

BEHIND THE CRISES IN SUDAN AND UKRAINE


October 2014

Voice of the South African Communist Party

Unsebenzi



African Bank



African Bank

RED OCTOBER!

- Transform the financial sector to Serve the People!
- Build a People's Economy!
- Build Co-operative Banks!
- Establish a State-owned Bank & Upgrade Post Bank!

RED OCTOBER

Our struggle continues: transform the financial sector

The financial sector campaign, spearheaded by our Party, has achieved major victories – now an intensified struggle is essential to make the the financial sector serve the people

Thousands of people converged on the Hammersdale Sportsfield in eThekweni on 5 October for the launch of the Financial Sector Campaign, organised around the theme ‘Mobilise people’s power to transform the financial sector and build a people’s economy’.

SACP General Secretary, Cde Blade Nzimande, said: “Together with our allies and other progressive organisations we have scored important victories since the launch of our ‘Make the banks serve the people’ campaign in 2000. This campaign has now developed into our broader Financial Sector Campaign. Today, we launch the intensification of this campaign to transform the financial sector as a whole to serve our broader developmental agenda.

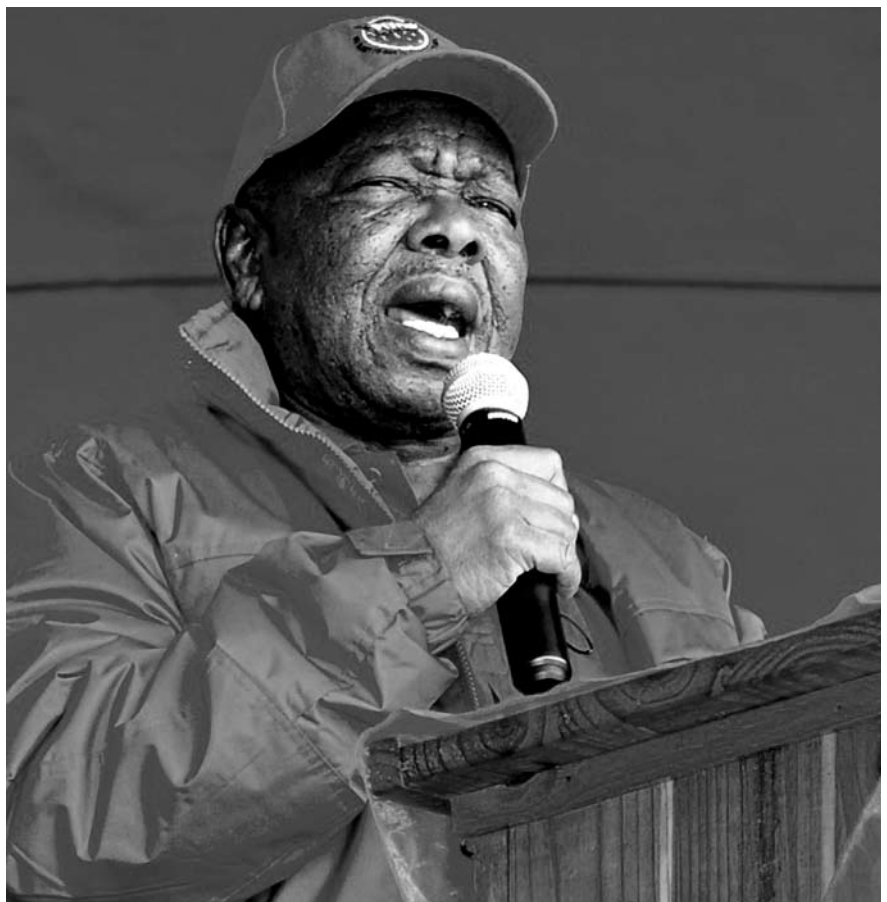
● “Our campaign to make the banks serve the people have notched up, among others, the following victories:

● We fought for access to banking services and achieved the Mzansi Account for the millions of our people.

● We fought for financial service regulations and institutional enforcement and we achieved the National Credit Act and the National Credit Regulator.

“We fought for and achieved legislation for the establishment of Co-operative Banks, and for the Co-operative Banks Development Agency to support the development of co-operative banks.

“Without the foresight of our campaign, and its victories the South African



SACP General Secretary Blade Nzimande: Combat the financial predators

banking system would not have withstood the global financial crash in 2008!

He said the “banks and the financial sector, however, would not let go, on

their own accord, of their exploitative and parasitic agenda. “The predators have been doing everything in their capacity to undermine and erode the gains



SACP marshals prepare to direct the thousands of Red October supporters who attended the Hammersdale launch



A KZN tripartite Alliance leader addressing the Red October launch

we have achieved, and to find new ways of deepening and subordinating our people to financial-economic exploitation. Yes the poor do need access to affordable

micro-credit, but not the predatory type of some of our banks and *omashonisa*.

“The SACP calls on all our people, especially the workers and poor, to join

forces and use our Financial Sector Campaign as a platform for change in our economy, politics and social lives. The success of this campaign will contribute invaluable in raising the quality of life of our people.”

Cde Nzimande called for a relentless struggle against the highly monopolistic nature of our banking system. “Let us build a more diversified banking sector, especially the state and co-operative banking sector. We cannot afford to have a banking sector dominated mainly by four oligopolies – Barclays-ABSA, FirstRand-FNB, Standard Bank and Ned-bank. These have now been joined by Capitec Bank, and a number of other private financial predators, including micro-lenders such as African Bank which has recently imploded. In addition, we are facing a multitude of small, fly-by-night loan sharks that only impoverish our people.

“Certainly this is not a financial sector needed for a democratic developmental state we are seeking to build and to drive a second, more radical, phase of our transition!”

He also echoed the call for co-operatives and co-operatives banks, a state bank, and the transformation of the Post Bank to offer full banking services. “Unlike the private monopoly banking sector which is interested only in profit, the State, co-operatives, and Post banks must prioritise the people, support production and development. We need to disrupt the

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logic of profitability first if we are to build a financial sector for the people.”

Cde Nzimande said that it is important to “intensify the struggle to bring to an end the ‘20 year death sentence’ payment period unjustly imposed on our people on mortgage housing by the banks. The compounded interest rate regime which underpins this death sentence must be abolished along with it.

“Let us intensify and continue our just fight against reckless and unsecured lending practices that sink our people, especially the workers and the poor, into unsustainably high levels of debt that cause many social problems that are devastating households.

“The credit bureau regime has proven to be dedicated to the super-exploitation and blacklisting of our people. In addition to the expunging of adverse credit records from the system, which we have brought into effect early this year as the fruit of our Financial Sector Campaign, it is clear that the prevailing credit bureau regime must be further transformed.

“The financial sector, including the private monopoly insurance industry, is discriminating against people living with HIV. We must fight against this and advance alternative, caring policies.

“We also call on workers to ensure trade union investment companies invest in a manner that advances our developmental goals. Let us also defeat business unionism, including the use of monies from the union investment companies for factional and even counter-revolutionary purposes. The Numsa leadership clique is basically using money from its investment arm to fund divisions in Cosatu and the Alliance as a whole.”

Cde Nzimande said that through the Red October Campaign 2014-2015 the SACP will intensify the Financial Sector Campaign to:

- Roll back neoliberalism in all its facets, including macro-economic policy, and deal with its phenomenon of financialisation.

- Review the National Development Plan in line with the outcomes of the last Alliance Summit, based on the principle that the plan is not cast in stone, and that it is subject to continuous engagement.

- Break the investment strike of the bosses, and push for taxation of liquid capital above a defined ceiling.

- Ensure consumer and financial education.

- Bring to an end the bail-out of the banks that implode as a result of reckless and unsecured lending practices.



Coordinating: SACP 2nd Deputy General Secretary Solly Mapaila with SACP Provincial Chair James Nxumalo and SACP veteran Eric Mtshali (foreground).

- Ensure the development of co-operative banks.

- Ensure that our development finance institutions are re-oriented towards a transformative developmental mandate.

- Push for an end to commodification and financialisation of basic services, including health care, and ensure that the National Health Insurance Scheme is successfully implemented.

- Ensure that workers take control of their retirement funds and their invest-

ments: these should be directed towards expanding production, sustainable livelihood and access to education.

- Mobilise against business unionism – a major challenge facing the trade union movement that threatens its unity as some individuals advance self-enrichment coded as workers’ expense.

Addressing the rally, ANC Treasurer-General Cde Zweli Mkhize dismissed the possibility of President Zuma facing trial on the basis of the release of the “spy tapes”. “We elected Msholozhi in 2012 to lead the ANC for five years and he is going to complete his term. On 7 May we elected Cde Zuma to lead the government for five years and he is going to complete his term.”

He also called on Parliament to tighten its rules to deal with disrupters who were abusing their right to debate. “Those rights were provided by the ANC,” he said. ●

**Mobilise against
business unionism
and combat
self-enrichment at
workers’ expense**

RED OCTOBER

FSCC reborn

The Financial Sector Campaign Coalition – the engine that has driven the campaign to make the banks serve the people – has been revitalised

Ahead of the launch of the Red October Campaign, the SACP convened a multi-lateral consultative forum on transformation of South Africa's financial sector on 1 October 2014.

The forum re-launched the Financial Sector Campaign Coalition (FSCC) – the organisation that has driven the decade-long “Make the banks serve the people” struggle. The forum, held in Johannesburg, was attended by the SACP; Sanco; Cosatu and the broader trade union movement; and community and non-governmental organisations.

SACP 2nd Deputy General Secretary Cde Solly Mapaila told the forum the gathering was taking place in a “most crucial period when our economy is reaping the intransigence to transformation and the adoption of neo-liberal prescriptions.

“We have convened a broad range of social and economic forces with common interests to diversify and transform the financial sector and build an inclusive sustainable economy for all the people. This rich economy can sustain us all – we need to cut the greed of the market and share more.”

He said that the consultative forum also served as part of the preparation for the 2014-15 Red October Financial Sector Campaign launch.

“The financial sector has become the epicentre of the capitalist system, and thus plays the central role in sustaining and consolidating capitalism with all its ills, exploitation and monopoly characteristics. It is therefore crucial for revolutionaries to tackle this sector head-on. This is critical if we are to ever wage a successful social revolution and achieve universal emancipation encompassing an end to economic exploitation and political domination by a minority class.”



Standard Bank



NEDBANK



FNB

First National Bank



ABSA

It is crucial that revolutionaries tackle the financial sector, the epicenter of capitalism, head-on

Cde Mapaila referred to the increasing financialisation of the retail sector. “In the retail sector, as they buy above their income and thus commit or spend their future earnings before these are earned, and therefore sink into indebtedness, more and more consumers not only buy the traditional or conventional commodities – the actual products and services that are on sale. They are channelled to buy finance (money), on interest, to facilitate the sale through credit or loans. In this and other ways, money has been converted from being a measure of value and medium of exchange into a commodity on its own. It has also increasingly become divorced from the production of goods and services in the same way as its price, that is interest, is irrationally underpinned by nothing in

production.

“As the neoliberal mantra of destructive individualism becomes entrenched, consumer competition is fuelled, resulting in the phenomenons of consumerism and conspicuous consumption. More people are coerced by the forces of the prevailing ideological domination and social conditions to live above their means. Others take short-cuts and turn to gambling. There they get finished off when they pump their hard-earned money into the bank accounts of the casino bosses, accumulated as a form of absolute surplus value.

“House repossessions and evictions are increasing,” Cde Mapaila warned. “At the South Gauteng High Court repossessions and evictions have become a significant business of the day and are linked with corruption.”

Among the issues that Cde Mapaila suggested that should be included in a programme of action were the following:

Review and rollback the policy of economic liberalism: We must push for structural changes in the macro-economic management of our economy to roll back the destructive consequences of the 1996 Gear Class Project and neoliberalism in general. The liberalisation and deregulation that have caused massive destruction including de-industrialisation in our economy must be reviewed and rolled back.

Break the investment strike by the bosses – tax the liquid capital: The financial sector must also be pressed to end the ‘investment strike’ it is engaged in. Big institutions are sitting on huge sums of money that they are refusing to invest in the productive economy. This ‘investment strike’ is denying our country opportunities to create much needed jobs and fight poverty and inequality.

Let us fight against consumerism: We must oppose the continuing trend of ‘investment’ in consumerism growing in our country. This consumerism has led to the spiralling out of control of unsecured and reckless lending practices by the likes of African Bank and Capitec, and in fact all other banks and loan sharks, leading to huge over-indebtedness of working class and poor families who have been offered loans and credit at exorbitant interest rates.

Intensify consumer education: We

must intensify consumer education and hold the financial sector accountable in ensuring that this training takes place. There has to be support for organisations offering financial education, especially, but not exclusively, in rural areas, townships and other poor communities.

Oppose the state bail-outs of reckless lenders: We must pay attention to the Reserve Bank’s ‘bailout’ of banks imploding due to bad business models while not affording the same leniency to consumers who fell prey to unscrupulous lending practices.

Deepen transformation, break the monopoly of the big financial sector, build and support an inclusive co-operative financial sector: Our financial sector is dominated by four major banking oligopolies. We must press for the diversification and transformation of the financial sector and address the developmental objectives facing our country. The government, through the National Treasury must support the work of the

Break the bosses’ investment strike that is preventing South Africa from creating jobs and combatting poverty – tax their cash reserves

Co-operatives Bank Development Agency. It must assist in co-operative banks as viable alternative models to the commercial banking industry.

Give transformative mandate to DFIs: The DFIs (development finance institutions), including those that fall under the competencies of provinces, must prioritise the building of socially inclined and developmental forms of enterprises such as financial co-operatives based on production. The Public Investment Corporation continues to prioritise narrow BEE deals that contribute little or nothing in the productive economy and job creation initiatives. The government must enforce and redirect the investment choices of such entities towards produc-

tive economic activity based on social transformation and development.

Stop financialisation and rollback the commoditisation of health care: Progress in the implementation of the National Health Insurance Scheme as spearheaded by the National Government must be deepened.

Workers take control of the deployment of your retirement funds and direct them towards the productive economy, education and the future of your children: The South African financial sector is also made up of trillions of Rands of workers’ pension and provident funds and insurance products. Yet workers have very little say in and benefit from how these monies are invested. In fact billions of Rand annually end up in the hands of middlemen and other providers that have developed a parasitic relationship to our financial sector. This must come to an end! **Use worker funds to finance industrialisation, create jobs and sustainable livelihoods!**

We are also facing large sections of South Africa’s working class who fall through the cracks in terms of finances for housing and higher education. This is an indictment primarily on the financial sector.

Capitalists are very smart and efficient in creating innovative financial products to exploit and fleece the working class, yet they have not been innovative in creating financial products that will address the social needs of the working class like housing, education and health. The primary reason for this is that the organised working class has not taken up this struggle in earnest. We must address this.

Review compound interest on mortgage housing or abolish it with immediate effect: We must wage intensified struggles against housing evictions, unfair blacklisting and redlining and exorbitant bank charges. We must mobilise for funding for SMEs and the creation of a responsible, fair and affordable credit regime. Banks make lots of money in interest through credit extension and loans while the people make far less or nothing when they save or invest with the banks. This interest rate asymmetry must end!

“All these struggles,” said Cde Mapaila “must act to catalyse and build a progressive, working class led financial sector transformation and effective activist consumer movement in our country!” ●

Declaration of the financial sector consultative forum

Mobilise people's power to transform the financial sector

1 OCTOBER 2014

WHEREAS WE, members of various organisations, ranging from the SACP, Sanco, Cosatu and the broader trade union movement, community and non-governmental organisations, combined under the auspices of the Financial Sector Campaign Coalition gathered here in Braamfontein, Johannesburg on 1 October 2014, to re-launch our campaign under the theme “Mobilise people's power to transform the financial sector and build a people's economy”;

Proud of the achievements that have been gained through our collective efforts and joint struggles, since the launch of the SACP Red October Campaign, which called for the banks to serve the people. We have fought in the past against:

- The lack of competition in the banking sector.
- The lack of access to financial services particularly for poor communities.
- Unaffordable banking services and high bank charges.
- The lack of regulation in the financial services, more especially of the banking sector.
- The unregulated credit bureau system.
- Predatory loans sharks, with their high interest charges, which have been impoverishing our communities and households.
- Discrimination against people living with HIV-Aids.

We have waged courageous and spirited battles in the past – calling for the financial services sector to:

- Provide sustainable banking services.
- Grant access to financial services to previously unbanked communities – through the Mzansi account.
- The legislation governing the credit granting regime, The National Credit Act, which gave birth to the National Credit Regulator.
- The legislation regulating the establishment of co-operative banks and establishes the CBDA to support the development of co-op banks.

Conscious of the persistence of inequalities, unemployment and poverty that has been created by the capitalist system, which is rapidly financialising,

We are conscious of the fact that many of our gains registered in the past are fast being undermined by this rapid financialisation. Some of these gains have been completely reversed, largely due to our own demobilisation, **Furthermore**, many of the structural issues in our economy lead to consumers being adversely affected.

We therefore declare:

That we have re-launched the Financial Sector Campaign Coalition (FSCC) as an instrument in the fight for the campaign to mobilise people's power to transform the financial sector and build a people's economy. We will use the FSCC to fight for:

- The review of the economic liberalism policy.
- To break the investment strike by bosses and call for the taxation of the liquid capital above a particular range across the board.
- To continue to fight against consumerism and intensify consumer education training.
- Oppose the bailout of reckless lenders using tax payers money.
- We call for the break of the monopoly of big financial sector and building support for an inclusive co-operative financial sector and deepen transformation.
- Give a transformative mandate to the development finance institutions.
- Universalise access to communication and lower the costs of communication.
- Stop the Financialisation of the health services and implement the National Health Insurance
- Workers should take control of the deployment of their pension and retirement funds towards the productive economy, education and safety for our children – use these funds to industrialise our economy and to create jobs and sustainable livelihoods.
- Review compound interest on mortgage housing.
- We reiterate our calls for the establishment of a State bank and more capacity to be created for the Post Bank.

All these struggles must act to catalyse and build a progressive, working class-led financial sector transformation and effective activist consumer movement in our country!

AFRICAN BANK

African Bank: the corrosion behind the collapse

It was little more than a super-umshonisa, its R10-billion price-tag calculated on interest on loans many borrowers couldn't pay back

BY ALEX MASHILO AND KEKE RAKGOSI

African Bank Investment Limited (African Bank) was modelled to fund neither production nor development. It mainly financed or still finances consumerist spending. The bank used reckless and unsecured lending practices to extend credit, and to lure customers into accumulating increasingly unsustainable levels of debt. The SACP and Financial Sector Campaign Coalition (FSCC) took up this issue as part of their financial sector transformation campaign and called for decisive implementation of existing measures to curtail and eliminate the practice.

The National Credit Regulator had to investigate African Bank. The regulator gathered evidence for reckless lending practices, referred the matter to the National Consumer Tribunal, and called for a maximum fine of R300-million. After a process of intervention the matter was finally settled with African Bank paying a fine of R20-million.

Consumers did not take credit and loans for production or business with the intention of generating additional income to help them pay back the loans plus interest.

The overwhelming majority of the loans were used for consumption with no additional capacity generated to pay back. Households heaped up loans on top of loans depending only on their wages or salaries for repayment. Others obtained loans to pay back other loans. In the process debt-to-income ratio in South Africa has risen to about 75%.

The massive debt created a web of fictitious capital which circulated without the backing of production. It is from this fictitious capital that African Bank expected revenue. Then a crisis of realisation broke out. As Karl Marx states in Capital, capitalist production consists in



African Bank CEO Leon Kirkinis

placing money into circulation which is increased through the process of production, a considerable part of which goes into private capital accumulation. There was, in the case of African Bank, more money advanced into circulation through credit and loans than there was coming back. This produced a 'crisis of devaluation' leading to "loss of worth" due to unmet expectation on "returns" from the money advanced or "invested".

In the four days from 5 to 8 August 2014, massive "value" vanished from African Bank into thin air. When the financial markets closed on 5 August African Bank was worth R10,3-billion and its shares traded at R6,88 each. This itself was down from its peak of R30-billion just a few years ago. The following day, 6 August, the bank predicted a loss of at least R7,6-billion and its CEO Leon Kirkinis resigned. The next day, 7 August, the bank announced that it was placing its loss-making furniture company, Ellerrines, into business rescue. Then on 8 August the bank's worth had devaluated down to R450-million and its shares traded at 30 cents. This means that in just three days, African Bank had lost

R9,85-billion of its notional worth. The share price continued to drop until trading was suspended.

The fictitious capital had suddenly disappeared. The bank "is owed billions of Rand by poor customers to whom it has lent money with no security except their incomes", that is, unsecured lending, in addition to reckless lending. African Bank had issued loans of about R60-billion to more than 2,4-million people. Of the R60-billion, customers who owed the bank R19-billion had missed loan plus interest repayments for at least three months, that is, they had defaulted.

The Reserve Bank bailed out African Bank by buying "non-performing loans" – defaulting loans which were unlikely to be repaid. Through the bail-out, liability was "nationalised" since the Reserve Bank is a public entity. On the other hand assets – "performing loans" – loans that are being paid back, have been left in the hands of African Bank and its major private financial institutions – to continue the circle of private capital accumulation. It is important, however, to point out that the State Employee Pension Fund, managed by the Public Investment Corporation, is African Bank's major "investor" and suffered the largest loss as compared to private financial interests such as Liberty which in turn is involved in the business of managing worker funds and investments.

Concerned that the Reserve Bank's bail-out of African Bank forced its investors to absorb a 10% marginal loss (the so-called hair-cut), the hard-core neoliberal rating agency Moody's downgraded **all** South African major banks and placed them on further review for downgrade. In other words, Moody's, representing private financial interests, wanted the public through the Reserve Bank to absorb the **entire** loss so that private investors emerge unscathed. This is the reason for



African Bank: A front for reckless lending practices

the downgrade. This is how neoliberalism works: intense state intervention to protect and advance the interests of private capital. Its advocates tell us that the state must never intervene in the economy, by which is actually meant no intervention for and on behalf of the working class and the poor. After all, the workers and the poor who are sinking into debt have not been bailed out.

Financialisation

The relationship between African Bank and Ellerines highlights a phenomenon called 'financialisation'. Due to the technical movements performed by money in the circulation of capital (Karl Marx, *Capital* Vol. 3) and neoliberal economic restructuring which has taken root since the 1970s, more and more finance capital occupies the centre stage in economic transactions and politics. It is now the dominant section of the ruling class in many economies and globally. Finance capital dominates productive capital, states and societies.

Due to financialisation, in many economies, ours included, investment has shifted from the productive sector and development, increasingly towards financial markets and products, which are seen

to be lucrative and flexible for short-term capital accumulation interests or gains and market fluctuations. This has often been accompanied by de-industrialisation to varying degrees.

In the retail sector, as consumers buy above the money that they have and thus commit or spend their future income before it is earned, more and more not only buy traditional or conventional commodities – the actual products and services that are on sale – but they are also channelled to buy finance (money) on interest to facilitate the sale through credit or loans. In this and other ways money has been converted from being a measure of value and medium of exchange into a commodity on its own. It is being sold for a price called interest but has increasingly become divorced from the production of goods and services.

Unlike many commodities, the sale of money is accompanied by other costs to consumers, such as "administration" or bank charges from which additional money is made. The sale of money has become more significant as a source of capital accumulation in an increasingly overwhelming number of transactions than the underlying products and services involved, such as food, cloth-

ing, the means of communication and transport, and housing. In fact when a house is being bought on finance the compounded interest and other charges involved can buy an additional house or more.

It is in this context of financialisation that many wallets and purses are full of credit cards from retail chain stores and financial service providers – and huge numbers of households are indebted through their use.

The relationship between African Bank and Ellerines illustrates the direct takeover of retail by financial capital. The indirect or direct ownership and control over non-financial entities by finance capital has become so widespread that the distinction between financial and non-financial transactions and entities has been diminished and is continuing to diminish further.

The big question is: What is to be done?

Transform the financial sector to serve the people! ●

**Cde Mashilo is SACP spokesperson and YCL Deputy National Secretary
Cde Rakgosi is the Financial Sector Campaign Coalition Co-ordinator**

TRADE UNIONISM

Time to remember our forgotten heroes

It is time to recognise the forgotten role of the men and women who built trade unionism in SA, who struggled tirelessly to achieve higher wages

BY SWAMINATHAN K GOUNDEN



The 1860 indentured labourers, who arrived in Natal from India 159 years ago, worked in the sugar cane fields from dawn to sunset, seven days a week. Many of them, both men and women, were tortured, beaten, and even killed by their colonial masters. There were no trade union movements to represent the workers and take up their grievances with the authorities.

Skilled workers who emigrated from Europe to South Africa between 1870 and 1880, during the discovery of gold and diamond reserves, first introduced the ideas of trade unionism to South Africa. Bill Andrews and his comrades from the British Communist Party, who came to work in South Africa, addressed workers in factories and other places of employment, informing them of the importance of belonging to a trade union, which would represent them to bargain with their employers for better working conditions and decent living wages and other benefits. A number of trade unions were soon formed through the initiative of the Communist Party of South Africa.

The Industrial and Commercial Workers' Union (ICU), formed in 1919 under Clement Kadalie, mobilised workers, peasants, tradesmen and others in the country. The Industrial Coalition Act of 1924 accorded recognition to the trade unions of white, coloured and Indian workers only. It banned African trade unions and prohibited strikes by African workers. This restriction weakened the activities of the progressive trade unions.



Indian indentured workers at a sugar mill in what is now northern-KZN

In Durban, Cde George Ponnen and HA Naidoo were the first Indian South Africans to join the South African Communist Party (SACP). The party requested that both of them to organise the workers in the sugar cane fields and in the factories to establish trade unions, and to assist them in negotiating with employers for higher wages and better working conditions. Through the initiative and leadership of Cdes George Ponnen and HA Naidoo, a number of trade unions were formed, and workers were given the necessary training to implement the activities of the trade union movement.

In addition to the trade unions themselves, political classes were held on a regular basis to educate the workers on the basic principles of economics in South Africa. Through these classes, many of the officials and the factory workers became

members of the SACP. In 1937, under the leadership of Cdes Ponnen and Naidoo, the huge task of organising the sugar workers in Natal was undertaken, leading to the formation of the Natal Sugar Workers' Union.

Cdes Poonen and Naidoo encouraged trade union officials to educate the workers politically and to motivate their registration in political organisations, such as the Natal Indian Congress (NIC), the African National Congress (ANC), and the Coloured Peoples Organisation (CPO). This strategy was intended to get these organisations to take up the issues of the workers on the political front.

A number of trade unions were formed during the period 1936 to 1945. In Durban, many workers were trained to carry out trade union work. Some of the workers who held official positions as Chairperson

and Secretaries were:

- **PM Harry** – Secretary of the Non-European Transport and Bus Drivers Union
- **AP Pillay** – Organiser of the Sugar Workers' Union
- **L Ramsunder** – Secretary of Laundry, Cleaning and Dyeing Workers' Union
- **PJ Coopen** – Organiser of the Sugar Workers' Union
- **SV Reddy** – Secretary of the South African Tin Workers' Union
- **NK Percy** – Former Rubber Workers' Union, became Secretary of the Paint and Polish Workers' Union
- **M Ramcheran** – Secretary of the Tobacco Workers' Union and the Rope and Mat Workers' Union
- **K Johnnie Naicker** – Organiser of the Laundry, Cleaning and Dyeing Workers' Union
- **Sam Pillay** – Secretary of the Canning Workers' Union and the Broom and Brush Workers' Union
- **NG Moodley** – Former lecturer at the Teacher Training College, Asherville, became the Secretary of the Brick, Tile and Allied Workers' Union
- **MD Naidoo** – A law student who became Secretary of the Tea, Coffee and Chicory Workers' Union
- **RR Pillay** – Organiser of the Natal Coal Miners Union
- **EJ Moola** – A Sastri College Student who was Secretary of the Chemical Workers' Union
- **RD Naidoo** – Secretary of the Bakery Workers' Union
- **Mannie Pillay** – Secretary of the Biscuit & Confectionary Workers' Union
- **Billy Nair** – Secretary of the Natal Dairy Workers' Union
- **K Moonsamy** – Chairman of the Natal Dairy Workers' Union and President of the Box, Broom and Brush Workers' Union.
- **TS John / RK Gounden** – Chairpersons of the Durban Indian Municipal Employees Society
- **Billy Peters** – Secretary of the Durban Indian Municipal Employees Society
- **Vera Ponnien** – Secretary of the Mineral Water Workers' Union (She was married to George Ponnien)
- **Gladman Nxumalo** – A factory

worker who became the organiser of the African Engineering Workers' Union

Mannie Peltz – Secretary of the Rubber Workers' Union

Stephen Dlamini – Organiser of the Textile Workers' Union. He was also President of the South African Congress of Trade Unions

Albert Mkhize – A factory worker who became an organiser of the Brick, Tile and Allied Workers' Union

● **Danton Mgadi** – A factory worker who became the organiser of the Twine and Bag Workers' Union

● **Harry Gwala** – Organiser of the Textile Workers' Union and Secretary of the Municipal Workers in Pietermaritzburg

● **DD Mansa** – Secretary of the Hospi-

and Billy Nair, during the 1950s it played an important role in mobilising the workers in the various trade unions and also politicised them to participate in economic decision-making as members of the various political organisations such as the ANC, NIC and the African Peoples Organisation. Cdes George Ponnien, Billy Nair, Sam Pillay, RR Pillay, and RD Naidoo were secretaries of more than one union.

Given the politicisation of the workers, many of them consequently took part in the passive resistance and defiance campaigns. As a result, the Nationalist Government started to ban the trade union leaders. In 1950 Cde George Ponnien was banned for five years and forced to resign from all trade unions, as well as from the



Indentured Indian workers arriving at Port Natal (now Durban) in 1860

Indian Congress. During the State of Emergency in 1960, many trade union officials were detained in prison. The security police harassed and hounded the workers who were both engaged in trade union work and responsible for organising strikes in the factories. Leaders were charged for instigating strikes. The drastic action taken by the Apartheid government in suppressing workers weakened the unions and was followed by a lull in trade union activity. Many of the officials were unemployed and were unable to continue with

tal Workers' Union and the Rubber Workers' Union

● **Pauline Podbery** – Secretary of the Sweet Workers' Union (She was married to Cde HA Naidoo)

● **George Poole** – Secretary of the Railways and Harbour Workers' Union

● **Moses Mabhida** – Secretary of South African Railway and Harbour workers Union and the General secretary of the SACP

The Mine Workers' Union, under the leadership of Cde JB Marks, led a successful strike in 1946. Cde Paul Joseph, a member of the South African Communist Party and the Transvaal Indian Congress, was actively involved in mobilising the Leather Workers' Union in the Transvaal.

The South African Congress of Trade Unions, which advanced non-racialism among organised workers, was formed on 5 March 1955. Under the leadership of Cdes Moses Mabhida, Steven Dlamini,

their trade union work.

Cdes Ponnien, HA Naidoo, MD Naidoo, RD Naidoo, Billy Nair, Moses Mabhida, Steven Dlamini and other trade union leaders were great heroes of the South African working class. They fought tirelessly against unfair labour practices, thus achieving higher wages and better working conditions on behalf of the workers. Cosatu during the 1980s also played an important part in mobilising the workers in the trade unions to demand decent wages and better working conditions.

Today these working class heroes are not remembered by the community at large and are a forgotten entity. The time has arrived for the ANC, SACP and Cosatu to bestow upon these working class heroes the necessary recognition they so much deserve. ●

Cde Gounden is a veteran ANC, NIC, SACP and trade union activist

SUDAN

Contradictions facing Sudanese society

Oppression in Sudan bears striking similarities to that by the white minority in apartheid South Africa

BY ALEX MASHILO

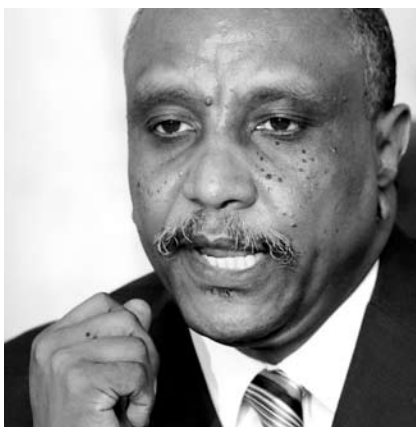


The *Umsebenzi* Online Editorial Collective interacted with the Sudan People's Liberation Movement – North (SPLM-N) leadership between 12-17 September 2014 about the political situation in Sudan. The SPLM-N is led by Cde Malik Agar as Chairman and Yasir Arman as Secretary General. Cde Arman is also External Affairs Secretary of the Sudan Revolutionary Front (SRF), a liberation alliance of organisations that stand for social justice in the Republic of Sudan (North Sudan or “the North”). Cde Malik was elected Governor of the Blue Nile State in April 2010, but was removed 18 months through a despot decree by President Omar al-Bashir.

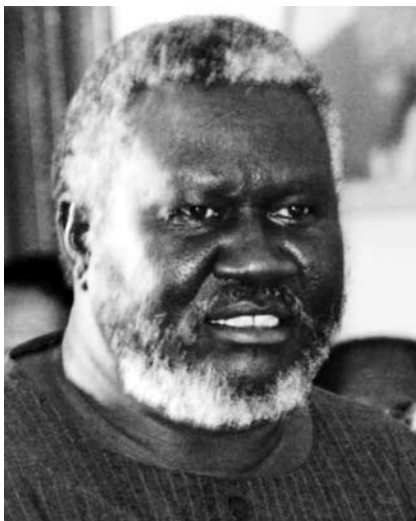
There are striking similarities between the political situation in Sudan and the colonial-apartheid era South Africa.

In both situations, imposition and the manufacture of consent to achieve domination involved the suppression of African languages and culture, coupled with language and cultural assimilation.

However, unlike in South Africa, where supremacist domination was carried out directly by the personnel exclusively selected from the camp of the oppressor, who held all key positions and strategic advantages in the state and the economy, in Sudan, ideological domination is so entrenched that the levels of false consciousness hitherto manufactured have made it possible for the oppressor not to be everywhere in person, but for others who should fight against



SPLM-N General Secretary Yasir Arman



SPLM-N chair Malik Agar

oppression to become its willing agents.

One of the strategic tasks facing the liberation struggle in Sudan is, therefore, the need to ultimately eliminate all forms of false consciousness in the cause of the movement.

In Sudan, Africans have for many years experienced Arabisation resulting from Arab migration into the area, and from the colonisation and administration of Sudan by other countries; they have also experienced Islamisation under a phenomenon called ‘political Islam’. The last statistical data collected on North Sudan indicate that ethnic Arabs constitute about 30% of the population while Africans are a majority at 70%.

In colonial-apartheid era South Africa, African names and even surnames were changed under oppressive conditions unilaterally to either English or Afrikaans or Christian names. Those who survived this at birth came across it at school, like former President Cde Nelson Mandela did, or through the state imposing Christianity as its religion, or at church, or when applying for identity documents. Similarly, in Sudan, African names were and are still changed to Muslim names. “This is how my name came about,” said Cde Malik.

In both South Africa and Sudan, language suppression involved the imposition of a non-African language as a medium of communication and instruction in education.

As was the case in South Africa, the problem in Sudan goes deeper than the fortress of super-structural domination and is essentially structural.

Similar to South Africa where the policy of bantustans was not a solution, the problem in Sudan is not an internal geographic issue. Therefore the secession of South Sudan to form an independent Republic on its own was not necessarily a revolutionary reconstitution. In its position paper *The Northern Question and the Way Forward for Change*, the SPLM states



The abandoned body of a victim of fighting near the town of Bor in Jonglei State, South Sudan

that the “dichotomies of North-South, Muslim-Christian, Arabs-Africans ... oversimplify the Sudanese question”.

The SPLM-N correctly asserts that while it is important to address all the super-structural manifestations of the contradictions facing Sudanese society, they cannot be resolved in isolation from their material basis and driving forces. The problem, according to SPLM-N, is a crisis emanating from the lack of an inclusive national project of nation-building and a correct national formation process based on the objective realities of Sudan.

In this context, over and above cultural and religious suppression, the problem is “based on limited parameters that marginalise and exclude the majority of Sudanese people on... economic, political and gender bases”. Accordingly “marginalisation and dictatorship produce continuous wars and instability”. In addition, “mismanagement, non-recognition of diversities, lack of democracy and social justice” led to the tragic division of Sudan between the separate states of the North and South Sudan. This is also the result of ‘Political Islam’.

Elaborating the religion in a repressive way, ‘Political Islam’ varies in extent, time and space: terrorist organisations such as the Islamic State that is presently wreaking havoc in the Middle East, Boko Haram in Nigeria, al-Shabaab in Kenya and other parts of East Africa, Muslim Brotherhood in Egypt, and dictatorships in North Sudan and other countries in North Africa and the Middle East. Interpreted in that way the religion is then imposed as the political, legal and juridical,

social and cultural doctrine of the state with the entire superstructure based on, reinforcing, and reinforced by, capitalist accumulation.

In Sudan, the oppressive conditions prevail in the context of the vast availability of natural resources, most notably oil; a wide range of mineral resources including gold and other precious metals; massive availability of fresh water; fish; and arable land.

Various analyses point to Iran as the external centre, strategic and supportive partner of the establishment in Sudan. However, there are other partners, such as Malaysia and France, which have joint ventures in the exploitation of Sudan’s resources. The problem is, however, broader, and involves other countries. According to SPLM-N, the “paradox is that while President Bashir has been indicted as a war criminal, the international community continues to recognise and deal with him and his regime”.

The way forward, according to the SPLM-N, would involve taking into consideration Sudan’s “historical and contemporary diversities; building a society for all regardless of ethnic, religious and gender background; and based on democracy, social justice and a balanced

relation between the centre and the peripheries”. “This is the vision for the New Sudan”, said Cde Arman.

During our interactions with the SPLM-N leadership they were preparing for negotiations in the context of an ongoing war (see *Sudan’s Forgotten War Zones* by Mukesh Kapila, former Head of the UN in Sudan 2003-2004 for some of the activities unleashed by government forces (http://www.youtube.com/watch?v=qCAu_4V3kAc).

The SPLM-N believes “It is clear that any approach in a peaceful solution for it to achieve a permanent peace, it would require a popular process that would involve the people, not compromises between job seekers and a settlement that would only address the interests of the elites. Whether it is a constitutional process or peace agreement, it must include all political parties”.

The SPLM-N suggests an interim or transitional period that would be tasked to hold a constitutional conference for all political forces and civil societies in Sudan to answer the historical question which have remained unanswered since the independence of Sudan in 1956, ‘how Sudan is going to be ruled?’ before ‘who is going to rule Sudan?’.

To address the historical and contemporary diversity, the SPLM-N believes that “Sudan needs a new social, political, economic and cultural dispensation that is based on citizenship, democracy and social justice, and separation of religion from state”. ●

Cde Mashilo is the SACP spokesperson and YCL Deputy National Secretary

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**We must build a society
for all – regardless of
ethnic religious or gender
background – SPLM-N**

UKRAINE

Behind the crisis: Provoking Putin

At the roots of the crisis in Ukraine, is the West's backing for neo-Nazis & narrow Ukrainian nationalists to provoke Putin into a new Cold War

BY PROF VLADIMIR SHUBIN



The events in Ukraine in the last 10 months or so have been widely covered by the international mass-media, but as in a number of other cases – Libya and Syria in particular – the picture they paint is greatly distorted. Let us try to put the record straight.

The political crisis in Kiev began in November 2013. At that time the Ukrainian government led by President Victor Yanukovich announced it was postponing the signing of a document proclaiming association with the European Union. The idea of associating with the EU was popular in Ukraine, especially in the Western regions of the country. Many people naively thought it would solve the economic problems of Ukraine and lead to prosperity. However, at the last moment the Yanukovich government which had initiated the process recognised that it would bring disaster to the Ukrainian economy and damage its economic ties with Russia.

The decision not to sign the agreement with the EU, coupled with anger at widespread corruption, led to protests and demonstrations, especially in Kiev's Independence Square (Maidan). However, the demonstrations, while initially peaceful, soon came to be dominated by anti-communist and anti-Russian fascist thugs. Bloody clashes followed. Police, especially the "Berkut" riot police were hit with stones, metal pipes and even

shot at with firearms. 15 policemen and soldiers were killed. More lives were lost due to unidentified snipers.

From the very beginning, Washington supported the opposition, and was aware that the militants were seeking the forcible seizure of power. These fascist thugs raised above their heads the banners of those Ukrainian nationalist organisations that were actively used by Nazi Germany in World War II and were responsible for the deaths of many thousands of Jews inhabiting the Nazi occupied territories – including those in Ukraine who were against fascism.

Under pressure from the West, on 21 February 2014, the government consented to sign an agreement with opposition leaders that included a return to the constitution of 2004 and the curtailing the powers of the president. The agreement provided for the formation of a national unity government and an early presidential election. Both the authorities and the opposition pledged to refrain from the use of force.

But on 22 February 2014, as soon as the government forces pulled back, a violent seizure of power happened in Kiev. An organisation called the Right Sector, and other ultra-right forces, seized the buildings of the Verkhovna Rada (the Ukrainian Parliament), the presidential administration, the Ministry of the Interior and the Government.

Under physical pressure from the militants and their supporters, the Rada decided on the removal of the President, his leadership and other officials.

One of the first decisions following the

coup was the adoption of a law to ban the Russian language in Ukraine, despite the fact that it is the mother tongue for more than a quarter of Ukrainian citizens. Five posts in the new government, including Defence Minister and Prosecutor-General were initially allocated to the ultra-right, neo-Nazi party Svoboda ("Freedom"). This despite the fact that, three months earlier, the European Parliament had passed a resolution stating that Svoboda's "racist, anti-Semitic and xenophobic views go against the EU's fundamental values and principles", and appealed "to pro-democratic parties in the Verkhovna Rada not to associate with, endorse or form coalitions with this party".

The seizure of power by the national chauvinist and right-wing radical forces that are the ideological heirs of the accomplices of fascism during World War II was accompanied by a resurgence of anti-communist hysteria. Physical terror was unleashed against functionaries and ordinary members of the Communist Party, and their families. The premises of the Communist Party of Ukraine Central Committee and a number of regional and local committees' were vandalised. The court in Kiev is now considering the demand by the Ministry of Justice to ban the Communist Party.

Active rejection from below

In the east and south of Ukraine there was active rejection of what was happening in Kiev. The people started to adopt measures to protect their own security and future.

This first became clearly visible in the



Supporters of the ultra-right Right Sector movement – carrying pictures of Ukraine’s Second World War pro-Hitler leader Stepan Bandera and escorted by church leaders – early in the 2013 protests.

Crimea, which had been transferred from Russia to Ukraine in 1954 without the consent of its population. Even as early as December 2013 and January 2014 the Crimean Supreme Council (local parliament) had repeatedly called on the authorities to “prevent unconstitutional action by revenge-motivated bankrupt political forces who profess extreme nationalism”. The people of Crimea then began forming self-defence groups. On 23 February, the day after the coup in Kiev, a rally of 200 000 participants was held in the port city of Sevastopol to express “the people’s will against fascism”.

On 27 February the Supreme Council of Crimea proposed holding a referendum based on the statement: “The Autonomous Republic of Crimea is an independent state which is part of Ukraine on the basis of treaties and agreements (“for” or “against”)”. This referendum did not take place.

The Kiev authorities objected to the decision to hold a referendum and tried to disband the self-defence units. On 1 March the new Prime Minister of Crimea, Sergey Aksenov, appealed to Russian President Vladimir Putin asking for assistance in ensuring peace and tranquillity in Crimea. That same day, Putin asked permission from the Parliament of the Russian Federation to use armed forces in Ukraine. This was unanimously granted.

It should be remembered that Sevastopol, the main Crimean port, had always been the main base of the Russian Black Sea Fleet. Further that even when reinforcements were sent to Crimea, the strength of the Russian troops did not exceed the 25 000 prescribed by the 1997 agreement with Ukraine – it had been agreed after the dissolution of the Soviet Union that Russia would retain its naval base at Sevastopol in the Crimea.

Reunification of Crimea with Russia

On 6 March, the Supreme Council of Crimea decided to hold a referendum with new wording. This gave a choice between two possible options:

Are you for the reunification of the Crimea with Russia on a subject of the Russian Federation?

Are you for the restoration of the Constitution of the Republic of Crimea, 1992, and for the status of the Crimea as part of Ukraine?

On 16 March 83,1 % of voters participated in the referendum, and 96,77 % supported reunification with Russia.

The Russian military supported the Crimean self-defence groups with the aim of preventing interference with the voting process and to maintain a peaceful environment in the Crimea. During this process they did not fire a single shot. On 18 March the agreement to reunify the Crimea with the Russian Fed-

eration was signed in the Kremlin by the leaders of Russia, Crimea and the city of Sevastopol.

Intensifying resurgence from below

Meanwhile in the East of Ukraine, in Donetsk, Kharkov and Lugansk, rallies began to gather in support of the federalisation of Ukraine. This not only due to dissatisfaction with what happened in Kiev, but also in fear of citizen’s fate as Russian speakers. In response, the new Ukrainian authorities announced a special operation against the “separatists”. Once the Kiev authorities started punitive action against the “federalists” using heavy military equipment and aircraft, the mobilising slogan changed from federalisation to independence from Ukraine.

The sovereign Donetsk People’s Republic was proclaimed on 7 April and the Lugansk People’s Republic on 28 April. Referendums followed the month after and the absolute majority in both regions voted for independence.

Kiev forces began punitive operations in Eastern Ukraine. Using heavy artillery, including multiple rocket launchers, they attacked not only the armed forces but also residential neighbourhoods, causing hundreds of civilian casualties.

The West’s motive

The West continued to support the



Marching against democracy: Members of Ukraine's neo-Nazi Svoboda party on the march in Kiev

Ukrainian coup authority in its atrocious campaign. The USA policy on the Ukrainian crisis is motivated by its efforts to implement a unipolar world and to push Russia out of world politics. Washington strongly pushed European countries, Australia, Japan, and Canada to accede to sanctions against Russia.

On 17 July a Malaysian civil aircraft with passengers on board was shot down flying over Eastern Ukraine. Who shot at it has not yet been discovered. In spite of the fact that the self-defence units had no weapons to do it, the Western mass media and governments immediately blamed them and "Putin's missiles".

Many believe that the flight was brought down to bring events in Ukraine back to the centre of attention of the United States and its European allies. Indeed it occurred when the West's attention on events in Ukraine had been diverted by the war in Gaza between Israel and the Palestinian Hamas, as well as the advance of militants from the "Islamic State" in Iraq. After this tragedy the mood immediately changed and new and more serious sanctions were introduced by the USA and EU.

The USA has tried to thwart Russia's efforts to settle the crisis in Ukraine a peaceful way. There was no positive response to Putin's decision to withdraw from the previously obtained approval for the use of Russian forces in Ukraine.

On 5 September when a protocol facilitated by Moscow was signed in Minsk providing for an immediate truce, the West's reaction was to impose a new wave of sanctions. In fact it looks like

Washington is doing its best to provoke a war with Russia.

From the very beginning of the current crisis in Ukraine, Moscow advocated negotiations for a peaceful solution, while providing the best possible multilateral assistance under the circumstances to those in the East of Ukraine fighting for their rights. In this struggle volunteers from Russia have been taking part, but no Russian regular troops.

The Kremlin's position on the orientation of Ukraine to join the EU has been repeatedly voiced: the choice belongs to Ukraine itself; but Russia will take protective measures for the economic consequences of Ukraine's entry in the EU "which would harm our country".

Unexpectedly it seems that the same forces that criticised the previous government have come to understand some of the problems: while the agreement on the association has been signed and ratified, its implementation has been postponed till 2016 after the talks between Kiev, Moscow and Brussels.

Strategic considerations for the left

The Ukrainian tragedy raises many questions for the left forces. Georgy Kryuchkov, a member of the Communist Party of Ukraine Central Committee put some of them in his article in the publication Pravda: "Why, when the patience of the 'bottom' to live in intolerable conditions of bandit capitalism restored in Ukraine ends, and the 'top' has proved unable to further rule, when hundreds of thousands took to the streets, have their protests not acquired anti-capitalist charac-

ter? Why did the poor masses not oppose the exploitative regime but once again allowed themselves to be used as a 'crowd' in a fierce battle between two groups of the exploitative class and actually helped the most reactionary, Westernised, neo-Nazi forces to take power?"

The weakness of the left forces can be seen in the South-East as well. Some local Communist Party organisers are among the leaders there but the composition of militia commanders is very diverse. For example a former Donetsk "Minister of Defence" calls himself a Russian "monarchist".

Under the circumstances the Communist Parties, both in Ukraine and Russia, face the challenge to counterpoise internationalism against (to use the ANC term) "narrow nationalism" that often rises even among the left in critical situations. ●

Cde Shubin is the author of ANC: A view from Moscow (1999). He has served for a significant period of time at the Institute for African Studies, Russian Academy of Sciences, and as a researcher. During the liberation struggle he served as a high level representative of the Communist Party of the Soviet Union and as Head of the Africa Section of the Party's International Department. He worked closely with the ANC and attended its first Conference after unbanning. He also worked very closely with Zapu (Zimbabwe), Frelimo (Mozambique), MPLA (Angola) and Swapo (Namibia). He writes from Russia.

YOUNG REDS

RUTH FIRST MEMORIAL GAMES

Hosting our annual Red sports day

YCL activists & supporters sweat it out at Wits to pay tribute to the League's first National Secretary, Cde Ruth First

BY KHAYA XABA

The Young Communist League hosted the annual Ruth First games at the University of Witwatersrand, Johannesburg.

Young people from across the province participated in different sporting codes to commemorate the legacy of the first National Secretary of the YCL and a stalwart of the South African Communist Party, Cde Ruth First.

The first day of the games saw 16 soccer teams and eight netball teams clash to decide who would be crowned the champions of the Ruth First Games.

Young people who attended were entertained by YCL members who are up and coming musicians and artists.

The programme then moved to different parts of the province in a week-long programme that focused on co-operative training, soccer clinics and schools visits. The programmes were taken to Orange Farm, Kagiso, Soshanguve, Thembisa and Sebokeng.

In conjunction with LoveLife and the South African National Council on Alcoholism and Drug Dependence (Sancad) we visited schools to speak to learners about the importance of sport and healthy living – this development aspect formed a crucial part of these games. Our core message was to warn young people about the dangers of drug and alcohol abuse.

Workshops and training sessions were held for existing and new cooperatives, to demonstrate to communities that co-operatives offer an alternative way



In her memory: Cde Ruth First

for people to work together and relate to each other without exploitation. We strongly believe that cooperatives can play an important role in democratising

the economy and promoting development and growth, which must take place if wealth is to be created in our society.

The final day saw 100 young people take part in the annual Ruth First fun run at the Wits Education campus in Parktown. The first 20 participants who finished the race received medals.

We then descended on the Braamfontein campus for the soccer semi-finals, netball finals and aerobics. The young people who attended the closing ceremony were addressed by YCLSA National Secretary Cde Buti Manamela, who encouraged them to make education fashionable, to desist from unprotected sex and to maintain a healthy lifestyle. "YCLSA's approach to community development follows one rule: South African society, specifically, the less privileged, must not be left out. Through such events we're not only promoting sport, but also promoting healthy lifestyles for the youth of these communities and developing future local sporting talent," he said.

The YCLSA has made a useful contribution not only by supporting the event: the organisation will be transferring skills and creating a social development platform by supporting local efforts to upskill community members. The involvement of YCL is also aimed at creating jobs and economic development through workshops on cooperatives, while also offering participants and the public an opportunity to have fun and enjoy time out on the sports field. ●

Cde Xaba is the YCLSA spokesperson

YOUNG REDS

RED OCTOBER

African bank: bailing out the rich!

The victims of African Bank's reckless business model must keep paying, but the Reserve Bank has bailed out the rich investors

The YCLSA National Committee noted the collapse of African Bank, its bailout by the South African Reserve Bank which has since placed African Bank under curatorship, and the downgrading of the major South African banks by Moody's on the basis that the bailout imposed a 10% "haircut" or share of loss with investors.

The National Committee also noted the announcement by the Reserve Bank to set up a formal independent investigation into the business trade and dealings of African Bank.

The bailout of African Bank was met with either deafening silence or support by the forces that have, for many years, been telling us that the state must not intervene in the economy.

The essential motive of these neoliberal forces, some with a hybrid of both racist liberalism and apartheid conservatism, such as the Democratic Alliance,

and the unelected imperialist rating agencies such as Moody's has been exposed for all to see.

The neoliberals and their backers want a strong state that intervenes in the economy on behalf of the rich and their institution – such as the banks and institutional financial investors – but not on behalf of the workers and the poor. In the case of the African Bank, workers and poor who are indebted as a result of reckless and unsecured lending practices are not being bailed out.

This is not the concern of the neoliberals. The bailout was for the rich investors and Moody's reaction through the downgrade of the major banks was that it was not enough: the rich should have been protected against any loss.

The SACP and Financial Sector Campaign Coalition have long highlighted the dangers of reckless and unsecured lending practices which the Reserve

Bank simplistically dismissed. Against this background the independent investigation announced by the Reserve Bank into African Bank could amount to a waste of resources, especially considering the previous announcement by the Reserve Bank that it had for over a year been engaging with African Bank. T

he crisis of African Bank clearly suggests that the engagement was either fruitless or subdued by the Reserve Bank's previous defence of African Bank as well as the interventions that led to the National Credit Regulator's mandate regarding investigation into reckless and unsecured lending practices being stifled and even curtailed through the so-called twin-peak model.

The YCLSA reaffirms its support for SACP's Financial Sector Transformation Campaign which seeks to achieve a complete overhaul of our country's financial architecture to serve the people! ●

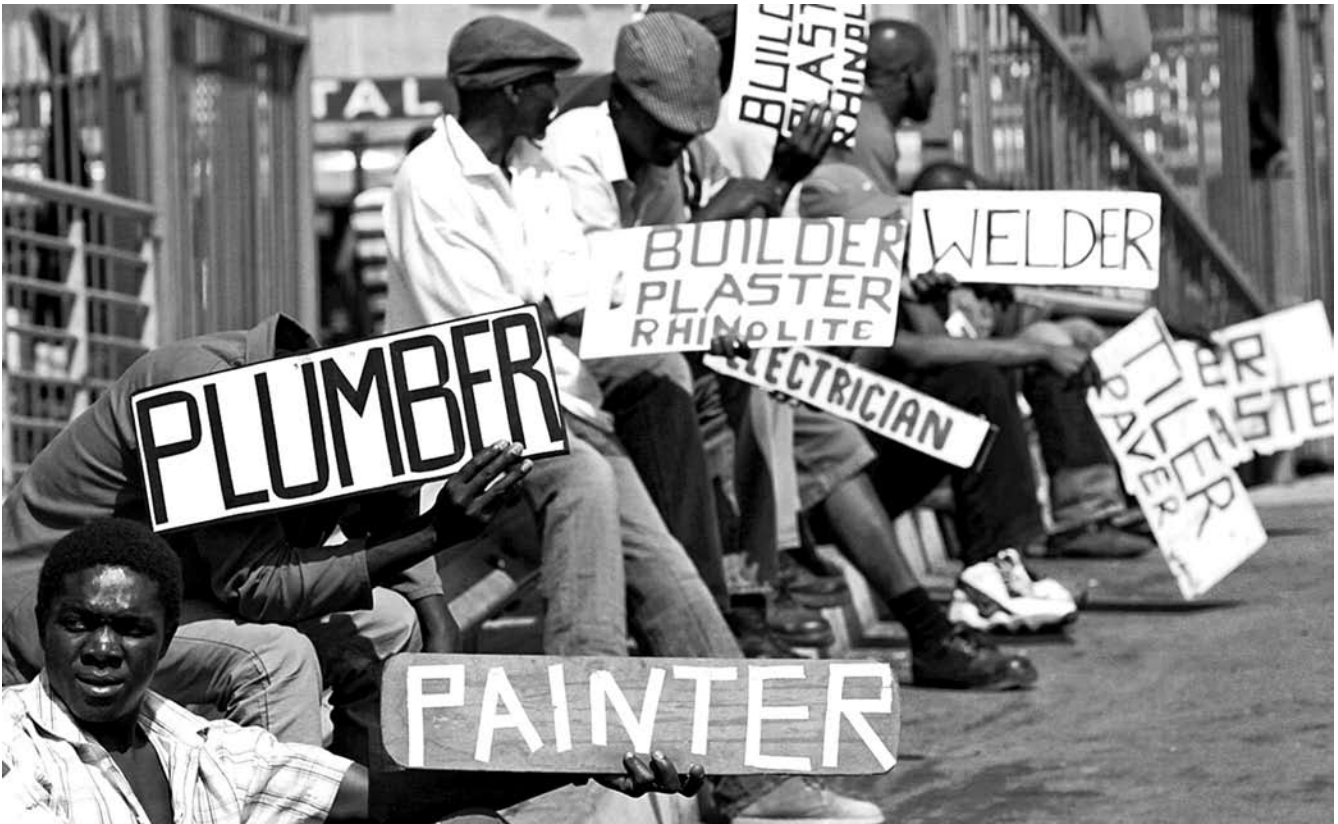
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YOUNG REDS



Waiting to work: unemployed construction workers advertising their skills on the streets of Johannesburg

YCL prepares for Jobs For Youth II

Continued from Page 20

opment Corporation towards youth enterprise, youth jobs created through the Presidential Infrastructure Coordinating Commission (PICC) and many other initiatives.

We note however that there are still 3,4-million young people without jobs, and 264 000 of those are graduates. The number of graduates or unemployed youth with a qualification becomes higher if we include young people with Grade 12 or an FET qualification.

We believe that to deal with this we need a revision of the Youth Employment Accord 2 that will move beyond the quick wins to focus on:

- Low-end skills and sustainable youth jobs with specific targets agreed to by various sectors of the economy, driven in the same way as the PICC and the Industrial Policy Action Plan.

- A bottom-up approach of youth enterprise and co-operatives development

instead of an elite and top-down approach of the creation of so-called black industrialists.

- The development of the productive capacity of our local economy in manufacturing to satisfy the 70% commitment for local procurement.

- Stringent commitments by the private sector on localized reinvestment and employment creation, especially major industries such as mining, finance, services, manufacturing and agriculture.

- The filling of state-funded vacancies.

- The reopening of colleges of education, nursing and agriculture.

- Clear strategies on local beneficiation of mineral resources and other raw materials, including the nationalisation of Sasol and Arcello-Mittal or the creation of national steel company.

- Strengthening our work in education and skills development through existing Technical and Vocational Education and Training institutions and the Sector

Education and Training Authorities.

- The consolidation co-ordination of Community Works Programme, Community Development Work, EPWP and the National Youth Service.

- YCLSA will call for a reassessment of government youth empowerment machinery and programme to ensure better alignment, coordination and mainstreaming of youth empowerment in core programmes.

- The second phase of the Accord must also have a deal for young workers that are already in the labour market. Specifically, improvement of working conditions for young workers trapped in low paying jobs.

We will be engaging with the Ministry of Economic Development, various youth formations, business and trade unions in building towards a Youth Employment Accord 2. We will also be setting up a smaller working group to concretise our proposals on “Jobs for Youth” in preparation for the Youth Employment Accord II. ●



**SOCIALISM
IN OUR
LIFETIME!**

Y-REDS

VOICE OF THE YOUNG COMMUNIST LEAGUE OF SOUTHERN AFRICA ● OCTOBER 2014



Youth, jobs and skills: National Secretary and Deputy Minister in the Presidency Buti Manamela explains the YCL position

YOUTH EMPLOYMENT

YCL prepares for Jobs for Youth II

While 5,3-million youth jobs or work opportunities have been created since the National Youth Accord, another 3,4-million are still unemployed

The YCL National Committee has noted that October marks 18 months since the adoption of the Youth Employment Accord in April 2013, and six months after the adoption of the Declaration on “Youth, Jobs and Skills” at the Presidential Youth

Indaba early in the year. The National Committee received an input from the Deputy Minister of Economic Development, Cde Madala Masuku.

We note the more than 5,3-million youth jobs that have been created in the last 18 months through Expanded Pub-

lic Works Programme (EPWP) and other government interventions and projects. We further note the R2,6-billion invested by the National Youth Development Agency, Seifa and the Industrial Del-

Continued on Page 19