Review


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South Africa is probably more divided now that at any time since the transition to democracy. Whatever fragile social pact once existed between Business, Labour and the State has disintegrated and the realistic possibility of any substantive, policy-driven change in the current economic trajectory is remote. Crisis levels of unemployment, extreme inequality, deep rural and urban poverty, and a corrupt, unaccountable political elite are among the most obvious in a long list of problems. How did we get to where we are, and what is to be done? Why do so many of the original hopes for an inclusive social democracy remain frustrated, and what are the realistic prospects for change? These are the questions that *South Africa’s Suspended Revolution – hopes and prospects* takes up and attempts to answer.

The book is written for a wide readership and initially the attempt to combine academic and public discourse seems a little strained – no one gets quite what they want. Yet as Habib’s account of the post-apartheid malaise progresses, he manages to balance well-placed discussions of political theory with applied, critical analysis. And in fact it is this balance that emerges as one of the book’s major strengths. Familiar developments are usefully recast within a robust theoretical framework, and new details are carefully presented to make a persuasive case about South Africa’s development trajectory. This makes for an illuminating read and perhaps more than any other book of its kind, the *Suspended Revolution* has the potential to stimulate an informed political discourse among a large audience not confined to the usual silos. Translation of the book into Afrikaans, Sesotho and isiZulu is also an important achievement.
It comes as no surprise that Habib locates the critical questions for South Africa in the politics of the country. Emphasis is placed on an analytical approach that privileges both ‘structural’ and ‘agential’ variables, reflecting Habib’s view that in order to fully understand post-apartheid South Africa one must concentrate not only on the role of individual political actors but also on the changing balance of power and how this limited what could be achieved at different moments. For example, during the transition the powerful influence of large corporates, combined with the fall of the Soviet Union, directly restricted ANC policy options and necessitated many of the liberalising economic reforms that followed. This analytical strategy is not new but what many analyses fail to note, according to Habib, is how the balance of power has shifted in recent years, and he stresses the progressive policy options that have opened up since Polokwane. Partly as a result of their inability to provide leadership in this regard the book is heavily critical of the ANC, calling it ‘a grubby instrument of enrichment that speaks the language of empowerment and democracy, while its leadership plunder the nation’s resources’ (3).

In eight energetic chapters the book covers the changing features of South Africa’s political economy over the last 25 years. Beginning in 1990, Habib provides a detailed account of the transition, and the construction of South Africa’s Constitution and broader institutional architecture. It is the lack of political accountability to the ‘social democratic vision encapsulated in South Africa’s Constitution’ (33) that he immediately identifies as one of the most serious disappointments of the post-apartheid era. This accountability deficit, across all three tiers of government, has led to widespread service delivery failure, while allowing corruption and cadre deployment to flourish; so compounding the problem. In addition the absence of a viable political opposition has created an unresponsive political elite, gradually weakening South Africa’s democracy. This is familiar terrain but Habib’s summary is perceptive and builds towards his broader arguments.

The book moves on to discuss the evolution of economic policy where the side-lining of the Reconstruction and Development Program and adoption of the Growth Employment and Redistribution (GEAR) policy in 1996 are reliably documented. In Habib’s telling the foreign and local business community won out against a dispersed and far less powerful citizenry. The eventual realisation of exactly how damaging the consequences of GEAR had been then prompted a progressive shift in policy in the early 2000s. This
leftward shift was strengthened after the ousting of Mbeki in 2007 and Habib proposes that economic policy under the Zuma administration has had a noticeably different ‘neo-Keynesian flavour’ (101). His historical account is well-argued but certain important developments receive little or no attention.

The significant expansion of social grants from 2000 onwards is used as evidence of Mbeki’s leftward shift in the face of GEAR’s obvious failures, but the roll-out of housing and basic services (water, electricity, and sanitation etc), which began under Mandela and continued steadily under Mbeki, is left out. Also overlooked is the establishment of national minimum wages, beginning in 1999, which introduced important protections and income gains (though small) to millions of vulnerable workers. Habib’s observation that economic policy under Zuma has deepened a shift to the left is provocative, and particular policy documents support this view, but current levels of poverty, inequality and unemployment suggest otherwise.

In general the policy mix since 1994 has been erratically implemented and was perhaps messier and more contradictory than the book’s descriptions allow. However, on a macro-level there is little to argue about; industrial policy after 1994 did nothing to alter the country’s capital-intensive growth path, there was no trickle-down, and the moderate levels of growth were jobless. While social grants have been a huge welfare success, millions of unemployed, working-age South Africans remain without any social safety net.

Some of the book’s most substantial analysis focuses on the prospect of a social pact, and the increasingly important role of civil society. Habib argues that a stable social pact able to promote socio-economic inclusion and reduce inequality relies critically on the balance of power. In the 1990s the marginalisation of the labour movement meant that the structural conditions for a successful pact between the three major political economy actors – Business, Labour, and the State – did not exist, and thus attempts to establish a compromise broke down. What then are the prospects for success in post-Polokwane South Africa, where the Congress of South African Trade Unions and the South African Communist Party have significantly more influence than before? The problems are of course that the negotiation of a low-wage growth strategy will find no favour within the union movement, and the establishment of a pact that carries any weight requires leadership and in this regard the ANC has failed miserably.

Habib is far more optimistic about the role that civil society organisations have come to play in recent years, both working together with, and actively
criticising, the state, and his categorisation of the various social movements that have emerged is astute. Theirs is an essential contribution to democratic consolidation. Here, however, his analysis could have gone further to assess the ways in which some civil society organisations may be able to represent an important group of people who are not included in any discussions of a corporatist pact – the unemployed. Currently neither unions nor the state speak for the jobless. Habib does not comment on the fact that attempts to address inequality through an ‘elite pact’ which neglects the voice of the over six million unemployed South Africans is not a long-term solution.

Overall it would have been nice to have seen more depth in the discussions of unemployment. What should a progressive policy look like in this regard, and how do the unemployed figure in the social pact that Habib recommends? A complete inability to confront the unemployment crisis is arguably the most glaring failure of the last 20 years and one of the main reasons income inequality remains so high. Solutions cannot simply rely on the expansion of formal sector employment with a focus on ‘establishing industrial sectors capable of absorbing the unskilled and semi-skilled unemployed’ (101). Surely we must acknowledge the impossibility of the formal sector absorbing over 30 per cent of the labour force that are currently without work? A new approach from businesses, unions, and the state that directly addresses this is required, along with a better understanding of the role that the informal sector can play. Current conceptions of work as formal, wage employment must be expanded in order to discuss realistically the prospect of decent livelihoods for the millions of people searching for a job.

The final section of the book reflects on South Africa’s current predicament in practice and in theory. The penultimate chapter entitled, ‘What is to be done?’ after Vladimir Lenin’s (1902) essay, offers proposals for ‘an alternative progressive political agenda’ (222). It focuses on the resolution of two central problems: the lack of accountability among political elites, and the existence of competing constitutional objectives (eg redress vs national unity, or economic growth vs inclusive development).

These are complex problems and Habib skilfully identifies and unpacks them. His suggestions are articulate and compelling but viewed in light of the current realities they seem at least partly shot through with an analyst’s idealism. He proposes electoral reform that makes individual parliamentarians answerable to voters, a viable political opposition from within the Tripartite Alliance (noting that this is unlikely), an increasingly active civil society that
is able to leverage political elites, and he calls for leaders that can mediate and reconcile the tensions between various constitutional rights. One is left feeling that there is much more with which to grapple in these hopeful proposals. The book concludes with a challenge to reimagine the prospects for a theory of inclusive nationalism based on democratic citizenship and a progressive social justice agenda that (in the paraphrased words of Karl Marx) unites scholars in the goal of not only wanting to understand the world, but also to change it.

The *Suspended Revolution* is a much-needed intervention that skilfully combines activist critique and academic analysis. It steers the debate in a useful direction and, as a survey of the various and complex post-apartheid developments, it is excellent. Habib offers no magic solutions to the country’s problems but thoughtfully advocates for substantive change. In this book he has found a middle ground between the academic rigour of Seekings and Nattrass’s *Class, Race, and Inequality in South Africa* and Hein Marais’s readable *South Africa Pushed to the Limit: the political economy of change*. The book also includes an absorbing chapter on South African foreign policy which unpacks the often overlooked history and strategy of South Africa’s engagements on the continent and beyond; this adds breadth to the work and is evidence of Habib’s range as a political scientist.

**References**
