

# Lula moment for SA?

The Congress of South African Trade Unions (Cosatu)'s political report for its 11th National Congress talks of the possibility of a 'Lula moment' for South Africa in reference to changes brought about by the policies of former Brazilian president Lula da Silva. What is this 'Lula moment' and why is it attractive to Cosatu, asks **Elijah Chiwota**.

**T**he debate on the idea of a South African Lula moment has been given many names: some say it is the Freedom Charter moment; the African National Congress (ANC) refers to it as a Second Transition, while ANC secretary general Gwede Mantashe calls it the Zuma moment. Irrespective of what one calls it, the common things among the many definitions are what the moment is supposed to deal with, namely ending poverty, creating jobs, and closing the inequality gap.

Cosatu locates the moment in Lula's second term from 2006 to 2010. 'In President Lula's second term he engineered a dramatic turnaround which saw a series of amazing achievements in terms of improvements of the living standards of the working people of Brazil. These achievements continue to this day under the leadership of President Dilma. We refer to this turnaround as the "Lula moment" and pose the question as to whether we are able to drive our own Lula moment.'

The political report refers to a 'revolution' in Latin America that is reducing poverty, unemployment and inequality through decent work, better minimum wages and improved collective bargaining.

Accompanying this are progressive government policies such as social protection which comes in the form of a universal basic minimum grant for the poor and the unemployed.

Other policies complement these by promoting redistribution of wealth and the state being at the front of driving related industrial and investment strategies.

For example under Lula, the Brazilian government moved away from neo-liberal economic policies, and dealt with serious corruption that was causing havoc in the Workers Party.

## LESSONS FOR SA

According to Cosatu there are a number of things that can be learnt from the Brazilian experience. These include the need for 'political will and strong and capable leadership.' The leadership also had to be decisive by appointing 'key people in strategic positions' – people who were more concerned with action than speeches.

The rule of market forces also had to be challenged. The market had to be confronted head on by measures that included taxing capital flows and 'effective regulation of worker rights.'

The state also played a central role by driving and financing

its development policies. In reference to Brazil Cosatu says: 'They reversed privatisation, drove a state-led industrial strategy with the involvement of key state corporations in strategic sectors, and provided finance on a massive scale to promote industrial development through the state bank.'

There was also some moving away from neo-liberal economic thinking to what has been described as a 'pro-poor growth' that focused on raising incomes and social protection.

Other changes that happened in Brazil under Lula included making the labour market formal through 'increased worker rights, combating atypical and unregulated work, rising wages and improved conditions of employment' and 'large scale' job creation.

Other things that were strengthened included making labour inspectors more efficient and improving access to tertiary education by the youth – which in certain ways also reduced youth unemployment.

Speakers at the Chris Hani Institute roundtable on comparing Brazil and SA said a lot needed to be done or else the Lula moment would remain a distant dream. **LB**