

**TRADE UNIONS, POLITICS
AND WORKING CLASS STRUGGLE :
THE FOOD AND CANNING WORKERS UNION,
1975 TO 1986**

by

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**Submitted in partial fulfilment
for the degree of
Bachelor of Arts Honours (B.A. Hons.) in African Studies
February 1988**

ACKNOWLEDGEMENTS

I should like to thank my parents, who have so generously sponsored my studies for the past year, for without their financial assistance, I would most certainly not have been able to do this Honours course.

Very special thanks also go to my brother for his invaluable assistance. Ighsaan, you will never know just how much you have helped!

I am also indebted to all those people who have sacrificed their own time in order for me to interview them. I have learnt a lot from these interviews and they constitute the basis of many of the arguments I have put forward.

A word of thanks is also extended to my supervisor, Dr Patrick Harries, for his extreme patience and understanding, as well as to everyone involved in proof-reading this dissertation.

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INTRODUCTION

The aim of this dissertation is to study the history of the Food and Canning Workers Union and the African Food and Canning Workers Union (both of which will hereafter be referred to simply as the Food and Canning Workers Union, since the two always operated as one -- the division being necessitated by legislation which did not allow the formal participation of African workers and their unions in industrial relations institutions) from the period 1975 to 1986. The reason for starting at 1975 is determined by the fact that previous research¹ has already thoroughly documented the history of the FCWU up until 1975, and therefore does not require further investigation. The end of 1986 provides a convenient cut-off point in that it represented the first full year of the union's participation as an affiliate of the epoch-making and newly-formed Congress of South African Trade Unions (COSATU), and its subsequent merging with another COSATU affiliate, the Sweet, Food and Allied Workers Union, thereby bringing to an end the existence of the FCWU as an independent union, an act which itself signalled the close of an important chapter in the struggle of black workers in South Africa.

The purpose of studying the history of the FCWU is definitely not for the singular purpose of documenting the history of one of the oldest, best-known and most important unions yet developed by the black working class, important as such a task in itself might be. In looking at the FCWU in this period, it will be, for us, a vehicle allowing for the elaboration upon important developments in South Africa in this period. Firstly, the early 1970s marked the onset of a deep crisis in the South African economy. This crisis,

1. See, for example, Richard Goode's Honours and Masters theses covering the FCWU's history from 1941 to 1975.

sparked off by a world depression from the late 1960s, in turn gave rise to the development of large-scale worker militancy, especially from 1973 onwards. This marked the first rise of the black working class after the prolonged period of defeat that marked the period after the banning of the African National Congress in the early 1960s.

The rise of the working class took the form of the formation of the new, 'independent' unions of the 1970s. These independent unions were characterised by their rapid growth, great militancy and growing sophistication, in terms of factory floor structures, such as strong shop steward structures; the negotiation of far-reaching recognition agreements, and so on. They were further characterised by the great hostility displayed towards them by the South African bourgeoisie, and the State.

By 1980, the independent unions had definitely become a part of South African social, political and economic life; so much so that in the previous year the South African state, hitherto completely hostile and always harassing and persecuting these unions, finally relented under the pressure of working class struggle, and was obliged to 'recognise' the independent unions, and allow them participation in official industrial relations structures, such as Industrial Councils.

But the 1970s marked not only the rise of the black masses in the form of the new unions, but also its involvement in political struggles generally, with 1976 regarded mostly as its high point. The growth of large scale community struggles did not leave the unions unaffected, and unions such as the South African Allied Workers Union (SAAWU) based mostly in the Eastern Cape, became as much community political organizations as they were trade unions. The community support given to trade union struggles such as the Wilson-Rowntree, Fattis & Monis (which involved FCWU) and Leyland strikes

bore ample testimony to the growing together of community-based political struggles and trade union struggles.

The increasing politicisation of broad layers of the black masses, developing almost uninterruptedly from roughly 1973, with high points in 1976 and 1980, did not necessarily find a progressive political response in the new trade union movement. While trade unions such as SAAWU, FCWU and General Workers Union (GWU) strove consciously to involve themselves in broader political struggles, the unions that came to form the Federation of South African Trade Unions (FOSATU), a huge federation comprising the bulk of organised black workers in the country, adopted an increasingly syndicalist² position.

1983 marked a crucial year in the escalating political struggle in South Africa, through the birth nationally of the United Democratic Front (UDF), a broad alliance of moderate black and white organizations as well as some more radical petty bourgeois ones, to oppose the state's proposed tricameral parliament. The hitherto politically active unions such as FCWU, GWU, CTMWA (excluding SAAWU) after first seemingly set on joining this broad alliance of middle and working class organizations, eventually balked, and decided not to affiliate. This position drew these unions closer to FOSATU, who strongly rejected the UDF, on the grounds of its 'multi-class' nature, of its not being 'working class', but in reality, only because FOSATU rejected workers' involvement in broader political struggles.

As far as the FCWU was concerned, this decision proved a watershed for a union with a long and proud tradition of political involvement; hereafter the FCWU was to remain (along with FOSATU and GWU and CTMWA) outside

2. By syndicalist we mean the view that holds that workers can bring about fundamental change in capitalist society via (democratic practice and negotiation through) their trade unions.

of the important political battles of 1983, 1984 and 1985. Only the merger of FCWU with, ironically, the erstwhile FOSATU affiliate, SFAWU (which together with a few other unions inside FOSATU, such as Paper, Wood and Allied Workers Union and Transport and General Workers Union, had always had a far greater history of political involvement than any of the other FOSATU affiliates) under the auspices of COSATU in 1986, did the FCWU (now Food and Allied Workers Union - FAWU) again begin to play a rôle in political struggle, and as the second-biggest affiliate of COSATU, was clearly one of the most militant and influential. Thus the wheel had gone full circle.

Apart from analysing this aspect of the FCWU's development in this period, we will look also at changes in the food industry itself in the period under review, focussing on factors such as the growing concentration of ownership in the industry, and the implications of this, for, amongst others, employment prospects for the working class through the threat of retrenchments and changes in the labour process as well as for organising strategies vis-a-vis the handful of powerful employers who controlled the industry.

CHAPTER ONE
WORLD CAPITALIST CRISIS
AND THE SOUTH AFRICAN ECONOMY

The spectacular collapse of the world stock markets in 1969 heralded the end of the protracted post World War II international economic boom, and ushered in a recession, as thoroughgoing and global in its place. To serious students of capitalism, this collapse of 1969 represented many a continuity with the even more spectacular collapse of 1929, and could not be ascribed simply to incorrect policies or other chance events. Instead, these crises of capitalism flowed in fact from the very laws of capitalist development themselves, were firmly rooted in, and congenital to, the very nature of the capitalist mode of production!¹

After the publication of Lenin's *Imperialism: the highest stage of capitalism*, which, in a nutshell, posited that the monopoly phase of capitalism, with its attendant colonial land-grabbing, exports of vast quantities of capital to such colonies, the world-wide search for new markets and cheap sources of raw materials -- all of which is roughly meant by the word imperialism -- marked the highest stage of development of the capitalist mode of production, and as such, logically, it (the capitalist mode of production) could only decline hereafter² -- this view became increasingly accepted by Marxists internationally. Lenin contended that capitalism had now become an historically spent phenomenon, and could continue to exist only to the extent that it played, objectively, a purely reactionary role in terms of the develop-

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1. Sutcliffe B., *Hard Times: The World Economy in Turmoil*.
 2. Kemp, T., *Theories of Imperialism* Ch V, 'Lenin and the Contradictions of Capitalism', pp 63-85.

ment of civilization. He insisted that the epoch of imperialism, of monopoly capitalism, would be marked by vicious, predatory wars, and a greater frequency of economic crises and attendant political instability.

Certainly the outbreak of World War I lent credence to Lenin's prognosis, which found even more startling vindication in the Great Depression, starting in 1929. Simultaneously, however, the openly revolutionary post World War I period had installed a proletarian state only in Soviet Russia. The failure of revolution in Germany, Britain, Austria and Italy in this period (as well as again in Germany, France and Spain in the period during and immediately after the Great Depression in the 1930s) itself attested not only to the immaturity of the European revolutionary leadership of the time (as well as to the vicious effects of reactionary Stalinism, especially in Germany, France, Britain and Spain), but also seemingly to the tenacity of the capitalist system itself.

The turbulent years of the 1930s were somehow seen through without further socialist revolution, and the period after World War II witnessed a long and spectacular boom of capitalist development internationally.³ This boom seemed to bury forever Lenin's theory of imperialism as being the period of capitalism's decline, and even Marxists themselves appeared at a loss for explaining the seemingly boundless levels of real wealth and general social and cultural development that the boom brought forth. Until 1969, of course. Since then, the graph of capitalist development has been characterised, not by episodic crises, but rather by episodic booms, with crisis the order of the day; so much so that today even bourgeois economists talk about 'crisis' and 'crises' as if the world always was like this. In its essentials, therefore, Lenin's theory of imperialism retains its validity today.

3. Sutcliffe, B., *Hard Times: The World Economy in Turmoil*, Ch 4, 'The Profile of the Current Crisis', pp 36-76.

But the fact of the general characterization of the world economy being in crisis by no means implies a common understanding of what the roots, the inner springs, of the crisis are. Some (bourgeois) economists point to the incorrect policies of Keynes, yet others see it merely as being of transient nature, nothing that a good dollop of 'monetarism' cannot fix *a la* Thatcher or Reagan.⁴

From an historical point of view, it is as necessary to trace the continuity of the major crises of 1929 and 1969 (and 1987, of course!) as it is to trace the discontinuity, for, as we have said, much confusion, if not obfuscation, surrounds attempted explanations as to their causes. The world economic depression of the 1930s was overcome neither by the inherent strength of capitalism nor by the adoption of Keynesian policies. Instead, the wholesale destruction of capital values (plant, machinery, raw material, human skill, etc.) that World War II unleashed made possible a whole new phase of capital accumulation and expansion, a phase, in fact, of expanded reproduction.⁵

After this war, the United States took on the task of restoring the economies of Europe and Asia, especially Germany, France, Italy, Britain and later Japan by sending billions of dollars worth of goods as 'aid' under the Marshall Plan.⁶ This was an outlet for the largely developed American productive forces, and was followed by an influx of private capital from US multi-nationals, breaking into the European markets.

4. Sutcliffe, B., *Hard Times: The World Economy in Turmoil*, Ch 4, 'The Capitalist Search for a Way Out', pp 77-94.

5. Kemp, T., *Theories of Imperialism*, p 171.

6. Gell, S. and Innes, D., 'Economic Crisis in South Africa: Monetarism's Double Bind'.

Keynes had argued that stagnant economies could be revitalised by state intervention in the form of state spending: this would bring back unused labour and resources into production.⁷ This American 'Marshall Plan' of aid acted like a huge Keynesian experiment.

Once credit was available, there was scope for large-scale development in Europe due to the destruction wrought by the war and the previous economic stagnation dating from the 1930s. There was plenty of labour, especially from the war refugees, and it was cheap as the fascists had hugely smashed the trade unions. More labour could be drawn from the agrarian sectors as industries expanded again. New technologies had been developed during the war, and colonial economic satellites could supply plentiful raw materials. The labour leaders there were neutralised by the implementation of full employment and social security deals, also beneficial to capitalist interests in their stabilising effect on the work force while this period of 'expansion' lasted.

All these post war economies required a stable international monetary system. The limits imposed on the expansion of internal credit by the gold standard were overcome by the Bretton Woods agreement of 1944 and the establishment of the International Monetary Fund which linked major currencies to the dollar, and the dollar to gold, at a fixed rate, giving the dollar a privileged place.⁸

This system of fixed exchanges was designed to inhibit countries from using devaluation of their currencies to gain advantage, but there was provision for altering the relation of various currencies to the dollar as this was required to reflect changing circumstances.

7. *ibid.*

8. Sutcliffe, B., *Hard Times: The World Economy in Turmoil.*

These policies of government intervention required a higher level of government spending (also arms spending during the 'Cold War' period in 1950). These policies also required a massive and increasing outflow of dollars. The new compromise only worked as long as world trade was growing and the dollar was strong, or in other words remained relatively scarce in relation to other currencies.

But by the 1960s this outflow of dollars had led to the balance of payments entering into large scale deficits. These deficits were met by issuing paper dollars, the dollar did not retain its scarcity in relation to other currencies, the US gold reserves backing it were dangerously low, and in 1971 the link between gold and the dollar, and fixed exchange rates consequent thereon, was ended.

The international monetary system ceased to work properly.⁹ As the paper currencies depreciated, the gold price soared (with several attendant consequences of expansion and prosperity for South Africa). As the fixed exchange rates were removed, inflation became uncontrolled. Governments were forced to spend more and the volume of debt grew.

By the late 1960s the original forces sustaining the boom had run out. Accompanying this new phase of inflation, instead of stimulating the economy, was stagnation and depression. This was accelerated into a sharp depression in 1974-5, as the era of cheap fuel ended with the decision of the Organization of Petroleum Exporting Countries (OPEC) to raise the fuel price dramatically to protect themselves against falling revenues in real terms, from 1973 to 1979.¹⁰ The oil price increases did not cause the crisis, but it was a response to the crisis which deepened the intensity of the crisis.

9. *ibid.*, p 47.

10. *ibid.*, pp 44-5.

What actually happened during the post war phase of capital accumulation and expansion was that it was a phase of expanded reproduction. During this phase accumulation proceeded at a high level, or in effect, there was a high rate of investment. Thus even though the rate of profit would still have tended to decline, other forces counteracted this as the new techniques and improved methods of organization enhanced productivity.

Increased competition during this time led to the further growth of monopolies, as capital became centralised and concentrated, often in 'multi-nationals'. The demand for raw materials led to searches for cheaper raw materials in underdeveloped countries or the development of synthetic substitutes. The demand for labour also continued to be high during this time, so labour tended to become relatively scarce and the average wage tended to rise, expanding the markets for the commodities produced and in turn leading to a greater demand for plant, machinery, etc.

As conditions had varied in different countries to start off with, so they responded in differing degrees to the boom, or their development was uneven -- for example Britain had less of a boom than West Germany or Japan.¹¹ Foreign trade meant continued expansion as exports brought in increased capital and the growing industrial economies increased their share of the world market at the expense of others whose industrial expansion was less marked, like Britain or even the USA.

So up until the 1970s, in the phase of expanded reproduction, generally investment was high, production and productivity were rising, most workers were employed, wages were higher, more goods were consumed, profits were increasing and world trade expanding. By the 1970s the world economy looked different: investment rates were lower, production and productivity

11. Owen, R. and Sutcliffe, B., *Studies in the Theory of Imperialism*.

gains were small, unemployment began to appear on a vast scale, wages no longer rose at the previous rate (in real terms), improvements in consumption levels almost stopped, profits fell and world trade grew more slowly. Again, this affected some countries more immediately than others, but all advanced capitalist countries showed some degree of these features.¹²

The world crisis of the 1930s, staved off for a time, was again re-appearing under conditions where new countries had assumed the ascendancy in the world economy and the levels of technical development in production had risen considerably. The form of the new or re-emerging crisis was different from the 1930s.

In the 1930s there were big drops in production and investment, and a sharp rise in unemployment. The policies of the governments then were deflationary and the state was far less involved with the economy than it is today. During the 1970s there was no absolute fall in production but rather a slowing down, a 'stagnation', after nearly two decades of continuous growth.

This resulted in serious problems: currency muddles, big budget deficits, rising unemployment, aggravated inflation and a growing public and private debt (where this apparent capital did not actually represent any productive assets). Some economists called this 'stagflation'.¹³

Keynesian state intervention and 'demand management', where governments were encouraged to spend their way out of the crisis, were out. The drive now was to limit government expenditure in order to bring down inflation. Monetarism attempts to check the rising debt by limiting the money

12. Kemp, T., *Theories of Imperialism*.

13. Gelb, S. and Innes, D., 'Economic Crisis in South Africa: Monetarism's Double Bind'.

supply and keeping interest rates above the level of inflation. Credit became very expensive and weaker companies collapsed.¹⁴

The slowdown in industry also distorted the relationship between the production of plant, machinery, etc. and the growth of the consumer market. The impact was greater on industries like steel, engineering, shipbuilding, etc. At the same time, the older industrial centres could not compete with the cheap labour available in some of the new manufacturing centres like Korea, Singapore, Hong Kong, Taiwan and even South Africa. So some labour-intensive industries were moved there by the multi-nationals of which they were a part. Industry declined in the older centres of production in Europe and North America.¹⁵

Governments faced budget problems as spending grew faster than revenue; state expenditure on welfare services and the continued high expenditure on arms were not seen as part of this inflationary spiral. A new school of economists took over as solvers of the crisis: the Chicago school of monetary economists headed by Milton Friedman.¹⁶

They proposed to cut back government expenditure and put the market in control. Other tenets of this new orthodoxy were: stop putting out new money, and limit credit. This was supposed to get rid of the less efficient firms, break union bargaining power and bring down wage costs by again creating a reserve army of labour.

Full employment, as a policy, was abandoned. In the new situation, workers were forced to bargain where there was a permanent surplus of

14. *ibid.*

15. Sutcliffe, B., *Hard Times: The World Economy in Turmoil.*

16. *ibid.*

labour, so the wages would be kept down and all the gains from increased productivity would go to the employers.

At the same time, most capitalist states are currently in a crisis involving the growth of public debt: the growing cost of welfare and social security services cannot be met by conventional taxation (without extra taxes on the rich) and the results has been large cutbacks of 'unproductive' government spending on welfare. In these two ways, most states were taking back the concessions made to the working class after World War II.

The political interests represented by the Thatcher and Reagan governments have given up on Keynesian 'demand management' methods and opted for another strategy for trying to make capitalism work: monetarism *a la* Friedman through shedding large portions of the 'welfare state' and creating a permanent reserve army of labour again.¹⁷

This new Friedman theory assumes that the crisis runs in cycles. Recovery from the recurrent crises, says Friedman, can be delayed by wrong government policies. With the correct policies, that is, once the situation has been restored and the 'market' is controlling the money supply, then controlling the money supply can keep the economic system running smoothly.

The contradictions of this policy have already led to the crippling of large sections of industry in Britain.

From 1980, in the western world, unemployment has risen sharply to unprecedented proportions and the general standard of living declined sharply despite the apparent interim success of the monetarist policies.

The most recent stock market crash of 1987, in the face of this apparent success, is further confirmation that this crisis is not cyclical but is in fact permanent and is rapidly worsening. A new phase of expanded repro-

17. *ibid.*

duction, in the face of world share markets degenerating into paper-chases of paper profits then suddenly collapsing spectacularly due apparently to one international political incident undermining economic confidence, is out of the question.

The State of the South African Economy

From 1971 to the present, the following have been the main features of the South African economy: foreign investment, both fixed and speculative, dried up, in fact, from 1976 onwards, South Africa became a net exporter of capital as money started flowing out of the country in search of better returns elsewhere. This meant an increasing reliance by both the state and the bourgeoisie here on foreign *loans* to fund expansion; domestic fixed investment began to fall constantly, i.e. no new factories were being built, and very little new plant introduced; not only foreign, but also local capital began to flow out of the country in search of higher yields on investment. Lastly, local investment became speculative, rather than productive.¹⁸

1. From 1946-1973 the economy depended heavily on an inflow of foreign investment (as opposed to foreign loans, which have to be paid back over a period of time, and therefore do not represent gain to the economy in the way that actual foreign investment in factories, plant, etc., do) in the form of risk capital and trade credits. After 1972 already, and most markedly after 1976, private foreign investment reversed from positive to negative, that is instead of foreign investors pouring money into the economy, they were now taking it out. This was

18. Gelb, S. and Innes, D., 'Economic Crisis in South Africa: Monetarism's Double Bind'.

related to the shift in the world economy mentioned earlier: the cost of labour in South Africa had become relatively high. Furthermore, the profits to be made through speculation on the bourses of New York, London and Paris were much higher than the increasingly low yields manufacturing was providing (due to the falling rate of profit).

The drying up of foreign investment and the necessity to turn to loans to fund expansion have had devastating effects on the South African economy. Equity investment (the purchase of shares in local companies by overseas investors) represents a net gain in capital, and it gets paid for by way of dividends, but only if profits are being made. Loans, as we have said earlier, are not a gain. They have to be repaid, and serviced, regardless of profitability. It is for this reason that South Africa has become a net exporter of capital since 1976.

By the 1980s, the bourgeoisie and the state had borrowed overseas very heavily in order to compensate for the lack of foreign investment and because of the consistent deficit on the current account (the balance of payments, or the relation between import and export earnings). Precisely because borrowings were on the current account, they were necessarily short-term, that is, they had to be repaid quickly. Thus, when American bankers called in their loans after the declaration of the State of Emergency in 1985, the economy was dealt a blow from which it will not easily recover. The following figures show just how bad the present situation is: foreign debt as a percentage of exports grew from 55% in 1980 to 136% at the end of 1984. By the end of 1985, South Africa's debt commitments were 45% of its GDP, compared to only 20% in 1970. South Africa's present gold reserves stand at R5 billion -

its outstanding foreign debt still amounts to R46 billion.¹⁹ The reliance on foreign investment to finance expansion is a peculiarly South African and Third World phenomenon, because the area for domestic capital formation is extremely limited; to that extent South Africa is no different from the rest of the Third World, despite the fact that it has a much more sophisticated and stronger economy than most other Third World countries.

2. The exodus of capital from South Africa, however, has not been confined only to foreign capital. Anglo-American, for example, through its overseas investment shell, Minorco, has over the last few years consistently been the highest foreign investor in America. Recently, Liberty Life, in which Anglo also has the majority share holding, has also been actively buying into the British finance and insurance houses.²⁰

This has been in line with and related to the world tendency for the bourgeoisie to move investment away from industry into speculation in the sphere of finance capital. This phenomenon finds ample reflection when we examine what has happened to domestic fixed investment in South Africa. The level of real Gross Domestic Fixed Investment (GDFI) (plant and machinery) has fallen consistently since 1980. According to the *Financial Mail*, real fixed investment fell approximately 20% between 1981 and 1985. Significantly, in manufacturing alone, the fall was nearly 50%. Yet, industrial shares on

19. All figures and statistics quoted in this section of the Chapter were taken from a paper prepared for COSATU by CRIC (the Community Resources and Information Centre) in Johannesburg.

20. CRIC paper.

the JSE are booming and are standing at record levels! Nor is this all. Not only has the GDFI fallen dramatically, but many companies are actually engaging in 'stripping', whereby they are selling off plant and machinery to overseas buyers, who, given the low value of the rand, are picking these up at bargain basement prices. For example, between 1982 and 1985, real fixed capital stock was cut by 40%! Furthermore, in 1985, over and above the 45% of GDP that had to go towards paying debts on the current account, a whopping R10 billion worth of machinery and plant, etc. had been ripped out of South African factories and sold overseas, so that companies could remain solvent and artificially reflect healthy balance sheets at the end of the financial year.²¹

The problem with this 'solution' is that it's really no solution at all. Assuming an economic upturn were to occur, local companies would need to replace the plant sold in this last period. The cost of replacement would then be double if not treble, making local products prohibitively expensive and adding lots of fuel to inflation, which could then start climbing easily into the 30% bracket.

In other words, the products produced by the plant and machinery sold would in future simply be cheaper to import -- making South Africa ever more reliant on the import of finished or manufactured goods -- goods manufactured here before. This also means that gold will have to carry the increased burden of having to earn even more foreign currency to pay for these additional imports.

3. In addition to expanding overseas, the big conglomerates like Anglo, Old Mutual, Sanlam and Rembrandt are also deliberately not tying up money

21. *ibid.*

in local fixed investment. Apart from gold shares which, internationally, are always a safe hedge against inflation and general financial instability, the only avenue local capital was prepared to use for increasing profit was playing the stock market. Generally, the property market acts in much the same way that gold shares do, but given the state of the economy and the nation generally, property markets have been severely depressed in the last period.²² So off to the stock market it was with our bourgeoisie.

In 1985-6 the stock exchange was hit with such a surge of buying and selling that prices were being driven up all the time, setting new record levels, and resulting in massive profits for speculators. In 1986 alone, R12 billion which might have been employed in production, passed through the JSE. This was double the amount spent in 1985. The present boom of the JSE is therefore an entirely artificial creation, and does not reflect what is happening in the real economy, in terms of industrial expansion, job creation, wages, GDP or gross domestic consumption, which has fallen by about 25% in the last period.²³ Thus present buying and selling of shares on the JSE, the whole rush of share and rights issues of recent times, all these represent a deliberate withholding of capital from industrial investment, and a gambling with the aim of making a quick 'buck' with minimum risk in a country clearly heading for ruin (as far as the bourgeoisie is concerned).

In the field of agriculture, the situation is no better. The collective debt incurred by farmers at the end of 1986 soared to R12 billion from a low of R3,8 billion in 1980. In addition, agriculture

22. *ibid.*

23. *ibid.*

has shed roughly 280 000 jobs already.²⁴ This is due in part to the growing bankruptcy of farmers, and partly because, as farmers go bankrupt, they sell cheaply to Anglo American Farms (AMFARMS) and to Barlow Rand, who then set about a programme of much more efficient, capital-intensive farming, in the process expelling much excess labour. The 'forced removals' of recent times have been mainly farm workers falling into this category. The prospects for agriculture are further clouded by the threats of sanctions. The EEC, the main buyer of South African fruit and vegetables, can now obtain these more cheaply from Spain since that country has joined it. Hence EEC sanctions against South African fruit and vegetables. There is currently a glut of sugar on the world market -- hence sanctions against South African sugar . . . America slaps a ban on South African crayfish (fishing falls under 'agriculture') . . .

In summary, the problems of the South African economy are not episodic ones brought about by a situation of near civil war. The problems of the South African economy are structural problems, some of them related to and determined by structural shifts within the world economy itself, such as the increasing move towards speculative investment, rather than productive investment, and others related to the peculiarities of the economy itself, such as its almost exclusive reliance on gold to hold the whole economy together.

Of course, the intense political struggles of the last period have had a marked effect on the economy; but the effect has been merely to accelerate certain processes, such as the flight of capital out of the country, which started much earlier.

24. *ibid.*

Finally, the major problems in the world economy -- the stagnation of industry and the drying up of the creation of new surplus value, the grossly over-valued and over-burdened stock exchanges around the world, the whole Third world debt roller-coaster, America's huge deficit problem -- all these have led once more to the spectacular collapses of the world stock markets in October 1987, the JSE included. The general agreement is that a protracted world depression awaits. Such a depression, in turn, can bring with it only an intensification of class struggle internationally. South Africa, already an epicentre of world revolution, will no doubt continue to arrest the attention of the whole world, as representatives of the contending classes, the international bourgeoisie and the world proletariat, seek signs here as to the future destiny of this planet.

We have surveyed the world and South African economies over fairly ambitious time periods. We feel justified, in the sense that any attempt to understand the South African economy can only correctly be done in the context of developments within the world economy. In looking at the South African economy over such a length of time, we have sought to telescope the development of its main characteristics -- its strengths and weaknesses. The pertinence to the rest of this dissertation that such an examination has, lies in the fact that it sketches a backdrop to developments within the working class movement in the 1970s and 1980s especially, without which proper analysis would not be possible. For the economic crisis in the South African economy was to lead directly to the unparalleled political crisis of the early 1980s.

CHAPTER TWO

TRENDS IN THE FOOD SECTOR¹

The food industry, and food processing in particular, is South Africa's most important single manufacturing sector. By 1979, it accounted for roughly 13% of total manufacturing production and sales. By that stage, the value of annual sales of processed foods exceeded R3 000 million at both the manufacturing and retail level. Processed food exports contributed approximately 6,5% of the total value of non-bullion exports.² Table 1 below illustrates the consistently high contribution of the food industry (between 10-11%) towards the total gross domestic product (GDP) of the manufacturing sector as a whole. Also reflected is manufacturing's contribution towards the total GDP of South Africa.

1. The food manufacturing industry, as defined by the Standard Industrial Classification, consists of:
 - * Abattoirs: slaughtering, dressing and packing of livestock, including poultry and small game, for meat.
 - * Canned and prepared meats and meat specialties such as meat soups and meat pies.
 - * The manufacture of dairy products such as butter and cheese, condensed milk, milk powder and ice cream.
 - * The canning and preserving of fruits and vegetables.
 - * The canning, preserving and processing of fish, crustacea and similar foods; manufacture of fish oil and meal.
 - * The manufacture of vegetable and animal oils and fats, including whale oil.
 - * Grain mill products such as flour and stock dry feeds.
 - * The manufacture of bakery products such as bread, biscuits and cakes.
 - * Sugar factories and refineries.
 - * The manufacture of cocoa, chocolate and sugar confectionery.
 - * The manufacture of food products, not elsewhere classified -- such as flavouring essences, vinegar, yeast, coffee roasting and tea blending and packing, baking powder, jellies, custards, pudding powders and refined salt.
2. *Food Review*, Vol 6 No 3, June/July 1979, p 14.

Table 1: Gross Domestic Product: Contribution by Food and Beverage Industries and Total Industrial Sector (R million)

Product	1976	1980	1983	1984
Food:				
Remuneration of employees	389,4	640,3	1 057,1	1 221,7
Gross operating surplus	413,4	648,4	1 038,3	1 076,3
Gross value added (GDP contribution)	802,8	1 288,8	2 095,4	2 298,1
Percentage of total manufacturing GDP*	11,7	10,3	11,0	10,6
Beverages:				
Remuneration of employees	100,3	172,2	316,7	362,8
Gross operating surplus	129,7	193,3	464,0	386,9
Gross value added (GDP contribution)	230,0	356,5	780,7	749,6
Percentage of total manufacturing GDP*	3,4	2,8	4,1	3,5
Total manufacturing:				
Remuneration of employees	4 321,8	7 310,6	11 538,5	13 131,1
Gross operating surplus	2 512,4	5 234,6	7 525,5	8 462,4
GDP contribution*	6 834,2	12 545,2	19 064,1	21 593,4
Percentage of total GDP of the RSA	23,6	21,6	23,1	22,4
Total GDP of the RSA	28 905	58 056	82 623	96 446

SOURCE: *Food and Beverage: an Overview* (1985) Consultor Group page 32, Table 14. All statistics in this chapter, unless otherwise indicated, will be drawn from this source.

The industry is the most important employer of labour in the manufacturing sector, employing 170 000 workers by 1985.³ The most significant activities in the food processing industry are, in order of importance, sugar milling and refining; production of bread, biscuits and other bakery products; canning and preserving of fruit and vegetables; and manufacturing of flour and other grain mill products, such as stock dry feeds and breakfast cereals. By 1979, these accounted for 17,4%, 13,3%, 13,1% and 13%, respectively -- a total of 56,8% -- of the industry's output.⁴ Smaller segments are the dairy and dairy products industry, and the processing of tea and coffee.

In its fundamentals, the food industry has followed all the major trends within manufacturing generally, and the economy as a whole. Specifically,

3. Handbook of Stats, p 299, Table 5.10.

4. *Food Review*, Vol 6 No 3, June/July 1979, p 14.

the food industry in the 1970s and 1980s has witnessed growing capital centralization and concentration, shrinking production and demand, yet staggeringly high prices, which have coalesced to provide super-profits to the handful of monopoly corporations that control the food industry.

Growth of Monopolies in the Food Industry

As with the rest of the South African economy, the food industry in the 1970s and 1980s was the scene of many take-overs and buy-outs as the process of concentration and centralization of capital occurred. By 1980, the industry was dominated by a handful of monopoly giants; Premier Milling, Tiger Oats, Imperial Cold Storage (ICS), Fedfoods, Anglovaal, and Irvin & Johnson. The largest by far are Premier and Tiger Oats. 1980 turnovers of these two in relation to the rest bear this out clearly.

Premier	R1 205 million
Tiger Oats	R1 175 million
Imperial Cold Storage	R 588 million
Fedfood (1981)	R 444 million
Tongaat	R 308 million
Irvin & Johnson	R 200 million

(SOURCE: *Work in Progress* 20, 1981, p 19)

Between 1976 and 1979, the number of manufacturers in the industry declined by 6%.⁵ A close look at Tiger Oats and Premier's interests provide an excellent illustration of the scope of centralization (and concentration)

5. *Food and Beverages*, p 37.

that was occurring in the industry. By 1980 Tiger had listed investments in sixteen companies and unlisted investments in another 111. It consisted of 170 wholly-owned direct subsidiaries; ten partly-owned direct subsidiaries; forty-two wholly-owned indirect subsidiaries; and 106 partly-owned indirect subsidiaries. Its interests extended from its traditional base of maize milling (twelve companies), wheat milling (five companies), oat milling, baking and confectionery (forty-nine) to vegetable expressors and refiners; manufacture of fats and peanut butter; manufacture of margarine; animal feeds; egg production, processing and hatcheries for layers; mushroom growing and canning; fishing (rock lobster processing, pelagic fishing, production of fish meal and fish oil, salt snoek processing, deep sea trawling, and cold storage), wholesale and retail chemists; export and shipping; manufacture of pharmaceuticals and surgical supplies, etc. Premier was not much different. By 1980 Premier's interests involved 349 operations ranging from wheat and maize milling (eighteen mills); biscuits (two plants); bakeries (forty-six); distribution plants (forty-six in most centres); agribusiness; animal feeds and processing in eggs, poultry, food sugar and cotton; edible oils and preservatives; industrial feeding; book shops, pharmaceuticals, liquor, travel, packaging, shipping and clearing, etc., etc.⁶

These examples reflect clearly the degree of centralization that characterised the economy generally at this point. (By centralization we mean, of course, the process whereby a few firms have expanded into and control many different kinds of activity, ranging from mining, to construction, textiles, and so on.) They demonstrate also equally clearly the degree of concentration of capital that has occurred, both within the broader economy and the food in-

6. *Work in Progress* 20, 1981, p 19.

dustry specifically. (Concentration of capital is the process whereby production in one branch of industry had come under the control of fewer firms.)

Table 2 below, using statistics for 1978, shows the degree of concentration in the food industry by that time already. The table shows that the food and beverage industries were able to produce 24% of their own intermediate inputs, second only to agriculture, with 47,6%. The increasing expansion of corporations like Premier and Tiger Oats into agribusiness means that the total value of intermediate inputs into the food industry is probably much, much higher today.

Table 2: Total Value of Intermediate Inputs Supplied to the Food and Beverage Industries and Percentage of the Total

Supplier industry	Value R million (1978)	Percentage of total inputs	Estimated 1985 value (15 % Growth rate)
Food or beverage industry	1 080	24,0	2 873
Agriculture	2 145	47,6	5 706
Paper containers	117	2,6	311
Printing & publishing	63	1,4	168
Chemical products	64	1,4	170
Plastic products	44	1,0	117
Glass products	78	1,7	207
Fabricated metal products (tin cans)	128	2,8	340
Industrial machinery	53	1,2	141
Electricity, gas, steam	46	1,0	122
Wholesale & retail trade	94	2,1	250
Transport & storage	218	4,8	580
Business services	131	2,9	348
Unclassified goods & services	246	5,5	654
TOTAL	4 507	100,0	11 988

SOURCE: *Food & Beverages: An Overview*, page 50,
 Table 15.

Concretely, this process of concentration means that Premier, for example, mills flour that it supplies its bakeries with, supplies its margarine and may-

onnaise plants with fats and oils, mills sugar for its soft drink and confectionery manufacturers, and so on and so on.

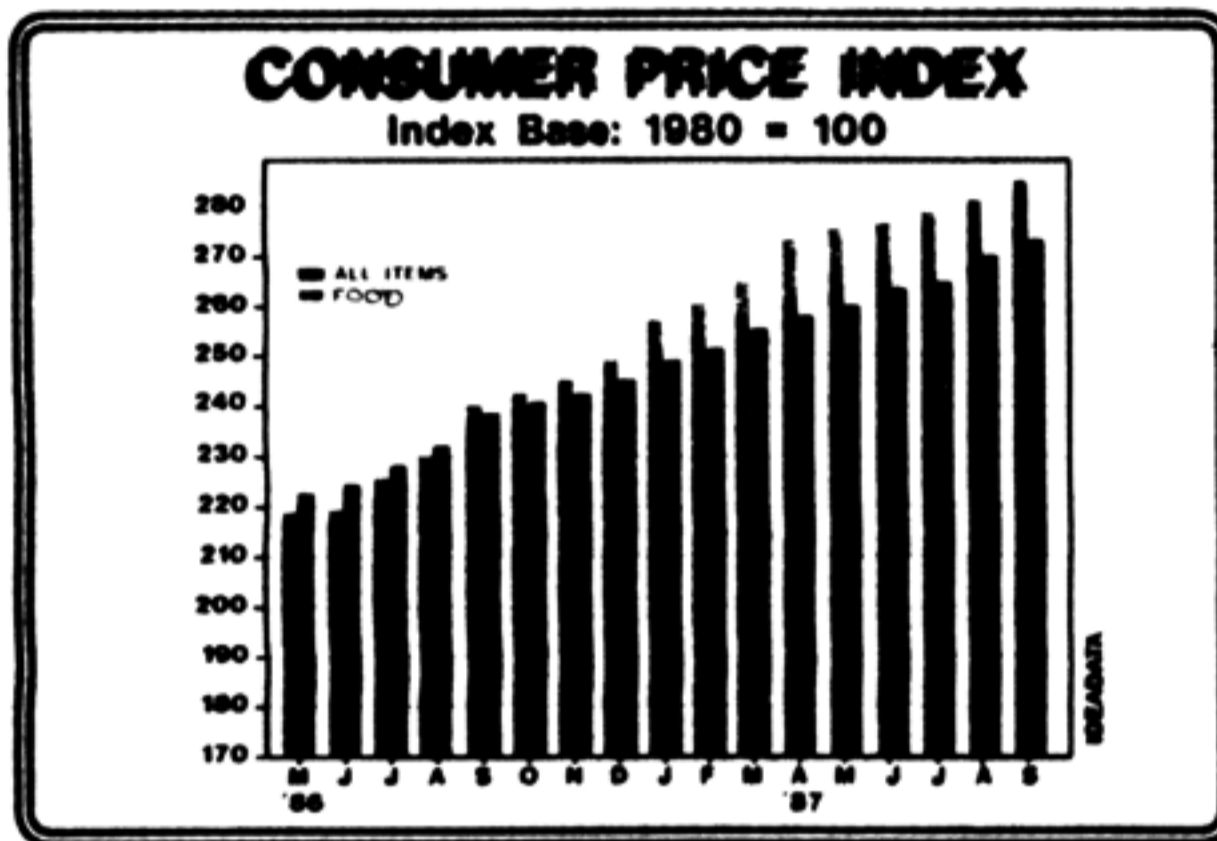
Monopolies, High Food Prices and Super-Profits

The concentration and centralization in the food industry resulted in a mere five to six giant corporations controlling virtually the entire industry. This control by such a small number of companies has made it possible for them not only to control the prices of food commodities, but in fact to set them above their value, that is, higher than what it cost to produce them. This is made possible further by the fact that these same companies also control everything produced in the industry, and can therefore control production, so that price drops do not need to occur due to over-production.

In terms of 'normal' capitalist development, increases in production would mean that less labour time is spent on producing each commodity. Its price and value should therefore decrease. But because monopolies control the market they can increase prices even though productivity increases and it costs less to produce that commodity. It is this that is commonly referred to as monopoly super-profits. It is also this particular road to 'super-profits' that generates inflation. Nor is the food industry alone prone to this phenomenon: today it characterises most branches of the South African economy. Yet, the food industry is undoubtedly one of the leading, if not *the* leading contributor to inflation. In the twelve months from April 1980 to 1981, the food index rose by 30%, while the meat price alone went up by 57%.⁷ In recent years, this development has continued apace, as Table 3 below illustrates.

7. *Work in Progress* 20, 1981, p 18.

Table 3: Consumer Price Index



SOURCE: *The Sunday Star*, Finance Supplement, 1 November 1987

From the table it is clear how food prices have consistently run well ahead of the inflation rate (Consumer Price Index, or CPI). The really interesting feature of the rapid escalation of food prices is that they occur despite *increases* in labour productivity (making food commodities *cheaper*, in other words) and *declines* in physical volumes of production in some important sub-sectors such as red meat, canned meats, fruit and vegetables, and maize products, in other words, despite drops in consumption. The following series of tables will make this clear. Table 4 below illustrates clearly a productivity growth rate of 25,3% over the period 1975-1984. This figure assumes its true perspective once it is borne in mind that productivity in the South African manufacturing industry generally has not made much gain in recent years. But the table makes clear that the spectacular increase in food prices is in fact contradicted by the increase in productivity, in other words, that the

high prices derive ultimately from the pursuit of super-profits of a handful of companies, rather than escalating production costs.

Table 4: Annual Indices of Labour Productivity

	Physical volume of production (Index)	No. of employees ('000)	Labour productivity (Index)	Earnings per employee (R'000)	Sales per employee (R'000)		Unit labour cost (Index)	% Capacity utilisation
					Current values	1975 values		
1975	Total	1 317	100,0	2,4	13,6	13,6	100,0	87,6
	Food	161	100,0	1,9	16,7	16,7	100,0	88,3
1980	Total	1 415	120,0	4,8	29,1	15,7	162,4	88,5
	Food	173	115,6	3,4	35,2	18,0	156,0	87,1
1982	Total	1 461	120,5	6,8	37,3	15,5	229,4	87,6
	Food	176	121,9	4,8	44,3	17,2	212,7	87,5
1983	Total	1 396	117,5	7,7	41,8	15,8	266,0	84,9
	Food	170	121,1	5,6	54,6	19,3	249,6	85,5
1984	Total	1 393	121,4	8,7	48,6	17,0	293,1	86,3
	Food	171	125,3	6,4	60,5	19,3	277,1	87,0

Total = Total manufacturing industry

Food = Food industry

SOURCE: *Food and Beverages*, page 48, Table 22.

Table 5 below lists the physical volumes of production for the period 1980-1984. While food production as a whole increased by 7,2% (compared to total manufacturing's increase of 26,4%), important sub-sectors show an actual decline. Amongst them are slaughtering and meat products (4,5%), butter and cheese (4,2%), fruit and vegetable preservation (20%) and compound cooking fats (10,6%).

Table 5: Manufacturing Industry:
 Physical Volume of Production (1975 = 100)

	Weight	1980	1982	1983	1984
Total manufacturing	100	100	131,8	122,3	126,4
Total food	10,70	124,2	133,5	128,1	133,1
Slaughtering & meat products	0,77	124,4	124,4	124,1	119,0
Butter & cheese	0,24	124,1	118,6	135,6	119,1
Milk products	0,50	120,7	123,7	125,4	127,3
Ice cream	0,17	131,1	135,1	158,6	163,6
Fruit & vegetable preservation	1,18	123,2	91,6	100,6	102,5
Fish products	0,37	125,4	137,2	136,5	123,8
Compound cooking fats	0,67	137,6	143,5	113,1	124,4
Flour & grain mill products	1,67	103,3	127,3	125,5	115,3
Baking	1,31	145,1	129,2	132,2	136,5
Sugar	1,39	120,7	148,5	103,2	146,2
Sweets & chocolates	0,77	120,5	147,3	144,7	150,4
Flavouring essences & vinegars	0,21	132,1	182,7	198,2	212,5
Coffee & tea	0,30	101,7	83,2	83,7	89,1
Miscellaneous food products	0,68	142,3	179,3	200,3	210,4

SOURCE: *Food & Beverages*, page 42.

Table 6 below lists the value of sales for the various sub-sectors in the same period. When contrasted with Table 5, this table proves conclusively that despite the drop in physical volumes of production, the drop in consumption of these commodities being the cause -- the continued *higher* prices of these same commodities have ensured super-profits for the monopolies.

Table 6: Manufacturing Industry: Value of Sales (R million)

	1975	1980	1982	1983	1984	Annual compound growth rate 1975-84
Total manufacturing	17 853	41 993	54 924	59 168	68 370	16,1
Total food	2 201	5 591	8 150	8 484	9 458	17,6
Slaughtering & meat products	205	491	1 755	963	1 078	20,3
Butter & cheese	61	199	330	390	411	23,6
Milk products	84	154	224	266	314	15,8
Ice cream	7	39	75	72	75	
Fruit and vegetable preservation	199	536	650	750	896	18,2
Fish products	66	152	206	241	238	15,3
Compound cooking fats	162	347	462	502	577	15,2
Flour & grain mill products	451	1 430	1 813	2 236	2 283	19,7
Baking	243	548	805	967	1 175	19,1
Sugar	390	808	844	866	954	10,4
Sweets & chocolates	116	298	364	438	485	17,2
Flavouring essences & vinegar	20	52	98	105	127	22,8
Coffee & Tea	105	175	193	244	294	12,1
Miscellaneous food products	99	282	323	424	551	21,0
Total beverages	818	1 775	2 482	2 683	3 060	15,8
Wineries & Distilleries	415	774	971	984	1 060	11,0
Malt beverages	277	722	1 048	1 140	1 383	19,6
Soft drinks	126	280	463	551	617	19,3

SOURCE: *Food & Beverages*, page 44.

Thus, while the physical volume of slaughtering and red meat products declined by 4,5% in the period 1980 to 1984, the value of sales in this same period increased by 119,6%, ensuring an annual compound growth rate of 20,3%! Butter and cheese which declined by 4,2%, shows an increased value of sales of 106,5%. Even more spectacularly, fruit and vegetable preservation, which declined by 20%, shows an increased value of sales of 67,2%.

Lastly, we present Table 7A which lists red meat commercial supplies, auction and consumer prices. Of most interest is a comparison between auction (or floor) prices with consumer prices. In 1980, for example, the auction price of beef was R1,51, while the consumer (or retail) price was R2,32, a difference of 53,6%. By 1984, the difference was 76,9%. Now even allowing for additional costs such as labour and packaging, the difference between the

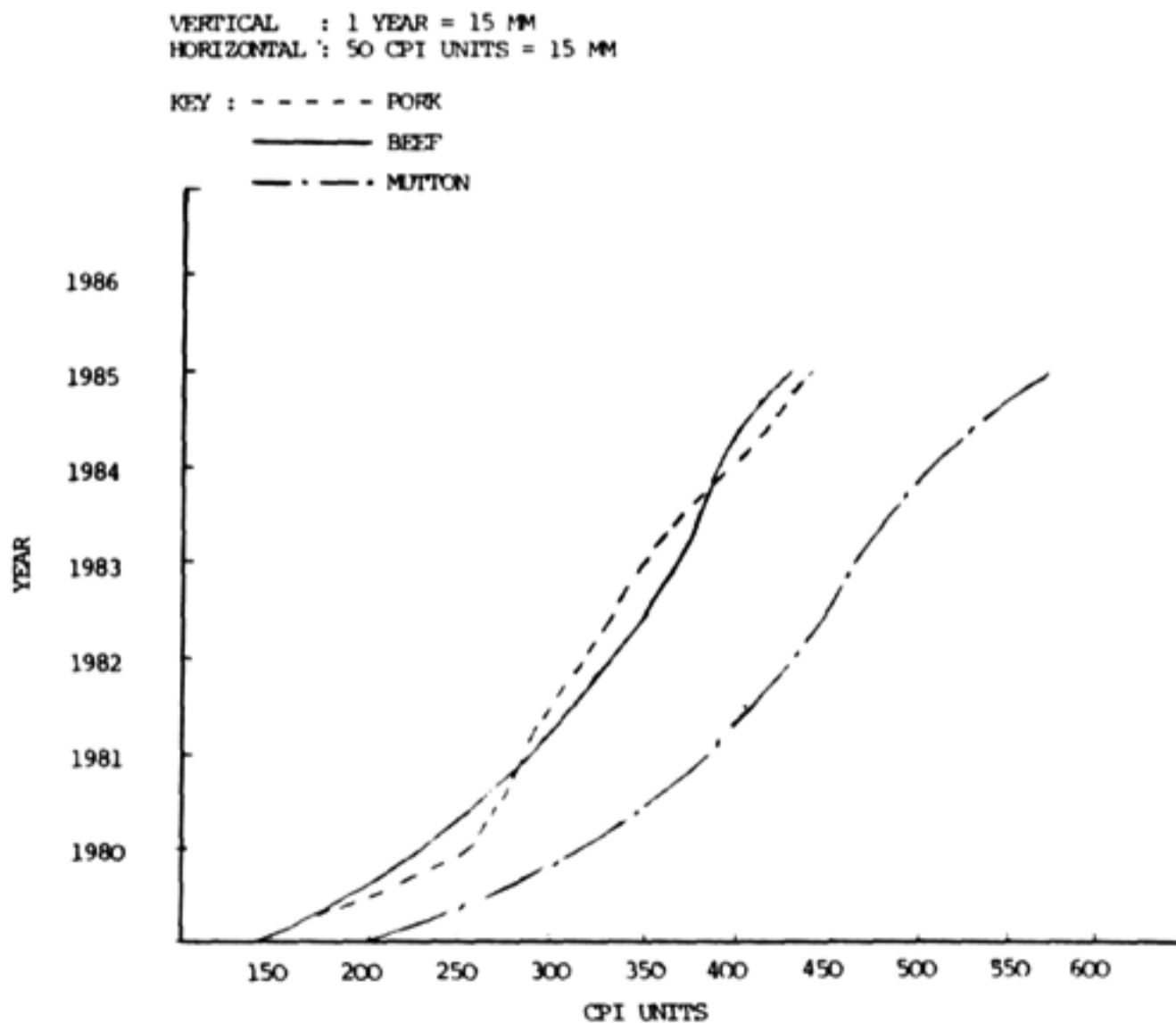
auction price and the retail price seems particularly high. The difference in the pork prices is even more breathtaking, being 124,5%!

Table 7A: Red Meat Commercial Supplies, Auction and Consumer Prices

Year	Available supply ('000T)			Auction prices (c/kg)			Consumer prices (c/kg)		
	Beef	Mutton	Pork	Beef	Mutton	Pork	Beef	Mutton	Pork
1975	- 392	98	71	88	117	79	141	200	141
1980	499	114	68	151	192	137	232	320	257
1983	485	138	95	215	255	166	371	467	349
1984 (Jul)	513	140	93	221	300	219	391	514	399
1985 (Jul)	418*	144	94	227	339	196	431	581	440

SOURCE: *Food & Beverages*, page 94.

Table 7b: Graph of Beef, Mutton & Pork Consumer Price Increases, 1980-85



Despite having shown that monopoly control of the food industry has created super profits through high prices rather than increased productivity, it still appears that the profit rate of the food industry lags somewhat behind that of the manufacturing industry as a whole. In 1974, the net output per employee for the food industry was about R2 160, compared with R2 440 for the manufacturing industry. Net output per rand of physical assets was R870 versus R1 070 for manufacturing, and profits 16% on sales as against 21% for manufacturing. Statistics for the period 1976 to 1979 clearly bear this out, with the food industry showing a profit percentage growth rate of 5,6%, as against 7,0% for total manufacturing. This could partially be explained by the fact that the change in materials used represent 61,4% of all costs in the food industry, compared to only 45,4% for total manufacturing.⁸ The growth in the organic composition of capital in the food industry in this period being higher, it is not surprising then that the rate of profit growth should have been lower. However, the degree of centralization and concentration that has occurred in the industry since 1979, with its concomitant growth of rationalization could well have already fundamentally affected this position. This is clearly an area of work that warrants much further investigation.

The Loss of Export Markets and the Shrinkage of the Home Market

As we pointed out at the start of this chapter, the food industry is the largest earner of foreign currency for the South African economy after minerals, including gold. Yet, for some time now, its prime foreign markets have been in jeopardy. The causes for this range from, more recently, sanctions, to the inclusion of Spain and Greece into the European Economic Com-

8. *Food & Beverages*, p 38.

munity (EEC). Both countries are major fruit and vegetable producers, and have thus threatened to cut the South African food industry off from its lucrative Western European markets.

The general volatility of world food markets (especially fruit and vegetables), the potential loss of major export markets, and the shrinkage in the domestic market (due to declining wage levels) have placed the entire food industry somewhat precariously. The largest sector, the sugar industry, was faced with increasingly difficult conditions since the start of 1977, due mainly to chaotic conditions on the world market. Between March 1977 and July 1978, the volume of sugar production by refineries fell by 24,6%. In past years, the sugar industry relied on exports for as much as 50% of its earnings. By 1978, this figure was already down to 30%.⁹

The recession of the mid and late 1970s also had telling effects: output of canned and preserved fruit and vegetables declined by 22% between August 1976 and July 1978 as the working class, particularly, found itself with inadequate wages to adequately sustain itself. Between August 1977 and April 1978, bread (an essential staple of the working class) and bakery production fell by 12,3%. Processed meat production contracted by 16,7% between May 1977 and July 1978. The fish processing industry, battered on the one hand by the depletion of the rich (Namibian mainly) fishing grounds as well as the uncertainties and competition (from countries like Chile) on the world markets, saw exports fall by 25% in 1977 and nearly 50% in 1978. The domestic market for canned fish, once more a regular food of the working class, also contracted in this period.¹⁰

9. *Food Review*, Vol 6, No 3, June/July, p 14.

10. *Food Review*, Vol 6, No 3, June/July, p 19.

The dairy products industry suffered a similar fate. During the period October 1977 to September 1978, the level of output was 21,4% lower than in the previous twelve months. The volume of butter exported fell by 63% during this period.

Since 1980, the total export of food declined by 27%. As the *Food & Beverages Review* puts it:

It is clear that the balance of food payments is narrowing and that the export of processed food products is not increasing satisfactorily.

(Page 61)

Now that Spain has finally joined the EEC, the stiff duty imposed on imports from outside the EEC countries means that the South African food industry can no longer look on the Western European countries as its prime export target. (It is, of course, the inclusion into the EEC of countries like Spain that suddenly makes it possible for the EEC countries to slap 'sanctions' on South African food exports.) But the low rand exchange rate, together with the opening up of important American and Japanese export markets might well compensate for the loss of these.

The shrinkage in the home food markets is the direct consequence of the attack on the living standards of the working class which the economic crisis of the 1970s and 1980s has precipitated. Workers are simply starving through growing unemployment, retrenchment, lay-offs, ever-escalating prices and falling real wages.

Employment in the Food Industry

Tables 8A and 8B below reflect employment patterns in the manufacturing industry as a whole and the food industry specifically respectively. Of note is how, in the period 1965 to 1975, the food industry's growth matches exactly that of total manufacturing, both being 43%. But then, in the period 1975 to 1985 -- the period of economic crisis -- the food industry's share of employment actually grows while total manufacturing declines. Employment in the food industry grows by 0,07% in this period, while total manufacturing's employment declines by 1%. Furthermore, both food and manufacturing show bigger growth in the boom years 1980-1982, and both thereafter decline, food to a level still above the pre-boom period, but manufacturing to levels below those of 1976.

Table 8A: Employment in Manufacturing - All Manufacturing Groups, 1960-85

YEAR	EMPLOYMENT				
	TOTAL	AFRICAN	ASIAN	COLOURED	WHITE
1960	653 300	352 500	30 700	96 100	174 100
1961	673 200	361 900	33 200	100 800	177 300
1962	707 500	378 700	35 400	108 900	184 500
1963	746 286	397 667	38 093	117 844	192 682
1964	826 018	440 952	43 161	133 672	208 233
1965	912 500	496 100	48 200	144 700	224 500
1966	936 531	505 092	49 493	148 602	233 344
1967	973 400	522 000	55 100	154 400	241 900
1968	988 921	527 678	55 968	157 567	247 708
1969	1 042 500	555 200	60 300	170 900	256 100
1970	1 109 784	588 560	66 564	190 119	264 541
1971	1 068 921	567 198	64 334	183 062	254 327
1972	1 107 000	600 300	66 900	184 600	255 200
1973	1 127 275	614 382	66 789	188 043	258 061
1974	1 189 000	651 000	71 400	200 300	266 300
1975	1 259 800	695 600	78 100	213 300	272 800
1976	1 307 600	722 700	81 900	215 100	287 900
1977	1 344 751	741 588	86 021	216 727	300 415
1978	1 355 205	746 839	86 036	217 746	304 584
1979	1 317 200	722 100	84 400	209 000	301 700
1980	1 312 100	714 200	84 300	216 300	297 300
1981	1 332 743	722 190	88 247	221 472	300 234
1982	1 392 000	754 500	92 300	238 700	306 500
1983	1 449 000	787 600	95 300	250 300	315 800
1984	1 454 300	786 900	94 000	252 600	320 800
1985	1 372 600	734 200	90 000	239 000	309 400
1986	1 380 000	737 400	91 600	243 200	307 800
1987	1 320 900	703 800	88 500	232 100	302 500

**Table 8B: Employment in Manufacturing
 Food Manufacturing : 1960 - 1985**

YEAR	EMPLOYMENT				
	TOTAL	AFRICAN	ASIAN	COLOURED	WHITE
1960	94 700	57 500	6 000	13 900	17 300
1961	97 200	59 100	6 200	14 600	17 300
1962	100 200	60 300	6 300	16 000	17 600
1963	102 939	61 107	6 257	17 633	17 942
1964	105 566	63 417	6 757	17 868	17 524
1965	111 100	67 900	7 200	18 200	17 800
1966	116 920	71 809	7 563	18 817	18 731
1967	118 000	73 000	7 700	19 000	18 300
1968	122 687	75 331	7 673	20 440	19 243
1969	128 200	80 100	7 900	20 400	19 800
1970 ¹	129 559	80 620	8 253	21 551	19 135
1970 ¹	131 348	81 942	8 324	21 569	19 513
1971	134 600	85 300	8 000	22 200	19 100
1972	135 702	86 077	7 830	22 685	19 110
1973	142 600	90 800	8 800	22 900	20 100
1974	149 900	95 900	8 900	24 400	20 700
1975	159 100	103 800	9 600	23 100	22 600
1976 ²	162 993	107 781	9 473	22 467	23 272
1976 ²	165 022	109 016	9 473	22 890	23 643
1977	167 100	110 800	9 400	22 900	24 000
1978	167 900	109 600	9 700	24 600	24 000
1979	167 571	108 821	9 553	24 667	24 530
1980	174 000	112 200	10 200	27 500	25 100
1981	176 300	113 000	10 500	27 000	25 800
1982	180 600	117 400	10 300	26 500	26 400
1983	171 800	109 900	9 800	26 000	26 100
1984	173 100	109 900	9 900	27 000	26 300
1985	170 900	108 200	10 100	26 400	26 200

SOURCE: *Handbook of Stats.* page 65.

Of further interest in Table 8B is the employment pattern of African workers. In the period 1965 to 1975, the employment of African workers in the food industry grows fastest of all population groups, amounting to 53%. Yet in the period 1975 to 1985, the growth in the employment of African workers is the second lowest, amounting to 0,04%, compared to 0,14% for coloureds and 0,16% for whites. These statistics suggest either a greater technological change in the labour process of the food industry thus requiring more skilled and semi-skilled labour (and hence more coloured and white workers being employed) or a conscious policy of excluding African workers from

employment due to their leading rôle in the militant political and trade union struggles of the last decade or so.

Wages in the Food Industry

Tables 9A and 9B reflect average monthly earnings for all manufacturing groups and the food industry respectively.

**Table 9A: Average Monthly Earnings in Current Rands - Manufacturing
All Manufacturing Groups : 1960 - 1985**

YEAR	TOTAL	AFRICAN	ASIAN	COLOURED	WHITE
1960	68.74	30.14	50.36	47.43	161.85
1961	70.75	31.53	49.32	48.42	167.49
1962	71.47	32.00	49.19	47.59	170.87
1963	74.45	34.26	54.33	47.75	177.69
1964	79.90	38.36	50.64	51.37	192.22
1965	85.48	40.64	57.95	56.61	209.11
1966	92.44	42.91	63.59	61.07	225.75
1967	96.92	44.26	65.88	62.38	239.66
1968	103.70	47.67	70.11	65.28	255.10
1969	106.36	47.80	71.45	66.83	267.91
1970	115.52	51.57	76.06	70.90	300.22
1971	126.02	55.57	87.88	80.41	334.73
1972	135.83	60.75	98.27	90.10	357.61
1973	150.87	71.88	110.84	104.17	389.84
1974	173.86	87.99	127.06	118.86	449.20
1975	203.11	106.49	151.13	135.36	511.05
1976	232.46	125.25	179.81	154.37	566.09
1977	260.97	142.26	199.50	172.86	623.31
1978	292.46	162.01	226.25	141.42	698.15
1979	336.25	187.59	252.70	217.93	805.96
1980	396.74	224.09	302.37	260.99	955.94
1981	472.50	270.79	362.38	315.11	1 133.53
1982	556.86	320.60	453.61	368.85	1 314.70
1983	638.05	369.41	520.53	418.95	1 478.95
1984	717.93	417.30	600.49	470.49	1 668.60
1985	810.82	467.96	667.72	532.72	1 847.67

**Table 9B: Average Monthly Earnings in Current Rands - Manufacturing
 Food Manufacturing : 1960 - 1985**

YEAR	TOTAL	AFRICAN	ASIAN	COLOURED	WHITE
1960	50.63	26.85	43.49	41.25	139.65
1961	52.86	27.96	45.60	43.68	148.29
1962	54.45	29.09	47.66	42.32	154.78
1963	56.74	30.63	55.86	40.24	162.18
1964	59.64	32.86	56.30	45.19	172.60
1965	63.00	35.00	59.00	46.00	189.00
1966	67.00	36.00	61.00	50.00	201.00
1967	67.00	36.00	63.00	51.00	211.00
1968	74.00	39.00	70.00	53.00	232.00
1969	75.00	39.00	73.00	55.00	244.00
1970	81.00	41.00	78.00	58.00	273.00
1971	88.00	45.00	92.00	64.00	305.00
1972	98.00	53.00	103.00	71.00	371.00
1973	113.00	65.00	118.00	85.00	360.00
1974	133.00	81.00	142.00	91.00	419.00
1975	155.00	96.00	159.00	111.00	466.00
1976	175.92	109.65	200.24	131.87	514.44
1977	194.84	119.19	226.80	147.68	577.02
1978	216.99	133.74	247.51	150.14	653.32
1979	243.69	149.55	282.53	168.60	721.71
1980	282.87	174.79	322.63	199.63	836.72
1981	335.53	205.58	385.29	231.45	993.36
1982	399.22	241.72	492.50	288.24	1 174.61
1983	472.67	290.90	584.15	330.90	1 333.21
1984	540.95	337.12	669.95	378.92	1 510.48
1985	616.82	380.40	719.50	443.51	1 728.23

SOURCE: *Handbook of Stats.*, page 299.

From these tables it can be seen that although the percentage increase of the average monthly wage in the food industry was greater than total manufacturing (146% vs 138%) in the period 1965 to 1975, in absolute terms, wages in manufacturing are higher than the food industry for all population groups except Asian workers. The period 1975-1985 is even more revealing. Even though the average monthly wage in the food industry increases by 298% compared to 199% in total manufacturing, the manufacturing wages are still greater in real or absolute terms, again with the exception of Asian workers though. So by the end of 1985, African, coloured and white workers in the food industry were all earning average monthly wages less than those in total manufacturing.

Of particular interest (from the point of view of our general purpose in this dissertation) is the fact that African workers in the food industry in the

period 1975 to 1985 experienced a 296% growth in their average monthly earnings, compared to 139% of their counterparts in total manufacturing, even though the average monthly wage for African workers in the latter by 1985 was R467,96, while for the former it was only R380,40, a difference of 23%. For the percentage rise in total manufacturing in the period 1975 to 1985 actually shows a drop of 16,5% over the preceding period 1965-1975, whereas the percentage rise in the food industry for African workers shows a gain of 70,1% over the period 1965 to 1975.

One factor in any explanation for the rise of black (African, coloured and Asian) workers' wages in the period 1975 to 1985 in the food industry is indubitably the spectacular growth of unionization in the industry. The lower average monthly wage of the industry compared to total manufacturing cannot detract from this fact.

Conclusion

The food industry, the largest and most important sector of the manufacturing industry, from the point of view both of employer of labour and foreign currency earner, has undergone profound structural changes in the 1970s and 1980s. Some of these changes have reflected the changes occurring in the greater economy; we refer specifically to the growth of the monopoly corporations, and the tendency towards concentration and centralization of capital that has attended this growth. A further consequence has been the super-profits phenomenon, whereby the monopolies have relied much more on higher prices than increased productivity and competitiveness for big profits. This in turn has constantly stoked the flames of inflation, itself a cause and effect of the severe economic crisis that has gripped the South African economy since the early 1970s. This crisis has meant high unemployment,

retrenchment and falling wages for the working class. The attack on the living standards of the working class has created a shrinking in the local food markets, and has added to the crisis the food industry faces on world markets through sanctions and developments within the EEC.

But while the food industry has come under the control of a handful of monopolies, who via cartels and informal agreements drive up the prices of their commodities ever beyond the reach of the vast majority of the working class, that class has responded to the economic and political crisis through the militant political struggles of 1973, 1976, 1980 and 1984-1986. One consequence of and contribution towards these struggles has been the independent trade unions that emerged after the strike waves in Durban, 1973. And right inside the food industry itself -- source of so much suffering for millions of workers -- the food workers have taken up the challenge of the bosses, as the wage increases of recent years themselves show.

CHAPTER THREE

THE RISE OF LABOUR

1. The Smashing of the ANC and PAC

The tempestuous 1950s with its '£1 a day' campaigns, anti-pass campaigns, and so on, finally came to a brutal halt with the banning of both the ANC and PAC in 1961.¹ The banning of these organizations -- the ANC in particular -- and the imprisonment of the bulk of its national leadership, effectively politically neutralised the struggle of the black masses of South Africa for more than a decade. The South African Congress of Trade Unions (SACTU), of which the Food and Canning Workers Union had been a founder member in 1955,² itself was now also driven underground, with obviously negative implications for the organised black workers and the black working class as a whole.

So, just as the smashing of black political organizations served to crush mass opposition to apartheid capitalism in general, just so was the effect on the struggle of organised workers. Table 10 below illustrates the exact extent of political defeat that this period ushered in for the working class, by comparing strike statistics for the period 1962-72 with 1973-83.

1. MacShane, Plaut and Ward, *Power*, p 33.

2. *ibid.*, p 31.

Table 10: Strikes by Black Workers, 1962-1983

<i>Year</i>	<i>No. of Disputes</i>	<i>Black workers on strike</i>	<i>Year</i>	<i>No. of Disputes</i>	<i>Black Workers on Strike</i>
1962	56	2,155	1973	370	98,029
1963	61	3,101	1974	384	58,975
1964	99	4,369	1975	276	23,295
1965	84	3,540	1976	248	26,931
1966	98	3,253	1977	90	15,091
1967	76	2,874	1978	106	14,088
1968	56	1,705	1979	101	17,323
1969	78	4,232	1980	207	56,286
1970	76	3,303	1981	342	84,705
1971	69	4,196	1982	394	141,517
1972	71	8,814	1983	336	64,469

SOURCE: MacShane, Plaut and Ward, *Power!*, pp 20 & 58.

From the point of view of the working class, SACTU, in its period of existence as an open, legal organization, was a mixed success. The major drawback in its formation was that it was conceived merely as the 'labour wing' of the African National Congress, according to which the working class had only 'a special role' -- no less so than women, students, etc. -- to play in the national democratic struggle. In reality this meant that SACTU often rallied workers not in pursuit of their own class interests, but more in the interests of the broad church which was the ANC, a self-confessed, nationalist (as opposed to socialist) petty bourgeois organization. One example of how workers' interests were subsumed under those of the 'oppressed in general' was the SACTU '£1 a day' campaign, where, despite the keenness of workers to continue the struggle, the campaign was called off on instruction from the ANC.

Nevertheless, despite this major drawback, SACTU did have the virtue of drawing the organised workers directly into politics. The Food and Canning Workers Union, started by overt political activists such as Oscar Mpetha and Ray Alexander, clearly fitted easily into this mould, and was thus in the fore-

front of all the major SACTU and Congress Alliance campaigns. The union had simply found a larger arena for its tradition of political involvement. In other respects, though, the union also reflected the weakness of SACTU, in that it did not devote nearly enough attention to the creation of strong factory -- or shop-floor based structures, through which workers themselves -- as opposed to the activist leaders -- could begin to challenge the bosses. We will see how and when this was to change.

2. The Rise of Labour

The world-wide stock market collapse of 1969 signalled the onset of a deep depression in the world economy. South Africa, cushioned by the international importance of its leading export, gold, began to feel the iron grip of this depression from about the end of 1971. For the working class, this meant the start of declining living standards -- a process which was to continue and intensify up until the present. The first major response of the black working class to the attack on its living standards -- in the form of unemployment, retrenchment, falling wages and rising prices -- was the spectacular Durban strikes of 1973, involving over 60 000 black workers.³ Directly out of this series of strikes arose new trade unions like the Chemical Workers Industrial Union (CWIU) and the Metal and Allied Workers Union (MAWU). This growth of new black trade unions spread rapidly all around the country. While the CWIU and MAWU sprang up in Durban, unions like the Black Allied Workers Union (BAWU) sprang up in Johannesburg, while in

3. For a discussion of the Durban 1973 strikes, see: Du Toit, D., *Capital and Labour in South Africa: Industrial Relations in the 1970s*, and Friedman, S., *Building Tomorrow Today*, pp 37-68.

Cape Town, the Western Province Workers' Advice Office -- forerunner to the General Workers Union (GWU) -- was established.⁴

While the rapid growth of the trade unions had diverse political origins, suffice it to say that the main contributors were the various wages commissions set up by NUSAS in the early 1970s, the Black Consciousness (BC) orientated Urban Training Project (UTP) and the syndicalist Trade Union Advisory Consultative Committee (TUACC).⁵

3. New, Working Class Traditions

Despite their varied political origins, the new 'independent' unions -- as they called themselves -- all had certain characteristics in common: to a lesser or greater degree they all stressed the need for democratic trade unions, with full worker participation in all aspects of the organizations' development -- captured in the emerging slogan: 'workers' democracy'; a strong commitment to building strong factory-floor, shop steward structures.⁶

These two characteristics, workers' democracy and the great emphasis on strong shop steward structures, together certainly marked a major step forward for the South African black working class. The question of shop steward structures was by no means a simple organizational innovation. By no means. Tied to the conception of shop steward structures was the whole question of the rôle of the working class itself, as a class, in the struggle for a better future of the oppressed black masses.

So phenomenal was the growth of these new unions, so quickly did these new traditions of workers' democracy and strong shop steward structures take

4. Friedman, S., *Building Tomorrow Today*, pp 43-4, 59.

5. *ibid.*, pp 37-65.

6. *ibid.*, p 285.

deep root, so immense was the political and social weight that these organizations exerted, that they as quickly affected the existing unions of the time, first of which were the progressive unions like the Food and Canning Workers Union, of course.

One assessment of these developments in Food and Canning is reflected in the views of Liz Abrahams. She has been an active Food and Canning member from 1941, when she first joined as a fourteen year old canner, until her retirement in October 1987, at the age of 62. During this period, she became an office-bearer of the union, holding the position of General-Secretary for a number of years. She was one of the pioneering members of the union, along with key figures such as Ray Alexander and Oscar Mpetha. She is a respected community figure, especially in the Boland area, because of her long history of involvement in political struggles, not only via the FCWU, but also as a member of the old (recently revived) Federation of South African Women.

She expressed her views on workers' democracy as follows:

It is the workers that must give the lead, it is the workers that must decide. It is *not* for the leaders to decide for the workers, for it is the workers that feel the pain . . . they know the long hours . . . they know what they put in a day's work. So it is the workers that must control and tell the leaders what to do. The leaders are there to give advice and to lead them, but if workers want a change in their conditions, then it is the leaders that must carry it out.

7

For her, the effect of the FOSATU unions placing a strong emphasis on workers' democracy and workers' control on Food and Canning policy, was:

7. Interview conducted with Liz Abrahams in Paarl, on Monday, 28 December 1987. All further quotes from Liz Abrahams come from the same interview.

All the years we also said it was the workers that must control the union because after all it is the workers that form the union . . . because if there is no worker in the factory, there can be no union. It is only the worker that forms the union and, you know, a leader can never tell workers what to do, especially when they don't work in the factory. It is difficult for a person that doesn't work in a factory to understand a worker because the sufferings that workers have to go through . . . it's terrible, the long hours they have to stand and, you know, the long hours they have to work and, you know, you're like a machine.

She also explained about the harsh conditions encountered by workers in the fruit and vegetable canning industry:

Once I was a canner, and it's terrible to stand from 7.30 to 12.00 the whole day. You're like a machine the whole day. Every day for a whole six months because this is a seasonal industry. During the six months . . . two, three weeks, there's a lot of work, then it slacks a little bit. When there's apricots, we must work . . . when the apricots are finished, then it's the peaches, when the peaches are finished, it's the pears. It goes on and on and on. It's terrible, long hours, and it's hard work, especially for women.

Liz Abrahams's views on the importance of the principle of workers' democracy to the proper running of the union were echoed by Sabagh Francke, another veteran Food and Canning member. She joined the union in 1941 when she first started working at H. Jones & Company's canning factory in Paarl. During her 48 years' service at this factory -- she retired in 1985 -- she was a dedicated union shop steward. Like Liz Abrahams, she believes:

Die werkers moet 'n groot sê het in die unie want die komitee en die sekretaris en die voorsitter kan nie sê het alleen nie as die werkers nie saam staan met hulle vir krag nie.

8

The policy of workers' democracy that was adopted brought a big change to the FCWU, as evidenced by the views of Liz Abrahams:

Yes, yes . . . but as I say, it was there all the time but it was more impressed on the workers, you know. The workers had to exercise it more themselves, you see.

You know, in our industry it is very complicated because with this highly seasonal industry, this year you get 300 workers, but next year you won't get that same workers again. You get different workers, you get new workers again. The year after that . . . nearly every year you get new workers. So it is very difficult to build up a worker in the industry, the same worker from A to Z, because of this seasonal industry. Many workers can't work for three months and stay at home for three or four months. So it is so difficult in our industry to build up a worker from A to Z.

Now, for the first time we'll explain to them what's unity, next time we'll explain to them how we must stand together to fight the problems. But now next year you must do the same because it is different workers again. In a permanent industry, it is better to build up a worker step by step. But with our industry it is very difficult. You must be a minister every year . . . you must preach the same thing, preach the same thing.

The second of these two advances in working class struggle was the creation of strong shop floor structures. The building of strong shop steward committees provided the working class with the organizational form *and practice* through which it could begin to challenge the bourgeoisie directly, thereby being able to develop confidence in itself, and develop consciousness of itself as a class. Furthermore, through these committees (although of

8. Interview with Sabagh Francke, conducted in Paarl on Thursday, 7 January 1988. All further quotes are taken from the same interview.

course not exclusively through them) the working class could begin to develop a layer of working class leaders, conscious of themselves as working class leaders, and committed primarily to the political and economic interests of that class, first and foremost.⁹ To this extent, the emphasis of the new unions on these shop steward structures provided the working class with its first opportunity to break from the position of class subservience it was subjected to within the ANC and SACP (and through SACTU, in the way we outlined above).

The views of both Liz Abrahams and Sabagh Francke suggest that the FCWU did not lag behind in introducing strong shop floor structures, and that the union in fact realised the advantages that such structures hold for workers in their struggles against the bosses. According to Liz Abrahams, therefore, the union clearly saw the need to introduce strong shop floor structures:

Because if you don't introduce strong shop floor structures, then it is difficult to make the employers aware that the workers are united now and that the workers really want a change in their conditions and their wages.

From the interviews, it is evident that this understanding pervaded the union not only at the level of the leadership, but also at membership level. Sabagh Francke was quite clear on what she thought the benefits of strong shop steward structures were:

As daar sterk shop stewards is dan kan hulle meer veg waar die mense swak is om te betaal, maar as daar swak shop stewards is wat nie kan praat nie, dan kan die unie verval.

9. Friedman, S., *Building Tomorrow Today*, pp 185-6.

Liz Abrahams was equally clear as to what, for her, were the virtues of strong shop floor structures for workers and the union:

The benefit was the employers became weaker. The stronger the committees got in the factories, the weaker the employers became. They saw that if they were going to touch one worker, they were going to touch all the workers . . . It is in the benefit of workers to be strong on the factory floor.

An overview of how Food and Canning first started building its shop floor structures was provided by Jan Theron, who first joined the union in 1976, and is currently the General-Secretary of the Food and Allied Workers Union (FAWU), into which the FCWU has since evolved:

There were committees in factories in terms of the way the union had been organised in the past. They weren't called shop steward committees as such, although there were shop stewards as well, but the shop stewards were mainly concerned with the collection of subscriptions. Up until not long before 1976, most of the factories which were organised were collecting subscriptions by hand because stop orders were relatively new. So there were some kinds of shop floor structures, but they weren't shop floor structures in the precise way that we have them now. It took me some time to actually understand that there had been a whole tradition of organization and in what respects it was different maybe from the way other unions were organising.

10

Jan Theron believes that the development of shop floor structures within Food and Canning was not directly influenced by developments within the FOSATU unions:

10. Quote taken from interview with Jan Theron in Cape Town, on Friday, 15 January 1988. All further quotes are taken from this interview.

Not entirely . . . maybe to understand that position you need to know something about the history of the union. The union was started in 1941, and at that time, 1976, the union was very much at a low point. I mean over the years, the late fifties, sixties, there had been banning orders of key leadership people and the union was quite badly weakened and, in fact, it was in quite serious decline.

So that in the earlier years, the position had been that there were factory committees and there was a branch structure . . . and there would be an elected leadership at the branch as well -- chairman, vice-chairman, secretary, treasurer, plus these committees at the factories, plus shop stewards. So there was some kind of a structure and there was the opportunity where the organization was quite strong for those people to go to management and to raise certain issues with management. But they weren't formally recognised as shop stewards, as having certain rights in the way that we have now.

But when I started working, it was very much just trying to rebuild the union and trying to re-establish the tradition that had been there -- that's how I saw my own involvement and I think other people also saw it as reviving the union. So that it was reviving existing structures and in a sense we were reviving what there had been before . . . The point is that it wasn't a FOSATU model as such. Up until recently, in fact up until our merger, our structures were a committee which was mostly referred to as a union committee; and then shop stewards who were sort of what we would now call assistant shop stewards -- they were kind of mainly collecting money, assisting the committee members. So we were different from all the other unions in that respect.

Essentially, then, Jan Theron argues that Food and Canning had a history of its own that has given rise to certain traditions of practice that are peculiar to that union, traditions that unionists like himself have been striving to maintain and that, in certain respects, set Food and Canning apart from other unions:

That's how we saw it, but gradually we were also bringing it closer to what was happening in the other unions. But there are still some differences stemming from that time -- differences in approach; on, for example, how shop stewards are elected.

That tradition is that we don't have departmental people, we have people elected by general meetings, which we still prefer. That's got certain implications for the way you organise in the factory. You know, for example, if you have departmental, you are going to have a particular department supporting a person, and that person might not necessarily be carrying the support of the whole factory. You know, you are going to have those sorts of controversies between sections of the factory, which we try and avoid through having general meetings. There are some disadvantages and advantages in the two approaches, but that difference of approach stems from our early history.

Despite these minor differences of approach and development, the fact is that Food and Canning -- like the FOSATU unions -- adopted and successfully implemented a policy of building strong shop floor structures. That the introduction of such structures by unions like Food and Canning went a long way in tilting the balance of forces between the employers and workers on the factory floor significantly in favour of workers, is aptly reflected in Liz Abrahams's statement on how the bosses responded to these new developments:

Well, at the first when they saw the workers became strong now, and workers, you know, workers never spoke openly with employers on deputations, but afterwards the more we had meetings -- committee meetings and members' meetings -- to explain to them, you know, and then as the employers became aware the workers were trying to unite now, then they didn't take that very hard line any longer. Then they more or less tried to compromise with the committees. Because they never wanted us to take matters to -- you know there was the factory committees and then there was the management -- they always try to solve the matter before it goes to management. But as I say, as the workers got strong on the factory floor, the more they didn't take that very hard line any longer, the more they compromised with us.

4. The State and Bourgeois Response

The vast majority of workers being drawn into the new independent unions were African. And since African workers were excluded from participation in the official labour relations machinery, the stage was thus set for a struggle between the new unions and the state.

The independent unions overcame the fact that they stood outside official machinery by entering into recognition agreements with individual employers.¹¹ The latter were naturally as hostile to these unions as the state was,¹² and only entered into such agreements after much struggle on both sides, and almost invariably only after strike action by workers. Increasingly, though, the great militancy of the independent unions and their phenomenal growth, their readiness to resort to strike action, the militancy, commitment and discipline of workers -- all these increasingly forced employers to recognise these unions and deal with them on a day-to-day basis.

Similarly, the state. The state's responses varied between repression and harassment on the one hand, especially in the mid-1970s, to sheer bewilderment on the other.¹³ (In its initial hostility, the state was not alone. SACTU, for example, ascribed the growth of the new unions to state- and CIA-backed initiatives.) By the late 1970s, however, the independent unions had become such a large part of the *de facto* labour relations machinery that both the state and the bourgeoisie had to rethink their strategies.

The result was the Wiehahn Commission report, which recommended, *inter alia*, that the new, independent unions be drawn into the official labour

11. Friedman, S., *Building Tomorrow Today*, p 86.

12. *ibid.*, p 88.

13. MacShane, Plaut, Ward, *Power*, p 54.

relations machinery.¹⁴ In 1980 the state duly passed amending legislation which for the first time allowed African workers to be party to official bargaining structures, such as the industrial councils.¹⁵ Thus, in the space of six to seven years, the emergent unions had managed to win for the working class a most spectacular victory. Perhaps now African workers in particular and the black working class as a whole could begin to play their proper, historically necessary rôle in the political life of South Africa.

5. The Birth of FOSATU

Towards the late 1970s, the syndacalistic-leaning unions that had emerged mainly out of the TUACC, such as the CWIU, the MAWU, the Transport and General Workers Union and the Paper, Wood and Allied Workers Union, began discussing the option of creating a trade union federation.¹⁶ While efforts were made to include some of the other emergent unions, in the end the Federation of South African Trade Unions (FOSATU) was eventually formed in 1979, consisting of mainly syndacalistic unions. The FOSATU unions had been in the forefront of propagating workers' democracy, and also in spearheading the formation of strong factory-based shop steward committees. In this they had been followed by all the other emergent unions, as well as unions such as Food and Canning, as we have shown.

However, to the slogan of workers' democracy, the syndacalistic FOSATU unions added that of 'workers' control'.¹⁷ This was intended as the commitment of these unions to their ultimate goal of workers' control of production.

14. *ibid.*, p 55.

15. *ibid.*, p 56.

16. Friedman, S., *Building Tomorrow Today*, pp 181-4.

17. MacShane, Plaut, Ward, *Power*, p 41.

The syndacalist FOSATU inscribed these two slogans on their banner for socialism, and were consciously attempting to emerge as *the* leading working class organization struggling for socialism -- a cause which brought it into immediate conflict with both the ANC and SACP.

But FOSATU's ambition was not just so much vanity. At the time of its emergence and for a few years thereafter, FOSATU very definitely emerged as the single strongest organization in the country, and by far the strongest working class organization,¹⁸ much bigger and stronger than the black consciousness-inspired Council of Unions of South Africa (CUSA), formed in September 1980.

For while the 1970s witnessed the emergence of the massive independent trade union movement, symbolised by FOSATU itself, it also ushered in a period of renewed, and in many respects, unparalleled political struggle on the part of the black masses.¹⁹ In the early 1970s, the black consciousness philosophy had begun to take root, especially within the ranks of the black petty bourgeoisie, and, in the absence of an ANC still recovering from the blows of the 1960s, found rapid national acceptance. Hence the student eruption starting in Soweto in 1976 was largely attributed to black consciousness influence. Alas, Soweto 1976 proved to be the first and the last great act of black consciousness in South Africa, and it was replaced by a growing resurgence in the popularity of the ANC (thanks largely of course to the heavy state crackdown on black consciousness organizations in 1977). This, how-

18. *ibid.*, p 38: In November 1983, FOSATU claimed it had a membership of 106 000 workers, organised in about 490 factories. The federation also claimed to have negotiated more than 285 company recognition agreements.

19. Du Toit, D., *Capital and Labour in South Africa: Industrial Relations in the 1970s*, p 401.

ever, did not occur immediately nor rapidly, and for a period of time a political vacuum existed, in terms of leadership over the mass movement.

But simultaneously, the unions were growing at breakneck speed; they continued their militant struggles against both the bosses and the state, and often drew whole communities out in support of their struggles. The political weight of the independent unions thus kept on growing alongside the leadership vacuum, and, not surprisingly, at its formation and after, FOSATU could legitimately lay claim to the mantle of premier organization of the black masses, notwithstanding its own disdain for anybody not wearing a blue FOSATU jacket.

6. The Registration Debate

Alongside the growth of the big industrial unions of the 1970s was that of the general unions; early ones such as the Black Allied Workers Union, to others such as (the earlier-mentioned) General Workers Union (GWU) based mainly in the Western Cape, and the South African Allied Workers Union (SAAWU), for long based mainly in the Eastern Cape. The main rationale behind general as opposed to industrial unions was that such unions broke down the narrow, sectoral chauvinism that could develop in industrial unions.

When the state unveiled its new labour policy in 1980, allowing African workers for the first time to become part of the official labour relations machinery, the fact that the independent unions had to register in order to derive this benefit created a stir within their ranks and led to a heated debate, conducted openly in the pages of the *South African Labour Bulletin*.

On the one hand were ranged the general unions mainly, who argued that registration was tantamount to collaboration, that the unions could and

should not do so as this would bind them hand and foot, which was precisely what the state wanted.²⁰

It was certainly true that the state was hoping to exercise greater control over the monster that was the independent unions, and that one such control was registration. But the industrial unions, mainly the FOSATU unions, argued persuasively that registration was not a principled question, but rather one of tactics; that by using registration carefully and selectively, the independent unions could win even bigger gains for the working class.²¹ This argument was informed by the fact that the industrial councils, which historically represented, from the side of the workers, only the skilled workers, yet determined wages and conditions of employment for entire industries, had to be wrested from the bureaucratic control exercised over them by the bourgeois and 'sweetheart' worker organizations. By virtue of their positions of 'mini parliaments' for the various industries, they were all-powerful and had to be used, and challenged.

A further complicating factor in the debate had been that Wiehahn had recommended that African migrant workers could not be part even of registered black unions and that they should form separate unions. Once again Food and Canning, alongside the FOSATU unions, gave the lead in this question:

20. Refer to the following articles in the *South African Labour Bulletin* (SALB), Vol 7, No 3, November 1981: General Workers Union, 'Reply to Fine, de Clercq and Innes', pp 16-25; Haysom, F., 'In Search of Concessions -- Reply to Fine et al', pp 26-41; Hirsch, A. and Nicol, M., 'Trade Unions and the State -- a Response', pp 42-50.

21. Refer especially to the following SALB articles: Fine, B., 'Trade Unions and the State: The question of legality'; Innes, D., in SALB, Vol 7, Nos 1 & 2, September 1981, pp 39-68; Innes, D., 'Trade Unions and the State: Rebutting our Critics', in SALB, Vol 8, No 1, September 1982, pp 34-58; Innes, D., 'Trade Unions and the Challenge to State Power', in SALB, Vol 8, No 2, November 1982, pp 60-71.

Well, I think what you have got to understand is the history of the thing. Before the Wiehahn Commission, you had the situation of African unions catering for African workers. After the Wiehahn Commission you had recommendations first of all that rights be extended to certain sections of the workers, that is, excluding migrant workers and then also that they only be allowed to form racially separate unions -- in other words, blacks only, whites only, coloureds only. And then only, after that, was there acceptance of the fact that unions could be open to all workers.

So our position on the registration debate was first of all a position on the question of the migrants and then on the question of separation -- the blacks-only union position. And basically there was a tactical disagreement between our union and the General Workers Union as it was then, and the FOSATU unions, and what is now CUSA . . . The disagreement was basically that the FOSATU unions were saying we should accept registration or should register under protest and fight legally to have this condition of blacks-only lifted. And we said we should fight the thing by saying we refuse to register on these terms, you must change your terms. We were saying, by not registering we were putting more pressure on the government to change the legislation, than any other form of pressure. They would probably argue that they were correct, we would certainly argue that we were correct at the time.

But in the event, as it happened, they did then change that provision of the Act. After that provision changed -- not immediately afterwards, because there were some other issues as well: there was the issue of to what extent registration meant you were submitting to the control of the government -- it became clear that the government had in effect created a situation where whether you were registered or unregistered was of very little importance in terms of the issue of control.

For example, unregistered unions were required to submit certain information, such as auditors' reports, membership figures. Now we all along said we are prepared to do that. So we couldn't very well turn round and say, 'look, we're not prepared to submit membership figures, we're not prepared to submit auditors' statements.' Because we do those things anyway, we don't think that these things are private, things that have to be kept secret. So we in fact then had no problem meeting that requirement.

There was also the question of industrial courts. You know, industrial courts were then opened up to everyone, whether you were registered or unregistered. You could apply for Conciliation Board whether you were registered

or unregistered. And we saw that unregistered unions started making quite frequent use of these methods, often because they didn't have any alternative or they couldn't force the bosses to deal with them by other ways. So it seemed to us a ridiculous situation where you said you were against registration but, for example, you used the industrial courts.

But of course the bait for registering all along had been the stop orders, and you couldn't get stop orders unless the government had given permission. So that was a real consideration and in the end we did decide to form one registered union. It just became also absurd to maintain that distinction between registered and unregistered . . . But I think now it is really recognised that it was a dead issue all along.

22

There was speculation at the time that Food and Canning might de-register as a way around the issue of registering or not registering. Jan Theron put this in perspective:

The reason why Food and Canning had never de-registered was that we never thought it was a case of de-registering. We thought it was a question of unregistered unions holding out to gain the best possible terms, but not refusing to accept registration as such, and that it was a different question de-registering and not registering because once you've registered, your members have got a certain way of working. It's much more difficult, especially with stop orders, if you're used to it, to go back on a system, to go back to hand collections.

23

The correctness of the Food and Canning and FOSATU position was best reflected in the fact that although now formally two separate unions, Food and Canning and African Food and Canning, continued to operate smoothly as one trade union. This point is borne out by Friday Nabikwa, a worker at Fattis & Monis, who joined the union in 1979:

22. Interview with Jan Theron, conducted in Cape Town on Friday, 15 January 1988.

23. *ibid.*

No, there is not a difference in the union, because the African union and Food and Canning worked together -- there is no apartheid. Because, look at the strike of Fattis & Monis, there were no Africans outside chased away by the bosses, it was coloureds. But from the start we wanted to take apartheid away. In the strike there were coloured people and black people.

24

Liz Abrahams, too, attested to the fact that the Food and Canning Workers Union and the African Food and Canning Workers Union in practice operated as one union:

We were never separated in the union -- to say this is Food and Canning and that is African Food and Canning. By doing that, we only changed the name . . . It was only by name that we were separated, but in practice we were all one. We had one committee, whenever we went on negotiations, we were mixed, you know. Whenever I went to a factory, I'd never go alone, the African Food and Canning secretary would go with us and if they refused the African person to go in, we wouldn't accept to go in, unless we could go in both. As I say, in practice it was only the names, but in principle we were always together.

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24. Interview with Friday Nabikwa, conducted in Cape Town, on Tuesday, 19 January 1988.
 25. Interview with Liz Abrahams, conducted in Paarl, on Monday, 28 December, 1987.

CHAPTER FOUR

ECONOMIC CRISIS BEGETS A POLITICAL CRISIS 1976-1983

FOOD AND CANNING LEADS THE WAY

1. Soweto 1976 and the Need for Reform

The 1976 Soweto student uprisings were the first, profound expression of the extent to which apartheid capitalism was in crisis. The attack on the living standards of the working class necessitated by the onset of economic crisis in the early 1970s evoked a dramatic response: first the independent unions shot up all around the country, and then, in the midst of this and much more ominously, Soweto 1976 flared.

While Soweto 1976 certainly caught both the state and the bourgeoisie by surprise, in itself it was not the sole factor that brought home to them the need for reform of apartheid capitalism.¹ This need had been dictated already by the changes that had taken place in the South African economy, especially since the mid-1960s.

After the state had demonstrated its ability to (brutally) contain the mass struggles of the 1950s and early 1960s -- especially after Sharpeville -- foreign capital once more flowed into South Africa in large quantities. One result was the rapid expansion of the manufacturing sector, with big multi-national corporations setting up huge plants which could service not only the South African market, but also the surrounding satellite countries. In addition, from the late 1960s particularly, a growing process of centralization and concentration was occurring within the economy as a whole. Increasingly,

1. Friedman, S., *Building Tomorrow Today*, p 128.

throughout the 1970s, a handful of major conglomerates came to control the entire economy. This process was greatly facilitated by an economic crisis which drove more and more smaller, independent manufacturers and traders to bankruptcy, or into the arms of the big conglomerates through buy-outs and so on.

The increasing concentration and centralization of capital that was occurring had very direct implications for possible levels of capital expenditure, expansion of plant and machinery and so on, as well as, conversely, contraction of labour needs through rationalization. The big industrial conglomerates such as Barlow-Rand, backed and owned by the big finance houses of Old Mutual and Anglo-American, for example, could obviously invest more in sophisticated plant and machinery in their efforts to boost productivity, that is, the exploitation of labour.²

But the greater capital intensity of manufacturing, in particular, that resulted from growing centralization and concentration of capital was not without its contradictions for the bourgeoisie. One contradiction certainly was the growing need for more skilled and semi-skilled labour, already a long-standing source of concern for the manufacturing industry particularly. Thus, it became clear that if the new conditions of continued capitalist accumulation were to be met, then apartheid capitalism had to be reformed in order to meet these needs.

Certainly the old Bantu Education could not provide the requisite level of rudimentary skills that the new conditions of capital accumulation required. Amongst other things, then, what was needed was a qualitatively better level

2. See Appendix 1.

of black education and, with this, a greater emphasis on the provision of tertiary education for blacks.³

At the time of the Soweto uprisings, therefore, the bourgeoisie and state were already feeling the economic imperative for reform -- now the unleashing of the raging torrent of black revolt converted this economic necessity, which both had hoped to ponder in a more sedate and dispassionate light, into a more pressing, growing political crisis. For Soweto 1976 signalled, not an isolated outburst, but the start of a protracted, though convulsive, struggle on the part of the black masses to explode the yoke of apartheid capitalism.

The political crisis which Soweto 1976 merely ushered in, and born out of the economic crisis of the early 1970s, now further fuelled this economic crisis: from 1976 up until the present, South Africa has been a net exporter of capital every single year.⁴ But now the political imperative for reform had by far exceeded the initial economic ones the state and bourgeoisie contemplated before 1976. The immediate response to 1976 from the state was the banning of all black consciousness organizations such as the Black People's Convention (BPC) and the South African Students' Organization (SASO), as well as individual leaders of the mass movement.⁵ Although this act temporarily created a political vacuum at the level of leadership, community-based struggles around rent, housing and transport continued apace. Alongside this, of course, were the ever-escalating struggles of the trade unions, and their continued emergence as the leading working class organizations in this period. More significant was the growing convergence

3. Kraak, Andre: M.A. thesis on Black Tertiary Education.

4. See Chapter One.

5. Friedman, S., *Building Tomorrow Today*, p 139.

between the struggles of the organised workers in the independent unions, and the broader, community-based working class political struggles.

2. Food and Canning Gives the Lead

The earliest, most significant expression of this convergence was the Food and Canning-organised Fattis & Monis strike of 1979. The strike lasted all of seven months, from April to November.⁶ The strike itself was precipitated by the management firing workers it thought to be encouraging other workers to join the union. Friday Nabikwa, a Fattis & Monis worker and an active participant in the strike, explains:

When I joined the union, the bosses chased three coloured people away . . . They thought the coloureds were bringing the union inside. Another two coloureds went to ask the bosses: 'Why you chasing these people away?' Now the bosses chased away these two people. Now it's five people outside.

Now the blacks called all the coloureds to a meeting and decided tomorrow everybody must put on an overall and come meet in the store to attend a big meeting, to ask the bosses to bring back all that people they chased away. Everybody knew the bosses chased that people away because they thought they were clever, they were bringing the union inside. The union is all the workers.

. . . Now after that, the next day, all the workers came to work but stayed in the store. Now the bosses came eight o'clock and said: 'Why are you sitting down?' The workers answered: 'If you want the workers to do the work, you must go take that people back because we need that people to come in . . .'

7

For the first time, community organizations nationally, such as youth, teachers and civic organizations, were consciously rallied by a trade union in

6. FCWU Newsletter, No. 1, August 1983.

7. Interview with Friday Nabikwa, conducted on Tuesday, 19 January 1988.

support of striking workers. As a result, such organizations as the South African Council of Churches and even the Western Cape Traders Association and the Western Province African Chamber of Commerce, amongst others, lent their support to the striking Fattis & Monis workers.⁸ Strike support committees were established regionally and nationally to co-ordinate support action. Out of this, the Community Action Committee, consisting of thirteen organizations, was formed at the end of June to support workers and to apply pressure on Fattis & Monis.⁹ Support action varied, from a boycott of all Fattis & Monis products, to disruption of all retail outlets which sold such products. Often students and youths filled supermarket trolleys with Fattis & Monis products, and then simply deserted them randomly inside supermarkets, or clogged up the check-out queues with them. Other tactics included cutting the wrappings of commodities such as flour with blades, causing enormous disruption and big stock losses. Friday Nabikwa relates his experiences of all this:

We tried to organise a boycott. Students were visiting and I was explaining what's going on. After that I went to Johannesburg to organise the workers, NAFSOC people and other unions overseas to help. We had bigger meetings with students and white people. After that, I came back [to Cape Town] to make meetings in Hanover Park, Grassy Park, and Mr Howa [of SACOS] was helping me, and the Organization of Women helped making a boycott. Students from Kraaifontein, Cape Town -- all over -- decided to go into the shops, to take all the stuff from Fattis & Monis and put it in a basket. After that they go to the cashier and say, 'No, I'm wrong, because this food from Fattis & Monis is not alright.' After that the bosses were crying. In Johannesburg there were pamphlets all over . . . The union was winning after that -- electing a chairman, and vice-chairman, secretary, committees and shop stewards [in the factory].

8. FCWU Newsletter, No. 1, August 1983, pp 10-11.

9. *ibid.*, p 10.

The Fattis & Monis strike by the Food and Canning workers established a new high point in mass struggle, and welded solidly together the struggles of the organised workers in the trade unions with those of the broader working class. Soon this new method of struggle, so patently successful in the case of Fattis & Monis, was to be emulated by other struggles elsewhere.

In 1980, meat workers in Cape Town, organised by the General Workers Union, also called on the community for support in their struggle against the meat bosses by calling for a red meat boycott.¹⁰ In 1981, the Wilson-Rowntree workers, organised by SAAWU, went on a big strike.¹¹ The union -- one of the earliest 'political' unions among the new unions, and one of the forerunners of the later 'workerist'/populist controversy -- organised a national boycott of all Wilson-Rowntree products. Again community organizations all around the country combined with the trade unions into support committees within which successful boycott action, propaganda in favour of the workers, etc., was planned and executed. Naturally, Food and Canning played a prominent rôle in the boycott. Completely absent from these joint struggles were the FOSATU unions. In this they were entirely true to their syndacalist stance, and were then already laying the basis of their 'workerism' which was to emerge more forcibly a few years later.

In the same year, 1981, again in Cape Town, stronghold of Food and Canning, about 5 000 Leyland workers belonging to the FOSATU-affiliated National Automobile and Allied Workers Union went on strike.¹² Yet again --

10. See WPGWU memorandum 'The Meat Workers Dispute', pp 77-84; also see *WIP*, 13 July 1980.

11. Refer to Mike Morris, 'Wilson-Rowntree -- History of SAAWU's organization', pp 18-27.

12. The strike is covered in Gavin Evans, 'The Leyland Strike', pp 80-114.

this time in spite of tardiness and hostility from the union itself -- community organizations and the independent unions rallied to the support of the strikers. Under the initiative of students from the University of the Western Cape, support committees consisting of the strikers themselves, the supporting unions and the community organizations were set up in areas such as Athlone and Mitchells Plain, where the collection of money and groceries, as well as the distribution of pamphlets highlighting the struggle of the Leyland workers, was co-ordinated. Again, Food and Canning was an important actor in this struggle, as were the other Western Cape independent unions such as the GWU and the Cape Town Municipal Workers Association (CTMWA).

The Leyland strike marked, for a good few years, the *only* instance where a FOSATU-affiliated union *allowed* community-based organizations to support and show solidarity with its striking workers, despite the obvious readiness -- not to mention necessity -- of the broader working class to come to the defence of its brothers and sisters. And even in this instance, as we have said, solidarity action was ensured in spite of, rather than because of, the union leadership. This stance of the FOSATU unions, this narrow conflation of the organised workers with the whole class, this complete disdain for community-based political organizations and their crucial revolutionary rôle, this often economistic (rather than syndicalist) approach to questions of working class politics and its concomitant anti-politics stance -- all dressed up in the deceitful notion of working class independence -- was later to prove a fatal seduction for the Food and Canning leadership, which then sought more and more -- successfully, unfortunately -- to keep the workers of the FCWU aloof from major political battles raging all around them.

But before this, in the period dating from the Fattis & Monis strike and up until the formation of the United Democratic Front (UDF) in 1983, Food and Canning best managed the marriage of what were to become increasingly two antagonistic poles in the trade union movement -- that between the workerists -- with their (correct) emphasis on workers' democracy, workers' control (of production) and the building of strong shop floor structures -- and the populists, who stressed much more the importance of the direct political rôle and involvement of trade unions in the broader political struggles of -- problematically -- 'the people'.

For in this period Food and Canning built up strong shop floor structures staffed by militant, confident shop stewards, while at the same time the union played, as we have shown, a leading rôle in welding together the struggles of the organised workers and of the broader working class. In this, the union had continued its own proud tradition of broader political involvement, and had, crucially, imbibed a new one from the newer unions in its commitment to building solid shop floor structures.

This successful marriage of two traditions Food and Canning displayed best by its involvement in an overtly political campaign -- the campaign against what became known as the Koornhof bills, which the state attempted to introduce in 1982 as a means of tightening up influx control. A campaign against the bills was initiated in Cape Town by the oddly-named Disorderly Bill Action Committee, known more commonly by its acronym, DBAC.¹³ The DBAC again consisted of community-based organizations, together with the independent unions such as Food and Canning, CTMWA, and GWU. As usual, the FOSATU unions in the Western Cape, chiefly NAAWU, did not participate.

13. DBAC Document, 'Build the United Front Led by the Working Class', p 1.

Food and Canning's *Annual Report* of 21 August 1983 reported that although the union participated in various meetings to fight the Koornhof bills, little constructive was achieved at meetings with other organizations because, except for the trade unions, community and other organizations had no members amongst the workers from the rural areas at whom the laws were directed.¹⁴

CHAPTER FIVE

THE CRISIS : THE PERIOD LATE 1983 TO 1986 FOOD AND CANNING BREAKS WITH TRADITION

In the same year that it cracked down brutally on the black consciousness organizations, the state also unveiled its plans for apartheid capitalist reform. While the plan of how black political aspirations were to be accommodated was kept entirely vague, what was very clear was the growing militarisation of the state.¹ This process of militarisation accelerated rapidly under the premiership of former Defence Minister, P. W. Botha, after 1979.² The creation of the State Security Council took place in this period, and its powers increasingly usurped and eclipsed those of parliament, as well as the Cabinet itself. It was in this same period that the basis was laid for the creation of the National Security Management System.

Alongside this growing militarisation, and not at all contradictorily, the state started on its path of political reform. Its major scheme was the creation of a Tricameral parliament, based on racial representation and excluding Africans. The irony was that in appearance the state was attempting to broaden the base of democracy in South Africa, whereas in reality, through the creation of an Executive President, it was actually destroying it. Behind the facade of an 'enlarged' parliament, small committees, of generals particularly, answerable only to the President himself, were wielding the real power.

1. See article entitled 'Militarisation in South Africa', in *WIP*, 24, 1982, pp 16-20.

2. *ibid.*, p 17.

That a racially-structured parliament, with no real power and excluding the vast mass of people, would be opposed by the black masses went without saying. In the time after the collapse of black consciousness as the driving national political force, increasingly organizations sympathetic to the ANC emerged amongst both the trade unions and the community organizations.³ The struggles of 1979, 1980 and 1981, particularly, acted as a strong spur to the formation of such organizations. Organizations like SAAWU on the one hand, and the Cape Areas Housing Action Committee (CAHAC) on the other, were openly sympathetic to the Congress movement. Such was the development of this phenomenon that by August 1983, organizations inclined in this direction could launch the United Democratic Front, a national organization claiming affiliation of over 400 constituent organizations. The express reason for the creation of the UDF was opposition to the tricameral parliament, due for inauguration in 1984.

While the UDF consisted of mainly pro-ANC organizations, it did not confine itself to such. It wooed and drew to it organizations from the working class such as SAAWU, CAHAC and so on; the black petty bourgeoisie, such as the Western Cape Traders Association; white petty bourgeois organizations, such as the National Union of South African Students (NUSAS), and even wooed straight white liberal organizations and parties such as the Black Sash and the Progressive Federal Party (PFP)⁴ (Although neither eventually joined). The leadership of the UDF recognised, however, that it was the independent trade union movement that held within its hands the balance

3. Tom Lodge, *Black Politics in South Africa since 1945*, especially pp 339-340.

4. Barrell, H., 'The UDF and National Forum: Their Emergence, Composition and Trends', pp 6-20. See also DBAC document, *Points for Discussion on the Rôle of the Liberals in the South African Liberation Struggle*, pp 1-6.

of class forces in the country. For this was the time that FOSATU was at the height of its dominance of the mass movement, and all the other independent unions together with it enjoyed greatest prestige in the eyes of the masses.

FOSATU, however, with its emphasis on the working class and its hostility⁵ to the ANC, clearly would not join the UDF. But the latter set about seriously wooing the other independent unions outside of it, like Food and Canning, GWU and CTMWA (SAAWU had joined from the outset). At the same time though, the formation of the UDF created a storm, at least in Cape Town, where the DBAC -- now just a shell after the withdrawal of most of its constituents -- criticised both the bureaucratic and clandestine manner of its formation, as well as its conception. Organizations left in the DBAC saw in the UDF the Popular Fronts⁶ of Europe in the 1930s, which had led the working class there, particularly in France and in Spain, to disastrous defeat.

The formation of the UDF precipitated a major political crisis within the ranks of the independent unions. Pro-ANC unions like SAAWU simply joined the UDF, so no problem existed there. FOSATU, because of its anti-politics stance as well as its opposition to the Congress movement, also almost had virtually no decision to make, so clear was the issue. The other unions, like Food and Canning, GWU and CTMWA did not have such an easy time of it, though, and given their history of political involvement, the pressure to join the UDF was intense. Such was the confusion that the GWU, for example, in the person of its then General Secretary, Dave Lewis, announced at one of the last meetings of the DBAC that it was withdrawing from that body to

5. See FOSATU General-Secretary's keynote address of 1982: Appendix 1 in *Power*, p 142.

6. DBAC document, *UDF and Popular Frontism*, pp 1-5.

join the UDF. Yet, a few weeks thereafter it became known that all three of these unions had decided not to join the UDF!

The reasons why we didn't [join the UDF] were clearly not reasons that we were saying we don't think unions should be involved in politics, but had to do with how we saw the political situation at that time, the sort of political organization that UDF was or was proposed to be at that point in time . . . I think one of the strongest considerations was that we saw the priority of workers as forming their own federation and that through their own federation they could then link up from a position of strength with a national political organization. But that for a union slotting straight into a national political organization or maybe an umbrella organization of a fairly amorphous kind . . . that would compromise our own intent. We needed to have our own federation first. That was really the strongest tactical consideration.

7

The decision of these unions to throw in their lot with FOSATU at that point was understandable. FOSATU was by far the premier organization in the mass movement nationally. Its slogans of workers' democracy and workers' control resounded everywhere workers met, including, importantly, in unions not in the federation. FOSATU had contributed most to the emergence of a definite working class consciousness, certainly at the level of worker leaders, and had converted many other unions to its peculiar brand of socialism. In addition, the trade union unity talks initiated at Langa (Cape Town) in 1982 had also served the purpose already of warming Food and Canning and the other two unions towards FOSATU. Thus, the 'workerist' unions saw in the new federation a working class organizational counterweight to the UDF. Such was the political and social weight of the working class by that point that a definite tradition of working class politics, as opposed to

7. Jan Theron, interviewed in Cape Town on Friday, 15 January 1988. All further quotes are taken from this same interview.

populist politics, was emerging. For this, of course, FOSATU was not solely responsible. Community-based civic and youth organizations began increasingly to challenge populist conceptions and methods of struggle, especially in the Western Cape, where organizations such as the Bokmakierie, Bridgetown, Silvertown and Kewtown Residents Association and the Athlone Youth Movement were in the forefront.⁸

In addition to these considerations and their own commitment to workers' democracy and workers' control (the FOSATU conception of socialism), Food and Canning, the GWU and the CTMWA must also have been alarmed by the UDF attempts to include straight bourgeois political parties such as the PFP.

The decision of these unions not to enter the UDF sparked a major debate around the question of class alliances.⁹ At the centre of the debate was the social composition, the class character of the UDF, as the above quotation from Jan Theron attests. The GWU,¹⁰ for example, argued that the 'multi-class' nature of the UDF precluded it, a working class organization, from participating in the front, as it held the danger of the working class merely being used to further the interests of other classes represented in the front. Such participation would represent a threat to the task of the working class, which is leadership of the mass movement.

The pro-UDF faction¹¹ argued that although it was the task of the working class to lead the struggle, in the phase of national democratic

8. To get an indication of the rôle of BBSK and AYM in working class politics and community struggles, refer to the *Worker Tenant*, Nos. 1-6.

9. See *Social Reviews*, 21, August 1983 and 22/23, December 1983.

10. See *Work in Progress*, 29, 1983, in which Dave Lewis spells out GWU's relation to the UDF.

11. Refer to *WIP* 32, 1984 and *WIP* 34, 1984 for a more detailed discussion.

struggle, the task was to unite all anti-apartheid forces in pursuit of this goal. The working class was thus obliged to enter into an alliance with all other progressive forces.

There were, of course, elaborations on and variations of these contending positions. Some anti-UDF positions included one that argued that trade unions drew workers from all different kinds of political backgrounds and traditions, and therefore could not align themselves with any one political organization. Other pro-UDF arguments, on the other hand, would not even concede the leading rôle of the working class in the struggle of the black masses.

What was Food and Canning's position on class alliances at that time?

General-Secretary, Jan Theron, explains:

I can't say there is a position on class alliance. I'm not sure that we've had such a clear position on class alliances, put like that. You know, even within a union you have different levels of workers, and slightly different class codes when you talk about workers in factories. I mean you get people that are literate and educated and relatively highly paid, and you have people who are illiterate, uneducated and very lowly paid . . . So it's not so simple as saying it's the unions that represent the working class, and it's a question of alliance between the unions and other classes represented by community organizations, because community or civic organizations also represent sections of the working class. So I think our own thinking wasn't that clear or that fixed as maybe it sometimes was seen. I personally don't think a lot of the issues that were raised in those times will ever be clearly understood.

The class alliances debate raised complex questions: questions such as how the working class could ensure its leadership over the mass movement (and thus place at its head its own class interests, rather than those of the black petty bourgeoisie) and the relation between trade unions and political

struggle, while these two themselves raised the question of the relationship between trade unions and the community organizations.

History itself was soon to provide the answers to at least some of these questions. Despite the reservations of the UDF by these unions, in the course of 1984 and thereafter it was rapidly to become an organization whose stature first rivalled then finally eclipsed even that of FOSATU. Certainly by the time the avalanche of mass struggle that was to follow first broke with the Vaal rent boycotts in September 1984, it was the UDF in the forefront of these struggles.

But what became particularly clear in this period was that the decision of unions like Food and Canning in 1983 not to join the UDF was not merely a rejection of the UDF, but in fact a rejection of all political involvement. The period after the formation of the UDF up until the merger of Food and Canning with the Sweet, Food and Allied Workers Union marked then a complete break by the union's leadership with its proud tradition of political involvement and activism.

Around the Tricameral elections of 1984 or the heroic student struggles of 1985, the union said very little, and did almost nothing:

Well, there were political struggles and they didn't take part in them . . . With old comrades not being around, it was very difficult. Most of the organizations that we all the time worked with, they just didn't work with them because they felt it was too political.

12

Well, actually I don't think they were very much involved [in the anti-Tricameral elections campaign and the 1985 student struggles]. Perhaps just in our own union we held a lot of meetings to explain to our members. But as I say, that is not enough. Workers

12. Quote taken from an interview with Liz Abrahams conducted on Monday, 28 December 1987. Further quotes are taken from this same interview.

should have been more involved. But they never had campaigns or something like that. The only thing the union did was having meetings to explain to members what's the meaning of that.

13

Yet, Jan Theron is clear on the question of the need for the union to be involved in political struggle:

The basic position of the union is there is not a separation between economic issues and political issues that one can maintain in a union and one must be involved in political issues; one can't sort of stand aside from them.

Liz Abrahams was even more forthright:

. . . As I say, we always said the union must take part in politics. That is why we must fight with two hands not with one. And the union could never be progressive if it doesn't take part in politics. And if the workers don't understand the political situation, the workers won't also understand the union as they should. They should understand the political situation in South Africa, and if they only see the union to fight for higher wages, that is a very big problem -- you would never get the workers to follow the struggle as a whole.

But as I say, it was very difficult because being one of the older comrades and you haven't got anyone to stand with you, to push the points, it is very difficult. But if the union doesn't work with other progressive organizations, it is going to be a union that stands on its one leg.

Phillip Mayoli, a Premier Milling worker:

Of course, they [the union and workers] should be involved in politics because everything is political in this world.

14

Liz Abrahams provided a further perspective on the union's involvement in political struggle:

Well, I'll say in our union there's a lot of arguments going on about whether the union should be involved in politics. But my question to them is always: 'Where do you draw the line?' To say, this is politics and this is the union. Because today if you say you haven't got enough money to buy bread, today if you say you haven't got enough money to send your children to school, it's politics. Look, we had a bread campaign and we were arrested, and they said we were political. It was politics . . . we were arrested. Now if you haven't got enough money to buy bread then you are preaching politics. So where do you try to keep the workers from the struggle as a whole? Because if they haven't got rent, they'll be chucked out on the street -- so isn't that also politics? So my argument is also where do you draw the line if you say you must keep the workers out of politics? Because it is the politics that makes that the workers are suffering today.

The FCWU, together with unions like GWU and CTMWA had really ceased to be directly involved in political struggle, and in this too they now found themselves closely bound to FOSATU. All these 'unity' unions, as they now became known, looked to the new federation as the panacea -- working class leadership would once more be secured. But as we said, history intervened rudely. By the time of the launch of COSATU at the end of 1985, the workerist unions -- by virtue of their complete abstention from political struggles in a period when working class struggle reached undreamt of heights, as attested by the creation of street committees, people's courts,

14. Phillip Mayoli was interviewed in Cape Town on Monday, 18 January 1988.

boycott committees and the emergence of factory occupations by workers -- had effectively lost the fight for political hegemony over the working class.

The populist unions such as SAAWU and GAWU taught the signal lesson throughout 1985 especially that workers in the workerist unions were prepared to respond to calls from the broad mass movement over the heads of their anti-politics leadership, realised that such workers, and indeed the entire federation therefore, could be won to the populist movement easily.

The latter half of the period of crisis which we have tried to examine in this chapter was one of momentous events, when workers in their thousands marched in no uncertain terms onto the historical stage. We have merely nodded in the direction of the web of complex questions that this period of working class struggle threw up: questions such as working class leadership, the rôle in politics of trade unions, the relationship between trade unions and community organizations -- all these questions are deserving of much fuller study and research, and their adequate treatment most assuredly lies beyond the scope of this dissertation. What we have attempted to show mainly in this chapter is how the adoption of a syndicalist/workerist perspective on the part of the Food and Canning leadership led ultimately to the union completely negating its decades-long tradition of direct political involvement.

The restoration of this tradition occurred only in 1986, when the union merged with, ironically, the ex-FOSATU affiliate, the Sweet, Food and Allied Workers Union, which had always been more pro-politics than many of its other co-affiliates. The formation of the Food and Allied Workers Union (FAWU) out of the merger of these two once more placed food workers in their rightful rôle of political fighters, and can only represent a step forward for the working class.

At a time when FOSATU was so strong, so clearly the focus of working class attention, and had drawn to it even unions such as Food and Canning, GWU and CTMWA, despite their record of political involvement, at that time the workerists were best placed to 'settle' with populist support in the mass movement. But the workerists' disdain for political involvement, and even greater disdain for the broader working class -- conflating often workers with the working class -- contributed directly to their own decline and the strengthening of populism within the ranks of the working class.

CONCLUSION

We have focused in this dissertation on developments within the working class movement in the period roughly 1975 to 1986. The period witnessed the re-emergence of black opposition to apartheid capitalism, and very much in the forefront of this challenge were the new, independent unions that first emerged after the Durban strikes of 1973. And although the FCWU did not emerge out of that period -- it was in fact formed as far back as 1941 -- in many respects the union often best reflected the various developments that were occurring throughout this tumultuous period.

From the early 1970s, the South African economy, as a reflection of the world economy, convulsed into severe crisis; the effect on the working class of this crisis, and the subsequent vehement political response it evoked from that class, seemed only to drive the country into an unparalleled political crisis. This, in turn, further fuelled the initial economic crisis.

A major part of the political response of the black masses was the mushrooming nationally of independent unions, committed to democratic worker practice and building strong shop floor structures. As these unions developed, it became clear that the commitment to workers' democracy, workers' control and strong structures were not merely organizational practice, but much more: it was in fact an attempt to develop a definite working class political tradition in the pursuit of socialism. This in itself marked a fundamental, positive shift in working class struggle -- the working class having been, historically, a mere prop for black nationalist petty bourgeois organizations.

The new unions, however, drew much hostility from both the bourgeoisie and the state, and such was their phenomenal growth, their social and

political weight, that older unions like Food and Canning too came to adopt the slogans of 'workers' democracy' and 'workers' control'. Soon the bourgeoisie and state had no option but to officially recognise these unions, and admit them into the official labour relations machinery, although they still half-heartedly attempted to exercise some control over them through registration. This too failed. Alongside the growth of the trade unions was that of community-based political struggles, with regular high points like 1976, 1980 and 1984-1986. Of particular significance was the growing convergence between the struggles of the trade unions and those of the township-based communities. The Food and Canning Fattis & Monis strike of 1979 first breached the divide -- thereafter it became common practice for community organizations to support organised workers in their struggles, and vice versa. In this period, the Food and Canning Workers Union represented the best marriage of what were to become two traditions in the trade union (and indeed broader political) movement, workerism and populism.

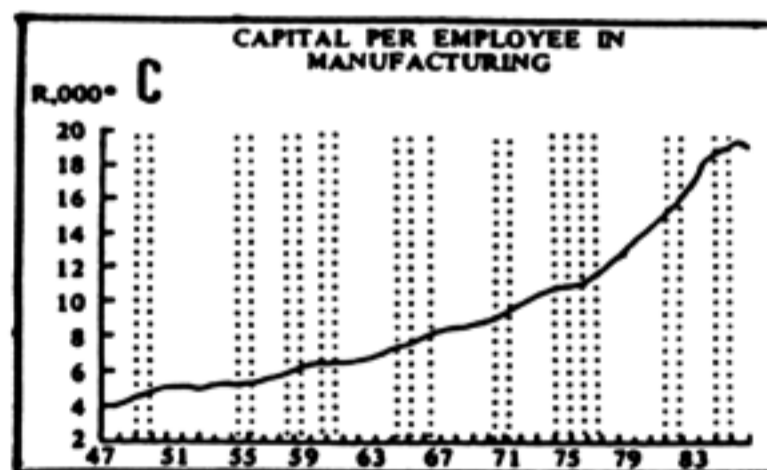
The extraordinary intensification of political struggle from 1984 onwards, however, created considerable tensions, not least among them the question of the political relationship of the working class to other oppressed classes, and other classes generally. In this period, Food and Canning came to rest firmly in the workerist/syndicalist camp, in so doing breaking with its own old tradition of direct political involvement, for it was precisely in this period of intense political struggle that workerism revealed the real extent of its barrenness as a political philosophy. The union increasingly abstained from any political involvement -- not even the heroic student struggles of 1985 could shake it. The inherent weaknesses of syndicalism led directly to the victory of populism.

Meanwhile, millions of workers throughout the country were writing, often in blood, exactly the same message as Liz Abrahams: 'We don't just

want better wages and better conditions; we want to live in a free South Africa where we are free from all the oppression . . .'

APPENDIX

The growing capital-intensity in manufacturing is illustrated in the graph below. The period 1947 to 1967 reflects a percentage increase of nearly 100%, from R4 000 per employee to just under R8 000 per employee. But the sixteen years from 1967 to 1983 show an even more rapid increase of 150%, from R8 000 per employee to just under R20 000 by 1983. For the purposes of the present argument, it is clear that the most rapid growth in capital-intensity appears from the mid-1970s onwards. In the eight years from 1975 to 1983, it approximately doubled, from slightly over R10 000 per employee to fractionally under R20 000.



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