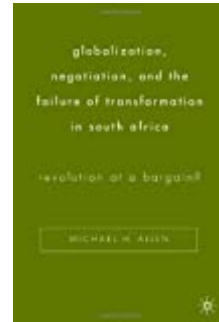




Michael H. Allen. *Globalization, Negotiation, and the Failure of Transformation in South Africa: Revolution at a Bargain.* New York: Palgrave Macmillan, 2006. 256 pp. \$69.95 (cloth), ISBN 978-1-4039-7141-8.



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Globalization, Negotiation, and the Failure of Transformation in South Africa

One of the most enduring tropes employed by the South African left, in its multifarious, variously socialist-flavored versions, to explain the country's trajectory from late 1980s expectations of social transformation to the current, market-led normalization is that of the "sell-out." Patrick Bond's copious production, for example, popularized the story of how a glorious revolution was hijacked on its way to socialism by the scheming plots of technocrats lurking in the shadowy corridors of the International Monetary Fund (IMF) and the World Bank, modern equivalents of the Zurich gnomes of old, and their hoodwinked stooges in Pretoria's Treasury and Reserve Bank.[1] Such a line of thought has ascended to celebrity status in Naomi Klein's *The Shock Doctrine: The Rise of Disaster Capitalism* (2007), which seamlessly places post-apartheid South Africa among such prodigies of predatory, take-no-prisoners liberalization as Pinochet's Chile and Yeltsin's Russia.

Works like these generally fall short of capturing the complexities of post-1994 African nationalism in power, with its skillful combination of market liberalization, de-

racialized corporate acquisitiveness, state developmentalism, and moderate yet significant resource redistribution. Mainstream left analyses confirm, however, a point brilliantly made by Mark Gevisser in his *Thabo Mbeki: The Dream Deferred* (2007). The trickster and the hero, Gevisser writes, or the neoliberal turncoat and the committed socialist, the corporate opportunist and the perennial activist, remain the main characters in the theatrics of national liberation in postcolonial Africa as well as in the "rustic and close-to-the-ground" world of South African studies.[2] Tricksters and heroes, as Paul La Hausse showed in his study of the "picaresque" in nationalist politics, are, on the other hand, inextricably woven in the historical and biographical trajectories of the African National Congress (ANC), and still contribute to its headline-challenging convolutions.[3]

The lacunae in canonical left analyses of the South African transition make the title of Michael H. Allen's *Globalization, Negotiation, and the Failure of Transformation in South Africa. Revolution at a Bargain?* all the more alluring. The book's aim is to examine the po-

litical economy of South Africa in transition to democracy, as the autarchic, inward-looking apartheid model of growth and governance collapsed and the country entered a post-Westphalian world, where sovereignty is no longer contained in nation-states but operates through networks of negotiating relations involving domestic political and economic actors and international organizations.

To Allen's credit, this book does not indulge in a facile demonology of the sellout, nor does it uncritically celebrate the marriage of political liberation and economic liberalization. His sophisticated methodological framework combines an international political economy approach with a theory of transformation paradigm. It simultaneously attempts to capture both the structural forces and power relations shaping the South African economy, and the role of agency in terms of strategic outlooks, tactical choices, analyses of problems, and cognitive and normative adjustments by actors involved. Globalization is the protagonist of the book. In the early 1990s globalization implied a drastic change in the rules of the post-apartheid transition game, to which all the players involved, especially the ANC and the outgoing National Party (NP) government, had to adapt. Allen refers to a global mode of production imposing fresh constraints on the country's existing economic structures that had been previously articulated into a national-industrial production buttressed by apartheid and mainly intended to benefit whites, and with informal and rural-subsistence sectors reproducing black marginality and cheap labor.

The first part of the book—particularly chapters 3 and 4, which are also the most persuasively argued and theoretically grounded—discusses the impact of international and local financial conditions on the ways in which negotiations between the NP and the ANC unfolded in the first half of the 1990s. The financialization of the South African economy during apartheid's last decades made local capitalists sensitive to the disruptions caused by widespread popular insurgency. Capital longed for the kind of political stability that, upon restoring the confidence of foreign investors and international lenders in the country, would favorably place South African business in global financial markets. Allen's discussion of the interrelations between, on the one hand, the onset of political negotiations and on the other hand, the financial dealings that occurred out of the spotlight between firstly the NP, and later the ANC, and technocrats and foreign banks, is quite instructive and original. In the end, he persuasively continues, the ANC's ascendancy

in the post-1990 negotiations, and its anointment as the government in waiting, had much to do with the fact that the ANC and the NP had come to recognize the country's economic predicament in similar terms. The ANC, however, offered the best guarantees of political stability and fiscal discipline required by domestic and international capital for their continued presence in the country. Social and political normalization was the terrain of encounter on which the transition to representative democracy was possible, and for the ANC it implied acceptance of the need to contain popular militancy and reduce the impact of future developmentalist policies (p. 57). It also involved the practical empowerment yet ideological taming of the working class and its formal radical organizations (p. 126), as witnessed in the vicissitudes and ideological acrobatics of the Reconstruction and Development Programme (RDP), torn between revolutionary jargon, promises of socioeconomic delivery, and reassurances to rescue a badly tattered capitalist economy and the underlying investor confidence.

The tone of the book drastically changes, however, as it discusses the period after negotiations had started. Chapter 6 discusses CODESA (Convention for a Democratic South Africa, not Conference for Democracy in South Africa as stated in the book) and the subsequent multiparty negotiating process. A narrative, even descriptive style now takes the upper hand. The argument is less rigorously connected to the theoretical framework and the reader's expectation of fulfillment of what the title promises—a discussion of the failure of transformation—is repeatedly delayed and ultimately frustrated. The book's main problem is that it does not clearly define what it means by transformation, and its criteria to judge successes and failures thereof. Allen is quite precise in characterizing *transition* as a process of institutional change involving a shift from coercion to bargaining embodied in organs of representative democracy and corporatist negotiations with the participation of big business, big labor, and the state. He defines success in this regard essentially as stability under a legitimate ANC government remaining in control of basic assets that can help to counterbalance the anarchical tendencies of bottom-up democracy (p. 94).

But what about *transformation*? To the extent that this might well involve fundamental social change, the redress of past socioeconomic oppression, and resource redistribution to benefit the large majority of poor, overwhelmingly black, South Africans, it does not seem to mean the same thing as transition as defined above. Indeed it might be argued that Allen's idea of transition,

with its focus on reassuring capital, deferring expectations, and enforcing law and order, may well stand as an impediment to actual transformation. Despite Allen's professed sympathy for the plight of the poor and the downtrodden, and his ostensibly social democratic criticism of unfettered neoliberalism, he leaves this tension unresolved. Perhaps it would have helped Allen to have discussed socioeconomic oppression and injustice in the post-apartheid context, or actual policies in spheres such as social security, housing, healthcare, welfare, and municipal utilities. These themes are, however, largely absent from the book, apart from a perfunctory discharge of the "neoliberal" Growth, Employment, and Redistribution (GEAR) strategy. A very brief four-page (pp.147-151) description of the gap between promises of delivery and their real outcome is tucked away in chapter 7, which deals with gender inequalities and problems confronting women and which is the only substantial, in-depth analysis of post-apartheid social issues in the book.

There is another realm of social concern from which a definition of Allen's meaning of transformation can be inferred. In his words: "Change in the economic context comes from education, investment, employment, and a sense of hope and attachment to community. Yet the violence that grows out of economic marginality also deters the investments required to reduce that marginality" (p.159). So could this be the failure of transformation—the fact that, despite all its corporatist mechanisms for social normalization and the resumption of productivity, political change still excludes too many lumpens, riff-raffs, and maladjusted youth who cling to violence, do not appreciate the virtues of bargaining, and have no hopes of becoming "stakeholders" in the "global mode of production"? Is "transformation," then, mainly a matter of rule and social control over this surplus of "bare life," to recall Giorgio Agamben's felicitous expression or Thabo Mbeki's idea of the "second economy"? [4] Will it be accomplished with the development of adequate Foucauldian governmentality, a sagacious mix of persuasion, education, and repression to turn the disorderly unemployed masses into productive, patient, patriotic workers-in-waiting?

For Allen, the ANC deserves most of the blame for what went wrong socially. Soon after the 1994 elections, he writes, in a context of weakening economy, capital flight, and investors' suspicion, the ANC's approach to globalization preferred to assuage financial capital's nervousness rather than spur job-creating production. As a result the policy of GEAR led to confrontation with the unions, which strained the democratic corporatist cul-

ture of bargaining, and led to a situation Allen deprecates, where "the main threat to South African democracy in the early years of the twenty-first century is from class conflict that is no longer being adequately channeled through the established bargaining frameworks" (p. 177). Incidentally, these words and themes can be found almost verbatim in the work of Professor Nic Wiehahn, the apartheid-age architect of late 1970s labor reforms, talking of an epoch-making post-apartheid break from coercion to bargaining.

A striking aspect of this book is, in the end, that despite its goal of explaining the recursive interactions of agency and structure, it recognizes no agency of the poor. For them, the face of post-Westphalian sovereignty does not seem indeed different from the stern, reproaching glance of the Westphalian nation-state. Unless the poor find a seat at institutional bargaining tables, they are in Allen's book mostly a social problem, an object of policy intervention, an anarchical subjectivity mechanically responding with escalating crime (a social concern to which Allen devotes much attention) to impulses of joblessness and decay, as shown in the portrait of the township of Umlazi and its ineluctable cycle of low investment, very high unemployment, desperation, crime, and minimal investment.

Allen firmly bestows this solution on political modernization, which to him is capable of alleviating (with the consensus of established shareholders) the ravages of globalization. The book's recommendations refer to the enabling, empowering, and participative role of civil society in terms that closely mirror the standard parlance of post-Washington Consensus governance. Social conflicts appear not as a legitimate area of inquiry and expression of antagonisms, but mostly as a bleak, unspecified, threatening shadow, and the political dynamics of poverty are reduced to their institutionalized manifestations. South Africa, however, has also provided the stage for significant, organized, and widely documented social movements in low-income communities. Through sustained mobilization against the social consequences of free-market policies—such as the lack of access to land, the corporatization of municipal utilities, and housing evictions—social movement politics has challenged a characterization of the poor's agency as either victimhood or disorderly spontaneity. At the same time, community movements have resisted their subaltern assimilation in liberal or corporatist institutionality, while reclaiming the role of conflict as a vehicle for political proposal and change. In response, their desire for transformation has often felt the weight of the transition

and its associated stability in the form of judiciary prosecutions, police beatings, arbitrary incarcerations, and the demolition of informal dwellings.

Part of the problem in Allen's book is that its theoretical framework is mainly geared to explaining institutional change as an elite-driven process of pact-making. In accordance with political science transition theory, in Allen's post-Westphalian world, authority is shared among a wider network of elites (p. 184) involving big business, big labor, local banks, and international institutions, but elites nonetheless. This approach may carry the book's argument until 1994, as elite-pacting claimed center stage and even perhaps had an advantage in deferring desires from those waiting for the advent of the ANC as a messianic force for change. After the first democratic elections, however, this perspective loses steam. Bargaining between state, capital, and labor surely goes on, but it is increasingly inadequate to represent or explain conflicts internal to the ANC and between the ANC and its allied left organizations, as they deal with largely un-institutionalized dynamics of grassroots contestation, the collapse of waged employment, and new social antagonism towards privatization. Allen does not say much about intra-ANC dynamics. The party is presented as a rather coherent organization, bent on destroying capitalism until 1990 and then converted to neoliberal globalization as the new rule of the game in its 1991 Manifesto. As much recent research has shown (and here I

refer again to Gevisser's biography of Mbeki as an example), the pattern of relations between liberalism, socialism, and nationalism has been far more nuanced and intricate throughout the ANC's highly contested history. In these crepuscular times—after the fall of the Mbeki administration and the rise of a new leadership that, in nebulous, still ill-defined, vaguely unsettling ways, is trying to connect to rank-and-file resentment at the ANC's past record of economic liberalization—we still have to fully appreciate how straight, direct, and crowded the exit road from Westphalia actually is.

Notes

[1]. See for example, Patrick Bond, *Against Global Apartheid: South Africa Meets the World Bank, IMF, and International Finance* (London: Zed Books, 2003).

[2]. Mahmood Mamdani, *Citizen and Subject. Contemporary Africa and the Legacy of Late Colonialism* (Princeton: Princeton University Press, 1999), 30.

[3]. Paul La Hausse, "So Who Was Elias Kuzwayo? Nationalism, Collaboration and the Picaresque in Natal," in *Apartheid's Genesis, 1935-1962*, ed. Philip Bonner, Peter Delius, and Deborah Posel (Johannesburg: Ravan Press, 1993), 195-228.

[4]. Giorgio Agamben, *Homo Sacer: Sovereign Power and Bare Life* (Stanford: Stanford University Press, 1998).

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