliance outside the elections.*
- b) *A second school of thought believes that the Alliance should drive transformation, with tighter coordination of Alliance programmes. While this grouping may also not be comfortable with the use of the term “political center,” its approach largely resembles the COSATU position.*

We must avoid polemics that would not help conclude this discussion. The existence of the alliance is determined by the material conditions of struggle rather than the rapport between leaders. The Alliance should be reconfigured through Building a Popular movement from the ground.

### **8.1.3 The political analysis and developments since the last CEC in February 2023**

- a) This report provides an update of the important developments on the domestic and international front since the last CEC of COSATU in February 2023. It must be recalled that, the CEC was held in a period of turbulences and tensions arising from the Public sector outstanding issues and impasse, as well as the on going Makro strike. The CEC further resolved to pursue the 14<sup>th</sup> National Congress resolution to celebrate the 50<sup>th</sup> anniversary of the 1973 Durban Strikes, which were held successfully as the Organisational section of the report will later show.
- b) The first Alliance Secretariat was held in February, for purposes of introducing the newly elected leaders of all 3 components of the alliance, catching up with what work was done and what remains and dedicated focus on setting priorities for the next period, including tackling the elephant in the room, public

sector wage impasse and the municipal service agreement, which threaten the rights and gains of workers since 1994. Since then, there have been several Alliance Secretariat meetings, including a physical one held at Luthuli House, which consolidated the draft programme of action for the alliance, which has been useful in bringing closer the issues affecting all alliance components, particularly the working class and communities in general. This was the mood that took us to May Day, having also shared perspectives on jointly campaigning against Makro/Massmart, for the 50<sup>th</sup> anniversary of the Durban strikes and the Public sector workers demands. This led to the alliance recognising the centrality of all these issues if we are to collectively address service delivery and the issue of a capable and developmental state.

- c) A brief overview of the domestic and international balance of power helps us weigh the options and determine the best path in our struggle against imperialism. It is true that the global crisis of capitalism has become even more exacerbated as the combined levels of private and public investments are lowest since 1994 and official unemployment remains at the level it was in the first half of 2016. This is worsened by the combined effects of the ongoing austerity programme of the Treasury, the recent decision by the reserve bank to raise the repo rate by 50 basis points to 7.75% can only plunge the economy into a recession, with growth having contracted by 1.3% in the fourth quarter of 2022. This was the year of unprecedented frequency of load-shedding which the Bureau for Economic Research estimates to have cost the economy about R300 billion, an equivalent of about 5% of the country's GDP in 2022 alone.

#### **8.1.4 Brief Overview of the obtaining international balance of forces**

- a) The global balance of power reflects the deepening crises of capitalism and the desperation of imperialism to hold sway in a situation where, the challenge for power is ever more intense. The momentum to de-dollarise the global economy, challenge the unipolar world order, contest the military power of the US and its military arm, NATO, as well as promote alternative development models than capitalism, are expressed in the current intensity of the global balance of power. The monopoly control over natural resources, particularly energy, minerals and food sources have become the most fierce expression of this contest and the Ukraine war is also reflecting that intensity.
- b) The war led by NATO in Ukraine, has subjected the working class of Ukraine and Russia, to the most horrifying conditions, while the warmongers benefit from the spoils of the war and upsurge in profits, particularly energy and food prices. Warmongering is the inherent part of capitalism in search of new frontiers of conquest, natural resources, geo-strategic power positions, etc.

Workers of the world are ever subjected to ever rising costs of living as the crisis of capitalism throws them into even deeper conditions of misery.

- c) The 2022 report of the International Monetary Fund (IMF) predicted a global recession for this year, 2023 citing the overvalued US as the main reason, which will result in the collapse of currencies, making imports expensive, forcing higher interest rates and ballooning inflation.
- d) COSATU Congress assessment remains, in the main, very relevant even for the year 2023, in many ways. Growth in the most developed countries is expected to slow down to 0.5%. The US GDP is expected to decline by 0.2% to 0.5%. Its worst performance outside of declared recessions since 1970, at 1.9 percentage points below the prior forecast. In 2023, the EU growth forecast has been revised lower by 1.9 percentage points, to 0%.
- e) Growth in advanced economies is projected to slow down to 0.5 per cent in 2023. USA growth is forecast to fall 0.2 to 0.5 per cent in 2023. This is 1.9 percentage points below the previous forecast and its weakest performance outside of official recessions since 1970. EU growth is expected at zero per cent in 2023, again a downward revision of 1.9 percentage points.
- f) It is the Chinese economy that is projected to do better with growth targeted at 4.3 per cent - 0.9 percentage point below the previous forecast. All other developing economies are projected to grow at average 2.7 per cent in 2023 from 3.8 per cent in 2022. By the end of 2024 GDP of emerging and developing economies is projected to be 6 per cent below the pre pandemic forecasts.
- g) The conditions of life for the overwhelming majority of people on earth will get worse as a result of the impending global economic recession. With the expected average per capita income growth in developing economies at 2.8%—a full percentage point below the norm for the period between 2010 and 2019—poverty levels are certain to worsen. 60% of the extremely impoverished people on the planet live in Sub-Saharan Africa. A meagre 1.2% growth in per capita revenue is predicted for this area in 2023-2024. Consequently, more individuals will fall into poverty.
- h) The ILO in its World Employment and Social Outlook Report (January 14, 2023) has also revised its projection for the recovery of the labour market in 2022, predicting a global shortfall in hours worked equal to 52 million full-time employment. It had predicted a deficit of 26 million full-time employment in May 2021. Compared to 186 million in 2019, there will be 207 million unemployed people worldwide in 2022. ILO warns that because many people

have left the labour market, the overall impact on unemployment is much greater than what is shown in these numbers.

- i) Large-scale job cuts and wage reductions are occurring in the service sector, especially in the information technology sector as Artificial Intelligence (AI) and advanced machinations take effect in replacing people.
- j) Food, including grain and cooking oil was the highest driver of global inflation in 2022, since the records began to be maintained by the FAO in 1961, records indicate.
- k) In terms of Global Inequality, reports shows that the richest 1 per cent of the world have accumulated nearly twice as much wealth as the rest of the 99 per cent of world's population put together over the last 2 pandemic years. This richest 1 per cent cornered two-third of all new wealth worth \$ 42 trillion created since 2020. The fortunes of world billionaires are increasing by \$ 2.7 billion a day even as at least 1.7 billion workers live in countries where inflation is outpacing wages. Consequent cut in real wages is estimated to have wiped out \$337 billion from global wages - the biggest cut in real wages in history.
- l) Global Inequality worsened as the wealthiest 1% of the world's population has amassed nearly twice as much wealth as the remaining 99% of the population combined over the last two pandemic years. The richest 1% accumulated two-thirds of the \$42 trillion in new wealth generated since 2020. The wealth of millionaires worldwide is rising by \$ 2.7 billion annually.
- m) The working people across the world are on the streets protesting against the escalating cost of living crisis with growing inflation, unemployment and decline in real wages. Our very own public service strike represents this reality, accompanied by all governments attack on collective bargaining and rights. Europe, facing the brunt of shortages caused by the Ukraine war is seeing the rise in protest actions and accompanied by heightened austerity measures.
- n) We witnessed a massive nationwide protest in France on January 19 with massive worker participation protesting the government's plan to reform the pension system and raise the retirement age. Such strikes and mobilisations are expected to intensify. The same has been happening in the UK and other parts of the developed world, with uneven scales.. Nurses went on strike in England in December 2022 for the first time in 106 years. Rail workers have been on strike in recent weeks, and teachers and health workers are planning to strike in February. Workers in several EU member countries including

Greece, Spain and Germany went on strike recently, primarily asking for better pay and working conditions.

- o) The ongoing conflict in Ukraine is causing more instability and a worldwide disruption in the supply of food and energy resources. The Federation has always characterized the war as an imperialist war. What we did not say though, is that “it is an inter-imperialist war”. This represents a qualitative difference in how we thus far characterised the war. Our vanguard the SACP, like several parties including the Communist Party of the Russian Federation, refutes strongly this opinion of an inter-imperialist war, in a debate that is sharply polarising amongst the International Communist and Workers Parties, as many parties disagree on the real character of the war. It is therefore critical to take into account the position of the SACP in our IRC evaluation of the war between Ukraine and Russia.
- p) But characterising the war as imperialist arises from the analysis that the origin of the war has a material basis for capitalist accumulation by US-led imperialist NATO countries and their military industrial complex and monopolies to profit from the war, regardless of where the war is fought, whether in Ukraine or not and it could have been fought elsewhere. The specificity of Ukraine upon the character of the war in our view stems from the fact that the origin of the war in 2014, had Ukraine as the main aggressor, waging an unjust war against the ethnic Russian minorities in Donbass, who were in turn waging a just war of self-defence for their rights, both self-determination, to the outlook, their livelihoods, their languages and against fascism. Capitalist Russia in our view is a supporter of these rights, the same as many countries would have coalesced in World War II against the aggressor Germany, Russia anti-fascist and denazification military operation perhaps cannot be said to be fighting an unjust war.
- q) Although these debates are crucial for our internal clarification, the Federation should not be consumed by external differences regarding the nature of the war and we should as a matter of necessity without any illusions, attempt to uphold the most scientific definition of the war as well as the urgent need for its abolition as it is devastating to say the least. More than \$27.4 billion has been spent on military assistance to Ukraine by the Biden government. The 13th instalment of additional assistance, up to \$2.5 billion, has now been approved by the US President. Hopefully the Communist Parties will also overcome these tactical differences.
- r) However, the war will remain a reality in the foreseeable future, especially given that the European Union and its member states have given Ukraine more assistance overall, military, financial, and humanitarian help combined, whereas the United States has by far given the most military assistance.



- s) Out of that total of €108.8 billion, €51.8 billion came from the European Union and €47.8 billion from the United States. The majority of the remaining €13.8 billion came from the United Kingdom, Canada, and Norway, as well as sizeable but less significant contributions from a number of other nations. The United States has given more military aid than all other nations united. In order to support Ukraine, some NATO nations and allies, including Germany and Sweden, have changed their previous positions against providing offensive military aid, while the European Union provided lethal weapons for the first time in its history through a new financial tool called the European Peace Facility. As a result of its predominant influence, the US military-industrial complex has grown stronger.
- t) Conflicts in Africa remains, as discussed previously and we continue to pay detailed attention. But the rupture between France and several countries it considered its vassals in the continent, which are in pursuit of sovereign domestic and foreign policy, is worth highlighting again. That the French are losing influence in all capital of Franco-Africa, from Rabat to Djibouti, via Niamey, Ouagadougou, Dakar, Bamako, N'Djamena, Yamoussoukro, Yaoundé, Libreville, Bangui, Antananarivo and Tripoli in spite of all the window-dressing. In Algiers and Tunis, Paris is losing its grip on a large part of Africa. It's a rupture with old French-colonial relations in favour of Russia, China and India bilateral political and economic relations. Countries that put up stiff resistance includes Senegal, Mali, with Burkina Faso, Central African Republic, Cameroon, Ivory Coast, Niger, Chad, Libya and Djibouti. These developments are paradigmatic, worthy of support and do reduce African influence on the West and strengthens the struggler against imperialism.
- u) The African continent is still held hostage by very acute crisis, not least the conflict relating to Somalia, the food crisis, the hydro politics of the Nile River, the crisis which should be settled, which will unify and strengthen the continent.
- v) We have to discuss again in detail Swaziland, Zimbabwe, Mozambique and Lesotho in our region, without leaving out the DRC conflict and its root cause. But the persistence of problems in our region makes this task more urgent and should be preferably discussed by the forthcoming IRC. The union should pay attention also to the forthcoming elections in Swaziland and Zimbabwe in the context of our resolution and solidarity commitments.
- w) Workers organisations should also take keen interest and reiterate concrete and practical solidarity with Palestinians. This is an important part of the struggle against racism, Zionism and colonial occupation in general.

- x) Since taking office on December 29, 2022, the new Israeli government, headed by Prime Minister Benjamin Netanyahu, is advancing its far-right policies. These policies have a significant effect on Israeli internal politics as well as Israeli policy toward Palestinians living in Israel and the occupied Palestinian territory. After Netanyahu's Likud and affiliated far-right parties gained the most seats in the parliamentary elections on November 1, 2022, a nationalist-religious government, regarded as the most right-wing in Israel's history, was elected. The agenda of the new administration includes a strategy to weaken the Supreme Court and expand governmental authority over the legal system. The proposal, which was made public as draft legislation, would greatly restrict the Supreme Court's capacity to overturn laws and would give the executive.
  
- y) An essential government goal is to annex the West Bank, which is currently under occupation. In one of the many agreements made prior to the government's inauguration, Netanyahu pledged to annex the occupied West Bank and made it clear that there would be no intention of allowing the establishment of a Palestinian State to the communal Zionism party, one of his major coalition partners. Additionally, the government gave police orders to take down all Palestinian banners inside Israel and in occupied East Jerusalem, describing these displays as acts of terrorism.
  
- z) Israeli attacks on the Palestinians grew more violent, killing protesters and unarmed citizens outright. 19 Palestinians were shot dead in the first 20 days of this year. 176 people were shot and killed in 2017.
  
- aa) Tens of thousands of Israelis demonstrated against the proposals to undermine the independence of the judiciary in Tel Aviv and other towns. Thousands of students from colleges and universities all over the nation also participated in these demonstrations. Hundreds of Israeli lawyers gathered outside numerous courts to oppose the government's plans to restructure the judicial system in an unusual lawyer protest. Many center and left-wing organizations, such as Hadash and the Communist Party of Israel, urged Jews and Arabs to oppose the policies of the new administration.
  
- bb) In Latin America, Brazil was a major point of interest, following the victory of the Brazilian Workers Party in the elections. Within a week after the swearing in of Lula as the President of Brazil, supporters of Jair Bolsonaro, who was defeated in the elections attacked the three wings of the government in Brazil. They tried to occupy the legislature, judiciary and executive buildings in Brasilia, the capital city. Timely intervention of the federal government nipped in the bud their attempt to destabilise the democratically elected government of Lula. Thousands of people rallied in various cities of Brazil condemning the

right-wing attack on government institutions and expressing their solidarity with the newly elected government of President Lula of the Worker's Party.

- cc) Lula is expected to once again work towards strengthening multilateral groupings like BRICS, ALBA and CELAC. He had already announced that Brazil would be re-joining CELAC and he attended the meeting held in the last week of January.
- dd) With Lula's victory, the cooperation among the countries of Latin America to investigate a new alternative world order is expected to advance. The vice presidents of China and Russia, as well as the foreign minister of South Africa, were present at Lula's swearing-in event as the new president on January 1. The BRICS (Brazil, Russia, India, China, and South Africa) leaders also attended. India was the lone exception. India is uneasy about the possibility that the BRICS' center of gravity will shift away from serving the interests of US imperialism at a time when Egypt, Turkey, Iran, Saudi Arabia, and Indonesia are looking to join the group.
- ee) With the BRICS summit in South Africa due in August this year, the International Criminal Court indictment of President Vladimir Putin raised serious geopolitical concerns over the BRICS alliance, although as the minister of International Relations of South Africa indicated that SA seems steadfast and is unlikely to execute the ICC order. The Russia-Ukraine war, which by all accounts is a proxy war poses a distinct risk to South Africa and her interests. The West has tried its best to put South Africa under pressure to take a stance against Russia in the ongoing war between the two countries. The Russia-Ukraine war is an ideological war reminiscent of the cold war era. It is about geopolitics and about superpowers who control the United Nations Security Council. The leader of the referral of the case to the International Criminal Court is none other than Britain, a long-term ideological adversary of Russia dating back to the era of the Soviet Union. At face value, the case is about a crime of aggression, crimes against humanity and alleged gross human rights violations.
- ff) Like the African Union and other African countries, South Africa hold a view that both the United Nations Security Council and the International Criminal Court (ICC) have as their main target, African countries. For many years, some have called for the transformation of the Security Council and the withdrawal from the ICC. In 2017, South Africa gave notice of its intent to withdraw from the Rome Statute but later withdrew the decision. The Omar Al Bashir saga almost caused both a diplomatic and military headache for South Africa when Al Bashir was in South Africa for an AU summit and South Africa was expected to execute the ICC warrant.

- gg) Whilst South Africa continues to have serious issues about what should happen to its continued ascension to the Rome Statute, there continues to be confusion about how it should deal with the issue. The BRICS summit to be held in South Africa and the possible attendance of Russian President Vladimir Putin has again reignited the debate about the ICC and its warrants. Interestingly, Russia has made it clear that anyone who arrests Putin will have declared war against Russia. No doubt a declaration of war carries with it the consequences of war.
- hh) South Africa is in an unenviable position of being blackmailed and undermined in the geopolitical war between the superpowers. The ICC issued the warrant against President Putin with the full appreciation that it is not possible for the warrant to be executed. It also did so with the clear appreciation that Ukraine, which is the supposed beneficiary of the warrant hardly recognises the Rome Statute and does not believe in it. Ukraine supported by the adversaries of Russia is an active participant in the war. It is sponsored by certain western forces amongst them Britain which is the leader of the pack which made a referral to the ICC which led to the warrant being issued.
- ii) There are varied developments in Latin America and the Caribbean that are significant. The national union should discuss more intensely these at the IRC. But it is important to highlight that Pedro Castillo, the Leftist teacher and union leader, who was elected as the president of Peru by popular vote, was removed from his office, through the ruling of three judges who accused him of acts of corruption, without any evidence. Popular demonstrations have erupted in Peru after the ouster of President Pedro Castillo and his replacement by Vice President Dina Boluarte. Now the right-wing has assumed presidency by jailing Pedro Castillo and brutally suppressing popular protests demanding the restoration of democratic rights and reinstatement of the constitutionally elected president Castillo. The new government enjoys the support of the majority of bourgeois parties, including the Free Peru party from which Castillo comes.
- jj) The obtaining domestic and international balance of forces makes it important for us to understand the inter-relationship between what is happening in the country and globally. The extent of the capitalist crisis affects, simultaneously, the working class in different countries and attacks their living standards, rights, the environment, health and safety, social expenditure and the erosion of their savings and buying power. It is the way capitalism recoups its profitability margins in the wake of the system's crisis. This makes all ruling classes act in their own interests and transfer the burdens of the crises to workers and their families.

### 8.1.5 The Domestic Balance of forces - the role of COSATU in advancing the NDR

- a) Our 14<sup>th</sup> National Congress report clearly outlined that the current trajectory of neo-liberalism is the single biggest problem facing the NDR, tearing apart our movement and fragmenting the working class. The consistent austerity programme combined with the Neoliberal structural reforms in public infrastructure, opening up electricity generation, freight transport and the ports to private capital, are taking place at the time when there is acute and intensified electricity crisis. The previous ESKOM CEO, Andre de Ruyter, mainly focus on driving these structural reforms in electricity in terms of the unbundling of the entity into three separate SOEs for generation, transmission and distribution. This is part of preparations to allow for the entry of the private sector and to create competition.
- b) The corruption ridden ESKOM is already struggling as a result of the entry of private capital in generation, as it has been forced to purchase electricity from the private Independent Power Producers (IPP) at prices that are extortionate compared to its own cost of producing electricity. Hence, year after year ESKOM has to approach the National Energy Regulator of South Africa (NERSA) to ask for extremely high adjustments in the tariffs. This is a result of the bad terms and conditions enshrined in the Power Purchase Agreement (PPAs) with the IPPs that emerged from Bid Window 1 to 4 which ESKOM was forced to sign by the fifth administration. For example, in 2020 the ESKOM owned Koeberg Nuclear Plant produced 1 kilowatt-hour (kWh) of electricity for 25 cents, whilst these IPPs sold 1 kWh to ESKOM at 80 cents. All the ESKOM's coal-powered power plants produce electricity per kWh cheaper than these IPPs. This is one of the causes of the explosion of ESKOM's debt which is now in excess of R400 billion. The Treasury has tabled the ESKOM Debt Relief Bill in Parliament to transfer more than half of this debt into the fiscus or the government's balance sheet - R78 billion for 2023/24, R66 billion for 2024/25 and R40 billion for 2025/26.
- c) This has direct implications for social spending and the capacity of the state at various levels, including its developmental and service delivery elements. The cuts and austerity by Treasury, implies that the poor who are affected by weak and failing service delivery problems will be worse off, as public funding goes to sustain the integration of private capital in the ESKOM Circuit.
- d) The following questions and issues require the most profound answers from the CEC to clarify more succinctly, the wayforward to socialism through the unity of the working class for economic liberation. The multiple characteristics and nuances of being a revolutionary trade union movement;

- COSATU as a primary motive force of the NDR
  - COSATU as a trade union and elementary tool of workers, albeit, revolutionary trade union movement
  - COSATU as an alliance partner with the SACP as a vanguard of the working class and the ANC as a liberation movement
  - COSATU as an internationalist force of the struggle against capitalism and the global struggle against imperialism
- e) This context helps us to understand the systemic nature of the crises and how the multiple characteristics of COSATU, exemplified herein above, at times, find themselves in contradiction to each other as they are pulled in different directions, by both internal and external pressures.
- f) The dangers are that, at each point, they may be drawn further away from one of our core characteristics and away from one another. For instance, we remain a trade union movement, but a revolutionary trade union movement, which means, we still have to bargain with the employer, as well as with other unions/workers on behalf of our members, even though we are decisively fighting the capitalist system as a whole.
- g) In bargaining for our members, as unions and the federation generally, we need to get hard on that which our members regard as the most basic necessities for their daily survival and livelihood. But equally, that doesn't mean, we lose sight of the overall NDR fundamentals that would safeguard what workers need today and tomorrow. That balancing act is a complex, yet necessary role of COSATU, particularly in a highly demanding situation like now. This is the acid test of our ability to properly balance these multiple roles and align them correctly
- h) The consistently rising cost of living resulting from the ever rising prices of oil, loadshedding, non-competitive behaviour by monopoly sectors, depreciation levels of the rate of exchange, supply side constraints, and other capitalistic forms of parasitic economic inducements that affect the economy, amongst others, all contribute towards the current very toxic conditions of work and life for workers and the poor.
- i) The role of COSATU as a revolutionary trade union movement, is to advance the basic and intermediate interests of the working class, in sync with the advanced agenda for socialism, in which working class interests in general, should result in the overthrow of capitalism and the establishment of a socialist society. This must be understood as the sum total of the tasks of a revolutionary federation, in the current epoch.

- j) This means, harnessing the often contradictory and or conflicting postures and sectoral issues of the different unions in the federation, towards a harmonious and broader focus, clearly set against employers and capital in particular, as the enemy of our revolution. There will inevitably be tensions amongst our members or ourselves as different unions or federations, but, the duty of leadership, both NOBs and the whole CEC is stay the course. To remain focussed on the primary tasks of a union federation, without sacrificing the present and most pressing needs of workers.
- k) COSATU should at all times, remain vigilant on working with all its affiliates to represent the best interests of workers and members, even at a time when the different affiliates, reflect the diversity of our base as a federation. This is where the test of our sophistry and neatly weaved strategy shall be proven. Differences between workers are not antagonistic contradictions, hence more work should be put to harnessing them towards one common enemy, capital and its political allies and class representatives.
- l) The important role of the alliance is to support the work of COSATU in building cohesion, unity and organisational strength of our unions and the federation itself. This must be understood as the key role in servicing the most primary motive force of the NDR. Such possibility was manifested in the work towards the recent May Day, which created synergy of alliance partners, in some Provinces and events. Such mobilisation should be focussed on building unity of purpose and focus on issues that affect workers and communities, in the main.

### 8.1.6 COSATU Political tasks

The most critical questions we must respond to, as we develop our most programmatic action plan, particularly working with the SACP and the alliance in general, should be anchored in the following elements, which were well captured by the 7<sup>th</sup> Central Committee of COSATU.

Extract from the Political resolutions of the 7<sup>th</sup> Central Committee of COSATU;

Therefore resolve that:

- (a) We reaffirm the National Democratic Revolution as our route to socialism and that the NDR must be defended in its proper revolutionary orientation.
- (b) That successful revolutionary path towards socialism requires a rejuvenated communist party that unequivocally confronts its subjective weaknesses and organisational dysfunction.

(c) The NDR led by a Party that is unable to self-critic and self-correct will be constituted of the working class forces that are vulnerable to political and ideological influences opposed to the interests of the working class; thereby undoing its revolutionary essence.

(d) That the working class must consolidate its leadership position over the NDR by deepening its hegemonic position through ideological struggle and trade union under the leadership of a reorganised and rejuvenated South African Communist Party.

(e) We must work with the wider working class to recuperate and build up the party and maintain its integrity as the leading political force in the struggle against capitalism capable of rallying the motive forces of socialism.

(f) That COSATU re-affirm unwavering commitment to the struggle for socialism and its attainment.

(g) That only a class-conscious and independent working class, with strong organisation, has the capacity to build its hegemony, to mobilise the broader working class and other popular strata and to take a primary charge of the NDR.

(h) To reject and oppose the dominant Neoliberal perspective and narrow nationalistic interests that seek to position the NDR as a class neutral project devoid of contending class interests.

(i) Work with the SACP in building class-consciousness amongst our members, shop-stewards and leadership as part of our revolutionary task of defending, deepening and advancing NDR and the struggle for socialism.

(j) To work with the SACP must mobilize the working class to unite towards advancing, deepening and defending the national democratic revolution.

(k) To work with the SACP to unite the working class and its formations through activism across all sites of struggles including community struggles.

(l) To work with the SACP in building trade union unity in the interests of the workers as a whole including working through the federation in rebuilding the Party's the trade union commission.

(m) To work with the Party to build a popular left front as a part deepening the NDR and defending its revolutionary content and defending its majoritarian orientation in pursuance of socialism.

(n) To work with the SACP to build the hegemonic position of the left axis in the alliance thorough the reconfiguration of the alliance itself to achieve an outcome of



new forms of decision making and exercise of power while advancing a thoroughgoing transformatory set of actions

(o) The reconfiguration of the Alliance should include the fact that the Alliance has to be the political centre of power where all Alliance partners conduct the business of the revolution as equal partners.

The report aims to enhance our focus on the following key tasks;

- a) How do we practically, ensure the consistent development of a working class cadre and leadership, capable and fit for the tasks set out by the 14<sup>th</sup> National Congress, in rebuilding the federation, the unity of workers and well capacitated affiliates?
- b) How do we revitalise the COSATU Locals movement as primary terrains of the mobilisation and full participation of our base, workers and communities in action against poverty, unemployment, corruption, crime, GBV, inequalities, landlessness, etc?
- c) How do we ensure a consistent and proper assessment of the pace, direction and possibility of a real Reconfiguration of the alliance, particularly as we move towards the 2024 National elections and what should we do differently now?
- d) To advance the key alliance programme, the NDR as a living and relevant programme to the real aspirations of workers, envisaged by the historic and current expectations of workers as a shared perspective of the South African revolution?
- e) To ensure that our internationalism, is able and well capacitated to fulfil the tasks of advancing the unity of the working class, particularly in the global south, to effectively challenge imperialism, global inequalities, environmental destruction, poverty, inequalities and advance job creation and human development?