

The state, markets and “civil society”: Limiting struggles and limiting democracy

Today we are regaled by notions that the state “lacks” capacity to do things. This is then used as motivation for why the state should enter into “partnerships” – chiefly with business - to ensure that things actually happen. So whether it is about education, housing or public services the state must partner with the private sector to ensure houses, schools or toilets.

Economists – who dazzle us with figures - love this kind of argument. So they play with notions such as a fully-functional health service would cost, say R100b – which the state cannot afford, or only partially afford. So the private sector will have to give the rest in order to make health services possible. But the private sector wants a return on its investment. So for every R100 spent it wants say R150 in return – which means that it, by definition, takes out more than it puts in. “Partnerships” is little more than code for more privatisation of public services and more outsourcing of what should be state functions.

Behind all the talk of the “state has no capacity” is the entrepreneur, the consultant and the mogul seeking new opportunities for making money.

Then there are the closet racists who long wanted to proclaim that black people cannot run the country – but are too scared to say so in these enlightened times. They love this idea – that the state has ‘no capacity’ - because it confirms their prejudices. Others, who are genuinely appalled at the levels of institutional corruption they associate with the government, conflate the state with the government and see the idea of partnerships as a way of preventing corruption. They fail to see that the institutional corruption can be laid at the door of the neoliberal state outsourcing every function precisely to such profit-seeking, tenderpreneurial “partners”.

Then there is an apparently more benign version of this state-has-no-capacity mantra. This is the idea that people should not be “mere passive citizens” waiting on the state to deliver. They should do so themselves and show the can-do spirit that sounds so empowering. The National Development Plan of Cyril Ramaphosa and Trevor Manuel makes precisely this kind of assertion. This is little more than code for the government’s policy makers saying “Don’t expect anything from us because we have no intention of providing any decent public services notwithstanding what the electorate expects from us”.

Another more benign interpretation of the state-has-no-capacity view is that held by many Non Government Organisations (NGOs) who work in what is called the “development sector”. Here, as neo-liberal states withdraw from public services they spend money or they source donor money from other states to pay NGOs to deliver these services. For instance the SA state stops providing public housing but the supports EU funding of NGOs who will help people to build houses themselves, or training people how access micro credit. In cases like much of Africa, where states have actually been reduced to shells by structural adjustment programmes, infrastructure collapse or wars, this kind of development NGO work may have some moral legitimacy as people may well have no other sources of income or public service may have collapsed completely. But in the main this kind of NGOs work is nothing but allowing neoliberal states to carry out their attacks on citizens whilst providing employment for NGO professionals.

The truth is that the state does not lack capacity. It is just busy with other priorities – ensuring that Big Business can get its pound of flesh from the rest of us. Which is why hospitals and schools are farmed out to the Provinces. Why free basic water is now being cut while mining is given a higher allocation. Which is why Home Affairs is dysfunctional while SARS is highly-efficient.

No, the sources of poverty and inequality in South Africa are political. Public authorities have become enthralled to powerful elite and corporate forces, which ensure that public policies and state resources are placed primarily at the behest of this national and global elite to the

detriment of the majority. Currently movements within civil society are too weak to resist this process of political disempowerment.

There are many reasons for this weakness, despite the ongoing community revolts and the new self-organised initiatives amongst mining workers. Part of this weakness is that many activists in the movements themselves do not see their protests as political. Along with media commentators and letter-writers the term “politics” has come to be seen as a dirty word associated with the worst practises of corruption and nepotism and the false promises of venal professional politicians.

Which takes us to this vexed term “civil society” and the politics of its meaning..

One hears so much about “civil society” these days that the term has taken on a rosy glow of something that is universally-agreed to be good. A recent EU publication says that “While states carry the primary responsibility for development and democratic governance, synergies between states and Civil Society Organisations (CSOs) can help overcome challenges of poverty, widening inequalities, social exclusion and unsustainable development. CSOs’ participation in policy processes is key to ensuring inclusive and effective policies. CSOs’ therefore contribute to building more accountable and legitimate states, leading to enhanced social cohesion and deeper democracies”

The EU considers CSOs “to include all non-state, not-for-profit structures, non-partisan and non-violent, through which people organise to pursue shared objectives and ideals, whether political, cultural, social, or economic.”

Blade Nzimande, SACP General Secretary, however seems to want to attack the notion of civil society as a source of democracy, claiming in his war with suspended COSATU General Secretary that what Vavi wants to do is position COSATU as part of “civil society” against the government.

Section 27’s Mark Heywood, in turn raises the need for “civil society” to not be routinely oppositional to government and that it, civil society, should recognise the good work done by some government ministries and work alongside them to bolster such exemplary practices. An observation for which he earns praise from the SACP’s Deputy General Secretary, Jeremy Cronin

So civil society seems to be some kind of watchdog over the state chastising it when it does badly and dispensing plaudits when it does well. In this the EU, the SACP and Mark Heywood seem to agree. It’s just that the GS of the SACP doesn’t want a civil society which is anti-government and the Deputy GS and Section 27 want civil society to give credit where credit is due.

So “civil society”, the “state”, the government ... What lies behind the use and abuse of these terms and what does that tell us about the nature of our campaigns and the possible expansion of, or decline of democracy. Is the raising of the banner of “civil society”, like the claim that the state “lacks capacity”, not just another way of not shielding the state and the elite from popular pressure.

The term “civil society” originally came about in the debates in Europe about the absolutist state in the period of the Enlightenment in the 18th century (before the French revolution) The period coincided with the voyages of discovery whereby Europeans ‘discovered’ Africa and the ‘New World’.

In looking at the claims for moral authority (supposedly, from God) of the absolutist state, philosophers in Europe began to contrast of the state of Man in Nature (What they thought was the state of the native peoples of Africa and the Americas) with Man in Civil society. Jean Jacques Rousseau famously wrote in his Social Contract that “Man is born free but everywhere he is in chains”. For Rousseau people in nature traded their freedom by entering civil society and creating a state which should honour that social contract. If the state did not fulfill its side of the bargain then overthrowing the state was legitimate. This was explicitly

articulated by Spinoza. Classical liberalism – of the French school -starts with Rousseau's ideas.

By way of contrast the English philosophers like Hobbes had no truck with this idea that humans in nature were so free. Hobbes wrote that 'life in nature was violent, brutal and short'. So human entered civil society and created a state because they needed a higher authority to prevent these more atavistic instincts from dominating. This is the philosophical source of a more peculiarly English, conservative, form of liberalism.

A half a century later the German philosopher, Hegel, challenged the philosophers of the Enlightenment and argued that civil society was not some general consensus but was characterized by inner conflict – largely conflict over the social surplus and over property and that the ensuing state was shaped by who wins this conflict. Politically, Hegel was reactionary and supported the Prussian state saying that it was the most enlightened. But two of his young followers – Marx and Engels - famously "turned Hegel on his head. While agreeing that civil society was a terrain of class conflict and that the state was an outcome of these struggles, they argued that the ensuing bourgeois state would in turn face struggles for popular power until the state itself would wither away.

In summary; for nearly 200 years the state was seen, not as separate, but as a **product** of civil society, which was itself a terrain of contestation, and no one – from Liberals, to Marxists - would recognize the way the term civil society is used today;

In the 1920s the Italian Marxist, Antonio Gramsci, was looking at a key question; why did revolutions break out relatively easily in the East whereas in the West bourgeois societies were quite stable? He answered this question by identifying a key role for ideology. The bourgeois state ruled not only by laws and by violence but also because its citizens believed that capitalism was right and proper and that the institutions of the state – parliaments, schools, courts, the police etc were legitimate. In short Gramsci argued that the capitalist state ruled through having what he called "hegemony" in civil society. If revolutions are to be successful in democratic states then the left would have to establish a 'Counter-hegemony' to that of the bourgeoisie within civil society.

Again "civil society" - used in this way – was not about a rosy consensus amongst "non state actors" but was all about struggles to shape the nature and content of political power - in and through the state.

Then along came the World Bank in the 1990s...

After the collapse of the Berlin wall in 1989 the World Bank and the IMF moved into Eastern Europe and proclaimed all the countries as successful liberal democracies because they had accepted multi-party elections and free markets. But – surprise surprise! After the first open elections many of these countries re-elected the old communist parties under new names. And the economies were quickly taken over by rogues and crooks who somehow became oligarchs over night, moving from being state managers of public companies to owners when these became privatised.

So the World Bank invented an explanation, and a new definition of civil society. Successful democracies, so the WB averred, are defined by three things – liberal states; free markets and "civil society". These three things are separate spheres who have the own functions – so civil society can evaluate the performance of the state and can complement the state when the state is deemed to be inadequate. But the state is inviolate. Similarly "Free markets" of course cannot be interfered with otherwise they won't free.

This World Bank intervention has become the dominant use of the term amongst NGOs because all donors use the term in this way and NGOs are entirely dependent on funding.

Worse still is that this term "civil society" has become code for NGOs – a word which, depending on who is laying claim, could span anything from organizations of professionals dependent on donor-funding, to campaigning and lobbying groups, who may actually have

membership base. Seen in this way – if “civil society” is a category of “non-state actors” and also a collection of donor-funded NGOs, then we have the ultimate circularity: the forces of exploitation and oppression in the world, who have claimed that civil society is a separate sphere from states and markets will pay selective groups of NGOs to be a “watchdog “ over the democratic credentials and markets

This is a danger to democracy and a limitation on the struggles of working class activism because it lets both the state and the markets off the hook.

The state is seen as simply a thing, as set of institutions, which, if in place, constitute a desirable end in itself. The absence of such a functioning set of institutions make that a “failed state”, but if they are there then all is well. This limits our role as people to mere cheer leaders for the technocratic efficiency of this or that institution of the state. Forgotten is the idea that all the institutions that constitute the state may be made subject to direct democratic control and accountability – in short the rough and tumble of what was the subject of contestation for the last 300 years and what was contested in the struggles against the apartheid state in South Africa prior to 1994, before the ANC and the Nationalist Party negotiators deified the neoliberal state that presides today. Already we see how we have an increasing set of state institutions today which are beyond public scrutiny and accountability – the Reserve Bank, The Judiciary, the Intelligence services; South Africa’s trade agreements signed with international institutions - such as the WTO – which trump domestic democratic processes.

It is an irony that the modern-day epigones of liberalism in SA – from the DA and Agang to the “constitutional liberals” in the ANC - betray the founding fathers of their own tradition – the Rousseaus and the Spinozas - who would not have recognised this eulogising of state institutions as sacrosanct.

Then there is the third leg of the World Bank’s formula for a functioning liberal democracy – the “free market”.

Nothing epitomises more the brutal war on democracy waged by neo-liberalism in our times than the notion that the “markets” are some kind of thing which hold sway over us and which are only understood by experts called economists. An ironic, but healthy, by-product of the current global financial crisis is that it has unmasked the idea that the “markets” are self-regulated things only understood by smart people. Now we know that it is domain of rich, greedy, not very clever individuals – the Donald Trumps; the Mick Davis’s; the liars at Enron and the bankers who are now relying on the money printed for them by the US state under the “Quantitative Easing programme of the Fed.

To limit the role of citizens to being a watchdog over the excesses of the state and the market is to limit the power of people and to mystify the state and markets as if they were “things” best understood by experts. This shields what are actually both social relations - from democratic control.

This is not to make “civil society” complicit in the function of this neo-liberal state; or to become cheerleaders as the SACP would have us do but to transform all aspects of social life, including the state, as part of extending the terrain of democracy.

Activist movements today – whether community based or workplace-based or single-issue campaigns – limit and de-politicise current struggles if conducted under the rubric “civil society” as per the World Bank’s ubiquitous prescription.

The British historian, Eric Hobsbawm, in his review of the 20th century writes of the rise and decline of the three great social movements of our times – the movement for social democracy (by which the socialist movement was universally known before the German social democrats hived off to side with their belligerent ruling class); the feminist movement; and the national liberation movements. All of these had a clear perspective that their source of oppression was political and that they sought political power to achieve social transformation. But political power could not be just about entering the existing state and its institutions and using these for better purposes – for social good. No, the very institutions

themselves had to be transformed, so that they were no longer inviolate “things” which could simply be used for a different purpose (A lesson Egyptian activists are tragically learning today). This was their strength as movements.

Hobsbawm then goes on to trace the decline of these great movements as they either embraced the existing state institutions (the post 1920s Social Democrats) or turned the state into an instrument of the ruling party (the USSR in its Stalinist era, many newly independent countries) or simply became a pressure group within “civil society” seeking unique reforms from the state (the liberal feminist movement).

Our own mass movement of the 1980s too did not see itself as merely “civil society” but had a vision that liberation required the achievement of political power. Sections of the movement – particularly COSATU in its heyday - had a clear sense that every institution of the state could not simply be taken over from the Apartheid regime but that new relations and institutions were needed to be developed – one allowing for public control over these institutions. But this was still work in progress by the 1990s, and one lost in the machinations of the Kempton Park’s World Trade Centre.

The World Bank’s separation of states, market and civil society ascribes to each of these a separateness - much like traditional liberal theory prescribes the separation of the spheres within the state between the executive, the legislature and the judiciary. But whereas this separation helps to protect citizens from arbitrary rule and abuse from the state the separation of the spheres – states, markets, civil society – as prescribed by the World Bank is to protect the state and the “markets” from public scrutiny and accountability.

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