## PRESIDENTIAL ADDRESS 2011

### WELCOME

Comrades, friends, and honoured guests I bid you all a warm welcome to this open session of our 26<sup>th</sup> Annual National Conference.

Given the fact that we last held a national conference here in the early 1990's, this is a truly momentous occassion. And I wish to thank our comrades in the Gauteng branch for accepting the challenge of hosting this conference despite their limited manpower and other resources.

Our meeting here this weekend is also significant in that it is the first of our newly adopted biennial conference format.

I trust that those of you who have come here either to renew old acquaintanceships with us or have come as curious observers, will find the address of some interest and that as a result you might be stimulated to seek to join us in prosecuting the work we have set out for ourselves in terms of our political policies and our programme.

## **IN MEMORIAM**

Sadly, a number of stalwarts of our organisation passed away during the past year, and before proceeding with my address this evening, I would like us to observe a moments silence in their honour.

Those whom we wish to honour in this way are:

- 1. Willie Desai
- 2. June Udemans
- 3. Bryan Kies
- 4. Ivan Fife
- 5. Cliffie Kies

In addition to these comrades, we remember cde Kader Hassim who died on 10/11/2011. Cde Kader was a founder member of the NUM. Although he parted company with us over political differences in 1992 we nevertheless held him in high esteem as a dedicated, fearless and principled revolutionary.

### INTRODUCTION

The chosen theme for our conference this year is: "Towards a Peoples Democracy".

During the course of this weekend we will deliberating oon the contents of a number of papers looking at various aspects of our struggle natianllay and internationally

We need to clarify for ourselves how we go about rallying people and specifically the working class. Discuss class formation SA

How do we deal with the social movements which are essentially issue based entities.

We need to build a new political movement which has as its goal the attainment of a true Peoples Democracy With what/whom?

- Position of Cosatu
- Position of Independent TU's
- Social movements
- The CDF and TC have not captured the imagination of people.

On what basis?

Our political programme United Front

We need a social theory of working class liberation

#### THEME

The chosen theme for our conference this year is based on the slogan "Towards a Peoples Democracy"

All the papers to be delivered and deliberated upon at this conference will address this theme.

How did we arrive at this decision?

We have, in our forums been engaging with the many and varied issues that confront us . One of these was our attitude towards the Municipal Elections(ME2011) which was held in May.

Arising from those deilberations we came to the conclusion that we needed to do a number of things which included the following:

Make changes to our constitution and adapt our programme accordingly.

Seek out those with whom we can build a UF – against CI, for a Peoples democracy

Embark on campaigns to attract new members especially from the ranks of youth.

#### Review outcomes of ME 2011

Ultimately our adopted positions stem from our analysis of the concrete conditions that confronts not only here in SA but also in the rest of Africa and indeed the world.

The basis on which all our positions are founded is the basic understanding that all the woes that assail the vast majority of the now 7 Billion people said to inhabit our planet as of 30 October this year can be laid at the door of the system of Capitalism –Imperialism. And we believe quite simply that the only alternative to this system is Socialism. However we are fully cognizant of the fact that bringing about the overthrow of Capitalism –imperialism is no easy matter. There are a number of hurdles and obstacles standing in the way. These include:

1. Lack of class consciousness amongst the oppressed majority

- 2. The influence of capitalist controlled media which is so powerful in misleading people in to believing that the capitalist system is the only way.
- 3. The hegemony of the ANC which enjoys the electerol support of the vast majority of South Africans.

Proceeding from that understanding we have committed ourselves to pursing a course of action which will bring about the realization of that objective viz the establishment of a socialist world order.

I will now turn to an examination of selected issues that have recently come to the fore.

The most immediate issue which has captured media attention is the Financial Crisis in the Eurozone. And I will refer to it only to make the following points:

Its nothing new – an inherent feature of the Capitalist system

As is always the case it is the most vulnerable and most numerous members of socities which is held in thrall to Capitalism –Imperialism , who have to bear the brunt . Here I am referring to the urban and rural poor, the unemployed , the youth etc, etc.

### THE ARAB "SPRING" OR AWAKENING

Developements in the Maghreb during the past year have also featured prominently in all news media. IN quick succession we saw popular uprisings in Tunisia, Egypt, and Libya. Curently, Syriaand Yeman are at the center of this phenomenon

The events that unfolded in the Magreb were ushered in a very dramatic fashion by a 26 year old unemployed university graduate named Muhhed B who set himself alight after being accosted by Municiapl officials for selling fruit and vwgetables without a licence. Ordinary Tunisians came out in hteir thousands to protest against the manner in which this man had

Been treated by the authorities.

These were initiated by the action of a single individual – quote Moeletsi mbeki

However whereas the uprisings in Tunisia and Egypt were purely local the situation in Libya was different. For in Libya we witnessed the bloody intrusion of NATO operating in collusion with the USA and with the support of the UN . And just as in Iraq and Afghanistan we were witness to the destruction wrought by Imperialism on peoples

### WHO/WHAT ARE WE?

We are an organization which has stood firm on matters of principal, refusing to bow to any prevailing wind. We stand firmly on the principles policies enunciated by our predecessors who established the NEUM in 1943, believing that while certain objective conditions have changed over time, the fundamentals on which the NEUM were founded are immutable and therefore still very valid and applicable to the present conjuncture.

### FALSE PROMISES OF THE ANC LED FREEDOM STRUGGLE

And in stark contrast to our own position is that of the ANC . Millions of our compatriots were misled into believing that the ANC would bring its slogan of "A better Life for aLL" to fruition. Except for a small elite the ANC has failed to deliver on its promise. As Mathew Blatchford of Fort Hare wrote in a letter to the Editro of the M&G: the ANC has brought freedom for only 1 per cent of its supporters who make up the ruling elite. These are the small elite who have benefitted from BEEE complete quote:

On the other hand thousands of political activists have become disillusioned by the reality that all the radical, socialist rhetoric of the ANC was nothing but that.

He ANCYL still tries to exploit that legacy by mouthing the old slogans and calling for natioanlisation.

The ANC is universally acknowledged by the leaders of all Imperialist countries and at the UN as having brought about political freedom . Nelson Mandela an icon but....

Corruption is entrenched within all spheres of government and within the ANC itself. In fact one may make bold to say that if one were to identify one feature that characterises the ANC in power then it would be corruption. And in

this regard the ANC has outsripped its predecessor the Nationalist Party which with the collaboration of C-I ruled this country with an iron fist from 1948 to 1994. Hence the C in ANC now stands for CORRUPTION. For the average ANC leader is epitomized by a statement made by Smuts Ngonyama, th spokesperson for the ANC at the time that "I did not struggle to be poor".

The" 1% elite" of the world is reference to the findings of the Credit Swiss Banks

With all eyes focused on the ANC's Elective and Policy Conference in December in Manguang next year- what can we expect? Given its track record up to now, one can confidently predict that we shall see more of the same.

Having said that one wonders what can be expected from the millions of disenchanted followers?

However despite the widespread service delivery protests which have become such a feature of life in reent years, the ANC continues to receive overwleming support at the bAllot box.

What are the reasons fro this?

AN insight into the reason for this phenomenon may be gained from what Moeletsi Mbeki has to say in his introduction in the book: Advocates for Change "which he wrote in his capacity as editor of a collection of essays in the book.

Mbeki asserts the following:

"Voters foir the ANC do not vote for it for ideological or policy reasons; they vote for it primarily because of their material .....p9

#### COSATU: WHERE DOES IT STAND?

The recently released "Declaration of Cosatu joint civil societyCOP17 Workshop" is revealing!

The following paragraphs are revealing:

"The workshop noted that capitalism is inherently unstable, fraught with contradictions and prone to deep crises. It further noted that exploitation, war, hunger, poverty and climate change are not problems that could be solved by the market system but are inescapable outcomes of the system itself."

"The workshop believed that this is precisely because capitalism is dominated by the wealthiest corporationas and devoeted to profit above all. It further believed that that only a move to a democratic socialist society, where ordinary people are empowered to make key decisions about the economy and society themselves can open the path to genuine freedom and liberation."

Further the declaration goes on to say that Cosatu "the gallent and giant federation of more than 2 million members calls for a joint and dedicated campaigning (sic) programme aimed at mobilising the working class around its revolutionary theory-socialism"

## THE STATES RESPONSE TO THE CRISIS IT FACES

Havign become acutely aware of its failings the state has come up with a number of strategies. These include the following:

THE SECRECY BILL

Stung by the almost daily revelations of corruption, nepotism ,cronyism and general administrative incompetence by the media, the ANC government found that these exposes overshadowed any good they were doing . They also felt that these negative reports fuelled the general trend of widespread service delivery protests. Introducing this bill was an attempt to curb this.

- 2. The Developmental state
- 3. THE NEW GROWTH PATH (NGP)
- 4. NATIONAL PLANNING COMMISSION

Set up in 2010. Headed by Trevor Manuel, former minister of Finance. 26 members

To develop "a vision and plan for a much better quality of life for all" by 2030.

designed as it were to turn things around for the ANC.

Identified 9 biggest challenges facing South Africa:

- 1. Poor educational outcomes
- 2. Unemployment
- 3. High disease burden
- 4. Divisions within society
- 5. Failure of public services, especially in delivering to the poor
- 6. Parts of the country where people are "locked into poverty"
- 7. Failure to exploit natural resources well
- 8. Crumbling infrastructure
- 9. Corruption

The Natioanl development Plan (NDP) was unveklied by Revor manuel on 11 November.

Manuel Invokes the success of preparing for WC 2010- to prove that we can do it! However as we have pointed out before,

### ON THE ECONOMY

Moeletsi Mbeki describes the South African economy as an "Enclave Ecocomy" which is based on the Mining mining industry.

This is according to a CONCEPT DEVELOPED BY Guy Mhone.

## THE POST POLOKWANE DENOUEMENT

The fallout from what may be called the post Polokwane denouement continues to dominate affairs, as it has done since November 2007.

The ousting of Thabo Mbeki and his supporters from leadership positions in the ANC and in the Alliance, the installation of Jacob Zuma as president and the

apparent hegemony of COSATU and the SACP in the Alliance were some of the immediate spinoffs from Polokwane.

While on the one hand the formation of COPE has proven to be a damp squib, a six day wonder, infighting and division within the ranks of all the components of the ANC-SACP-COSATU Alliance have become the order of the day. Furthermore, internecine strife within the ruling party itself continues unabated. This is manifested by a crass jockeying for party positions and for access to lucrative business deals.

At the same time, we have seen the rise of demagogue's like police commissioner, now general, Bheki Cele and Julius Malema of the ANC Youth League (ANCYL) who seem to have been given the job of court jesters by the ruling party. Their job is to distract the attention of the people of this country away from the true causes of their misery and to sow confusion in their minds.

And in the background to all of this the high levels of cronyism, corruption and conspicuous materialistic consumption amongst the ruling elite and the beneficiaries of BEE continues to shock and dismay one.

### THE NATIONALISATION "DEBATE"

The well publicized call by Julius Malema for the nationalisation of the mines in July last year, exemplifies his role as alluded to above.

When he made the call for the nationalisation of the mines, Malema like a magician pulling a rabbit out of a hat, invoked the Freedom Charter, which we had all thought was dead and buried together with the Reconstruction and Development Programme (RDP), as the source of his inspiration.

This call evoked a number of interesting reactions.

Predictably, the media, the parliamentary opposition, and big business have all thrown up their hands in horror at this perceived threat to continuing foreign investment in the economy.

The response from ANC MP, Professor Ben Turok was revealing. He claims that he, as the author of the relevant clause in the Freedom Charter (article in M&G 23-30 July 2009 and letter to editor Sunday Times 2/8 /09) could vouch for the

fact that the Freedom Charter did not call for nationalisation as alleged by Malema.

Now, while the President and other government ministers have been at pains to point out that nationalisation is not ANC policy, the other alliance partners appear to be split.

On the one hand, NUMSA and COSATU spokespersons have fully endorsed the ANCYL's call for the nationalisation of the mines, while on the other hand the SACP has strongly repudiated the call as "opportunistic" and as being made by a "faction of parasites".

Apparently undeterred by any criticism of his views and encouraged by the president's injunction that there should be a debate on the matter, Malema, together with other members of the ANCYL recently embarked on a tour of other countries, most notably Zimbabwe; and China is also included in the proposed itinerary. The purpose being to gather first hand information on how nationalisation had worked in those countries.

One can only speculate as to the reasons why, if the official position of the party is against nationalisation, a debate on the subject is now being encouraged.

Stranger still is why the alliance partners have adopted different positions on the question.

Indeed, given the differing messages being sent out by the components of the alliance one is tempted to ask, who is fooling who?

It is indeed ironic that the question of nationalising the mines should now surface from within ANC ranks albeit that it might be argued that it emanates from its lunatic fringe, namely the ANCYL. The irony being that the ANC, since being in government has adopted and implemented a policy of wholesale privatisation of state owned assets and has now gone on record as being opposed to the idea.of nationalisation.

Now I do not wish to enter into this "debate " save to say that I suspect that the ANCYL has a different conception of nationalisation to that of COSATU. For the

former nationalisation means, opportunities for the black elite to further increase their already bloated bank balances; whereas COSATU might be thinking of nationalisation as a means to achieving worker control of the means of production. Whatever the case might be, we would warn the workers of this country not to be beguiled by the apparently revolutionary rhetoric of the ANCYL. They should rather be calling for the socialisation of the whole economy of this country. They should be warned that the idea of nationalisation of business and industry is an accepted practice by capitalism-imperialism. A recent example that comes to mind is the so-called "bail-out" of the failed American banking system by Barack Obama, which was nothing but a form of nationalization. In this case, the bankers were saved from bankruptcy with taxpayers' money and allowed thereby to continue earning their fat salaries and huge performance bonuses while workers would be left to pay for it through increased taxation.

Unity movement writers have long ago pointed out that amongst other things, "nationalisation is one of the secrets of the independence trick which capitalism-imperialism has pulled in many African countries".

This debacle calls into question the much-touted dominance of the Left inside the Alliance, which was seen as both a cause, and an effect of the post Polokwane denouement. This has certainly not lived up to expectations insofar as the influence of the International Monetary Fund (IMF) and the World Bank (WB) on economic policy in this country is concerned. The neo-liberal strangle hold on the economy introduced by Trevor Manuel continues unabated. And now we are being subjected to a debate on nationalization of the mines rather than one on the socialization of the economy as a whole.

Furthermore, the fact that the COSATU leadership remains married to the false promise of the "National Democratic Revolution "(NDR) is a cause for concern. The NDR may have achieved its aim of developing a black bourgeoisie but has seen the entrenchment of poverty and joblessness for the working class.

We must ensure that if there is to be a debate on nationalisation, that workers are fully informed of the implications and consequences if such a policy is not linked to the socialisation of the economy. That their right to decent work and decent conditions of employment can only be achieved through the establishment of state run companies under worker control.

We will be able to engage with this subject during this conference when discussion on a paper on the economic situation in China takes place.

# THE SOCCER WORLD CUP (WC 2010)

In 2004 South Africa had the right to host the soccer world cup in 2010 bestowed on it by FIFA.

Right at the outset, it was made abundantly clear to the government that its authority would be subordinate to that of FIFA when it came to anything to do with running of the month long tournament. From the building of new stadia, to providing a new transport system, to providing state of the art medical facilities, to restricting the trading rights even of street vendors, FIFA would in effect be dictating government policy. The government in its turn showed itself to be a willing partner and went out of its way to satisfy all FIFA's demands, especially when doubts were raised about its ability to do so.

In 2007, a meeting between FIFA and the Department of Health (DoH) was held at which FIFA spelt out its requirements in respect of its needs for the medical treatment of FIFA officials, the competing teams and their entourages, for the tournament.

These included state of the art trauma units and other medical facilities.

It was at this meeting that the then minister of health Dr Manto Tshabalala-Msimang assured FIFA that her department and the government in general would ensure that all FIFA's requirements would be met.

As we have seen, the government has left no stone unturned in ensuring that FIFA's deadlines and demands are all met.

At the time, being granted the right to host WC2010 was hailed as a great achievement. An achievement imbued with the promise of great things to come; but will it?

Will those promises be realised or will the people of this country be looking back in years to come and curse the day WC 2010 came to these shores?

We were told that WC 2010 would prove to be a major boost for the economy. However, already some economists are suggesting that apart from a modest boost in tourism, this might not be the case.

What is clear however is that FIFA will be the main beneficiary of WC 2010. It is slated to make a profit of \$1.8-billion; which will exceed the profit earned from WC 2006 which took place in Germany.

FIFA reaps very handsome profits, no matter where the event is held.

Only last month, FIFA declared results for the 2009 /2010 financial year. On revenues of greater than \$1-billion, it had made a profit, mostly from TV and marketing deals of \$196-million. FIFA also boasted that its accumulated reserves had risen to more than \$1-billion. Not bad for a supposedly non-profit making organisation!

However, on the negative side, a recent report on a review of what happened in Korea/Japan which hosted the 2002 WC reveals that some of the stadia that were built there became white elephants and have since been demolished.

Now when one, considers the total amount of money, running into hundreds of billions of Rand, spent by the government on hosting this extravaganza in relation to that spent in addressing the huge social and infra-structural deficits in this country then it is readily apparent where the true interests of the ruling class in this country lies.

The cartoonist ZAPIRO put this event into its true perspective with a cartoon published in the Mail & Guardian on 4 March

The cartoon depicts a shining new soccer world cup stadium with an adjoining informal settlement, 100 days before the official kickoff date. The caption over the stadium reads:"What we've built so QUICKLY is a testament to our REAL commitment ".

The caption over the informal settlement reflecting the sentiments of those living there, says: "Huh! ... Exactly!

As the saying goes, a picture tells a thousand words and this cartoon brilliantly exposes the ANC government's skewed sense of priorities when it comes to

addressing the legacies of Apartheid and the huge social deficits that exists in this country.

Another, very pertinent perspective on this event is given by Christopher Merret of the University of KZN, in the November issue of APDUSA VIEWS. In an article entitled, "A noble cause betrayed: The ANC and the commodification and politicisation of South African sport" he amongst other things says: "There is no evidence from previous mega events, that the world cup will deliver any major benefit. Taxpayers will pay dearly for this act of national prostitution destined to bequeath a clutch of expensive white elephant sports stadiums."

In the similar vein, Dr Udesh Pillay of the Human Sciences Research Council (HSRC) has published a book titled:"Development and dreams: Urban legacy of the 2010 football world cup" in which he reportedly gives the results of 5 years research and concludes that the economic benefits of being a host country have been overstated. (Daily News 8 March)

What has been said above about the ANC's approach to WC 2010 does in a certain sense provide one with a yardstick against which one can measure their handling of the broken down health service sector. As we stated in an editorial in our Bulletin of September-October 2007 which dealt with the collapse of the Public Health Sector, "Rather than address the problems in health directly, the government has become obsessed with the hosting of the World Cup in 2010 almost seeing it as a panacea for all the ills of this country. It is more concerned about changes to suit FIFA than it is about addressing the problems relating to the well being of the country's citizens"

As alluded to in the introduction, I have chosen to focus on an examination of the state of our health system both because of its topicality and because the state of the health system exemplifies how the ANC has reneged on its promise of a "better life for all".

### CRISIS IN TRAINING OF MEDICAL PRACTITIONERS

As reported in the South African Medical Journal the dire state of academic medicine in this country was brought home by a Parliamentary Portfolio Committee on Health hearing which was held on 21/10/09.

The portfolio committee listened to presentations made by the various Academic Health Complexes (AHC) of which there are eight in the country.

Summarising the information given to the committee, the report says that the situation in the AHC 's was described as facing " dire consequences in terms of health care worker output, research, quality of tertiary health care and practical training, with the Bloemfontein AHC in imminent danger of collapse."

As an example the Pelonomi hospital in Bloemfontein was said to be on notice by the Health Professional Council of South Africa (HPCSA) to have its accreditation as a teaching hospital withdrawn unless major problems there were resolved. Other shocking facts brought to light at the hearing included the following.

- Most existing nursing training institutions could not provide professional nurses as required by the 2005 Nursing Act. (The government closed down a number of nursing colleges after 1994 in terms of its rationalisation policies)
- Whereas the number of Medical Officers in the public sector had increased by 34% from 2001-2007, the number of specialists had only increased by 4%
- There is a shortage of 2,590 specialists in the public sector
- To satisfy specialist requirements in the public sector over the next 15 years would require a 34% increase in current registrar (specialists in training) admissions.
- The underfunding of specialist training at the School of Dentistry at UWC meant that 31% of posts were unfilled.
- There was currently one dentist to 1.5 million people and of 5 430 general dental practitioners 1,900 were working in the United Kingdom.

These facts serve to highlight the fact that a properly functioning health sector is crucially dependent on sufficient numbers of well trained health care personnel being produced by our medical schools and nursing colleges.

The medical schools are quite simply not producing sufficient numbers of doctors to provide for the health care needs of the population. In answer to a question in parliament this year the minister of Higher Education, Mr Blade Nzimande,

indicated that only 1,306 doctors graduated from the eight medical schools in 2008. This number was down on that seen in previous years. For example 1,394 graduated in 2004. This revelation begs the question as to whether any research into establishing the number of doctors required to cater for the health needs of the country, has been done.

And to compound matters further, it has been conservatively estimated that up to 17% of doctors leave the country after qualifying each year. Clearly the country cannot afford to continue losing large numbers of such a vital human resource and measures to reverse this trend needs to be introduced.

## THE GREAT DOCTORS STRIKE 2009

The unprecedented doctors strike during June last year was greeted with expressions of shock and dismay by all and sundry.

Two separate but interlinked issues appear to have been the catalyst for this strike action by doctors.

On the one hand the Occupation Specific Dispensation (OSD) of significant salary adjustments for doctors which was supposed to have been implemented in terms of a government resolution taken in 2007 did not materialise.

On the other hand the disatisfaction with the general state of the health infrastructure in the country had been a longstanding concern amongst doctors employed in the state sector. This aspect has been largely driven by doctors who are not affiliated to any specific union

Both the media and the state have tended to emphasise the former as being the main reason for the strike whereas in reality the main impetus has been the latter.

The strike brought to the fore the lack of unity of purpose amongst doctors working in the public sector.

On the one hand the South African Medical Association (SAMA) which is the only union representing doctors in the Public Service Co-ordinating Bargaining Chamber (PSCBC) led the strike action emphasising the question of the implementation of OSD. On the other hand the United Doctors Forum (UDF) representing mostly junior doctors working in public sector hospitals, while

emphasising a demand for salary increases which were substantially larger than that which SAMA had proposed, also highlighted the dire state of the public health sector.

The existence of two apparently mutually hostile organisations representing doctors is obviously a cause for concern. This does raise the question of health worker organisations and the role they must play in transforming the health sector in this country.

### THE FINANCING OF HEALTH

The Budget allocation for health is 7-8% of GDP. This translates to \$ 869 per capita which is on a par with many other countries. However, that is where the favourable comparison ends because the health outcomes in terms of the burden of disease and our health indicators are far worse than those of countries with similar budget allocations for health.

This year's budget saw the allocation for health increased from R86.9-billion to nearly R105-billion. This includes R3-billion for increased spending on HIV-AIDS. While this is welcome, this figure should be compared to the R119,4-billion allocated to the police and the army.

Each of the 9 provinces are responsible for providing health services. However, it has recently been revealed that most of them are deeply debt ridden and dysfunctional. The provinces are collectively indebted to the tune of more than R12-billion. The Eastern Cape for example owes R1.8 Billion. Furthermore, despite the overall budget increase, the actual budget allocations to the provinces has decreased year on year. For example the Eastern Cape budget for 2010/11 is substantially less than the previous financial years.

So taking the above facts into consideration it should not come as a surprise that the provincial departments of health cannot deliver and this translates into poor patient outcomes.

## THE STATES RESPONSE TO THE HEALTH CRISIS

Given the constraints of time and the nature of this presentation, one is able to highlight only some of the many deficiencies and weaknesses that exist in the health system. And on its side the government has been the first to acknowledge the shortcomings in the health sector. They have come up with a number of initiatives meant to improve the situation.

Dr Aaron Motsoaledi the minister of health has grasped the nettle of the challenges confronting his department far more efficiently than any of his predecessors. And to his credit there have been significant improvements in the performance of the DoH under his leadership and there have been some positive developments. However these have largely taken the form of "too little, too late"

How does the government and the DoH in particular plan to deal with all the problems confronting them?

The initiatives that have received the most attention and media coverage have been Private Public partnerships (PPP) and the National Health Insurance (NHI)

# PRIVATE PUBLIC PARTNERSHIP'S (PPP's)

Following the diktats of the WB and the IMF and being in thrall to a neo-liberal economic policy the government has been persuaded to accept the idea that it needs the help of the private sector in providing the infrastructure necessary for service delivery and in the health sector in particular. The <u>probable</u> brainchild of the IMF, PPP's provide a mechanism whereby the private sector not only finances the building of new hospitals and clinics or refurbishing existing ones including supplying all the equipment necessary to enable them to function efficiently; but they also provide managerial skills, and are supposedly more efficient in service delivery than the state sector.

The government has adopted PPP's as a matter of principal and to this end has established a PPP unit inside the national treasury. A whole new PPP industry has come into being with so called PPP "transaction advisor companies" which bring together private sector companies and government departments for specific projects. Not surprisingly this industry has a strong BEE presence.

The DoH boasts of a number of such PPP projects, the most important one being the Nkosi Albert Luthuli hospital in Durban.

These PPP constructed health facilities have all been touted as major successes by the DoH but anecdotal reports suggest that these have not been that successful in terms of service delivery and the costs of paying off what amounts to a loan from the private sector partners has proven to be prohibitive.

Whatever might be said in its favour, a PPP comes down to running the health service as a business, which in our view is iniquitous.

By we are not alone in our opposition. Others like health economist Alex van den Heever has stated his opposition to PPP's citing the British experience of poor outcomes with PPP projects in that country.

Patrick Craven, spokesperson for COSATU described PPP's as "a euphemism for creeping privatisation". " Private ownership leads to higher costs, poorer services and the loss of jobs".

On the other hand the government confirmed its commitment to privatisation. In his budget speech by Pravin Gordhan when he stated that "a closer partnership between the public and private healthcare systems is a prerequisite for the introduction of the NHI."

The private health sector companies are of course very willing to enter into PPP's with governments not only here but beyond our borders as well. As an example the DBSA has committed R700m to a PPP hospital project headed by the Netcare private hospital group, in Lesotho. This being yet another manifestation of the Imperialistic nature of South African big business.

# NATIONAL HEALTH INSURANCE (NHI)

The proposed introduction of a NHI was part of the ANC's election manifesto last year. The NHI it would seem is the ANC's answer to all that is wrong with the current health care system in this country. But is it?

The basic idea with the NHI is to provide a comprehensive health care cover to all irrespective of their financial or social status, through a single payer system. Details of the financing of the scheme and how it would function were broadcast widely for comment. In terms of time frames from its introduction, it was announced that the enabling legislation for its implementation would be tabled by June this year with the idea is that the new system would be introduced over a period of five years.

But before trying to reach some kind of understanding of whether the NHI as mooted by the ANC is a good idea or a bad one, we need to understand the reasons why the ANC has suddenly now come up with the idea.

The main motivation being that given the economic policies it has been forced to pursue by Imperialism, the ANC has come to the realisation that it will not be able to bring about the desired results in the countries very dismal health indicators unless it comes up with a new scheme.

The idea of an NHI has evoked a variety of responses from a variety of different interest groups and civil society. Basically the responses can be divided into those in favour of the idea and those against but the basis of the support or rejection is more informative.

From the responses one has seen it is clear that there are those who support it either out of conviction or blind support for the leadership of the organisations to which they belong while others either represent vested interests opposed to anything that poses a threat to the supremacy of private enterprise and who see the NHI as a threat to the elitist, profit driven private health sector. Included in both camps are academics and "independent "political analysts.

To give some idea of the scope of the debate I will highlight just some of the views that have been expressed.

The most persuasive argument against the introduction of the NHI, in the form proposed by the ANC, comes from the ECONEX group of economic analysts who were commissioned by the Hospital Association of South Africa (HASA), which represents the private hospital industry in South Africa, . Their brief was to investigate the economic viability of the NHI. The study, which was quite exhaustive, concluded that the NHI was both unaffordable and unworkable. (www.econex.co.za)

Commenting on this study, Business Day in an editorial comment describes the NHI as "An unworkable solution" (Business Day, 17 February 2010)

The editorial states further that "Implementing an NHI within the kind of time frame suggested by the ANC, with the public health system in a state of collapse, state coffers running dry and the country suffering a debilitating shortage of skilled medical personnel, amounts to putting the cart before the horse."

According to a report in The Sunday Independent, 31 January 2010, others who have expressed views critical of the NHI are independent political analysts Protas Madlala and Mohau Pheko and Academics like Prof Tom Wheeler of the South African Institute of International Affairs and Prof Robert Schire of the University of Cape Town's Department of Politics. According to the report, they agreed that the NHI could not work and "would be dead on arrival". They also believed that the NHI was being used by the ruling party for populist gain.

On the other hand, a wide cross section of civil society organisations have expressed views which are generally in favour of the NHI. These include groups like The Treatment Action Campaign (TAC), Peoples Health Movement (PHM), SACP, COSATU and affiliates like NUMSA and NEHAWU, the Board of Healthcare Funders (BHF), representing the medical aid schemes, the Health Systems Trust(HST).

Some relevant points of view expressed include the following:

 The NUMSA trade union issued a statement on 15 February 2010, which was critical of the "dastardly" ECONEX research findings and saw it as a part of a ploy by "health profiteers" to undermine the progressive health reforms of the government.

- Louis Reynolds of the Peoples Health Movement (PHM) writing in Amandla magazine (Dec 2009/Jan 2010) sees the NHI initiative "as a historical opportunity to establish Primary Health Care (PHC) as the foundation of a high quality unitary public sector health system"
- The independent analysts Aubrey Matshiqi and Ebrahim Fakir of the Electoral Institute of Southern Africa are quoted in the same report as having said, "The accusation that the NHI was ideologically driven was being advanced by people who were also ideologically motivated or persons who supported private health profiteering interests." (Sunday Independent 31/01/2010)
- Patrick Bond writing in Muslim Views (October 2009) argues that the NHI is needed to solve South Africa's health crisis. He cites research done by the John Hopkins Bloomberg School of Public Health in the USA. They developed an economic model, which would make an NHI both workable and affordable within the budgetary constraints of the present government's economic framework. He sees the NHI as making health care more accessible to the majority with resulting huge benefits to the country in the form of lower rates of illness (a reduction in the burden of disease), increased labour productivity and "Keyneseyian multiplier economic effects which can be calculated as a 5% increase in overall economic activity.

It has been made abundantly clear that for those who have expressed reservations or outright opposition to the idea of a NHI, health is a commodity rather than a right.

For them it is not a question of whether an equitable health system is necessary or desirable but whether such a system is feasible and or affordable in terms of the a present market driven capitalist economic system.

For most of these analysts and commentators, it comes down to affordability in terms of a business model. According them the present budget for both private and public sector is R 79-billion. And since the total cost of the NHI when fully implemented as per the ANC's model would require revenue in excess of R300-billion.,the NHI is simply unaffordable, end of story!

For them the question is simply one of affordability. It is based on the idea of health as a commodity rather than a right.

But the question of an NHI is too important to leave to vested interests to rule on.

In response to criticism levelled against the NHI by vested interests and others opposed to its implementation, the government appears to be backing off from implementing it in the form originally proposed. The minister of health has been noticeably quieter on the issue, of late.

We need to mobilise communities to become involved in protests around demands for a free, equitable health care system. We need to organise actions around those demands. We need to rebuild a movement that will strive to put in place the only economic and political system that can bring those demands to fruition.

We cannot <u>not</u> allow the question of the NHI to be seen in isolation from the broader socio-political issues that underpin the health system presently in place

In looking for solutions to the ghastly state of affairs, pertaining in the health sector one can but refer to the example of Cuba with its much-maligned Socialist system. Cuba has one of the best health care systems in the world, which can provide us with some valuable lessons.

The stark contrast in the health indicators for South Africa and Cuba is all the more remarkable when one considers that whereas South Africa is ranked by the World Bank as an upper middle income country, Cuba is a lower middle income country.

We should also take note of other views that have come to the fore concerning the question of transforming the health sector in this country.

A notable recent contribution is that by Cde Lydia Cairncross of WOSA. In a paper, titled "Towards a unitary system of Health for All", she has put forward a commendable set of proposals which includes a set of "alternative/transitional demands". This paper was prepared for the Truth Conference, an initiative that I will refer to later

She lists these demands in the context of the following overarching philosophy:

- 1. Free health care for all
- 2. Single health system funded from a single tax base (implies nationalising the private sector)
- 3. True Primary Health Care based on the Alma Ata Declaration 1978

Her proposals include the following immediate demands:

- 1.Abolish ALL user fees at health centres
- 2.Stop privatisation:
  - a. End to subsidies for medical aid
  - b. Reject social health insurance, we want free health for all
  - c. Abolish PPP's which prey on the public sector
  - 3.Health Funding
    - d. Scrap the defence budget and divide it between health, education, housing
    - e. Increase corporate taxation
- 4. Share Public/Private resources
  - f. Cluster hospitals geographically. Each private hospital legally required to donate a % human and material resources to neighbouring hospital
  - g. Legislate no patient should die for want of an emergency treatment e.g. intensive care, when that is available in private sector
- 5.All parliamentarians and Cabinet Ministers to use public health facilities!
- 6. Schools and workplaces as centres for Health Care
- 7. Human Resources
  - h. Open previously closed nursing colleges
  - i. Improve working conditions for health workers
  - j. Fill all vacant posts immediately!
  - k. Community Mobilisation around Health
    - k. Community health forums to run clinics/day hospitals
    - I. Youth volunteer system
  - 4. Home based care as recognised, paid work
- THE PEOPLES HEALTH MOVEMENT(PHM) AND THE CAMPAIGN FOR THE RIGHT TO HEALTH

The People's Health Movement, which is a global network of civil society groups, researchers, activists, and teachers involved in health, was established in Bangalore India in 2000. ( <a href="www.socialmedicine.org">www.socialmedicine.org</a>). The South African affiliate ("circle") of this organization has been in existance since 2003 and is based mainly in Cape Town.(<a href="www.phmovement.org">www.phmovement.org</a>)

The PHM has proposed the launch of a global campaign on the Right to Health(RTHC). Consequently a RTHC was launched in Cape Town in 2007. This local initiative was supported by organisations like the TAC and Cosatu.

<u>The PHM calls</u> for "a campaign led by civil society, and including many sectors that play a major role in determining the health of communities such as water, land, housing, education, labour etc."

The PHM emphasises a resolution adopted by the UN in 2000 on the core obligations of the state in regard to health. The UN resolution describes the right to health

"as an inclusive right extending not only to timely and appropriate health care but also to the underlying determinants of health, such as access to safe and potable water and adequate sanitation, an adequate supply of safe food, nutrition and housing, healthy occupational and environmental conditions, and access to health-related education and information, including on sexual and reproductive health".

The goals of the right to health campaign (RTH) are given as:

- 1. To raise awareness in South Africa of what constitutes health.
- 2. The strengthening of civil society organizations in health. Currently, the campaign will help to re-establish vibrant civil society groups in the health sector.
- 3. Communities and ordinary South Africans to have a meaningful say in the development, implementation and monitoring of policies, particularly related to resource allocation, affecting government, NGO and private sectors. It is important to show that alternative models for affordable, accessible, acceptable, and high quality health systems are possible and provide the building blocks for these policies.

4. Enable South African organizations to link up with international networks of like-minded health groups as part of the campaign, thereby building international solidarity and capacity to advance the right to health.

The PHM has set out a number of short-term objectives for the right to health campaign and ideas of activities to promote the campaign.

The PHM sees itself as trying to convey a clear message regarding what is the right to health (which is more than just the right to health care). The Right to Health needs to be understood as inter-sectoral and to recognise the broader social determinants of health.

The PHM emphasises having a health system that is based on the right to health. which is based upon an alternative model for affordable, accessible, acceptable and high quality public services that will realize the right to health.

There is a clear need for the PHM which is currently mainly based in Cape Town, to other parts of the country.

 A meeting of some social movements held in Johannesburg in December 2008 drafted a document, which included the following demands in respect of health, which broadly echo those put out by the PHM.

They also stress that the problems in health cannot be resolved without also paying attention to the provision of a healthy environment and the implementation of measures to prevent pollution and ecological degradation, and put in place measures to promote ecologically sustainable development and social development.

They call for the provision of universal health care, including reproductive health care; an end to the privatisation of health care and all private services must be incorporated in a universal, state-controlled, and managed health care system.

Furthermore they highlight the provision of clean water and sanitation to all the people; the provision of adequate, universal social security for all, including for the unemployed.

### THE NUM'S POSITION ON HEALTH

It is our intention as the NUM to produce a position statement on the question of Health in South Africa.

We see health as a right but emphasise that we see it as an integral part of the demands contained in our Ten Point Programme.

Given our analysis of the nature of the state we do not believe that the problems we face here can be resolved within the neo-liberal, macro-economic policies being pursued by the ANC.

While accepting reforms brought about as the result of struggle from below we believe that only the eradication of capitalism-imperialism will make it possible for the creation of a just and equitable society.

We nevertheless see the struggles around health as being an important rallying point for developing solidarity networks and forging unity with like minded organisations and mobilising the masses to challenge the entire current economic and political dispensation.

### BUILDING THE UNITY OF THE LEFT: A NEW BEGINNING?

This brings me to the penultimate matter that I wish to address this evening. This concerns a potentially promising development

Here I am referring to the beginnings of signs of a regrouping of forces on the Left as exemplified by the Conference of the Democratic Left (CDL) and Truth Conference (TC) initiatives

The decline in influence of the Left has been an ongoing cause of concern for us.

During the course of this year, we as the NUM have been invited to participate in two apparently disparate initiatives.

Both of these initiatives arise out of the contradictions thrown up by the failure of the ANC to establish a truly democratic dispensation in this country since coming into power in 1994. The post Polokwane denouement has simply added fresh impetus to these initiatives.

We will be considering our own response to these initiatives during this conference. Whether we agree to become involved or not we do need to understand where these initiatives come from and how they fit in with our own analysis of what is required in the struggle.

# THE CONFERENCE OF THE DEMOCRATIC LEFT (CODL)

The main movers behind the call are: disaffected members of the SACP some of whom like Mazibuko Jara is a member of the AMANDLA magazine together with Brian Ashley of AIDC and Trevor Ngwane of the Anti Privatisation Forum (APF). A key document explaining the rationale for this call is that by Vishwas Satgar also a disaffected member of the SACP.

It would appear that <u>in</u> this initiative is a consequence of the fall-out from the ANC's Polokwane conference, at least as far as the disaffected SACP members is concerned.

With regard to some of the other protagonists, it may be worth recalling that the editorial collective of AMANDLA with Brian Ashley being a leading light was behind a call in 2005 for the formation of a "New UDF". That initiative was stillborn.

Is the CDL a more updated version of that?

A number of workshops designed to build regional structures for this initiiative have been held in the Western and Eastern Cape and in Gauteng. A national meeting has been mooted for June

# THE TRUTH CONFERENCE (TC)

The Umtapo centre in Durban together with the Centre for African Literary Studies (CALS) at UKZN; and the Workers Organisation for Socialist Action (WOSA) are the 3 main drivers of this initiative.

A number of regional workshops have already taken place, the most notable of which was one that took place in Cape Town on 13 February. An Eastern Cape regional meeting is scheduled to take place in June.

According to its proponents the Truth Conference which is scheduled for September 2010 will be "constituted by concerned individuals and activists who will be free to proclaim their party-political affiliation at the conference. That is to

say, it is a conference that is open to any South African who is concerned about the state of affairs as it affects the urban and the rural poor".

The TC would be open to all concerned citizens: from faith-based to grassroots community groups

A number of discussion documents have been produced including the one by Lydia Cairncross referred to above. It is envisaged that by the time of the TC, these documents would have been thoroughly discussed so that the TC would be the forum for the participatory development of a "national liberatory programme of action".

### THE POSITION OF NUM

We have proposed the building of a United Front (UF) for Socialism.

<u>Moreover</u>, we engaged with a number of fraternal organizations in 2000 in what is known as the Port Alfred Initiative and we are currently involved in the Radical Left Network (RLN). We have been involved in the RLN with a number of other political organisations since 2006. It is based almost exclusively in the Western Cape. Developments in respect of the CDL and the TC will almost certainly have a bearing on the continued existence of this initiative.

Our comrades in the Eastern Cape and the Western Cape have attended regional meetings called separately by the CDL and TC steering committees.

We will be discussing our response to these initiatives during conference this weekend.

In considering our response to these initiatives we need to know whether they are mutually exclusive, antagonistic, or complementary?

We need to clarify for ourselves how these initiatives fit in with our own call for the building of a United Front.

### **CONCLUSION**

We would be fooling ourselves if we thought that we had all the answers to the issues and challenges confronting us.

The advent of a new democratic dispensation in 1994 has thrown up a whole of slew of contradictions and new challenges that need to be resolved. Some of them have been touched on above.

However there are still other questions that need to be addressed . These include the following:

What is the basis of our struggle to-day?

How do we disaggregate issues of class from those of race and racism?

Which are the contending classes in South Africa to-day and can the struggle for social, political, and economic equality still be predicated on the well-known paradigms of class struggle?

What is the nature of South African society and to what extent do issues of race and group identity still obscure the class struggle?

What is the link between promoting the concept of nation building which envisages a society in which race and group identity are absent ie all groups of whatever colour or ethnic origin consider themselves to be South African in an inclusive sense. Given the dominance of group identity, is it realistic to expect workers of the various groups to coalesce into a single non-racial working class? In other words, is it possible for a "white" working class person to find common ground with a "black" working class person?

To what extent is class-consciousness as opposed to race or group consciousness developed in the SA population?

It is answers to questions such as these that need to be explored so that we can then embark upon a meaningful programme of action.

Our programme of action must be predicated on the building of a new society that is responsive to the needs of the people - a democratic and egalitarian socialist society.

I trust that I have succeeded in stimulating our observers into seeking to engage with us on some of the matters touched on in this address. We have made available a collection of our literature for those who are interested.

Equally, I trust that the address will provide delegates attending conference with a good basis for the deliberations that we will take place over the next two days of conference.

Let our watch words be: Mobilise, Rebuild, Organise.

For the building of a new movement against capitalism-imperialism

A Luta continua!

I thank you for your attention.

Basil Brown President 23 April 2010