

issues but who will not hesitate to hide or distort the truth when it serves their class interests. The workers on the other hand regard Socialism as their ultimate Salvation. Hence their slogan: "*Long Live Socialism!*".

PRIVATISATION WITH SPECIAL REFERENCE TO ISCOR

INTRODUCTION

Privatisation of state-controlled industry is a step further in the growth of capitalism. States the world over, have transferred industries and services previously controlled by them to the private sector. In 1988, the value of state assets thus transferred, was forty billion dollars around the world.

With an unreal sense of urgency, the South African government too, has embarked on privatisation of some industries. These include **SASOL, ESCOM, ISCOR, SATS** and **SAA**. A special parliamentary portfolio, i.e. Ministry of Privatisation, has been created. The Minister — Dawie de Villiers — said at a press conference recently, "Privatisation has become urgent, if the country was to prosper".

WHY IS STATE INDUSTRY NECESSARY FOR CAPITALISM?

Many present-day western styled private industries owe their lucrative present existence to government initiative — early risks are carried by public funds and then sold at prices so low as to attract eagle-eyed buyers from the cartels. State funds are used to boost an industry merely to hand it over at a song to private capitalists institutions.

In the Iscor issue:

- (a) "Institution" is defined as "life assurance companies, mining houses, trust companies and banks . . . The list is tightly restricted". (Business Times, 8-10-89).
- (b) A minimum of R1,2 billion worth of shares is reserved for such institutions. The low price of the Iscor shares is illustrated by the fact the applications for shares have already been over-subscribed by between 5-7 times (Daily News 20-10-89).

ECONOMIC CONTROLS OF STATE-RUN INDUSTRY

State industry is essentially capitalist. It does not abolish but tends to strengthen capitalism. At the head, the captains are from private industry earning fat salaries, and dictating policies executed at state expense.

The state, with taxpayers' money, nurtures an industry, ensures profitable productions, and only then hands over to the private sector. In anticipation of the handing over to the private sector, Iscor, over the last few years, invested between 300 million and 500 million rand per year on machinery and equipment, resulting in an increase of profits by 40% each year.

STATE INDUSTRY FOR WORKER BENEFIT

The only instances in which nationalisation need not be capitalist are when:

- (a) Representatives of private capital are not placed in management;
- (b) Worker participation in management is assured;
- (c) The industry is used to achieve community objectives like health, employment, etc.

This is only possible in a society striving for socialist objectives.

In this situation, the basic theory of surplus value applies. The surplus value of the workers' labour is for the benefit of the people and is converted to health services, employment, etc. With private enterprise, the profit (surplus value) is pocketed by the Directors and Shareholders.

In the South African situation, the practice of racism diverts the profits from state industry to the propping up of about thirteen different "governments".

WHEN DOES THE STATE SELL UP?

Economic and political considerations dictate the timing of privatisation.

Economic: Although experts say, and this is in keeping with the concept of state industry, that R2.00 per share is a low price — the revenue to the government will be enormous. It is expected that 3 billion rand will be the total proceeds. This will help the government to:

(a) reduce South Africa's foreign debt;

(b) meet the crisis caused by sanctions and by the withdrawal of foreign capital from South Africa.

Political: An important rationale for privatisation in South Africa is political across the globe, liberatory organisations have visions of a socialist society. South Africa is no exception.

The ruling class must ensure that when change comes, the system prevailing is capitalism. Free enterprise, with a "laissez faire" attitude, must be the order of the day: free trading; free hours of trading; toll roads. In short, capitalism must be rampant.

As many industries as possible must be privatised by the time any take-over takes place.

CONCLUSION

Privatisation as a strategy is not for the benefit of the workers. The rich will get richer; the workers poorer. It cannot convert workers into capitalists.

COLIN BUNDY DOES IT AGAIN

Earlier this year, **COLIN BUNDY** (Professor of History at the University of **Cape Town** and the University of the **WESTERN CAPE**), addressed the annual conference of the Natal Teachers' Society. He focussed on South African history, extensive extracts of which were printed in the *Natal Mercury* (21/06/89). The distorted message that emerges has one of two sources: either the *Natal Mercury* omitted significant sections of his speech or, **Bundy** falsifies history by omission *once again*.

In this particular address, he meanders on at length about "*Black History*", "*peoples history*" and "*radical history*" making their appearance "*over the past 15 to 20 years*". The continuing emergence of **THE MOST CORRECT AND RADICAL ANALYSIS** of South African history by the Unity Movement for more that **FORTY FIVE YEARS** is ignored, **DELIBERATELY**. Literature including; "*Three Hundred Years*" "*The Role of the Missionaries in Conquest*", "*The Contribution of the Non-European Peoples to World Civilisation*", "*Education for Barbarism*", "*The Awakening of a People*", "*The Nature of South African Society and the Nature of our Struggle*"; vital to the understanding of the nature of oppression and exploitation in this country are conveniently omitted.