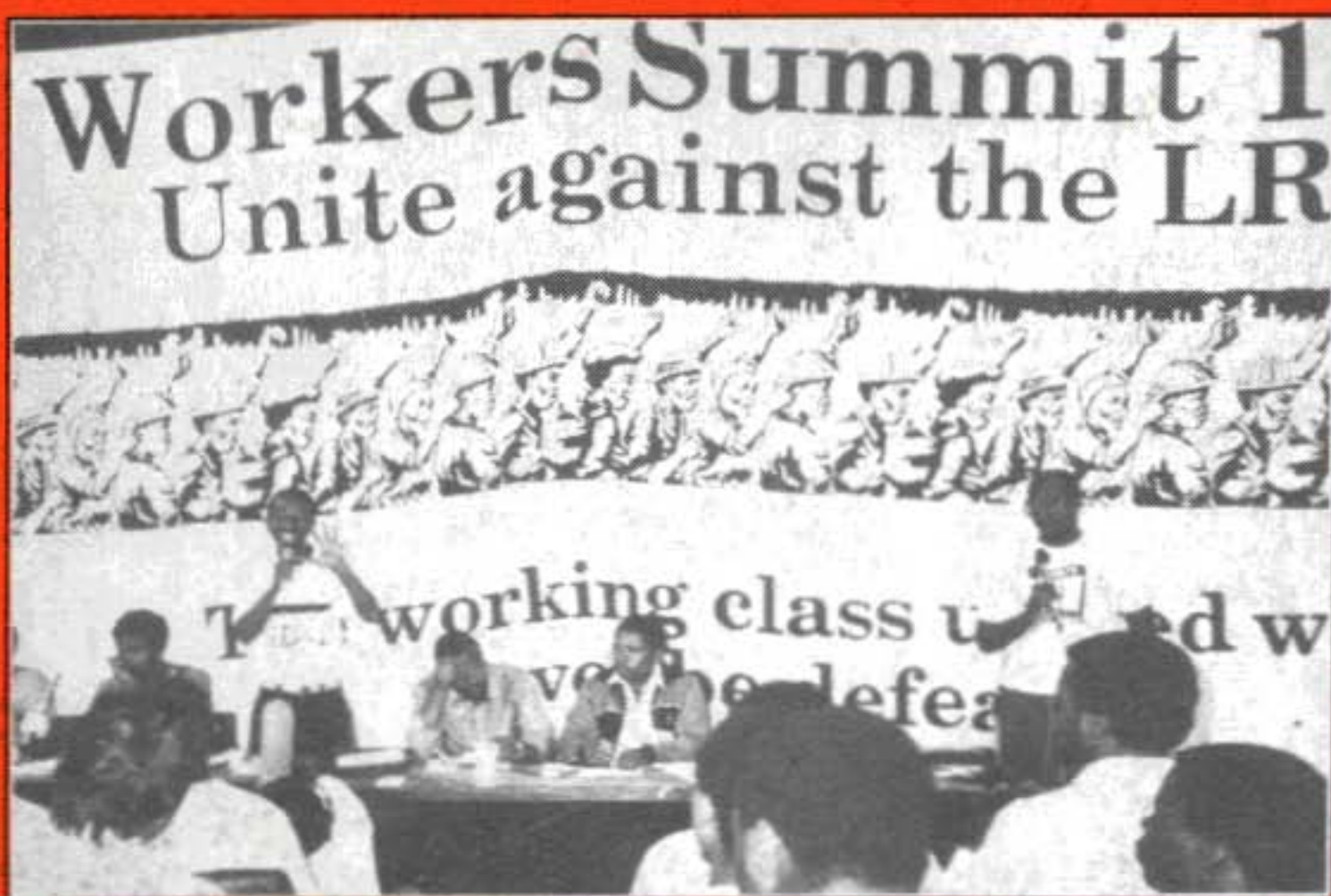


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South African

LABOUR BULLETIN

Volume 14 Number 1 April 1989



**FOCUS:
Workers'
summit**

*Interviews with COSATU and NACTU
Towards a planned economy
Disinvestment or corporate deception?
CWIU - disinvestment dispute
Towards one teachers' union
Debating participation schemes
Namibia - new struggles
Workers' guide to the new LRA (Part III)*

The South African Labour Bulletin

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South African
**LABOUR
 BULLETIN**

Volume 14 Number 1 April 1989

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**PRESS STATEMENT ISSUED BY
THE NATIONAL UNION OF NAMIBIAN WORKERS &
THE CONGRESS OF SOUTH AFRICAN TRADE UNIONS
6 APRIL 1989**

A high level COSATU delegation comprising Jay Naidoo (General Secretary), Sydney Mufamadi (Assistant General Secretary), James Motlatsi (NUM President), and Alec Erwin (Education Secretary NUMSA), met with a senior delegation of NUNW (National Union of Namibian Workers) yesterday.

The delegation had extensive discussions about the current crisis in Namibia and about a programme for solidarity with NUNW.

The meeting noted that at a time when the Namibian people were celebrating their freedom from the colonial yoke of apartheid occupation, wholesale slaughter of people was taking place in Northern Namibia.

The meeting reiterated that the only foreign aggressors in Namibia were the colonial occupation forces from racist South Africa.

SWAPO is recognized by the vast majority of people in Namibia and the rest of the world as the authentic representative of the Namibian people. We therefore reject the attempt by illegitimate South African representatives and their erstwhile backers in Britain and the United States of America to lay the blame for the carnage in Northern Namibia at the doors of SWAPO.

COSATU together with the entire democratic movement in South Africa reiterates its full support for SWAPO and the NUNW in their struggle for self-determination and independence. We call upon particularly those forces which are monitoring this process to act effectively and impartially and not to collaborate further with those forces which have illegally occupied Namibia for decades. The meeting discussed the illegal regime's plans to privatise the public services in Namibia. It was decided to take united action to stop this process.

COSATU has pledged solidarity with NUNW in a number of areas. These pledges will be taken back to the respective South African mass organizations for ratification and implementation. We believe that the freedom of Namibia will be a solid blow to apartheid and will advance the cause of permanent peace in Southern Africa as a whole. ☆

Editorial notes

Dave Kaplan leaves *Bulletin*

Dave Kaplan has been a Cape Town member of the editorial board since 1982. He has resigned because he has gone on study and research leave in Britain. During the seven years that he has served on the editorial board, Dave has played a very valuable role as a clear thinker with a sound knowledge of the South African political economy and the labour movement. His contributions in board meetings and refereeing of articles submitted to the *Labour Bulletin* submitted for publication to the *Bulletin* have been of the highest quality and he has done his best to ensure that readers of the *Bulletin* are provided with information and analysis that is sound and reliable. He shall be missed by other board members. We wish him well in his undertakings.

New administrator

We would like to welcome Lumkile Mondli, our new administrator, to the *Labour Bulletin*. He has been active in Black Students Society at the University of Witwatersrand and in community organisation. We hope he will enjoy working with us.

Letters to the *Bulletin*

In this edition we carry our first letters section. We would like to encourage readers, especially those active in the labour movement, to comment on articles, participate in debates or raise issues through writing letters.

New overseas subscriptions rates

Some subscribers, especially those who pay in dollars, will find that our subscriptions rates have increased. This is for two reasons. Firstly, we have taken a decision to send all overseas subscriptions airmail instead of surface mail, which greatly increases costs. This has been requested by readers who want the *Bulletin* as soon as it appears, and it also makes things easier for our subscriptions department. Secondly, there were big disparities between our pound rates and our dollar rates, which we have now ironed out.

We regret these increases, but hope that the speedy arrival of the *Labour Bulletin* will compensate.

The editors

Anglo giant - crushing farmworkers

By PHILLIP MASIA and OVGWU

Soetveld Farms, an Anglo American subsidiary, has retrenched 17 of its workers at the Uitvlucht cattle feedlot in Vereeniging.

Management called in the Orange Vaal General Workers Union (OVGWU) on 6 March to tell them that they had started retrenching from 1 March. They said that the decision was reached on the last Monday of February and the situation was beyond review.

Management first gave the reason for closure as the deterioration of the feedlot grounds. They said that as a result of its location on flat rather than sloping ground, it became too low as manure was removed. Feeding cattle under those conditions made them lose weight. Thus they were feeding at a loss.

Later, however, when the union queried this, management responded by saying there were a combination of other factors, citing the declining beef market as another.

Other sources say that the beef market is fairly steady, and feedlot owners disagree with the flat/low condition explanation.

The union at a later meeting refused to accept the retrenchment and

pointed out that the Terms and Conditions of Employment introduced by Amfarms in 1984, states that, the company "shall endeavour to avoid the need for retrenchment by considering alternative measures."

The union pointed out also that Soetveld has at least 18 farming units in the Transvaal, Orange Free State and Natal, as well as RFF subsidiary farms in the Western Cape. Amfarms, to which Soetveld and RFF belong, is owned by the giant Anglo American Corporation, with close links to Anglo American Industrial Corporation, to Amcoal (where the current chairman Mr David Rankin, successor to Mr Murray Hofmeyr of JCI, comes from), and also Rand Selection Corporation Limited. These are big companies where the workers could have been employed, argued the union.

Management responded by saying:

- these workers are agriculturally based
- they have no skills required by the industry
- and they (management) are not responsible to look for jobs for these workers.

Looking at the first reason, the union gained the impression that management is still clinging to the historical influx control position of farmworkers that curtailed their freedom to move from farm to industry or from rural to urban.

The second reason clearly undermined the farmworkers' intellectual ability and capability to perform work anywhere outside the farming sector, further cementing management's men-

Anglo breaks promises

These reasons also contradicted a statement by the former chairman in a newsletter late in 1988. He said, "I hope that Amfarms will continue its policy of trying to help each employee to improve himself and the contribution he can make to the success of the company. We are, after all, a South Africa in miniature and we must set ourselves the goal of breaking down the racial and other barriers which tend to divide our society."

According to the Amfarms newsletter the feedlot recorded substantial profit at the end of 1987. Amfarms also leased six new farms and increased the size of an existing cattle ranch over recent years. The reason for expansion was that because of the "uncertainty involved in the profitability of dry land crops like maize, caused by drought and also pricing problems, it has become clear that it might be wise for Amfarms to expand the production of other commodities like beef, mutton and pork.....the cheapest way to produce beef is from pasture or grazing."

To the union it is also clear that the decision to close the feedlot was taken before the end of February. Large companies do not suddenly de-



Farmworkers who won a temporary reprieve from the courts after being forced to leave the farm where they worked. Others, such as the Soetveld workers, are not so lucky.

Photo: Cedric Nunn/Afrapix

tality regarding influx control.

The third reason was in breach of the Terms and Conditions of Employment of Amfarms.

BRIEFINGS

cide to close their operations, and Amfarms has recently been expanding in what appears to be a very carefully planned manner. Here too the union says they have breached the Terms and Conditions of Employment in their arbitrary action.

Amfarms moves into pigs

The OVGWU has reasons to distrust Amfarms' reasons. Amfarms have been expanding into pig farming over the last few years, setting up links with the international pig research companies and local canned meat processors. As a result of this they closed down a dairy in 1986, lying to the union that they intended to sell the farm, and saying that the workers had to leave the farm. The workers refused to leave their homes saying that they would stay until the new farmer came.

As it turned out Amfarms wanted to convert the dairy into a piggery. This piggery became the home of Amfarms' research and development programme into pig farming. The cattle from the dairy were taken to another farm that was expanded, and is today a major supplier to Nels Dairy in Johannesburg.

Another area of Amfarms' expansion programme over the recent years has been the Western Cape, where they bought a large wine and mixed farming estate in 1987 and very recently they bought piggery at Klapmunts, near Stellenbosch. Wages on this new estate are as low as R45 per week and the housing conditions

have been described by local Food and Allied Workers Union (FAWU) farm project organisers as "shocking." Also the workers on the RFF (Western Cape) farms do not have the same gratuity payments as the Soetveld workers, receiving only R100 every year they have worked, compared to the R250 offered to the Uitvlucht workers.

What will happen to the feedlot once it is closed, asks the OVGWU? Amfarms would surely not sell a farm that was profitable and sold all its cattle to another Anglo company, Rand Cold Storage. OVGWU believes they have planned to make the farm even more profitable. Given Amfarms recent pattern of expansion, the union feels that Amfarms is likely to turn the feedlot into a piggery. If this does happen, why should the feedlot workers not be employed at the new piggery, or on whatever else Amfarms decides to produce on this land? ☆

Farmworkers' rights

by *LABOUR BULLETIN*
CORRESPONDENT

A book which summarizes the legal rights of farmworkers is long overdue, if only to highlight their desperate lack of rights. One which does so briefly, readably and even optimistically is therefore more than welcome.



Disabled farmworker: book explains the possibilities and difficulties for farmworkers needing legal protection

Photo: Gill de Vlieg/Afrapix

"Farmworkers and the law" is directed at farmworkers themselves and at people without formal legal training who may be called upon to help them - advice office workers, union organisers, church workers and so on. But others, such as those with legal, paralegal or academic training, will also find the book a mine of information on almost every aspect of farmworkers' lives. (For those aspects not covered, a second book - Book Two - is promised!)

Book One begins with a preface explaining how the book came about and indicating how to use the book. The preface also cautions the reader against too much reliance on the law and emphasises, on the one hand, the need to involve the farm worker in

any decision regarding legal action on his/her behalf and, on the other, the need for organisation if farmworkers are to free themselves from exploitation and oppression. These points are repeated throughout the book, but the book's other offerings may sometimes make an eager reader forget them.

There are three introductory chapters, describing the different kinds of law, the courts and court procedures, and the role of lawyers. These chapters provide a necessary background to the chapters which follow.

The meat of the book is the chapters on employment and health and safety. The chapter on employment starts by looking at the differences between farm and industrial workers as far as the law is concerned. Once

BRIEFINGS

again, the desperate lack of strong legal protection for farmworkers is highlighted (and, conversely, the strides which have been made by industrial workers organised in progressive trade unions.) The chapter notes the fact that farmworkers may sometimes be defined as industrial workers and thus have access to the rights embodied in the Labour Relations Act, such as they are.

However, this is a changing area of law and therefore supports the book's caution on legal strategies.

The chapter also examines contracts, conditions and termination of employment, as they apply or could apply to farmworkers. As in the book as a whole, the emphasis is down to earth, but also alive to possibilities. This chapter goes on to the question of organisation, with a review of what a union is and the legality of farmworkers joining unions. The chapter ends with income tax - necessary for completeness, but, one would have thought, of limited importance to farmworkers, given the average wage levels that are probably below a taxable income.

The chapter on health and safety is divided into three sections. The first and third deal with MOSA and common law provisions. Given the lack of enforcement of MOSA even in industry and the difficulty of getting action from officialdom, the information contained in these sections may seem rather academic. But it is valuable in pointing to an area of rights - and dangers - too often ignored, even amongst industrial workers. The sec-

ond section deals with Workmen's Compensation and here there may be more immediate practical application. It is not widely known that farmworkers are covered by the Workmen's Compensation Act and that they may claim, not only for accidents, but also for diseases - indeed, a number of scheduled diseases would more commonly be found amongst farmworkers than amongst other workers.

Two short chapters on the tot system and farm shops point to aspects of continuing exploitation outside the more obvious injustices affecting farmworkers. A final section outlines various kinds of legal action open to farm workers - but mainly ones requiring the services of a lawyer.

Such a comprehensive book could easily cause indigestion. But a major strength of the book is its carefully planned layout. The chapters are divided into sections. There are detailed contents pages at the start of each chapter and section. Each section ends with a summary and, in most cases, a questionnaire which serves as a practical guide to the contents. Technical or difficult words are asterisked and explained in a glossary at the end of the book. There are also useful cross-references and a list of resources and addresses.

All of this is set out in what has clearly been designed as a pocket book. But the book's thickness makes it unlikely to fit into a pocket - at least not unobtrusively. Perhaps a slightly larger *Labour Bulletin* size would have been more practical, especially if one ends up carrying about not only

Book One, but also Book Two!

More importantly, it is possible that the inexperienced reader may take too literally the few protections which are available to farmworkers and incautiously run to the law, only to be disappointed, or even worse, lose his/her job.

But these are small concerns, set beside what is a thoroughly useful guide for the farmworker and his/her allies in the fight for the rights of farmworkers. ☆

'Farmworkers and the law' is available from the Black Sash, Queensbridge, cnr Juta & Bertha Sts., Braamfontein, Jhb. Price: Workers - R2, Salaried people - R5. Organisations - R10. Postage: R1

Miners International

by *LABOUR BULLETIN*
CORRESPONDENT

The Miners International Federation (MIF) celebrated its 100th birthday at its congress held in Harare, Zimbabwe in March. South Africa's NUM is the MIF's biggest affiliate. Unions from 17 countries, including the United States, Germany, Norway, Phillipines, India and Zimbabwe, were represented by 111 delegates. Namibia, Peru, Botswana, and others attended as guests.

The congress passed a resolution to convene an international health and safety conference on the mining industry. Another resolution called for the MIF executive to push for a merger

with the other international miners federation, the IMO. This resolution was proposed jointly by NUM and United Mineworkers of America. In the IMO are communist-oriented miners' unions in the east, the west and the Third World. It is affiliated to WFTU. It was formed in 1985 when the British NUM and the Australian Miners Federation broke with MIF.

The congress was generally "very dull" according to NUM. But the discussion on South Africa "put all congress delegates into top gear.....Speaker after speaker condemned the system of apartheid and brutal treatment of workers at the hands of the mining bosses and the apartheid regime. Delegates would not have hesitated to march on Pretoria."

The NUM report on the congress summed it up as follows:

"The congress proceedings seemed to be a bit down for NUM delegates who continuously rose to sing at the end of each session, thus bringing some life into ongress proceedings.

"The congress could have been a lot more interesting and educative if open debate and discussion was a concept which is built into MIF traditions. It was patently clear to South African delegates as well as Latin American delegates that in the MIF tradition decisions on resolutions and other major issues are taken by the office bearers and the executive committee way before the congress is held, resulting in the denial of congress delegates the right to speak and debate issues thoroughly before decisions are taken.

"In the MIF tradition, it would

BRIEFINGS

seem like the resolution committee is given too many powers in that the resolutions are seemingly debated in a committee setting and only compromises are recommended to congress for acceptance. This proved to be clearly frustrating particularly for unions like NUM where thorough debate and discussions precede a decision that is taken by congress on any issue.

"A number of the delegates on NUM's side felt that there was a need to start changing the traditions and practices of the MIF if unions from developing countries where miners are still waging important struggles against oppression and exploitation are to benefit. This evaluation seemed to have the support not only of the NUM delegates but delegates from countries such as Latin American and African countries.

"Finally, it became apparent during the proceedings of the congress that our delegation had not prepared as much as it should have and had it done so, it would have made its interventions in a much more effective way than it did. This however does not mean that the NUM delegation did not prove themselves to be members of a progressive and militant union in terms of the clarity of their views and forcefulness with which they made interventions at the congress.

"International congresses such as this one are clearly extremely important in forging solidarity amongst miners world wide and also forming important contacts. This proved to be true when some members of our dele-

gation met sometime with comrades from Peru, Colombia and Guiana and discovered that the struggle they are waging in their countries are no different from the struggle we are prosecuting in this country. The Peruvian Miners took the opportunity to express their deepest gratitude to the NUM for having made a solidarity grant of \$10,000 to them during their strike in 1988. [See article on Peru on p 114]

In typical tradition and fashion, the NUM delegates once again proved their dominance of congress proceeding by rising as the President closed the congress to sing the South African national anthem (Nkosi Sikeleli Afrika), at which all delegates at the congress rose to join in even if some of them could not sing or follow the words. What is significant is that they all raised their fists in the way that miners and workers in this country do and thus the congress ended on that high revolutionary note." ☆

CCAWUSA organises in the food retail trade

By CCAWUSA

Fast food outlets represent the fastest growing sector in the South African economy. Their growth rate has been estimated at between 15 and 20% a

year.

Recent market research figures show that there are more than 8,000 outlets around South Africa, with a total annual turnover in excess of R1,080 million. These outlets serve more than 630 meals annually.

The general consensus is that the fast food and restaurant business is still in its infancy. The major actors in this area are Interleisure and Anglovaal Industries, who are engaged in a race to capture the multi-million rand food retail market. Both have acquired a substantial number of chains.

Up till recently, this area remained virtually unorganised by trade unions. However, CCAWUSA is becoming firmly established in all the major food groups, having signed recognition agreements with a number of companies. The union expects to grow rapidly in the food retail trade.

In 1988, CCAWUSA signed a recognition agreement with Interfare (Pty) Ltd, which is part of the giant Interleisure Group. Included in the Interleisure Group are Squires Loft, Mikes Kitchen, Longhorn, R.J.'s, Combined Caterers, Captain Dorego, Squires Village, Porterhouse, Grillo's and Ster-Kinekor.

Interleisure is 81% owned by Satbel Holdings, which in turn is 50% owned by Federale Volksbeleggings Beperk and 50% by Kersaf. Kersaf also owns a 79% share of Sun International. Federale's controlling shareholder is Sanlam.

This is the first major recognition agreement with an Interleisure company, and is setting an important

precedent within the Group.

Last year, CCAWUSA also signed a recognition agreement with Juicy Lucy Supplies (Pty) Ltd, which is a division of Pleasure Foods Ltd. The holding company of Pleasure Foods is Avbak Food Holdings Ltd., and its ultimate holding company is Anglovaal Holdings Ltd. Pleasure Food is the leading branded food service group in South Africa. The group owns and operates franchise agreements for Juicy Lucy, Wimpy, Milky Lane, Golden Egg, Golden Grill, BJ's Pantry and Pizza Hut. As at December 1988, Pleasure Foods operated 381 outlets.

A number of recognition agreements have been signed with the Fedics Group, which is South Africa's largest catering organisation, specialising in contract catering to offices, factories, institutions and airlines. Recognition agreements have been negotiated with the Airport Services division and the Food Services division. Federale Volksbeleggings and Imperial Cold Storage each hold 47% of Fedics shares.

Several years of painstaking negotiations have gone into these recognitions agreements. The results, in the view of the union, are strong agreements which are well suited to the fluid situation in which the labour movement finds itself. Important aspects of all the agreements are the dispute procedures, which operate independently of the Labour Relations Act. These procedures took a considerable amount of hard bargaining to achieve, but are considered vital under prevailing conditions. ☆



Workers' Summit '89

Introduction

Worker unity is not unusual. But it was a very unusual crowd of workers singing and toyi-toying in the Saturday morning sunshine at Wits University: they were delegates from unions which have often been bitterly divided on ideological and practical issues. Their T-shirts sported the slogans and logos of unions such as FAWU and NUMSA (COSATU), FBWU and NUPSW (NACTU), and GAWU and OVGWU (independents).

This was a good start to the Workers' Summit, a meeting of delegates from all trade unions in South Africa opposed to the new labour law (the LRA) and apartheid. On the agenda were, first and foremost, the struggle against the new law; secondly, the question of unity between COSATU, NACTU and the independent unions; and thirdly, state repression.

The summit was marred by the absence of NACTU and most of its biggest affiliates. It was NACTU which had first put forward the idea of a workers' summit. But a few weeks before it was due to take place, NACTU asked that the summit be postponed indefinitely so that as a federation it could clarify its position on unity. COSATU decided to go ahead anyway.

The pullout of NACTU was a serious blow. One of the major aims of the summit was to bring workers from COSATU and NACTU together in an effort to build co-operation and unity between the federations. The decision to exclude officials was based on the idea that workers have more powerful reasons for unity than officials. In order to allay fears that the much bigger COSATU would swallow the smaller federation, both groupings were given an equal representation - 250 delegates.

Then, a week before the summit, 11 NACTU affiliates announced that they would defy the decision of their federation, and attend. In the end all 15 COSATU affiliates, 11 NACTU affiliates and 17 independent unions sent delegations. Workers from six other NACTU affiliates attended as representatives of their workplaces. Clearly, the workers' summit had captured the imagination of organised workers. Unity was in the air.

At the summit, which was held on 4-5 March, some 700 delegates took important decisions.

On the following pages, Labour Bulletin interviews Chris Dlamini of COSATU, Longway Kwelemtini, representing the NACTU affiliates which attended; and Cunningham Ngcukana of NACTU. We follow the interviews with an assessment of the summit.





Interview with COSATU

CHRIS DLAMINI, vice-president of COSATU, was one of the rotating chairpersons at the Workers' Summit. He discusses the importance of the summit and decisions that were taken.

Labour Bulletin: *What was the significance of the decisions that came out of the Workers' Summit?*

Dlamini: The Labour Relations Amendment Act (LRA) was promulgated in September, and some employers have already started to use it. Workers conclude that employers have decided on a repressive approach. They want to neutralise the trade union movement.

That was when people decided a summit should be held. In fact the idea came from NACTU. It was discussed in the COSATU CEC, and there were differences in the federation about whether to accept the summit. There were suspicions that it was to replace the Anti-apartheid Conference, which was banned last year.

But through debate it became clear to everyone that

the idea of a summit was a genuine one. Firstly, it would bring workers together. Secondly, it would be a forum where workers could work out a programme to defend themselves against the LRA.

A decision was taken to meet NACTU and draw up an agenda for the summit. We proposed three items for the agenda: the LRA; one country, one federation; and state repression. NACTU was not happy about the second point. It was then suggested that that item should not be termed "one federation", but rather "building unity", and all present in the working committee agreed.

OK. When we debated the LRA at the summit all the unions rejected the Act as it stands because it is a disaster for the working class as a whole. It was then decided that the workers, as they were gathered





Chris Dlamini

Photo: Paul Weinberg/Afrapix

at the summit, should talk about forming their own LRA which takes into account all the sectors in the country. The delegates then went on to say that we need to canvass the ideas of workers countrywide - the domestics, the workers on farms, the rural people, those who are fighting the homeland system - they should all come up and say what they want to see in a LRA.

It will also generate militancy among people in the outlying areas, to get involved in organisation and follow up the demands. So it is also a mobilising factor.

This process would culminate in workers' LRA. The proposals would be discussed at a conference. If there is agreement that this is the sort of LRA we want, it would then be placed before management for negotiating. It

could then become the LRA for our country.

The summit recommended that convening committees should be formed at local, regional and national level, with all the unions represented on them. It was decided that the people who were chairing - there were 3 from the independent unions, 3 from NACTU and 3 from COSATU - should take responsibility for co-ordinating the national structure. This is the long-term programme on the LRA.

The summit also decided on an immediate programme. Delegates decided that unions would continue to call on management not to use the LRA. At the same time, unions should try not to use the Industrial Court, because companies are using it to interdict unions on strike. Since the new LRA no union has won an IC case. There was a feeling that unions should go for arbitration and mediation rather than the IC.

But the main thrust of our immediate programme will be for unions to submit a series of demands to all management in the country by or on 2 May. If they do not respond within 30 days we will declare a national dispute, and we will start balloting. After balloting we will convene another summit. That summit would include all other forces fighting for the liberation of the people of South Africa. That would not mean that we are replacing the Anti-apartheid Conference. But the reason for calling the



WORKERS SUMMIT

community and all other organisations in the country is that we would be canvassing ideas on possible action to get rid of the LRA. We would need their support. We envisage that summit taking place before 1 September, which is the anniversary of the promulgation of the new Act.

Labour Bulletin: *How does the long-term programme of drawing up a workers' LRA relate to the short term plan of declaring a dispute? The demands to be placed before the employers by 2 May, how are those to be drawn up?*

Dlamini: The summit drew up a list of six demands [see Workers' Summit Recommendations, p. 32]. These demands will also be part of the LRA we draft, together with others that will be canvassed throughout the country.

Labour Bulletin: *The process of preparing for 2 May, what will that process be?*

Dlamini: Meetings are going to be held locally and nationally, and across industries. Unions working in the same industry should get together. Workers may add any other demands that they think of. Demands should be completed by 1 May. On the 2nd, these demands will be presented to management and all employer organisations.

Labour Bulletin: *This process of mobilising and adding demands, is it different from collecting demands for*

the workers LRA?



Dlamini: This is different in that this is going to be confined to the working people. It is the trade unions that are going to handle this. If you were to broaden it, it would take long and it would overlap with the long term programme. The next summit will set a timetable for the long term program of drawing up a workers' LRA. As I have said, the other organisations fighting for liberation will also be there, so it is likely that they will be involved in the long-term programme of drawing it up.

Labour Bulletin: *The summit said that the campaign against the LRA should be linked to the campaign for a living UIF benefit for all workers. What is the aim of the UIF campaign?*

Dlamini: One of the aims of the UIF campaign is to bring the UIF payment offices closer to where people live. At the moment people have to travel very far to get the benefits, while as unemployed people they have no money.

Another objective of the campaign is to demand some control by the unemployed themselves over the offices and the UIF funds. They are the ones who should say how it is to operate, yet they do not have a voice. At present the system is run by bureaucrats, and you find a person who has been out of work for six months, without

getting any money from UIF.

Part of the campaign is for organised workers to put these demands on the agenda. This should cement the alliance between workers with jobs and those without jobs.

Labour Bulletin: *What was the effect of excluding officials from the summit?*

Dlamini: Workers were able to put forward their own views without having to support what the officials said. Because what happens in most structures is that officials speak and workers mainly respond around what officials are saying.

But this time - one cannot deny that workers had discussions with officials beforehand - but as the discussion proceeded, even if you had some ideas pumped in you by officials, they would eventually evaporate. It would remain your own ideas that you put forward. Workers were speaking without fear, speaking their hearts out about how they saw the situation.

The problem with officials is that they have personal grudges. They sit in offices, they phone one another, and they happen to clash. They use the grudges in meetings, and you find that people are diverted from what they were debating, and end up supporting their official against the official from another organisation. So it is counter-productive.

Labour Bulletin: *Did the summit bring COSATU and NACTU any*

closer to unity?

Dlamini: Unity comes in different forms. To some it means co-operation and demarcation, that we should talk to each other, not fight each other as trade unions. But we have a different understanding of unity, and our understanding is that the final stage of unity is one country, one federation. That is our ultimate goal. But we are prepared to debate that, and let others come up with their understanding of unity, and on the basis of that we could arrive at a position where we agree.

To me it seems that some workers, whether they are in NACTU or in independent unions, have accepted that we should unite in order to defend ourselves. But the form that that will take depends on how you understand the question of unity. As I said, our understanding is that the final stage of unity is one country, one federation.

Labour Bulletin: *But there could be various compromises along the way?*

Dlamini: That's right. The summit laid the basis for unity. The recommendations suggest co-ordination - that is the basis for the unity we are talking about. If people are able to work together from now, by the time we get to our summit a decision will be quite likely. Although there will still be people who completely reject the idea of one federation. ☆





Interview with FBWU

LONGWAY KWELEMTINI, President of Food Beverage Workers Union, and GOBA NDLOVU, publicity officer of FBWU, speak to the LABOUR BULLETIN about the Workers' Summit and about politics in NACTU.

Labour Bulletin: *What was the significance of the summit?*

Kwelemtini: After all the suspicions are allayed, a workers' summit may be significant because it brings workers together. But workers are always suspicious that they will be swallowed by certain organisations. There are also different schools of political thought.

Ndlovu: It was important, because workers who always thought they could not talk to each other were able to do that at the summit. We have been having dialogue with the [COSATU-affiliated] Food and Allied Workers Union (FAWU) at the level of the International Union of Foodworkers (IUF). But the summit was

a new level altogether. It was very important for the unity of workers.

Labour Bulletin: *Have the suspicions that you talk about been allayed?*

Kwelemtini: Not really. They have only been tackled at a certain depth, because the question of unity was not directly discussed. What prevents us being united as workers? The more you talk with a person the more you understand each other, but we have

not even finished the items on the agenda. Maybe with some time - because discussing and implementing what you have discussed are different things.

Unity is not just an empty thing, for the sake of shouting. It means unity



in action. That does not mean we've got to be one federation or one union. Those are just sentimental slogans. It doesn't mean I've got to be Ndlovu to be united with him. We can do something together and be united with our different surnames. I'm trying to say, let's respect each other as organisations. Only at a later stage can we form one organisation.

Labour Bulletin: *Do you believe that unity in the form of one organisation is possible?*

Kwelemtini: Yes, but in the long term. Not now, not in 5 years, not in 10 years. In South Africa we have problems, that blacks do not have a say in the affairs of the country. It is this political situation that encourages ideological divisions between workers. Only when we are as free as other countries can we have unity.

Look at COSATU. It adopted the Freedom Charter, and that led to splits in COSATU, such as the CCAWUSA split. Not all workers support the Freedom Charter. They can work together, but have different political affiliations.

Labour Bulletin: *What is NACTU's political perspective?*

Kwelemtini: NACTU has the principle of non-affiliation to any political organisation. Never mind what individual officials are doing, that is its principle.

Labour Bulletin: *There have been*

reports of tensions in NACTU between black consciousness and Africanists.

Then there was division over attending the workers' summit. What is actually going on?



Ndlovu: There have been ideological problems in NACTU. Although the federation is supposed to be non-aligned, there has been a strong influence from the Africanists. In the last elections the Africanists took over 90% of the leadership. Also one of the big unions, SACWU, is Africanist. There are unions which are black consciousness aligned, and they are unhappy with the situation. There was a very clear division, with people voting on ideological lines.

It took black consciousness unawares. But black consciousness is re-organising, and it may again come to dominate the federation. In the atmosphere of black consciousness there is more open debate.

It is unfortunate that some people saw Africanism as closer to COSATU. Traditionally the ANC and PAC are rivals. PAC broke away from ANC, and it would be very difficult to unite them. They are not united outside, and it would be more difficult to unite them here inside.

Black consciousness has always been misinterpreted as racialist. But it is actually non-racial in many respects, because it is saying there is a need to unite at the level of workers. So when the issue of the workers'

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summit came to the national council, it was surprising to find the black consciousness unions were the ones pushing to at least have talks with the COSATU unions.

As far as FBWU is concerned, we stick to NACTU's policy of non-alignment. We were the first to speak to a COSATU affiliate, FAWU - we had to, as we are both affiliated to IUF.

NACTU is Africanist, as far as the majority of votes is concerned. The only mistake in the *Labour Bulletin* article [Vol 13 no 7] was to say that Africanism is closer to COSATU.

Labour Bulletin: *What are the goals of the Africanists, as you see it?*

Ndlovu: It is the same as COSATU. If the PAC had a manifesto or charter they would adopt it. We believe the PAC is a spent force, but this is an attempt to revive Africanism.

Kwelemtini: Perhaps we are more black consciousness aligned. But our policy is non-alignment. We believe the time has come for us to come up with a workers' manifesto as workers. Workers are composed of ANC, UDF, black consciousness, Africanists, Unity Movement. We believe the manifesto could be a uniting factor. That is why I called for a workers' manifesto at the summit.

Labour Bulletin: *By a workers' manifesto are you referring to the strategy of drawing up a workers' La-*

bour Relations Act (LRA) that was proposed by the summit?



Kwelemtini: They are different. The LRA refers to the legal situation. The manifesto should specify what workers would like to see happen more broadly.

Ndlovu: The workers' LRA will deal with the work situation. The manifesto would also touch political issues. Questionnaires should be sent out asking workers how they see politics as workers. On the purely work side there may be some overlap.

Labour Bulletin: *What would distinguish a workers' manifesto from the Freedom Charter or the Azanian Manifesto?*

Kwelemtini: It would be a guiding document for workers as workers. Workers must identify what affects them and what it is they are looking for as workers, in the future - maybe long term. So it will touch on political issues. We have always said even if the ANC or PAC or black consciousness takes over tomorrow, we as workers and managers are here to stay.

So we are talking of bilateral agreements - the LRA is over there, but here in this plant what is it that we can live with? How do we want to live here? That would give workers a say in their lives without political interference, because workers are united as

workers, whether they are ANC, PAC or whatever.

Ndlovu: It could be a socialist document. In the long run it could become a workers' party. The mainline organisations have left workers out of their programmes.

Labour Bulletin: *Has the summit brought unity any closer?*

Kwelemtini: Partly. We have not yet discussed the obstacles to unity. For example the poaching of members is dividing us, despite an agreement reached at IUF that a union should not poach members at a factory where the other union has a recognition agreement. But other unions have gone out of their way to poach. If we retaliate there will be chaos. Maybe such issues can be sorted out. Maybe by the third or fourth summit it will be clear whether there is progress.

Ndlovu: MWASA was at the forefront of arguing that NACTU should not attend the summit. But now they have decided to attend future summits. This shows the summit has done a lot for unity.

Kwelemtini: Even those affiliates that did not attend, their members did attend.

Labour Bulletin: *What impact did the absence of officials have on the summit?*

Ndlovu: It was an unfortunate deci-

sion. Officials do the paperwork, they negotiate for workers, they rely on officials for a number of things. So if for such a crucial meeting we are excluded it is a problem.



Kwelemtini: It is unfortunate. Officials are carefully chosen by workers. If at the next summit we invite liberation organisations, I don't see us excluding officials.

Labour Bulletin: *How would you describe the mood of the summit?*

Kwelemtini: It was a bit tense, though with time it loosened up a bit. Still, there was that caution. It helped us to know each other better. For instance, people from COSATU were able to come to me and discuss my speech openly. Some even said that as workers this is what they are looking for. Or Barayi, people have always read about him. But now they can think for themselves what type of person he is. People always heard about Longway Kwelemtini. But now after hearing me speak they can say what sort of person I am.

Labour Bulletin: *What is the future of NACTU?*

Kwelemtini: We see NACTU as surviving. We still owe our allegiance to NACTU. We are not going to simply let it crack. But the more closely we work as federations the better. ☆



Interview with NACTU

LABOUR BULLETIN interviewed CUNNINGHAM NGCUKANA, NACTU's assistant General-Secretary, to get the federations's views on the Workers' Summit.

Labour Bulletin: *What is the NACTU position on the Workers' Summit which has just been held?*

Ngcukana: NACTU is for the summit, it has never been against the summit. All we were asking was to postpone the summit so that we can formulate clear guidelines on how working class unity can be built in this country. We will be holding a national workshop in mid-April to do this. Then we will be prepared to discuss unity on that basis.

We were prepared to go to the summit and discuss the LRA. We told COSATU that, but they insisted on including unity on the agenda. So we said in that case we are not able to come. In principle we are agreed on the need for working class unity, we have never been against it - but it is a question of the mechanics of

achieving this.

It is not that we were pulling out of the summit. The question of the LRA that was discussed, we've got no problem with that, because as a federation we have a position on it.

Labour Bulletin: *What is NACTU's position now on the recommendations that were adopted at the summit?*

Ngcukana: NACTU has a resolution and a position. The summit only produced a recommendation that still has to be discussed. On our side there is nothing to discuss because we already have a position, whereas COSATU still has to discuss its position.

Labour Bulletin: *The summit recommended declaring a national dispute with all employers by tab-*



ling demands on 2 May. Will NACTU come in on that?

Ngcukana: NACTU is not averse to action. Our resolution which was decided by our national shopstewards' council last year and ratified by constitutional structures, states that we will stage days of protest, and also take protest action against businesses in the towns and cities of our country. This will be decided in consultation with the mass democratic movement of our country including the churches.

But we see a problem with the recommendations of the summit. Our national shopstewards' council re-

solved not to ask employers to contract out of the LRA, because if some agree and others refuse it might divide the working class in future action against the LRA. So we are not prepared to declare disputes with individual employers.

We are only prepared to demand that employers contract out of the LRA if all employers agree, through something like SACCOLA. Likewise we are only prepared to adopt the strategy of declaring a dispute if it is truly national, ie. if it affects all employers. The recommendations



Cunningham Ngcukana at the joint May Day meeting in 1985

Photo: Paul Weinberg/Afrapix

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however create a situation where some employers contract out, others don't, and so the working class is divided. It means some workers will have to contract out of action against the LRA. We have a problem with that, and we would not want to be part of such a strategy.

Now, on the question of drafting an LRA for the government - we do not believe that as a working class organisation we can do that, it is something that will give legitimacy to a government that is illegal in the eyes of the majority. Drafting legislation for the Nationalist Party - that is a serious thing, it would compromise our principles. The government would make a lot of mileage out of that, claiming to be negotiating with organisations that reject violence. We are not prepared to give them that opportunity.

We are not prepared to discuss our objections with a minister, but only his functionaries.

The recommendations also state that the next summit "will involve all forces that are fighting for the liberation of all in South Africa." People speak in different tongues when they refer to national liberation. We approach this question on a principled basis - we are not prepared to involve someone like Mabuza [Chief Minister of Kangwane]. We had a problem with the Anti-Apartheid Conference. We work according to working class principles of non-collaboration. We cannot sit down with enemies of the working class.

Finally, the recommendations link

the campaign against the LRA with the Living Wage Campaign. We need clarity on this.



Different unions are taking different approaches to the Living Wage Campaign. Some have calculated a specific amount as the Living Wage. Our approach is that the Living Wage must depend on what the company can pay and on the level of workers' organisation in that factory. Otherwise you find a company which is paying above the Living Wage, and it then argues that it does not need to pay an increase because it is already paying a Living Wage. To campaign for a Living Wage also clouds the issue of the exploitation of workers by the ruling class. Workers are led to believe that there can be such a thing as a fair wage.

Labour Bulletin: *What is NACTU's position on one country, one federation?*

Ngcukana: It is one of the resolutions of our federation that we need to move in that direction. It is a principle. But how do we achieve it, what is the mechanism? We do not have one federation in the country - we have a myriad unions, we have two federations, we have unions of the left and the right.

Labour Bulletin: *What is the position of NACTU affiliates who attended the summit? They stated that they represent NACTU.*

Ngcukana: They do not represent NACTU, the national council of NACTU represents the federation. I have said repeatedly that there were no NACTU affiliates at the summit - there were some individuals only. We leave it to our affiliates to take action against the individuals who attended in their name.

Labour Bulletin: *But some affiliates took the decision to attend as unions.*

Ngcukana: To give you one example, and it appeared in the press: one such affiliate on the East Rand actually dismissed an organiser who advocated going to the summit. That is why I say we leave it to the affiliates. Of course, there were differences on going to the summit, but the democratic process took its course and the majority decision is binding on all affiliates.

Labour Bulletin: *In many circles the divisions in NACTU are interpreted as conflict between Africanists and black consciousness supporters, now that Africanism is dominant. What is your comment?*

Ngcukana: There is no trade union that is politically homogenous. No trade union organises on the basis of political line - they organise on the basis of the material conditions of workers on the shopfloor. Workers do not join any trade union on the basis of political line - that you must be clear on. If there are political differences in

NACTU they are in every trade union. COSATU itself has serious political divisions. Why single out NACTU?



Labour Bulletin: *But people inside and outside NACTU are saying that there are attempts to turn NACTU into an Africanist federation. It also seems that the divisions over the summit show serious tensions in NACTU.*

Ngcukana: It is not true. Differences are not divisions. The unity that you will find in NACTU is greater than in any other federation. The whole issue of the summit we have put behind ourselves, and we are looking forwards and continuing to do our work as a united federation. Unlike COSATU, which is Charterist, NACTU has not adopted a political position.

Labour Bulletin: *What distinguishes NACTU from COSATU?*

Ngcukana: We have not adopted a political position and they have. That is a clear dividing line. Secondly, we have not chosen who our allies will be. Our allies will be all who hold the interests of the working class to be paramount, and it will be determined by the base of the struggle and on the basis of the principle of non-collaboration. We have not placed NACTU in a political camp. ☆



The summit - a step towards unity

by *KARL VON HOLDT*

Last year the organised working class spearheaded the biggest stay-away in South Africa's history. The stayaway was called in protest against state repression in general, the new Labour Bill in particular. This year the ongoing battle against the LRA could see widescale industrial action, if decisions taken by the workers' summit in March are implemented.

The summit decided to make a series of six demands to plant and company management, and to national employer organisations, on 2 May. If the employers do not respond favourably within 30 days, the unions will consider lodging disputes. This would amount to a national dispute with all employers, which could open the way to national industrial action.

This is a bold strategy for regaining the initiative in the struggle against the LRA. But it will be no easy task.

The need to mobilise again

The first difficulty will be to mobilise factory structures and membership around the demands again. The first half of last year saw a growing mobilisation and anger against the Bill. Several factors contributed to this. Firstly, there were intensive union education and information drives. Secondly, COSATU affiliates organised weekly lunch-time demonstrations against the Bill. And thirdly, there was a climate of political militancy provoked by the repression in general, and in particular the banning of UDF and 16 other organisations in January.

This mobilisation culminated in the extremely militant COSATU Special Congress in May, and the three-day stayaway which followed.

But after the stayaway mobilisation stopped. It may be that this is one of the weaknesses of the stayaway as a tactic: it is a massive demonstration

of protest and strength, but it does not necessarily lead anywhere. The stayaway is such a big action that it seems pointless to return to lunchtime demonstrations and lesser forms of action.

At any rate, COSATU and NACTU leadership became bogged down in protracted negotiations with the SA Committee for Labour Affairs

If the summit decision is to be implemented, the unions will have to start again with the massive task of mobilising and educating workers, so that they can back the demands and put pressure on management. The campaign will have to take root at a



Keynote speakers: Elijah Barayi of COSATU, Laurence Phatlhe from OVGWU and Longway Kwelintini of FBWU (NACTU)

Photo: Labour Bulletin

(SACCOLA) and neglected mobilisation. Unions turned to shopfloor issues. In the end the negotiations fell apart. Employers must have been well-pleased with their success: they had conceded nothing, the mass movement against the Bill had run out of steam, and the Bill became a law in September.

mass level as it did last year. The summit decided on a series of May Day meetings country-wide to start this process, but it cannot stop there.

The second difficulty in implementing the summit strategy is simply the logistical difficulty of co-ordinating such a large number of disputes

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and negotiations with hundreds of companies and employer organisations. This will require proper structures for organising, co-ordinating and directing the campaign. Apparently such structures are soon to be set up.

The third difficulty is that employers will not present a united front on the issue. Some will accede, others will engage in protracted negotiations, others will refuse outright. One can also expect a flurry of legal cases as employers attempt to prevent action. All of this will make it difficult to coordinate simultaneous national action. One may see something like a series of rolling strikes instead, as unions target the intransigent employers, and as disputes come to a head one after the other.

Even if the unions are only partly successful in overcoming these difficulties, the summit strategy could open the way to unprecedented national industrial struggle.

Towards a workers' LRA

As a long term programme the summit called on workers to formulate a "workers' LRA." It is not yet clear what this means. According to Chris Dlamini, convening committees could be established at local, regional and national level to collect demands from workers country-wide. These would then be drafted into an LRA, in a process like that which produced the Freedom Charter.

One of the principle aims would be to reach workers at present ex-

cluded from the LRA - farmworkers and public sector workers especially. The process of collecting demands



could serve to mobilise and organise these workers. Some delegates to the summit stressed that housing, education and land should also be addressed by the workers' LRA.

What is not clear at this stage is what status this document would have. Would it be tabled for negotiations with employers and, ultimately, the government, with the aim of establishing a new LRA for the country? Some who attended the summit have suggested this, referring to the fact that employers always ask unions what their alternative to the current LRA is.

Or would it take the form of a workers' charter, mapping out the role and the rights of workers in a post-apartheid South Africa? Would it serve as a linking document between current struggles and the position of workers in a liberated South Africa? If it does take this form, it could open up important debates in the working class movement. It would link to earlier debates in COSATU about the Freedom Charter and a possible workers' charter.

At that stage the debate was polarised in such a way that a workers' charter was seen as an alternative to the Freedom Charter. But since then both the ANC's Constitutional Guidelines and the SA Communist Party¹ have endorsed the idea of a workers'

charter as a complement to the Freedom Charter.

Such a document would also echo the call by the Mtwi wing of CCAWUSA for a worker's manifesto as a "non-sectarian" document. A similar call was made by Longway Kwelemtini in his speech on behalf of the NACTU affiliates which attended the summit.

It is clear that the idea of a 'workers' LRA' has many possibilities, and that different political tendencies could have very different conceptions of its role and its purpose. While it may provoke heated debate, it could at the same time promote unity and co-operation between different

tendencies. This would only be possible if it was seen, not as an alternative to the Freedom Charter, but as complimentary to it.



Such a programme could take on special significance in the light of the circulation of the ANC's constitutional guidelines. The ANC has stated that the guidelines are a draft to be discussed by organisations inside South Africa, and expanded and amended where necessary. A workers' LRA or charter could provide an important avenue for organised workers to discuss the guidelines and contribute to them.



It is particularly important that the mass democratic movement take on this task now. The ANC is under great international pressure to present a 'moderate' image, and it is important for the mass movement to put forward with confidence and strength its own views and demands for a liberated South Africa.

The summit - forging unity?

Delegates were cautious as to whether the summit had contributed to building unity. In the first place, NACTU's withdrawal was a blow. It was also a surprise, seeing as the idea for the summit had come from NACTU.

Secondly, the fact that by

Singing together....fighting together?

Photo: Labour Bulletin

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the end of two days only the first item on the agenda had been discussed shows that it was not easy to establish common ground. However, decisions were reached, and an immediate and a long-term programme were agreed on. This is a significant step forward. Clearly the different unions felt they faced common problems, and there was a will to compromise and reach agreement - although the NACTU affiliates insisted that the decisions should be called "recommendations" so that they could go back and discuss them in their unions.

The fact that the summit happened at all is a sign of how far the quest for unity has developed already. Just one year ago it would have been impossible. The need for unity with NACTU was one of the motivations behind the resolution on working class unity put forward by NUMSA and CWIU at the COSATU special congress last year.² This was rejected in favour of deepening unity with COSATU's UDF allies, and convening a broad Anti-Apartheid Conference, to include NACTU as well as middle-class and liberal forces.

The June stayaway and the subsequent negotiations with SACCOLA, however, saw co-operation between COSATU and NACTU for the first time. Both federations began to compromise their hardline positions on unity. COSATU was prepared to co-operate with the smaller federation, even while it maintained its commitment to one country, one federation as the ultimate goal. NACTU on the other hand committed itself to the

principle of one federation, while stressing its reluctance to see that as an immediate goal. It was these developments that paved the way for the workers' summit.



Political tension between NACTU and COSATU had by no means disappeared, however. While they might co-operate on the LRA, the Anti-Apartheid Conference convened by COSATU in September sparked heated arguments in NACTU as to whether it should attend. The state banned the AAC, and this saved NACTU from having to make a decision that could have divided it as a federation.

These political differences between COSATU and NACTU appear to be a major factor in NACTU's decision not to attend the summit.

Tensions in NACTU

The summit revealed that the tensions in NACTU run deep. At its annual conference in August last year Africanists became increasingly influential in the leadership of the federation. Observers had expected it would now be sympathetic to closer links with COSATU.³

Historically, the NACTU unions had been associated with an ideology of 'black working class leadership'. They objected in principle to white intellectuals playing an important role. It was this issue that divided CUSA and AZACTU from the non-racial

unions that went on to form COSATU. When CUSA and AZACTU merged to form NACTU in 1986, black consciousness was a powerful influence. The Africanists who have become a powerful force are ideologically more flexible on the role of whites.*

It was this that made NACTU seem more open to co-operation with COSATU.

But surprisingly, it was NACTU leadership and the Africanist unions such as SACWU which pulled out of the summit. There have been suggestions that the Africanists may have stayed out of the summit because NACTU is the only significant base for Africanism inside South Africa. In recent interviews, "Africanist leaders elaborated, saying the Africanists had come to the realisation that NACTU was the only remaining Africanist organisation able to operate lawfully internally. There was therefore a reluctance on their part to risk diluting this one source of strength - which would certainly occur if unity developed with the far more powerful COSATU."⁴

Thus the rise of Africanism in NACTU had contradictory effects. On the one hand there was greater ideological flexibility and therefore a possibility of co-operation with COSATU. On the other, there was a strong need to establish an inde-

pendent base for Africanism. This need seems to have become stronger over the last while.

The reluctance to be diluted would underline more general fears in NACTU of being swallowed organisationally and politically by the bigger unions in COSATU.

Clearly the black consciousness tendency is quite bitter about the way in which Africanist dominance has been established.⁵ It seems as if there is a sizeable grouping of non-aligned unionists who have also been alienated by the political clashes. It seems to have been the black consciousness unions such as BAMCWU and the non-aligned unions such as FBWU which opted to attend the summit.



Origins of NACTU

In order to grasp the dynamics in NACTU, and the prospects for unity it is important to understand its origins.

When NACTU was formed CUSA was the bigger federation, with large affiliates such as FBWU, SACWU and BCAWU. AZACTU had been formed in 1984, was smaller, and was associated with AZAPO.

CUSA unions had started at much the same time as the major industrial unions that went on to form COSATU. The CUSA unions were

* No-one has explained very clearly what the programmatic differences are between black consciousness and Africanism, beyond the obvious fact that the former is associated with AZAPO and the latter with those who are sympathetic to the PAC. In fact, one worker leader in NACTU confided that he had always thought AZAPO was part of the PAC tradition until acrimonious argument between the two positions emerged in NACTU last year.



COSATU's Elijah Barayi addresses the summit

Photo: Frank Meintjies/COSATU

generally less militant, weaker, and they had a lower degree of worker control.⁶ They



tended to be less hostile to management, and organised far fewer strikes than the non-racial unions. CUSA affiliated to the ICFTU, and unlike the non-racial unions, it did not stress socialism.

The different responses of CUSA and COSATU to the political crisis of 1984 and after shows something of their different approaches. The non-racial unions and later COSATU became more involved in mass actions such as stayaways, and began to develop alliances with UDF-aligned mass organisations in the townships. CUSA tended to be non-committal or even opposed stayaways, as in 1986 when it issued a joint statement with the major employer organisations stating that "conflict can be resolved through negotiation, discussion and compromise."⁷

Several of these tendencies continued in NACTU. COSATU unions generally have a greater capacity to mobilise, as was demonstrated in the metal industry negotiations and strike last year⁸. There are a host of small unions in NACTU, and there have been no attempts to merge them in bigger industrial unions. The NACTU conference last year stressed the need for mergers, proper auditing of membership figures, and a greater degree of worker control. Despite these problems NACTU does have some big and effective affiliates, especially

SACWU, FBWU, BCAWU and TAWU. These unions have led important struggles in the chemical, food, construction and transport sectors.

The merger with AZACTU, and the development of a strong Africanist position, added a militant rhetoric of socialism and liberation to the more moderate unionism of CUSA.

NACTU is no affiliated to the ICFTU. Apart from the black consciousness and Africanist political tendencies, there is a grouping of non-aligned former CUSA unionists.

Despite political differences between NACTU and COSATU, and within NACTU, the summit has been a significant force for unity thus far. Not only did it bring together COSATU, the independents, and 11 NACTU unions, but members from other NACTU affiliates defied their federation's decision and attended as workers. They are likely to carry the message of unity back to their unions - the NACTU 11 believe this is why there has been no attempt to discipline them.

The summit will give unity a push forward if its recommendations lead to co-operation and joint action. It is especially encouraging that NACTU has indicated its willingness to join in

the anti-LRA campaign, and that MWASA, as an affiliate which opposed going to the summit, has decided after heated debate to attend the next one.



Time will tell whether NACTU splits over this issue, whether it withdraws from the unity process, or whether it joins the mainstream drive for unity. ★

References

1. See interview in *Work in Progress* 50/51, Oct/Nov 1987
2. It is ironic that NUMSA's and CWIU's opposite numbers in NACTU were amongst those which did not attend. The IMF alliance between NUMSA and NACTU unions has also fallen apart since the special congress.
3. See SA Labour Bulletin 13.7, Nov 1988)
4. Webster, E. and Fine, A., "Unions and politics - transcending tradition?" in SA Review 5, forthcoming.
5. Interviews and Azanian Labour Journal, Vol 1 No 2.
6. J.Maree, "The struggle for industrial democracy by the democratic trade union movement", unpublished seminar paper, CAS, UCT, 1976
7. SA Labour Bulletin 11.7, Aug 1986, p. 87-8
8. See SA Labour Bulletin 13.6, Sept 1988





Worker's summit recommendations

This summit noting:

1. The Labour Relations Act does not cover all sectors of our country e.g. excludes public sector workers, domestic workers, farmworkers and forestry workers;

2. This Act is intended to erode the legitimate rights of workers;

3. The Labour Relations Act undermines gains that we have achieved through hardship and sacrifices;

4. It does not serve the interests of the working class but those of the capitalists and the racist regime;

5. Despite our protest action against the Bill on 6, 7 and 8 June 1988, employers trapped us shrewdly into fruitless negotiations and supported that the Bill be enacted.

And further believing that:

1. Workers in this summit have united to campaign against the LRA and also to seek an alternative that

will cover all sectors in our country;

2. The basis for ultimate unity of the working class can be achieved through unity in action;

3. The working class must determine the direction for a future South Africa free of exploitation and oppression;

4. This Act is intended to divide workers at the shop-floor level and also to destroy the labour movement in total.

Therefore recommends to:

1. Call upon workers countrywide to formulate their own LRA that will cover all sectors of our country including farmworkers, domestic workers, forestry workers and public sector workers as a long term strategy.

2. Find ways of not using the Industrial Court.

3. Revise our recognition agreements to circumvent offensive clauses of the Act.

4. Submit our demands around the

LRA to SACCOLA, other employer organisations including individual employers on/by May 2 1989. To include the following demands:

4.1 The right to strike and the right to picket;

4.2 No dismissal without proper hearing(s);

4.3 Retrenchment should be negotiated with representative unions and will address the LIFO system;

4.4 Recognition of majority unions;

4.5 The right to sympathy strikes;

4.6 Any other demands that have been put forward by COSATU and NACTU in previous negotiations.

5. Isolate employers who use the provisions of the LRA against unions.

6. Give employers 30 days to respond to our demands and to declare a national dispute with employers if they refuse to make positive progress towards meeting the demands.

7. Link the LRA campaign to the Living Wage Campaign and the campaign for a living UIF benefit for all workers.

8. Mobilise workers and the community around these issues nationally, regionally and locally.

9. Use May Day rallies to mobilise the working class around the LRA both nationally and internationally.

10. Conduct national ballots around these demands in all industries.

Further recommends to :

1. Call for future summits that would involve all forces that are fighting for the liberation of all in South Africa.

2. Intensify our rejection of the present LRA through further protest actions.

3. Continue discussions on the LRA amongst the two federations, COSATU and NACTU, and independent unions.

The committee co-ordinating this historic summit must take responsibility for carrying forward these recommendations and should include the chairpersons of the summit. ☆



**List of unions attending the Workers Summit
on the 4/5 March 1989**

COSATU affiliates

- Amalgamated Clothing & Textile Workers Union of SA
- Construction & Allied Workers Union
- Commercial Catering and Allied Workers Union of S A
- Chemical Workers Industrial Union
- Food & Allied Workers Union
- National Education, Health & Allied Workers Union
- National Union of Mineworkers
- National Union of Metalworkers of S A
- National Unemployed Workers Co-ordinating Committee
- Paper, Printing, Wood & Allied Workers Union
- Post Office & Telecommunications Workers Association
- S A Domestic Workers Union
- S A Municipal Workers Union
- S A Railway & Harbour Workers Union
- Transport & General Workers Union

NACTU affiliates

- Food Beverage Workers Union
- Black Electronics & Electrical Workers Union
- Brushes & Cleaners Workers Union
- Banking, Insurance, Finance, Assurance Workers Union
- Black Domestic Workers Association
- National Union of Public Service Workers
- S A Laundry, Dry-cleaning and Dyeing Workers Union
- Black Allied Mining & Construction Workers Union
- Natal Liquor & Catering Trades Employees Union
- Electrical & Allied Workers Trade Union

Representatives from the following NACTU unions attended in their capacity as workers committed to action against the LRA:

- S A Chemical Workers Union
- Black Construction & Allied Workers Union
- National Union of Wine, Spirits & Allied Workers
- Transport & Allied Workers Union
- National Union of Farmworkers
- Media Workers Association of S A
- MWASA Western Cape sent a message of support

Independent unions

- Durban Integrated Municipal Employees Society
- Electricity Workers Union
- Garment & Allied Workers Union
- Natal Baking & Allied Workers Union
- National Union of Brick & Allied Workers
- S A Wood Workers Union (sent a message of support)
- University of Western Cape Workers Union
- Zakheni Transport & Allied Workers Union
- S A Postal Telecommunications Employees Union
- Orange Vaal General Workers Union
- Engineering & Industrial Workers Union
- National Workers Union of S A
- S A Post Office Employees Association (TVL)
- National Union of Steel & Allied Workers
- Combined Small Factory Workers Union
- African Mineworkers Union
- National Union of Leatherworkers (Dbn)

Chemical workers - the struggle over disinvestment

Last year Chemical Workers Industrial Union (CWIU) declared a dispute over disinvestment with 41 foreign multinational companies. The dispute marked a new stage in the position of unions on disinvestment. ROBYN RAFEL reports on the dispute and the disinvestment debate in COSATU.

On 30 August last year Chemical Workers Industrial Union (CWIU), affiliated to COSATU, announced that it had applied for a conciliation board in a dispute with 41 foreign-controlled multi-national companies (MNC's). The union was demanding negotiations to establish procedures to be followed if the companies disinvest from South Africa.

The announcement caused a stir. Firstly, 11,000 workers were covered by the dispute and if it was not settled there was the prospect of a very big legal strike. Secondly, and perhaps

more importantly, it raised many questions about the overall issue of sanctions and disinvestment.

The overriding aim of the various campaigns for sanctions and disinvestment is to weaken South Africa economically in the hope that this will force the government to abandon apartheid. COSATU and NACTU both support these campaigns because they support the anti-apartheid struggle. Nevertheless, unions exist to protect and fight for workers. Many people have found it difficult to understand their position, if sanctions and

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disinvestment mean that jobs will be lost and their membership eroded. What was CWIU trying to say with this dispute?

To understand why the union embarked on its campaign we have to understand its and COSATU's positions on these matters. We also have to look at what has actually happened when MNCs have disinvested.

Disinvestment and COSATU's founding congress

At its inaugural congress in Durban in December 1985, COSATU adopted a resolution saying it believed all forms of international pressure - including sanctions and disinvestment, or the threat of disinvestment - are an essential and effective form of pressure on the government - and should be supported. Furthermore, if the government remained intransigent, the pressure should be increased.

A third part to the resolution added that COSATU was committed "to ensuring that the social wealth of South Africa remains the property of the people of SA for the benefit of all." What exactly was meant by this, and the means by which it was to be achieved, were to become thorny issues. Soon too, doubts would also be voiced as to whether sanctions and disinvestment really were being effective against the government.

Indeed, when COSATU convened



for its second congress in Johannesburg in July 1987 and assessed developments, it radically refined its thinking on both issues. In the intervening period the campaign for international economic action

against Pretoria had grown enormously. Several new sanctions were imposed, the best known of which were probably those applied in terms of the Comprehensive Anti-Apartheid Act which came into effect in the United States in 1986. Yet even though the S.A. government clearly did not like sanctions, it was equally clear that it was still very much in power. Furthermore, despite the passage of the American legislation, neither the United States administration nor the Thatcher government in Britain - two of South Africa's major trading partners - were in favour of sanctions. The West German government felt the same way, while Japan was well on its way to becoming this country's leading supplier.

Disinvestment at COSATU's second congress

At the second congress COSATU was at pains to point out that the organised working class in South Africa had not had control of sanctions campaigns and that the government and its "imperialist backers" would try to shift the burden of sanctions onto workers. And the federation was careful to limit its support for sanctions to

comprehensive mandatory sanctions as they were "the only sanctions which were likely to bring effective pressure which will assist in bringing about a non-violent, truly democratic and non-racial SA."

Selective sanctions packages - which is what applies at present - would not be effective, COSATU said. Instead, "they cause serious regional unemployment". Furthermore, self-interest rather than the interests of the South African working class had often been the motive behind the imposition of various sanctions measures. In other words, at the second congress COSATU adopted an "all or nothing" approach to sanctions. Given that it is an organization of workers, it is hard to see what else it could have done.

As its contribution to the direction of sanctions campaigns, COSATU declared, it supported calls for:

- An end to loans and credit to the government, South African business, municipalities and bantustans;
- Diplomatic isolation of South Africa;
- An end to South African tourists, businessmen and State officials travelling overseas;
- South Africans to be stopped from emigrating abroad;
- The effective and comprehensive implementation of the UN arms embargo;
- A stop to the SA State and business recruiting skilled workers' overseas;

- Sporting groups and individuals to be stopped from visiting and playing in this country, while SA sporting groups should not play abroad.

In the preamble to the resolution on disinvestment adopted at the congress, COSATU stated that it believed effective economic pressure was essential for bringing about a system of justice and equality in a peaceful manner, and with the least pain and suffering by the poor. Disinvestment as currently practiced, however, was nothing more than "corporate camouflage" which often allowed those companies to increase their support for the government. COSATU then resolved that companies should give notice of any intention to pull out of South Africa so that bona fide negotiations could take place on the issue. The resolution restates COSATU's commitment to ensuring that the social wealth of South Africa remained the property of the people.

CWIU debates disinvestment

CWIU was the union which proposed both resolutions at the COSATU congress. At the CWIU national congress the month before, debate on sanctions and disinvestment had been one of the key items on the agenda, and the resolutions COSATU adopted were virtually identical to the ones the CWIU congress had ratified. CWIU is particularly concerned about these issues, says general secretary Rod Crompton, because the chemical

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sector has a higher concentration of MNCs than other industries. "Lots of unions within COSATU are very distant from disinvestment," Crompton told *Labour Bulletin*. "This is true for those organising the railways and municipalities and, to some extent, even for those operating in other industrial sectors. Our situation is very different."

CWIU notes that 150 MNCs have disinvested from South Africa, many claiming that they did so in response to the disinvestment lobby, thereby gaining a lot of political mileage in their home countries. In the vast majority of these cases, the companies were sold to South African companies or the local management of the company, often at extremely low prices. In most cases also, the departing company has entered into agreement with the new management providing for things like franchises, licensing rights, and the supply of technology.

CWIU believes that the maintenance of such links and the income they generate for the departed MNCs is not disinvestment in the true sense of the word, but what it calls "corporate camouflage". It believes that the bargain prices paid when local managements have been the buyers shows that "disinvesting" companies expect other benefits from the deal.

In contrast to the benefits that have flowed to South African business, workers have received the raw end of the deal, says the union. Unlike the new managements they have not been allowed to negotiate the terms of

the deal. In virtually all cases unions have received no prior notification of companies' intention to disinvest. Many of the new managements have adopted a harsher attitude to their unions. In some cases new and worse conditions of work have been imposed, and there have also been instances where the new owners have retrenched workers immediately after the sale.

CWIU is not alone in arguing that many disinvestments have been "corporate camouflage". Even business leaders have a similar view. Take, for example, comments made by Escom chairman Dr J B Maree in December last year at the AGM of the SA Mutual Life Assurance Society.

Maree said: "The decision in recent times by American companies to disinvest from South Africa has again clearly illustrated the importance of the large corporation. Disinvestment involves the withdrawal of foreign management and enterprise from South Africa. If there had not been the capacity to acquire these foreign-owned, often large, organisations, then their activities would have ceased, their assets would have been dissipated and vital technology would have been lost, *but this has in fact not happened.*

"These corporations have been acquired in their entirety by South African companies who have both the financial and the managerial capacity to do so. They have continued to function as local businesses and in the process the business activity, the jobs and technology have been preserved



CWIU workers - not opposing disinvestment, but demanding negotiations on the issue

Photo: Eric Miller/Afrapix

to the benefit of the South African economy. *In this way the potentially serious negative effects of disinvestment have largely been negated.*"

Disinvestment has empowered management

Crompton comments: "The fact is that disinvestment has to be examined in terms of whether it has been an effective form of pressure on the government. From Maree's observations, this is clearly not always the case. I think it was never envisaged by disinvestment lobbyists that the process of disinvestment should empower management over workers. If anything, it was meant to be the other way around. We are saying that disinvestment must take place in line with

our terms and on our terms. If things are not done this way it is not disinvestment but corporate camouflage."

Part of the problem about sanctions and disinvestment, according to Crompton, is not only that international anti-apartheid campaigners have very few other options for applying pressure, but also that many foreigners have only a limited understanding of what apartheid is. "In the United States, for instance, many people see it in terms of the civil rights movement. They have never had to deal with an economic system that has race built into it," says Crompton. "They don't have to deal with the kind of monster we do."

"For complex reasons South Africa has become the key focus of everything that is bad in the world and

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a very wide range of groups are involved in lobbying for sanctions and disinvestment - from very conservative church groups to very radical groups," he adds. "I think that the people doing the mobilizing do have a genuine concern for the oppressed people of this country. But they are also using the issue to mobilize on other issues which they are fighting in their countries."

CWIU launches campaign

To turn now to CWIU's campaign to force MNC's to negotiate the terms of disinvestment. Shortly after the union's 1987 congress where it adopted its approach to disinvestment, a multi-national shop stewards' council was established to develop a strategy for the campaign. The first step was taken in July when CWIU wrote to 41 MNCs where it was recognised requesting a joint meeting to negotiate its demands. Of the 41, the majority - 18 - are British controlled. Then there are seven Dutch companies, six American, three German, three French, one Australian, one Swiss, and one owned by an offshore consortium (two MNCs - one US controlled and the other French controlled - were later excluded from the dispute).

CWIU's first demand was that the companies should agree to negotiate in a joint forum. The other demands were that:

- Companies must give one years' notice of the intention to dis-

invest. During this period they must enter into bona fide negotiations on a closure package, no agreements or contracts with the union should be terminated, and less favourable conditions of employment must not be introduced;

- All workers should be paid separation pay of one months' wages per year of service;
- Workers' wages must be guaranteed for one year from the date of closure or disinvestment;
- Loans granted to employees for things like housing should be written off;
- Employers should contribute a lump sum, which should be equal to what they would have paid as the employer's contribution to a pension or provident fund, on behalf of all CWIU members up to retirement age. The destiny of such funds should be negotiated with the union;
- The reasons for the disinvestment must be fully disclosed as well as details about the sale of assets, and details of any remaining financial or business connections with South Africa. Copies of any contracts of the sale of assets, and details about the winding up process, should also be supplied;
- The proceeds from the disinvestment or sale, together with the proceeds of any remaining non-equity ties, should be paid into a trust nominated by the union;
- In cases of partial disinvestment, information on the identity of the new owners must be revealed as

well as the pre-sale value of shares, the selling prices, agreements of sale, and details of remaining business connections. Furthermore, a condition of the sale must be that the new owners guarantee that no changes will be made to the prevailing conditions of employment, pensions or provident funds, and matters like manning levels. New owners must also undertake to recognise the union and honour all agreements and contracts with it;

- In situations where ownership changes, it must be a condition of sale that the buyer guarantees prevailing conditions of employment. Pension or provident fund provisions, manning levels, and so on, must not be less favourable than prevailing conditions.

Just about all the companies refused to entertain CWIU's demands claiming they had no intention of disinvesting. They also rejected the idea

of negotiating in a joint forum. One of these companies was the US-owned Sterling Drugs in Durban. Its dishonesty in its dealings with CWIU, illustrates only too graphically why the union has embarked on its campaign (see box).

In November 1987 the union wrote to the 41 companies again urging them to reconsider their previous responses, and requesting that they meet in a joint forum to negotiate on its demands. A dispute would be declared if they refused to do so. All the companies refused to accede.

CWIU's conciliation board application was submitted just two days before last September's tough amendments to the Labour Relations Act became law, in order to avoid legal technicalities in the new measures. Soon afterwards three companies - Pilkington Flat Glass, Pilkington Shatterprufe Safety Glass and SA Cyanamide - launched legal proceedings against CWIU. They claimed that the union had committed an unfair la-

Sterling Drug Saga Sterling Drug Saga Sterling

Sterling Drug in Durban was a subsidiary of the American MNC Sterling Inc. In June 1987 CWIU received information that Sterling was intending to disinvest. When it approached the company, however, management denied this. And in July, when Sterling and 40 other MNCs received CWIU's letter of demand, it reiterated that position. Nine months later, however, the company asked CWIU to attend a meeting to discuss its "continued operation in South Africa."

At the meeting the union was told that Sterling Inc had already disinvested and that arrangements were being made to sell the company. According to the union, this was in stark contrast to a press statement issued in the United States by Sterling Inc which noted it was *withdrawing* from South Africa and that no Sterling unit anywhere in the world would be allowed to supply the country after August 1988.

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bour practice by filing the board application before following agreed plant-based negotiating and dispute procedures.

The two Pilkington companies launched an urgent interdict in the Industrial Court asking it to restrain the union from embarking on industrial action. They also asked the court to instruct the union to remove their names from the board application. The court turned down their requests. At two subsequent meetings of conciliation boards appointed at the request of the companies, they agreed to suspend unfair labour practice litigation until the end of January 1989, pending the outcome of their talks.

On 30 September last year the Minister decided against appointing the board CWIU had requested, opening the way for a legal strike. The Minister cited two reasons for his decision. One was that he believed the dispute did not concern an unfair labour practice - which was never alleged in the first place. The other

was that he did not consider it to be expedient to appoint one. The union noted that, "The Minister seems to have decided that negotiation was not in the interests of resolving the dispute."

Most companies agree to negotiate

If the Manpower Minister was against negotiation, a number of companies did an about turn after the board application had been filed. The majority indicated that were willing to talk, but only at plant level - not in a joint forum. CWIU reacted by inviting the companies to attend meetings to discuss the issue. Only 10 companies agreed to attend - Ciba-Geigy, Colgate-Palmolive, Expandite, Fedgas, Gillette, Hoechst, Liquid Air, Nicholas Kiwi, and the two Pilkington companies.

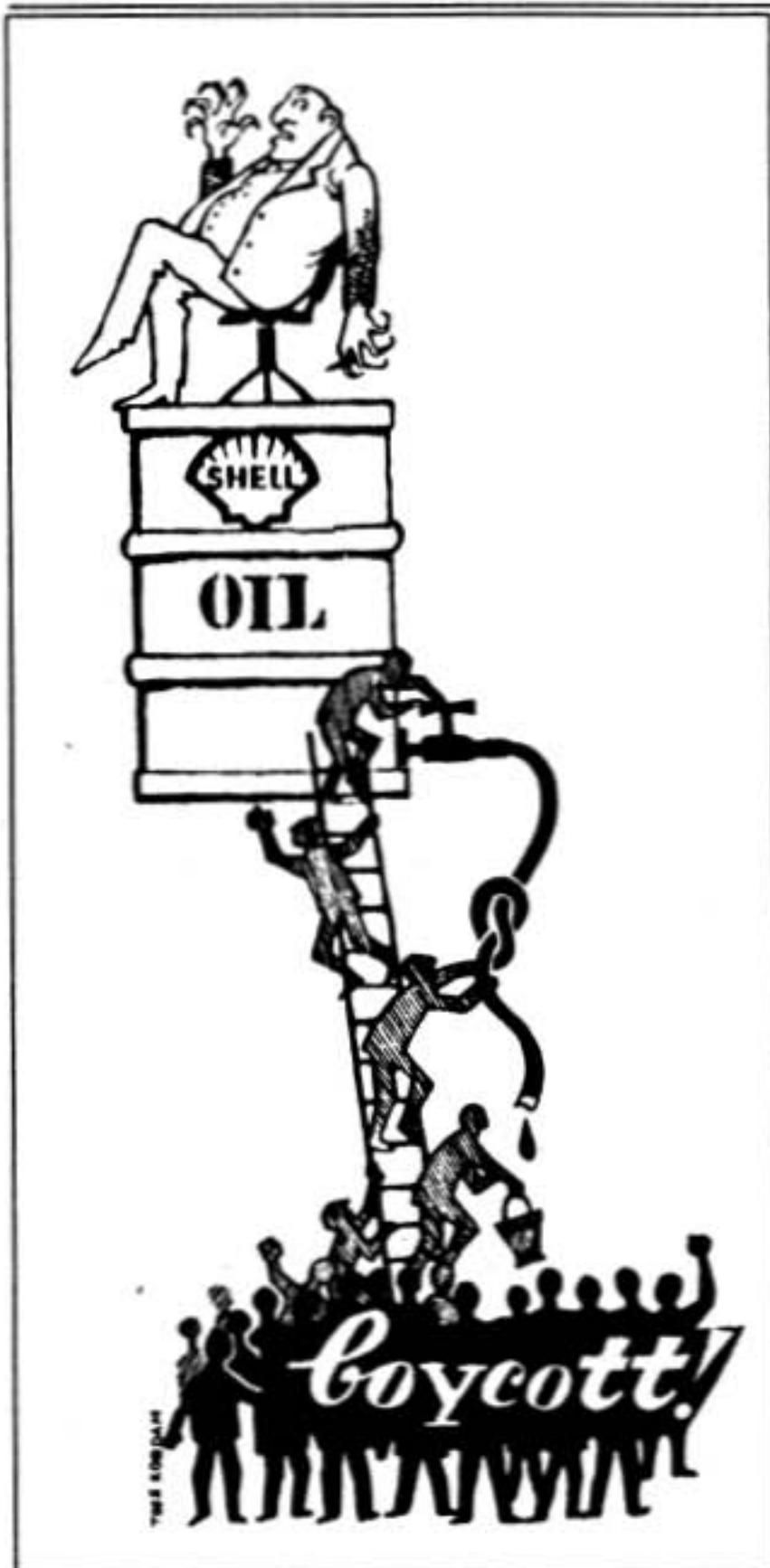
Even though CWIU members were entitled to strike legally once the Minister refused the board applica-

Saga Sterling Drug Saga Sterling Drug Saga St

Sterling refused to negotiate on any of CWIU's demands. The union declared a dispute and applied for a conciliation board. When the Manpower Minister failed to appoint a board Sterling workers began a legal strike. Soon afterwards a conciliation board was appointed.

At meetings of the board management claimed that Sterling was not disinvesting. Sterling was taken over by Eastman Kodak which has a policy of not dealing with South Africa and Kodak had ordered that Sterling sell off its subsidiary here. The buyer Adcock Ingram, a Barlow Rand subsidiary, paid R52.5 million.

The Sterling workers downed tools for five weeks and then suspended the strike. Meetings of the board were also suspended. According to the union, the dispute over the CWIU demands still exists, however, and the board can be revived at any time. ☆



Shell - refuses to leave, but won't negotiate either

Graphic: ILR

tion, they decided against industrial action. "Our approach is that there is no point in going out on a big strike until you have exhausted all the possibilities, and employers were now agreeable to plant negotiations," explains Crompton.

In January this year a union meeting was held to assess the situation. Factory delegates felt that although the demand for joint forum negotia-

tions had not been met, the fact that the majority of companies had changed position and were prepared to talk was a major victory. The union decided to drop its demand for a joint forum and commenced company-based negotiations. When the union notified employers of this decision the two Pilkington companies agreed to withdraw their disputes with it, and to drop court action scheduled for 1 February. In turn, CWIU agreed to drop its dispute against them and enter into negotiations over its demands.

But Shell and BP refuse

As things now stand, BP, Mobil Oil and Mobil Refinery, seven Shell companies, Associated Glass, Maybaker and Chrome Chemicals are the only companies that have refused to negotiate. All say they have no intention of disinvesting.

Negotiations on CWIU's demands are now underway with the companies that have agreed to talk, but with so many companies involved it's obviously going to be a lengthy business. In the process there will no doubt be difficulties and CWIU will have to exercise great care to avoid the problems other unions have faced on this issue. When it comes to negotiating the demand for a trust it will be particularly anxious to apply the lessons learnt from NUMSA's disastrous experience at Samcor. The union will also have to review its strategy towards the 12 companies which have refused to negotiate.

Says Crompton: "This is not just a

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wage dispute. We are dealing with long-term processes in the economy and there is still a lot of talk in the United States and the European Economic Community about passing legislation on disinvestment. We wanted to deal with the dispute across-the-board because if something does happen which prompts a mass exodus, workers would easily be able to act together if management does not comply with their demands. The companies have rejected joint negotiations with us, but most are now at least willing to talk individually. If any one of the respondent companies prove intransigent, we could bring out the other companies in support. We live in a very volatile situation, and circumstances can change very quickly."

In essence then, the CWIU dispute is not about whether MNCs should go, but how they should behave if they do. Nevertheless, there is no doubt that the campaign will have an impact on the debate about disinvestment. If CWIU succeeds in clinching agreements with managements it will, at the very least, have pressurized MNCs into acting with a greater degree of honesty. ☆

Interview with Colgate shop steward

Dusty Ngwane is a full-time shop steward at US-owned Colgate-Palmolive in Boksburg. He has been actively involved with CWIU since it first began recruiting at the plant in 1979. At that stage he was a member of the union's

steering committee and played a key role in the 1981 struggle for recognition at Colgate.

At that time, the emerging unions were still weak and employers were strongly resisting demands for the right to bargain wages at plant level outside of the industrial council system. Colgate was a prominent signatory to the Sullivan Code, but that did not mean it welcomed unions.

With the Colgate struggle CWIU became the first of the unions to use the post-Wiehahn strike procedures. It declared an official dispute on the point, and placed additional pressure on the company when it called for a consumer boycott of Colgate products. The screws were turned even tighter after a conciliation board failed to resolve the dispute and the workforce voted overwhelming in favour of a legal strike. Colgate capitulated on the last working day before the strike was due to start.

Ngwane has been the full-time steward since May 1987 and is a member of CWIU's multi-national shop steward council. *Labour Bulletin* spoke to him about the union's campaign.

Labour Bulletin: *What do you think about sanctions and disinvestment?*

Ngwane: My view is the same as the union's. We support any kind of pressure for change in South Africa. So if sanctions will help to hasten change, we would be in favour. But sanctions are not being applied totally, and partial sanctions are not effective. As for

disinvestment, our stand does not mean that we don't want companies to go. They can go whenever they like, but if they do, they must do it on our terms.

Labour Bulletin: *Do the other Colgate workers share your views?*

Ngwane: Yes, they do. In 1987 an independent survey by the American Chamber of Commerce in South Africa was conducted at the plant in which workers were asked three questions. First, did they think US companies should stay in SA and contribute to change. Second, whether they thought US firms should close down their plants entirely. And third, if companies left should they sell to South African managements. An overwhelming majority of the workers - 99% - said the companies should go.

When this survey was done, shop stewards met with workers beforehand to explain the questions and also handed out the survey papers which workers then filled in and placed in a ballot box. Management was upset by this result, and later sent two people from the personnel department to redo the survey. The result, however, was the same.

Labour Bulletin: *When did disinvestment first become an issue for Colgate workers?*

Ngwane: In 1987 the union noticed that companies were disinvesting on unacceptable terms. They did not inform the unions of their intentions,

conditions of work changed after the disinvestment, and the new managements did not have the same relationships with the unions in their factories.

The disinvestment that really upset workers at this plant was the Robertson Spices disinvestment in 1987 (see box on next page).

Labour Bulletin: *As a shop steward what role have you played in CWIU's disinvestment campaign?*

Ngwane: I was present at CWIU's national congress in June 1987 when we adopted our resolutions on sanctions and disinvestment, and later became a member of the CWIU multi-national shop stewards council. Our letter of demands went out to the employers in July 1987, and were followed up in November.

There was a bit of lull in the campaign for a while after that, but the shop steward council met in Durban in July 1988 and decided that it should go forward. We also decided a delegation from the union should visit the US to explain our campaign. The recommendations from this meeting went to the NEC. Later, a party of three, including our president, went to the US.

Labour Bulletin: *Why was it decided not to take industrial action after the Minister of Manpower failed to appoint the conciliation board and you were free to go on a legal strike?*

Ngwane: Since this issue is a national issue we had to sit down and discuss

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ROBERTSON SPICES, with plants in Alrode in Johannesburg and Prospecton in Durban, was a subsidiary of the international food giant Corn Products Company (CPC) which has its headquarters in the US. CWIU was recognised at the Alrode plant and FAWU at Prospecton.

According to a union source, the first time CWIU and FAWU heard about CPC's disinvestment was in April 1987 when they read newspaper reports that a consortium of South African investors had acquired ownership. CWIU members at Alrode reacted to the news by staging a one-day strike demanding to know what would happen about their pensions.

The two unions subsequently tabled a list of demands with the company. Amongst other things, they wanted details of who the new owners were, the sum they paid, and whether the disinvestment had occurred as a result of pressure from CPC's US shareholders. They also demanded that there should be no changes to workers' conditions of employment, that the company should honour agreement, and that workers should be paid severance pay. Furthermore, they demanded that Robertsons should negotiate on these issues with both unions in a joint forum.

The company initially refused to meet in a

joint forum, but later recanted. The meeting was held on May 3 1987. In response to the demands for information, the company made the unlikely claim that it itself did not know who the buyers were, or the price they paid, as the sale had been handled by its American parent. It did, however, say the sale had been promoted by shareholder pressure. The company guaranteed that all agreements would be honoured and that conditions of service would remain the same. But it refused to accede to the demand for severance pay.

It later transpired that 56% of Robertson had been acquired by Hunt Leuchars and Hepburn (HLC), a Rembrandt controlled company, and the remaining shares by the Mine Officials' Pension Fund, the Mine Employees' Pension Fund, Rand Merchant Bank and Entek Investments. In October 1988 - just over a year later - it was announced that HLC had bought the outstanding 44% in a R59,4m deal.

"In other words, this was another example of corporate camouflage which in the end placed yet more economic power in the hands of the big South African multi-nationals. We suspect that it was always the intention that HLH should assume full ownership, and that the initial consortium was put together with that understanding," says the union source. ☆

whether it was feasible to strike at that time and whether a strike would achieve our objective. In our analysis we noted that the Labour Relations Act says you cannot strike over the same issue twice within one year. We also noted that the companies said we had not exhausted negotiation. We then looked at the issue of sanctions and disinvestment and decided that they would remain as issues for a long time.

Basically, when we started the campaign, we wanted some form of negotiation with the companies and we used the threat of a conciliation board and a national strike to get the companies to the negotiating table.

Labour Bulletin: Colgate has said it

has no intention of disinvesting. Do you believe the company?

Ngwane: We've asked this question many times and I have spoken to Roderrick Turner, senior executive vice-president at Colgate in the US, who comes to SA every year. But it's hard to know whether it will always be so.

Labour Bulletin: How has Colgate reacted in the dispute?

Ngwane: The union invited all the employers to a meeting to discuss the dispute in October 1988. Colgate was one of about six companies that attended. We will be continuing our negotiations with the company. ☆

Assessing the effects of disinvestment by US companies

Between 1986 and 1988, some 134 US firms "disinvested" from SA. But anti-apartheid activists and trade unionists are highly critical of the way in which most companies have pulled out. DEBBIE BUDLENDER investigates.

In January 1986, the Coca Cola Company of Atlanta, USA, donated \$10 million to establish the Equal Opportunity Foundation (EOF). In mid-1988, the EOF commissioned the Community Agency for Social Enquiry (CASE) to conduct a short research project on disinvestment.

I conducted more than 100 interviews. Most of the interviews were with people from organisations in South Africa or the USA who are fighting apartheid. I also interviewed SA and US spokespeople of eight US companies which have or had South African subsidiaries. One of the main questions in the research was how to

assess the response of US companies to calls for disinvestment.

Most of the organisations supported disinvestment and sanctions. They agreed that the chief aim of the disinvestment campaign was to exert pressure on the SA government to force it to negotiate an end to apartheid. A union organiser said that they would also use the threat of disinvestment to force companies to improve conditions. But interviewees also acknowledged that the oppressed may have to endure extreme suffering or pain because of sanctions. Some also were worried about 'inheriting a wasteland' after apartheid goes.

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Because of the possible suffering disinvestment could cause, many people said their assessment of a particular company would depend on the strategic or other value of the products, the size of the undertaking, the number and type of workers employed, and to whom the products were sold.

At least 57 of the 114 companies that 'disinvested' between 1 January 1986 and 30 April 1988 still kept some link - licensing, management and technology agreements, loans, product sales, buy-back clauses, etc - with their former SA subsidiary.* Organisations expressed anger about these sham withdrawals. They felt companies had been dishonest in portraying them as disinvestment.

Checklist of demands

The checklist below contains points which organisations wanted companies to comply with when withdrawing from SA. These points came out of the interviews as well as from the written policies of the Chemical Industrial Workers Union (CWIU) and a coalition of five of the main US groups campaigning for disinvestment.

- Management must consult and negotiate with the workers' union and federation, or with workers where there is no union. They must not just announce a fait accompli. Management must supply full information before and during negotiations, and workers must be

able to get advice from auditors, lawyers or other professionals.

- Management must provide separation pay, social security, pension or provident funds and trust funds where there is full disinvestment. With partial disinvestment, management must consult workers about changes in the shareholding and the terms offered to those buying the company. The new management must guarantee conditions of employment and continued recognition of the union.
- The company must provide honest and complete information to the public.
- In cases of partial disinvestment, the 'new' company must agree not to do business with homeland or government structures.
- Management must make a public statement which includes political demands. In partial disinvestments, management must state that they will reconsider their presence in South Africa if certain changes do not happen by a specific date.
- The social wealth embodied in the local company - i.e. assets or proceeds of the sale - must remain the property of the oppressed people in the form of plant, profits, a fund, or some other acceptable and negotiated form.
- Where the company establishes a fund, they must negotiate all aspects with the workers and other relevant groups.

* *'Leaving South Africa: The impact of US corporate disinvestment' by Jennifer Kibbe and David Hauck, IRRRC, Washington, July 1988, page 24.*

Company case studies

With the above checklist as a guide, we can comment on the actions of four of the eight companies interviewed. The comments show how the guidelines could be applied in specific cases.



Coca Cola

Coca Cola owned shares in Amalgamated Beverage Industries (ABI) and Amalgamated Beverage Cannery (ABC), a factory in Durban which produced the secret syrup which makes Coke. Coca Cola provided franchises, management, marketing, and other services to the other bottlers of Coke through Coca Cola Export, which was wholly-owned by Coke.

In 1986, Coke sold its last shares in ABI and moved the syrup factory to Swaziland. Former management of Coca Cola Export established National Beverage Services (NBS). NBS now pays Coke Atlanta (the parent company) for the license to sell its franchises and provide the other services previously provided by Coca Cola Export. NBS also imports the syrup from Swaziland and supplies it to the bottlers.

At the time of withdrawal, an NBS

spokesperson said: "...no changes regarding the existing production, manufacturing and distribution through the independent bottler network will occur."* Although 1986 was widely reported as the date of Coke's withdrawal, Coke only sold its final shares in ABC in late 1987. Today, in 1989, we are still drinking Coca Cola in South Africa.

A Coke spokesperson said that the company discussed withdrawal with many people - inside and outside the company, in townships and in rural areas, domestic workers and professional people. Yet the company did not inform or negotiate with its own workers. One interviewee suggested that the company took advantage of the fact that different plants were organised by different unions.

When workers (and researchers!) asked questions about withdrawal, ABI, NBS and Atlanta referred the questioners backwards and forwards and denied knowledge of and/or responsibility for the topic about which questions were being asked. Former managers of Coke said that they were told that only Atlanta could comment on the withdrawal. Atlanta said this was 'to retain orderliness' and to avoid 'communications getting crossed.' A worker said that previously he 'would have died' for Coke. Now he would be happy if they 'became bankrupt'. He said the withdrawal was done in a 'dubious, underhand way', NBS was like a 'secret bureau'. Workers felt that they had still not received full information.

* 'Daily Despatch', 19 September 1986

DISINVESTMENT

Coke has symbolic importance. For many it is the symbol of the United States. Management spoke of their wish to use Coke's good name and trademark 'to make clear to the South African government that they were running out of patience'. Critics feel the fact that Coke is still so visible in SA has the opposite effect. A worker felt that as Coke is probably getting even greater revenue than before, they are 'having their cake, as well as eating it with cherries on'.

Several people said that even before the withdrawal, Coke was not particularly good on social responsibility projects. The African-American Labour Committee (AALC) of the American Federation of Labour (AFL-CIO), said that within the US, Coke was known for its anti-union stance.

At about the same time that Coke withdrew, they donated the \$10m to establish the Equal Opportunities Fund. The company said that this donation was not in any way connected with their withdrawal. Workers said that the money used to fund the EOF had been promised to them for houses. Coke workers were given no representation on the Fund, nor was it discussed with them.

Today, Coke Atlanta says that it has no power to influence current working conditions because it does not own the bottling plants. In 1984, however, Atlanta said that it could lay down conditions for its franchiser.* NBS also said that they were able to

arrange jobs in ABI for syrup workers who did not want to move to Swaziland or take early retirement.

When Coke withdrew, they arranged an offer of shares to their smaller distributors and to workers. Many, particularly COSATU-affiliated workers, rejected individual ownership, especially because no control was involved. The Soweto Chamber of Commerce also rejected the share offer. They said that they would not "be enticed by 'blood' riches rejected by the unions".**

ZENEX
People. Products. Progress.

EXXON

EXXON is the largest American oil company, but for historical reasons, its operations in South Africa have always been much smaller than some of the other big oil companies. When EXXON withdrew from SA, newspapers reported that they handed over all of their assets to a trust. Profits would go to charity. What did this mean?

When EXXON decided to withdraw, there was no local buyer with money available. The company therefore established a trust on the Channel Island of Jersey, New England. It lent the trust the money to buy its SA companies. The trust would repay EXXON from its profits over an undis-

* 'Update: Coca Cola Co.' *South African Review Service, IRRIC, Washington, June 1984*

** 'Business Day' 8 October 1987.



Anti-apartheid, pro-disinvestment campaign

Photo: Bill Biggart/Afrapix

closed period. Once the EXXON loan had been paid back, the trust would donate profits to 'SA charities'.

The companies formerly owned by EXXON have been renamed AKTOL and ZENEX. EXXON's products are still being sold by the new companies, which also continue to use existing technology. The withdrawal agreement did not include new technology, but also did not exclude it. EXXON said that they would consider this matter when the time came. AKTOL said the transfer agreement gave 'assurance of imported supplies and continuing access to technology'.*

The off-shore trust agreement offered tax advantages for EXXON. It would be easy for them to milk the trust by making the SA companies

pay various high fees to EXXON. This would reduce the amount of distributable profit available for charity.

Channel Island law says that one of the trustees has to be someone with financial skills. At present the EXXON trust consists of three 'persons' - the Channel Island company handling the trust for EXXON, a petrol expert and a financial expert chosen by the regional head office of EXXON in Europe. Once the loan has been repaid, these three will choose the other trustees, with advice from local SA management.

AKTOL and ZENEX supply the South African government. Management would not tell me what percentage of their sales are to the government.

* 'Business Day' 4 May 1987

Mobil

With us you are Number One.

Mobil

Mobil is the US company with the biggest investment in South Africa. It is one of the main target companies of US anti-apartheid organisations, as a company which 'fuels' the apartheid state, including its army and police force. Mobil is, on the other hand, in the forefront of the campaign against disinvestment. Sal Marzullo, vice-president of Mobil, is chairperson of the Corporate Council, a body formed to advance the anti-disinvestment position. In June 1988, Mobil warned the US government it would sue for \$400 million, which is the value of its SA assets, if it were forced through the Dellums Bill to leave.

Mobil was the only one of the eight companies in the United States that would not give me an interview. Marzullo's assistant said that Marzullo was very busy campaigning against the Dellums Bill. He was 'too busy even to go to a banquet'. SA management said that Mobil was worried about losing control over what was said about Mobil as this 'does damage in the market-place.'

Mobil established its own charitable foundation with \$20m to be spent over 5 years. Only 14 of the 23 trustees are black. Three are Mobil people. A former employee of the foundation said it acted independently of management - somewhat to Mobil's surprise. But both management and the foundation's own

documents said Mobil and the foundation work very closely together.

The foundation counts towards Mobil's fulfilment of the Sullivan principles. A large proportion of the money is tax-deductible. An AALC spokesperson said that Mobil had 'no concept' of social responsibility in the US and their SA expenditure was therefore obviously a camouflage.

Mobil also has a smaller internal fund, from which employees can request small grants for 'non-political' community projects. The committee which decides on grants consists of employees. The company advertised for members of the committee on the company notice boards. CWIU has organised several of the bigger Mobil plants. Mobil said that union people were 'free to be involved' on the committee, but on the same individual basis as any other workers.



Steiner Company

Steiner, a private, family-owned linen and laundry business, has its headquarters in Salt Lake City, USA. The company employs a total of between 7,500 and 8,000 people world-wide. Steiner is private and therefore not subject to shareholder pressure and keeps a very low profile. Yet by May 1988, it employed 2,500 people in eight different plants within South Africa.

I interviewed several Steiner workers on Friday 1 July. The same day I received a call from Steiner head office to say they had sold their SA subsidiary the previous day. At that stage, neither the Transport and General Workers Union (TGWU) - which had a recognition agreement with the firm - nor the workers were aware of the withdrawal. Later in July, Steiner assured me workers had been told about the withdrawal on Monday 4 July. In mid-August, the union organiser said the union and workers had still not been informed.

Steiner said they had disinvested because of mounting pressure of various sorts and the threat of more pressure to come. Even the conservative local students in Salt Lake City had taken up the South African issue. They had, for example, built squatter shanties on the campus as an anti-apartheid demonstration.

Steiner did not sign the Sullivan code. They paid wages below those laid down by the US State Department. Steiner explained the low wages by the chiefly unskilled nature of the workforce. He said they paid wages 15 to 30% higher than their competitors and at the level demanded by the union.

Steiner workers' wages were the lowest of all factories organised by TGWU. Union lists show that the overwhelming majority of their members were earning the minimum wage - about R62 per week. The union rate mentioned by Steiner was the Industrial Council rate agreed upon by a previous, more conservative union.

Workers had deserted this union to join the TGWU, but had not yet renegotiated wages. Steiner only recognised TGWU after lengthy battles involving victimisation and a strike.

The local financial manager said that Steiner had no social responsibility programme. Steiner head office reported small-scale funding of a local school. Both they and the workers said that the company refunds fees to successful night school students.

Opponents of disinvestment argue that US managements in general are more progressive in their handling of workers. The particular experience of Steiner tells them differently.

Conclusion

This research highlights the complexity of disinvestment. The checklist is only a guideline to what is ideal. Unionists from both COSATU and NACTU said that checklists could not provide a quick answer. It is unlikely that any companies will act in a completely ideal manner. Companies exist to make profits and not to take part in the struggle for a new South Africa. But, while understanding this, interviewees felt that most companies could have been more honest, both with their workers and the public, and should have been involved in much more negotiation. ☆

Note: this article is based on a longer report written for CASE (see the advert on page 96)

American disinvestment and unemployment

Many businessmen argue that disinvestment causes job losses and hardship to black workers. MIKE SARAKEY argues that this is not the case.

In *The Star* of 10 January 1989, ("Thousands lose jobs because of sanctions"), Mr Adrian Botha, the Executive Director of the American Chamber of Commerce (AMCHAM), claimed that between 8,000 and 10,000 people, "mainly black", lost their jobs or were retrenched because of the withdrawal of American companies from South Africa in 1988. Mr Botha has pointed out that he was misquoted, and that he actually said these losses occurred between 1984 and 1988. In any event, Mr Botha's claims are extremely questionable.

Disinvestment may take, broadly speaking, two forms. Firstly the foreign company may close the plant

completely and withdraw all financial assets, machinery, technology, etc. Secondly, the foreign company may sell the plant, including all the assets, to another company. Only the first form of disinvestment involves a necessary loss of jobs. In the second form of disinvestment the plant continues to operate under a new owner, so there should be no loss of jobs.

More American companies have disinvested than companies from other countries. Some of them began withdrawing before the sanctions/disinvestment campaign intensified in 1986. This suggests that many foreign companies were already questioning their South African investment on

EFFECTS ON UNEMPLOYMENT



Unemployment - not caused by disinvestment

Photo: Anna Zieminski/Afrapix

economic grounds before the sanctions and disinvestment campaign got off the ground. According to the AM-CHAM, 47 American companies left South Africa in 1984 and 1985, with another fifty leaving in the course of 1986.¹ Similarly the value of British company investments in South Africa fell from a high of approximately

£300 million in 1983 to about £100 million in 1986 as British companies began to reduce their holdings in South Africa or to leave completely. Clearly many foreign companies were questioning the long term profitability of investing in South Africa because of the economic crisis in the country. Yet no one expressed concern over the fate of the workers affected by this spate of disinvestment.

Contrary to the claims of the anti-disinvestment lobby, the current wave of disinvestment has had very little effect on the level of unemployment because it has seldom meant the complete closure of the operation. Usually it has simply meant a transfer of ownership. Very few American companies have actually closed down their operations completely, and those that have, tend to be small-scale employers. Thus, according to Investor Responsibility Research Centre (IRRC), of the 114 American companies that withdrew between the beginning of 1986 and mid-1988, only 13 closed down their operations completely. Much more common

has been the sale of the company. This has meant that jobs were retained in the remaining 101 companies which sold their assets.

Only 1,000 jobs lost

The IRRC report calculates that just over 1,000 workers were em-

DISINVESTMENT

ployed in the 13 factories that closed down completely.² This means that little more than 1,000 jobs had been lost as a direct result of American disinvestment up to mid-1988. The IRRC had employment figures for 106 of the 114 companies concerned. Although 12% of the companies closed down completely, the workforce in those companies represents only 3% of the total workforce in the 106 companies which disinvested. This demonstrates quite clearly that, at least as far as American disinvestment is concerned, disinvestment has had only a negligible effect on unemployment.

While the number of companies apparently withdrawing from South Africa looks significant, most of these companies have found indirect ways of retaining access to the South African market while simultaneously continuing to provide the country with the commodities and technology it needs.

The IRRC Report showed that 50% of American companies that have left South Africa since 1986 "retain a contract, or a licensing, distribution, technological, trademark or franchise agreement with a company in South Africa".³

A more recent report by the IRRC shows that in total 132 American companies had left by the end of 1988.⁴ This means that 18 companies disinvested between mid-1988 and the end of 1988. If Mr. Botha's claim that 8,000 workers had lost their jobs because of disinvestment were true, then 7,000 jobs must have been lost through the disinvestment of these 18 companies. This is impossible, unless

a number of them completely closed down their operations and they were extremely large employers. Mr. Botha himself, however, discounts this possibility by saying that most of the disinvesting companies "were either sold to local interests or to other international companies".

How can Mr. Botha claim that between 8,000 and 10,000 blacks lost their jobs as a direct result of American disinvestment? What happens very often is that the new owners and managers of companies bought from foreign companies which have disinvested from South Africa engage in a process of "rationalisation" involving changes to the labour process, the introduction of new technology and retrenchments. This has happened for example at Ford and General Motors.

Retrenchment to blame, not disinvestment

"Rationalisation" is separate from disinvestment and it is the rationalisations which create the unemployment, not the disinvestment. It may well be the case that over 8,000 people employed by companies which disinvested from South Africa lost their jobs. But the evidence suggests that it was not disinvestment which caused them to lose their jobs, but rather the rationalisations. In fact Mr. Botha has since acknowledged this to be the case.⁵

"Rationalisations" have been occurring long before the current upsurge in the sanctions and disinvestment campaigns, and should not be

seen as a necessary outcome of disinvestment. Decisions regarding retrenchment made by the new owners are a separate issue from the decision made by the American owners to sell the company.

The South African economy has not only been unable to create jobs throughout the 1980's, but it has also been actively destroying jobs. It is significant that this has been the trend since long before the sanctions and disinvestment campaign intensified in mid-1986. Between 1981 and 1985, 181,634 African jobs were lost across all sectors of the economy, excluding the "independent" bantustans, agriculture and domestic service. This contributed to the overall level of African unemployment of over 6 million by 1986.⁶ Since the early 1980's, investment has increasingly been speculative. Investors have bought existing shares on the stock market or have made loans to existing companies rather than opening new factories or starting new businesses. What direct investment has occurred has been largely capital intensive⁷, that is, it is investment in sophisticated technology which creates few jobs or even leads to retrenchments.

Even if we accept Mr. Botha's figure of 10,000 job losses, when we compare this to the increase in unemployment that has occurred since 1984, which is approximately 1 million⁸, then we see that 10,000 is only about 1%. Disinvestment has thus contributed almost nothing to unemployment.

Mr. Botha's claims do not emerge

in a vacuum. One of the favourite arguments against disinvestment is that it creates unemployment and therefore, insofar as pressurising the government into moving away from apartheid is concerned, it is counter-productive and deals the most harm to those it is meant to help, i.e. blacks. However, Mr. Botha is engaging in sleight of hand. He simply lumps together the two processes of rationalisation and disinvestment and claims that *disinvestment* is responsible for the loss of jobs. ☆

References

1. Adrian Botha, Executive Director of AMCHAM, personal communication, Feb. 1988.
2. Kibbe & Hauck: "Leaving South Africa: The Impact of US Corporate Disinvestment", IRRC, Washington, July 1988, p. 50.
3. Kibbe & hauck, pp. 20.
4. Quoted in the Sunday Times Business Times, 15/1/89, "Heat comes off as exodus from SA slows".
5. Personal communication, 18 Jan 1988.
6. Sarakinsky and J Keenan, "Unemployment in South Africa", South African Labour Bulletin, Volume 12 Number 1, November/December 1986.
7. See any edition of the Reserve Bank Quarterly Report after 1987 for figures which cover most of the preceding years throughout the 1980's.
8. This is calculated by adding or subtracting the number of jobs destroyed or created over the period to/from the 250,000 new job seekers entering the job market each year.

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Towards one South African teachers' union*

by IAN MOLL

"COSATU shouldassist or strengthen where they do exist, the formation of democratic Parent-Teachers-Student-Associations.... This would mean in practice, representation from four clearly defined sectors: parents (through civics), teachers (through progressive teachers unions), students (SRCs) and workers (COSATU education structures elect delegates at each level). The exact workings of such structures would be an issue for further debate in COSATU. The goal would be to encourage one single-constituency, national organisation for each sector (e.g.) - a democratic teachers union."

This recommendation was made by COSATU at its Education Conference in 1987. The COSATU workers joined their closest allies, the United Democratic Front (UDF), and the National Education Crisis Committee (NECC),² in saying that all teachers' organisations of the oppressed should be united according to

the principle of "one industry, one union".

In 1989, teacher unity talks are well established under the wing of COSATU. All of the traditional black teacher federations and all of the progressive teacher unions have participated in the talks, and even some traditional white teacher organisations

* This article was written before the latest round of teacher unity talks in March 1989, and therefore it does not take into account any developments that may have taken place there.

Teachers' organizations in South Africa in 1989

The first group are federated in the African Teachers' Association of South Africa (ATASA), which has around 65,000 members in African schools.

1. Transvaal United African Teachers' Association (TUATA)
2. Cape African Teachers' Union (CATU)
3. Natal African Teachers' Union (NATU)
4. Orange Free State African Teachers' Association (OFSATA)
5. Ciskei Teachers' Union (CISTU)

The next four bodies are federated in the United Teachers' Association of South Africa (UTASA), which has approximately 27,500 members in coloured schools.

6. Transvaal Association of Teachers (TAT)
7. Cape Teachers' Professional Association (CTPA)
8. Society of Natal Teachers (SONAT)
9. Orange Free State Teachers' Association (OFSTA)

10. Teachers Association of South Africa (TASA) which has about 8,600 members in Indian schools.

The following participate in a statutory body called the Teachers' Federal Council (TFC). Their membership is based in white schools.

11. Transvaal Teachers' Association (TTA)
12. Transvaalseonderwysersvereniging (TO)
13. South African Teachers' Association (SATA)
14. Suid-Afrikaanse Onderwysersunie (SAOU)
15. Natal Teachers' Society (NTS)
16. Natalse Onderwysersunie (NOU)
17. Association of Orange Free State Teachers
18. South African Association for Technical and Vocational Education

The organisations listed below are collectively known as the 'progressive teacher unions', although there are no formal links between them. They have a combined membership of roughly 5,000.

19. National Education Union of South Africa (NEUSA) *
20. Western Cape Teachers' Union (WECTU) *
21. Democratic Teachers' Union (DETU) *
22. Education for an Aware South Africa (EDASA)
23. Eastern Cape Teachers' Union (ECTU)
24. East London Progressive Teachers' Union (ELPTU)
25. Progressive Teachers' League (PTL)
26. Progressive Teachers' Union (PTU)
27. Mamelodi Teachers' Union (MATU)

The organizations marked with an * are effectively banned in South Africa.

UNIONS AND DISPUTES

have shown an interest in them.

The political context

There are many who argue that the mass democratic movement has been completely on the retreat since 1986, and that the state has been all-powerful. But in significant areas of social life, this is not the case, as the progress towards teacher unity shows.

One of the most important events in the education struggle was the first Consultative Conference on the Edu-

been largely student-centred *protest* action. But now education struggle had become rooted in communities as a whole, seeking to transform and take control of education. All sectors of society were now involved. Secondly the strategic goal was a *challenge* for the control of education, rather than simply a protest.

Of course, the apartheid state has since fought back using the State of Emergency, and popular forces have suffered a number of defeats, but the terrain of educational struggle remains



Student action 1985 - where did teachers stand?

Photo: Gill de Vlieg/Afrapix

cation Crisis which was hosted by the Soweto Parents' Crisis Committee (SPCC). Delegates to this conference resolved to form the National Education Crisis Committee (NECC). This represented a qualitative leap forward in the nature of educational struggle. Before 1986 education struggles had

qualitatively different to that of earlier periods.

Since the 1985 Conference, state repression has seriously weakened the NECC and student organisation as national political movements capable of leading education struggle. None-the-less, dissatisfaction with and

resistance to apartheid education has remained on the ground. There have been ongoing sporadic outbreaks of protest and community action at local level throughout the country.

Despite the fact that the NECC's structures have been virtually destroyed, the political gains that it made in the 1986/87 period continue to influence and shape education struggles. One sign of this is that the concept of *people's education* continues to dominate the thinking and practice of anti-apartheid education projects and organisations. The idea of people's education was developed in the struggles of 1985/6, and it continues to influence the education sector. Another sign is that teacher unity is taking place *within* the mass democratic movement for the first time ever.

When one looks at teacher organisations in 1989, it is impossible to argue that the mass democratic movement has suffered a comprehensive political defeat. All the mainstream teacher organisations which oppose apartheid have moved significantly towards the position of the broad liberation movement over the past four years. The political forces at work in the country continue to shift the balance of forces in teacher organisation in this direction.

27 teacher organisations in a divided land

For someone who does not fully understand how apartheid education has divided people, the situation of

teacher organisations in South Africa looks very strange. About half of the roughly 250,000 teachers in South Africa are organised, but their organisations are divided and fragmented. At the moment, there are 27 teacher bodies located in 17 ethnic education departments. (See list on p. 61)³

Apartheid education has created ethnic and linguistic divisions as the basis on which the officially recognised teacher organisations are built. It has also meant that progressive, unrecognised teacher organisations have emerged in a number of small, isolated bodies rather than in one national body. Clearly, the programme of the broad liberation movement to build national unity has direct implications for teacher organisation: it is a crucial political goal to build unity amongst the broadest possible range of teacher organisations opposed to apartheid.

At the time of the SPCC Conference in December 1985, there were two kinds of teacher organisations to which black teachers in South Africa belonged.

On the one hand, there were three officially recognised teacher associations which were linked in practice to the ethnically defined education departments:

- ATASA, with a membership drawn from African teachers in the Department of Education and Training and in the education departments of "self governing" bantustans such as Lebowa, KaNgwane, KwaZulu, KwaNdebele and Gazankulu, as well as

the "independent" bantustan of Ciskei.

- UTASA, with a membership drawn from mostly "coloured" teachers in the Department of Education and Culture, House of Representatives.
- TASA, with a membership drawn from amongst Indian teachers in the Department of Education and Culture, House of Delegates.

Traditionally, these organisations had worked within the state education system. Their organisational work did not fundamentally challenge the apartheid state, although their members were not necessarily supporters of apartheid. Rather, their activities helped to work the machinery of apartheid education. They sat on official committees concerned with policy, conditions of service, curriculum planning, etc.

They often participated in state-inspired attempts to reform the education crisis from within, and were heavily involved in the HSRC's De Lange Commission of Inquiry in 1981. They were the only meaningful black organisational presence in the work of the commission (UTASA's Franklin Sonn and ATASA's Leepile Tuanyane were in fact "de Lange commissioners"). They were considered part of the state by progressive educational organisations such as COSAS, AZASO and the emerging NEUSA.

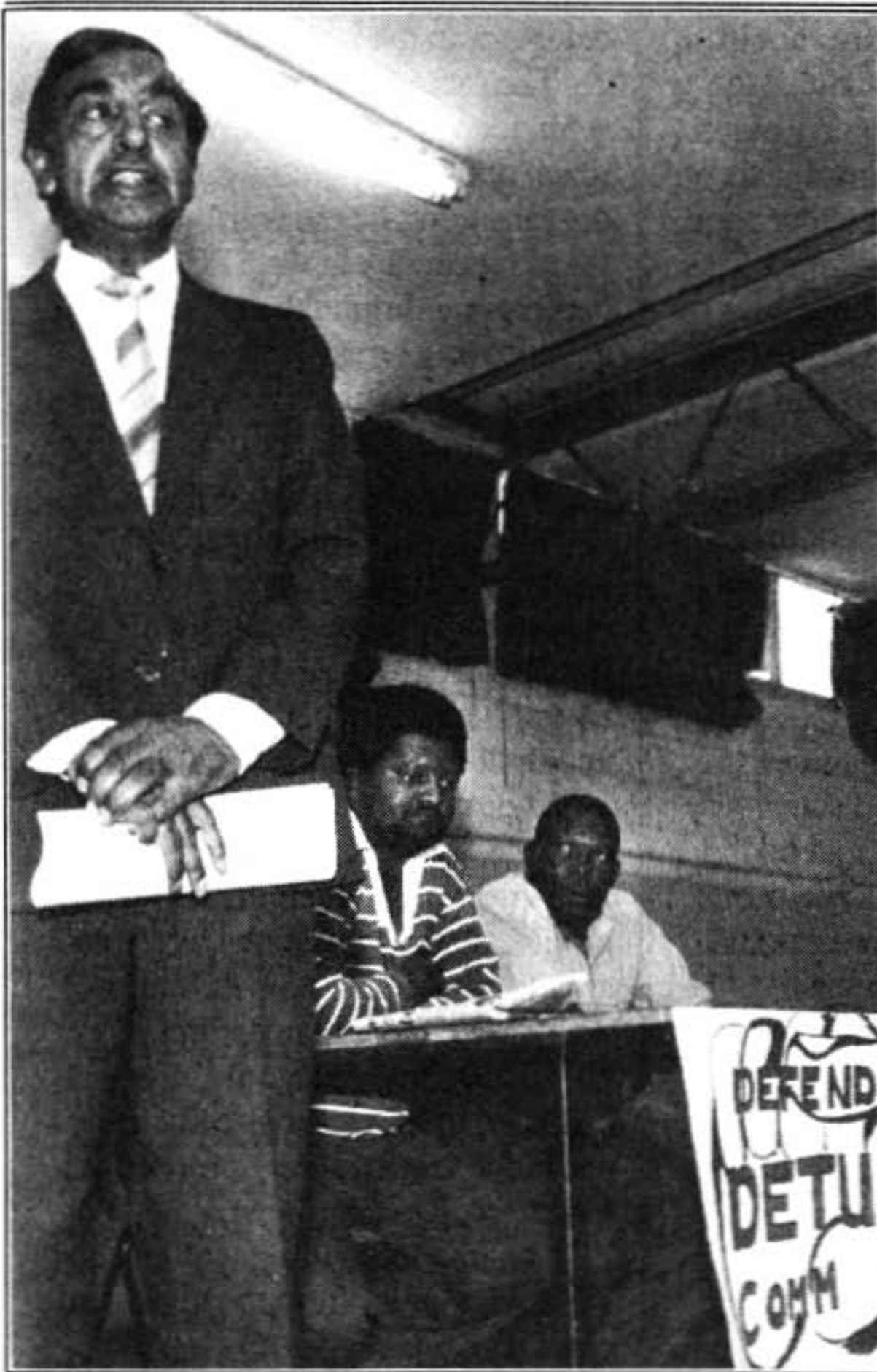
However, by 1985, mass struggles in the townships, particularly the wave of school boycotts in 1984/85, started to affect the position of these traditional teacher bodies. In Soweto

and other parts of the country, student and community struggles placed great pressure on ATASA. When the SPCC was formed during the state of emergency in 1985, it incorporated ATASA into a broad anti-state alliance in Soweto. By December 1985, the Soweto structures of ATASA were working closely with community and student organisations in the SPCC, and making major political gains in opposition to apartheid education in the process. So it was that ATASA was fully represented at the SPCC Conference in December 1985. UTASA and TASA had also experienced these political pressures: school boycotts, and the mobilisation and politicization of the communities where their members lived, had started to change their political direction.

The second kind of teacher organisation which was represented at the SPCC Conference was the progressive teacher organisations. These had emerged in the 1980s within the folds of the progressive movement itself. These organisations were totally opposed to apartheid and they established programmatic alliances with COSAS, AZASO and other militant student organisations. They tended to appeal to younger teachers whose views were shaped by the post-1976 uprisings in the townships. Four of these organisations were represented at the December 1985 conference:

- NEUSA, at that point on the rise, with increasing membership and geographical influence, and with a particularly significant member-

TEACHERS UNITY



DETU, progressive teachers' organisation in Cape Town

Photo: Eric Miller/Afrapix

WECTU in the African townships of the Western Cape.

- ELPTU, which represented large numbers of younger teachers from the highly politicised East London/ Mdantsane/ Ciskei region.

The question of unity

The aim of the SPCC Conference was to develop strategies for responding to the education crisis so that the mass democratic movement could regain the initiative against the state. In these tasks the conference succeeded dramatically. This was shown by the successful return to school in 1986, and the establishment of the people's education movement.

ship of thousands emerging in the Eastern Cape.

- WECTU, which had been formed during 1985 during the schools crisis in the Western Cape, and which had about 2,000 members in the coloured schools.
- DETU, which emerged alongside

But there was at least one question which the conference did not debate adequately: the question of teacher organisation. It is true that *teacher unity* was placed on the political agenda of the democratic movement for the first time, but the resolution on teachers which was adopted contained the ri-

diculous idea that such unity should be achieved within one month of the date of the conference (which just goes to show how little the activists of the progressive movement understood teacher organisation at that time).

The conference was guided by a clear political principle - the principle of the maximum unity of all anti-apartheid forces. It recognised that all the teachers' organisations needed to be drawn into the programmes of the NECC. ATASA, in particular, could not be left out because it had within its ranks the majority of African teachers in the country.

It had become clear that, even though their leadership had acted very conservatively in the past, and had worked closely with state structures, the traditional teacher organisations could not simply be dismissed as agents of the state. They had a mass membership which was increasingly becoming involved in community and education struggles. The leadership was coming under similar pressures. If these organisations were left out of teachers unity it would mean leaving out the bulk of teachers.

Likewise, the militant progressive teacher unions had to be a vital part of the NECC, as they had within their ranks a number of young activists who had been trained within the mass democratic movement and who were committed to furthering the struggle in the schools. These political points were clear, but unfortunately the situation on the ground, and particularly in the teacher organisations, was not debated or understood adequately by

delegates to the conference.

The fact of the matter is that there were deep conflicts between the traditional and the progressive teacher organisations. These conflicts surfaced repeatedly at the SPCC conference, despite their common allegiance to a broad anti-apartheid alliance. Many of the delegates from the progressive teacher organisations argued that the ATASA leadership were the very principals and inspectors who carried out state repression, victimising progressive students and teachers. ATASA, they said, were first and foremost collaborators with apartheid education.

The ATASA delegation, not to be outdone, rejected these accusations, and apparently felt strongly that the progressive organisations were "an insignificant fringe group of hotheads" who did no more than disrupt proceedings.⁴ It is these antagonisms which have had to be systematically ironed out in the teacher unity process as it has developed up to now.

The important thing was that a call for teacher unity from the mass democratic movement was now on the agenda. In 1986, the different teacher organisations all debated the issue and tried to get to grips with its implications. This process was not easy. For example, during 1986 NEUSA frequently accused "ATASA members" of being responsible for the victimization and dismissal of progressive teachers in the Eastern Cape and Border regions.⁵ ATASA, in turn, accused NEUSA of using a strategy of "threats and intimidation" to under-

mine ATASA structures in East London and Queens-town.⁶ Although both organisations denied these allegations as a matter of policy, there was obviously a great deal of tension between them on the ground. Reports of similar friction between WECTU and the CTPA, and between DETU and PENATA (a subgroup of CATU), in the Western Cape⁷ suggest that the problem was widespread as the different organisations tried to locate themselves within the movement represented by the NECC.

At the second National Consultative Conference on Education, called by the NECC in Durban in March 1986, the conflict threatened to bubble to the surface, with a walkout threatened by the progressive teacher organisations in protest at the presence of ATASA and UTASA members.⁸ In the event, the absolute political need for unity won the day, although a compromise resolution still reflected the tensions.

Nonetheless, during this whole period, the NECC and the UDF in particular continued to emphasise the importance of seeking a basis for teacher unity.

Teacher organisations and the emergency

The second State of Emergency in June 1986 struck serious blows at the mass democratic movement. The majority of the NECC leadership was in detention by the end of the year, and the UDF and the NECC were seriously disrupted on the ground. Most of

the unity and direction in the education struggle which had been built up by the two NECC consultative conferences were destroyed by the increased repression. Teacher organisations also came under attack. H. H. Dlamlenze, the General Secretary of ATASA, was detained for a long period, and more than 100 members of the progressive teacher organisations (especially NEUSA, WECTU and ELPTU) were in detention at various points during the height of the emergency in 1986 and early 1987.⁹

The result was that teacher unity ceased to be a central issue for teachers' organisations during 1987.

Teacher organisation as a whole, however, was not necessarily on the retreat. The period 1986-1987 saw the emergence of a number of other progressive teacher organisations: the PTL, the PTU and MATU in the Transvaal, and in the Cape, ECTU, and the now defunct Port Alfred Progressive Teachers' Union. While these new organisations were isolated from other progressive teacher organisations by repression and the lack of national co-ordination, they nonetheless reflected the continuing dissatisfaction and militancy of teachers at a local level. ATASA and UTASA also continued to show signs that their membership was more politicised by developing their links with the NECC and other progressive initiatives in education. There were two important signs of this. Firstly, in 1986 the ATASA executive committee decided to withdraw from the structures of the DET. Secondly, there

were important shifts in the political orientation of the CTPA, particularly its moves towards the adoption of the Freedom Charter.

Unity talks begin

Teacher unity remained a strategic priority for the democratic movement at large. As has been pointed out, the UDF, COSATU and the NECC all made calls during 1987 for teacher unity to be pushed as hard as possible. By the end of 1987, the various teacher organisations were again acting on these calls.

Unfortunately, the old divisions between the recognised and the non-recognised teacher bodies remained, although they were no longer expressed as antagonistically. The result was that two parallel sets of teacher unity talks emerged at the end of 1987.

Firstly, the PTU initiated unity talks between itself, NEUSA, WECTU, DETU, EDASA and the PTL in October 1987. By the end of the year, this initiative had been joined by MATU, ELPTU and ECTU, and it had established an in-principle agreement that all of the progressive teacher organisations would unite in one national body (*City Press* 22-11-87).

This agreement was established despite some tactical disputes in NEUSA on the matter. It was reported in November that the NEUSA National Executive had withdrawn from the talks; however, the Southern Transvaal, Natal and Northern Trans-

vaal regions of NEUSA continued to attend the talks and voted for the resolution to seek unity with the other progressive teacher bodies. The divisions in NEUSA were unfortunate because it meant that for a time there was no strong national African presence in these talks. As a nationwide, progressive, non-racial, but predominantly African teachers' union, NEUSA had a particularly important leadership role to play. But when its national executive withdrew from the unity process amongst progressive teacher organisations, it was unable to carry out this task effectively.

One major blow to teacher unity was the effective banning of NEUSA by the state in January 1988. By this time, the organisation had resolved its internal disputes, and had planned a campaign to popularise the teacher unity process amongst its members. It was now forced to shelve this campaign.

The second teacher unity initiative was that of ATASA, which convened a meeting attended by the affiliates of UTASA, TASA, the TFC and itself in November. The express purpose of this meeting was to respond to ongoing calls for teacher unity (*Weekly Mail* 27-11-87). By early 1988, these organisations, with the exception of the white Afrikaans-speaking teacher bodies, had also established an in-principle agreement that they would work towards unity amongst themselves.

The problem was that this unity was to be based on the "Charter for Teacher Unity" which had been de-

veloped by UTASA seven years previously: this document had previously been rejected by the progressive movement because it was in spirit so similar to the De Lange Commissions' proposals in 1981.

So parallel unity talks were now in progress, and the situation was clearly not in keeping with the COSATU, UDF and NECC resolutions. It is important, however, to point out that the divide between traditional and progressive teacher organisations was not as hard-line as it had been previously.

Significantly, ATASA had invited NEUSA to the talks they convened. Equally significantly, NEUSA declined to attend, not because of an in principle opposition to ATASA, but because its fellow progressive teacher organisations had not been invited.¹⁰ Likewise, in the unity talks of the progressive unions, it was recognised that ATASA, TASA and UTASA would "soon" have to be drawn into the unity process.¹¹ A thawing of attitudes had taken place, probably as a result of the strong emphasis of the democratic movement as a whole on overall teacher unity. The two teacher unity forums were starting to drift together, but the process was still too slow.

The Harare proposals

It was left to the All Africa Teachers' organisation (AATO) and the World Confederation of Organisations of the Teaching Profession (WCOTP) to make a decisive intervention in the situation. Both of these organisations were concerned that teacher unity in

South Africa was not being realised, and they invited a range of South African teacher bodies to Harare in April 1988 to discuss the matter. ATASA, UTASA, TASA and most of the progressive teacher organisations from South Africa were represented at the meeting; so too were a range of other organisations which had an interest in the matter, including the ANC, SACTU, various African teacher unions and COSATU. After a week of intense discussion, all parties at the meeting unanimously agreed that the set of guidelines which appear on page 70 should be taken back to their organisations as the basis for future teacher unity in South Africa.¹²

The organisational basis and principles for establishing one national teachers' body within the anti-apartheid camp had now been established.

COSATU convenes unity talks

After the Harare proposals had been taken back to the various organisations, COSATU convened the first round of talks as envisaged by point 15 in August 1988. All teacher organisations, with the exception of those affiliated to the TFC, were invited to the meeting. All of them said the 15 points had been well received by their organisations, although in the case of ATASA, there had not yet been a full mandate from the organisation to adopt them as the basis for future participation in the unity talks. A notable agreement amongst the organisations present at the meeting was that they would in future participate in only one

Harare Document

**Recommendations unanimously adopted at
'WCOTP/AATO Seminar on Teacher Unity in S.A.',
(4-8 April, 1988, Kentucky Hotel, Harare)**

1. All representatives of the teachers organisations present agreed on the need for the national unity of teachers, and committed themselves to discuss this in their various organisations and to propagate the feasibility of one national teachers' organisation.
2. The representatives of teachers' organisations agreed that organisations should get together to negotiate and decide on the form which the envisaged united organisation should take.
3. Such an organisation should be committed to a unitary, non-racial, democratic South Africa.
4. The organisation should commit itself to be part of the national mass democratic movement.
5. The organisation should commit itself to a free, non-racial, non-sexist, compulsory, democratic education in a single education system.
6. The organisation should protect and promote the rights of teachers as workers and professionals.
7. The organisation should implement as a matter of urgency a programme of political and professional education of teachers for them to play an effective role within the community.
8. Ideology should not be a precondition for unity.
9. The representatives of organisations agreed to urge their organisations that they, as well as the envisaged organisation, would abide by the principle and practice of non-collaboration with all structures of the apartheid system.
10. Negotiations with respective authorities should only be conducted with the mandate of the constituencies concerned.
11. The organisation commit itself to the realisation of the ideals of people's education in our country.
12. In the interim the representatives of organisations will urge their organisations to consult on ways to co-ordinate the various attempts and work together in formulating and implementing people's education projects.
13. Organisations are encouraged to organise joint projects which will facilitate national unity.
14. The representatives of organisations committed themselves to urge their organisations to maintain the spirit of comradeship, mutual respect and common purpose which has characterised the Harare seminar on teacher unity as a necessary element in the process of achieving unity.
15. The representatives of organisations agreed to urge their organisations to establish a negotiating machinery to pursue the objectives stated in this document. They request that as a matter of urgency COSATU should convene such a machinery having consulted and agreed with the organisations about the composition and powers of such a machinery. COSATU is further requested to consult with other sectors of the democratic movement to facilitate the unity process. ★

set of teacher unity talks, those convened at this stage by COSATU, and that all other initiatives would be dissolved.

The second round of talks took place in December 1988. At this meeting, the all white, "English-speaking" teachers' organisations (TTA, SATA and NTS) addressed the organisations present and indicated their desire to become part of the teacher unity process (*New Nation* 23-2-89). It was pointed out to them that their participation in various state education structures (including the TFC) at that point precluded them from the talks, but that if they accepted the fifteen Harare guidelines which had been adopted by the other organisations in the talks, then they would be welcome to join. Developments on this front in 1989 will be watched with great interest by the mass democratic movement.

The other important agreement at this round of talks was that regional co-operation would become a priority for the new year. All teacher organisations in each region who are participants in the talks will meet and try to develop joint regional activities to lay the basis for teacher unity at a local level. By the end of 1988, regional co-operation had developed well in the Western Cape, and had begun to happen in Natal. Regional teacher unity structures have also been established in the Eastern Cape and the Transvaal during 1989.

There were two important developments in 1989. ATASA, at its national conference in the first week of

January, completed the process of consultation amongst its affiliates on the Harare guidelines, and passed a resolution to continue with the unity talks on behalf of all its members and affiliates (*Sowetan* 10-1-89). It became clear, however, that there were serious tensions within ATASA on the matter: TUATA, the biggest affiliate of ATASA, had recently passed a resolution not to participate in the teacher unity talks convened by COSATU. This position was rejected by ATASA as a whole, but it is not clear yet how the differences will affect teacher unity, especially in the Transvaal.

On a sourer note, WECTU and DETU were added to the growing list of organisations effectively banned by the state. It is clear that state strategy is to silence the voice of militant teachers both publicly and within the unity process, in the hope that ATASA, UTASA and TASA might find their way back into the arms of the state system. This is obviously an insult to the political integrity of these organisations, and there are signs that they know it and will strengthen their commitment to teacher unity.

The CTPA, for example, has participated actively in the recent "Defend DETU" campaign, showing the depth which the teacher unity process has achieved in the Western Cape region (*Weekly Mail* 27-1-89). Another example is the very recent decision of TASA to finally withdraw from participation in all committees of the Department of Education and Culture, House of Delegates (*Sunday Tribune* 12-3-89).



Struggle for people's education: headmaster announces government closure of school - students and parents defied the closure and vowed to continue with school as normal (Cape Town 1985)

Photo: Adil Bradlow/Afrapix

Future tasks and debates

We have seen that the prospects for teacher unity in South Africa in 1989 are promising. The struggle to create one national teachers' union, however, is not over. There are a number of urgent issues which must be confronted by the teacher organisations if the goal of unity is to be realised:

- 1 Despite the call by all the major organs of the mass democratic movement for one national teachers' union, it appears that there is still some uncertainty on this question. ATASA, UTASA and

TASA for example, met with WCOTP in January 1989 and talked of the possibility of a federation between them being part of WCOTP.¹³

This move is difficult to understand, because previous teacher unity talks had reached consensus that the new organisation should be a non-racial body. If one examines the calls for teacher unity by COSATU, UDF and NECC, then it is clear that one unitary structure which can challenge apartheid education as a whole was envisaged.

A federation of existing organisa-

tions would mean that teacher unity will continue to have the form of the separate ethnic education departments of apartheid.

This is an important debate which must be confronted urgently by teachers as they build their unified organisation.

- 2 Regional co-operation needs to be consolidated to build unity at the level of ordinary teachers. If the teacher organisations do not engage in joint activities at local level then the teacher unity process will never gain strength. The goal of building one national teachers union must become more than mere slogans at a national leadership level.
- 3 The banning of NEUSA, WECTU and DETU needs to be effectively challenged. The state is clearly trying to divide the teacher unity movement and weaken more militant elements. It will truly be a test of the strength of teacher unity to ensure that all voices and tendencies who are part of the talks continue to be heard. As state repression increases, more and more responsibility will be placed on ATASA, UTASA and TASA to ensure that this happens.
- 4 The emerging national (in the true sense of the term) teachers' organisation needs to be properly integrated into the broad national liberation movement. At the height of the NECC in 1986, teacher organisations were becoming an integral part of the mass-

based people's education movement. They were shaped by community-wide struggles, and in turn they were able to bring the expertise of teachers to the fore in shaping those struggles. Part of the struggle for teacher unity is to once again put teachers back in their rightful place as one of the pillars of the education struggle.

- 5 There is a strong probability that the new teachers' organisation will want to be a trade union. ATASA was as early as 1986 investigating the possibility of becoming a union for teachers within COSATU,¹⁴ and both UTASA and TASA had already discussed the issue before the current unity talks.

By the end of 1987 the progressive teacher unions had all committed themselves to the goal of becoming a trade union within COSATU. Despite this, however, there has not been enough debate about the implications of trade unionism for teachers.

The majority of teachers in South Africa are not highly qualified on paper and are therefore poorly paid (only well-qualified teachers get good salaries). Although the state has realised its weakness in this area and has introduced massive teacher upgrading programmes over the last five years, teachers still have serious wage and workplace grievances. Large numbers of them can be said to identify both politically and economically with the working classes.

The leaders and controlling structures of *all* the teacher organisations, however, are at this point well-educated, relatively well-paid petty bourgeois elements. There is little evidence that existing teacher organisations have fought effective trade union type struggles for exploited teachers in the past. The question of a trade union for teachers, in other words, still needs thorough discussion within the teacher unity talks, and also in COSATU and the mass democratic movement as a whole.

Conclusion

There is good reason, however, to be confident. The drive for teacher unity has developed slowly but well over the past five years, and all organisations involved see themselves as part of the broad liberation movement. The debates and challenges outlined above are difficult, but teachers have shown that they can forge a consensus on difficult issues. We can look forward with optimism to future rounds of teacher unity talks. ☆

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- 2 See resolutions passed by UDF National Working Committee, March 1987; *NECC Consultative Conference on the Education Laws Amendment Bill*, September 1987.
- 3 See documents section of *Perspectives in Education*, 10:2, 1988.
- 4 Interview with Soweto principal who was part of the Atasa delegation at the 1985 SPCC conference, 3-2-89.
- 5 Eastern Cape Regional Report to the Neusa National Conference, Pietermaritzburg, 1987.
- 6 *Atasa Newsletter*, 1:4. October 1986.
- 7 Referred to by the Edasa delegate to the Second National Consultative Conference on the Crisis in Education, Durban, April 1986.
- 8 *Atasa Newsletter*, 1:4. October 1986.
- 9 According to figures released by the Detainees' Parents' Support Committee at the time. See also Hartshorne, K. "Conflicting perceptions of the education of black South Africans, with particular reference to 'alternative education'." *Africa Insight*. 18:1, 1988. p.15.
- 10 Letter sent by Neusa National Executive to Atasa, October 1987. (As reported by Neusa Vice-President to the National Consultative Conference of the Progressive Teachers' Unions, Johannesburg, October 1987).
- 11 *The Progressive Teacher*, January 1988.
- 12 *South African Labour Bulletin*, 13.7, 1988. p.3.
- 13 Pat Samuels, President of Tasa, in a report to the organization in January 1989.
- 14 *Atasa Newsletter*. 1:4. October 1986.

Metal industry negotiations

Wages, pensions, job security, overtime, shift work, taxes, deregulation and retrenchments are on the table of this year's metal industry negotiations. NUMSA is the major union, and there is no IMF alliance. LABOUR BULLETIN CORRESPONDENT reports.

Alongside wages, issues relating to social security and the protection and creation of more jobs look set to dominate the 1989 metal industrial council negotiations.

The negotiations are aimed at laying down the minimum standards in wages and employment for 361,000 metal workers countrywide. Fourteen unions are taking part in the negotiations with employers in the Steel and Engineering Industries Federation (SEIFSA). Although SEIFSA represents only 3,500 out of a total of 9,000 firms, it employs 70% of the industry workforce. More than 30,000 workers are employed by companies such as Iscor, Highveld Steel and Hulleys, which are covered by house agreements and are not affected directly by the industrial council talks.

The unions have grouped

along the same lines as last year - the mainly black International Metalworkers Federation (IMF), the seven white Council of Building and Metal Unions (CMBU) and allied unions, as well as three independents.

The IMF unions are the National Union of Metalworkers (NUMSA), which is affiliated to COSATU, and the Electrical and Allied Workers Trade Union of SA, the Engineering and Allied Workers Union of SA, and the Steel, Engineering and Allied Workers Union of SA, all affiliated to NACTU.

Last year 31,000 metal workers went on strike for two weeks in support of the Industrial Council demands. The strike was centred on Johannesburg and the East Rand. Although the four IMF affiliates had agreed on a joint strategy and joint de-



mands, it was only members of the biggest and most militant union, NUMSA, who backed the strike.

NUMSA major union

NUMSA came out of the strike having forced SEIFSA to recognise it as the major union, and that in the future there could be no agreement that excluded it.¹ This was an important breakthrough, as SEIFSA has in the past always argued that NUMSA (or MAWU) was simply one among many unions, and had thus justified gazetting agreements that excluded NUMSA. After last year's strike, SEIFSA accepted it could no longer do this.

While NUMSA came out of the strike having achieved its goal and having gained 30,000 new members, the IMF alliance collapsed in disarray. The 3 smaller unions accused NUMSA of settling unilaterally with SEIFSA, while NUMSA pointed out that it was NUMSA members who were striking and therefore NUMSA which had to settle. This year the IMF unions have presented their demands separately. But according to IMF secretary, Brian Fredricks, the demands are similar in many respects.²

NUMSA has made the following demands in the 1989 talks:

1) A new minimum of R5 an hour, against a R6 demand from some IMF affiliates.

2) All non-scheduled workers, such as storemen, to be graded appropriately on the basis of 1989 NUMSA

proposals.

3) The removal of all anomalies in the wage curve on the basis of 1989 proposals.

4) No SITE or PAYE deductions to be made by employers.

5) A 40-hour working week without loss of pay.

6) Overtime to be limited to a maximum of five hours a week, with the approval of the majority of workers in the plant. Only emergency work to be done during overtime.

7) Increase in shift allowances.

8) The unconditional recognition of June 16 and May Day (May 1) as paid holidays.

9) Full maternity rights and a 12-day child care leave (to be used when children are sick, or when there are problems at school).

10) Improvements to sick pay and disability and death benefits.³

Motivating NUMSA's wage demand at the opening of the talks, NUMSA's Bernie Fanaroff said the demand for a R5/hour minimum was seen by the workers as reasonable and moderate. NUMSA members believe that in such a wealthy country there should be a more even distribution of wealth. "They see excessive consumption and the consumption of luxuries by part of the population (including management and shareholders in the metal industry), while they are deprived of the infrastructure and facilities in the areas where they are required by law to live," said Fanaroff.⁴

The strength of workers' feelings

about the question of social security was demonstrated early in the negotiations. At the second round of the talks, on 30 March, NUMSA made clear to SEIFSA that it would not attend the next meeting on April 12 unless SEIFSA agreed to provide a response then on NUMSA's pension demand. NUMSA was demanding that the industry's two pension funds be converted into flexible benefit funds, with lump sum payments when workers withdraw.

When SEIFSA failed to give the undertaking, promising a response only on April 25, NUMSA said it would not attend the April 12 meeting, but would wait for SEIFSA's response on the issue on April 25. The meeting of April 12 was then cancelled, with parties agreeing to meet again on April 25.

According to NUMSA, SEIFSA, which first received NUMSA's demand a year ago, rejected the provident fund option because it believed that workers are not capable of handling money responsibly, and that workers will waste lump sums and have nothing for their old age. But this is workers' money and they know best what their needs are. There is no social security provided by the state or adequate state housing, so unemployed workers need their money immediately. "Relatively few metalworkers actually retire at 65, many die, and most leave the industry before this age," said NUMSA.

It added that an actuarial investigation had shown that most current pensioners actually got less from the

industry pension than they do from the state pension, and some lose money because they lose the state pension through the means test. NUMSA rejected SEIFSA's argument that the industry pension paid out comparatively little because it was still a new fund.⁵

Deregulation

SEIFSA offered a new hourly minimum of R3.40 for labourers, rising to R8.09 for artisans. Outside of the obviously critical issue of wages, major points of difference exist between NUMSA and SEIFSA. Broadly, NUMSA wants to create more jobs while at the same time securing the existing ones, which are threatened by provisions of the new Labour Relations Act. The Act now makes it easier for employers to layoff certain categories of workers.

Some NUMSA demands in this connection are:

- 1) That extra shifts be introduced only if they will lead to the employment of additional workers, and after full negotiations with unions, with former employees being given preference.
- 2) Stricter guidelines regarding the job security of temporary workers.
- 3) That employers wishing to relocate or close plants, give adequate notice and sufficient information to workers and all representative unions, and to negotiate in good faith on the proposed changes.
- 4) One month per year of service

as severance pay.

SEIFSA on the other hand seeks to create conditions favourable for deregulation and the utilisation of overcapacity, by removing as many restrictions on employers as possible.

This is clear from the demands which SEIFSA has submitted - it is the first time that the employers have submitted their own demands. These included:

- excluding small businesses from the scope of agreement.
- removing limits on overtime.
- relaxing restrictions barring the employment of workers without normal qualification for artisan jobs.
- protection of companies against compulsion to bargain at plant level on issues already settled at the Industrial Council.

NUMSA rejected SEIFSA's demand for the exclusion of small businesses from the agreement and that the restrictions on overtime be lifted.

According to Fanaroff, up to 22,000 metal workers were presently employed in small business and would be disadvantaged by the exclusion of their employers from the agreement. NUMSA also saw the government's hand behind SEIFSA's push for the exclusion of small employers.

The industry also has several important matters to deal with from last year.

One is the refusal by the government to extend the backpayment

provision in last year's agreement to non-parties. This means that workers not party to the agreement, and employed by non-party employers would not get the increase backdated to the implementation date for the agreement (July 1988) from the actual date that the agreement was published (December 13).

The Minister of Manpower also refused to gazette, and therefore make compulsory, the public holidays arrangement reached in the 1988 agreement. This provided for May 1 and June 16 as paid holidays, in exchange for statutory holidays such as Founders' Day and the government declared Workers' Day, if 75% of workers in the plant vote for this.

At the time of going to press the industrial council, comprising industry unions and SEIFSA, had just initiated Supreme Court action to review the above decision by government.

Both NUMSA and IMF have expressed hope of co-operation later in the negotiation, despite tensions from last year's strike. It remains to be seen if this hope will be transformed quickly enough into action for a united, stronger front to emerge in the tough months ahead. ☆

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2. The Star, March 20, 1989
3. Numsa submission of demands to Seifsa, March 20, 1989.
4. Numsa motivating speech to industrial council, March 20, 1989.
5. Numsa press statement, March 31, 1989

Towards a planned economy

In a talk delivered at the JODAC Conference on the Constitutional Guidelines,*ALEC ERWIN, NUMSA National Education Officer, argues that a planned economy is the only way out of the current economic crisis. The working class must organise now to make that goal possible.

This section of the conference dealing as it does with the economy and the trade unions, is crucially about the working class. Certainly in the approach I take to the economy and the problems of transition, I will be starting from its implications for the working class. In doing that I am not in any way suggesting that the working class and its organisations are not a part of the mass democratic movement. In fact, in the absence of working class organisations, the mass democratic movement cannot successfully take on a mass nature. And without a mass nature there is certainly for the working class a real danger that the economy and future planning of the economy

will not be in the hands of the working class.

I think an analysis of political economy is absolutely crucial for the working class. There are three very central reasons why a political analysis of the economy is critical and essential.

The first reason is that it is only that analysis that will allow the working class to see the extent to which material and social progress can be made that will benefit the working class. We have to understand what the prospects are for employment and what the prospects are for wage levels. I think it's clear that those two factors are the very key material basis

* Edited version of a transcript of the talk. The conference, organised by the Johannesburg Democratic Action Committee, was held in Johannesburg on 19 March 1989.



Erwin: economy must be planned

Photo: Cedric Nunn/Afrapix

of the well-being of not only society as a whole, but the working class in particular.

I think the second reason why we need a very clear analysis of the political economy is precisely to decide to what extent the State has the capacity to reform. And to what extent it has the material capacity to repress. I think that the reform-repression balance has to be understood in the context of the political economy which limits the options open to the

State.

And finally, I think that any discussion of alliances has to be based on a clear analysis of the political economy.

If we are going to talk about alliances, if we are going to talk about the balance of forces at a future point of time, such discussions are abstract and misleading if you are not also going to address what are the material and political factors that govern the different elements in that alliance. In particular if we are going to talk about alliances involving the working class, the first issue to understand is what is the working class? Where is it located in the particular society, what are its divisions, what are the problems that confront it organisationally, materially, socially and

politically? If we are to talk about alliances without first understanding what the working class is, it seems to me we are not actually talking about alliances at all.

If we are talking of alliances with other strata or classes in society we have to have some understanding of the forces at work on those strata and classes. If we are not looking at the forces at work, the broader social and political forces, the economic forces, then we are really talking about a con-

glomeration of individuals and that is not to my mind a discussion of class alliances.

COSATU has attempted in the last two years to try and commission research on the economy. I am really drawing quite heavily on the studies that COSATU has commissioned which attempt to understand the present economic crisis. They did this in the context of understanding sanctions initially, but it rapidly became clear that if we wanted to understand sanctions we had better understand the workings of the South African economy.

An analysis of the political economy provides a link between the present situation and the transition to the future. I would suggest that there is some difference in emphasis if one starts with an analysis of the political economy as opposed to the starting point which is often taken - that of starting with the need to remove apartheid and then addressing economic issues afterwards.

I think there is a significant difference of emphasis in those two starting points. The fact that apartheid exists, and is abhorrent, is common to both those starting points. But I think the implications for analysis are significantly different.

The South African economy - strengths and weaknesses

What I want to do very quickly is to first try and describe the economy and then to look at the nature of the present economic and political crisis.

Let me start with an unusual starting point and that is the strengths of this economy.

I am not necessarily listing the strengths in order of importance, but one is certainly the massive abundance of natural resources. The mineral wealth of this economy is truly staggering.

The industrial base of this economy is also very large. It's an important industrial base where certain basic products that are required for economic activity are being produced in South Africa. Steel, basic chemicals and heavy equipment for industry is being produced in South Africa.

Production of these goods provides an important industrial base. South Africa also has a well developed infrastructure linked to that industrial base. It has a reasonable road and rail network and for an economy this size, a very good communications network. However, all of these strengths are by no means permanent. One of the great tragedies of the present situation is that each one of those strengths is being rapidly eroded by the present economic crisis. The monopoly corporations are literally raping the country of its mineral resources. The industrial base is declining rapidly in that there has been no new fixed investment in this economy for the last 6 or 7 years. And the infrastructure linked to production is degenerating as government sells it off to private companies. We need to be very conscious of this process. The apartheid era developed these basic

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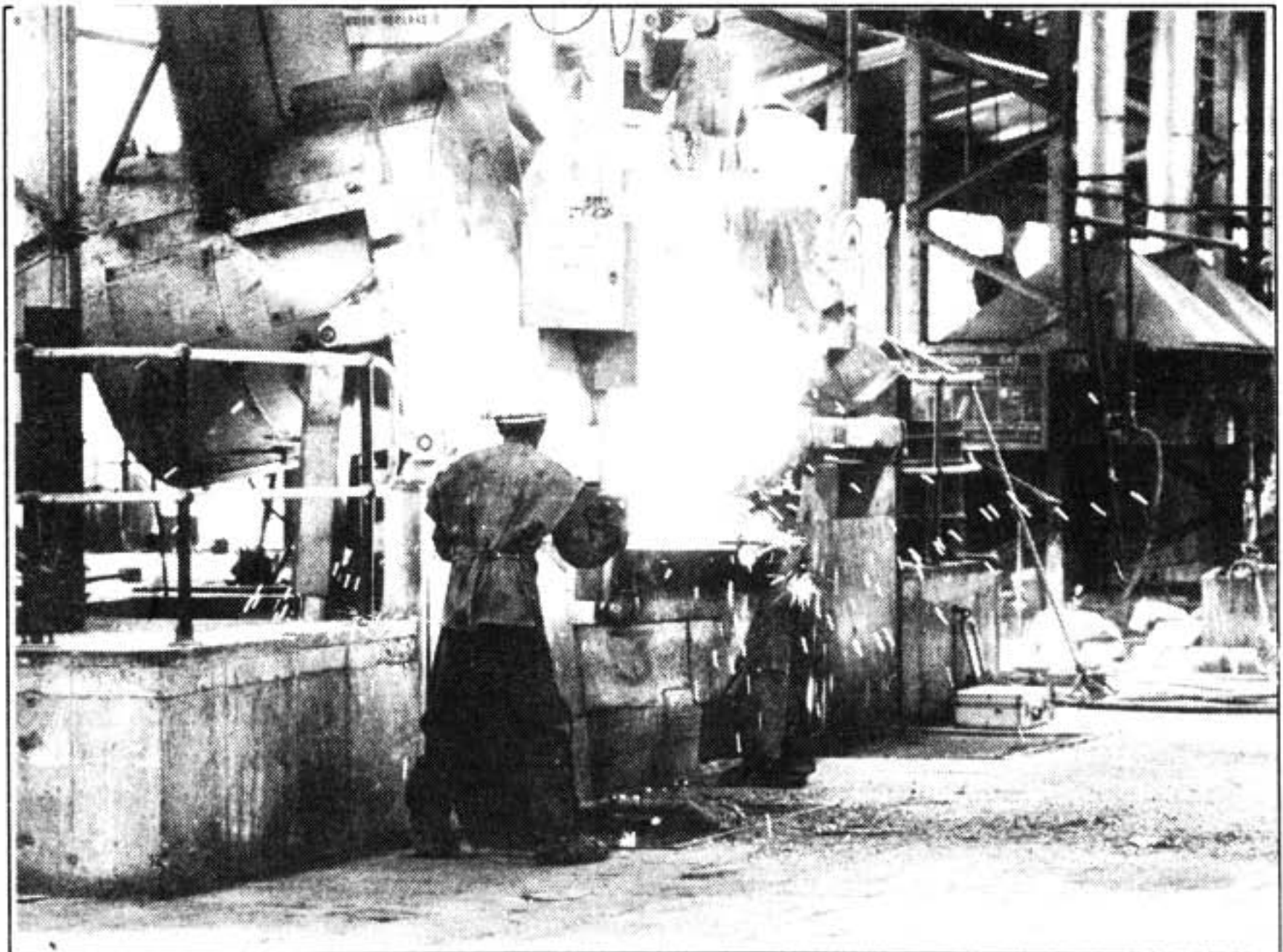
strengths at a high social cost. Yet this basis for our future is now being eroded in front of our eyes as the death throes of apartheid are prolonged. It needs to be stressed that this erosion is not the result of sanctions.

A major problem of this economy is that the infrastructure is linked to the needs of capitalist production and the needs of the white population. If one looks at roads, railways, water and electricity supplies, health care and education, they are all clearly located according to the needs of production, or in white areas. All are disastrously absent where the great majority of South Africa's people live - in the townships and so-called home-

lands.

Secondly, the agricultural base of this society is weakening, and weakening rapidly. The so-called reserve areas or homeland areas, whilst being 13% of the land, were in the mid-60s calculated as being 30% of all arable land in South Africa (arable land is land that can grow crops). Yet that 30% of arable land produces probably less than 1% of the total food supply of South Africa. This situation is critical because what was arable land is being devastated by the effects of overcrowding and underdevelopment.

The problem of poverty threatens to be overwhelming in this society. There are some 35 million or more



A strong industrial base, but gigantic economic problems

Photo: Afrapix

people living in South Africa, yet if more than five million of those have an income above a living wage, a reasonable income, then we are lucky.

An economy that has basic strengths, but gigantic problems, is what we face. I now want to now examine why these problems become more acute day by day, and whether there any prospect of some kind of solution to these problems.

Crisis in accumulation

The conclusion of the COSATU study was, that in the South African economy we have a crisis of accumulation. A capitalist economy basically grows through an accumulation process. Simplifying this, it is a process where profits are earned and re-invested back into production. As they are re-invested in production more profits are earned and they in turn are re-invested back into production. This is the process of accumulation. A growing economy is one where profits are re-invested back into production.

But there are two ways of re-investing back into production, the one way is to invest back into existing production, go into the existing mines and factories and put in new machinery and new equipment and in that way increase the output, lower the costs, and increase your profits, a kind of intensive development where productivity rises over time.

The other way is to invest in new factories, new mines and new areas of production. Now these processes are different, from the point of view of

employment and from the point of view of the impact they have on wages and other factors. The first process of investing back into existing production does not necessarily create employment. In fact there is a general tendency for it to reduce employment as you bring in new equipment and machinery. If wages rise as productivity rises then standards of living may rise, although the creation of unemployment could be a problem. In the second process investment does create new jobs.

Historically in capitalist societies, growth rates of about 5% are considered high [the growth rate refers to the rate of increase of production]. Growth at 5% for more than 5 or 6 years is a relatively high growth rate. South Africa had the remarkable set of circumstances from the late-50s right through to the mid-70s where the average rate of growth was very close to 5% if not slightly above, probably one of the highest growth rates ever attained by a capitalist economy for a long period. But since the late-70s the growth rates have been less than 1-2%, and at times zero.

The crises of accumulation that exists in the South African economy at present can be simply described as follows: there is no investment in new production capacity, ie. new mines, factories and farms, and only limited investment in existing factories, mines etc. That does not mean that there are no profits being earned. Gigantic profits are being earned, but they are not being invested back in production. The capitalist economy in South Afri-

ca is not investing in production, it is investing in everything else but production. If it does invest in production it is quite clearly doing that outside of South Africa, in Australia, US or Brazil or other such countries.

Why are capitalists not investing in production in South Africa? Is it because of the political crisis? Our research concludes that this is not caused by the political crisis alone. The change in investment patterns started in the late 1970s, well before the political crisis became as acute as it now is.

It seems that foreign investors were the first to stop investing in new production in South Africa. By the early-80s, South African companies also slowed down their investment, and they began exporting their capital. I want to stress, they did this before the acute political crisis of '84 onwards. Why then are companies investing less and less in production?

The root cause lies in the manufacturing sector. If we are seeking an engine for renewed growth and for job creation, we have to look to the manufacturing sector. And if we want to understand why there is currently no growth, we also have to look to the manufacturing sector for an answer.

No markets for manufacturing

Why can't the South African manufacturing sector develop rapidly? Its growth rates are very low and employment has been consistently dropping in this sector for the last 8 or

9 years.

There are a number of reasons for this, which I will examine briefly.

The first problem is that there is no growth in the internal market, and very little prospect of growth. There are several inter-related causes of this problem.

Firstly, the legacy of apartheid's previous success in promoting rapid economic growth now weighs heavily as an obstacle to future growth.

Apartheid and previous racial policies created and maintained a system of migrant labour. This provided abundant cheap labour for capitalist production to expand rapidly.

However, the legacy of this system is a devastated rural area and an extremely underdeveloped urban area in the form of the townships. These areas are stricken with poverty, and poverty offers no market for the goods produced in the high cost manufacturing sector.

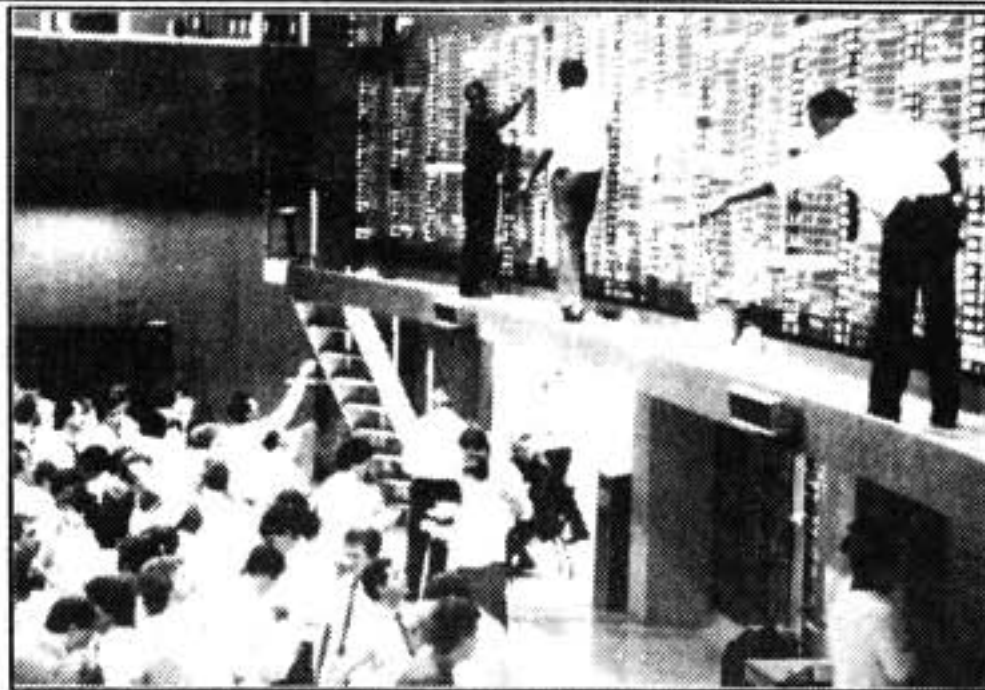
Our manufacturing sector was developed behind tariff protection and catered for the high incomes of white income earners. We have developed a production process geared for high cost production to an affluent market. So what is happening is, slowly more blacks are coming into that affluent market, but at a rate which is slow and can easily be met by existing production with new machinery. There is no need to build new factories to meet the growing black market, because the existing factories can easily meet that market.

The other area that is a barrier to growth in the internal market is that

there is obviously a crying need in South Africa for housing and a whole range of other social infrastructure. But capital cannot provide that need. All the studies on housing have shown that if the capitalist system provides 20% of employed workers with housing we will be lucky. The reason they cannot meet that need is that they will only build houses

and other social infrastructure at a profit. In order to make a profit with housing, the prices are relatively high, and the majority of people therefore cannot afford those houses. The State cannot build enough houses because the State is now hamstrung by its own financial problems.

For reasons that would take too long to outline here, it is also unlikely that South Africa's manufacturing sector could expand production as a result of rising productivity, rising wages, and increased consumer spending. The combination of all these reasons therefore makes it very unlikely that the internal market will be a



Stock exchange: giant profits.....



....but no resources for the people

Photos: Eric Miller/Afrapix

source of growth for the manufacturing sector. This being the case, the obvious next question is whether South Africa could turn to the world market, and become a significant exporter of manufactured goods.

No prospect for exports

Here the answer is a resounding 'no'. The manufacturing sector's

prospects of exporting significant quantities of goods is very low indeed. We have no prospect of competing with our direct competitors in what are called the new industrial countries such as Taiwan and South Korea.

Our price structure is too high at this point in time. In any event, if we started to export manufactured goods our imports would increase dramatically, because one of the great weaknesses in the South African economy is that we don't make our own machinery or machine tools. Those sectors don't exist here and so we have to import them on a very large scale. South Africa does not

have the cash to buy the sophisticated machinery necessary if we are to produce goods for export on the world market.

So there is little prospect of growth of manufactured exports.

A further problem for the economy is the structure of South Africa's foreign trade. South Africa exports minerals and raw materials, and imports machinery and other goods used in production. These imports are extremely expensive, and when finance capital is also leaving the country because it does not want to invest in the South African economy the balance of payments goes into the red. The country cannot afford the imports it needs. This forces the government to cut down spending and slow down economic activity, as the recent budget shows. Internal economic policies are being dictated by the balance of payments constraints. The government's ability to carry out economic reforms or stimulate economic growth are seriously curtailed by the balance of payments.

Reform for 30%, repression for 70%

I've tried to argue that capital cannot solve the problem for the majority of people, capital can only solve the problem for the minority of people. And the problem facing us is this, that both capital and the State are clearly aware of the fact that their reform solutions are for a minority of the people. Senior businessmen that our study interviewed, said quite frankly and

openly that South Africa's future was a 30%-70% society. 30% of that society would be employed in wage labour at maybe reasonable wages, they would have housing and they would have the kind of things that would make for a reasonable living standard, TVs, washing machines, etc.

The other 70% would do the best they can, they would be the informal sector, they will be in the rural areas, they will be in the small businesses, they will be unemployed, but no one will know what their income levels will be, and all indications are that they will be disastrously low. They won't have formal housing as we know it, they won't have electricity and running water and other things as we know it. They'll live in squatter camps, upgraded shacks, site and service schemes, etc.

If that is the case, that capital and the State know that only 30% of this society will be catered for, it becomes manifestly clear why reform and repression are not two competing State strategies, reform and repression are the same strategy. The State has no option but to reform and repress at the same time. Because if you leave such a large section of society out of the benefits of capitalism then you are going to have to make sure that you repress all political opposition that may arise in that sector of society.

And in particular it is the working class that will be the most dangerous problem. Because it is the working class that are the largest bulk of potential political organisation in this society. Not only that, the working

class are a problem in existing production because, as I said, profitability in South Africa now depends on increasing profits in the existing factories because you can't invest in new factories.

And that is what we are witnessing at the moment, the great clash between unions and employers is essentially a clash around the costs of production in existing factories. Capital are introducing a wide range of schemes, some fairly overtly coercive and others much more cleverly co-optive in an attempt to weaken the trade unions, not to destroy them necessarily, but to weaken them. The prospect of militant national wage bargaining, the prospect of significant rises in wages, are the prospects that capital cannot tolerate if it wants to keep its profitability in existing factories.

Basically the working class is confronted with a range of strategies that are designed to weaken and divide its organisations. There is substantial evidence of the stratification of the working class, of attempts to pull employed workers into higher paying jobs and put them into housing estates. Of attempts to make sure that you get high wage industries in Johannesburg, Cape Town and Durban but you get low wage industries in the border areas, the small towns in the outlying areas. And you can see it quite clearly, wage levels diverging rapidly into high wage areas and low wage areas.

The conventional argument is that deregulation is designed to create jobs. Our argument is that its real thrust is to lower costs. It does this by

directly lowering wages and reducing expenditure on working conditions. It creates low wage areas that also put pressure on wages in high wage areas.

If this is the economy we are facing, then the first point that we would argue is essential, is that the working class must now not only strengthen its organisations, but must now unify itself as a political force. The working class is under a very severe attack from the State and capital, an attack essentially designed to weaken its organisations, to stratify and divide it as a future political force. If the working class is weak in future, then the problems that exist in our economy now will still be there in the future.

We can talk about the post-apartheid government, but the question is whether the post-apartheid economy is going to be identical to the present economy. And I think we should think about that very carefully because there is no magic wand in the capitalist economic structure that can change the present socio-economic situation. The monopolies under an ANC government are not going to invest in housing, because it is not profitable, the monopolies under an ANC government are not going to produce products that are cheap enough for people to buy, because it is not profitable, and the production techniques don't allow them to produce products that are cheap enough. The monopolies under an ANC government are not going to expand into Africa on a gigantic wave of exports, because they can't compete with Taiwan, Korea and a host of other

countries. So there is little prospect that a change of government alone is going to change this economy.

A planned economy - the only way out

That raises I think a very crucial set of issues around the question of a mixed economy. What is a mixed economy? We are a mixed economy at present. In the trivial sense every economy in the world is a mixed economy. The Soviet Union is a mixed economy. The issue at stake in a mixed economy is not the level of state ownership as opposed to private ownership, that is not the issue at stake. The issue at stake is what is the dominant economic process at work. Is it planning, a planned process or is it a market process? If it is a market process we are essentially talking about a capitalist economy.

In South Africa we would argue that if we are talking about a mixed economy that is under the control of market forces, then that mixed economy must exhibit the same problems as the present economy exhibits and there is no easy way of getting out of the present problems. If the mixed economy is an economy that has got private ownership and state ownership but where planning is the dominant process, then there may be a prospect of getting out of the present situation. It won't be easy, but the reason why there is a prospect is that a planned process can move resources from areas of surplus to areas of need through an actual process of planning

rather than through the market. That doesn't mean that the market plays no role. What we are talking about is what is the dominant process in an economy. And we argue that if we are talking about mixed economies, it must be a mixed economy where planning is the dominant process.

Zimbabwean socialism is in our view not socialism because the market forces are dominant. The Soviet Union's use of the market is not capitalism because the planning process remains dominant. Those are the issues we are going to have to address much more carefully and seriously in our society if we are really going to change things. There is only one class in society that has a real interest in a planned economy, and that is the working class. Because it is the working class who are deprived of the resources and riches in South Africa. So if the capitalist economy cannot answer the needs of the working class then clearly it is the working class who have to change that economy. And basically the change in that economy would be to make planning the dominant process.

A crying task - build working class organisation

But the working class is only going to do that if the working class is the working class. If the working class is merely a set of categories and catch words used in political rhetoric then there is no prospect of a planned economy. At present the working class in South Africa is being subjected to



Planning can move resources to areas of need....

Photo: Eric Miller/Afrapix

massive pressures to weaken its organisations and divide it politically. The task of resisting this is an urgent and concrete task that the trade unions must contribute to. Working class triumphalism is against the interests of the working class.

The trade unions must contribute because the working class does not only consist of organised and employed workers. It is wider than this, and has to be united and strengthened in the community as well. Given the weight of the working class in our society, to strengthen working class organisation is at the same time to strengthen the mass democratic movement. This project of strengthening and unifying the working class in no way prevents the working class from forming alliances with other strata against the apartheid State. But if they do not strengthen their organisation, if the working class has no programme of action to rebuild this economy, this

economy will not be rebuilt, and the majority of people who now live in poverty will continue to live in poverty.

So our argument is that the issue that needs to be addressed by this society as a whole is what are the mechanisms for restructuring

the South African economy so that the majority of people have a reasonable



....away from wasteful luxury

Photo: Eric Miller/Afrapix

DEBATE

standard of living as opposed to the present situation where the majority of people suffer starvation. ☆

Discussion

Question: *How can the working class, meaning the employees, push to have participation in that kind of planning of production and distribution?*

Erwin: When talking about the working class we must not only talk about those workers that are employed. It includes unemployed, particularly unemployed youth, those persons that live in rural areas and don't survive from their production, who are merely surviving from money coming from those in the towns. It is the majority of South African society.

So working class control of production takes place in two different areas. One would be in the factory. Are workers participating or controlling the decisions around production in the factory? The other area of control is whether the resources in the country are being moved away from expensive cars, expensive houses and being put into houses for the poor, roads for the poor.

I don't know if I have made that clear. The working class has got two areas where it needs to control things. One is in the workplace, the other is to make sure the resources of that society come back to the working class and don't get taken away from the



A crying task - to build working class organisation

Photo: Santu Mofokeng/Afrapix

working class all the time.

So in the factories and mines control depends on the degree of work organisation in those areas. And that is where the union movement is crucial. If the unions are built on organisation in the workplace then those workers in that workplace are going to have a say in the production. Whether they are in control of that production or whether they are not in full control of that production depends on politics too.

On the question of wider control of society it depends whether the government that comes into power is going to meet the needs of the working class or not. Only a government that comes into power that makes planning the dominant process, will meet the needs of the working class. A government that wants to continue with a market dominated economy would have very serious problems in solving the needs of the working

class. In fact we argue it won't be possible.

Question: *I'd like to ask a question about the transition from the current capitalist economy under apartheid, to a planned economy. The question that bedevils us and has bedevilled most other post-revolutionary or transitional regimes, is the question of how to make that break, how to actually make that transition from an economy based on profit to an economy based on planning? The moment one starts to try to direct the economy according to planning you are going to start running into resistance from the big corporations, from foreign capital who often control the supply of the technology, and so on. How do you see that process starting?*

Erwin: That transition process is the most problematic for most economies. Because it runs up against resistance from capital and international capital who have got a virtual stranglehold on the supply of various products. When we start talking, as is common in South Africa political debate, about the balance of forces in the future, I think we have to start giving that notion real content. I'll give some illustrations, I don't pretend to have the answers here. Precisely this area should be addressed by the mass democratic movement, and particularly by the working class because it is them that are going to be central to this.

Let's take the question of nationalisation. You can nationalise as was the

case in the Zambian copper mines, where the government merely becomes the shareholder in that copper mine. The rest of the process of management and production remains in the hands of the previous corporations. Now truly that kind of nationalisation has a very limited capacity to redirect resources.

In fact in South Africa that would have no impact on the economy. If we nationalise the gold mines in the same way they nationalised the copper mines in Zambia, that would have no effect on the South Africa economy because the amount of tax that the government is presently taking out, would probably not be greatly increased. Capital would just be taking out the rest of it in profits.

But a nationalisation where the State takes over direct ownership of the company, and then enters into a management contract with the previous owners, is a different kind of nationalisation altogether. Whether that has an impact on the society depends on how well organised the workers are on the mines. So that's one issue, we would have to address the exact form of nationalisation.

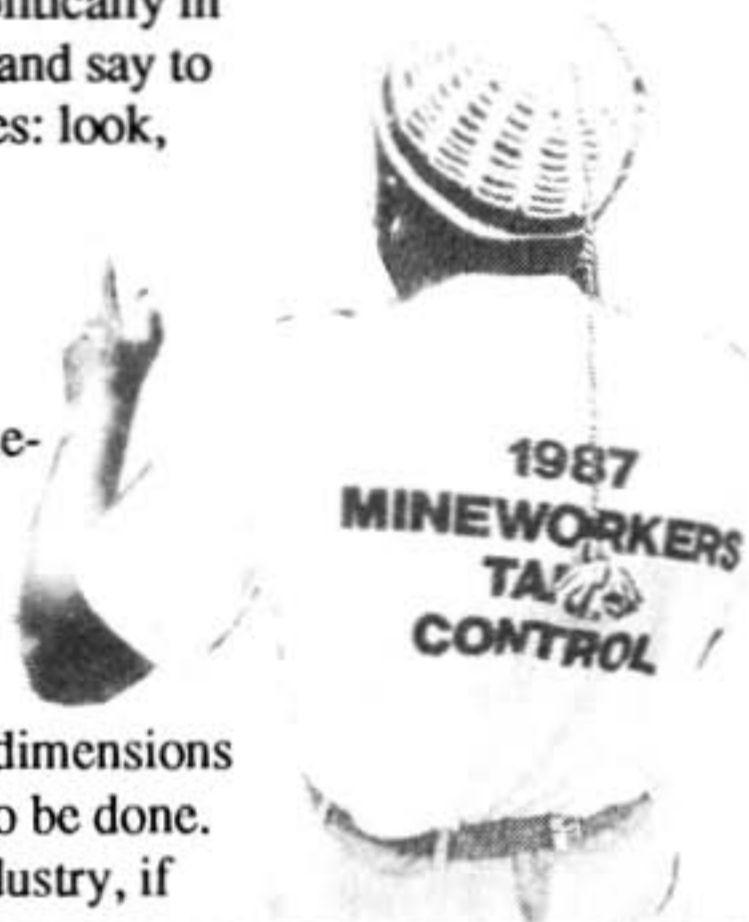
And that nationalisation is only going to become successful if workers in the nationalised plant are capable of taking power away from previous management. I don't say eliminating the previous management physically speaking, but definitely reducing what they so fondly call management prerogative. There will have to be a far greater degree of negotiation as to how the workplace is run.



Nationalising the economy - do workers have the power?

Photo: Steve Hilton-Barber/AFrapix

Practicalities need to be addressed. Would it be possible to nationalise the gold mines and run the risk of a large white exodus of management and skills? We need to address that in a concrete way. Unions should now start to work politically in the workplace, and say to people, to whites: look, we have got a common society, which is different to a union which alienates everyone in the workplace. I am trying to give some concrete dimensions to what needs to be done. In the metal industry, if



we as NUMSA don't pay any attention to training, when the time comes for nationalising Dorbyl, Metcor and other groups, if there are no skills in the plants because the union has abdicated any responsibility for training, we are going to be in mess.

It means the union movement should now address the problem of training in a very serious and innovative way so that we have the skills to stabilise that industry. That's what I mean by the balance of forces. What you can or can't nationalise depends on the degree of organisation in the workplace. And that's

why it's central for unions to ensure that organisation is strong, and why it's central for management to break union power at this point.

Question: *Will South Africa after liberation need foreign investment? Will it be available if we nationalise the economy?*

Answer: South Africa as I said at the beginning, is a very wealthy economy. It most unlikely that international capital would want to surrender this area of the world entirely. And I think that puts a future government, if it is a determined future government, in a relatively strong position to bargain with international capital. I am putting forward my own views here, these are issues that need to be addressed more carefully.

What we may need is foreign investment linked to technology. So we will need to do deals with foreign investment around technology. That's nothing new, that's precisely the way Korea and Taiwan grew. A foreign company coming into the country was told exactly what to invest and what to do about that investment. A wealthy economy like South Africa could negotiate similar deals.

Question: *You said that costs of production are high in the South African economy. Are you saying that in a planned economy the costs of production will be less?*

Answer: No a planned economy will not necessarily reduce the cost of

production. This will be an economy that is attempting to restructure pretty rapidly, it's quite likely that there will be planning inefficiencies, so the cost of production may rise. But at least we will be taking resources that we're capable of producing, and putting them in areas of need. We will be effecting structural change, we will be putting houses where there weren't houses before.

Rising costs of production are not easy. But the question is should we tolerate an increase of costs in exchange for improving the roads, electricity, etc. Take electricity as a classic example, the horrifying situation in South Africa at present, is that we have a 30% over-supply of electricity. Escom is in the process of closing down 14 power stations and retrenching 6,000 workers. But it is estimated that we could use that power to supply every single existing house in South Africa with electricity. The reason the government can't do that is it costs too much to put the lines in.

So if a government came in and said, look we are going to put the lines in even if it costs us something, and we will use this 30% over-supply - costs of production might rise, but the effect on the standard of living of the people of South Africa will be dramatic.

Question: *I think its going to be very difficult to follow the programme you have outlined unless the national question is resolved.*

Erwin: As far as I am con-

cerned they are the same problem. National oppression includes poverty, killing people in the working class to weaken their organisation, division of the working class, they are the same problem. And to separate them is where the danger lies. Because if you start separating them you come across the arguments that, well look we'll change the government and then we will start changing the economy. But the economy can't be changed unless we address the present problems that we're looking at.

Question: *I want to make a comment on the context within which we are discussing the possibilities of a future South African economy. One of the prerequisites of attempting to change the economy is to win power. That raises a series of political questions which are going to fundamentally effect the type of economy we can or can't build in the post-apartheid South Africa.*

It is important to look at what is desirable in the long term. But it can't be seen in abstract, it's got to be seen as part of a process of trying to win power. Part of that process of winning power is waging a national democratic struggle. You have a group of different people which are coming together with the common interest of ending apartheid. In order to achieve power, the mass democratic movement has to mobilise the maximise support not just from the working class but from a whole range of other classes among the black people of South Africa, it's got

to mobilise support from various sectors among the white people and certainly amongst the coloured and Indian people.

You have got to unify those people so that they can effectively challenge the State. But this process of building alliances must necessarily limit the kind of options we have in the future society. Those same people are going to be fundamental to a future economy. In order to run this economy in the future we have to win the support of a much broader sector of South Africa society than the working class itself.

My own perception is there are going to be major limitations on what we can achieve in the immediate post-apartheid South Africa. That doesn't mean we don't aim for something different. But we've got to achieve it with both our feet on the ground.

My own perception is it is not going to be possible in the immediate post-apartheid society to talk about a planned economy, not immediately. What we are going to have is a possibility of a broad alliance of forces that will attempt to transform the economy. From what we have at the moment, with an ANC government in charge, towards some kind of transformed society, some kind of transformed economy. That will depend on the balance of forces, depending on who we mobilise up to the point of liberation and afterwards, what strength the working class has, to what extent we manage to win over the middle strata of black com-



South Africans need the prospect of a reasonable future, in which the abundant wealth of our country is shared amongst all its people, rather than the prospect of a desolate future of poverty and deprivation

Photo: Gill de Vlieg/Afrapix

munity, to what extent we manage to get the co-operation of a whole lot of skilled white people, not necessarily top management, but people on different levels.

That will help to dictate where we go and how much we can succeed in fundamentally transforming this society.

Erwin: I want to stress that there is an imperative, and a very real and definite imperative, to unify the broadest possible grouping and mass of people in order to remove apartheid. I think that is an essential political requirement and task at the present point in time.

The working class does also have a task of organising itself as the working class, it is under certain and direct forms of attack and it must organise itself and its organisations in the workplace and more widely in the community.

Now quite clearly we cannot jump from today to tomorrow, from a market to a planned economy. What I am talking about is a position where the working class organisations begin to address what is necessary in the economy and they begin to organise in that direction. If we are talking about a planned economy, as working class organisations, what does that require us to do now, in order that we can tip the

balance of forces in our favour later?

Now to organise in a way where the working class is trying to achieve a planned economy, does not, I want to stress, this does not take them out of the mass democratic movement at all. Because we have got a common goal with a wide range of persons to remove the apartheid regime and a planned economy will require the broadest possible mass of people to support that programme.

Any attempt by organised workers or by working class organisations to distance themselves from the rest of society may well be disastrous for their future. If the working class's programme is one where they want a planned economy, they want that economy because it will improve the position of the vast majority of people in South Africa. And unless we can persuade the vast majority of people in South Africa that that is going to be

the case, there will not be a planned economy.

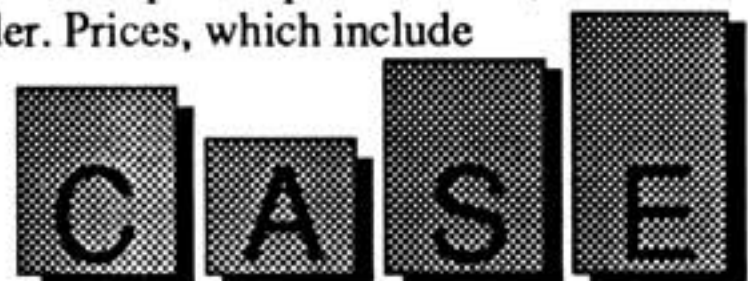
So the political process of liberating ourselves from oppression, and liberating the working class from exploitation are very much the same process. I want to stress, we must not get into a kind of non-alliance politics versus alliance politics.

What we have to be clear on is that the working class better organise itself as the working class, or else in future it is going to have some very serious problems. But in doing that, it is going to have to take with it the widest possible grouping in this society as it can possibly achieve. And that requires a style of politics that is not exclusivist, but a style of politics that includes, a style of politics that is confident, assertive. That offers people a prospect of a reasonable future, not the prospect of a disastrous future. ☆

An assessment of US disinvestment in South Africa

A research report by the Community Agency for Social Enquiry (See page 47 in this Bulletin). Copies of the full report are available from CASE (Cape), 20 Alfred St., Observatory, Cape, 7925. Payment (South African cheques or postal orders, or foreign bank drafts,) should be sent with the order. Prices, which include GST, postage and packaging, are as follows:

South Africa: R3
Southern Africa: R12
Elsewhere: US\$10 or L6



Worker participation - reply to Martin Nicol

In the last edition of the LABOUR BULLETIN, MARTIN NICOL reviewed *Esop's Fables*, a recent publication from the Labour and Economic Research Committee (LERC). JUDY MALLER, writer of *Esop's Fables*, replies.

At the outset, it should be stated that I have no disagreement with Martin Nicol's main argument, namely that strengthening the Living Wage Campaign is the most important immediate objective of the union movement. The key issue is not establishing participative management, but rather developing collective bargaining. However, management has placed participative management on the agenda. This means unions must deal with it, within the context of collective bargaining.

Martin Nicol's criticism of *Esop's Fables* can be summarised in two main points. Firstly, he claims that *Esop's Fables* is not written as a guide

to workers because of its style and language, and because it does not explain why workers should participate. However, *Esop's Fables* was not written with the sole aim of providing concrete advice to trade unions. The intention was to provide information to all involved in the industrial relations field. This information was based on a survey of companies which have introduced a range of participation schemes. The survey showed conclusively that worker participation in the surveyed companies is not widespread, nor meaningful in terms of providing workers with real decision-making powers. The report also

highlights managements' deliberate attempts to bypass unions and create alternative relationships with workers via participation schemes.

Not all publications are written in a way that is accessible to all levels of the labour movement, or as an explicit guide for union action, nor should they be. *Esop's Fables* is certainly

not the last word on the subject and there will be subsequent publications to provide guidance to trade unionists.

Secondly, Nicol attempts to uncover the theoretical assumptions on which *Esop's Fables* is based: this he calls the "new road to socialism via participative management" (p.97). He goes on to provide unions with very concrete advice, namely that they should refuse to own shares, although he says nothing about how unions should respond to management strategies of participation. But respond they must!

Confusing the issue

Nicol appears to confuse participation and share ownership throughout his article. He draws exclusively on the Anglo American share offer to illustrate his rejection of share schemes.



Agreement that Living Wage Campaign is most urgent priority

Graphic: COSATU

But there are many different examples of share schemes. The Anglo scheme is highly specific and cannot be generalised to exemplify all ESOPs, because it involves the "gift" of a very limited number of shares to workers. It is more common for companies to offer workers the option of buying shares on more favourable

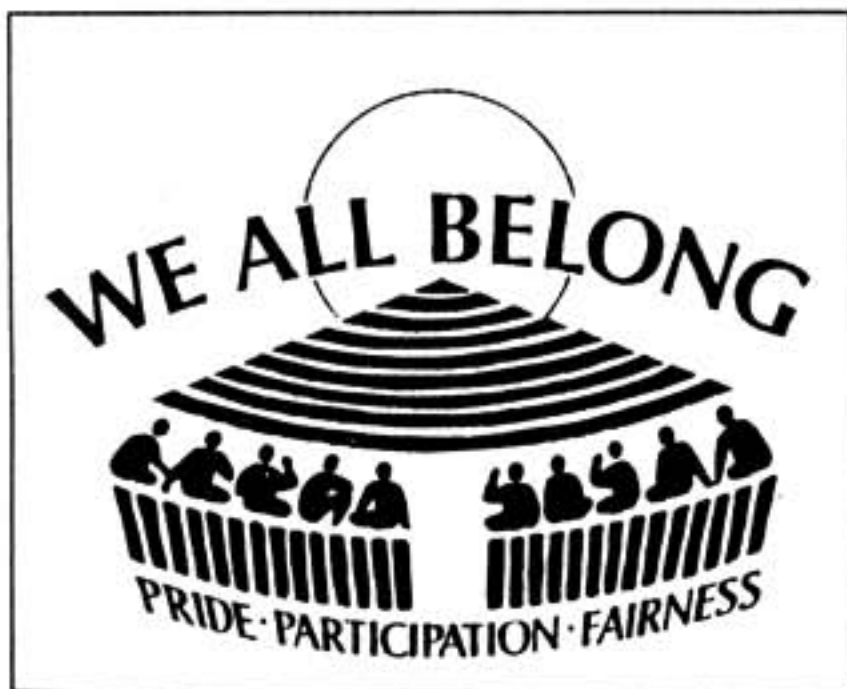
terms. The National Union of Mineworkers has not ruled out the possibility of owning a gold mine through a leveraged buyout by union members according to *Business Day*. Thus NUM's objection to ESOPs is apparently not one of principle, but rather a question of the percentage of shares available to workers.

Nicol links employee share ownership with workers being "consulted about certain company decisions" (p.2). In fact, *Esop's Fables* makes it quite clear that the ownership of a small percentage of shares by workers does not entitle them to any decision-making powers. On the contrary, employee share ownership may create the illusion of participation, but in reality amounts to insignificant ownership with no control. Hence the title of the report *Esop's Fables*. This is demonstrated by the following

quote in the introduction to the report:

"...if share ownership meant the collective ownership of one or two percent of equity by employees, ...it would not involve any effective participation by employees in company affairs." (*Esop's Fables* p.2)

In addition, Nicol's understanding of worker participation is limited to examples such as "worker-managers, worker-supervisors and worker-directors" (p.4). He has not taken into account the vast range of ways in which workers in capitalist economies have carved out opportunities for exercising greater control and decision-making in their workplaces. Full-time shop stewards, autonomous work



Gilbey's participative management logo - what do such schemes really mean for workers?

Graphic: LERC

groups, consultation forums on investment decisions, and co-determination councils are only a few such examples.

If worker participation was limited to a few token worker-elected directors/managers, then it should be rejected, as Nicol does, as a "con" to get workers to work harder and resist

calls to strike action". But the issue is a lot more complex than that.

Different strategies

Our grasp of strategies of worker participation should be based on a theoretical understanding of the relations between capital and labour in the workplace and beyond. Nicol, like many other labour-affiliated intellectuals, contrasts worker participation with strong shopfloor unionism and sees them as mutually exclusive. This results in a "strategy of refusal" when participation is placed on the negotiating table.

Cressey and MacInnes, in their article "Voting for Ford" (1980) classify this position as the "incorporationist" approach. Those who, like Nicol, adopt an "incorporationist" approach see worker participation as a strategy employed by capital to incorporate labour into a system of workplace decision-making where the outcome is already loaded against the worker because capital is dominant in capitalist relations of production. Thus, worker participation does not give any effective decision making powers to workers.

This position may be contrasted with what Nicol describes as my position, namely the "new-road-to-socialism-via-participative-management" approach. Such an approach see capital's power in the workplace being progressively eroded by more and more worker participation until eventually labour finds itself in the dominant position. Thus this approach

argues that it is possible for worker participation to lead eventually to fundamental social change and socialism.

Both of these positions have serious limitations. The incorporationist approach denies the possibility of any meaningful changes taking place at the workplace "in the absence of a revolution in the relations of production at the social level" (*Cressey and MacInnes, p. 6*). It draws the conclusion that there can be no meaningful change in the workplace while society is dominated by capital. Only when there is a social revolution which overthrows capitalism, can workers expect meaningful changes at work. This approach is based on the assumption that capital's dominance in the workplace is "essentially non-contradictory rather than a process marked by struggle and crisis" (*ibid*).

The "new road to socialism" approach, as described by Nicol, has the opposite problem, namely that it ignores the social relations of production, which ensure the ongoing dominance of capital, albeit in varying forms. This argument simply equates socialism with job control (*ibid*). It believes that workers can become dominant simply through extending their participation in decision-making at work, and ignores the continued overall domination of capital both in the workplace and in society.

Contradictions in production

Rather than see capital as all-powerful, my own theoretical position is, in fact, that the capitalist labour

process is internally contradictory. As Cressey and MacInnes argue, the labour process under capitalism has a dual nature; not only does capital employ labour to create exchange values (commodities), but labour also "employs" capital by utilising the machinery and equipment and thereby creating use values (*ibid*), although clearly capital retains ownership of the end product. In "giving over" to labour the use of the means of production, capital must ensure a co-operative relationship between them to maximise the social productivity of labour. This means practically that it is not necessarily in capital's interests to control labour through coercion and the domination of technology. Instead, capital may create a flexible working environment to encourage workers to use their own brainpower and creativity. This might in turn raise levels of social productivity by increasing production.

A site of struggle

This strategy provides labour with an equivalent contradiction. On the one hand, labour resists its subordination to capital. On the other hand, labour also has an interest in maintaining the viability of the unit of capital (the company) which is the employer. It is only by selling their labour power to that employer that they can work. If the company goes bankrupt, the workers will have no jobs. Labour's interests are however not to make a unit viable simply in the interests of profitability, but to increase wages or



Participation - a site of struggle

Photo: Afrapix

the production relations surrounding it" (*Ibid*). In other words, it is not just the employer who determines the way work is organised or the conditions of work. By engaging in struggles - including the struggle for increased participation - workers too can shape the organisation and conditions of work.

Any adequate union strategy must go beyond either simple refusal or blanket support for all forms of participation. We need to take advantage of capital's contradictory needs in the workplace so as to benefit workers. Participation may open up space for organised struggles to change the way work is done. It may also provide a vision of how work could be organised differently in a transformed society. Attempts to assert some control over the process of "joint creation" may also change the very structures of participation

improve working conditions.

The contradictory nature of the labour process under capitalism therefore makes it a "joint creation . . . determined by the outcome of various struggles between labour and capital about the form of both technology and

and widen their impact at the workplace. Not only could workers benefit materially from this approach in terms of greater earnings, an improved working environment and greater job control; it could also facilitate the establishment of new structures of

worker participation, which when coupled with fundamental social change beyond the workplace, could transform the social relations of production. It should be emphasised that this transformation is a process which involves acquiring skills and building adequate structures. It is important that this process begins as soon as possible.

Productivity can benefit workers

Both "participation" and "productivity" are more ambiguous concepts than Nicol allows for. He says that: "'Productivity' is a word used by managers which means PROFIT while sounding like something useful for workers." (p.4)

This is a simplification which can be very inaccurate, not to mention misleading. We return again to the distinction between use-value and exchange-value. Burawoy (1985) shows that in terms of exchange-value, gains for capital are losses for labour - and vice versa. This underlies the conflict inherent in the labour process under capitalism.

But in terms of use value, this zero-sum equation no longer applies. Productivity increases can benefit workers. An increase in productivity can mean that more goods are produced at the same cost, so prices go down. Burawoy maintains that workers do not understand their world at the level of exchange values, but rather in terms of the actual commodities they can buy with their wages (*ibid*). In this

way, higher productivity levels can benefit both capital (more profits) and labour (their money can buy more goods).

This puts into context the one legitimate criticism that Nicol has of *Esop's Fables*, namely that the advantages of participation to workers are not made clear. In defending this omission, it may be said that it is difficult to outline the benefits in a general way precisely because some participation schemes (including the great majority of South African cases) do not generate genuine benefits for workers and are designed to minimise confrontation through a process of co-optation.

Depends on union response

However, there are some participation schemes that do provide workers with greater job control, greater earnings derived from higher productivity, and more satisfying jobs. But the extent and nature of these benefits depends on the process of 'joint creation' - how labour responds and moulds these schemes to advance their own interests, and expands them to challenge the nature of work and its purpose. The crucial point is not whether participation schemes deceive workers, but rather how workers respond.

It is important to note that, despite Nicol's claim that *Esop's Fables* runs against the trend of refusal adopted by the union movement, COSATU policy on disinvestment favours collective ownership where company

shares are held in trust for the benefit of the community. In addition some affiliate unions have responded with insight and creativity to participation initiatives introduced by management. COSATU unions have correctly rejected the extremely limited ESOPs on offer, but this does not mean that they have rejected the project of workers participation as a whole.

NUMSA, for example, has entered into agreements or relations of co-operation with a number of employers where this is to the advantage of its members. For example, Samcor workers accepted a 24% shareholding in their company accompanied by possible representation on the board.



In the case of Volkswagen, worker participation has possibly gone further than in any other company, with full time shop stewards beginning to participate in joint decision-making on strategic issues.

Citing these examples does not mean advocating any particular model of participation for South African workers. It does mean that greater job control and a greater say in the organisation of production and company finance does have relevance, although it falls far short of what many advocates of workers' control would want.

The fact that many union members

have accepted Anglo American shares demonstrates the inadequacy of the "strategy of refusal". The fact that Samcor workers demanded individual remission of dividend payments demonstrates the complexity of the problem. Nonetheless, it does require unions to "take greater risks than they are currently willing to do" in both the short and long term interests of their members.

The aim of this contribution is to point to the extent to which the participative strategy of capital can have contradictory implications. It presents a challenge to the labour movement to go beyond the "strategy of refusal". ☆

References

- M. Burawoy, 1985: *The Politics of Production*, Verso.
 P. Cressey and J. MacInnes, 1980: "Voting for Ford" in *Capital and Class*, No 11.
 J. Maller, 1988: *Esop's Fables*, LERC.
 M. Nicol, 1989: "Promoting participation in ESOPs" in *SALB*, Vol 13 No 8, Feb 1989

Apology

A misleading subheading appeared in Nicol's review of Maller's book (*Labour Bulletin*, Vol 13.8, Feb 1989, p 98). It stated that the book supports ESOPs. The book does not support ESOPs, nor did Nicol's review claim that it does. We apologise to both writers for any inconvenience caused by this error.



Letters to the Bulletin

On ESOPs

After the historic 1987 miners strike, Anglo American introduced the shares scheme to their employees. Some employees did not understand what the shares are because the majority of the workers in the mining industry are illiterate. The majority of workers in some Anglo mines were forced by management to accept the shares scheme, for the reason that they feared losing their jobs. They could not do otherwise because mine management banned union meetings after the 1987 strike.

A campaign of talks and videos have been used by mine management to convince workers to accept ESOPs. Workers returning from leave were forced to sign acceptance forms at the induction. In spite of the whole effort of management, in some mines workers told management that they saw ESOPs as an insult to them. It showed them that Anglo has money but chose to give money in the way they want. They asked management to involve the union to negotiate the scheme but management refused and told the workers that they are not prepared to discuss this with their respective unions. They said what

workers can do is to inform their union about the scheme.

After management had failed in their efforts to convince workers, they decided to call the recruiting officers to come and talk with the workers so that workers can see that even their government knows about the share scheme. But workers did not listen to the recruiting officers.

It was very clear to the workers that the scheme won't alter the pattern of the ownership of Anglo. Employee shareholders who joined the scheme before 17 June 1988 received their first dividend of R8.13 in October 1988. The money was paid

by cheque. Employee shareholders were very much surprised about the small dividend, others did collect their cheques, others did not.

In February 1989 a second dividend known as an interim dividend was paid to all shareholders. Management said the reason for an interim payment was that the policy of the company is to pay dividends twice a year. The interim dividend paid to the share owner was 70c per share. The interim dividend for last year was 62,5c per share meaning that there was an increase in the dividend this year.

Each employee shareholder has



got five shares. The interim dividend in February 1989 that shareholders received was R3.50, that is from their 5 shares. Management said some of the reasons for Anglo to be able to increase the dividends were:

1. Anglo's income from dividends on its investment was about 10% higher.

2. Higher dividends were received from Anglo's investment in diamond and industrial companies.

Mine management has started to brief the workers again about the bulk of shares that will be given to every worker who qualifies for the scheme.

Those who did join the scheme, will receive a further share automatically in May 1989. Those that did not qualify for the shares, or declined shares last year but do qualify this year, have also been briefed that they will be granted membership of the scheme.

The response from workers for them to join the scheme was that they don't want money that will be put in the company's trust. Workers want a Living Wage. If Anglo wants to give workers money, they must give the money to them, then they themselves shall decide how they want to use that money. Otherwise Anglo should put that money in the wage increase.

Workers do not see that money as theirs. The workers need money but not in the form of share schemes as Anglo had chosen to do.....**A. Nzima, NUM regional vice - chairman, Witbank**

From the West Bank

I was very pleased to see that your magazine reprinted my articles on Palestinian workers and on the Histadrut. I was glad to know that there was interest in South Africa about the workers situation in the West Bank and Gaza.

I would also be interested in obtaining an exchange subscription with your journal for the organisation I work for. I am enclosing a brochure about Al-Haq for your interest. Al-Haq has a special project on workers rights, and we would like very much like to keep informed about the labour situation in South Africa.

If you want any other articles in the future about worker's situation here, please let me know. The situation of the unions here has grown much worse over the past several months and an update for your readers might be helpful.....**Marty Rosenbluth, c/o Al-Haq, P O Box 1413, Ramallah, West Bank, via Israel**

As can be seen from the FAWU letter on the next page, workers in South Africa are very interested in the struggles of workers in other parts of the world. A lot of Bulletin readers commented particularly on the Palestinian articles. For this reason, we have asked Marty Rosenbluth to write an update for us as soon as possible.

Fraternal support

The Labour Research Service, corporately, would like to give you and your colleagues a pat on the back for the adjustments you have made to the Labour Bulletin in recent months.

We are all quite sure that the more popular approach is the right one. While we have practical experience of the difficulties, we've no doubt that they worth overcoming. The overcoming of academic jargon can do no harm if it is replaced by simple English. Quite complex issues can be discussed in simple English - it just takes more effort.

We look forward to the completion of your programme for popularizing the Labour Bulletin and shall be glad to continue play our small part in communicating useful information and analysis to the trade union movement.....**Gordon Young, Labour Research Service, Cape Town**

Educational needs

Dear Comrades, our Bedcom (Branch Education Committee) have mandated me to write this letter to you.

We appreciate the good work your magazine is doing, especially on labour matters so far and we don't have any queries.

You will also understand the problem faced by Educational Structures. i.e. limited material on internal and international struggle waged by workers, specifically to teach and update our newly recruited membership. Our request is as follows, we would like you



to publish the following:-

(a) Introduction of Labour Movement in S.A.

(b) Struggles waged by workers in different countries of different systems.

(c) History of companies who have withdrawn from S.A. (multi-nationals) and possibly their role in divesting or disinvesting.

Hoping our request can be met within the scope of your magazine.

.....**V. Boshielo, Education Secretary, Fawu East Rand Branch**

In this edition, we publish three articles on disinvestment. We hope they answer your request under c). We are trying to meet request b) with international articles in each Bulletin. We hope these are useful. We will discuss a) and see what we can do. We are glad to know Labour Bulletin is useful in your education work.

Contributors

Please address all letters to:

Letters to the Bulletin

South African Labour Bulletin

P O Box 31073

Braamfontein

2017

We will try to publish all letters that we receive. We reserve the right to edit letters if necessary.

Namibian workers and national independence

As the mineworkers' resolution on the next page shows, the implementation of Resolution 435 does not mean that the struggle in Namibia is over. The current period of transition from colonialism to an independent nation is opening up new struggles under different conditions, as a range of forces strive to shape independence to suit their interests. HARALD HARVEY and ALANA DAVE report.*

For many years the majority of Namibians have supported SWAPO as their national liberation movement. But since 1986 there have been important developments. Since that year, Namibian workers have been building industrial unions, like MUN, which fall under the umbrella body of the National Union of Namibian Workers (NUNW). NUNW sees itself as part and parcel of the national liberation movement led by SWAPO, and it is

therefore actively mobilising people to support SWAPO in the forthcoming elections. The unions, as mass organisations organising workers around the day-to-day issues which affect them, have given important political and organisational direction to the struggle for national liberation.

At the same time, the unions are having to take responsibility for receiving the huge number of Namibian refugees and exiles, and reintegrating

* Staffmembers of the International Labour Research and Information Group (ILRIG), Cape Town.

**Resolution passed at congress of
Mineworkers' Union of Namibia (MUN),
January 1989**

This congress, noting that

- 1. Namibian workers have suffered brutal exploitation and oppression during the entire colonial period;
- 2. Namibian workers have formed part and parcel of the forces for national liberation led by SWAPO;

Is convinced that

- 1. national independence and freedom for Namibia, as struggled for by SWAPO, will create a more favourable climate for workers to fight exploitation;
- 2. South Africa and its puppets will try to abort independence and create a neo-colonial dispensation in Namibia;
- 3. exploitation of workers can only be ended in a socialist dispensation where the means of production belong to the workers;

Therefore resolve to

- 1. render all support to the national liberation organisation, SWAPO of Namibia, in the coming elections;
- 2. step up political mobilisation of workers, in co-operation with other unions;
- 3. maintain vigilance, and together with other workers fight attempts by the racist regime, its puppets and capitalist employers to abort independence by (i) taking protest industrial action against continuing political oppression, (ii) creating relevant ad hoc structures for monitoring and countering reactionary activities on the side of the colonial racist regime and its tools;
- 4. negotiate with the employers to get time off work for the purposes of political mobilisation in view of the forthcoming elections;
- 5. continue with the workers struggle against capitalist exploitation, and continue until victory in this regard is achieved.

them into Namibian society. Almost every member of NUNW has a relative who is a refugee or exile.

In recognition of the many tasks facing them now, the unions have accelerated the process of forming a national federation with local, regional and national structures. NUNW was revived in the mid-1980s as a structure to establish and stimulate the growth of industrial trade unions, but it was clear that once the unions had established themselves a proper federation with strong structures would have to be formed.

The stayaway on 20/21 June last year put the formation of a federation on the agenda (see *Labour Bulletin* 13.6, Sept 1988). Workers and organisers felt a strong federation would improve co-ordination and, by establishing local structures, build unity between unions on the ground. In the words of a NAFAU shopsteward: "NUNW is the mother who has produced many children. Now it is time to build the home for the children to live in, and formalise the relationship between the children."

The launching congress of the new federation is to take place on the weekend of 15 April, two weeks after the UN Transitional Assistance Group (UNTAG) formally took over control of the territory.

The tasks of the new federation will be to improve co-ordination, strengthen the relationship between affiliates at local and regional level, develop workers' control over the



federation from the grassroots up, and most importantly, give workers a political voice in the national liberation movement. There is a strong feeling that the federation will make the

unions more effective in mobilising for the elections.

The new federation will give workers a more powerful weapon with which to wage the struggles ahead. And they will need all the weapons they can get. It is

clear to everyone that SWAPO will win at least a simple 50% majority in the November elections. The colonial regime and big capital are moving as fast as possible to shape conditions so that a SWAPO government finds its hands tied.

Unions mobilise against privatisation

One of the key strategies of the colonial regime is to privatise state enterprises and services before the elections. SA Transport Services has already transferred its operations in Namibia to the SWA administration, which immediately sold it to the National Transport Commission (NTC). NTC is controlled by a big business consortium. Hospital catering services have been sold to Fedics. There is talk of privatising health services, water supply, SWA Broadcasting Corporation, municipal services and even education: Rossing Mine is reported to be buying at least one school!

This rape of the resources of Namibia has outraged the people. Posters

are stuck all over Windhoek, with the slogan: 'Protect people's property - reject privatisation'. The unions have printed pamphlets depicting the South African administrator, Pienaar, as an auctioneer. It is clear that privatisation is designed to limit a SWAPO government's ability to exert control over the economy and society, and its ability to redistribute resources towards the masses. Before SWAPO can even think about nationalising key sectors of the economy, it will have to struggle to regain control over basic government services!

Who gets the cash?

At the same time, people are questioning where the cash from these sales will go. They expect that South Africa will pocket the cash from selling resources that have been built up through the taxes and profits produced by the labour of Namibians. Thus SWAPO will inherit a bankrupt country. Workers are also objecting

that many of the services are being sold to South African companies.

Workers have also expressed fears that privatisation will mean retrenchments, as happened to SATS employees when the railways were sold to

NTC. They believe the cost of health care, education and other services will rise steeply as the new owners intend to make a profit.

The unions are spear-heading the campaign against selling the national resources. On 1 April, the day UNTAG formally took over control of Namibia, 50,000 protes-

tors, led by the unions, marched from Katutura to Windhoek. They intended demanding that Pienaar and UN special representative Martti Ahtisaari immediately halt the programme of privatisation, and reverse any privatisation that had already taken place.

But the marchers were stopped by a roadblock just outside Windhoek. The roadblock was manned by some 300 former members of Koevoet, who adopted an extremely aggressive attitude. It was an explosive situation, but

**PROTECT
PEOPLE'S
PROPERTY
REJECT
PRIVATISATION**

Issued by N.U.N.W.

VOTE FOR FREEDOM VOTE SWAPO!!!

eventually the marchers turned back.

However, some 3,000 protesters managed to gather in front of the hotel where UNTAG has established its headquarters. Everyone was wearing SWAPO colours, singing and dancing. South West African Police (SWAPOL) were everywhere. UNTAG was nowhere in sight. At one stage Gen. Prem Chand, commander of the UN troops, walked out of the front door of the hotel, ignoring the demonstrators, got into his car and drove off.

This incident reinforced people's general disappointment with the role played by UNTAG. The only time they see UNTAG is when its members are being trained or briefed by the South Africans, the SADF or the South West African Territorial Force (SWATF). Whenever there is a tense situation, UNTAG is nowhere to be



seen. SWAPOL has the real power to enforce "law and order", while UNTAG are simply observers. The armed clashes in the north of Namibia, when UNTAG authorised SWATF attacks on SWAPO guerrillas who

were intending to hand themselves over to UNTAG, will only increase this suspicion and bitterness. The Namibian peace agreement states that SWATF will be disbanded, because it is the army of the oppressor.

Building a nation

Privatisation is not the only tactic South Africa is using to sabotage Namibian independence. The South Africans are using every possible means to increase the divisions and fragmentation in the country, so as to make SWAPO's task of building a national government as tough as

Parties fighting the independence election

- **SWAPO (South West Africa People's Organisation)** - the main national liberation movement of Namibia.
- **NNF (The Namibian National Front)** - a front of small progressive parties which have tactical and ideological disagreements with SWAPO. Say they are willing to co-operate with SWAPO, but that SWAPO is ignoring them.
- **UDF (United Democratic Front)** - ethnically based parties that participated in the interim government for a while and in the second tier of colonial administration. Says SWAPO is communist inspired, a "wolf in sheep clothes."
- **DTA (Democratic Turnhalle Alliance)** - the grouping that South Africa hoped to be able to install in power. Composed of various ethnic and other parties. Support base in the ethnic administrations, chiefs, wealthy petty bourgeois and bourgeois blacks, local white business. Have adopted much of SWAPO'S slogans and rhetoric. Argue for minority rights. Portray SWAPO as an Owambo organisation.

possible. At the most destructive level, SWATF troops are reported to be leaving concealed caches of weapons in the bush before they report to the UNTAG-controlled bases where they are supposed to be disarmed and demobilised. The concealed weapons will be available for the several ethnic armies that were created under the second-tier of the colonial government. The ethnic armies could easily become the MNR bandits of Namibia.

At another level, SWA Television (SWATV) has proclaimed its new 'neutrality', and is giving equal air time to all 43 political parties in the territory. This is part of a general emphasis on fragmentation and division in the country, and efforts to bolster ethnic and minority parties.

The immediate task facing a SWAPO government will be to build one united nation. Ethnic divisions in Namibia are far more significant than in South Africa. Namibia is much less urbanised and industrialised than SA, and it is in the towns that divisions are usually broken down and national unity created. Even those who live in the towns have strong links in the countryside. These features have been exacerbated by the deliberate divide-and-rule strategy of the German and South African colonial regimes.

Socialism and national liberation

As the MUN resolution shows, NUNW unions are committed to strug-

gling for a socialist Namibia. They support the liberation struggle waged by SWAPO because it will bring them significantly closer to this goal.

But clearly independence will usher in a period of struggle, during which the unions will have to protect and advance the interests of their members at the same time as they support the objectives of the broader struggle. This will raise the question of the relationship between the unions and SWAPO - one of the issues which is to be discussed at the launch of the new federation.

NUNW has a very close working relation with the Namibia National Students Organisation. Apart from working in the student sector, NANSO is organising seminars on the issues of transition, especially the need to develop popular control over the economy.

SWAPO, in its political programme, has committed itself to building a socialist society. But it argues that in the initial post-independence phase a realistic approach is necessary given the dependence of the economy on the skills of whites and on foreign capital. SWAPO's position is that, where nationalisation is necessary, the government will fully compensate the owners.

The real possibilities and limitations that will face SWAPO and the people of an independent Namibia will only become clear after the elections. The options open to SWAPO will be crucially determined by the





Swapo supporters dance as a policeman ponders the future

Photo: John Liebenberg/Afrapix

size of its majority, by the degree of mobilisation and consciousness among the masses, by the extent of privatisation, and by how much damage South Africa is able to inflict before the elections.

Trade union struggle

Workers have confidence in SWAPO. In interviews conducted from Luderitz in the south to Tsumeb in the north, workers said that a SWAPO government's first priority would be to address their needs. For example, workers in Luderitz who are living in ramshackle shacks said that SWAPO would provide housing.

Workers also believe that SWAPO will give them legal space and backing to advance their struggle. The fact that there are only around five recognition agreements in the whole country

(mainly at bigger companies like Rossing and CDM mines, and at Lalandii fishing factory) shows how important this is. In fact, the major union issue at present is the struggle to win recognition.

Apart from this, workers face the battle to increase their wages. The average monthly wage for organised workers is R200-300. For unorganised workers it is much less. Prices are very high, because virtually all commodities are imported. For example, a tin of tuna costs R6.12 in Tsumeb. The tuna is caught and tinned in Namibia, exported to South Africa, and then re-imported back into Namibia! This shows how tightly the Namibian economy is linked to South Africa. It is factors like these that will seriously limit Namibia's options for independent development. ☆

Unions in Peru

In 1985 Alan Garcia was elected president of Peru with strong support amongst the people. However, as economic crisis has deepened and repression has increased, he has lost much of this support. 1988 saw Peru's trade unions take increasingly militant action against the government as JAVIER FARJE reports.*

Late on 9 December last year, labour leader Oscar Delgado Vera was traced to the headquarters of Peru's anti-terrorism agency DIRCOTE. He has not been seen since. It is feared that he is the latest on a long list of trade unionists to be killed during the 1980s, the majority by the armed forces and their death squad allies for being so-called 'terrorists'.

The Peruvian labour movement also operates in an economy with one of the highest inflation rates in South America (1800% last year), and where the division between rich and poor is vast. Some peasant children have only newspapers to eat for supper.

In this situation, the trade unions take a broad political stance. They fight for human rights alongside demanding higher wages. They challenge the government's economic policy, and campaign for Peru's native communities, while also attacking the steady militarisation of the

country and the government's intensifying 'dirty war' against popular organisations.

This wide range of demands formed a platform that the great majority of Peru's trade unionists supported through a series of strikes last year. Two one-day general strikes took place, in January and October, and there was a successful 48-hour general strike in mid-July.

The government outlawed all these strikes. In the January 1988 strike, 1,000 workers were detained and two were killed by the army. In July and October, 700 workers were held and 30 charged as 'terrorists'.

Peasant involvement

Peasants joined in the militancy with a huge four-day strike at the beginning of December, in which over half a million took part. Their platform included a plan for agrarian

* Edited and reprinted from *International Labour Reports*. Javier Farje is a Peruvian journalist living in Britain.

development, price reform, and demands for a new trading system, agrarian social security, credits and the lifting of the State of Emergency.

Individual sector strikes through 1988 involved such workers as teachers, farmworkers and textile, transport, oil and electricity workers.

A wave of actions in November caused the government to abandon a regulation to limit wage increases. When the government then prepared a second austerity package which boosted wages but eliminated food subsidies, the country was paralysed by power cuts, transport strikes and food shortages. Even so, the austerity



package was implemented.

Strikes in the copper mines dramatically affected international copper prices. In both July and October/November, more than two-thirds of miners downed tools. This tremendous pressure on one of Peru's most important sources of export earnings. The government responded by declaring a State of Emergency in the mining industry.

Troops were given powers to enter the mines and the copper bosses were allowed to sack miners at will. Miners' union offices were raided, and 15 of its leaders were arrested.

Political context

The political situation in Peru cannot be understood outside of the context of the armed struggle on the one hand and the death squads acting on behalf of the state on the other. The trade unions are caught in the middle.

The guerrilla group Sendero Luminoso launched its armed insurrection in 1980, seeking to emulate China's

Stop Press!

Miners' leader killed

Saul Cantoral, Secretary General of Peru's 60,000-strong miners' union FNTMMSP, and Consuelo Garcia, a worker with the miners' wives organisation Filomena, were savagely beaten and killed on the streets of the capital Lima on 15 February. The union believes the Rodrigo Franco Command death squad is responsible. 100,000 miners went on strike for the funeral.

Letters of support can be written to:

**FNTMMSP,
Giron Apurimac 463,
Oficina 301, Lima 1, Peru.**

INTERNATIONAL

communist revolution. They mainly operate in the mountains of Ayacucho in the Southeast Andes. Hostile to the trade unions, they attack them for supporting the "rotten bourgeois state".

A second group, the Tupac Amaru Revolutionary Movement (MRTA), recently re-initiated its military campaign in the jungle and cities, halting the truce they had called when Garcia came to power in 1985. During the period of truce they did build links with the trade union movement.

The state's response has been to suspend many of the basic rights guaranteed by the 1979 constitution. The right to hold street demonstrations and peaceful gatherings, the inviolability of people's homes and the right to choose where you live, have all been

removed. Around a third of Peru is under military control through the State of Emergency.

One group, all belonging to the President's APRA party, has set up a death squad, the Democratic Command Rodrigo Franco (CRF), named after a friend of President Garcia who was murdered by Sendero guerrillas. The CRF has carried out a number of attacks against trade unionists and others with no connections to the armed struggle, as well as murdering a Sendero Luminoso lawyer. They have also threatened priests and journalists, and evidence is emerging of a link with Peru's security police after the gang sent letters with details of priests' private lives.

Meanwhile, the main rightwing



85% of Peru's workforce were on general strikes last year

Photo: ILR

Peru's trade unions

In Peru, almost every factory has a trade union. These come together to form sector federations and every sector has its local federation in each region of Peru. Over two-thirds of all organised workers belong to the CGTP.

- **CGTP:** The General Workers Confederation of Peru is the largest organisation in the Peruvian labour movement, and is affiliated to the communist orientated World Federation of Trade Unions. Founded in 1929, the CGTP suffered for years in the doldrums before re-emerging as a major force in the 1970s. During the last ten years, the CGTP has grown by accepting the affiliation of powerful unions which, in the past, were barred due to disputes between the left parties to which the different leaders belonged. The largest groups of workers in the CGTP are teachers, miners, bank employees and building, textile and print workers.
- **CTP:** The Workers Council of Peru is linked directly to APRA, the party presently in power. Founded in 1944, it has tended to side with rightwing forces in the party, and one view is that its present state of disarray can be traced back to international links with the US union centre, AFL-CIO, and its Free Trade Union Institute. Though its membership is in decline, groups of workers still belonging to the CTP include dockers, textile workers and mini-bus owners. Some of these have participated in general strikes in Peru as members of the CTP's critical tendency, which has emerged as some union members have become disillusioned with the Garcia government.
- **CCP:** Founded in 1947, this is the larger of the two main peasant federations. It has a long history of militant action, including strikes and land invasions, and tends to bring together the most radical elements among peasants and landless agricultural workers. The guerrilla group Sendero Luminoso's leadership includes members of a small faction that split from the CCP in the 1970s.
- **CNA:** This was founded in 1971, following the 1969 land reform. Its members are mainly cooperatives and they have helped lead a number of land strikes. ☆

parties, now organised in the Democratic Front (FREDEMO), are trying to clean up their image, while making much of anti-communist propaganda. The military, for its part, has been exploring Washington's reaction to a possible coup.

People's assembly

The leftwing political parties remain divided by internal disputes, despite the trappings of a united front in the 'United Left' (IU) alliance. However, since late 1987 the extra-parliamentary movement has been well organised. Then the main Peruvian unions, led by the CGTP

confederation, joined up with others to form the People's National Assembly (ANP). The ANP brought together unions, tenants associations, grass-roots organisations, and leftwing political parties. The Assembly is described as the biggest gathering of popular organisations ever in Peru.

The ANP's 'Platform of the Peruvian People', reflects considerable labour movement input, calling for a "new economic policy that, by expropriating the imperialist monopolies, would guarantee the peoples' well-being, national sovereignty and regional development." ☆

Peru's economy in 1988

- Inflation: 1800%
- Workers' Purchasing power : Dropped 70% in the last 4 months of 1988
- Foreign Debt: US\$14,000 million
- Foreign Reserves: US\$60 million

A majority of Peruvians live below subsistence level. A diet of bread, a cup of tea and heavily diluted soup, is typical for many living in Lima, the capital. While they go hungry, in November 50 ships laden with milk and lamb from New Zealand, wheat and soya from the USA and other foods stood anchored off the coast, awaiting payment before delivery.

President Garcia has been unable to

keep his promise to the Peruvian people to limit the drain on the country caused by debt interest repayments to the International Monetary Fund and multinational banks. On coming to power, he promised to limit debt repayments to only 10% of Peru's export earnings, but the figure now stands at 36%. At the present level of foreign reserves, there is only enough to run the country for a month. ☆

Spain - workers unite against 'Socialist' government

Two-thirds of Spain's workforce joined last December's general strike. As KEVIN BRUTON reports, the protest forged a rare unity between Spain's unions and marked an historic split between the UGT and the Socialist government.*

Spaniards knew that the general strike on 14 December last year was for real when the Footballers' Union joined in, with star striker Butragueno declaring, "We are workers too and we are expressing our solidarity with Spain's workforce".

The national one day stoppage - Spain's first general strike for more than 50 years - was monumentally successful. About six million people, two-thirds of the working population, responded to strike calls from the socialist trade union, UGT, and the communist-oriented Workers' Commissions (CCOO).

Spain's major cities were paralysed as all who could stop work did so. The state television network was closed, newspapers were not printed and transport services, including international flights, were shutdown. In city centres only major department stores were open for business, provoking clashes between pickets and police which led to about 50 arrests.

Yet in most cities the atmosphere was calm, partly because the police union, though unable to join the work stoppage, expressed its "understanding and solidarity" with the strikers. By the end of the day, the

* Edited and reprinted from *International Labour Reports*

two trade union giants had succeeded in their objective of isolating Felipe Gonzalez' Socialist government. [Spain's Socialist Party (PSOE), does not follow socialist policies as we would understand them in South Africa. It is more accurately described as a social-democratic party, with policies similar to the French Socialist Party or the British Labour Party. In general these parties support "welfare capitalism", which aims to redistribute some of the profits of capitalism to meet the social needs of workers - Editor].

The general strike represents "a definitive break" between the UGT and its sister-party, the ruling PSOE. UGT leader Nicolas Redondo declares that "it will take a miracle for the UGT to support the PSOE in the next election. In six years the government has only listened to employers."

"Jungle law"

The spark for December's general strike was the government's Youth Employment Plan. The plan would allocate £15,000 million to firms to employ unemployed workers below the age of 25. These young workers would be employed on short-term contracts at the minimum wage level. The UGT describes the plan as, "the worst attack on workers since the Franco era", because it would undermine union members who have won wages above the legal minimum. The UGT argues that the plan breaks the principle enshrined in the Spanish constitution of equal wages for equal

work.

The UGT claims that the plan will not solve Spain's problem of long-term unemployment which, at 20% is the worst in the Western world. In the



last two years, Redondo states, only 18% of the jobs in Spain's expanding textile industry were permanent and over 30% of production is in the hidden economy. The labour market, he argues, has become "the law of the jungle".

Young workers in Spain form a reserve army of unemployed for a huge informal economy. Of every two people employed in Spain, one is between the ages of 16 and 25. There are 1,400,000 without work in this age group. Over 800,000 of them have never had a job.

The conflict over the Youth Employment Plan is the culmination of a split between the UGT and the ruling PSOE which has been brewing for a long time. The Economic and Social Accord - an agreement between the

government, the employer's organisation and the UGT - came to an end on 31 December 1986. Since then the UGT has been in bitter conflict with the government. No agreement has been reached on a new accord. The UGT opposed Gonzalez' decision to keep Spain within the western defence alliance (NATO). The UGT pointed out that the PSOE had made election promises to withdraw from NATO. UGT MPs voted against the government over pensions legislation and, finally, Nicolas Redondo resigned his parliamentary seat in protest against the 1988 budget. A fierce struggle then developed in the UGT which has seen the expulsion of regional leaders who are close to the PSOE.

Fair shares

A recent UGT report on the economic and social situation in Spain from 1977 to 1987 spends 300 pages condemning the government for a "monetarist and fiscal policy more conservative than Helmut Kohl or Margaret Thatcher". The report describes the shrinking wages and living standards of Spanish workers, and lower social security provisions for the unemployed. The report also describes the massive sell-off of Spanish companies to foreign multinationals, and the deterioration in major public services. The report concludes that the PSOE government favours the private sector and employers. It points out that the rate of increase in Spain's gross domestic product (GDP) is the fastest in the European Community,

(5.2% last year), but the Socialist government has manifestly failed to redistribute the fruits of Spain's economic growth from the rich to the poor.

In contrast to the unions, the Spanish Employer's Confederation (CCEOE), gives enthusiastic support to the government. Its President, Jose Maria Cuevas, declares that the government "should continue to fight inflation, improve firm's competitiveness and bring more flexibility into the labour market". This is clear evidence that the Socialist government's policies are more favourable to employers than to the working class.

Following the success of the general strike the UGT and CCOO agreed to meet Prime Minister, Felipe Gonzalez, only if his government met five conditions. These are: scrapping the Youth Employment Plan; compensating public employees and pensioners for their 2% drop in real earnings in 1988; increasing to 48% the number of jobless entitled to unemployment pay; recognising public sector employees' right to collective bargaining, and bringing the minimum pension into line with the minimum wage.

Besides these demands, the unions propose a range of social and economic measures to redistribute wealth, protect employees, and expand trade union rights and participation in the management of industry. The unions argue that when the Spanish companies made low profits in the early 1980s the workforce tightened their belts to boost profitability. Now that



Spanish workers demonstrating during the general strike

Photo: ILR

profits are higher, they argue, the workers deserve their share.

The government isolated

It is not only the trade unions that are disillusioned with the government. There is widespread public condemnation of the luxurious lifestyle enjoyed by many top Socialists and the fantastic salaries government appointees receive when they join the private sector. For the government to urge moderation on workers appears increasingly hypocritical to many Spaniards. In a recent opinion poll 41% of Spaniards did not believe that the PSOE was the party which best defends working class interests.

On the day of the general strike the leading Spanish weekly 'Cambio

16' commented, "Parliament offers a grotesque image of divorce from national reality, behaving as if all were normal. It's symptomatic that only a few MPs from minor parties on the left expressed the feelings of millions of citizens." In recent months Gonzalez has isolated himself in the Prime Ministerial residence, leaving only for foreign trips and never replying in Parliament to opposition criticism. His reaction to the trade union challenge is to threaten an early general election, 18 months before time, if the unions do not come to the negotiating table without prior conditions.

Such an election would be the death knell for UGT-PSOE relations. The Socialist Party's campaign would have to include a strong anti-union stance and those UGT leaders curren-

tly in Parliament under PSOE colours would be prevented from standing as PSOE candidates. Furthermore the Spanish Communist Party, encouraged by the CCOO, might well offer Redondo and other UGT leaders the opportunity of standing for parliament as independents under the communist banner. A loss of only 600,000 votes would mean the PSOE losing its parliamentary majority.

Rumours are rife that Gonzalez is tired, fed up and might retire early to lead the Party rather than the government. Although the PSOE is outwardly presenting a united image, internal criticisms are mounting, largely from the Party's tiny leftwing. The only public response has been to call on PSOE leaders to clean up their image and to instigate a mini policy review known as 'Programme 2000'.

Partners

What, though, are the implications for Spain's trade unions? It is clear the UGT and CCOO have no intention of letting up the pressure on the government. The two federations are discussing a second general strike for March in advance of the elections for the European Community Parliament. The mobilisation of nationwide opposition to the government throughout December, which culminated in a 100,000 strong demonstration in Madrid, could be renewed.

Most importantly, the general strike saw the greatest cooperation yet between the UGT and CCOO, both anxious to strengthen the trade union

movement against government and employers. This is no easy task in an economy based largely on hundreds of thousands of small companies and where trade union membership is now less than 25% of the working population. As one UGT leader comments, "With such low membership, the unions are left out of the major economic decisions made in Spain. Most of the government's plans for the economy we learn about through the newspapers!"

The success of the general strike has catapulted the new 36 year old leader of the CCOO, Antonio Gutierrez, into national prominence. Most observers believe that the CCOO have gained most from a strike they could not have staged without the UGT. Gutierrez is bent on sustaining and strengthening co-operation between the CCOO and UGT to exert pressure on the government and to boost support for the Communist Party at the PSOE's expense. Gutierrez was recruited at the age of 16 to the Communist Party, which paid for his university education. He built his reputation in a succession of legendary marathon strikes at Michelin and other companies in the Valladolid area.

His tenuous partnership with the veteran UGT leader Nicolas Redondo may give the trade union movement in Spain a unique opportunity to build its strength and membership. The unions will succeed in this if they continue to campaign for the PSOE government to heed the demands of workers and the unemployed, and honour its election promises. ☆

Legal Notes

Legal Notes is written by the Centre for Applied Legal Studies (CALs)

Strikes under the new Labour Relations Act

Part three of a worker's guide to the Labour Relations Act

The next series of legal notes will look at the question of industrial action under the new labour law. In this issue of *Labour Bulletin* we describe how the Labour Relations Act (LRA) defines a strike. Different types of strike-actions are covered. In the next edition we will look at legal strikes and illegal strikes, and the consequences of an illegal strike. In the third part of the series on industrial action, we will look at what the new labour law says about fairness in strikes.

Definition of a strike in the LRA

Whereas the procedure for going on a strike have been drastically al-

tered by the 1988 Amendments, and while the Amendments seek to ban certain kinds of strikes, the actual definition of a strike has not been changed by the Amendments. The definition of a strike thus remains so wide as to cover virtually every form of action associated with industrial disputes.

Three requirements must be satisfied before any industrial action can be classified as a strike. There must be:

- a withdrawal of labour by a number of workers,
- in combination with each other,
- in pursuit of an industrial demand.

What does all this mean?

1) Withdrawal of labour

The normal strike happens when the whole workforce stops work or all the workers in a particular section of the plant, or all the members of a particular union with which the employer is in dispute, stop work. It is usually easy to recognise that this general withdrawal of labour is a strike as defined in the LRA. But what about those actions which workers have over the years designed and developed in order to pressurise employers where they are most vulnerable? Such actions include overtime bans, work-to-rule, partial strikes, go-slows and intermittent strikes. Do these actions qualify as strikes in terms of the LRA?

a) Overtime bans

A refusal by workers to work overtime is called an overtime ban. Whether or not an overtime ban is defined as a strike by LRA will depend on the terms of the employment contract of the individual employees. If the contract states that a worker must work a specified number of hours overtime per week, then a refusal to work overtime does amount to a strike. However, if the contract does not state that the worker must work overtime, the issue is more difficult. First of all the law does not cover this situation; different courts have made different decisions on this question. The Supreme Court in the Eastern Cape and Durban, as well as the Industrial Court, have held that if workers

do refuse to work voluntary overtime (i.e. overtime which is not in the contract) they are indeed taking strike action as defined in the LRA. On the other hand the Supreme Court in the Witwatersrand and a judge in the Supreme Court in Durban, have found that the refusal to perform voluntary overtime is not a strike.

Despite the uncertainty, however several points are clear:

1) If the workers have normally and habitually worked overtime so that it is normal practice, then even if it is voluntary overtime, an overtime ban is classified as a strike.

2) If workers refuse to work overtime in a plant where overtime is not normally worked, and if they do not accompany the action with an industrial demand, then the action is not classified as a strike.

3) If workers refuse to continue to perform overtime which is illegal, either in terms of section 8 of the Basic Conditions of Employment Act, or in terms of a relevant Wage Determination or Industrial Council Agreement, then their action is not a strike. The fact that in the past the workers might have worked overtime as part of the normal practice does not help the employer. It is illegal for the employer to demand, allow or force workers to work overtime in excess of the maximum hours laid down by law.

b) Work-to-rule

Work-to-rule happens when workers perform their jobs strictly in accordance with the terms of their em-



Strike at CNA - what does it mean under the LRA

Photo: Cedric Nunn/Afrapix

ployment contracts. They do no more than their contracts specify. This type of concerted action, if it is not coupled with an industrial demand, is not a strike. The truth is, workers may indeed refuse to do more than what they are contractually required to do. But if the work-to-rule is in pursuit of an industrial demand, and if in effect a work-to-rule amounts to an "obstruction of work" or "the retardation ... of the progress of work", then it may be classified as a strike.

Whether a work-to-rule is classified as a strike or not, may be very important to workers in the essential services. In this sector if a work-to-rule amounts to a strike, it may not only be interdicted pending the outcome of the procedure laid down in the LRA, but may be outrightly illegal.

c) Partial and intermittent strikes

A partial strike normally involves a complete but temporary withdrawal of labour. The withdrawal of labour may either involve the whole of the workforce, or all of the union members, or only a portion of the workforce. Intermittent strikes are also sometimes called grasshopper or rollover strikes. An intermittent strike involves a series of work stoppages one after the other, either by the same group of workers going out more than once, or by different groups of workers going out one after the other over the same issue. In a "go-slow" workers simply work slower than normal, thereby causing production to drop. Go slows have been specifically ca-

tered for in the definition of a strike under "retardation ... of the progress of work".

Unions often resort to these types of industrial action in order to protect their members from employer counter-action, and to retain claim to at least some wages. These actions are clearly defined as strikes. Different legal

questions may arise as to whether such tactics are fair or not. We will deal with this in a later *Labour Bulletin*.

2) Combined action

A single employee cannot go on strike. The definition refers to action

How the LRA defines "strike"

A "strike" is defined in section 1 of the Act as follows:

"strike" means any one or more of the following acts or omissions by any body or number of persons who are or have been employed either by the same employer or by different employers -

a) the refusal or failure by them to continue to work (whether the discontinuance is complete or partial) or to resume their work or to accept re-employment or to comply with the terms or conditions of employment applicable to them, or the retardation by

them of the progress of work; or

b) the breach or termination by them of their contracts of employment, if -

i) that refusal, failure, retardation, obstruction, breach of termination is in pursuance of any combination, agreement or understanding between them, whether expressed or not; and

ii) the purpose of that refusal, failure, retardation, obstruction, breach of termination is to induce or compel any person by whom they or any other person who are or have been employed -

aa) to agree to

or to comply with any demands or proposals concerning terms and conditions of employment or other matters by or on behalf of them or any of them or any other person who are or have been employed; or

bb) to refrain from giving effect to any intention to change terms or conditions of employment, or if such a change has been made, to restore the terms or conditions to those which existed before the change was made; or

cc) to employ or to suspend or terminate the employment of any person.

LEGAL NOTES

taken by "any body or number of persons". The action can only be defined as a strike when there is a combination,* agreement or understanding "between them" i.e. the employees. This means that there must be a common understanding between the workers:

(1) that they are taking industrial action

(2) that the industrial action is in pursuit of a particular industrial demand.

Thus, if a body of employees stops work to force an industrial demand, but they do not do this as a result of a common understanding between them, but because of an order issued by a third party, it would seem that no strike takes place.

3) Industrial demand

In order for withdrawal of labour to constitute a strike, it must be done with the purpose of pursuing or forcing an employer to comply with an industrial demand. If for example, a trade union wishes to gain May Day each year as a paid holiday for its members, a withdrawal of labour in support of the May Day demand would clearly be defined as a strike. On the other hand, if the union concerned simply advises its members not to work on that day but to attend a rally, no strike would take place because of the lack of an associated demand.

In terms of the definition in the

LRA it is possible for workers to strike in support of a demand addressed by themselves:

(1) to their own employer

(2) if dismissed, to their ex-employer,

(3) to an employer other than their own,

(4) to an employer who has employed, but since dismissed, other workers.

The demand must be an industrial one. That is to say, it must concern the terms and conditions of the employment relationship. These include changes to terms and conditions of employment, suspensions, terminations, etc.

Conclusion

Strikes may be legal or illegal. In any event, a strike occurs only after one party to the dispute refuses to negotiate, or where negotiation has taken place and the parties were not able to resolve the dispute between them. In order for industrial action to be lawful, it is necessary for a union to comply with the various steps set out in "The New Conciliation Procedure" (see previous issue of *Labour Bulletin*). If the conciliation procedure fails, the union may within 30 days ballot the workforce, and go out on strike. Tactical considerations will typically decide the type of strike i.e. whether it is going to be partial, intermittent, go-slow, overtime ban, work-to-rule, or full scale strike. ☆

* The word "combination" as used here means conspiracy: thus it has the same meaning as the words "agreement" or "understanding".

Economic Notes

Economic Notes is written by Labour Research Services (LRS), Cape Town

Productivity in practice : a case study

Vaal Reefs is the largest gold mine in the world and is owned by Anglo American. Internal company documents from the company show how management tries to raise productivity by dismissing workers.

One of these documents lists the "planned objectives" of the West Division of the mine. These include:

"2. To increase the profitability of the West Division by:

2.1 Reducing and maintaining costs to 1% below the CPI (inflation rate).

2.2 Reducing ancillary labour by about 50 per year for the next 5 years..."

Staff reduction was to be obtained by "accelerating a



productivity programme to improve the utilisation of all labour.

"By rationalising work practices, improving the measurement and setting of work standards, improving the design and layout of working."

The detailed plan for the reduction in the labour force (Productivity/cost reduction programmes No.4) has a column headed "Savings per annum". In this column the following appear:

Savings per annum

Shaft security	3 blacks	R 14,500
Timberyard	15 blacks	R 72,000
Fire patrols	9 blacks	R 43,000
Chair lifts	9 blacks	R 43,000
Water reticulation	6 blacks	R 29,000
First aid	8 blacks	R 38,000
Ore transport	30 blacks	R 165,000
Total 1984	35 blacks	R 167,500
1985	15 blacks	R 122,000
1986	30 blacks	R1,950,000

These savings were to be obtained by various methods, including:

- obtaining exemption from the Inspector of Machinery
- installation of micro-computer
- electronic system installation

Vaal Reef's West Division is gradually running out of gold.

Consequently, there will be a reduction in employment from 11,860 workers in 1986, to 8,350 in 1995. Higher productivity, however, will be the cause of many of the job losses. The result is expected to be an increase in worker productivity of more than 7% in terms of gold produced per worker.

Another method of reducing costs, used in the East Division of the mine, was to sub-contract some of the work to a private company. Thus, cleaning was sub-contracted to a small company called Prestige Cleaning Services. Vaal Reefs estimated that they would save R5,840 per month by sub-contracting the work. But 38 Vaal Reefs workers would lose their jobs.

The company also used the strike in July 1987 to justify further "re-trenchments".

One document says that there were a "total of 187 jobs lost after the strike as a result of re-structuring of the East Plants..."

Another documents says:

"The labour strike during August 1987 was beneficial to plant management in so far as having a vastly reduced labour force to effectively maintain all operations on the plants prompted everybody to work 'smarter and not harder'.

"Consequently, a number of areas were identified where, with small changes to responsibility areas, labour savings were possible... Plant labour was reduced after the strike.

"By restructuring certain jobs, fewer people are needed provided that complements are kept on strength at all time."

Management seem to be using productivity not only to reduce costs, but also to "punish" the union for taking strike action! ☆

Cargo Carriers - Company profile

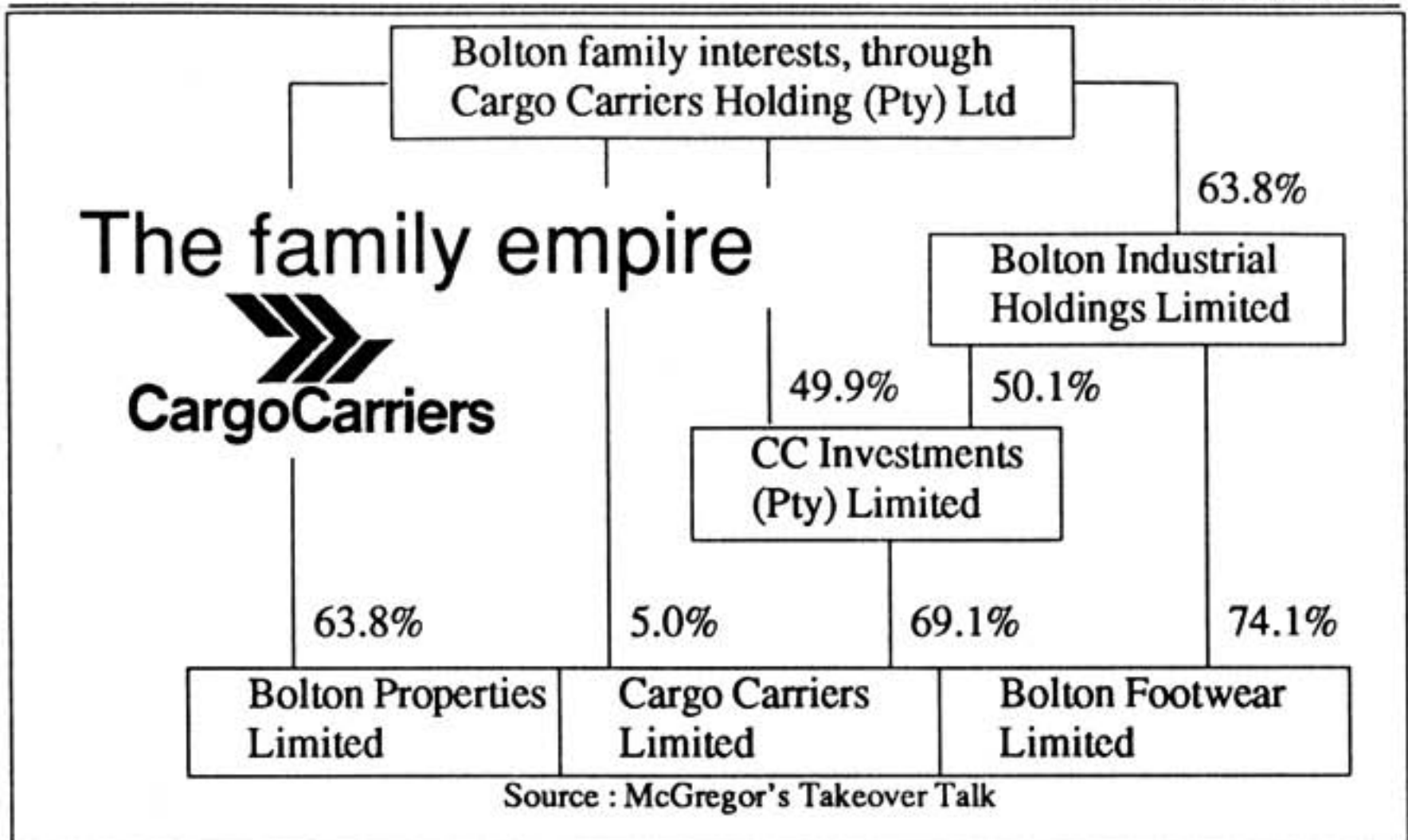
Cargo Carriers started in 1956 with one Mercedes-Benz rig. Now, over thirty years later, it is the largest private transport operation in the southern hemisphere.

Nearly 85% of its fleet of 2,500 trucks are Mercedes-Benz models and it is said that Cargo is one of Mercedes-Benz's biggest non-government customers in the world.

Cargo Carriers' trucks drive five-and-a-half times round the world every day, delivering 14 million tons of freight in a year and operating from 30 branches throughout South Africa.

Cargo is owned by the Bolton family whose personal wealth stands at over R50 million.

Following the death of Desmond Bolton in 1988, there were rumours that the Bolton family were planning to sell Cargo. These rumours have so



far come to nothing.

Cargo is not the only large company which the Bolton family control. They also have interests in Bolton Footwear and Bolton Properties.

Cargo Carriers is not only concerned with road transport. It is also looking at other means of transport, such as pipelines, overhead cable ways and conveyors.

The possibility of building a pipeline between Johannesburg and Pretoria is also being considered. This pipeline could be used to transport

semi-liquid as well as dry substances.

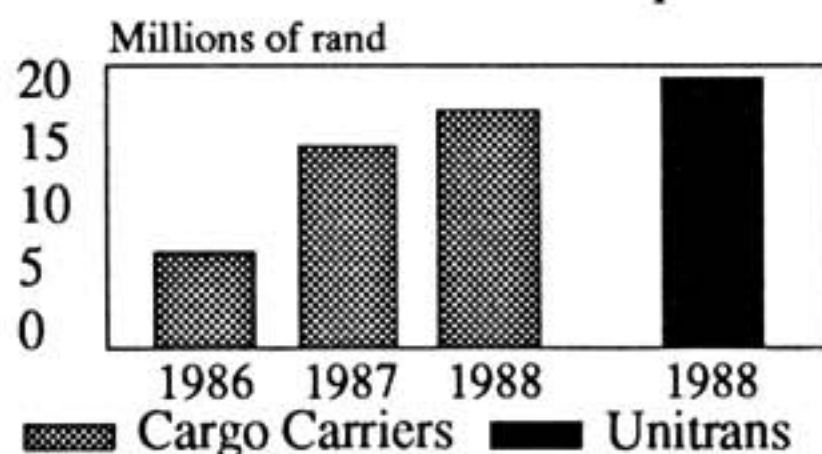
Despite intense competition in the private road transport industry, Cargo Carriers' profits have grown considerably over the past few years. Nevertheless its major competitor, Unitrans, has managed to overtake Cargo in the profit race.

A recent review of wages by the Labour Research Service shows that transport companies pay very low wages. The average wage for transport labourers is R98.76 per week, well below the overall average of R120.66 per week.

At several of its depots Cargo Carriers pays well below both of these figures. The Pongola depot currently pays a miserable R47.65 per week.

Perhaps this is how Cargo manages to maintain such high profit levels. ☆

Cargo's profits rise but fall behind Unitrans 1988 profits



Labour Research Service

InflationConsumer Price
Index
(1985=100)Annual rate
of inflation
(% increase
over 1 year)

Area	Jan 1988	Jan 88 - Jan 89
Cape Town	166.3	13.4%
Port Elizabeth	169.4	13.8%
East London	163.1	13.3%
Durban	158.1	12.4%
Pietermaritzburg	162.7	13.1%
Witwatersrand	168.0	13.5%
Vaal Triangle	164.1	11.9%
Pretoria	175.1	14.1%
Klerksdorp	175.9	15.1%
Bloemfontein	154.4	10.9%
OFS Goldfields	167.2	11.9%
Kimberley	161.5	11.6%
South Africa	166.8	13.3%

Source: Central Statistical Services

InflationConsumer Price
Index
(1985=100)Annual rate
of inflation
(% increase
over 1 year)

Area	Feb 1989	Feb 88 - Feb 89
Cape Town	167.9	13.8%
Port Elizabeth	171.9	14.5%
East London	164.3	13.6%
Durban	160.2	13.1%
Pietermaritzburg	164.5	13.8%
Witwatersrand	169.0	13.4%
Vaal Triangle	165.3	12.4%
Pretoria	177.3	14.5%
Klerksdorp	177.1	14.1%
Bloemfontein	156.5	12.4%
OFS Goldfields	168.3	11.0%
Kimberley	162.9	12.0%
South Africa	168.2	13.5%

Source: Central Statistical Services

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Institutions	R100.00	\$ 85.00/£ 50.00	\$ 90.00
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South African Labour Bulletin Publication Guidelines

The South African Labour Bulletin is a journal which supports the democratic labour movement in South Africa. It is a forum for analysing, debating and recording the aims and activities of this movement. To this end, it requires contributors to the Bulletin to conform to the following publication guidelines:

1 Constructive criticism of unions or federations is welcome. However, articles with unwarranted attacks or of a sectarian nature which have a divisive effect on the labour movement will not be published.

2 Contributions to the Bulletin must not exceed the following lengths:

- *analytical articles* 8000 words
- *debate, reviews, documents, reports* 5000 words
- *briefings* 1000 words

3 *Articles* should be submitted in a final and correct form and in duplicate. Some articles may be refereed where necessary; all articles may be edited by the Bulletin. In the event of the editors deciding that other than minor editing changes are required, the article will be referred back to the author.

4 *Briefings* should cover topical events and developments of concern

to the democratic labour movement. They should be easy to understand and keep footnotes and references to a minimum.

5 *Debate, reviews, reports and documents* are intended:

- to make important statements and information from the labour movement more widely available;
- for reviewing new literature or other material of relevance to labour;
- to make more in-depth reports and research available to readers;
- to allow for debate on important contemporary issues.

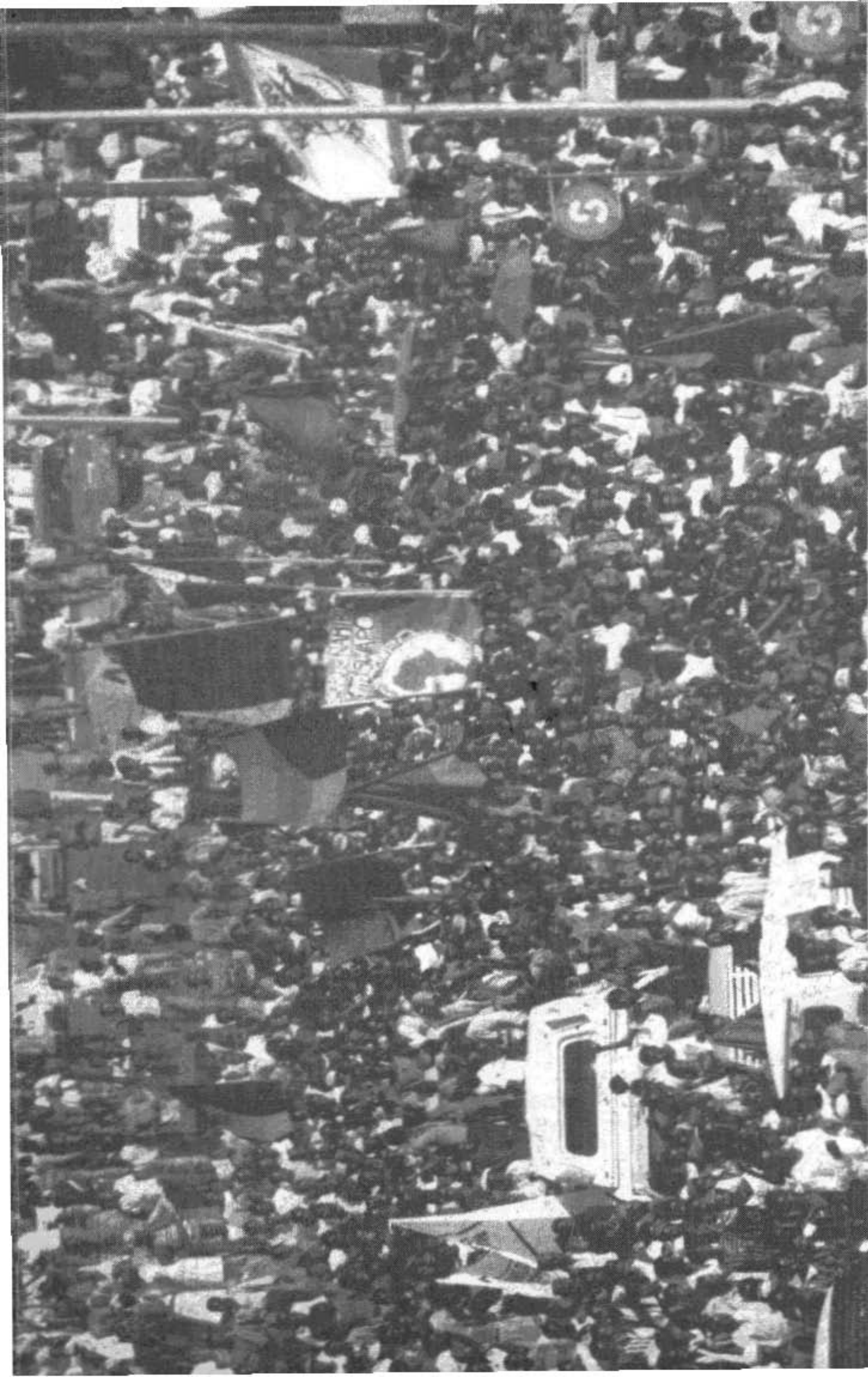
6 Contributions should be written in clear, understandable language.

7 Contributions to the Bulletin must be typed and, where applicable, include proper footnoting and references.

8 Except in the case of public documents, all material submitted will be treated in confidence.

9 The editors reserve the right to recommend to the author of any material that it be placed under another category to that under which it was submitted.

**For more details, please
contact the editor.**



Thousands of Namibian workers march towards Windhoek on April 1 to protest privatisation

Photo: John Liebenberg/Afrapix