

# REAL WORLD LABOR

A READER IN ECONOMICS, POLITICS,  
AND SOCIAL POLICY FROM

**DOLLARS&SENSE**

EDITED BY IMMANUEL NESS, AMY OFFNER, CHRIS STURR,  
AND THE *DOLLARS & SENSE* COLLECTIVE

# REAL WORLD LABOR, 1st edition

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# INTERNATIONAL LABOR MOVEMENTS

## *Article 4.1*

### **LABOR IN SOUTH AFRICA: A SLEEPING GIANT?**

**BY LUCIEN VAN DER WALT**

*July 2009—WorkingUSA*

**S**uperficially, the union movement in South Africa seems to be one of the success stories of modern labor—but appearances can be misleading.

Union density in the country (outside agriculture) is over 50%, by far the highest in Africa. Unionization has tripled over the last three decades, despite economic crisis and an unemployment rate conservatively estimated at 25%. The main union center is the Congress of South African Trade Unions (COSATU), with 1.9 million members, mostly Colored and African. Other significant union centers include the Federation of Unions of South Africa (FEDUSA, with 540,000 members), the National Council of Trade Unions (NACTU, 370,000), and Solidarity (130,000). FEDUSA and NACTU are currently linked together in a loose South African Confederation of Trade Unions (SACOTU).

By any measure, COSATU must be counted one of the most important working class formations in Africa. It has a proud history of mass struggle, having played a key role in the anti-apartheid struggle, and it has been involved in numerous mass strikes in the post-1994 period. Its founding principles are non-racialism, worker control of the union, industrial unionism, and “one country-one federation.” COSATU is part of a Tripartite Alliance with the South African Communist Party (SACP) and the ruling African National Congress (ANC), formed soon after these parties were legalized in 1990. In this capacity, COSATU was involved in the negotiations leading to the first democratic elections in 1994.

COSATU’s ongoing influence in the Alliance is shown by its key role in the 2007 victory of the Jacob Zuma faction in the ANC. This opened the door to Zuma assuming the presidency after the ANC won the April 2009 elections (its fourth victory), with the backing of COSATU and SACP. Zuma’s ascent had once

seemed improbable. He had been fired as Deputy President by ANC leader and national President Thabo Mbeki due to a corruption scandal; he eventually faced 783 charges. The ANC's 2009 victory was hailed by COSATU General-Secretary Zwelinzima Vavi as a "historic victory," "a vote for decent jobs, for healthcare, education and rural development, and a vote against crime and corruption" under the leadership of "Comrade Jacob Zuma."

## The ANC and the Hammer Blows of Neoliberalism

COSATU, which is officially socialist, has failed to shift the ANC from its overall commitment to a neoliberal macroeconomic policy, in evidence since 1994. Its alternative—a blend of Keynesianism and active industrial policy, with dashes of increased workplace democracy—remains marginal. Intended to chart a high road to global competition, a progressive-competitive alternative to the anti-labor low road taken by countries like China, COSATU's model has made little impact on the state.

ANC neoliberalism helps trap vast layers in bitter poverty, perpetuating the country's particularly brutal capitalism. The ANC essentially accelerated the economic liberalization initiated by the National Party (NP) apartheid government in 1979, but it has intertwined it with a commitment to "Black Economic Empowerment" (BEE), which includes affirmative action plus affirmative support for black business. The ruling ANC itself serves as a key vehicle for the enrichment of the growing black elite by providing access to top state jobs, to big business, and to contracts.

This nationalist element is important; the ANC is *not* simply an African Thatcherite party, as some accounts suggest. It undertakes measures that cut against the grain of strict neoliberalism (like affirmative procurement policies), and it cements its support among the African working class by appeals to nationalist sentiment. Indeed, the ANC often employs a left-sounding radical rhetoric, rooted in the anti-apartheid struggle and drawing on the SACP's vocabulary. This masks its basically elitist practice as a project of "national democratic revolution" (more recently, the language of a "democratic developmental state" has also been deployed). This then allows critics on the left (dubbed the "ultra-left") to be labeled as agents of "counter-revolution," or as racists. In 2007, for instance, the *ANC Today* described union dissidents as "anarcho-syndicalists" and "workerists," supposedly "beloved of the bourgeois media" and serving "the interests of right-wing forces."

It was, however, as a direct outcome of ANC policy—not sinister "right-wing forces" outside that party—that one million working class jobs were lost in the 1990s. This exacerbated the existing mass structural unemployment: today, 56% of the unemployed have never had jobs. While ANC-led trade liberalization, privatization and fiscal austerity help explain what COSATU calls a "jobs bloodbath," job losses must also be located within the larger economic crisis starting in the 1970s. This crisis is linked to ongoing problems of low productivity and chronic skills shortages, plus saturated local markets (or "overcapacity"), which remain unresolved. The crisis helps explain the shift on the part of the ruling class, including state managers, to neoliberalism.

The ANC has certainly expanded social welfare grants, especially in the latter part of the Mbeki regime. Around 12 million people (a quarter of the population) receive direct assistance. These grants help explain the persistence of ANC popularity, but ironically, the party's embrace of neoliberal capitalism is a central cause of the poverty that demands increasing cash transfers in the first place.

Overall poverty levels have risen since 1994, and South Africa remains one of the most unequal societies in the world—a recipe for massive social (even racial) conflict. The number of families worth more than \$30 million increased from 150 (all white) in 1994 to 690 (around two-thirds white) in 2003, with half of the country's 200,000 “very wealthy” being people of color. Meanwhile, 22 million people live in poverty, with 6 million unemployed.

One result is that COSATU's core base in heavy industry has been hammered. The federation has only retained its overall numbers by making major inroads into the state sector. Along with COSATU's inability to seriously organize the vast, ever-expanding pool of casual labor, or organize the unemployed, this change has caused its membership to shift away from unskilled and semi-skilled workers, and to skilled, supervisory, and clerical groups.

COSATU's participation in a wide range of corporatist institutions—most notably the National Economic Development and Labor Council (NEDLAC)—and its unmatched commitment to developing alternative policy options on almost all major issues (so-called “strategic unionism”) has not shifted overall state policy. Macroeconomic policy is decided in the Cabinet, not in NEDLAC. COSATU has no direct representation in Parliament, although it maintains a parliamentary office.

## **COSATU, the Alliance, and Zuma**

COSATU's role in Zuma's rise certainly shows its influence in factional struggles. It also demonstrates, however, its basic powerlessness on issues of substance, and its containment within the Tripartite Alliance built on the principle of ANC hegemony. Zuma had backed neoliberal policy when he was deputy president; he insisted throughout his political rebirth that he was “proud of the fiscal discipline, sound macroeconomic management and general manner in which the economy has been managed,” and favored “continuity.” In office, his government has stressed “that our conservative fiscal and monetary policies will remain in place.” ANC General-Secretary Gwede Mantashe—a former leader of COSATU's National Union of Mineworkers (NUM)—has warned the unions not to see the “Zuma leadership as weak” or as “indebted to various constituencies.”

In short, the Zuma government, like the Nelson Mandela (1994-1999) and Mbeki (1999-2009) governments, stresses ANC hegemony, neoliberalism and nationalism. Despite this, COSATU remains convinced that the ANC—and the ANC alone—can fundamentally transform South African society, and therefore, COSATU seeks to increase its influence in the Tripartite Alliance. The ANC is basically “a liberation movement biased towards the working class ... a progressive left formation,” said Vavi in 2007. “We shall not give up the ANC as it belongs to the people.”

The problem of neoliberalism—which COSATU has always opposed—was posed here as a lack of democracy within the Alliance, blamed on Mbeki personally.

The solution that followed this simplistic analysis was to oust Mbeki and support Zuma, seen as a man of the people. In doing so, COSATU found itself working alongside a range of questionable groups marginalized by Mbeki: suspended officials, some with histories of corruption; marginalized sections of the elite; and the ambitious just starting their climb up the ANC ladder. COSATU ended up canvassing for the ANC in 2009 on the basis of an election manifesto stressing privatization, a competitive economy, and the promotion of the “black middle class.” Zuma’s refusal to commit to any break with neoliberalism was ignored.

COSATU, yet again, helped play kingmaker without any real say in the kingdom, despite its leadership’s entanglement in court intrigues. This outcome is the direct result of the federation’s unwavering loyalty to the ANC, and insistence, in the face of all evidence to the contrary, that the party can be captured for a working class program. ANC policy is rooted in the party’s bourgeois-nationalist class character, and the commitment of the larger ruling class—both capitalists and state managers, black as well as white—to neoliberalism; it does not reside in personalities, but in the larger political economy.

The state itself is viewed by COSATU’s leaders as a mere instrument any group can wield at will, assuming that group has influence in a key political party—if some state personnel get criticized, the state *itself* is not. This ignores the state’s character as an organization of class-rule based on bureaucratic and military centralization, with its own, irreducible dynamics and imperatives. It is an instrument of accumulation and despotism, no less than private capital, and responsible in South Africa for around half the GDP. Premised on securing class power, the state cannot also be the force that will serve to destroy those privileges; on the contrary, incorporation, however partial, of union structures into the state tends to weaken, not strengthen, labor.

## Union Democracy and State Power

This may be illustrated by reference to COSATU’s evolution. In the 1980s, many in the federation embraced a radical project, stressing participatory democracy, the redistribution of wealth and power, working-class leadership, and anti-capitalist struggle. COSATU’s current focus on the ANC—and via the ANC, on state power—has eroded this vision, replacing it with a focus on intra-party intrigue and policy interventions.

In the 1980s, COSATU was allied to a wide range of popular forces, engaged in many struggles over civil and political rights, and included a vocal “workerist” current that distrusted the nationalists. In the 1990s, it shifted to a narrower “political unionism” centered on the Alliance, and old school “workerism” has been largely destroyed.

At one level, COSATU has become increasingly intolerant of anti-ANC sentiments in its ranks. This led, *inter alia*, to purges of left dissidents from COSATU affiliates like the Chemical, Energy, Paper, Printing, Wood and Allied Workers Union (CEPPWAWU) and National Union of Metalworkers of South Africa (NUMSA). A series of splinter unions have followed, such as the General Industries Workers Union of South Africa (GIWUSA), formed out of CEPPWAWU’s 2003 purge. The suspension of CEPPWAWU Regional Secretary John Appolis and others

had followed their call for a union referendum on whether labor should withdraw from the Alliance. Official COSATU support for Zuma has seen this intolerance extended to currents opposed to particular ANC *factions*, with COSATU President Willie Madisha expelled by Vavi in 2008 for being anti-Zuma.

At a second level, this centralist approach has been reinforced by the growth of a distinct full-time COSATU union leadership, closely tied into the state through involvement in the ANC and corporatist structures. COSATU's involvement in NEDLAC centers on developing detailed "practical" proposals, which entails an increasingly technocratic approach to policy that sits uneasily with the federation's traditions of direct action and formal commitment to shop-floor democracy.

Further pressure for union bureaucratization exists in collective bargaining. Since the 1920s, labor law has centered on incorporating union leaders into formal bargaining structures, enforcing a cumbersome process of dispute resolution that must be followed before a legal strike, and allowing statutory wage determinations. These measures originally applied mainly to Colored, Indian and white workers—around 30% of the workforce—and excluded the agricultural and state sectors.

With these restrictions largely removed in the 1980s and 1990s, many union representatives now find much of the day taken up by bargaining structures, as opposed to shop-floor organizing. At best, it takes around 30 days to move from declaration to notice of intent to strike, although months often elapse. This hampers direct action and the self-activity of the rank-and-file, providing a good example of how state labor regulation—now driven by the ANC—tends to reshape union activity in its own image: bureaucratic, centralized, and slow.

Moreover, these procedures mean that union leadership roles often entail full-time union work—obviously preferable for many to factory or menial work—and a growing union bureaucracy. There is also no doubt that the Alliance opens the door for numerous COSATU (and SACP) leaders to embark on a career in national or provincial governments. A notable example is Mbhazima "Sam" Shilowa, Vavi's predecessor, who became the ANC premier of Gauteng Province (1999-2008). Such connections often rely on patronage networks, which extend from the state into the labor leadership.

Both of these developments generate a careerist—rather than an activist—outlook among union leaders. They indicate that conflicts like the Vavi-Madisha clash were as much about competition for the spoils of union office as disagreements about ANC factions. In short, the politics of seeking "influence" have become intertwined with the struggle for office in the unions and in the state—undermining unions' ability to develop an oppositional counter-power and counter-culture, autonomous of state and capital.

## **Beyond COSATU: Other Unions**

At a third level, COSATU's ANC loyalty means the federation places the survival of the Tripartite Alliance above alliances with working class movements outside the ANC tradition. COSATU was founded in 1985 on the principle of "One Country-One Federation," following years of unity talks. It long regretted the decision of a number of Black Consciousness and Pan-Africanist unions to leave the talks to form

the rival NACTU. Yet COSATU's size also means it is not under much pressure to merge with other centers: NACTU, for instance, was originally close to half of COSATU's size, but is currently around a sixth.

For its part, FEDUSA is alienated by COSATU's link to the ANC, describing itself as politically non-aligned. It rarely engages in industrial action, concentrating on lobbying and services to members, in the mould of a classic business union. Formed in 1997, FEDUSA draws its membership from craft unions, staff associations, and a few industrial and general unions. For many years (although this is changing), its base was largely Colored, Indian and white workers.

FEDUSA's roots lie in the Trade Union Council of South Africa (TUCSA), a moderate, registered, union federation that emerged in 1954, and which was sidelined by the new unionism of the 1970s that gave rise to COSATU and NACTU. The eclipse of Black Consciousness and Pan-Africanist political parties by the ANC has freed NACTU of the problems of party loyalty that dog COSATU. This helped lay the basis for the somewhat surprising (given the centers' different traditions) rapprochement with FEDUSA as SACOTU in 2007.

Solidarity can trace its lineage back to the Transvaal Miners Association of 1902, and its successor, the South African Mineworkers Union (SAMWU). The TUCSA tradition organized across the color line—with Colored, Indian and white workers, albeit often in segregated structures—and made some efforts to sponsor African unionism. SAMWU, by contrast, was a staunch supporter of job reservation and racial segregation, and fought a rearguard battle against labor law reform in the 1980s. By 1994, it openly identified with the pro-apartheid Afrikaner right-wing, and had become a union center spanning several industries.

From 1997 SAMWU was revived in the context of a larger reinvention of Afrikaner nationalism as an ethnic lobby accepting the framework of a common South African society and polity. It was renamed Solidarity in 2002. Solidarity combines union services and charity work with a stress on Afrikaner cultural rights and opposition to affirmative action. Its outlook is Christian-Democratic, but is also linked to the new Afrikaner nationalism. Even so, it has held joint actions with COSATU affiliates like NUMSA and NUM, and attended the SACP's 2003 conference. Solidarity also reached out to Zuma, taking him to meet poor white squatters, and inviting him to address its 2009 congress.

Solidarity remains separate from both COSATU and SACOTU—this reflects the ongoing divisions in the working class by race, ethnicity, and skill. In 1997 COSATU, FEDUSA, and NACTU cooperated in a general strike against amendments to the Labor Relations Act. The 2007 public sector strike also showed a degree of interracial labor unity, while the 2009 doctors' strike crossed the race divide. Such cooperation has proved, on the whole, elusive.

## **Beyond COSATU: A Working Class Front?**

Finally, COSATU's links to the ANC mean that it cannot easily work alongside the burgeoning, post-apartheid, community movements based in black working class neighborhoods. From 1994-2001, 2 million people were evicted from their homes, and 10 million water and electricity connections were disconnected at least once for



non-payment of continually escalating service charges. Only half of such disconnections are ever officially reversed. This policy of cost recovery and fiscal discipline has been enforced largely by ANC town councils, pitting the movements against the municipal governments in street battles and confrontations.

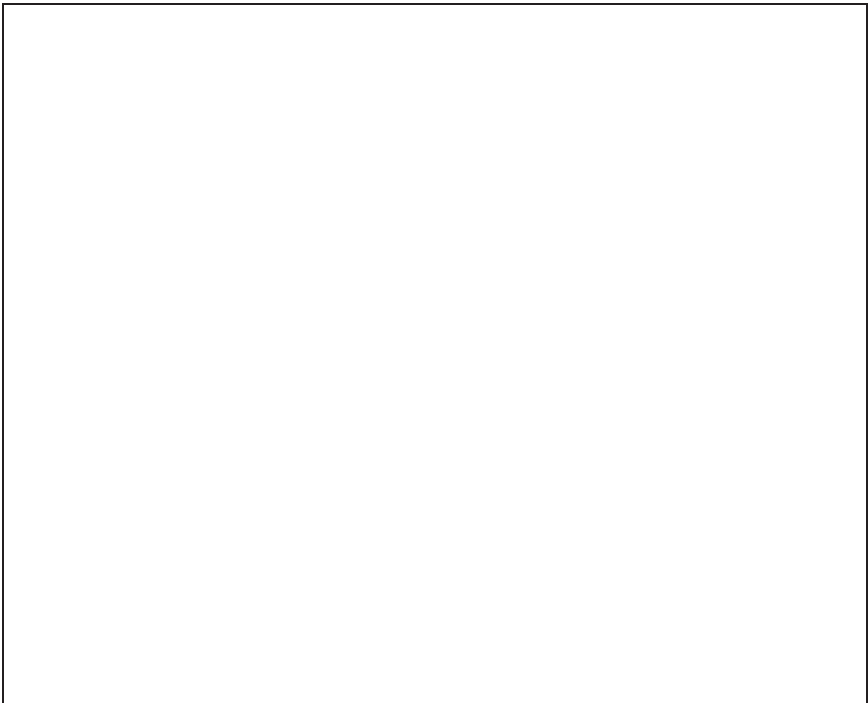
While COSATU shares with these movements an antipathy to neoliberalism, and a commitment to mass struggle, it is alienated by the new community movements' general antipathy to the ANC. For example, the Anti-Privatization Forum (APF) was formed in 2000 in the Witwatersrand industrial heartland. Its founders included student groups, community formations, unions, and individual activists. Some had close ties to the Tripartite Alliance, including COSATU's National Health, Education and Allied Workers Union (NEHAWU), and dissidents within ANC and SACP structures. Within a year COSATU withdrew, partly because the APF's open character allowed robust critique of ANC policy, as well as participation by "ultra-left" anarchists and socialists, including dissidents such as Appolis. The divisions hardened over time, particularly when sections of the APF dismissed COSATU, or ran their own local candidates in state elections.

COSATU's decision to withdraw threw away an opportunity to form a working class front, spanning workplace and community, employed and unemployed, and permanent and casual workers. This was the price of ANC loyalism. It is arguable, of course, that the new community movements' support base is probably under 200,000—although this is hard to calculate, as their structures are very loose—but this is not a serious case against seeking unity in the broad working class. In a very real sense, the COSATU/APF division illustrates that loyalty to the Alliance can act as a fetter on the development of an imaginative and emancipatory class politics. However, that loyalty itself reflects the continuing influence of the ANC's nationalism—and of capitalism more generally. The Alliance is a *reflection*, not the basic cause, of labor's narrow vision.

The issue, in short, is not that COSATU is insincere in its drive to shift the ANC to the left. It is that the COSATU strategy is unable to deliver. A real shift would require a clearer analysis of the composition of the *whole* ruling class as the basis for strategy: the predominantly white wing centered in the private sector conglomerates, *and* the predominantly black sector centered in the state, including the big state corporations. It will also require a shift in the overall balance of class forces via a major assertion of working class power—not a focus on internecine fights in the ANC. This would require, in turn, serious struggle and campaigning, not the politics of seeking "influence" within the ruling party or via corporatism.

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