

---

# Nationalisation and the Freedom Charter

By Ben Turok

Ben Turok is editor of *New Agenda* and the Director of the Institute for African Alternatives.

*When the ANC talks about “nationalisation”, it is necessary to return to exactly what was said in the economic clause of the Freedom Charter. This article argues that a close reading reveals that what was meant had nothing to do with seizure of resources. It was all about sharing and recovery of resources that were lost due to colonial expropriation.*

**W**ith the election behind us we can now focus on the economic policies that were being advanced by the main political parties. What surprised many was the return to the issue of nationalisation by the ANC and the EFF. The ANC called for the nationalisation of the SA Reserve Bank – but the President says we cannot afford it. The expropriation of land without compensation falls broadly into the same category even though the intention is not to increase the state’s holdings. The EFF clearly wants state control of the land.

The new government will have to address these issues and it will be important to see how they justify their actions.

It has been quite common to quote the *Freedom Charter* as the basis for nationalisation. It may be instructive therefore to examine exactly what the economic clause of the Charter actually said and to try to contextualise its language in the politics of the day, 1955. For instance the Left went to great lengths to argue that the Charter was not a socialist document. Indeed the economic clause did not specify that the intention was for the state to take over the commanding heights of the economy. Rather it was to overcome the usurpation of the resources of the country by the few and return it to the “people as a whole”. There is a vast difference between the two approaches. As one of the authors of the clause, I want to try and capture the sentiments behind the words used and will examine the actual language.

## **THE PEOPLE SHALL SHARE IN THE COUNTRY’S WEALTH!**

*The national wealth of our country, the heritage of all South Africans, shall be restored to the people; The mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole; All other industry and trade shall be controlled to assist the wellbeing of the people; All people shall have equal rights to trade where they choose, to*

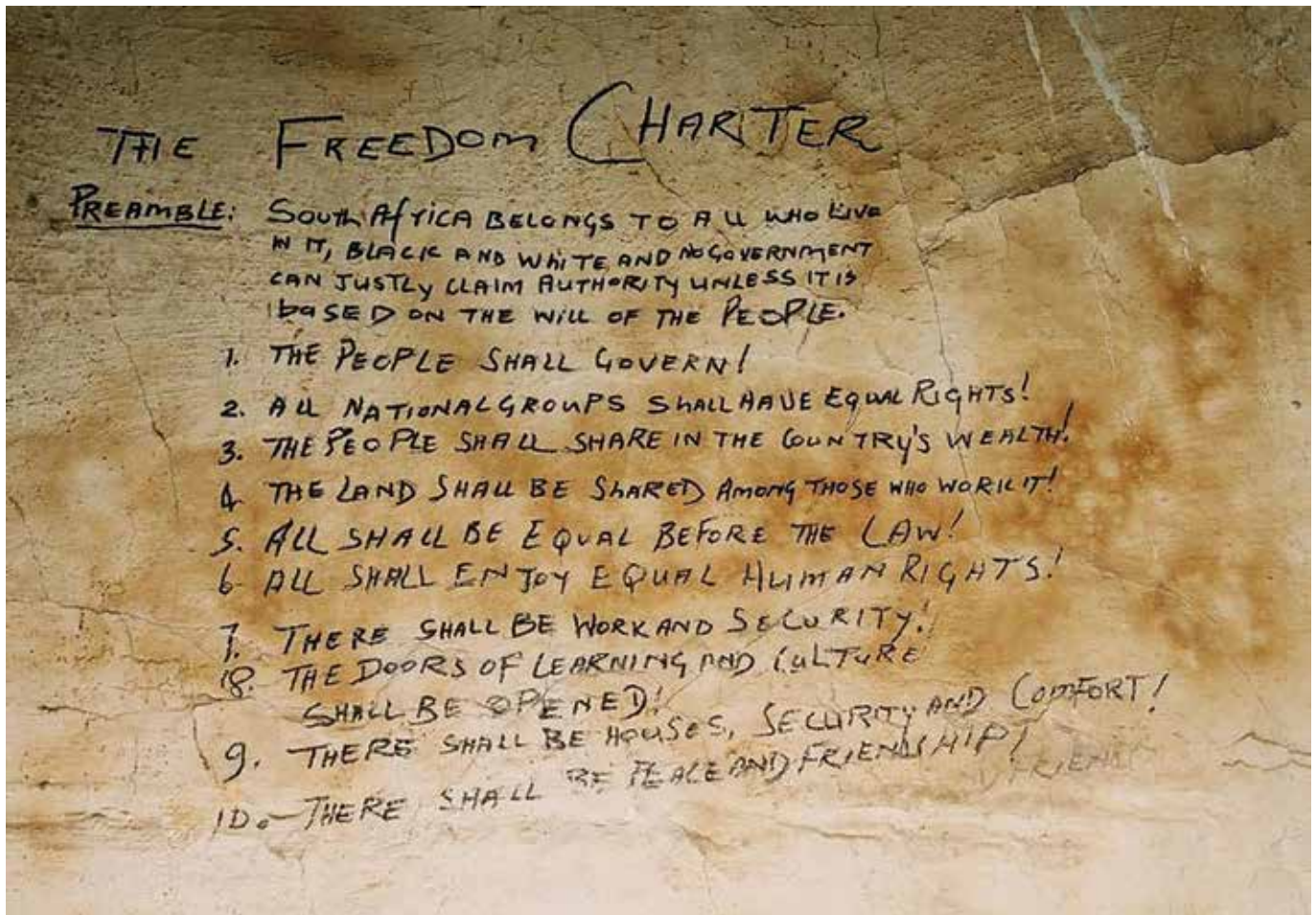
*manufacture and to enter all trades, crafts and professions.*

The key words used are “share”, and “restored to the people”. “Sharing” implies that economic resources will not be seized, and conforms with the key opening sentence of the Charter, “South Africa belongs to all who live in it”. “Restore to the people” reflects a desire to recover the resources lost due to colonial expropriation.

The clause about equal rights shows that the Charter was strongly opposed to the state’s restrictions on economic activity of any kind on the grounds of race.

We should recall that the 1950s was a period of immense change in many parts of the world. Democracy had triumphed over Nazism in Europe, leading to social democratic parties taking power as in the UK. The Communist Party won power in China. In Africa the anti-colonial movements were about to win independence and there were advances by progressive forces in many places.

South Africa was one of the few countries where reactionary policies intensified in the post-Second World War period. Hence there was a deep sense of grievance among the oppressed majority that they were being deprived of the wealth of the country; this was a system of internal colonialism. Therefore the Charter should be seen not as an attack on



“

**... the Charter should be seen not as an attack on private property per se, but as redress of colonial expropriation of the wealth of the country.**

private property *per se*, but as redress of colonial expropriation of the wealth of the country and therefore fully in line with the aspirations of the liberation movement.

On the face of it, any action taken by the new government to alter the inherited structure of the economy in a manner that benefits the people as a whole would be in line with the Charter. I read this to mean that the preoccupation with creating a black business class, that began with former president Thabo Mbeki, is not in line with the Charter which has nothing to do with replacing white monopoly capital with black monopoly capital or with tokenism in business appointments. Indeed, some would argue that the recent obsession with black ownership and management has nothing to do with efficiency or better service to society as a whole. It is not obviously doing anything to reduce mass unemployment, poverty or inequality.

To sum up, it seems that the resort to nationalisation in some of our politics is more a sign of desperation about the lack of real change in the structure of our economy rather than a panacea to our very serious real problems. Solutions become even more difficult when we consider how the Zuma years made our state dysfunctional. The idea that our state owned enterprises and certain government agencies and departments might be used to rebuild our economy is inconceivable.

We all know that the colonial legacies of apartheid remain entrenched in our economy and social order. These will not be overcome by some clever government mechanism. There must be only one criterion to guide us – will it benefit “the people as a whole”? **NA**