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South Africa's negotiated transition from apartheid to an inclusive political system: what capitalist interests reigned supreme?

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2015-02-26
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SOUTH AFRICA'S NEGOTIATED TRANSITION FROM APARTHEID TO AN INCLUSIVE POLITICAL SYSTEM: WHAT CAPITALIST INTERESTS REIGNED SUPREME?

THESIS SUBMITTED AS PART OF THE FULFILMENT OF A MASTERS OF ARTS DEGREE—POLITICAL STUDIES.
UNIVERSITY OF THE WITWATERSRAND, JOHANNESBURG

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0216610E

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DECLARATION

I **NYIKO FLOYD SHIVAMBU** declare that this submission is my own work. It is submitted for the degree of Masters of Arts (Honours) in the Department of Political Studies at the University of the Witwatersrand, Johannesburg.

SIGNED_____ ON THE ____ OF _____, 2014

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LIST OF ACRONYMS AND ABBREVIATIONS:

AAC	Anglo American Corporation
AAM	Anti Apartheid Movement
ANC	African National Congress
BCM	Black Consciousness Movement
BEE	Black Economic Empowerment
CBM	Consultative Business Movement
COM	Chamber of Mines
Cosatu	Congress of South African Trade Unions
CPSU	Communist Party of the Soviet Union
DBSA	Development Bank of Southern Africa
DEP	Department of Economic Planning (ANC)
DDEP	Discussion document on economic policy
FM	*Financial Mail*
GATT	General Agreement on Tariffs and Trade
GDP	Gross Domestic Product
GEAR	Growth, Employment and Redistribution
GNU	Government of National Unity
IMF	International Monetary Fund
Iscor	Iron and Steel Corporation
JSE	Johannesburg Stock Exchange
MDM	Mass Democratic Movement
MEC	Minerals Energy Complex
MERG	Macroeconomic Research Group
MK	Umkhonto WeSizwe
Nail	New African Investments Ltd
NP	National Party
NEC	National Executive Committee
NEM	Normative Economic Model
NWC	National Working Committee
NGO	NonGovernmental Organisation
RDP	Reconstruction and Development Programme
SA	South Africa
SAB	South African Breweries
SADF	South African Defence Force
SAF	South Africa Foundation
SACP	South African Communist Party
SASO	South African Students' Organisation
SOE	State Owned Enterprise
TEC	Transitional Executive Committee
UDF	United Democratic Front
UF	Urban Foundation
UN	UNITED NATIONS
USA	United States of America

USSR	United Soviet Socialist Russia
WEF	World Economic Forum

ACKNOWLEDGMENTS:

The thesis was developed and finalised with the assistance of the following people who made direct and indirect contributions and inputs on what is possible and can be a cogent argument. The list appears in no particular order because each contribution has been meaningful.

Supervisor Dr. Stephen Louw
Professor Ben Fine
Mr. Moses Mtileni
Professor Vishnu Padayachee
Mr. Tito Mboweni
Axel Schimmelpfennig
Ms Kurhula Hlebeya
Mr. Bobby Godsell
Dr. David Masondo
Professor Christopher Malikane
Professor Patrick Bond
Mr. Clem Sunter
Mr. Julius Malema
Mr. Mbuyiseni Ndlozi
Adv Dali Mpofu
Dr. Dale McKinley
Professor Sampie Terreblanche
Mr. H.E Shivambu
Mrs M.C Maswanganyi-Shivambu
Katenai Carlota Shivambu

DEDICATION:

... to Fighters, Commissars, Organisers, and Volunteers in the political and ideological struggle for economic emancipation of the people of South Africa, Africa and the world ...

ABSTRACT:

South Africa's negotiated transition from apartheid to an electorally inclusive political has many interpretations, because it was contested by various classes, strata and fractions of capital. Like all capitalist states, the apartheid state was a contested state, whose policy direction and ultimate reformation was contested not only by the contending classes in a capitalist system, by fractions of capital within the dominant and ruling class.

As a result, mining, finance and aspirant black capitalist interests reigned supreme over the transition from apartheid to an inclusive political system and notably reigned supreme over the ANC-led liberation movement's economic aspirations. This is reflected in the structural socio-economic problems of inequalities, unemployment, under-employment and therefore poverty which preceded and succeed the 'end of apartheid'.

Failure to comprehend this phenomenon will be disastrous for future economic policy making, because from all ideological and political streams, there should be a recognition in South African political economy that massive labour absorptive industrial development and expansion of local agricultural production are the most viable options to create sustainable jobs, and therefore reduce high levels of poverty and inequalities. Continued ideological and political dominance of mining capital is in the South African context a curse, because such impacts on the many vital policy positions the state should pursue, particularly its macro-economic policies.