

An response to Mr Trevor Manuel: Mr Trevor Manuel is singing for his supper!

22 December 2015

Dear Mr Manuel, Non-Executive Chair of Old Mutual Group.

I write this open letter to you intentionally to expose some disparities in the argument you advance in an open letter by yourself written to Minister Zulu. Please pardon me firstly for bombarding you with an exposition of this nature when you have a cumbersome task of leading a huge company like Old Mutual, an entity you have a fiduciary duty to ensure its business success and to secure your next pay cheque. Which is why, I borrow the idiom “singing for your supper” to for my heading and to describe your argument. Secondly, for eavesdropping on a conversation between two elders. It was repeatedly taught and engrained to me that it is impertinent for a young African to speak when two elders are speaking. Lastly, not for responding on behalf of Minister Zulu or in her defence as one would expect after writing an open letter to a person. I trust this letter finds you well.

This letter has no intention of defending Minister Zulu’s comments or justifying President Zuma’s appointment and redeployment of Mr Desmond van Rooyen. Neither does it intend justifying or contemplating the circus surrounding ministerial advisors. I believe the office of Minister Zulu, Minister Van Rooyen and the Presidency will do that at their own convenience and platform, if they have not done so already. I write to you, however, because I firmly believe and I will prove in the succeeding paragraphs that your argument is clumsy and you are “singing for your supper”.

Your letter raises a number of topical issues which require the nation to have a discourse on. Even though they are not totally new, they have, however, risen back to the public discourse in the recent past and must be given the attention they deserve. These issues range from the absolute prerogative of the President to appoint ministers and who polices this prerogative, the declining legitimacy of the state, to how our movement, the African National Congress (ANC) handles the process of deploying its cadres to the state, and what becomes the role of the electorate in all this processes.

You fall flat in your argument and start raising your voice in your song for supper wherein you wittingly exaggerate the presence of an invisible hand in matters of the state and deliberately place an immoral and dishonest entity called business in a sacred space. You concisely express the purity of business it deserves when dealing with it, when you say:

*“The picture I am sketching for you is that the saga of dismissing a competent minister and replacing him without warning or explanation led to a complete breakdown in trust.”* And further say:

*“If this view holds, the trust is not broken only with Cabinet, of course. It is also broken with the ANC, with the broader South African electorate, with the markets and with that entity you call “business”.*

Amongst the many things we learn in the seminal intervention of Karl Marx and Friedrich Engels through the Communist Manifesto is that in a capitalist society such as South Africa, *“The executive of the modern state is but a committee for managing the common affairs of the whole bourgeoisie.”* So any government in a capitalist society rules in the interests of the

ruling class and is not immune from manipulation from that class, just that the degree of influence the capitalist class varies from government to government depending on government's capacity to discipline capital. So the implicit argument of an outside hand beyond the ruling party bites the dust, because it is inherent in capitalist governments that there are those with vested interests beyond the politicians and are, in many instances, responsible for the politician's rise to office.

I am certain many will concur with my assessment when, I say that the Des van Rooyen saga is a sharp reminder and further proof of the lesson by Marx and Engels. In this instance we have two contending factions within the bourgeoisie as a whole who are fighting to capture the state for the sole purpose of profit maximization. The emerging bourgeoisie or aspirant capitalists on the one corner, and the established bourgeoisie on the other corner.

Advocates of the emerging capitalists, who are hoping to pocket billions of Rands from the proposed South African Airways (SAA) acquisition of assets and the proposed nuclear deal see former Minister Nhlanhla Nene as a stumbling block and would like him ousted. To these new entrants in the capitalist's jungle, they see the "competently unknown" Van Rooyen as a candle of hope that will not only provide light, but also burn the red tapes that prohibit them from increasing their profits and allowing them to compete favourably with the already established capitalist.

While on the other hand the already established bourgeoisie, which you Mr. Manuel of Old Mutual, Mr. Nazmeer Moola of Investec Asset Management, who was quoted by the Sunday Times saying "*It will create uncertainty in the markets, so it is clearly negative*" and many other representatives of white monopoly capital see someone like Van Rooyen as a threat to your hegemony and monopoly and would prefer someone like Nene or Pravin, who you want us to believe are neutral, competent and incorruptible. The established bourgeoisie prefers these "heavy weights", so that there is certainty and stability in the markets for their profit accumulation path to continue undisrupted.

Contrary to what ardent defenders of white monopoly capital would like us to believe, that market stability is a symbol of development and a panacea to the problems of the South African working class, our people are now acutely aware that, this is just a single micro-economic indicator. A micro-economic indicator, that has very little to do with the well-being of the majority, but everything to do with a conducive environment for the capitalist class to maximize their profit. In fact, the South African working class is starting to ask the important question: "What does market stability mean, if anything?"

Both the appointment and removal have got nothing to do with the working class, but the bourgeoisie: the two contending factions of the bourgeoisie. I think you are aware that many argue that you also remained Minister of Finance for a very long time against the wishes of the South African working class and I suspect even that of our movement, because you were preferred and liked by the dominant faction of the ruling class.

To use the word "trust" to characterize the premise of the relationship between the business and the government or imply that business requires credible Finance Ministers is bordering on subjectivism, because you know very well that business is only loyal to profit. They only trust those who will ensure that profits accrue to them and those are the only credible people

in their light, that is why they did business with apartheid South Africa and continue to do business with illegitimate regimes without any iota of guilt.

I find it very interesting that in your letter you chose not to comment on the power dynamics that were at play in reversing Mr. Van Rooyen's deployment and what this means for our constitutional democracy. Out of benevolence, I will assume that you forgot to comment about it or did not see it important for the message you wanted to put across. Well, for me it is. Des van Rooyen's redeployment is testimony of what Marx and Engels taught us and reinforces that we live under the dictatorship of the bourgeoisie.

The reaction of business/markets especially the decline of the Rand as compared to other currencies was a sign that the dominant faction of the bourgeoisie is fighting back in defence of the space and the hegemony they enjoy in it. Like all factions in any sphere of life, they fought back with what is at their disposal, through threatening to disinvest, withholding planned investments and all other tricks that will ensure that the democratically elected government retreats and finally does what will sustain their profit maximization without any disruption. By all measures this is a recipe for disaster, because we have seen it in many instances undermining the will of South African, in the interests of a few powerful players of the capitalist class. I am hoping that you will also help us find solutions to this constitutional crisis the ruling class is pushing us into.

Your argument is clumsy, because it overlooks all lessons history has taught us about the relationship between business and the government. It deliberately wants to place capital an important site of power beyond reproach, so that society leaves it unattended and it continues to maximize profits for a few unabated. Your argument is based on an unhelpful liberal mantra that business is about trust, honesty and integrity, while history is littered with many examples of corrupt business activities. The lyrics of the song you chose do not create the required ambiance. Sorry, Mr Manuel!

Yours in struggle,

Ndumiso Mokako

Ndumiso Mokako is a National Executive Committee (NEC) Member of the ANCYL. He writes in his personal capacity.