

A new **constitution,** *a* **Bill of Rights:** *protecting* **democracy** *or protecting* **privilege?**

Both the NP and the liberation movement are now committed to the idea of a bill of fundamental rights enforced by court. But they have very different motives. FIROZ CACHALIA* discusses the issues.



Firoz Cachalia

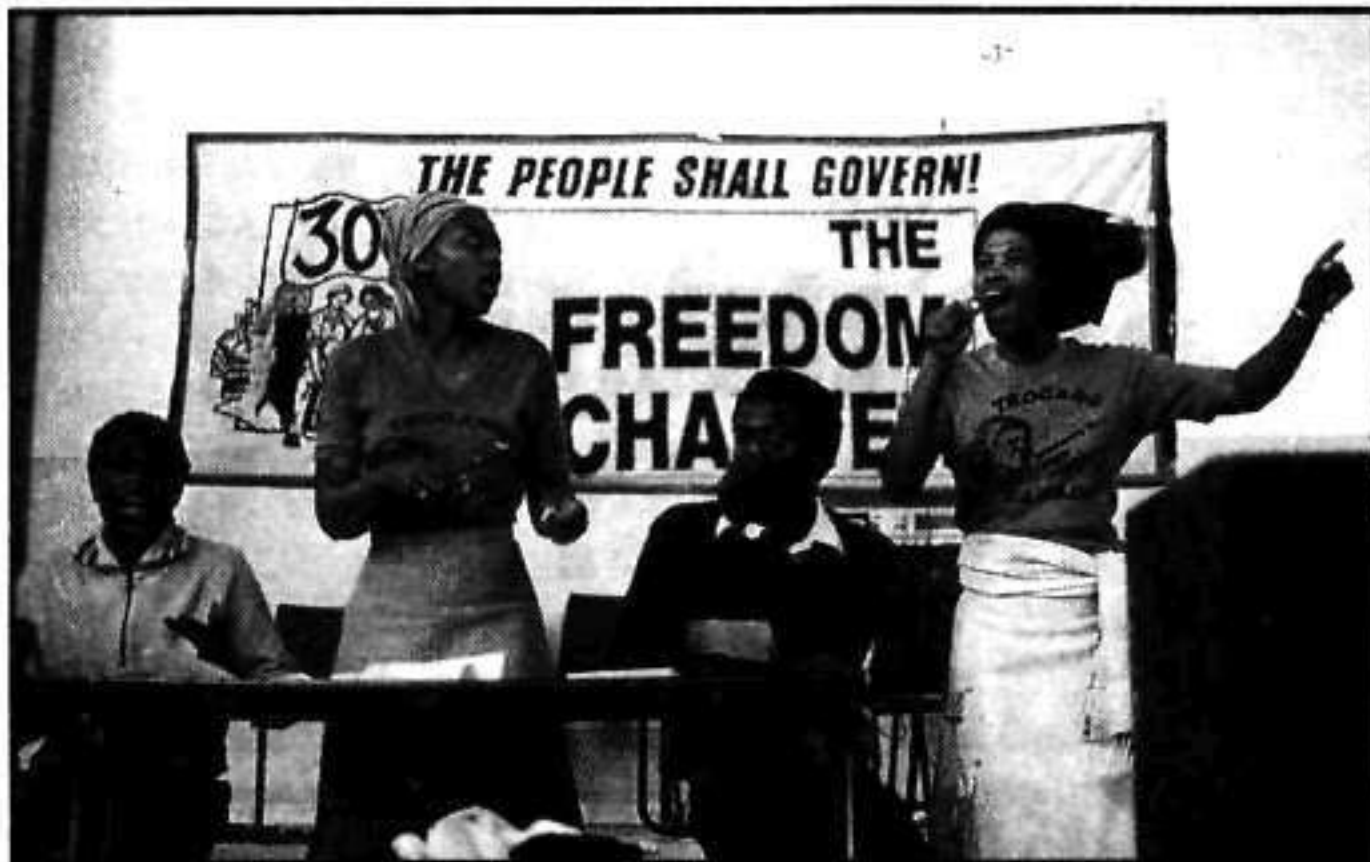
Photo: William Matlala

The National Party has abandoned plans to entrench racial classification, white power and privilege through racial vetoes and 'group rights'. It has now, to a large extent, adopted a 'colour blind' constitutionalist (see below) perspective, which will involve the extension of citizenship

rights to all South Africans. But of course, while this in itself will result in a thorough reform of social relationships, it does not mean that the NP has abandoned all attempts to preserve and expand their ill-begotten gains. The NP remains committed to protecting and preserving exploitative social relationships and 'private' class-power. It is interested in conservative constitutionalism mainly because constitutionalism limits state power and the decision-making authority of parliamentary majorities. It is not surprising that a party which no longer expects to control parliament, should suddenly become committed to limiting the power of parliament by means of fundamental constitutional rights.

The liberation movement is also approaching constitutional options from a constitutionalist perspective. It hopes thereby to establish stable institutions and a framework within which the domination, subordination and oppression inherited from the past can be

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The old days: fighting for people's power

Photo: Paul Weinberg

representative government responsible and accountable to the people through universal adult suffrage and regular elections.

- It might fragment governmental authority through a system of separation of powers, checks and balances. For example, laws may have to pass through two houses, such as House of Assembly and Senate;

there may be a division of power between an elected congress and an elected president. Governmental authority might be further fragmented through a territorial division of powers (regionalism/federalism).

dismantled. Whether these objectives can be advanced will depend in part on which rights are contained in the Bill of Rights, and which rights are excluded from it. It will also depend on how the government is structured. For example, will there be a "power-sharing" executive as opposed to a presidential or parliamentary executive? What will be the composition and powers of an upper house? What kind of electoral system will be used? Which government body will have the power to collect taxes?

What is constitutionalism?

Constitutionalism is the view that democratic government should be based on constitutional rights. These rights are not merely declared; they are inscribed in a Bill of Rights and enforced by the courts. The courts have the power to review the decisions of the legislature (parliament) and the executive (president or prime minister and cabinet) and declare them unconstitutional and therefore invalid. A constitution reflecting constitutionalism will also usually have the following elements:

- It will affirm the sovereignty of the people, but at the same time declare the constitution fundamental. It thus establishes a tension between popular government and constitutional rule.
- It will prescribe a blueprint for

Constitutionalism and national liberation

Modern constitutions almost always incorporate a clause giving expression to the principle of equal liberty. Equal liberty affirms that each individual is entitled to dignity and respect as a member of a political community. Equal liberty also upholds the principle of majority rule, since it states that each individual has an equal share of decision-making authority.

Equal citizenship is at the heart of the politics of the liberation movement. In the words of Jack Simon: "The national liberation movement demands equality; equality means, in the first place, equality in law; that is the removal of all statutory and public forms of racial discrimination; in short, of the colour bar."

But legal equality does not guarantee social equality. The principle of equal citizenship, and the rights implicit in equal citizenship (the right to vote, associate, organise, receive and impart information) guarantees opportunities for everyone, but it does not guarantee specific outcomes. For example, equal citizenship

guarantees the political rights of socialists, but does not guarantee that society will choose socialist policies. Certain structural features of constitutionalist constitutions furthermore, tend to place limits on the pace and scope of social transformation by requiring a broad base of support in different constituencies.



The new days: seeking constitutional agreement at CODESA

Photo: Shariff

Limits to the pace and scope of transformation

These structural features of constitutionalism which tend to limit the pace and scope of transformation are the following:

● **Fragmentation of government power**
Constitutionalism separates the executive (president or prime ministers and cabinet), the legislature (parliament or congress) and judiciary (the courts), and institutionalises a system of checks and balances. Power may also be divided on a territorial basis (regionalism/federalism). This system of separation and division of power promotes access to government by a diversity of political forces because it becomes possible for different political coalitions to control different institutions. It therefore encourages antagonistic political forces to act within the new democratic institutions, and in this way it serves to consolidate democracy.

But this separation and division of power also makes it difficult for a single political organisation or front with a national popular majority to win sufficient control over the organs of government, over a sufficiently long period, to effect radical change (for example, in the US, Reagan and Bush were Republican presidents while the Democrats had a majority in congress - so both parties were forced to

compromise). This is especially so if elections at different levels of government take place at different times, fragmenting the potential mobilising effect of a single set of national elections. So the separation and division of powers encourages compromise, and institutionalises consensus politics and incremental change, rather than rapid, coercive social change.

● **Public authority and private rights**
Constitutionalism creates a protected zone of individual liberty and private right, within which public authority may not intrude. This distinction has important benefits. It de-politicises potentially divisive differences, ethnic and religious ones for instance, by the promise of state neutrality and non-interference. It also protects the important value of individual autonomy.

But the protection of private rights has also been vigorously criticised, particularly in feminist literature, because it appears to place patriarchy and private class power beyond public control. It can also protect the power accumulated by racial groups, such as whites in SA, from state interference.

This potential has not been lost on the South African government's constitution-makers. The South African Law Commission for instance, has suggested a constitutional provision to outlaw any legislation which tries

to ban racial discrimination in "private". This would allow sports clubs, schools, churches and other organisations to continue to practice race discrimination.

The scope of the distinction between public and private is a key area of contest in the constitution-making process.

● **Amendment**

Constitutionalist constitutions usually prescribe complicated procedures for changes to the constitution itself. These usually require more than a simple 50% majority. Such amendment rules limit the ability of temporary or small majorities to change the constitution. They also contribute to the establishment of stable political institutions which permit long-term planning. 'Constitutionalist Revolutions' are therefore self-limiting. They are designed to achieve both change and stability. They may be contrasted with Permanent Revolutions, which 'drive' change through a revolutionary monopoly of power in the state and mass organisations.

● **Judicial review**

The idea that constitutional rights should be enforced by independent courts with the power to review, is central to constitutionalism. The effect of this is to transfer ultimate decision-making authority on matters contained in the constitution from a democratically accountable body such as parliament, to unaccountable judges. The content of a future Bill of Rights and the procedures for the selection of judges, have thus become sharply contested issues in the negotiations process.

It should be clear that there is a tension, perhaps an unavoidable one, between the concept of popular rule and constitutional government. To what degree is it legitimate to replace the decisions of democratically accountable legislatures with decisions made by courts?

There appears to be agreement that at least the first generation of rights – franchise rights, free speech, association rights and so on – should be enshrined in the constitution. It can be argued that since these rights are essential to the democratic process, the judicial protection

of these rights is consistent with democracy, rather than in conflict with it. No parliament, so the argument goes, should have the power to abolish democracy.

But the incorporation of a property clause, second and third generation rights and labour rights are much more controversial.

Controversial rights

Property

The incorporation of a clause guaranteeing private ownership of productive property in a Bill of Rights could be seen as inconsistent with democracy because it prescribes a particular economic system. Matters of economic structure and policy ought to be left to democratically elected legislatures. Incorporating a property clause could influence the interpretation of legislation over a wide field. It could make it difficult for the state to interfere with the right of property-holders, for example, by passing laws imposing the duty to protect the environment, or establishing rent control or minimum working conditions.

It could, however, be argued that including such a clause is necessary to persuade property holders who fear the seizure of their property, to accept majority rule.

If such a clause is included in the constitution, it would have to be carefully worded to ensure that a future government is able to address the violation of property rights under apartheid, undertake land reform programmes and enforce obligations on property holders.

Second and third generation rights

'Left Constitutionals', committed to overcoming the limitations of classical liberalism, want to see second and third generation rights in a Bill of Rights (rights to housing, health care, nutrition and so on). Some liberal lawyers oppose such proposals, saying they involve the allocation of substantial resources and are not enforceable by the courts. Others argue that second and third generation rights should be included as 'Directives of State Policy'. The courts will



Constitutional rights: a tension between the sovereignty of parliament and the authority of the courts

Photo: William Matlala

This is because all constitutional decisions have to be justified in terms of existing constitutional clauses. On the other hand, can it not be argued that the current constitution-making process provides us with a unique opportunity to move the entire society, and its principle institutions, in the direction of the collective welfare?

Labour rights

The same issues arise in respect of labour rights. Again, the two sides in negotiations have made conflicting proposals. The ANC's draft proposals contain a long list of "worker rights". The South African Law Commission's proposal on the other hand, contain many unheard of "employer rights", including the right to own productive assets, run business enterprises, make a profit, and lock workers out. There is a strong argument in favour of resolving employer/employee disputes through collective bargaining and

industrial democracy rather than through taking grievances to the constitutional court.

Conclusion

The adoption of a new democratic constitution which establishes the equality and rights of every citizen, represents the fulfilment of the main objective of the liberation movement – the establishment of one South African nation. But it remains an open question whether establishing fundamental constitutional rights will contribute to agendas to achieve substantive equality or undermine them. One way the struggle between different visions and different social forces will express itself in the future will be over the interpretation of the role of the constitution and constitutional rights in our society. ☆

then use these Directives to interpret the Bill of Rights. This is the solution adopted in Namibia and India.

Even many of those committed to real social equality, question the wisdom of incorporating second and third generation rights in a constitution. They might believe that in a democracy, decisions regarding collective welfare ought to be the responsibility of elected governments. They might also be sceptical about giving judges the power to interpret constitutional provisions which are phrased in very general language. Judges may use this power to make 'bad' decisions.

Those who are sceptical about constitutionalism may argue that decision-making based on constitutional rights is inherently conservative and incapable of coming to terms with unequal social power.



Trade unions in Chile and Uruguay have entered social pacts during the transition to democracy. Trade unions in Argentina and Brazil failed to do so. RONALDO MUNCK* discusses the experience and concludes that a democratic social pact offers many advantages.

the **social pact** *in Latin America:* *advantages* **for labour**

As Ian Roxborough showed in *SA Labour Bulletin* Vol 16 No 4 ('Neo-liberal' offensive in Latin America), the new democratic governments in Latin America have betrayed the hopes of the working people who voted for them.

Instead of getting social and economic reform, working people have been confronted by governments applying the neo-liberal recipes of the International Monetary Fund with greater gusto than the military dictatorships which preceded them. While accepting the bleak economic scenario painted in Roxborough's article, I am not sure labour's alternatives are that limited. In particular, I believe the option of the social contract or social pact could be usefully explored.

Also, we need to ask whether a strategy for the labour movement can ignore the vital role played by the so-called 'new' social movements such as squatters and human rights activists in the struggle for democracy. These debates have an obvious relevance for South Africa.

It would be wrong to attempt a simplistic balance sheet of the social contract in Latin America as if it is either *good* or *bad*. In fact it is neither a democratic cure-all for labour nor just a means to contain and demobilise labour. Like most of social reality, the social contract is a contradictory phenomenon. That is hardly surprising when the usual three 'partners' to the contract – the trade unions, employers' federations and the government – have such disparate interests. Clearly who is pacting with whom and for what purpose will determine the meaning of any pact.

The social pact and democratisation

In this respect it is worth stressing that in Latin America (as in South Africa) the social pact debate occurred in the context of democratisation. These were semi-industrialised countries emerging from a long period of military dictatorship. The social contract debate in Western Europe during the 1970s seems to be a quite different type of experience.

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So, bearing in mind the specific context of democratisation in Latin America, we shall now look at arguments for and against the social contract. We shall then compare countries where social contracts did not materialise (Argentina and Brazil) with those where they did (Chile and Uruguay).

The organisers of a labour conference in Chile in 1985 argued: "Democracy cannot be consolidated and will find it difficult to survive in Chile if confrontation prevails over *concertacion*" (a Spanish word implying a more organic and harmonious arrangement than that implied by 'social pact'). Against the prevalent zero-sum (or 'all-or-nothing') conception of politics, the proponents of the social pact envisage a situation where all can benefit, or, at least, where all might suffer equally.

The social pact can thus be seen as a vital ingredient in the democratisation process insofar as it sets certain 'rules of the game' whereby opposed social interests can be mediated.

The other main argument in favour of the social pact is that it can, to some extent, make labour independent of the economic cycle. Straightforward militant direct action might 'deliver the goods' in the economic upturn but it rarely does so in the economic downturn. The social pact might thus, arguably, help cushion the impact of the economic cycle and also help 'pull along' less well organised sectors of the working class. So, while the dangers of labour being co-opted are clearly recognised, there were strong strategic and political arguments in Latin America in favour of trade union participation in a democratising social pact or contract.

Arguments against pacts

There are, of course, powerful arguments against trade union participation in a social pact. Clearly when trade union leaders participate in behind-the-doors dealings with employers and governments there is the possibility of trade unions becoming bureaucratic and inner union democracy and accountability being undermined.

The dangers of corporatism as the unions

become sucked in to state structures are also real. Ultimately, the tripartite state-dominated version of the social contract can lead to the demobilisation and demoralisation of ordinary trade union members.

Certainly, we can also agree that social pacts are constructed on the terrain of capitalism and are not usually a springboard for the transition to socialism.

While all these issues are real, the critique is ultimately an abstract one because the critics of the social pact propose no viable alternative. But at best, a strong labour movement (as in Argentina) can only block a process of capitalist restructuring for a while. "Trade unionism as usual" – as advised by the critics of the social pact – is now simply inadequate. While accepting all the risks outlined above – and the obvious, if uninteresting, point that it is not socialism – the Latin American experience in recent years points to the social contract as the best strategy for labour's survival.

The dramatic economic transformations occurring under the auspices of 'structural adjustment' require a minimal degree of social negotiation and compromise to alleviate its effects. As Ian Roxborough points out: "Class compromise is inevitable; the point is to make sure that the terms of the compromise are as favourable to the working class as possible."

Latin American trade unions find their very prospects for survival threatened by the economic crisis and their maximum aspiration today is simply to maintain minimal labour rights and conditions. The social pact entails recognition of this socio-economic reality, while seeking, to varying degrees, to reform it. Its significance will depend on the conjuncture in which it is introduced and the relationship of social forces which prevail. We should also recognise, as Chilean trade union leader Eraldo Crea puts it: "Social struggles and *concertacion* are not mutually exclusive alternatives, but must be integrated in a unified strategy."

So, a realistic assessment of the need for class compromise through the social pact does not preclude mobilisation which can strengthen labour's position in, and extend the limits of the social pact or contract institutions.



Union leadership in Brazil: cautious attitude towards a social pact

Photo: Karl von Holdt

The progressive social pact

There are, however, serious weaknesses in the traditional corporatist model of social contract. In the first place, a progressive social pact would need to have built in specific mechanisms to ensure democratic accountability of the leadership. The 'new' social movements and some labour movements (such as that in Brazil) have stressed the value of grass roots democracy and a 'prefigurative' political practice (that is, not leaving socialist practices to the magic day after the revolution). The 'new' social movements have also helped take labour beyond the 'statist' conception of politics whereby all labour's problems will be met by a favourable government.

The second aspect where the corporatist social pact is weak is in its focus on organised labour only. As Bird and Schreiner have argued for the South African context, we need a multi-partite model as a counterweight to the corporatist tendencies of the tripartite social contract: "This model could be based on guaranteed representation for the organisations

of civil society with a mandate and notable national interests, which are independent of the state and are not contesting parliamentary power. In this conception, civics, women's groups, associations of the unemployed and the aged, consumer and rural organisations, and so on, would be guaranteed the right to participate in ongoing negotiations in appropriate bodies, on key aspects of state policy, together with the Big Three" (*SA Labour Bulletin* Vol 16 No 6). Of course, this is no magic formula and the problems of representativeness, accountability and the differential power of some of these groups, would be considerable. But the cost of *not* pacting is also considerable – as we shall see.

Social pact fails in Argentina and Brazil

Since the return of democratic government in 1983, the trade unions in Argentina have been involved in several attempts to set up social contracts. In Argentina, given the severity of the military era and its precipitate fall, one could have expected *concertacion* to have a chance. However, the various parties

concerned had different conceptions of what *concertacion* would entail. For the government, it was a way of compensating for the weakness of its social base. For employers, it was a way of subordinating the unions to a rationalisation project and of influencing the government. Most trade unionists came to oppose *concertacion* for its failure to prevent factory closures and wage reductions as the economic crisis deepened. At best, *concertacion* achieved a limited non-aggression pact between the various social and political actors, and thus allowed for a level of dialogue, even if a mythical social consensus was never really a feasible option.

When the new democracies of Argentina and Brazil came to apply their economic stabilisation projects, the Austral and Cruzado plans, the time for *concertacion* had clearly passed. The language of economic warfare sat ill at ease with the democratic discourse of citizenship and co-existence. Now, the Peronist President Menem has turned his back on his supporters in the trade unions. These mainly conservative nationalist unions have little alternative to offer when 'their' President offers the most anti-worker economic policy since the 1930s.

In Brazil too, the civilian governments since the military finally withdrew in 1985, have attempted to draw the powerful independent trade union movement into a social pact. Towards the end of 1991, President Collor called, for the third time since taking office, for the construction of a social pact to deal with the economic crisis. Yet the "consensus agenda" which the President called for seemed no more likely than in the past.

In fact, throughout the democratisation period in Brazil, it was workers' struggles for a living wage which were being portrayed as the cause of inflation and a threat against democracy. In this context it was the trade unions which were being asked to do most of the "compromising". The new independent trade unions are for their part wary of any arrangement which smacks of corporatism, given the long years of union subordination to the state in Brazil.

While union caution about a social pact is understandable, it has to some extent helped isolate the organised labour movement from the mass of the labouring poor in the cities and the countryside who lack basic organisation.

Under the new coalition government which has replaced the impeached President Collor it is possible that the union and employer agreement to create economic growth and rising living standards, rather than an IMF-induced recession, will prevail in government circles.

The social pact in Chile and Uruguay

A more successful social pact emerged in Chile when the Pinochet dictatorship gave way to a coalition civilian government in 1989. The left and the trade unions in Chile were painfully aware of the need for a stable democracy after the collapse of the Popular Unity government in 1973. There was thus a certain convergence between the left and the Christian-Democrats on an economic project which would respect private property while seeking to meet people's social and economic needs. Thus, the social pact was part of a much broader *political* pact on the nature of democracy and the compromises it entails.

In Chile, the trade unions are currently seeking to redefine their strategic role in society after the difficult Pinochet years. There is a certain tension between those currents advocating a decisive intervention in the political arena through the mechanisms of the social and political pacts, and those who seek to address the postponed economic claims of the working class through social mobilisation. There is, however, general consensus on the need to focus on the democratic reconstruction of the country and not engage in precipitate actions which could still today trigger a return to the Pinochet dictatorship. The trade unions and the other social movements such as the squatters' organisations played an important role in the democratic campaign to overthrow Pinochet; they are now set to consolidate their social and political role under the new dispensation.

Finally, in the much smaller country of

Uruguay, we see another relatively successful social pact experience. As in Chile, the transition to democracy took place after a political pact between the outgoing government and most political parties, including the Communist Party. Then, the National Programmatic Contract was set up bringing together representatives of government, the employers and the trade unions, but also student and squatter movement representatives, among others.

While democratisation created the atmosphere and the procedures to negotiate labour demands, the repression of labour under the military dictatorship meant there was a high level of labour conflict under the new regime. There was no smooth transition from confrontation to co-operation, but at least the mechanisms now exist to create a framework in which social demands during a period of economic crisis do not lead inevitably to a crisis for democracy. To overcome a crisis of governability might be of benefit to the dominant classes because capital accumulation acquires a stable setting. It is also, arguably, a precondition for a labour movement to strengthen its organisations, its social alliances and its role in society generally. So, while the social contract has not led to social peace (how could it?) it has ensured an unprecedented period of trade union freedom and activity in Uruguay.

Having examined some general arguments for and against the social contract, we have also had a cursory look at countries where the social pact has and has not come to fruition.

Challenge to labour

On balance, the price to be paid for *not* pacting seems greater than the risk involved in participating in some kind of democratic social pact. The old model of capitalist accumulation in Latin American countries, centred on the state sector and oriented towards a protected internal market, is in deep crisis. Capitalism is being forced to restructure in order to overcome this crisis. Labour will ultimately lose if it engages in a defensive rearguard action to resist restructuring. Old strategies,

social alliances and political aspirations seem simply to evaporate as social classes and fractions within them jockey for positions as the old socio-economic edifices crumble. Rather than simply being reactive in this situation, labour faces the challenge of being pro-active and actually taking responsibility for the future of the whole country.

The project of *concertacion* which some Latin American unions have developed (particularly in Chile), while running the risk of co-option, contains at least the possibility of overcoming trade union sectionalism and corporatism, and the inevitable political impotence which flows eventually from these. The alternative is, certainly, a wholesale weakening of the labour movement and its chances to offer an alternative vision to the weakest in society.

We must conclude that labour in Latin America cannot continue with the old strategies under the new democratic regimes. The new economic model being ushered in by structural adjustment (as described by Roxborough's article in *SA Labour Bulletin*) is the unavoidable context of any alternative labour strategy. The 'new' social movements have taught the trade unions that democracy is essential both as political regime and internal practice.

The history of the different countries discussed above, furthermore, points towards the social pact or contract as a means of developing a viable labour strategy under difficult circumstances. What is not clear is how the trade unions might broaden their traditional role to embrace (while not strangling) the 'new' social movements which have emerged in the community.

Here I suspect the South African experience may have highly relevant lessons for South American trade unionists. We certainly need to challenge the situation whereby capital works with a broad international project, while labour remains imprisoned within its national boundaries, failing to recognise common interests, comparable experiences and, ultimately, a shared future with workers in other parts of the world. ☆



the **ICFTU** *in* **South Africa**

KARL VON HOLDT and SNUKI ZIKALALA spoke to members of the ICFTU delegation which visited South Africa recently.

Enzo Friso, general secretary of International Confederation of Free Trade Unions (ICFTU), believes that if violence which is going on unabated is not stopped, there will be an explosion in South Africa. On the question of COSATU's affiliation to the ICFTU, he says: "I am not really interested in affiliation. We will help trade unions even if we differ and they have wrong perceptions about us. It is not the first time we are helping organisations which are not affiliated. It is our duty to help those who are still fighting for freedom and democracy."

He said the fact that he had come with the biggest delegation that the ICFTU has ever sent anywhere shows how seriously it takes COSATU and NACTU and the concern it has about the violence.

However, it is well known that ICFTU is extremely keen for COSATU to affiliate. What is the significance of COSATU for the international labour movement?

"The two need each other," says Friso. He believes that COSATU can play a very important role in strengthening weaker trade unions in Africa. "Its militancy and democratic principles would be an asset to the ICFTU."

The notion that the ICFTU is an imperialist organisation is wrong. "As the general secretary of ICFTU, I have been involved in negotiations and fighting against military

dictatorships in Latin America. I have been arrested, harassed and even went and lived illegally under very dangerous conditions in those countries. The main aim is to fight against dictatorships. What they are saying about the ICFTU is not true."

If COSATU says that it wants to change the ICFTU, that is accepted. "I am a progressive person myself. If they believe that they can make us more progressive, they are welcome."

What is important, according to Friso, is that all believe in one thing: independence. A union is a real union if it is independent from the government, political parties and employers.



Photos: William Mattiala

New challenges for the ICFTU

The world has changed tremendously over the past five years, both economically and politically. What new challenges does this pose for ICFTU?

Frizo points to many new problems: rising unemployment in the industrialised countries, falling trade union membership, poverty and misery in the developing world.

In terms of exports, the industrialised countries have lost \$72 billion per year in the last five years. Two million jobs per year have been lost. Frizo suggests this gives the workers of Europe and the US a real interest in promoting development in the rest of the world. Development would mean expanded markets and increased trade. "Developed countries will have to develop a real sense of solidarity, where everybody has to understand that the problem is a global one and needs a global approach."

ICFTU and the struggle for democracy
Concretely, in what way can the ICFTU help

in solving the crisis? In struggling for the democratisation of the developing countries, says Friso. "The assistance which we once gave to official unions, used to go into the pockets of presidents like Mobutu Sese Seko of Zaire, Ferdinand Marcos in the Philippines and Papa Doc Duvalier. This money never reached the workers."

The ICFTU is no longer going to give assistance to trade unions which support a one party system. "It must now be targeted for the democratisation of those countries."

In the past, the ICFTU has not had a warm relationship with many of the militant new labour movements in the South. But CUT Brazil has now affiliated. The Korean Congress of Trade Unions has applied for affiliation, but is being opposed by the official 'yellow' trade union centre. How will ICFTU respond?

According to Friso, "The official trade union centre in Korea is organising a conference in March. KCTU will also be there and we hope that discussions on affiliation will be held."

Does ICFTU have a strategy for countering World Bank and IMF policies on deregulation and structural adjustments?

Frizo says that the ICFTU is not happy with their policies of structural adjustment. "This policy has no principles."

The problem is that they seldom get in touch with those who represent the poor. "We want that before they impose their conditions on structural adjustment, they should listen and not only impose. We are now in contact with senior officials of the World Bank about this."

Frizo believes that pressure can be exerted on the World Bank and the IMF. He says that policies of these organisations are determined by governments. "Our affiliates in each country must raise these issues, so the governments involved in formulating Bank and IMF policy must feel the pressure from the organisations in their respective countries."

He concluded by saying that, "you have to fight everywhere for trade union rights. First, get the guarantee to exist, then you make a philosophy." ♦

Bob White, president of the Canadian Labour Congress (CLC) and chair of the ICFTU human rights committee, says that the confederation is facing enormous challenges. "The decline in trade union membership, the reduction of government support for international activities has had an impact on us."



ICFTU

New challenges

White says that the challenges confronting the ICFTU are the new trading blocks, and the relations that the developed countries have with the least developed countries. The problem is that the economy of the industrial world is in trouble. "For example, in Canada unemployment is 11%. It is so easy now to pull back into your country and say that we have to deal with our issues domestically. I think that it is one of the main issues facing any international organisation."

These issues are raised for Canadian workers in a very concrete way by the establishment of the North American Free Trade Zone, which includes Canada, the US and Mexico. Multi-national corporations invest in Mexico, where unions are weak and wages low, rather than in the US or Canada. "The

Mexicans are saying: 'For us who do not have jobs, five dollars a day is better than no dollars per day.'"

This is the central problem facing labour internationalism – global capitalism tends to put workers in different countries in a competitive relation with each other. Investment goes where wages are lowest. What is the solution?

"Cheap labour cannot build a strong economy," says White. At the same time, the economies of the developed countries should not be destroyed. "Workers should not have to compete over the carcasses of a few jobs. If trade relationships are to work, workers in the new countries where jobs are going must have an income, not only to buy the products they are building, but to purchase from other countries so the flow of trade goes both ways."

How can the international labour movement make this happen?

White believes that pressure can be exerted by the international and local organisations so that the multi-nationals pay a living wage.

"Fundamental to that is the building of trade union movements in those countries, so that the workers have a voice." He admits it is a long term solution.

National governments used to be one of the key instruments for intervening in the international economy. Now de-regulation of international trade and finance markets are undermining national sovereignty and the ability of governments to intervene.

White cannot accept "the notion that money has no borders, as if money does not belong to somebody. There is a person who takes investments out of one country and puts them in another country."

He rejects the idea that the democratically elected governments no longer have a role to play. Germany did not re-build its economy after the second world war with a deregulated

society. They had investment policies, infrastructure policies, trade union policies and social policies. Japan has a trading policy that builds their national base as well as their exports. "A totally deregulated world is an absolute disaster. It won't work. Thatcherism and Reaganism show that you lose your national base and the ability to compete in the world market."

To White the real place to confront these issues is in the national labour centres, at grassroots level in the ICFTU affiliates, and in the regional markets and trading blocks. "That's where the power is - you cannot proclaim it from Brussels."

He is also heartened by recent political developments. "If Bill Clinton can indicate that regulation is back on the agenda, if Canada does that, if the EEC realises that inside the community regulation is required - then you start to develop new international criteria."

What about the World Bank and the IMF? White concedes that in the past, the ICFTU has not been particularly challenging, but says this is changing. The ICFTU is now placing representatives in Washington to monitor the Bank and the IMF.

Finally, we asked Bob White and his colleague Rick Jackson, international director at CLC, about the relation of the ICFTU to the new militant unions of the South. Has ICFTU missed the boat by associating with the old, tired and undemocratic unions of those countries, rather than the dynamic new unions? They acknowledge that past criticism is legitimate, but believe it is changing. "The only way to change it is to be inside it. COSATU could be a major player in this process."

Jackson points out that CLC has been instrumental in having undemocratic centres expelled in Latin America. The same must happen in Africa and Asia. The

Malawian Congress of Trade Unions may be expelled because of its links with Banda.

Is it true that ICFTU blocks the affiliation of some progressive centres because only one centre from each country can affiliate? They say not, pointing out that CUT Brazil has been accepted. Both COSATU and NACTU could affiliate.

The ICFTU has been known to be very hostile to the KMU in the Philippines. Would it accept KMU affiliation now? According to Jackson, the KMU has never shown any interest in ICFTU affiliation. If it did, the main fact would be whether it has a democratic constitution. "There is unlikely to be an objection," he said. ♦

ICFTU visits SA

In February COSATU and NACTU hosted the most high profile delegation ever to visit any country. This signals improving relations between ICFTU and COSATU in particular. Although COSATU maintains its official policy of 'active non-alignment', many believe it is not a case of whether it affiliates, but of when and how.

The delegation was in SA to investigate the violence wracking the country. It was led by ICFTU general secretary Enzo Friso and Canadian Labour Congress president Bob White. It included trade union leaders from the Scandinavian countries, Netherlands, Britain, US, Italy, Japan and Zambia. The ICFTU represents 164 national trade union centres with 113 million members in 117 countries.

In addition to travelling to different regions and meeting a wide range of organisations, the ICFTU Co-ordinating Committee on South Africa met in Johannesburg for the first time since it was formed in 1976. Representatives of a number of industry-based international trade secretariats (ITS's) were also present.

The meeting discussed the social, political and economic situation, the violence, the role of women in trade unions and an investment code for SA.

It also addressed the trade union situation in Malawi and Mozambique, as well as how international trade union assistance to SA unions could be co-ordinated. ♦

Thomas Donahue, treasurer of the US Labour Centre, the AFL-CIO, is "impressed by the debates going on in SA about the union structures, about relations with political parties, about the new concept of strategic unionism".



approach of the past, which is to organise work place by workplace, employer by employer, signing up people one at a time. To make up for our losses and to get back to a position of real strength in the economy we will have to organise millions of workers. I am not sure that you can do it one at a time." Donahue says that the labour movement needs to examine the possibility of centralised bargaining institutions similar to our industrial councils. "This will give us a structure through which we can organise members. It will be a structure which can affect an industry and can affect a large number of employers in order to get their attention."

Donahue says the AFL-CIO is proposing to Clinton that he establish a commission to examine this question.

The North American Free Trade Zone poses problems for US labour. The AFL-CIO has been losing members "as a result of industry restructuring and the movement of our manufacturing industry to Mexico and South East Asia. It is very clear to us what will happen under the free trade agreement. Mexican workers will be highly exploited, the environment destroyed and jobs taken from the US."

Donahue believes that it was an enormous mistake to establish a free trade agreement between two economies which are as unequal as that of Mexico and the US. The temptation for US companies to move to Mexico where they can pay low wages is too strong. "We had an obligation to provide aid and assistance to Mexico in an effort to build up the economy. At a point where the economies are equal you can talk about free trade regions."

Donahue hopes that Clinton's administration will help tackle this problem. "The president has spoken of giving incentives to those who invest and create jobs in the US". The labour movement is also campaigning against the implementation of the free trade agreements. ☆

ICFTU

According to Donahue, the US unions were some years in advance of the Australians in developing a programme to give the unions more voice in the economy and greater impact on society. Negotiations with the last democratic president, Jimmy Carter, were inconclusive, but Donahue believes Bill Clinton's new administration will be receptive.

According to Donahue, US labour law is extremely backward. Basic trade union rights are not protected by law. Legally striking workers can be permanently replaced. Maternity rights are also not protected by law.

"Clinton's administration has already said that it will support basic trade union rights, this year we are sure that the bill will become a law".

The US labour movement has lost hundreds of thousands of members through retrenchments and closures. "We have to look at this and ask, can we grow with the classic