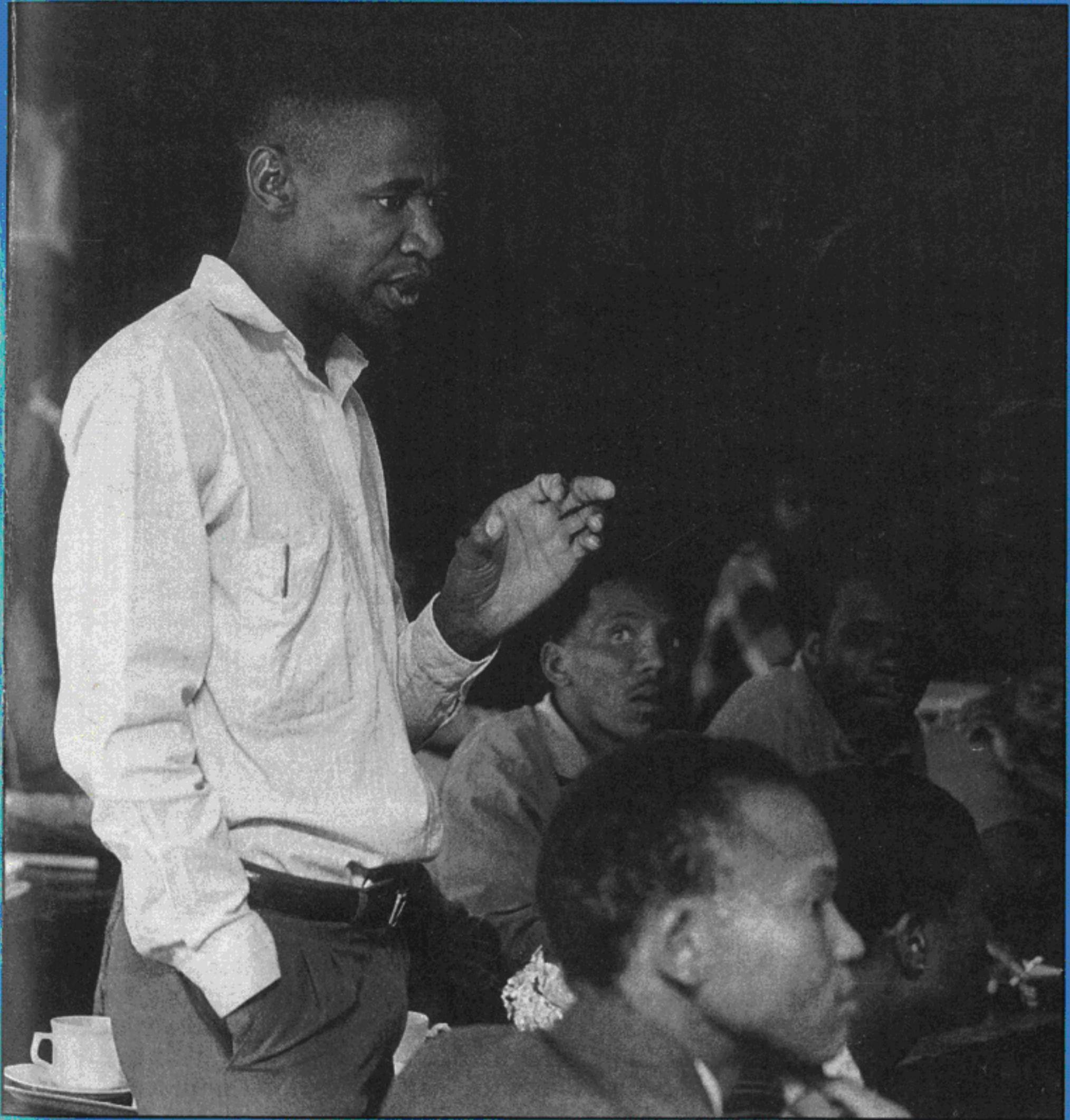


SOUTH AFRICAN
**LABOUR
BULLETIN**

January 1992 Volume 16 Number 3

Social
democracy
SACP Congress
Bulletin exposé:
management spies in union!



**Conflict and co-operation:
new challenges for labour**

“Changing of the guard: Soviet workers between Perestroika and free market”

“We are not against foreign ownership, but we object to our political leaders advertising our cheap labour abroad.”

Soviet workers' negative experience of 'the dictatorship of the proletariat' in their country led them actively to support 'radical' arguments for greater freedom and democracy in the workplace and their society as a whole. Now the 'radical' reformers whom they supported are advocating free market economic policies which will simply perpetuate the political marginalisation of Soviet workers in a new way.

With events overtaking what was the Soviet Union at breakneck speed, labour activists in the West and elsewhere are bewildered about the situation and feelings of workers in that part of the world. The mass media, with its triumphalist anti-communism, is no help at all. In June, therefore, a group of unionists from Western Europe decided to go and get a first-hand look at the effect of the current changes on workers.

At the same time, independent labour organisers in the USSR themselves were calling for information to help them plan for the future.

The visit that resulted is documented in TIE's publication "Changing of the Guard: Soviet Workers Between Perestroika and Free Market". Offering an account of the issues neglected in the much chewed-over debates on the future of the Soviet Union, it contains excerpts of the statements of Soviet workers and analysts on their current situation, as well as description of conditions in an automobile industry now up for grabs by Western capital. It includes interviews with leaders from newly independent trade unions as well as official trade unions.

Changing of the Guard, 48 pp, illustrated.
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Netherlands

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Impala workers at a strike meeting
 Photo: Shariff/
Labour Bulletin

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Editorial Notes

Co-operation and conflict: new challenges for labour

The business press and management seminars are full of talk about a 'new era' of co-operation in industrial relations. The 'social contract' appears to be sprouting everywhere.

It is worth reminding ourselves that fundamental conflict remains. In many sectors and workplaces workers are still struggling for basic rights - including, of course in the giant mining industry. The struggle for trade union rights at Impala Platinum in the face of harsh repression by mine 'security' and bantustan police is graphically described by Snuki Zikalala.

The breakdown of the performance bonus agreement in the mining industry can also be laid at the door of management authoritarianism. Our expose of management placing of spies in the trade unions, too, reveals shadows beneath of the 'new era'.

Nevertheless, there are shifts. Employers are beginning to talk the language of partnership and participation. While in many cases what they mean is higher productivity, wage restraint and industrial 'peace', there are also some more substantial initiatives. The PG Bison project is probably the most advanced - and, as Gavin Evans' article shows, unionists have reluctantly discerned real gains.

At the national level, too, a negotiating relationship is beginning to develop between employers and business. The national negotiating forum discussed by COSATU's Sam Shilowa is the newest manifestation of this.

While these shifts may be partial and incomplete as yet, they do point to a range of new opportunities and dangers for the labour movement. As Andrew Levy puts it, employers will have to give up some control in order to preserve it. What does this mean for trade unions?

PPWAWU is participating in the movement

towards co-operation at PG Bison. NUM's performance/participation thrust has collapsed. COSATU continues to drive the process of national economic negotiation, backed up by mass action. If anything, these experiences show that increasing co-operation does not eliminate conflict. Indeed, for the unions the key question is how to combine co-operation and the struggle for deeper change. The labour movement has made the traditional industrial relations system in SA unworkable. Can it maintain the initiative in shaping the new one? Can it define the basis of the 'new era'?

Denis MacShane's incisive analysis of divergent trends in the world auto industry places this debate in an international context.

Socialism

These opportunities and challenges are linked to a much broader question - the question of socialism. Socialism is in crisis. The articles on the SA Communist Party, the Workers Party in Brazil, and the Brazilian trade union federation CUT, all discuss the impact of the collapse of communism on left organisations.

They also raise debates about whether co-operation, the struggle for reform, for national economic and social negotiations, for participation - can lay the basis for a transition to socialism, or whether they undermine it by stabilising capitalism. Is there a strategy which can link the struggle for reform and participation to a longer term socialist goal? Or do such struggles inevitably produce a social democracy, where business and labour uneasily co-exist?

Both the SACP and Brazil's PT reject social democracy as an option. However, in a provocative debate piece, Alan Fine argues not only that social democracy is preferable to socialism, but also that many of the strategies and policies of the labour movement (despite its rhetoric), business and the state are laying the groundwork for it.

One may disagree with Fine's conclusion. But this is where the debate is: democratic socialism - or social democracy? ☆

Karl von Holdt

Letters to the Bulletin

Response to Gallin on SACTU

Dear Comrades
I have just read Dan Gallin's letter to your publication concerning the contribution of the South African Congress of Trade Unions towards the struggle against apartheid. (*SA Labour Bulletin* Vol 16 No 2)

For over three years I worked as trade union liaison officer with the Anti-Apartheid Movement. Throughout that period I had the pleasure of working with comrades in the external mission of SACTU based in London.

I can honestly state that this contact strengthened our work in the British trade union movement. This was not only my own opinion. It was also the view of the trade union liaison committee and successive Anti-Apartheid Movement conferences.

If any review of the contribution of various organisations towards the struggle is to be made - although I find this distasteful - the full story should be told. For example, the role of western trade union organisations in funding FOFATUSA in the early 1960s and the support given to the parallel unions in the late 1960s.

How some organisations attempted to divide COSATU and the ANC, and support puppet trade unions in Namibia. I have personal experience of one international trade secretariat attempting to stop financial support being sent to a union in dispute.

Perhaps Mr Gallin could enlighten us, what principles of international working class solidarity were western



organisations following when committing these acts? Fortunately these efforts were increasingly countered by the work of some national trade union centres such as the British TUC.

As for the Moses Mayekiso campaign, he is factually incorrect. The Anti-Apartheid Movement, in tandem with SACTU, ran a campaign around this case. A fact recognised by Comrade Mayekiso himself. Our fears about some of the campaigns around this case were that they were seeking to monopolise solidarity throughout the international trade union movement.

The Mayekiso trial was not the only case which needed to be raised. There were members of CCAWUSA, NUM, SARHWU and TGWU on death row at the time. Many more South African and Namibian trade unionists were in prison. We raised these cases. If Mr Gallin is keen to point a finger, where was the International Union of Food Workers campaign to save CCAWUSA member William Ntombela?

Finally, to call SACTU activists parasites is a bit rich. Unlike many in the international trade union movement, including some very well paid General Secretary of international trade secretariats, SACTU activists lived in modest poverty, a fact which anyone visiting SACTU's offices in London could see with their own eyes. Perhaps the real parasites would like to stand up.

Yours sincerely

Colin Adkins
London

Forward to democratic socialism!

This letter was received before the SACP Congress in December - Ed.

The present debate on the crisis of socialism impressed me as one of the liveliest debates of the late 1980s into the 1990s, and there is not the slightest doubt in my mind that we will in the final analysis come to terms with what may have gone wrong and arrive at an informed consensus as to the crisis of socialism.

At the 29 July 1990 mass rally in the FNB stadium, the party had a big banner on the stage reading "FORWARD TO DEMOCRATIC SOCIALISM", and the party had come out in support of multi-party democracy. Also, it is alleged that the concept of the dictatorship of the proletariat has been ditched (though there is still some confusion here). Can we therefore say that democratic socialism is incompatible with "the dictatorship of the proletariat"? Was the party's alleged ditching of the concept informed by the adoption of multi-party democracy and support for democratic socialism? Is our understanding of democratic socialism competitive with the two-phase theory of our revolution? These are right and correct questions to ask, but we should also think hard and seriously before we answer them.

My intention in posing these questions is to sway the debate towards "what

socialism" we envisage, and also attempt to lay the basis for answering the questions. The correct basis, I suppose, will be for the party to answer the question of whether the ditching of the DOP is an official position (noting the lack of clarity) and if so, whether the ditching was informed by the party's adoption of democratic socialism and support for multi-party democracy.

In the SABC programme "Agenda" (9/6/91) Jeremy Cronin argued that South Africa has a very active civil society with mass organisations of youth, women, civics and trade unions waging the struggle for the building of popular power. One would therefore be correct to presume that Cronin agrees with the characterisation of democratic socialism given by Mihailo Markovic. Markovic says the features of democratic socialism are the extension of democracy from the sphere of politics to the sphere of culture and economy; political pluralism; a substantial role for civil society, plus "direct democracy in the workplace and social institutions", *Transformation* 14 p 49. This, I suppose, will help us take the debate about socialism a step forward, from: "Has socialism failed?" to "What kind of socialism?".

We need to define whether we in South Africa are for social democracy or democratic socialism. For my part, like Slovo, I submit to being "unrehabilitated" in my belief in the future of socialism. But unlike him, I

am not "utopian", and I believe it is from our debates on what we mean by democratic socialism that we will be able to help comrade Slovo away from being an "unrehabilitated utopian" to an "unrehabilitated believer" in the future of socialism working daily on the building of that future. Forward with democratic socialism! Amandla!

Thabo Modise
Natal University

Between Apartheid and Capitalism: Conversations with South African socialists

Edited by
Alex Callinicos

We stand at the crossroads. Apartheid is already crippled. Can we fight for socialism, or must we settle for a social contract?

Alex Callinicos debates the issue with:

Neville Alexander
Colin Bundy
Jeremy Cronin
Moses Mayekiso
Devan Pillay
Mark Swilling
& Karl von Holdt

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RedEye

Chinese socialism (1)

When the foreign guests were introduced at the congress of the SACP in December last year, the delegates reserved some of their warmest applause for the representatives of communist China. Presumably the delegates were applauding Chinese socialism.

The same delegates later rejected the term 'democratic socialism', on the grounds that socialism is "intrinsically democratic".

REDEYE wonders what is "intrinsically democratic" about the regime that turned its guns and tanks on the people in Tienenmen Square? Maybe Chinese socialism is 'distorted socialism' - which is how delegates described the societies of Eastern Europe. But why warmly applaud a distortion? ♦

Actually ...

Some years ago there used to be fratricidal debate on the left about how to label the countries in the communist bloc. Some tried to avoid this debate by referring to them as countries of 'actually existing socialism'. What do we call them now - 'actually collapsed socialism'? ♦

Chinese socialism (2)

And while on the subject of China and socialism: reports across the border are that some of the most successful foreign construction companies bidding for large government and private contracts in

Botswana are from the "People's" Republic of China.

Their tenders are invariably the lowest - no doubt because they employ low paid Chinese workers; who also work extremely long hours, live in prefabricated on-site huts, and are seldom seen actually to leave the building sites.

What is more, the Botswana Construction and Allied Workers' Union doubt that the Chinese construction companies observe the basic hours, conditions and safety regulations won by BCAWU on behalf of Botswana workers in capitalist Botswana.

As the Chinese undercut and put Botswana workers out of employment, these latter must be wondering what happened to China's "internationalist solidarity with all the workers of the world". ♦

Defeat for social democracy?

Hot news around town is that the mineworkers angrily rejected any suggestion that their union should enter a new productivity-bargaining deal in the gold mining industry in this year's wage negotiations. Now, the deal negotiated last year was seen by many commentators [but not *Labour Bulletin*, my editor reminds me] as the embryo of a new social contract, which could underpin a social democratic future.

Isn't the rejection of this deal by the workers a major blow against the hopes of social democrats, wonders REDEYE? Not really, says REDEYE's social democratic *chommy*. Not like the blow suffered by socialists when communism collapsed. ♦

(White male) democratic South Africa

Us comrades are fond of pointing out that the South African economy is run by a small gang of aging white males. The new South Africa will be different when we run it. Well, maybe. The working groups established by the mining summit have representatives from business, government and labour - including NUM. Fact is, hears REDEYE, all are white males! At least now some of them are a bit younger... ♦

Skills shortage

The human resources director of a major mining house was recently overheard discussing skills in SA. "A skills shortage? What do you mean a skills shortage? I can give you the names of 5 000 people who need jobs," he was saying.

The person he was speaking to explained that many workers in SA are trained by rote, and so find it difficult to improve productivity or cope with altered work routines.

"Oh, you mean like my wife," said our HR director. "When she drives she pushes the pedals, but she doesn't know what a clutch is."

When discussion turned to company training programmes, he said they take so long to get results he'd be dead before they had proved their worth.

Sounds like some of our management also have a skills shortage... ♦

Cyril the fisherman

Speaking of skills, ANC general secretary Cyril Ramaphosa has many. Not only did he build the biggest union in the country, bring the mining industry to a halt in 1987, and then get elected as ANC general secretary because of his political astuteness, organisational ability and negotiating skills, but he also enjoys trout fishing.

The workers know him well - at his recent farewell-from-NUM party he was presented with two prints of trout fishermen in the Scottish Highlands, plus full trout fishing gear. Let's hope he catches a big fish at CODESA

Guests included South African unionists, ANC leaders, British miners' leader Arthur Scargill ... and captains of the South African mining industry.

ANC President Nelson Mandela, (also honorary president of NUM), captured the ironies with his usual wit while addressing the gathering: "When I prepared this speech I decided to say something which I believed would bring the mining industry to a standstill by Monday. I never thought I would find myself sitting next to the chairman of the Chamber of Mines. With him next to me, I find I can no longer say what I had intended to say!" ♦

Lunches and meetings

At a recent Andrew Levy seminar one consultant noted that, as you move up company

and union hierarchies, it becomes more difficult to arrange appointments. "Union leaders are always in meetings and company leaders are always at lunches." Comparing the large Andrew Levy and skinny Alan Horwitz from SACCAWU, one wit remarked it was easy to see which one had the lunches and which attended the meetings... ♦

Rising unemployment as sanctions go

The bosses used to attack sanctions for causing unemployment. However, as sanctions crumble, there is one group of honest traders who are feeling the pinch. Last week a major steel company received a bitter phone call from one of their network of sanctions-busting agents in the US. He lambasted the corporation for establishing direct contacts with US steel importers, and then pleaded for it to give him at least one client. Shame. REDEYE guesses there must be hundreds like him.

Actually, the transition to democracy is hurting others too. Apparently a major lock manufacturer is having to retrench workers because apartheid's jails are opening - aided by the government's amnesty to thousands of criminals.

Never mind. Hopefully there will be enough justice in a democratic South Africa to jail the thousands of criminals who established and maintained apartheid in this country. There may, in fact, be a new boom in the lock industry... ☆

Labour Action



Workers demonstrate in the centre of Gaborone - they stayed for four days, refusing to leave

Photo: Labour Bulletin correspondent

Botswana's biggest strike ever

Thousands of Botswana "industrial class" workers downed tools for a week at the beginning of November in an historic national strike that paralysed the whole country and turned the capital, Gaborone into a veritable rubbish heap. Workers went on strike to demand a living wage. Botswana's lowest paid workers in their thousands turned the centre of the usually sleepy capital city into a vibrant scene of action. *Toyi-toying* and chanting songs, workers made it clear they wanted justice.

Each day of the week an estimated 6 000 workers milled around the African Mall shopping complex in central Gaborone, where the Botswana Federation of Trade Unions is based. The workers were demanding a 154% pay rise over the minimum of P237,00 (about US\$95) a month. According to the striking workers, they need at least P280,35 a

month just to buy food. Botswana's house rentals are probably the highest in Southern Africa and they absorb much of workers' earnings.

The strike was sparked off by the refusal of the Botswana government to accept the wage determination made by the NJICC (National Joint Industrial Coordination Council) to bring wages in this sector into line with the Poverty Datum Line. Ideally, the ruling of this industrial council, bringing together representatives of employers and the unions, is legally binding, but the Ministry of Finance declared it to be in conflict with its own wages and incomes policy. The same was not held to be true in the recent salary increases for higher paid government employees.

Botswana is known to have a sound and vibrant economy - which, unlike many African economies, has shown remarkable growth in the present decade. In spite of this, distribution of wealth has remained sharply skewed,

with a tiny minority of people absorbing more than eighty percent of the national income.

Botswana government's *Daily News* put the figure of those on strike at 25 000, while two other independent publications *The Botswana Guardian* and *The Botswana Political Diarist* put the figure at 60 000.

Both figures are significant because most of the working age people in Botswana's 1.3 million population are not in wage employment. Of those who are, the great majority are employed by government departments and parastatals such as the Botswana Housing Corporation, Botswana Telecommunications, the Botswana Power Corporation, and the University of Botswana.

Contrary to assertions that "industrial class workers are not productive" and that their labour counts for little in the economy, their strike seems to have affected every nerve and vein of the Botswana economy. Industrial class workers include government drivers, groundsmen, store-keepers, maintenance staff, cleaners, tea-makers and cooks. They were absent from work throughout the strike period.

In schools, teachers had to cook meals to ward off possible strike action by students. A few schools were reported closed as there was no water: the pumpmen of the villages were on strike.

On 6 November many

workers received letters of warning and calls to return to duty. On 7 November government workers received official letters firing them. The note, headed "Termination of Service: Yourself", charged workers with absence without leave and concluded: "I consider you to have terminated your services as from November 4".

Botswana government strongman, Minister of Presidential Affairs Lieutenant General Mompoti Merafe, received but did not accept the workers' demand. He argued that the unions had not followed the labyrinthine procedures required to enter into strike action.

This comes as little surprise since, with the Labour Act of 1982, and the National Security Act after it, strike action in Botswana is effectively proscribed. The unions' answer was that the government itself acted illegally in rejecting the ruling of a properly constituted industrial council, and that their last resort response was justifiable.

Questions

There are questions, however, whether the unions themselves entered into the strike with an effective strategy:

- Were preparations made to sustain the workers during the strike?
- Did they expect government to grant their demands and, if not, what was to be their bargaining position?

- Had they anticipated how the Minister of Presidential Affairs, his intelligence service, police and military forces would deal with the striking workers?

The unions seem to have been very inadequately prepared for this showdown strike. On Monday 11 November striking workers reported their dismissals to the union leadership who simply advised them to return to work. Upon reporting to their different workplaces they were reinstated but lost their pay for the period of the strike. What is more, they also lost all their accumulated benefits such as gratuities and terminal pay.

"It was as if we had not worked at the same place for fifteen years. We were told we were now going to be subject to new contractual arrangements, while some workers were told to sign papers pledging never to go on strike again", one worker told us.

Did union leadership foresee such a sudden and unsuccessful end to the strike? Certainly many workers believed when they sang: "we will not go back to work until you give us our rights". Yet today, two months after the strike, it is clear that the workers have come out of it worse off than when they went in. Now the workers say they have been betrayed and accuse some officials of their unions of being sell-outs. ❖

(*Labour Bulletin Correspondent*)

**SARHWU's
crisis report to
be tabled soon**

A commission which is looking into the suspension of the entire management committee of the South African Railway and Harbour Workers Union (SARHWU) is about to complete its report.

The Commission drawn from COSATU, SACP and the ANC was mandated to look into SARHWU's crisis which caused the leadership to be suspended after workers occupied the union's head office.

Since September 1991, SARHWU has been riddled with discontent. Expressing their anger against the 1991-92 wage agreement signed by the national management committee and Transnet without their mandate, workers occupied the union's head office in Jeppe Street (Johannesburg) from 5-25 October, during which time they held the general secretary, Martin Sebakwane, hostage for three days.

Proceedings with the newly established Transnet industrial council were suspended. Unity talks between SARHWU and the Transport and General Workers were also moth-balled. Everything came to a standstill for two months. It was difficult for journalists to gain access to SARHWU's head office.

Interviewed late in January, SARHWU spokesperson, Vanguard Mkhosana, sounded very optimistic when he said



SOUTH AFRICAN RAILWAY
AND
HARBOURS UNION



*Storm clouds still hang
over SARHWU*

that things have improved from what they were three months ago. The office opened and the staff is working normally, though the leadership is still out of office.

The President T. Langa, his first vice president P. Moshoeshoe, second vice president T. Majalisa, general secretary M. Sebakwane, assistant general secretary J. Potgieter and treasurer J. Makhavhu have all been suspended.

SARHWU workers claim that the wage agreement they signed with Transnet was prejudicial and it barred them from taking mass action.

According to Mkhosana, the agreement was that workers would get R900 a month, whereas they were demanding R1,500. There were no negotiators from the regions when the agreement was signed, although they had attended all the 15 meetings which were held with Transnet prior to the signing.

"What pushed the leadership to sign the agreement

was fear that violence could occur should workers embark on a strike and this would result in mass retrenchments. They took this position against the National Executive Committee decision which was taken just five days before they signed the agreement.

The NEC had decided on strike action as negotiations with Transnet had reached a stalemate, but the top leadership decided otherwise. This created a lot of problems."

The situation was very tense for some time. Workers continued to occupy the offices despite appeals by the NEC. A second NEC meeting was held in Kimberley on 31 October which took a decision that the entire six-member management committee be suspended and a commission of enquiry set up.

The terms of reference were that they should look at the circumstances surrounding the closure of the head office, the signing of the document without a mandate from the workers and examine the accounts of the management committee as well as those of the secretary of Southern Transvaal. "What forced them to look into their accounts is that it was alleged they may have been bribed into signing the agreement."

The Commission is expected to conclude its findings by the end of January. It will then submit its report to the NEC of SARHWU which will then take an appropriate decision on the matter. ♦
(Snuki Zikalala)

Leather dispute

The suspension on 12 December of the Western Cape branch leadership of the National Union of Leatherworkers may cost the NULW several thousand members in the region.

Shop stewards are set to meet late in January to decide if the 7 000 workers in the Cape Town and Wellington branch will stay in the union, or defect. COSATU'S South African Clothing and Textile Workers Union (SACTWU) is a clear alternative if workers do decide to pull out of the NULW.

At the centre of the dispute is the dismissal of a Cape Town organiser by the union National Executive Committee in late October. Workers in the Western Cape have challenged the union NEC to reinstate the organiser, or face mass defection. The union's Cape Town Branch Executive Committee (BEC) was suspended for allegedly refusing to enforce the NEC's decision to fire Irwin "Che" Kinnes.

Kinnes said he was fired for political reasons by what he called a pro-NACTU union leadership. NULW general secretary Kessie Moodley denied this, saying the union was politically non-aligned. Kinnes, he said, was found guilty and dismissed for not respecting union structures.

Kinnes - who used to work for the Amalgamated

Clothing and Textile Workers Union, a forerunner of SACTWU - ignored the NEC order and carried on with his job.

"I've been accused of promoting SACTWU and COSATU. The Western Cape has been a stumbling block towards the NULW going into NACTU," he said.

But, said Moodley, the NULW had taken a congress decision in August not to affiliate to either COSATU or NACTU.

"It would be very easy for me to take the union into COSATU or NACTU, but this would be unfair because workers must decide," he added.

Moodley said he had resigned as NACTU'S regional co-ordinator in Durban because he had been forced to take orders from people who were politicians, and not trade unionists.

Kinnes has launched an urgent application with the Industrial Court in Cape Town for his reinstatement.

Meanwhile, workers in the region are without a branch leadership - and close to reconsidering their membership of the NULW, according to Kinnes.

While a shop stewards' council in late January is expected to take a final decision, several options have been suggested :

- ⇒ workers can stay in the union;
- ⇒ they can split from the NULW and set themselves up independently;
- ⇒ a merger could occur with

the Transvaal Leather and Allied Trades Industrial Union; or, most likely, ⇒ they could move into the South African Clothing and Textile Workers Union, which has targeted leather as a key sector to organise. ♦

(Labour Bulletin Correspondent)

Survey of the November 4 and 5 stayaway

The Labour Monitoring Group (LMG), in association with Markinor, conducted a nation-wide telephone survey to measure the extent of the stayaway. The sample included 509 companies drawn from the CSIR data base of South African companies. The sample included firms from every sector of the economy. The complete results of the monitoring of the stayaway are summarised below.

Of the entire South African black workforce 68% stayed away from work on Monday 4 November. We conservatively estimate that at least 3,7 million workers heeded the stayaway call on the first day.

The figures dropped off slightly on the second day of the stayaway, 5 November, when 60% of the entire black workforce stayed away from work, representing 3,4 million workers.

These results are substan-

LABOUR ACTION

tially higher than those recorded by the LMG during the September 1989 stayaway (called to protest the Labour Relations Act), an event which led to a substantial reworking of the legislation. They are comparable to the results for the June 16 1986 stayaway, previously the largest stayaway on record.

African workers

The stayaway was strongest amongst African workers nationwide. Nationwide, 73% of African workers stayed away on the first day, and 64% on the second day. The following table shows the regional breakdown for African workers:

Region	Mon	Tues
PWV	81%	68%
OFS	80%	73%
W Cape	78%	76%
E Cape	74%	73%
Durban metro	84%	82%
Rest of Natal	73%	72%

The Eastern Cape figures can be disaggregated to show a 98% stayaway in the Port Elizabeth/Uitenhage area as opposed to a 67% stayaway in the East London area. The stayaway amongst African workers in the Western Cape is substantially higher than that previously recorded by the LMG.

Furthermore the stayaway in Natal, both the Durban metropolitan area and the rest of Natal, showed a very high rate of participation in spite of the Inkatha Freedom Party's opposition to the stayaway.

Indian and coloured participation

The extent of Indian participation was assessed for the Natal area only:

Region	Mon	Tues
Durban Metro	60%	77%
Rest of Natal	23%	25%

Coloured participation was assessed for the Western and Eastern Cape:

Region	Mon	Tues
Western Cape	30%	26%
PE/Uitenhage	86%	86%
East London	62%	62%

Despite the relatively low level of participation in the stayaway by Coloured workers, these percentages matched the highest levels previously recorded by the LMG in September 1989 and June 1986.

Management responses

We also surveyed management responses to the stayaway for the entire country. On the whole, management has responded in the traditional manner of applying the principle of "no work/no pay/no penalty". At those companies where some form of stayaway took place, the following occurred:

Percentage	Management response
79%	no/work/no pay /no penalty
6%	dismissal
15%	other penalties (eg warnings)

The dismissal percentage is relatively higher than that reported in previous LMG

surveys. In 1988, for example, only 2% of company respondents reported that they would be taking disciplinary action which could include dismissals. The 6% of companies which have dismissed workers during the current stay-away could reflect the fact that many companies are looking to reduce their workforce during the economic downturn.

Stayaway by sector

The Central Statistical Services reports a figure for the economically active population of 11 073 00 and estimates an unemployment rate of 25%. For the purposes of our calculations, we operated on the basis of a far higher unemployment rate of 40%, which yields a total unemployed population of 6 643 800.

Economic sector

sector	Mon	Tues
Finance/insurance	94%	91%
Manufacturing	81%	60%
Construction	73%	73%
Retail/Wholesale	71%	68%
Transport	59%	56%
Personal services	46%	44%

The results conclusively show broad support from black workers in all sectors except mining and agribusiness. ❖

The LMG is an independent group of academics based at the University of the Witwatersrand, which has monitored national and regional stayaways since 1984. Markinor is a private and independent market research firm based in Johannesburg.

Mineworkers reject productivity deal

Worker delegates at NUM's Central Executive Committee, held at the end of January, voted overwhelmingly against negotiating any kind of productivity deal or performance bonus in this year's wage bargaining. The rejection comes as something of a shock to employers, who had hailed last year's path-breaking agreement in the gold mining industry as opening a new era in collective bargaining.

According to union sources, the mine worker delegations from the regions expressed "very strong feelings of dissatisfaction" about the impact last year's agreement was having in the gold mines. The agreement provided a framework for negotiating performance bonuses at mine level, and committed the mines to disclosing relevant information to the union, discussing targets with shaft stewards, and negotiating the implementation of the scheme. (See *Labour Bulletin* Vol 16 No 2)

Workers reported that the mines were not disclosing information, refused to discuss performance targets, and imposed the scheme unilaterally. Management was also making work behaviour a condition for receiving the bonus. On many mines management has stipulated that workers who engage in industrial action or stayaways, or who are absent from work, will not receive the bonus. Delegates' over-riding criticism was that the way the scheme was being implemented was causing enormous division between workers at the same mine, some of whom received bonuses and others who did not, and workers at different mines.

According to NUM's

assistant general secretary, Marcel Golding, "The scheme is not achieving the desired results. The employers are using it to sow dissension, dissatisfaction and confusion." Accordingly, the CEC decided to reject totally any such scheme in the 1992 wage bargaining.

The union is clearly angry about the way the scheme was implemented. But apparently there was also strong opposition expressed to productivity or performance deals in principle, on the grounds that they undermine union policy. The union has firmly rejected the negotiation of similar schemes in the financially stronger coal and other sectors of the industry.

The 1991 performance agreement in the gold sector was clearly a response by NUM to the deep crisis in this industry. If the union is now rejecting a renewal of this agreement, what alternative strategy does it have for negotiations? Golding agrees this is a problem, and says that, beyond endorsing the demand for a living wage and the policy of negotiating a uniform wage structure for the industry, the CEC has made no decisions.

However, it appears that NUM has not rejected pro-

ductivity/performance bargaining in principle. The union will convene a special workshop in about a month's time, to examine the issue in the light of international experience.

What will this mean on the mines?

The collapse of the scheme raises many questions for NUM.

- Clearly there are sections of workers who are benefiting from the bonus scheme. Rejection of the scheme could lead to tension between them and the union. Golding says NUM will have to educate workers about the reasons for the union's decision, but this may not be adequate to overcome such tensions.
- Many mine managers may choose to exploit such tensions and continue to implement the scheme unilaterally. It is difficult to imagine workers who are offered bonuses rejecting them. This could lead to increasing conflict - far from a 'new era' in industrial relations!
- The performance agreement, for all its weaknesses, did give the union a framework within which

to fight for some control and some access to bonus payment. Without an agreement, it will be extremely difficult for the union to combat management action in this area.

- Rejecting any productivity deal leaves the union with a somewhat weakened bargaining position as it enters wage negotiations in the crisis-ridden gold industry. How will it deal with the fact that decent wage increases may lead to huge job losses in unprofitable mines?
- On the other hand, employers themselves see increasing productivity as essential for the industry. They may well decide that unilateral implementation of bonus schemes - against the resistance of NUM - is counterproductive, and offer a better deal than last year. Golding left this possibility open at a NUM press conference, saying any new offer would have to be referred to workers. But it seems it will take a lot to convince workers to enter such a scheme again.

What about the struggle for worker control?

The workers' rejection of the performance bonus scheme also raises a broader question. In his interview with *Labour Bulletin*, Golding last year put forward a project of struggling to increase workers control through union initiatives on productivity and worker participation. This is a project which is being dis-

cussed by some unionists. Do the problems that have arisen with the implementation of this agreement mean that such projects are not viable? Does its rejection by the NUM CEC mean the end of such projects?

Several points can be made. Firstly, productivity bargaining is often rejected by unionists because it exacerbates divisions among workers. NUM's agreement did not succeed in overcoming this problem.

Secondly, management will often try to take short cuts and avoid making real concessions in exchange for productivity agreements. This will tend to raise tensions and create conflict - unions will have to guard against this.

Thirdly, the mining industry is possibly the worst place to test out new ideas of participation. The industry is characterised by authoritarian, racist and violent management regimes. Workers have resisted this by building a militant and defiant mass workers movement. Any shift towards more participatory management structures - which could open up new arenas of struggle for worker control - would depend on immense changes of attitude, primarily from management, but also from workers. It may be utopian to imagine this can happen on the mines before it happens in other sectors.

Fourthly, the struggle for workers control in the production process, the struggle to engage with issues of participation, productivity and work organisation, is ex-

tremely complex. It raises new organisational issues and new issues about knowledge and training. If unions are going to enter this terrain, they will have to provide comprehensive education and discussion forums so that workers can really take control of the process. Without that, the struggle for workers control can only fail.

Fifthly, whatever unions decide, productivity and participation are on the agenda. Economic stagnation and management strategies are placing them there. Unless the unions develop a strategic initiative of their own, they will be driven into a permanently defensive posture. ❖

(Karl von Holdt)



Buthelezi fills in for Crompton in top position at CWIU

Musi Buthelezi (right) of Chemical Workers Industrial Union, has been appointed Acting General-Secretary of the union while Rod Crompton (left) goes to work at the Industrial Restructuring Project, UCT.

The next issue of *Labour Bulletin* will carry an interview with Buthelezi, in which he outlines recent developments in the union. ☆

Since the VAT stayaway:

National Economic Forum

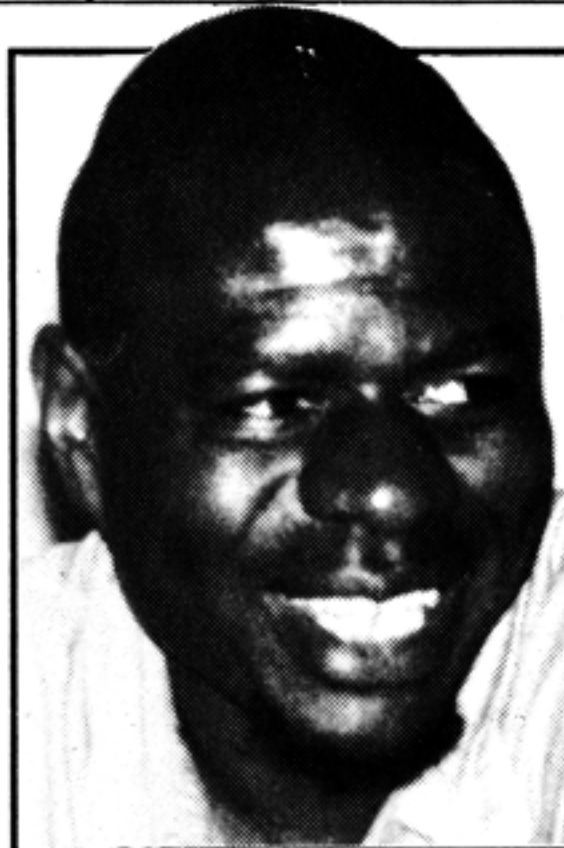
parallel to CODESA?

COSATU's SAM SHILOWA speaks to EDDIE WEBSTER and DOT KEET

Labour Bulletin: *The stayaway was successful as a campaign in terms of the number of people who went on strike. What did it achieve?*

Shilowa: Central to the demands in the campaign, apart from VAT itself, was the demand for a Macro-Economic Negotiating Forum. That demand has been partly achieved by the National Economic Forum meeting that took place on 21 January.

The campaign also put on the political agenda the lack of poverty relief programmes and the government's policies with regard to small business. It also said to the government again - hopefully once and for all - that we will not accept any unilateral restructuring of the economy or of any other



Assistant general-secretary Sam Shilowa

Photo: Labour Bulletin

issues that have an impact on workers.

Furthermore, government dug in their heels not so much because they could not meet our demands, but because they felt that we would

not be able to pull off the strike. So it was also a trial of strength, and in that respect it came off very well.

Labour Bulletin: *To be more concrete, to what extent have you succeeded in making an impact on the VAT taxation itself?*

Shilowa: Firstly, the moment we started our campaign, VAT was reduced to 10%. Secondly, we managed to get a number of foodstuffs zero-rated.

Thirdly, a number of SA organisations, both to the left and to the right of COSATU, and other trade union organisations have been able for the first time to come together, and the issue of taxation is not only left to workers to raise. The

stayaway has raised the issue at a broad public level.

Labour Bulletin: *Where do you see things going from here in terms of the VAT campaign?*

Shilowa: It is important to note that the government has not kept to any of its words, either to the public or to the Vat Co-ordinating Committee. They promised that in six months a poverty relief programme would be in place. However, only one organisation has been paid and that has only been about R200 000. There is simply no poverty relief programme in place.

Secondly, they said that VAT would bring down inflation. That is not happening. Surveys show clearly that food prices have actually risen.

Thirdly, there is the whole question of how we now advance. The VCC have said that they are going to raise public awareness on VAT by having public commissions where people can come forward to show that it is government propaganda to say that VAT has been successful.

As COSATU we think that there should also be a campaign to show that government is now facing a deficit in their revenues. They will definitely try to recover this money from the public. We think that VAT will go up, although whether it will be as high as the 18% suggested we cannot predict. We will have to challenge them and stop them in their tracks.

Whether VAT itself goes up or not, we believe that they will try to remove zero-rating on a number of basic foodstuffs. The six month period they set for zero-rating was timed to coincide with the announcement of the 1992 budget. So we are going to campaign on this in the run-up to the budget.

Finally, the general strike of last November 4-5 was the first installment in the fight between us and the government. And depending on how they react to our demands as laid out at the time, and their actions since, we cannot rule out another general strike if necessary.

Labour Bulletin: *Another outcome of the strike has been the dismissals of numbers of workers. How many have been dismissed and what are you doing about it?*

Shilowa: We know that there are workers who have been dismissed, especially on the mines, Goldfields, Impala Platinum and others. There was also the violence at President Steyn Mine, irrespective as to who was to blame and how it culminated. We don't have a clear picture of the number of dismissals, because they are still being fought by the workers themselves and they don't necessarily report them.

But there has also been a weakness in COSATU in this. We were able to set up a team to monitor the effects, the successes, the problems

around the strike itself. But the monitoring did not extend beyond receiving reports from unions as to the casualties. There is a challenge here to the COSATU leadership at head office, in the various affiliates at the ExCo and CEC levels, and even at the regional levels. We need to ensure in future that such things don't happen. That is one thing that we have not yet been able to master satisfactorily.

Labour Bulletin: *What do you see as the significance of the central demand that emerged from the stayaway - the demand for a National Economic Forum?*

Shilowa: This demand actually goes back much further than the anti-VAT stayaway. At the signing of the Laboria Minute, in terms of the LRA Amendment Act in 1990, there was agreement reached, according to our understanding, that the restructuring of the economy has to be negotiated between the unions, the state and business. But the state then started saying that by 'business' they meant only SACCOLA.

The position expressed from the side of business was that SACCOLA was their representative only on labour issues. If there were going to be any economic negotiations it would have to be with appropriate employers' organisations such as SACOB, AHI, SEIFSA, NAFCOC, the Chamber of Mines and so on.

The government also argued that they were not prepared to enter into such negotiations because that would demand significant changes in how their advisory structures are working. This related also to our demand for the restructuring of the National Manpower Commission. Furthermore, the Department of Manpower felt that they cannot speak on behalf of other government departments.

During the run up to the VAT campaign there was no consensus. Some businesses were arguing that we should come together. Others were saying that we should take up the offer from the government to send representatives to the President's Economic Advisory Council. We as COSATU rejected that.

However, during that period when we, government and business were fighting one another, we began to find, meeting with this or that business-person, that we did share some common ideas. For example, late last year, it became apparent that we share the common position that national economic issues should not be treated as an appendix to the political negotiations that were then unfolding.

National economic negotiations also became a central demand for us because we as trade unions were facing retrenchments, job losses, lack of economic growth and job creation and so on. In textiles, rubber, chemicals, for example, employers were com-

ing up with a whole range of different approaches, and we felt that, while we don't want to stifle these sectorial level discussions, we also need to dovetail them to some national approach or plan. Sectorial policies could have advantageous effects for one sector and negative effects on another. Therefore it is important that we do not look only at sectorial interests but find a balance at the national level.

The Consultative Business Movement became involved in finding out from business and ourselves what our common grounds are, and so became instrumental in facilitating the economic forum meeting that has just taken place.

Labour Bulletin: *What happened at that meeting?*

Shilowa: We were able to table our demands as COSATU and outline our own position. This is that the forum is already overdue, that it cannot be merely advisory in nature, that it has to reach decisions that are binding and that such decisions have to be implemented.

For their part, business agreed that we need the forum but they say that it cannot be binding, only advisory. I think this is where there are going to be fights between us - both in the working group that has been set up and in the forthcoming plenary meeting.

At the same time there was agreement between business

and labour - meaning the unions represented there, COSATU, NACTU and FEDSAL - that the present de facto administration in South Africa, that is the De Klerk government, must be involved in the economic forum discussions at a senior level. Our experience of dealing with government, particularly during the anti-LRA campaign, has been that the unions and SACCOLA could reach agreement but it carried only moral weight unless the government itself was involved. Government has to be involved from the outset so that they can raise their fears and objections and we can discuss their problems.

Labour Bulletin: *What are your immediate demands at the National Economic Forum?*

Shilowa: We don't have a shopping list, but we are going there with some clear demands.

The first is that there must be restructuring of the present economy so that it is not weighed only in favour of profit-making. It must also benefit the poor. Both from our side and the side of business we must move away from rhetoric - whether it is socialism... nationalisation... free market or whatever. What we have to ask is what does South Africa need in terms of the economy. Or what is it that people expect from the economy. Can it deliver jobs? Can it compete

internationally? If it cannot, what are the problems? How do we deal with such issues?

Secondly, on our part we would want to deal with the issue of a moratorium on retrenchments. This is something that has to be put on the table and we will fight for it. It would be very difficult for us to be discussing with business while many of our members are actually losing their jobs. They will not be able to see the proof of such negotiations.

Thirdly, there is the issue of a living wage. Business will come with the notion that 'the economy cannot afford a living wage'. But we have to be true to our demand for centralised bargaining. We cannot accept for the toiling masses in our country arguments about what is being paid in Africa, or what Taiwan is doing. The conditions are not the same. Although it is not the only aspect, we say that we have to link profits to wages. In so far as profitable enterprise benefits management, with higher profits and dividends, it must also benefit the workers in our country.

Labour Bulletin: *There seems to have been a shift from COSATU's earlier conception of macro-economic negotiating towards a more limited economic discussion forum. If this is so, why?*

Shilowa: We are not going for an 'either-or' situation. Our position is that there are certain issues that we can deal

with in the medium to long term. Whereas other issues, such as retrenchments, cannot wait even a day longer.

Labour Bulletin: *Could we take the implications behind such national economic discussions one step forward? Is this the beginning of a social accord?*

Shilowa: COSATU itself has not actually discussed and taken a position on a social accord. But we have to ask ourselves what are the aims and objectives of such a forum? Are we looking towards a social accord? Are we looking into policy making? Or are we looking only at agreements to lay the basis now for the Interim Government, or to lay the foundations for the future?

So every issue will have to be looked into. And it is incumbent upon COSATU to start discussing that particular aspect, and take a clear position. Once we talk of tripartism we must take a position on the social accord.

Labour Bulletin: *The essence of an accord is a trade-off. There is give and take. Is the idea of a social accord realistic in SA?*

Shilowa: In so far as it relates to halts to strikes or halts to wage demands, I think that we cannot enter into a social accord. The right to strike is fundamental to our existence. It is something we say should actually be enshrined in the constitu-

tion and that it cannot be negated by any other clause in the constitution.

Furthermore, the question of strikes has to be looked at in a particular context. The type of situation in which workers find themselves determines to what extent they are prepared to strike or not.

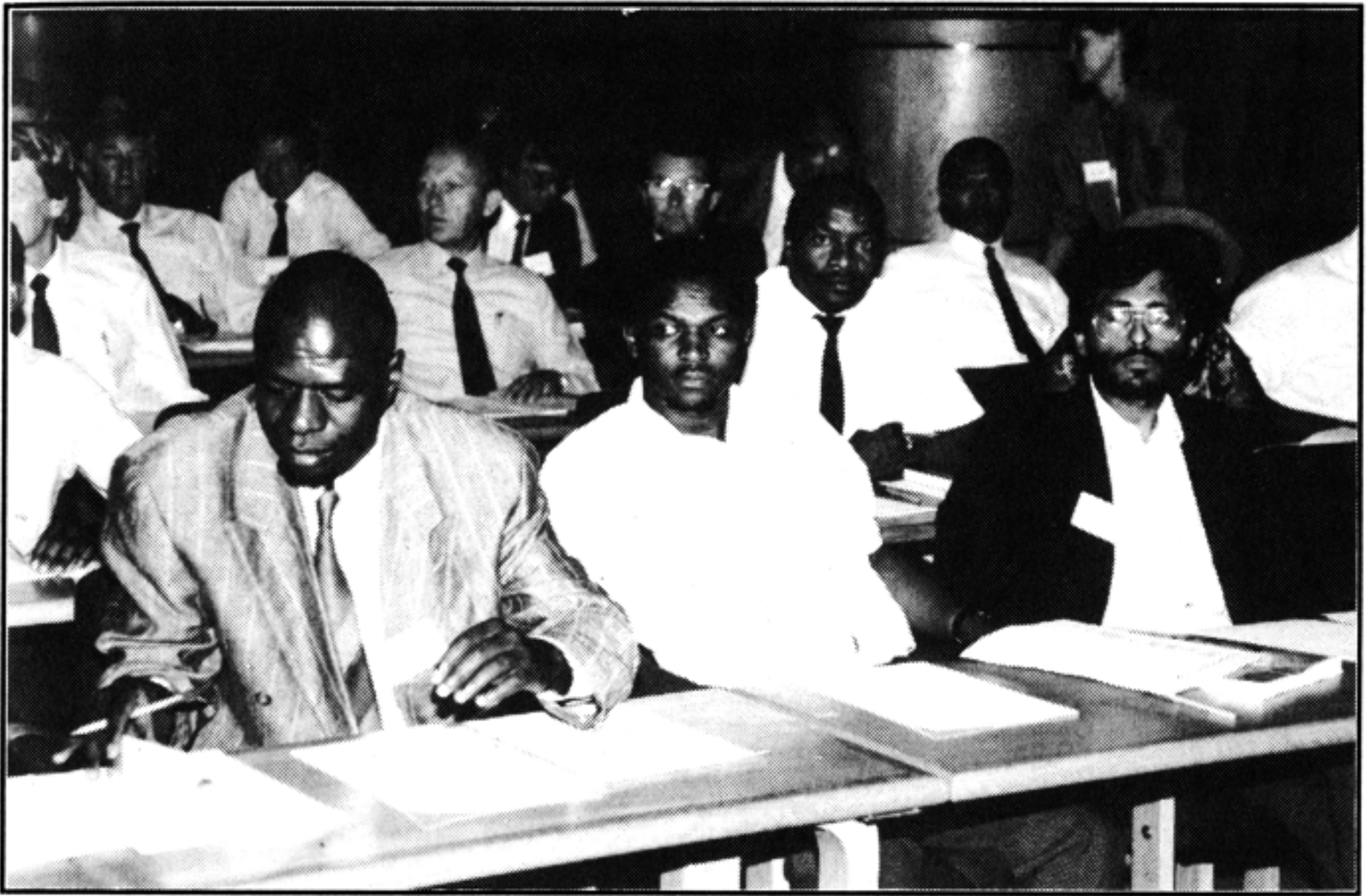
In South Africa we have not even reached the point where we have national bargaining at industrial level. We are only moving towards it. Management is actually resisting national industrial bargaining and major industries are moving in different streams. This leads to frequent strikes.

A social accord is not something that we should rule out, but it is something for which the climate does not exist at present. If business wants us to move in that particular direction, then they will have to create a climate conducive for us to move with them on that particular route.

Labour Bulletin: *One possible trade-off would be greater control in the workplace by workers as a way of ensuring that profits are more fairly distributed.*

Shilowa: Yes, I would agree to that, but I think the thing that we have to be very careful about is to equate worker participation with the situation where workers don't have real power.

We must avoid a situation where a particular worker or



Sam Shilowa, Papi Kganare & Ebrahim Patel - all of COSATU - at the Economic Forum, with Bobby Godsell and other businessmen sitting behind them

Photo: Shariff/Labour Bulletin

group of workers is used as a conveyor belt simply to report what is happening, what the company bosses say etc. But they are not being party to decisions on why, for example, investment should go to this or that particular area. It's not only a question of profits but looking into where the company invests, and so on.

A system where there is simply a worker on the board of directors is not satisfactory. There has to be an equality in the system, equality in decision making. In other words, it has to be a system where shop stewards are party to decision making. Then it becomes a joint responsibility.

Labour Bulletin: *How do you see the overall relationship between the National*

Economic Forum and CODESA?

Shilowa: In the National Economic Forum there is a difference in approach between COSATU and NACTU because the latter has not taken a decision at central level about its relationship with CODESA.

However COSATU and business feel that we cannot overlook the political negotiations. We have to look into what relationship we need to develop. We cannot predict what CODESA is going to become. So we need to maintain some form of relationship without interference.

Thus, whatever comes out of our side should feed into what is happening at

CODESA. This is particularly so because the question of economic principles is not on the CODESA agenda.

Labour Bulletin: *What is COSATU's position on CODESA as such?*

Shilowa: We sent a formal letter on 22 January for participation in CODESA as COSATU in our own right.

COSATU's position has always been that, if there were going to be political negotiations, the organisations of civil society also have a particular role to play.

Because government was blocking COSATU's direct representation in CODESA, our ExCo proposed indirect representation through the Alliance - two COSATU

people in the ANC delegation and two in the SACP delegation.

However, when it went to our Central Executive Committee for ratification, the CEC said that we are not going for this formulation just because our participation is being blocked. We stick to our principle to participate as COSATU and to be able to orientate our participation from within COSATU.

But the CEC also went a step further to say that, in the interim, we need a joint political committee with the ANC and the SACP to strategise as to where we are going. Six people were appointed from COSATU including myself, Chris Dlamini, Jayendra Naidoo, Bernie Fanaroff, Randal Howard and Mike Madlala to interact on a weekly basis with the ANC so that we are fully briefed by them as to what is happening in CODESA. The ANC and the SACP also have six persons each on the committee.

We have also agreed that, in the meantime, COSATU will appoint two people for each of the five working groups that exist so that we are not left behind. We will not be participating in the CODESA working groups, as such, because as yet we have not been accepted into CODESA. But we would work with the four people appointed by the ANC and the four people appointed by the SACP, (two of them direct reps and the other two back up) for each of the working

groups.

These will then report to the strategising political committee. Of course, strategising together doesn't necessarily mean we will all have the same positions.

Labour Bulletin: *What happens if your application to CODESA is turned down?*

Shilowa: That will depend on how the CODESA management committee deals with the number of applications which have been sent in by other non-political parties traditional chiefs, Contralesa, and others. We can't be treated differently to how they are treated.

It is difficult to predict whether they are going to accept us or not. But there can be no justification for excluding us if they accept other non-political parties. If that happens we will have to set up a campaign to tackle them head on.

Labour Bulletin: *Let us assume that they refuse to accept non-political organisations in CODESA. Where do you go from there?*

Shilowa: Our executive will then have to decide. But the feeling in COSATU is that, even though we are not a political party, our decisions and our policies actually have an impact on the direction of the political negotiations. If we are talking about the legitimacy of a process we should try to see

to what extent it will assist if COSATU is part of the solution, or if it is outside of the solution.

If our application is not accepted we may find ourselves still in a situation where we have to make our input through the Alliance. In the past weeks there have been remarkable improvements compared to last year. Both the ANC congress and the SACP congress helped to a certain extent to show that the grassroots is saying that we don't want a paper alliance. We want to see a working alliance. I think that is why presently we are aware of what is happening at CODESA level and we are able to make an input into it.

Labour Bulletin: *What came across in the shop steward's survey that COSATU commissioned is that the shop stewards - who after all are your grassroots leadership - see COSATU as the best representative of their interests. So if you don't go in as a separate participant, how would you deal with that?*

Shilowa: I think there are two aspects to clarify. The first one is, looking at that survey, that 70% are behind COSATU's participation in so far as it relates to dealing with worker issues. But who are workers going to vote for when it comes to elections for a Constituent Assembly? The overwhelming majority will vote for the African National Congress.

That means that we will have to look into means and ways of influencing the ANC and the Communist Party to support our own position when it comes to their election manifestos. I think in this regard we may actually seek the support of NACTU to work out a strategy of how we convince those political parties that, in their own political platforms, workers' issues do not become an afterthought but a reality.

However, the tripartite alliance should not become an us-and-them situation, between COSATU and the ANC/SACP, with our telling them that this is what we want. In setting up that strategising forum we must explain our position - and take into account their feelings and suggestions - about what COSATU wants to see happening in the developments taking place in CODESA, and what our fears are about where the process is going.

Labour Bulletin: *How will the economic forum's decisions impact upon the economic issues in CODESA?*

Shilowa: The issue of the economy is not at present on the agenda of CODESA. And we are hoping that it can be kept that way. I think it reflects a realisation by the parties involved there that it would not be possible or desirable for them to work out an economic package that excludes the major actors in the

economy. If an economic accord or agreement is not acceptable to us as COSATU it doesn't matter whether it included the ANC, we would be vehemently opposed to such a thing.

The relationship between the National Economic Forum and CODESA should be that they run parallel.

Labour Bulletin: *But what if CODESA, as presently constituted without COSATU, does deal with economic issues, such as entrenching private property and private enterprise among the principles to go into the constitution?*

Shilowa: CODESA will be dealing with general political principles for the constitution. As for agreement at the economic level, our position as COSATU is that whatever they agree upon should not impede any future government from implementing policies that are necessary to the upliftment of standards for the majority of the people.

Labour Bulletin: *What then will be the relationship between the Economic Forum and the forthcoming Interim Government?*

Shilowa: We will need to decide this. If we have the present administration involved in the economic forum, what happens once we have an Interim Government? Does the Interim Government come into the economic forum? Does the

present administration continue as a participant?

There must be a clear relationship between the economic forum and any Interim Government that comes in. If that Interim Government has a say on taxation and the budget, it will have implications for proposals that we come up with.

Labour Bulletin: *But at present they are not talking about an Interim Government taking on the broader economic or budget-making role. The IG needs to be a short term holding operation to prepare the way as rapidly as possible for the elections for the Constituent Assembly.*

Shilowa: It would depend on the type of Interim Government that we have. Is it a sovereign one with sovereign powers over everything, or one with limited powers over certain things.

The COSATU position is that we need one person one vote election for a Constituent Assembly, and the role of the Interim Government is to work out a smooth route towards the holding of fair elections. So we see them as having a limited role.

Labour Bulletin: *And of course it is also a question of what powers the Constituent Assembly has.*

Shilowa: Yes, the Constituent Assembly must be a sovereign body. ☆
23 January 1992

Labour Bulletin uncovers management spy network!



by *LABOUR BULLETIN* correspondent

In recent times there have been increasing allegations of unions being spied upon by agents employed by security firms (see for example, *New Nation*, 27 September - 3 October). Although up until now no substantial evidence has emerged to back up these allegations, the *Labour Bulletin* has uncovered shocking evidence of widespread spying on union activities during 1990. Is it continuing today? Our sources believe it is.

Our investigation was limited to the Natal region. Here we uncovered a web of agents employed by Lodge Security Services whose mission was to collect information on union activities. We have in our possession original transcripts of reports written by agents to their bosses at Lodge.

Although these documents all date from 1990, our sources believe spying is continuing.

The *modus operandi* was for Lodge to write to a company offering its services. One such letter in our possession was written by Warwick Freislich, the then Investigations Manager for Lodge in Durban,

to Tommy Smit at the Four Seasons Hotel (Freislich has since moved on and now runs his own debt collecting agency called Shamricks in Durban).

Freislich writes: "The objective of an undercover investigation is to bring to the attention of the management, the attitude of the staff and their feelings about various management decisions, shop steward and union activities. This enables management to act quickly and make right decisions before negotiating with shop stewards and the unions."

"Industrial relations investigations"

Another letter, dated 4 May 1990, was addressed to Brian Spurr of Natal Newspapers. The letter refers to a discussion the day before about the theft of motor vehicles and makes recommendations for its prevention.

The letter then goes on to point out that "in addition to information pertinent to this investigation, the undercover agent also gathers a vast

amount of information concerning trade union activities, labour relations and attitudes concerning staff and management...

"We have found an ever increasing demand for information on Labour Relations and to this end, many of our investigators are committed full time to industrial relations investigations and in this field, we can provide a comprehensive management service informing management of staff and union activities and attitudes thus ensuring that management is kept up to date at all times with worker attitudes to disputes, wage demands and other labour relations issues."

This letter was written by John van Stan, the then Natal regional manager of Lodge Security Services. This was the same John van Stan who told *New Nation* that no agents were involved in surveillance of union activities. They were just concerned with monitoring pilferage!

Reports from agents

Once a firm accepts the services of Lodge, the latter infiltrates agents into the workforce. The agent then writes reports for Lodge. Lodge management sifts through the material and prepares a memorandum for the firm.

One such report from an agent was dated 17 May 1990. It was written by an agent at Pick 'n Pay on the Berea. The report details a report back of a regional meeting on 15 May.

A snippet of the report reads as follows: "Minnie said the points they had on the agenda

were answered by Gordon Hoult, about the back pay. Then Minnie said the comrades told Gordon Hoult they wanted their back-pay of 21 March and if he does not want to give [it to] them he will see what will happen."

We have in our possession reports from agents at the following Pick 'n Pay branches: Hayfield, the Wheel, the Workshop, Queensburgh. The branches at Shelley Beach and Pietermaritzburg have also been infiltrated. We have also established that there are agents at Dunlop (Ladysmith) and Cabana Beach Hotel (Umhlanga Rocks).

Negotiating strategy

There are some reports that are simply entitled "Pick 'n Pay general meetings". One such report, dated 8 April 1990, details the problems faced by the union over negotiations that were being conducted at the time. The report details the positions of the regions.

It tells of Johannesburg, Pretoria, Pietersburg, Western Cape and Krugersdorp supporting one position. Natal, Eastern Cape and parts of the Vaal supported a different position. The rest of the report deals with a COSATU Regional Executive Committee report back. It details COSATU'S opposition to casual labour. It also discusses plans for the stayaway on Monday 9 April. This stayaway was to protest against the Inkatha-linked violence.

It is clear that some of the agents are shop stewards. We

have in our possession an original transcript of a Pick 'n Pay shop stewards' meeting dated 30 April 1990.

The agent was obviously present as she/he was able to describe the agenda adopted and then to present the discussions in fine detail. The sensitivity of the meeting is revealed by some of the items on the agenda:

1 Negotiations

- a Labour Relations Act - overtime ban - store by store report;
- b Victor Sishi's arbitration outcome.

2 Programme of Action

- a Information on current overtime ban;
- b demonstrations;
- c march;
- d sit-ins.

3 Implementation

- a Resources;
- b regular shop stewards meeting;
- c thorough assessment of locals.

4 Recognition Agreement

- a Grievance procedure;
- b parental rights;
- c feed-back meetings.

5 United Democratic Front paper on negotiations

- a Reading and discussion.

We also have in our possession reports written by Lodge to various managements outlining the crucial issues uncovered by the agents. We have two reports, dated 9 and 15 May 1990, written to a Mr Middlebrook at Dunlop Tyres. The reports were prepared by Warwick Freislich.

Work stoppage at Dunlop

The 9 May report details a work stoppage on Monday 23 April. The work stoppage was over a dismissed worker called Mhlubi. The staff were also unhappy about the company doctor. What the report reveals is that there was a direct link between the agent and someone at Dunlop management. Thus Freislich's report tells us that "the client called operative in a certain way that he had and asked him about how things were going. Operative explained all that he knew to him ... The client then gave operative his home number ... At about 20h05 operative phoned the client and told him that nothing was going to happen the following day. Operative did not explain everything to him except to tell him the main point."

The second report dated 15 May 1990 informs Middlebrook that the information network was widening. The agent at Dunlop in Ladysmith had made contact with a shop steward at BMH clothing. "She always tells operative about what goes on in the COSATU local meetings on a Thursday. Operative will inform the client by telephone if there is going to be a stayaway."

We also have reports written by Freislich to a Mr Robertson of Cabana Beach Hotel and one to Kobus Botha at Pick 'n Pay, Longmarket Street (presumably at Pietermaritzburg).

There is a trend for a number of ex-SAP members to join private security companies (Warwick Freislich is a former

member of the SAP). Like KGB and CIA operatives, with the reduction of the state's security apparatus, SAP operatives have had to find new employment. They know the world of the SAP and are quickly able to arrange for a mutual exchange of information. They have knowledge and probably access to the latest surveillance techniques. They also bring with them a particular 'mind-set', one committed to the undermining of unions rather than the creation of an environment conducive to collective bargaining.

From state security to private security

During the 1980s it was the state's security apparatus that monitored the activities of the union movement and passed it on to the employers.

With the coming of majority rule and the even closer possibility of an interim government, employers will not be able to rely on the state to monitor union activities. Some employers seem to be preparing for this by turning to private security companies.

Already some security companies like Lodge have assembled a network of agents in the Natal region. It is important that unions confront employers involved with security companies and force a withdrawal of agents.

Beyond this, unions need to add a clause into their recognition agreement that prohibits spying and infiltration. Failure to end the infiltration of spies dressed up as shop stewards

will seriously undermine trade union negotiating strength.

Whilst capital is keen to set-up a national economic negotiating forum, some managers are at the same time busy undermining unions on the shopfloor. Unions should use the economic negotiations to demand that bosses commit themselves to ensuring a climate conducive to free and open collective bargaining. A starting point for this would be the immediate withdrawal of all agents. ☆

We spy on pilferers, not unions - Lodge

Edel Ashman, MD of Lodge Security Services, says Lodge is an international company which specializes in controlling loss and theft within the retail trade, and is not interested in labour relations. When some of the reports and letters were read to him, he conceded that sometimes clients want to know why staff are unhappy. "We do encourage staff to phone us up and tell us their problems. Some are not willing to speak to management about this." He said agents gave verbatim daily reports and these are handed to the client who can do what he wants with them. "We have never tried to bring unions down," he said.

We have never asked for information on unions - Pick 'n Pay

Frans van der Walt, general manager for group industrial relations at Pick'n Pay, categorically denies that Pick'n Pay has ever requested or used information on trade unions gained through spying. He says Pick'n Pay has used Lodge's undercover services to investigate pilfering. Van der Walt says he doesn't know why the reports exist, but will investigate. Gordon Hoult, GM of Pick'n Pay's of Southern Natal, retired last year.

NUMSA president accused of spying

Report by ARI SITAS and SNUKI ZIKALALA



Maxwell Xulu - is he a spy?

Photo: William Mottlala/COSATU

In mid-November, an announcement on SABC/TV stunned us all in Natal: local worker leader and President of the National Union of Metalworkers of South Africa Maxwell Xulu had been suspended by NUMSA's central committee for being a Security Police informer.

After the news and the shock, phones started ringing, bus and taxi ranks started arguing and everybody talked on and on, in disbelief. In Claremont especially, the township that ministers to Pinetown's labour needs, Xulu's home and power-base, the confusion was at its greatest: "Who? Maxwell? Max? An informer? An impimpi? Working for the Enemy?"

For the last month shop stewards have been puzzling themselves over the "news". Of those from Claremont, active NUMSA and COSATU leaders were and are the most puzzled. They cannot understand, if all this is true, what *motivated* Xulu: "What was the motive? It can't be money ... Maxwell is like all of us, two shirts, a jacket and

a matchbox place. Where's the bonus?"

A concerned youth leader who worked with Maxwell insisted on the need to see the evidence: "He was a trade union person through and through." Adds another civic leader, "Maxwell was not totally sure about the direction of community struggles, he gave us lots of arguments but we respected him, he was independent". And all add that they had heard of documents proving his complicity, but they all needed to see them.

For worker leaders in Pine-town there is a clear dilemma - on the one hand, they have to trust their national leadership; on the other, how could they distrust their local representative?

Xulu, after all, has had a long history as a worker leader. It begins with the post-1973 period after the Durban strikes. He was there at the start as a MAWU member in the days of TUACC, he continued into the days of FOSATU and ended as NUMSA leader in COSATU. At Smiths industries where he works, he was a central figure in the struggles for trade union recognition.

He lived through the years of crisis when in all the unions membership was dwindling; he was there as a shop steward to help it grow again. He spent every last minute helping increase membership in the early 1980s. He became the backbone of the Pinetown local. He was one of FOSATU's



Moses Mayekiso: 'I trusted him a lot'

Photo: Shariff/Labour Bulletin

major public figures: from small meetings to mass rallies he was there, capable of arguing and convincing. It was no surprise when COSATU was formed that he became its first national treasurer. His time was divided between the national leadership of NUMSA and of his federation. In this context, his suspension was one of the most dramatic decisions NUMSA could ever take.

When the *Labour Bulletin* interviewed Xulu, he was both reserved and cautious in his replies, but he was also despondent. He said that he was going to challenge the decision to suspend him. He showed us a letter disputing the correctness of the way his suspension happened. He

argues that decisions were taken behind the scenes in the corridors of NUMSA's offices. He pointed to power struggles within the organisation and he identified a "white intellectual" in NUMSA who plotted his undoing because of policy differences.

He said that he invited his fellow office-bearers to check his accounts and scrutinise his income to see whether he was receiving money from the "system". He also mentioned that, when his constituency asked for proof, all they were given were reports, but never the "documents".

This of course raised the issue of evidence: are there documents that "incriminate" Xulu? And was the suspension handled in a democratic and legitimate way?

NUMSA co-operatively provided us with minutes of the CEC meetings of 8 and 9 November. There it is recorded that a lengthy report was presented to the meeting about Xulu's role as informant of the Security Police. He informed on meetings of the trade union, COSATU and other organisations. The CEC noted that there was evidence of such activities in documentary form and that Xulu had to be requested to resign all positions in the union, and that he be suspended with immediate effect from all positions and from membership of the union until the next NUMSA Congress.

What is the nature of the

evidence, and what is the union's response to Xulu's protests? The *Labour Bulletin* interviewed NUMSA's general secretary Moses Mayekiso.

Mayekiso responds

"I have been working with Maxwell for years," he told us, saying further that their friendship started from the days of MAWU and carried over into NUMSA. "We as office bearers of NUMSA have always worked very closely, especially when dealing with problems, and there was trust between us. *I trusted him a lot.* That is why when I came across this information I could not believe it. It took me a lot of time to accept it." Although he felt there was no animosity between him and Xulu, he had to admit that the evidence he was presented with was convincing. "The document that we have," he said, "deals with his informing the security police about our activities in the union, meeting with political organisations and with some Trusts."

The fact that *Southscan* and the *Weekly Mail* possessed copies of the documents and were to publicise Xulu's involvement, forced NUMSA to act swiftly and decisively. He dismisses Xulu's claims that this was a basic power struggle between "white intellectuals" and Maxwell. Despite tensions, Maxwell knew that he had great support in the union.

Mayekiso recognised the

difficulty of convincing members without distributing the documents widely. According to him though, there are others involved in the revelations and the leadership is starting to gather information about a broader network of spying in NUMSA and COSATU ranks.

For Mayekiso, who suffered untold hardships in the hands of the state's police structures, there was a sense of sorrow instead of anger. "This [suspending Xulu] was the most difficult decision of my life."

Whatever the outcome, Xulu's is a tragic story. If he was indeed a Security Police informer, whether for money or any other sinister motives, how does that tally with his life as a worker leader. If he was not, equally tragic would be the suffering he will have to undergo to prove his innocence.

For his comrades in the Pinetown local and beyond, a serious question remains. It is precisely the legitimate and democratic structures of the union that have found him 'guilty', a union they built with a democratic mandate that binds them together. They cannot but solve the issue through the structures. And this becomes a test of inner-union democracy. Are there confidential matters that can be kept away from membership, if so, when, and what are the limits?

Beyond the tragedy of the Xulu case, however, is the broader issue: that trade

unions have been 'spied upon', 'infiltrated', 'criminalised' and fought against, as NUMSA protests to the Minister of Law and Order, by a state that has endorsed their legitimate existence.

H J Kriel, the Minister of Law and Order, in response to NUMSA's protests about infiltration, wrote back that, "it is an internationally accepted principle not to comment on allegations and speculation concerning the possible identity of police informants or agents. This is also the policy of the SA Police, which is legally bound to both investigate and prevent crime. I wish ... to state clearly that the SA Police does not involve itself with the legitimate activities of any person or organisation - including trade unions. ... After due consideration of your allegations and demands I have decided that it is not in the national interest to depart from the established policy in this regard."

Who defines legitimacy and its limits, and whose national interest is being served in such instances, is of course an issue that is never discussed.

However, for many workers the matter is still hanging. Mayekiso has indicated to the *Bulletin* that the CC will be meeting in February and that Xulu has the right to appeal. Hopefully he will appeal and the matter will be solved conclusively in union structures. ☆

IMPALA PLATINUM: NO EASY ROAD TO COLLECTIVE BARGAINING



Labour Bulletin writer SNUKI ZIKALALA reports

While some companies move towards worker participation, at many workplaces workers still face a harsh and repressive regime. The struggle of Impala mineworkers for basic rights demonstrates this clearly.

Summer came in July for the Impala Platinum complex of mines in Bophuthatswana - with a hot wave of strikes by 40 000 workers demanding higher wages and union recognition.

Initially workers forced management to negotiate a new wage agreement, recognise workers' committees at all plants, and agree in principle to path-breaking recognition of the National Union of Mineworkers.

During the latter part of the year, however, management attempted to roll back these gains. There were mass dismissals, meetings were banned from the hostel premises, marshals were forcibly removed from hostels, and key worker leaders were dismissed, detained by Bop police and tortured.

This led to a new wave of strikes. Impala employees were tear-gassed, dismissed and arrested. A mine manager was assaulted, Impala buildings and buses were burnt, managers' cars were stoned, and a recruiting office of Bophuthatswana National Union of Mine employees (BONUME) was destroyed.

The strike action was remarkable, in that it was initiated by worker activists organising on their own. NUM had virtually no members and extremely tenuous links with the workforce. However, the union was able to take advantage of the space opened up by the strike, gain access, and sign up 30 000 workers within a few weeks.

For NUM, building a base in platinum was crucial. The union had already decided to target this as an economically

powerful sector, where more advanced rights could be won and then extended to mines in the struggling gold sector. In its initial bargaining thrust at Impala, it forced management to agree in principle to an 'agency shop' (a form of closed shop) - a major breakthrough in the mining sector - and to full time shopstewards.

However, management counter-attacked, and by the end of the year an agreement had still not been signed. The union was unable to consolidate its membership and structures, and tensions emerged among the workers.

Management, however, has been unable to regain control. By January 1992, Impala - the world's second largest platinum producer - was reported to have lost more than R100m in lost production - and strikes continued.

Impala is situated in the highly repressive bantustan of Bophuthatswana. South African unions are barred from the bantustan, and its dictator Mangope has refused to sign the CODESA declaration on a democratic SA, insisting that Bophuthatswana will remain an 'independent country'. The mass organisation of miners into a militant union will threaten his rule, and could serve as a focal point of resistance.

Impala management has hidden behind the Mangope regime, refusing to recognise NUM. In 1986, 30 000 Impala workers were dismissed for striking over recognition of the union. Now, however, the writing is on the wall - both for management and Mangope.

1. Underground organising and mass anger

The spark that led to a series of go-slows at Impala platinum, was an 8% wage increase negotiated by management and the BONUME. BONUME is a registered union in Bophuthatswana, and had some 3 000 members at Impala.

The wage increase was granted on 1 July. "On 3 July, Bafokeng South met spontaneously at the bar," says William Lencoe.

Lencoe is a worker representative and a former member of BONUME. Bafokeng South is one of the four mines in the Impala complex.

"The topic was the wage agreement signed by BONUME. Anger was written on their faces as they discussed and debated the low wage increase. The discussion was started by three people who were later joined by the majority in the bar.

"That day workers talked openly"

"Despite the fact that there was fear in the mines, that day workers talked openly about their grievances. Everybody was just shouting, taking out his anger not only on BONUME and the management but also against the Bophuthatswana government. Workers were very bitter."

Workers first wanted to march straight to management's offices, but after

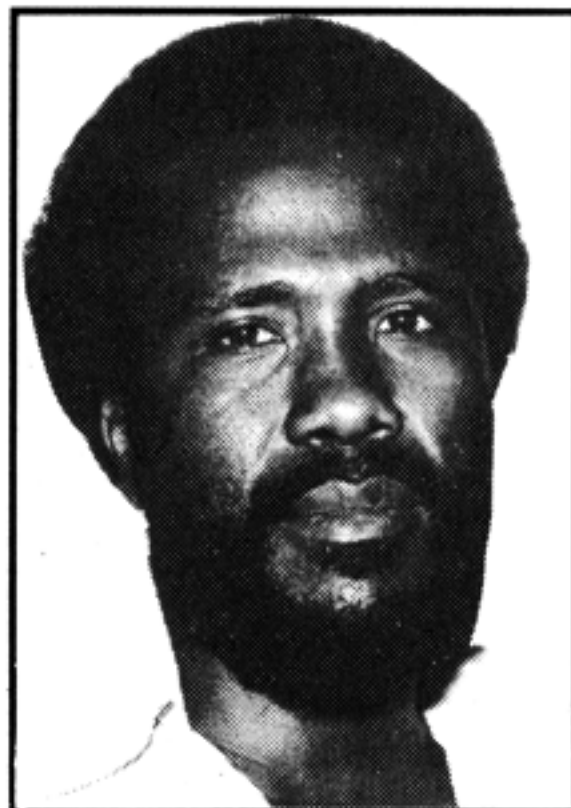
discussion decided to organise a meeting at the stadium, although it was illegal. "Workers left the bar for the stadium singing revolutionary songs. T-shirts of the ANC, NUM and the SACP - which were banned at the mine - appeared from nowhere."

More than 7 000 workers assembled. "We had no organisational structures nor a chairman for the meeting. Platform was given to any eloquent speaker who wanted to express himself. The meeting went on till the early hours of the morning."

The meeting elected 10 representatives as a Workers' Committee to meet management the following day. Management refused to listen to their request for a wage increment, and offered incentive bonuses instead.

In response, the Bafokeng South committee decided to organise a go-slow strike. On 5 July more than 8 000 workers at the mine staged a go-slow. Impala was forced to shut down the mine for a day.

Organising underground Workers at the other Impala mines were galvanised by this action. The complex consists of 13 shafts divided into four mines - Wildebeestfontein North and South, and Bafokeng North and South. The shafts cover an area with a diameter of about 20 km. Worker activists had been organising clandestinely for some years in the name of NUM.



Siphoshe Shabangu: always worked in secret, now on the run

Photo: Shariff/Labour Bulletin

One, Siphoshe Shabangu, had been organising underground at Wildebeestfontein North for NUM since 1989. "Before the introduction of the wage increase, I had already formed a committee of five in the compounds. We moved from one plant to the other organising workers. There was absolute secrecy about our work. We did not want to expose ourselves to the management and mine security before we could spread our wings at Impala mines."

Another, Isaac Mayoyo at Bafokeng North, was one of the workers dismissed in the 1986 strike. When he was re-employed he vowed that he would never let workers go on strike without proper preparations.

"The strike of 1986 ended in disaster, but it taught workers to understand what the strength of the employer was like and what their strength was as well. It op-

ened our eyes to the nature of the Bophuthatswana government and its repressive labour laws. It also taught us that unity is strength."

On his return to the mine, Mayoyo started forming cells. "I spoke to workers individually, telling them about NUM and its achievements in South African mines.

Within six months I had a number of people who were prepared to help in organising for NUM." This work was helped by workers who had been transferred from other mines in SA, who knew about NUM. These activists now saw their chance.

Hoping to pre-empt the strike from spreading, management convened a meeting with the Workers' Council, which was a "toothless body" formed by management, according to Sipho Shabanga. He had joined the Council so that he "could be able to manoeuvre inside the mine".

The Workers' Council was instructed to persuade workers not to embark on industrial action and that the wage agreement reached with BONUME was all that management could offer.

The Workers' Council requested permission to hold public meetings and convey management's message. This was granted, but only 250 people attended the meeting at Wildebeestfontein North, since they knew it had been called on behalf of management.

Workers demanded full representation and rejected

all structures which were created by management.

Go slow!

After the meeting, says Shabanga, "we moved swiftly and planned mass action.

The response was great." Workers prepared for a joint go-slow strike with the other mines scheduled for 14 July.

Meanwhile, at Bafokeng North workers gained courage from the work stoppage by Bafokeng South workers. "The wage increment was a blessing," according to Mayoyo. "We exploited workers' discontent and organised for the go-slow strike." Bafokeng North elected a committee of 10 at a mass meeting. Secret meetings were held with representatives from the other mines and prepared for the go-slow. Mass meetings were held in the stadium of each mine.

On 14 July, more than 30 000 workers from the four mines launched a four-hour go-slow.

"Workers were elated by the strike. White miners could not cope, and mine wagons were piling up empty. Workers saw that they had power to paralyse the whole production process. About 75 percent of Impala's production was affected," said Mayoyo.

First negotiations

This action forced management to meet with workers' representatives, on 16 July. "Management's attitude had changed. Aggressiveness and

threats which were the order of the day from management's side, were not heard. They were polite and "concerned" about stoppage of production and safety," Mayoyo observed.

"There was tension in the board room. We were on one side with our dirty smelling clothes and management with its white perfumed shirts. It was such a contrast. We were the ones who were now arrogant and confident of our position."

Workers demanded an increase of R62 per shift and the recognition of NUM, while management offered 77c. There are 26 shifts for both surface and underground workers who are paid daily and 30 shifts for monthly paid workers.

Management promised to consider workers' demands, provided that workers could secure normal production and stability in the mines. Management "appealed that we should re-organise ourselves as we came with different demands and were not speaking with one voice." Management also stated that it could not recognise NUM, as it did not conform to the requirements of Bophuthatswana labour law.

"The first meeting with management had its shocks. Workers were not well organised and their demands were haphazard. They had no prepared agenda and the language was a barrier as some members of the committee don't have even elementary

education," says Mayoyo.

Report-back meetings were organised in the four mines and the mineral processing plant. "Workers wanted pressure to be exerted on management through go-slows and ultimately a general strike."

On 29 July, the committees from all five workplaces met and combined to form a Workers' Committee. The first round of negotiations with workers as a solid force started on 2 August. They demanded an increase of R62 per shift. Their aim was to push the minimum rate to R800 a month.

Sipho Shabangu describes the first talks on wages as being "very difficult". "Management was using the law and the skill of negotiating. They drove negotiations into more technical and complex levels. Lack of experience and little knowledge, put us at a disadvantage.

"We were very firm on our demands, knowing that we had the backing of 40 000 workers. What frustrated me was that I have very little knowledge of English and at times failed to follow or understand arguments, especially when management used percentages."

Negotiations continued over the next few days. By the 12th the workers had reduced their demand to R20 across-the-board increase per shift, while management went up to R1,30. There was no shift on the following day. "Management was very stubborn," according to workers.

Second stoppage ...and massacre

The Workers' Committee decided to take industrial action, and recommended a four hour work stoppage. On 14 August, mass meetings were organised. The following day "we had 100 percent support for the four-hour stoppage at Bafokeng North and Wildebeestfontein North and South".

Management had not been informed beforehand and walked out of the negotiations in protest.

On 16 August, a group of workers who were coming out of the dining hall were attacked by unknown assailants. In the melee 11 people were killed and 26 injured. Worker leaders rejected management's claim that this was a tribal clash, pointing out that activists were targeted and that the attackers were men not known on the mine. Some allege that "management's hand was involved in the massacre" because of workers' strike action.

After the violence, it was tense at the mines.

2. The union gains access

At this stage the union became involved. Management asked the NUM regional office in Rustenburg to send experienced negotiators to assist the workers' committee. NUM had already approached the head office of Genmin, which owns Impala, in Johannesburg. "We told

them that they had to deal with NUM and, if they wanted us to address their problems, they had to give us access to the mine," said Marcel Golding, NUM's assistant general secretary.

A strategic sector

The union had already decided to launch a concerted organising drive in the platinum sector: "The new area of growth in our union is the platinum industry. We have to re-focus our strategic orientation to growth points for the union, to plan for the 21st century," said Golding.

Platinum is an economically growing sector, and if the union can establish a base there "it will strengthen our capacity to assist sectors which are ailing," such as gold. "If you can hit the mining companies where they are financially strong, your position is stronger."

But NUM was not yet properly organised in the area. "When the whole thing erupted, we were still discussing the question of organising other areas around Rustenburg. Impala Platinum is an important site for the future. It has almost 42 000 workers. It is likely to expand in employment if we do things correctly. It is also critical if one is going to defeat the homeland."

Management agreed to let the union address a mass rally of all Impala workers. On 22 August, NUM president James Motlatsi spoke to more than 40 000 workers. Union organisers used the

rally to launch a massive membership drive. Five days later NUM submitted 24 599 subscription forms to the company, and a month later another 4 000.

"When they gave us access we turned the entire situation around and organised the mine. We moved from nothing in July, and by August we were representing about 30 000 workers.

"We saw an opening and we took it. We put a lot of resources into it, on the ground and negotiating at head office level, to create the necessary space," according to Golding.



NUM and negotiations

Union head office officials Jessie Maluleka and Martin Nicol started to assist the Impala workers committee in negotiations. "It started off with our having a window," says Golding. "We could look in and watch the negotiations but we could not participate."

But the workers "wore management down" by asking to caucus with the union officials every time a fresh point was raised. Eventually management agreed that the officials could join



Marcel Golding (centre) talks to workers at Impala

Photo: Snuki Zikalala/Labour Bulletin

the workers' negotiating team, and "the union was recognised de facto".

According to workers, the arrival of NUM officials helped the committee a lot. Tactics on negotiations improved and the demands became realistic. They learnt how to deal with percentages. "The Committee is maturing. Now they can get involved in discussions without being angry or emotional," according to NUM's Maluleka.

On 11 September there was a general meeting at Bafokeng South to report back on progress in the negotiations. Marcel Golding and the president of COSATU, John Gomomo, addressed them. *Labour Bulletin* too was present. As we entered the stadium there was a roar of applause from the miners. They chanted slogans: "Viva COSATU, Viva ANC, Viva SACP, Viva *Bulletin*!"

The mood was jovial and exciting. Workers wearing T-shirts with emblems of the

ANC, SACP and COSATU were singing and *toyi-toying*. There was a roar of applause when Golding reported that workers would win an average increase of 15%.

Wage settlement

Finally, on 23 September a settlement was reached. Management agreed to an increase of 17%, and that the agreement would be signed before 25 September.

Tension increased as management delayed the signing. Under pressure from the workers the committee organised a demonstration at the head office of Genmin in Johannesburg. Golding was called and an agreement was signed in the early hours of the morning.

"The wage agreement was a total victory. We knew that we had won workers on our side and now we had to fight for the recognition of NUM," says Mayoyo.

While some of the workers were still celebrating their victory, violence



Strike meeting at Wildebeesfontein North

Photo: Robert Gumpert

erupted at Bafokeng North. Eleven people were killed in a fight apparently started by dagga-dealers.

3. Management counter-attacks

At the beginning of October tension emerged between individuals on the workers' committee at Wildebeestfontein North. The tension centred on a dispute between Steve Joseph Makalela and Siphoshe Shabangu about the disappearance of money collected for a funeral. The dispute led to an underground sit-in, heightened tension between workers, and the closing down of the mines. Management went on the offensive against workers and there were dismissals, teargassing and riots. Bophu-

thatswana police detained and tortured worker activists. From October until the end of the year Impala was the scene of ongoing confrontation, stoppages and shutdowns.

Management appears to have tried to use this period to roll back the gains made by the union. As Golding saw it in November, "Things developed so fast that management did not know what was happening. We just drove the process to a point where a range of agreements that they reached in principle with us were way ahead of what we have at the gold mines. When they took stock they realised what had happened, and now they are trying to roll back.

"We are trying to defend what we did in a short space

of time. We got access, we organised 30 000 in 6 weeks, we got them to agree to full time shop stewards and an agency shop - the first in the mining industry. It's a critical breakthrough. Now when they realise the implications, they are trying to push it back and say we did not mean quite this, and did not mean quite that.

"They are now trying to re-assert their control and authority on the mines. They are now saying: look we are dismissing these guys, we are going to teach you a lesson."

"Power struggle"

From October events took the following course:

- One of the two protagonists on the Wildebeestfontein North committee,

Steve Makalela, was summoned to a disciplinary hearing for absenting himself from work. The hearing was adjourned to 15 October. After the hearing, Makalela accused the workers' committee of working with management and refused to attend the next hearing.

- On 15 October Makalela called a meeting of 8 000 workers at the mine, while committee members were attending a shop stewards training course. He attacked committee members verbally. The meeting decided to stage an underground sit-in to defend Makalela against dismissal.
- On 16 October, more than 7 000 workers at Wildebeestfontein North staged a sit-in on night shift. Management dispatched a car to Rustenburg to fetch the committee members and NUM regional secretary Titi Mtenjane. The NUM delegation went underground at 9pm and spent 3 hours persuading workers to leave the shafts. "We had to be very tactful and apply diplomacy. Workers were very hostile, having been told we were collaborating with management," says Mtenjane. After this action, management announced it was closing Wildebeestfontein North for eleven days, and added that it might close one or more shafts permanently as labour unrest and a weak platinum price

threatened the mines profitability.

- On 17 October 8 000 workers packed into the main hall at Wildebeestfontein North, while NUM officials and the workers' committee held an urgent meeting next door to try to sort out the divisions. The situation was explosive. The workers' committee and NUM officials decided Makalela had almost destroyed the gains made by unions and workers, but for "unity's sake" the different parties in the committee were asked to put personal differences aside. They decided once again to request management to open the mine.
- According to members of the workers' committee, the situation at Impala was becoming very tense. "Workers were worried about their jobs, having heard that management was considering closing the mine permanently." Workers from Wildebeestfontein South who were not affected by the closure were becoming anxious, since some workers from Wildebeestfontein North were staying with them. Those who were affected by the closure at Wildebeestfontein North were not happy that others were working, and tried to urge workers to stage solidarity action with them. "We saw what was coming and knew that this was going to divide us and de-

stroy what we had been building for the past five years."

Management puts on pressure

- Eventually management agreed to meet workers on 20 October. At the meeting management agreed to open Wildebeestfontein North on 23 October. On the set date, nothing happened. The hostels were tense.
- Management was approached again, and agreed that Wildebeestfontein North 10 Shaft and certain gangs at 2 A Shaft would commence normal operations on 26 October. The other shafts would start operations only on the the 27th.
- Those who reported for the early morning shift at Wildebeestfontein North on 26 October were frisked and detained. Marshals who had played an active part in the 16 October sit-in were served with notices of dismissals from the mine. Siphon Shabangu describes what happened: "To my surprise the whole area was blockaded by mine security police and the known marshals and members of the committee were picked up one by one. I tried to intervene and was told by a representative of the mine manager that I had no right to be there, and that the days of the committee were over." "I was arrested and de-

tained in a dog training camp. Inside the camp there were about 38 marshals." Later in the day, three hippos escorted Shabangu out of the hostel and dumped him in Rustenburg.

But mine security did not only act against workers at Wildebeestfontein North. They arrested marshals from Wildebeestfontein South who were going to work on 26 October.

"I thought that the security police had gone berserk. They started teargassing all the workers randomly. They went to Bafokeng North and South and teargassed workers without any provocation. Workers retaliated by burning the bar and stoning cars."

- The following day management agreed that workers could go back to work. But as workers were about to board the buses going to work, they were encircled by hippos which started firing teargas at them. Workers retaliated by burning the welfare offices, sports-shops and safety stores. Marshals and members of the committee were loaded into vehicles at gunpoint by mine security.

In the ensuing riot, Bodiredi shopping complex, the First Aid hall and company stores were brought down with fire. Mine security barracks

were attacked. Committee member William Lencoe commented that "management was using Bop security police to try to destroy us".

Third strike

- The committee met under these difficult conditions and organised the third coordinated strike action at the Impala complex. "On 28 October more than 35 000 workers at the four mines and mineral processing stayed away." On that day a Bafokeng North mine manager was assaulted by angry miners when he confronted them. According to Mayoyo, "He thought that as a mine manager of Bafokeng North, workers were still afraid of him. He went to confront angry workers who had been teargassed and shot at with rubber bullets in totally unprovoked incidents. Workers coaxed him to enter their complex. When he entered the mine, he spoke to them as if they were children. This infuriated them and they attacked him." The manager was saved by one of the committee members.
- Management closed Wildebeestfontein North and Bafokeng North mines. Workers at Wildebeestfontein South, Bafokeng South and the mineral processing plant absented themselves in sympathy. NUM officials called by management to assist

were arrested by Bop police, and later released.

The mines open

- At a later meeting management agreed to open the mines and asked for union assistance in getting workers back to work. They also agreed that everyone dismissed without proper hearings could appeal and be represented by a committee member. Hearings would begin after five days of normal production. Re-instated workers would receive back-pay. "This was a breakthrough for us," commented NUM's regional secretary. NUM also brought a habeas corpus application and got its members who had been arrested by Bop police released.
- Once production was back to normal, management and the workers' committee agreed in principle that both parties would work towards a Recognition Agreement creating the necessary structures satisfactory to both parties. Both parties agreed to look into the issue of stop orders as a matter of urgency. White mineworker and member of the workers committee, Louis Vosloo, says this was one of the most constructive meetings they had held with management. "They are for the idea that a recognition agreement be signed as soon as possible, but it has

to be done in accordance with Chapter V of the Bop legislation. I was impressed by their attitude." The union had already accepted that it would have to comply with Chapter V so the company could not refuse recognition. Marcel Golding says this meant that the Impala workers would have a head office, there would be separate accounts, and that there would be Tswana-speaking representatives. At the same time, the union would interact with committees in Bophuthatswana, and structures would be integrated. This movement towards recognition was a breakthrough for Impala workers.

- However, on 30 October violence erupted again at Wildebeestfontein North mine, as workers protested against the dismissal of Steve Makalela, the activist whose disciplinary hearing had sparked off the earlier underground sit-in.

Arrest and torture

- Before the dust settled management acted against the marshals. On 5 and 7 November Workers Committee members were raided at their hostels and taken to BOP police by force where they were allegedly tortured. Isaac Mayoyo claims that he was arrested and handed over to the Bophuthatswana police by one

of the manpower managers at Impala [*Labour Bulletin* is in possession of his name].

"On 8 November I was taken to Phokeng police station and tortured. Eight security men beat me with batons. My head was covered with a bag and was pushed into a bath full of water. An electric wire was pushed into my anus. It was so painful. My whole body started to shake as if I had fits.

"In that dazed and painful state, they asked me to work for them and demanded information as to how I organised workers to join NUM. They also wanted to know names of people who are distributing the *Labour Bulletin* in Rustenburg.

"Later on I was taken to Mangope's offices. Mangope questioned me about my activities at Impala. He wanted to know why I had dissuaded workers from joining BONUME. He asked me to leave Bophuthatswana and settle somewhere in the Transkei or South Africa. I refused, saying that I am a Motswana. He then offered R20 000 if I would become a loyal informer.

I was then released on 21 November. Those were the most traumatic days in my life. I never thought that I would get out of detention alive."

Vosloo was also detained at the mine premises. He

was released the following day after paying R200 fine.

"I was questioned by five security police. They wanted to know about my activities at the mine. They kept on telling me that I was employed by the ANC to recruit for them. They started threatening me saying that I will shit if I don't tell the truth about myself. I became very angry. I took off my watch and said that if you touch me one of you will be dead before you do anything to me. That was at about 4 am on Friday morning. I was so tired and my eyes were sore."

Since then Vosloo has been on the run with his family (see box on p 37).

Resistance

- The arrest of more than 25 senior members of the Workers' Committee did not break the backbone of NUM at Impala. Some members managed to escape and reorganised themselves for a major showdown with management.

One such activist, Tsietsie Mohulatsi tells his story: "My comrades came to tip me off about the arrests and I was hidden within the mine premises. First I had to find out who had been arrested. We heard that some had been beaten beyond recognition, and that management was not going to stop arresting and

harassing activists. We decided to take mass action against Impala. "I made contact with workers who were very active throughout the previous six months. They agreed to be co-opted onto the Workers' Committee. "We started mobilising workers. We used the most effective way of communicating with workers - spread the gospel through word of mouth at the workplace."

On 11 November more than 40 000 workers stayed away from work. This was the fourth major co-ordinated strike action to hit the mines. Workers also collected money, hired combis, and sent some 150 workers to stage a sit-in at Genmin head office in Johannesburg.

- Workers went back to work on 12 November with the aim of consolidating their forces and preparing themselves for 1992, after GENMIN promised to resume negotiations with NUM on recognition, to secure the release of those who had been arrested, and to give a proper hearing to those who were dismissed. The approach of Christmas also put pressure on workers, as they wanted to arrive home for the summer holiday with presents for their children. However, unrest was to continue at Impala. A manager trusted by the workers was removed,



Tsietsi Mohulatsi discusses new strategies
Photo: Snuki Zikalala/
Labour Bulletin

and replaced by a manager they allege has "a racist attitude towards workers and has always been a stumbling block during negotiations". On three occasions Bop police were called in when workers protested about racial discrimination and other grievances. Workers were attacked with teargas, rubber bullets and birdshot. "It was now a real battle ground," according to committee members.

Workers decided to form an Action Committee to plan protest marches against management repression. Pamphlets demanded the dismissal of the offending manager and others.

- *Labour Bulletin* is in possession of minutes of a high-level meeting between Impala management and the Bophutatswana police and defence force. According to the minutes, the meet-

ing discussed how to prevent workers attending a rally at Phokeng (one manager suggested arresting any bus-drivers who arrived at the rally), the merits of the case of Impala workers arrested for alleged intimidation, and the possibility of purchasing an armoured vehicle.

New year - same struggles

The new year opened with the fundamental problems at Impala unresolved. Management unilaterally rearranged shifts at Bafokeng North, leading to an underground sit-in. 1800 workers were dismissed, sparking a massive strike by 11 000 workers at the mine. 1100 of the dismissed workers were reinstated.

At the same time political tension is rising in the area. The Bafokeng North Action Committee organised a mass meeting to call for reincorporation of Bophutatswana into South Africa. Ten thousand people from the Taung and Phokeng regions attended, including many miners. The meeting decided to launch a mass campaign to put pressure on De Klerk to take a stand on the reincorporation of the bantustan, and also to request CODESA to exclude Mangope. This escalation of political mobilisation increased tension in the mines.

Meanwhile, negotiations over finalising recognition of NUM dragged on through January. NUM has submitted

its constitution to the Bophutatswana government, to show compliance with Chapter V. No reply has been received. After several hitches, Impala and the Workers' Committee seem set to sign an agreement setting out structures and procedures. The only obstacle to formal agreement seems to be registration by Bophutatswana. At last, after many battles and much suffering, the workers of Impala are close to winning basic trade union rights.

4 Conclusion

Four points can be made about the struggles of the past seven months.

Firstly, workers showed enormous courage and militancy in waging their struggle for worker rights against a dictatorial management in a notoriously repressive bantustan. Some 30 workers lost their lives, others lost their jobs and were harassed, beaten, shot, detained and tortured.

Their struggles paid off. Over a period of seven months they organised and co-ordinated four major stoppages involving 30 000 workers or more. They built structures, forced management to negotiate, doubled their wage increase, won rights for the workers' committee and access for NUM, look set to sign an agreement with management, and eventually to win formal recognition for their union.

Secondly, Impala management tried by all means to

White miner joins the struggle

Louis Vosloo was forced to spend Christmas in hiding after his house had been invaded by right-wingers. The reason? He is a white miner at Impala Platinum, one of the two who have joined NUM. Comrade Vossie, as the black workers call him, has aligned himself with their struggle and was elected onto the Workers' Committee.

When I visited him in his hiding place, the bulky boer was delighted to see me. He gave me a bear hug and invited me into the room which he and his wife share with their two children.

"Snuki, you have been through this before. Now I know how it is to be involved in the struggle and have no regrets about my involvement with NUM. Actually, I feel proud that I am now part of those who are changing South African society," said Vossie.

Vossie's wife Anne could not control her tears when she explained her plight. Her daughter is afraid to go back to school in Rustenburg, because right-wingers might harass her. Her class mates call her "kaffirboetie" and "comrade". She has no friends.

"We don't know what is going to happen to us. Vossie who was our breadwinner is no longer employed. It is only through NUM that we are surviving," said Anne.

This was not my first meeting with Vossie. I met the determined miner in July during my visits to Impala in Rustenburg. I first met him in a white bar in the town, shortly after he had addressed a meeting of 12 000 mineworkers.

"I never thought I would be accepted. Rustenburg is a very conservative area and the treatment that white miners give to black workers is terrible. There is a clear racial demarcation at Impala. A black worker knows where his 'place' is.

"When I was told that it was now my turn to speak to the workers, my knees were shaking and I was sweating. But the reaction of workers was tremendous. Before I could speak, they all shouted, 'Viva comrade Vossie!' and 'Down with apartheid!'. When they were told that I might be dismissed for taking part in NUM activities, they shouted, 'An injury to one is an injury to all!'" This gave me courage and I regained my confidence. It was the first time in my life that I have been given so much support," said Vossie.

White miners who frequent the bar were surprised to see us having a frank discussion. Some of them passed funny remarks which offended my compatriot. He became red and asked them to leave the place. The two skinny boers saw that they could not challenge Vossie, and ran with their tails between their knees.

Vossie is from a very conservative family. He grew up in Randfontein and managed to finish his standard eight in Groot Marico. His first place of employment was at the railways and he later joined the mines. When he was a child Vossie was indoctrinated with politics of apartheid.

"When I arrived in Rustenburg it was my first time to work with black people. It was a very difficult time for me. I used to say to myself, 'Vossie you have made a big mistake by coming here.'"

"Gradually I got used to black people. As time went on, I started to realise that they were as human as I am. They had the



Vossie and his wife - now on the run

Photo: Snuki Zikalala/Labour Bulletin

same family problems I have," he said.

With his knowledge as a member of the white Mine Workers Union Vossie started to defend black workers who were charged and at times dismissed without any hearing by the management.

"There are a number of black workers in our shaft and these guys are not represented like us. I initiated a Workers' Committee in the shaft. White workers refused to participate. Trying to change their attitude towards their black colleagues was also a fruitless effort.

"The more I defended my black colleagues the more I was accepted by them. But there was a backlash from my white colleagues. They turned their backs on me."

It did not end at work. In October, members of the AWB went to his house and hurled abuse at him and his family. Some of his colleagues harassed him at his house and a fight broke out. "One day I will explode and hell will break loose," said Vossie, flashing his eyes and hitting his big fist on the table.

But what made Vossie leave the Mine Workers Union and join NUM?

Vossie says he left MWU because it was a toothless union. What frustrated him most was that it was not prepared to adapt to changes which are taking place in South Africa and is not prepared to accept blacks in its ranks.

"When I signed up as a member of NUM, I was treated like a human being. I think that my involvement in NUM will show other white workers that apartheid is dead. That we are all human beings and have to work and respect each other. Black workers have shown me that they are not cowards. They will defend you at your work place till the bitter end."

The year has started, Vossie's children cannot go back to school in Rustenburg, he is still on the run. What will happen to him?

"NUM is still fighting my case at Impala. My life is in good hands and I have confidence that things will work out for me," said Vossie. ♦

avoid engaging in serious collective bargaining. Many managers are racist and have no understanding of negotiating with unions. The result was that they lost control of the mines, suffered ongoing strikes and stoppages and falling productivity, estimated to have cost R100 million. Despite using the repressive resources of mine security and bantustan police, they were unable to reassert their authority.

Although NUM showed the positive role that an experienced, disciplined trade union can play in resolving tension and facilitating negotiations, management continued to try to use force to resolve problems.

So while management failed to assert control, the union was unable to consolidate its structures or leadership in the mines. It was, in Golding's words, a stalemate. The result was tension and unrest.

Thirdly, the winning of recognition and consolidation of a union base in Bophuthatswana will increase the pressure on Mangope's regime. As negotiations in CODESA accelerate, and Mangope continues to insist on 'independence' one can expect a surge of opposition in Bophuthatswana. The militant mineworkers of Impala are unlikely to stand on the sidelines.

Fourthly, even when NUM wins formal agreement at Impala, there will be a tough road to travel before effective collective bargaining is established. NUM will

have to put a great deal of effort into consolidating structures and establishing a disciplined 'culture of trade unionism'.

More importantly, management will have to be

thoroughly overhauled and re-orientated if it is to develop a reasonable negotiating relationship with the union and the workers.

Racism, authoritarianism and paternalism will have to be

uprooted, and management will have to learn to accept the 'rule of law' in the workplace. If not, stoppages and discontent will continue to erode Impala's profitability. ☆

Labour Bulletin goes underground

Committee members at Bafokeng North took us on a tour of the mine complex. As we entered, we saw what was left of BONUME offices - rubble.

We visited the hostels. About 32 workers sleep in one room. Ironing is done with charcoal irons. Workers clothes were packed in cardboard boxes under their beds next to their smelly boots. Walls have a dark and dull colour which makes the room depressing. Workers use common toilets and showers.

In the hostel complex there was no sign of recreational centres except for a bar. We visited the kitchen. Workers are given meat twice a week. We tried the pap and beans, but our stomachs could not accept it. Maybe it is because we had a choice.

We then decided on a more risky adventure. Protective helmets and lights were organised. We had no problems in bypassing security. As we entered the lift going down, my heart missed a beat. I imagined workers who have to go through this everyday. The lift stopped at third level, which was about 3 km. As we went through the tunnels, we were stopped by a white miner who demanded written permission from management for us to take pictures and be inside the mine.



Living conditons in the hostels

Photo: Robert Gumpert

He tried to stop us, but we ignored him. It was pointless to abandon our expedition when we were already there. It was very damp and hot inside the mine, my eyes were itching most of the time and my hands were sticky. I felt very uncomfortable and had some problems in breathing. My lungs were getting blocked. I kept praying that we finish our assignment quickly and leave the mine.

Workers dig the ore out with shovels, bending at 45 degrees for eight hours without a break or lunch. Conditions of work are beyond any description. Because of the wet, workers have to wear gumboots which they have to buy with their own money.

When we surfaced a mine manager was waiting. He was boiling, but we persuaded him to let us go. It was a relief for my friend, who has never tasted South African prisons.

Our guide commented: "Things have changed in this mine. Management now fears the power of workers. If it was before mass action, you people were going to taste Mangope's prison." ♦

Worker participation at PGBison

The report of the senior manager was eloquent, glowing and self-congratulatory. Addressing a national forum of PG Bison's shop stewards, union organisers from four recognised trade unions and senior managers, he said things were going wonderfully at his business unit. Just about everyone seemed impressed.

Everyone, that is, except the operation's senior shopsteward, who was given the right of reply. No, he said, things were not going well at all. In fact management in general at this branch, and this senior manager in particular, were doing next to nothing.

When the shock waves had subsided, the delegates were in for another surprise. The senior manager and senior shop steward from the next factory rose to present their perspective.

"We'll be putting out a joint report because we agree that much has been achieved and we also agree on what is still to be done", said the shop steward.

So went the second National Negotiating Forum in October 1991: a heady mixture of criticism, debate



and praise - and a surprising level of agreement about the values and objectives of the business.

Summing up the gathering, PPWAWU national organiser, Elijah Masinga said: "What we have done here is not small. It is very big. We are makers of history of the new South Africa. This is not easy. There are no set rules, no precedents to follow. We are pioneers of the new industrial order in South Africa. None of us should feel we are not making a contribution. We should look forward to the day when other companies feel at liberty to copy what we are trying to do here."

Over the past three years the following has been achieved:

- agreement that workers become involved in the appointment of managers and peers and that they should participate in formulating the policies, principles and values of the company;
- agreement that the unions should have a say in aspects of the day to day business such as training programmes, and eventually in setting and evaluating performance goals;

This is all structured in a 'Continuous Improvement' programme entitled 'Total Productivity and Quality' (TPQ). At the lowest level this has involved 'Value Sharing' workshops for all employees and the formation of 'In-a-Groups' in each factory and outlet for workers and management to discuss problems.

It has also involved a variety of programmes to change attitudes of management. At the highest level is the National Negotiating Forum (separate from annual wage negotiations), where

A NEW APPROACH TO RUNNING THE COMPANY

The first moves towards creating a new vision for PG Bison were made in 1987. As Rob Cohen, managing director of Bisonbord, explains it, there was a "sluggishness" in the company's performance. The directors came to see this as being directly related to the style and structure of management and to the related problem of low productivity incentives on the part of the black workforce. A major communication gap between black and white on the shop floor was identified, and it was felt that the rigidity of the line management structure did not allow for a "cross fertilisation" of knowledge and information. This in turn led to excessive bureaucracy and duplication of functions.

Chief Executive, Leon Cohen also identifies the development of trade unionism within the country and within PG Bison as a key motivating factor.

"It challenged traditional authoritarianism with its dependence on threat or paternalism to motivate the workforce and forced white management to develop meaningful relationships with the black workforce, and to recognise it was composed of real people with their own needs and aspirations. Blacks realised how important they were to commerce and industry and recognised their ability to organise and mobilise."

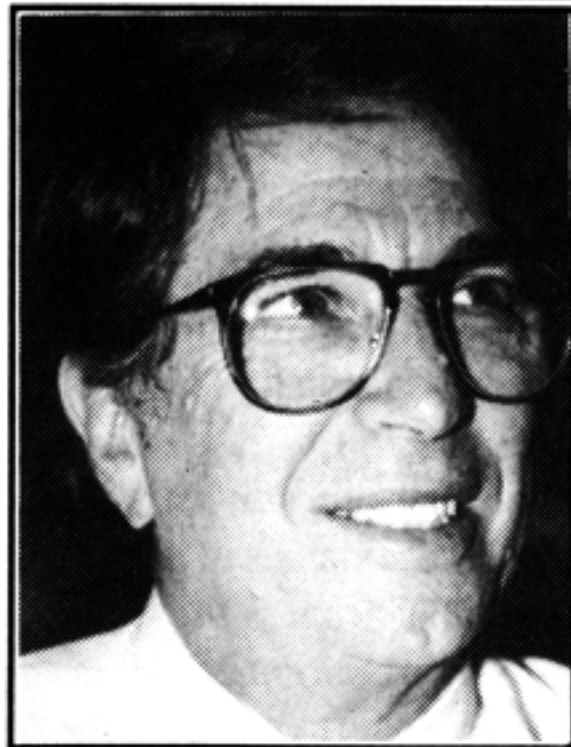
An in-depth focus on management strategies at PGBison by GAVIN EVANS

- an undertaking from the company not to use re-trenchments to cope with down-turns in the economy;
- full disclosure of all information on the company's performance;
- agreement on full-time paid shop stewards;
- a joint worker/management-controlled literacy and numeracy programme in every factory and outlet as well as a programme for managers to learn African languages;
- a policy of in-company promotions in preference to employing outsiders, and
- agreement on performance reward systems organised at the factory level.

management and the unions discuss a wide range of issues relating to the values and the running of the company.

While not everyone in business or labour supports what is happening, it is clear that everyone is starting to take notice. ANC speakers regularly cite PG Bison as a fine example of how business should adapt to the "new" South Africa.

PG Bison chief executive, Leon Cohen, receives a constant stream of requests from other major companies, business forums and the like to address them on how to change. And the PG Bison story has featured prominently in the business press.



Leon Cohen: how to stay in business into the 21st century

Photo: Shariff/Labour Bulletin

Preparing for the 21st century

He says the company's relatively enlightened management had to ask itself: "What had to be done to get into the 21st century if the purpose of business was to stay in business, and if we acknowledged the inevitability of change from a white dominated society to a country for all its people, and the need to introduce creative initiatives to reverse the economically destructive route of the country?"

The answer was given the heading Total Productivity and Quality. And the man chosen to make it work was a prominent young Afrikaner, Christo Nel, who was appointed to the PG Bison Board of Directors to head up the TPQ management and labour transformation programme - a position he held until recently.

The company was divided into eight 'Strategic Business Units' (SBUs). Each was

PG BISON LIMITED

PG Bison was formed in 1986 in a merger of some of the major players in the board industry.

Today the company is southern Africa's leading manufacturer and distributor of particle-board and related products. Its turnover in the year ending 31 March 1991 was R643 million, with a value added figure of over R218 million, and attributable earnings of R39 million, according to the group's latest performance report. Over 20 percent of its product is exported overseas.

PG Bison has two manufacturing divisions, Bisonbord which produces and upgrades raw boards at four factories around the country, and Laminate Industries which produces decorative surfacing such as Formica at its Alberton factory.

PG Wood, a wholly-owned subsidiary, also runs the chain of Timber City stores. PG Bison recently expanded its investment in the Penny Pinchers building supply chain. The three divisions - Bisonbord, Laminate Industries and PG Wood - have their own management structures and operate with considerable autonomy.

PG Bison today has over 4 000 employees (excluding Penny Pinchers), of whom about 3 000 are unionised (most of the rest are managers, supervisors and white collar staff). The strongest union at PG is PPWAWU which organises at three Bisonbord factories and most of the PG Wood outlets. NUMSA organises at Laminate Industries, while SACCAWU organises at most PG Wood outlets in Natal, and UWUSA at the Bisonbord factory in Pietermaritzburg and a few of the Natal PG Wood outlets.

PG Bison is investigating a number of projects for expanding. These include plans for several new ventures in southern Africa, alliances with companies in Italy and Germany to market PG products in Europe, and viewing the increasing demand for housing in SA as an opportunity to grow at home. The company expects the effect of all this will be increased production, new factories and new job opportunities. ♦

SAB takes control

Until December 1991 PG Bison was jointly owned by separate industrial holding companies - PGSI (Plate Glass and Shatterprufe Industries) and Spankor, a holding company owned by Mondi (Anglo American) and Associated Furniture Company Limited, held by South African Breweries. Senior managers of PG Bison hold about 4% of the stock. The ownership structure left PG Bison's management with considerable independence since neither outside shareholder group held majority control. In December, SAB bought out Placor, the holding company of PGSI, and thus assumed an effective controlling interest in PG Bison, given SAB's existing shareholding in Afcol. Both SAB and PGSI say this is purely an investment change and will not affect management or policy within PG Bison.) ♦

given a far higher level of autonomy than they had previously enjoyed. The top managers from each of the SBUs then met in a three day workshop in September 1987 and jointly accepted the need to "create a non-racial democracy in the business".

TPQ got off the ground in 1988 and 1989 when virtually the entire company was taken through 'Value Sharing' workshops. From each SBU groups of 20 people - workers, supervisors and managers - would be taken for two day sessions which involved them sharing perceptions of each other, as well as education on topics which included the reasons for the ANC adopting the armed struggle, and other aspects of the history of black resistance in South Africa.

PG Bison senior manager and former TPQ co-ordinator Tlhopeho Modise, says these sessions created much discomfort for the whites: "The attitudes of the more conservative whites to the ANC were very different before February 2 1990. Then the whites tended to come in with closed minds and to regard the ANC as purely a violent banned organisation to which they were antagonistic. But as the black workers discussed the reasons behind the ANC taking up the armed struggle, many started to listen because it was the first time that they were hearing the perspectives of their colleagues."

Business units formed TPQ committees, some



elected by secret ballot, or devised other representative structures to broaden planning and implementation.

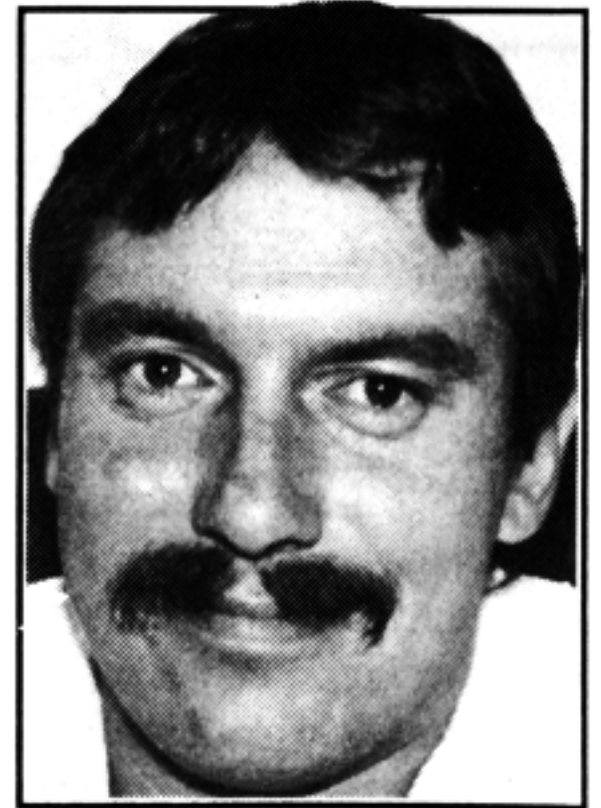
Problem solving

A major aspect of the programme was the formation of what were termed 'In-a-Groups', consisting of workers, managers and supervisors in what are seen as the natural work teams within the SBU.

According to TPQ facilitator Maxine Hart, the basic notion is that "the person doing the job understands it better than anyone else, and therefore there is a need to ensure the devolution of authority and power to lower levels". This means involving in the same decision-making structure people who would previously have been seen as belonging at different levels within the company hierarchy. All have the same status within the group and are encouraged to raise any problems they face in relation to their work - including home environments, discipline, and value-related issues. They also have a say in the hiring of new employees in their work teams. A key to this system is the notion of 'pipelining' - or developing horizontal as well as vertical decision-making structures.

Initial assessments found there was considerable

suspicion of the programme among black workers and a fear it would undermine their own solidarity. Among whites there was a fear of losing their "managerial prerogative", and a perception that the blacks were the prime beneficiaries, and that they were only interested because it offered the prospect of their receiving wage increases.



Petrus Esterhuizen: "my job became easier."

Photo: Shariff/Labour Bulletin

As Petrus Esterhuizen, a former policeman who is now a production manager at a division of the Laminate Industries factory put it: "The problem among the whites in the company was that they believed it was for the blacks only - that the blacks were scoring and the whites were not."

Despite this, Esterhuizen is positive about TPQ: "I actually hated my job at first because I couldn't cope. I had to sit here at nights until 9 or 10 to get my job done - not because of my work, but

INDUSTRIAL RELATIONS

because I had to do 10 other people's work as well.... But when TPQ started I started having a much better life during my working day. ... My job became a lot easier and I actually get more time to spend on management than on running around solving other people's problems."

All of the workers interviewed seemed positive about the programme and most noted that its implementation had led to a progressive decline in the level of racism of the white supervisors and managers.

"You take the example of Ma Jansen (a white supervisor)," said one NUMSA member at Laminate Industries. "When she first came her big thing was that she didn't want the toilets integrated. Now her big concern is over why Stanley (a black worker) didn't get promotion. She's changed a lot, you know."

Senior management

The company's senior managers and directors were not allowed to be aloof from the processes being implemented. A variety of programmes were held at different levels of the business in order to introduce a more participatory approach to running the company.

As part of a senior managerial development programme, all the SBU leaders, group directors and their wives were taken on a "five day intensive investigation of business process and environments in Zimbabwe" early in 1989. This visit in-



cluded meetings with several Zimbabwean cabinet ministers and two sessions with a delegation from the African National Congress - the first time the management of a major South African corporation had met the ANC.

This has not been the only political intervention made by the company's executives. In August 1988, for example, Nel organised a top-level 38-person business delegation (which included PG Bison chairman Bertie Lubner and executive director Leon Cohen) to meet with 30 UDF and COSATU leaders. The result of this 'Broederstroom Encounter' was the formation of the Consultative Business Movement - a facilitative group mainly involved in establishing communication between business and political groups such as the ANC, Inkatha, the PAC and the National Party. It was initially co-ordinated by Nel and housed at the PG Bison head office. Today it involves representatives from most of the country's major corporations, one of the most active of whom is Leon Cohen.

THE UNIONS OBJECT

In October 1989, a new element to the TPQ process was introduced - a national meeting of shop stewards. Man-

agement organised a three-day conference involving over 70 shop stewards from around the country, to discuss how to progress with the programme.

At the time the event was judged by management to be a success - but the unions were unhappy because there



PPWAWU: suspicions about TPQ objectives

had been no union representation. Soon after, PPWAWU began to raise objections to the programme. Their organisers expressed suspicions about the motives of management - viewing structures such as the 'In-a-Groups' as part of an attempt to break the unity of the workers, and a way to impose productivity increases that might cost the workers their jobs. In June 1990 PPWAWU sent a fax to its shop stewards saying that, "TPQ is there to co-opt the workers and undermine the militancy of the union. Workers need to meet and plan a strategy to stop this."

Interviewed a few months later then-PPWAWU branch secretary Kenny Fihla said: "You have similar programmes at a number of other companies but what is unique at PG is that it is part of an overall strategy. What they do there is use the union structure to make it work. It's not an anti-union approach but they do sort-of

co-opt the shop stewards through getting them to be part of its implementation.”

He said the union believed TPQ had been introduced in order to increase productivity. “Management wants to do this, but can’t without the participation of the workers. They are co-opting the shop stewards to ensure that late-comings and absenteeism are reduced, wastage cut down on and strike action discouraged.”

But the union had resolved to keep its options open. “This is because TPQ is very attractive to the workers. We can’t just reject it because then we would have a situation where only the union officials are opposed to it when workers are supporting it on the factory floor. We have realised that we need to be part of it and at the same time make our position strong and make sure some of the dangerous elements in it are rejected.”

Former NUMSA organiser Sam Ntuli (who was assassinated by a death squad in September 1991) was more positive, arguing that it was fundamentally different from most other participative management programmes.

“What I’ve seen is that TPQ gives the workers a chance to participate in it democratically and to take part in open debate with other racial groups. What it is trying to do is to get different racial groups working together as a team and this seems to have the effect of reducing the racism among the



whites. ... It also helps promote skills in the sense that positions will go to people capable of doing the job. So I would say the situation (at PG) is definitely more positive than in other companies.”

The effect of PPWAWU’s criticism was that all managements’ assumptions about the programme had to be reviewed. In August 1990 management met with shop stewards and union officials to discuss the problems. The unions said the entire programme had to be suspended until it had been thoroughly negotiated. Months of debate followed until a larger national meeting was held, and all four unions agreed that all processes which had been started should continue, while management agreed to

a National Negotiating Forum (which replaced the shop stewards conference). From then on the union organisers, as well as the shop stewards, were integrally involved in the programme.

COLLECTIVE BARGAINING AT PG BISON

A major focus of TPQ is that industrial relations (including collective bargaining) should not be seen on the management side as the preserve of human resources and industrial relations managers.

In a recent speech to the Institute for Personnel Management, Cohen stressed the unions should not be seen as the enemy, and told delegates they should understand the need to support a strong trade union movement “as an important stakeholder that can actively and responsibly contribute to the creation of

TPQ takes a LEAP forward

One of the key aspects to TPQ which has taken off over the past two years has been the implementation of a comprehensive adult education programme at the workplace, called LEAP (Learning for Empowerment and Progress). After initial criticisms by the unions, the programme is now jointly planned and implemented by unions and management.

There are now over 300 people in classes at five of the SBUs, and another 65 have already graduated. There will soon be three pilot numeracy programmes, several classes for managers to learn Zulu, business literacy courses for workers and a national AIDS education awareness campaign. Managers and workers recently jointly committed PG Bison to ensuring basic literacy and numeracy skills for 100 percent of the workforce within five years.

wealth, employment and a growing economy”.

PG Bison management emphasises turning potential points of conflict into points of co-operation. For instance, in the past managers often used discipline as a tool to get rid of people they did not like, whereas now they are encouraged to use disciplinary hearings to correct behaviour and to discuss the issues that led to the transgressions. Willie du Plessis, human resources manager at Bisonbord in Piet Retief, says that before TPQ was introduced an average of five percent of the total workforce was disciplined on a monthly basis, but this has now been reduced to less than two percent, “mainly because management now approach mistakes as an opportunity for improvement rather than punishment”.

Centralised bargaining

Collective bargaining takes place at a number of levels. There are regular meetings between shop stewards and management at the SBU level. Some of these meetings also involve union officials. Representatives from all the unions, including union organisers, and management meet three times a year in the National Forum to negotiate any issues that any of the parties wish to raise. Wage negotiations currently take place at the subsidiary or company level. The whole collective bargaining structure is now under review.

At the June 1991 National



Forum it was agreed that management and workers would immediately begin negotiating on whether centralised bargaining was appropriate, and if so, how it should be implemented. PPWAWU put forward the position that negotiations at an industrial council level were preferable. It said that to negotiate at plant or branch level was unacceptable because it put too much strain on union resources and divided the workers, creating an imbalance in the various plants belonging to the same company or group. Similar problems could emerge with bargaining at the company level, because it would prevent workers developing a sense of the industry as a whole, and leave employers in unorganised companies free to exploit at will.

While the details still have to be negotiated, the National Forum agreed that centralised national bargaining should be implemented. A problem, however, is that in the wood sector there is no industrial council. Laminate Industries was recently exempted from the industrial council in the metal sector, but its wage increases have consistently been four percent or more above the industrial council settlement.

Over the past few years annual wage negotiations

have generally been fairly tough but have been resolved without any major fall-out. Penny Pinchers MD and former Laminate Industries MD Andrew Gilbert says that in both 1986 and 1987 the build up to wage negotiations was characterised by work-to-rule, go-slows and brief work stoppages (though no strikes), but there has been a significant change since 1988. In 1990 wage negotiations were over in a week with workers gaining a 19,5% increase.

According to Laminate MD Stuart Wood negotiations were tougher in 1991, lasting for three weeks. “The significant thing is that we’ve achieved a solid basis of trust which didn’t exist three years ago. This year there were complicating issues, such as the position of salary earners, and this frustrated management, but the final outcome was good from all sides. The increase was above average for the metal industry” (16,9% compared with 13% average in the industrial council).

Performance rewards

PG Bison has negotiated the establishment of performance reward systems in most of its plants. The most advanced is at Piet Retief, where according to management the system brought substantial savings of which R1 million was distributed to workers through the performance rewards system.

The performance reward system is negotiated at plant

level, as different factories and outlets have different work processes. The system negotiated with PPWAWU at Piet Retief was given a 6 months trial, and then approved in mid-1991. The workforce is divided up into a series of teams, and each team is given a standard performance based on past performance. If the team produces in excess of these targets it is eligible for a performance reward, which is divided among team members. Each member of the team gets a percentage of the reward based on his/her job grade. The allocation is skewed so that the lower grades often receive rand amounts greater than in higher paid positions.

This performance reward system is still in its early days, but the company intends involving workers in negotiating the actual targets and allocation of bonuses in future.

National negotiating forums

So far there have been two National Negotiating Forums, whose function is to deal with all issues outside of those covered in the annual wage negotiations. The first forum in June 1991 reached a common management-union perspective on company values and established joint union/management task groups on the following issues:

- human resource development (training, literacy, grading, career pathing)



- community involvement (corporate social responsibility as well as projects for the company's own "community of employees")
- housing
- health and safety.

Agreement was also reached on having full-time shop stewards.

The second forum in October was a lot tougher. There was fierce debate on whether non-unionised salaried staff should be included in future forums. Management argued that there are over 1 000 employees (mostly salaried employees and artisans) in the company who are not represented in the national bargaining forum. These should be formed into some kind of association and represented. The unions rejected this, arguing that such a grouping would become a third party undermining negotiation between unions and management. They pointed out that the unions had had to go through a process of organising a majority and negotiating recognition, and other employees could not simply leapfrog that. Employees who wanted recognition should join a union. This debate was not resolved, and yet another task group was formed.

The forum did, however,

reach agreement on how to approach Human Resource Development - literacy and numeracy, grading systems and promotions, and affirmative action.

In March next year PG Bison will hold its third national forum, and this time the aim of all parties will be to move away from general principles and get down to the specifics. They will, for instance, focus on the company's participation in community involvement/corporate social responsibility programmes, and will also attempt to form policy on health and safety and housing, and finalise proposals on human resources development and on the status of non-unionised workers.

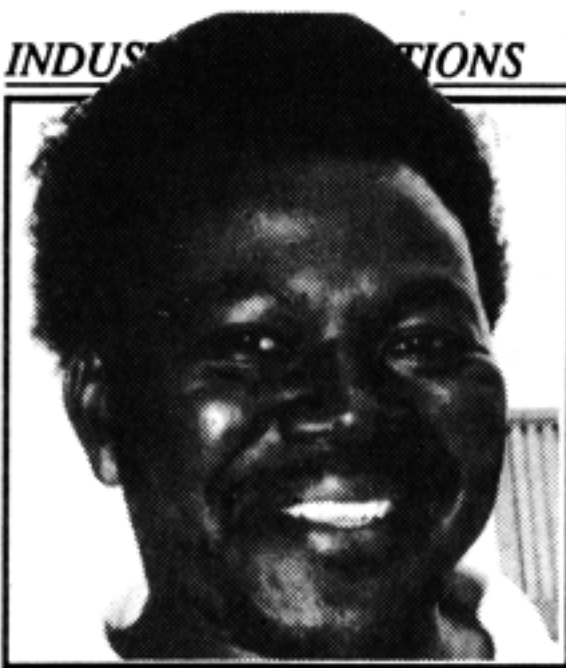
ATTITUDES OF UNIONS AND MANAGEMENT TO TPQ TODAY

TPQ now appears to have achieved widespread acceptance at most sections of the company. This, however, does not mean that its implementation has been even, or that it has been met with the same level of enthusiasm at all levels and in all SBUs.

Two factories with very different climates and histories are the Bisonbord factory at Piet Retief and the Laminate Industries factory at Alberton.

Alberton

At Laminate Industries the programme is at an advanced stage and is greeted with con-



Raymond Santos: "real improvement."

Photo: Shariff/Labour Bulletin

siderable enthusiasm. Raymond Santos, senior shop steward at Laminate, says there has been a "real improvement" in relations between workers and managers, but that this "hasn't taken place overnight".

The biggest problem has been the attitude of middle level management and supervisors, he says. "Most of them have now changed their attitudes, but not all. Initially some of them were just playing around with words, and soon returned to showing their true colours, but the majority now understand what is going on, and those who didn't like it have left the company over time."

In general, he says there has been a major reduction in racist attitudes. Most of the workers are happy with the process and feel they have been "empowered" by it, and that it has provided them with greater opportunities for promotion. "On a day to day basis they feel they have more power than they did before, so I would say most workers are very positive about TPQ."



Laminate Industries managing director Stuart Wood says the most significant change over the past three years had been the emergence of a "solid foundation of trust". "Differences now don't necessarily lead to an antagonistic approach. Workers now take things up with management, and they trust us. Another change is that workers are now starting to acknowledge the importance of growth."

Most white managers and supervisors have responded "pretty well" to the changes, and have a good understanding about what TPQ is trying to achieve. He says that when new managers are recruited from the outside they are first assessed to see whether they have the right values.

A lingering problem, Wood says, is that there has not been sufficient progress in terms of black advancement and promotion. "Today most of our supervisory managers are black and all our shift supervisors are black, but there is a long way to go when it comes to senior management. But we're conscious of these things as problems, and we recognise it requires a degree of affirmative action."

Piet Retief

At the Bisonbord factory in the Conservative Party-

controlled town of Piet Retief the programme took much longer to be accepted. The majority of whites in the town, and in the factory, are Conservative Party supporters.

During the political unrest in the late eighties some of the senior managers involved in implementing TPQ, were active in the police reserve and army commandos after work, while most of the workers were involved in the consumer boycotts last year. Within the factory there was strong resistance to the notion of racial equality. Until a year ago, for instance, management retained white-only toilets, by simply not telling the workers the combination lock number.

According to human resources manager Willie du Plessis, "all levels of the workforce - unions, senior management, lower management and lower level employees, were sceptical of this new programme which they felt was imposed by head office. Most perceived the TPQ programme to be political by nature as it created a lot of discomfort and fear among almost all groups of employees. Some rejected it totally while others felt it created unrealistic expectations."

The result was that it took several years for TPQ to really take root at the factory, and for a long time mutual suspicions remained high.

"Considering the fact that Piet Retief's white population is mainly right-wing

oriented with blacks being mainly ANC oriented, the conflict potential was great. However, the value sharing process assisted employees in gaining a better understanding of each other's fears and perceptions, which not only improved the relationships among blacks and whites, but among all race groups and sexes," says Du Plessis.



enough. Blacks still don't believe we are honest, that we want to do something, but this is getting better. We must not stop now."

The relations between the union (PPWAWU) and man-

to centralised national bargaining and to the union demand for full-time shop stewards.

On the other hand workers recognise that many aspects of TPQ have been implemented with enthusiasm, and joint worker-management TPQ committee meetings are held once a month to monitor progress. The LEAP programme has



"The person doing the job understands it better than anyone else": 'In-a-group' meeting at PGBison

Photo: Shariff/Labour Bulletin

Andries Vorster, the factory's general manager and a prominent Piet Retief civic leader, stresses that TPQ has contributed to industrial peace.

"When the companies around us, with the same union, were having strikes, we had none because we have broken the barrier of mistrust. But this is not

agement at Bisonbord in Piet Retief appear to be gradually improving. Workers there say that many of the managers, particularly those lower down in the hierarchy, continue to display signs of overt racism, and there is also some resistance to union activities beyond a certain level. Management, for instance, expressed opposition

gone further at Piet Retief than at any other factory, with 51% of workers either in the programme or having completed it. Seventy five percent of the workforce attended workshops on the company's performance report, though shop steward Zephaniah Shongwe complains that it was not fully translated into the vernacu-

lar, and the report was given to some workers only two weeks before the National Forum.

In most sections of the factory the 'In-a-groups' are working well. The performance reward system is most advanced at the Piet Retief plant, and there appears to have been a positive response from workers.

Union responses

The past PPWAWU head office organiser at Bisonbord, Musa Bhengu (who died in December from injuries sustained in a car accident), said things have improved at most of the factories and outlets, but still have a long way to go.

"The negotiations with PG about TPQ have been fruitful. Our view now is that it has a lot of potential for the workers. The National Forum has been correctly implemented and could have very positive results. The literacy programme is good but it did have some shortfalls. The issue of racism will be with us for years in South Africa. But the culture at PG is geared to eradicate the racism that exists. In general I'd say PG is totally different from other companies in the paper and wood industries. The antagonism between workers and management has died down whereas in other companies it is still there."

Representatives from the two unions with smaller representation at PG, COSATU's SACCAWU



(which claims 180 members at six PG Wood outlets in Natal), and UWUSA (which claims 230 members at the Bisonbord factory in Pietermaritzburg) express very different attitudes.

SACCAWU shop steward Willie Mazongolo says there are still aspects of apartheid practice existing, there are problems with health and safety but is positive about the LEAP and Aids education programmes.

The new union organiser, Gibson Nduli, says it is too early for him to make a fully informed assessment, but his initial perception is that the programme contains potential dangers for the union movement, unless the union is directly involved in guiding it.

Anton Makhaye, UWUSA chief shop steward at Bisonbord in Pietermaritzburg, says the workers there "do not all understand the positive aspects of TPQ because they have a tendency of not trusting management", though this is beginning to change.

"Since it started there has been better communication between workers and management, and some important issues have been addressed like health and literacy and working conditions. And to some extent the attitude of white managers and supervisors has improved."

Senior management and shareholders

So far the shareholders and the board have tolerated TPQ mainly because the 'bottom line' has not suffered. As Leon Cohen puts it: "I think the shareholders have been happy with the performance of the business, not necessarily with the process. Our approach to the Board was along the lines of: 'Does management have the mandate to take this business into the 21st century, bearing in mind that the 21st century will be a post apartheid society?' They have taken note of that and observed the process. If in fact the company had performed badly I think they would have removed me and the management and would have looked to something else - in other words, cut costs, retrench people, put the business back into profit and move on."

Cohen is reluctant to see the programme chosen at PG in terms of rands and cents, and simply points out that the company has done well over the past five years.

"It would be naive to think that it's a short term thing - that you suddenly have a big change. And I think it would be very difficult to measure whether performance is directly related to the undertaking of a cultural change in the business. We've had a good period and I think the company has been successful. If I look at the six months we've just been through, it's been tough, but I think we've done okay. We haven't had any

real strikes, but I can't tell you what that means. We've endeavoured to negotiate a win-win situation with labour, and I think they're aware of it. There is emerging an ownership of the business among the people."

Several managers noted that performance had improved through a far greater worker appreciation of the product they are producing. "What can be seen is the opening up of a lot more discussion about quality, through, for example, the Quality Awareness Programme, and there has also been a reduction in waste," says Laminate Industries human resource manager, Andre Michaux.

THE FUTURE

With the company performing well in a struggling economy it is unlikely that SA Breweries - which recently became the majority shareholder - will curtail the programme in any way. Investments in Europe, other African countries and the domestic demand from the housing sector, should lead to PG Bison expanding through setting up new factories and employing new workers.

Management believes the company has reached the "end of the beginning" of the process of "continuous improvement", and has now entered "Phase Two", where the programme will be self-driven. The first phase of the TPQ programme was management initiated and driven; now, with the establishment of

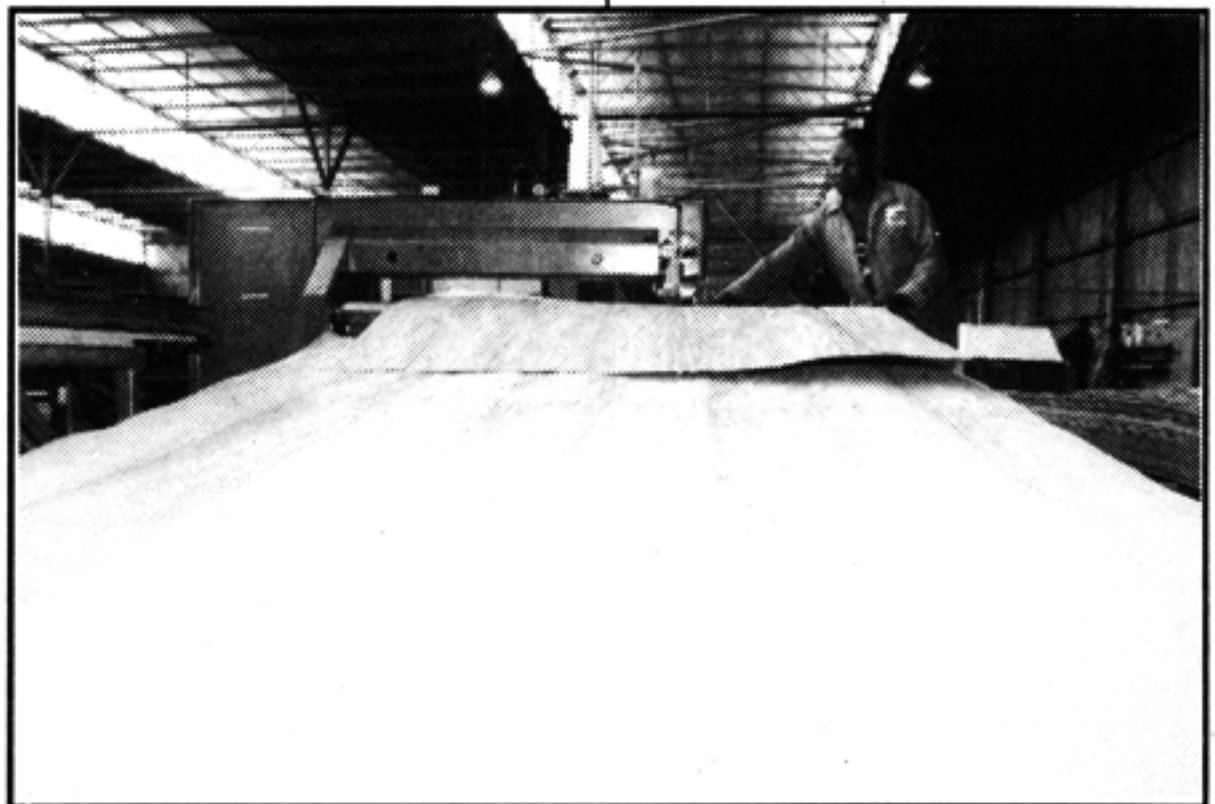


national bargaining forums, the programme will be driven by negotiation at all levels.

In the short term what can be expected is a concerted attempt to remove the bottlenecks, an expansion of LEAP, a consolidation of the

directors and worker share-ownership schemes are also a strong possibility.

It is apparent that PG workers have greater control over their working lives and more benefits than workers at most other major South African companies. In addition no one has been fired for taking part in stayaways, there have been no retrenchments during the current recession, and the company has not had a strike in nearly five years.



PGBison: making new board in the factory, setting new standards in industrial relations

Photo: Shariff/Labour Bulletin

reward system through which productivity bonuses are negotiated, a shift towards greater centralisation in collective bargaining and a situation where the National Forum gradually assumes a more powerful role in the company's decision making.

In the medium term one can expect the unions to start playing an increasing role in the nuts and bolts decisions of the company, including its investment policy. Union representation on the board of

Of course this is all anathema to those who believe that class antagonisms should be heightened and that the development of trust between workers and management is dangerous to working class interests. But for those hoping for workers to increase their power within individual companies and ultimately have a greater say in the running of the economy, the kind of partnership that is emerging at PG Bison may well be the way forward. ☆

"... the concentration of the world's most important industry into fewer and fewer hands ...makes it paradoxically the one industry which could conclude a truly world agreement on labour relations and workplace social organisation."



Three divergent models of management-labour relations are emerging in the auto industry worldwide. DENIS MACSHANE of the International Metalworkers Federation discusses German co-determination, American de-unionisation, and Japanese company corporatism. He proposes an international trade union strategy to reshape the industry to take "the best of all worlds".

All during the 20th century the car industry has been the single most important part of economic life in any country or region. Making and exporting automobiles is at the centre of the economic existence of successful market economies like Germany and Japan. When Lenin wanted to modernise Bolshevik Rus-

sia, he begged Henry Ford to open a car plant in Gorki. The new Asian economies like Korea are car economies, or like Taiwan and Malaysia, car component economies. Britain is rebuilding a modest industrial base by inviting Nissan, Toyota, and Honda to produce cars there.

The expression, 'For-

dism', has come to be used as a description for a whole way of life: mass consumption based on workers' ability to buy cars and other consumer goods, and so keep economic wheels turning fast forward. For decades, academics have turned out theories about the car industry, producing theoretical models faster than the car

companies produce new models for sale. The latest theory is based on so-called 'lean production' involving a decreasing number of flexible, multi-skilled workers producing an increasing number of automobiles based on just-in-time parts delivery, total quality control, and enhanced computerised control.

Parachute a British car worker, engineer, or manager into a plant anywhere else in the world, and he or she would feel quickly at home. There may be differences in the number of robots, in the line speed, in the flow of parts, and in the cleanliness of the plant - but from Detroit to Dagenham, from Tokyo to Russia's biggest car plant in Togliatti, car assembly plants are all much the same.

Same technology, different management

But while the means of production are highly similar there is a growing divergence in the social organisation of the industry. Although car firms are promiscuously inter-marrying (Ford with Jaguar and Mazda, General Motors with Saab, Volvo with Renault, Volkswagen with Seat and Skoda, and Daimler-Benz with Mitsubishi), so that worldwide there are no more than a dozen car companies, the divergences between the organisation, working hours, and workplace rights of car workers in different countries have never been greater. Moreover, the differences between



a European, an American, and an Asian mode of workplace relations are becoming greater.

Four significant developments since 1990 show that a common means of production does not require a common means of social organisation in the workplace.

Germany: co-determination, shorter hours

In Germany, the auto industry has opted for a policy of high pay and a short working week, based on a constant modernisation of equipment. Volkswagen alone has DM15 billion available for investment in the next few years. By 1994, German car workers will be on a 35-hour-week.

In a remarkable interview with the Paris daily, *Libération*, Daniel Goeudevert, the French-born Number Two at Volkswagen, throws a bucket of water over the relentless attack on wages to cut costs that has obsessed car industry managers in most other countries. "I could attack labour costs but we have to pay for social consensus," said Goeudevert. "I won't do it because the worst thing in the world is to have unpredictable reactions from the unions. The price is high, but the long-term advantage is that the machinery keeps working and we avoid unpredictable interruptions that are

the most costly."

At the end of 1991, Volkswagen settled a 7% pay deal for its employees, well above the German inflation rate. This will set the rate for other car and industrial workers in industry-wide negotiations to take place early in 1992.

France: conflict and union-bashing

In France, although Renaults are produced across the Rhine in similar factories to Volkswagens, a radically different policy has been implemented with disastrous results. French car manufacturers have sought to use as cheap labour as possible and have treated unions with implacable hostility. The politically-divided French unions have the lowest membership - between 5 and 10% of the workforce - of any industrialised country. Strikes arise, and are co-ordinated spontaneously, led by shop-floor activists. A small squeeze on wages can lead to disputes such as the 19-day strike at a small Renault engine plant near Paris. This strike, in the autumn of 1991, shut down the entire Renault operation because the adoption of Japanese-style just-in-time delivery of parts makes all plants vulnerable to a stoppage in any single one.

Although France's combative communist union, the CGT, offered itself as leader of the strike, the majority of strikers were not members of



The auto industry: major economic sector in the 20th century

Photo: Cedric Nunn

any union. The Renault strike has shocked the French company's new partner Volvo, as the Swedish company has a much closer relationship with its workers and their unions than would be conceivable in France.

A decade of socialist rule in France has not addressed the problem of workplace relations in any significant way. Some French companies are so desperate about the absence of 'social partners' that they are offering to pay the union membership dues of their employees so that, at last, a French boss can have a union to negotiate with.

But, possibly, because of the highly politicised, class-rhetoric style of the CGT, most French bosses such as the heads of Renault or Peugeot still appear to hate unions and despise their

workforce. The answer, according to the French prime minister, Edith Cresson, is the 'Germanisation' of French industrial relations.

As the Renault strike dragged to its bitter, unhappy end she said that Renault ought to have German-style *Mitbestimmung* or co-determination, with workers sitting on the board of directors.

French unions were pop-eyed at the thought and, like other Cresson utterances, this one may just have captured a headline to fade away. Yet the German model is making inroads elsewhere. The Italian CGIL confederation congress in Rimini in October 1991 voted for an examination of co-determination.

The creation of European Works Councils, for Ford amongst other car industry

firms, is having something of a similar effect in Britain where the Trades Union Congress at its convention in September 1991, heard calls for serious consideration to be given to the creation of works councils - an historic break with the union-based model of worker representation in Britain.

Britain: Japanese car firms move in

The agreement in October 1991 between the British metalworkers' union (AEU) and Toyota, also focused on partnership as opposed to adversarial industrial politics.

Toyota will set up a 17 person works council, consisting of 10 representatives elected by the workforce and seven managers. This is not the same as a German works council which is a worker-

only body with wide powers, nor will the AEU sit on the Toyota board in the same way its sister union in Germany, IG Metall, has its people on the board of Volkswagen, Daimler-Benz and other companies.

The Toyota deal has attracted its critics. As the London *Guardian's* observant industrial correspondent, Seamus Milne, noted: "Its sweeping rejection of job demarcation combined with Japanese management and production techniques, will mean a sharp intensification of the competitive pressure on British-based producers. For the rest of Europe 'transplant' car production by Nissan, Toyota and Honda represents the Trojan horse for a flood of low-cost Japanese imports, as the EC market is opened up to Japanese competition by the end of the decade."

In fact, the Japanese car firms have probably kept the British car industry alive. The anti-industry, pro-rentier economic policy of the Tory government, appalling management, and shop stewardist multi-union factionalism had run the national auto industry of the UK into the ground by the early 1980s.

In the United States, Nissan and Honda have spent scores of millions of dollars to stop the unionisation of their plants, and the Toyota plant is also non-union. Toyota's agreement to recognise the AEU in Britain shows the different climate existing in a



Social Charter Europe (even in Britain run by the anti-union Conservative Party) compared to the US.

The United States: de-unionisation

Meanwhile, the de-unionisation of the American car industry is spreading despite major organising efforts by the American car workers union, the UAW. While the assembly plants of the big 3 - General Motors, Ford and Chrysler - remain unionised, most Japanese transplants are non-union, as is most of the car components sector.

Under the proposed free trade deal between the US and Mexico, the way will be open for much more of the US car industry to transfer production to Mexico, where wages are low and unions are fragmented. There are 1400 unions alone in the metal industry sector and they are virtually powerless.

The only experiment in German-style worker participation in recent US history - a seat on the Chrysler board for the President of the United Autoworkers Union - recently ended. There appears to be no desire in North America to experiment with the European movement towards works councils or worker-union representatives sitting on the board of directors.

American unions *have* sought co-operative relation-

ships with auto companies in the past decade. In Ford, in particular, the UAW has created joint programmes for training which have been innovative by any standards. Yet North American unions have not sought a new institutionalisation of workplace relationships in the direction of a dual power system based internally on works council and externally on unions. Perhaps this is because they operate within a hostile political climate generated by viciously anti-union governments and employers.

In that sense, North American unions operate within the traditional framework which regards any worker or union involvement in company direction to be unacceptable class collaboration. It is a position shared by both Samuel Gompers-style confrontationists (so-called business unionism in America was and is as ready to go on strike for economic ends as any Marxist-run labour organisation) and by *Wall Street Journal* neo-liberals. Both seek a clear and unmistakable separation of power and roles between labour and capital. The latter want a minimal role for unions, the former want a bigger role, but both are unhappy about workers having formal legally-protected representation rights outside the union framework.

But the evidence is clear that in Europe adversarial labour relations, in which two fighters swap blows, is giving way to what might by

**Co-determination:
worker-management partnership, or
transfer of power from capital to labour?**

Interestingly, in South Africa, which has developed one of the most combative class-conscious trade union movements in modern history, the major new agreement signed after a 13-week strike in the car industry in mid-1991, is based on a joint employer-union deal to maintain jobs but control unofficial strike action. It has been hailed by some South African commentators as the first step towards co-determination in South African industry, as both sides seek a post-apartheid industrial relations settlement.

More cautious analysts have questioned whether white South African management can change its spots and concede easily the power, reinforced by apartheid control mechanisms, that has been exercised over South African workers. In any event, agreements to exercise joint control in some areas do not remove other sources of conflict, and indeed can generate new areas of disagreement as union and bosses haggle over interpretation and application.

Furthermore, buzzwords like 'partnership' and 'co-determination', whether in Britain, South Africa or anywhere else, require careful definition. In particular, the German term, *Mitbestimmung*, translated into English as 'co-determina-

tion', is a concept developed theoretically by the German left in the 1930s and put into partial practice after 1945. It involved a formal, legal presence of worker and union representatives on the boards of companies, legal (not negotiated) rights for works councils to have a say in management decisions plus access to company information, and a network of labour movement support-structures to police and research the continuing working of *Mitbestimmung*.

Conceptually, *Mitbestimmung* is not seen as worker-management partnership (though that is often the end result) but an economic and political transfer of power from capital to labour. The architects of *Mitbestimmung* theory saw it as extending to co-determination beyond the workplace - in all areas of economic and social decision-making in post-war Germany.

Unfortunately, such democratic socialist theory, although eagerly supported by German workers after 1945, was not acceptable to either the Stalinist politics which arrived with the Red Army in East Germany, or the pure capitalist theories supported by the Americans in control in Western Germany in the post-war period. ♦

called sumo labour relations, in which two wrestlers are locked in permanent embrace, and victories are celebrated in no-loss-of-face rituals rather than blood and brains splattered on the floor. In sumo labour relations unions have to remain class-conscious, combative and able to communicate with members, public, and employers. Their role becomes more, not less necessary, as industrial relations become decentralised and internalised within companies.

**Japan:
job security,
long hours**

As there is a growing gap between American and European approaches to workplace relations in the car industry, there is an even greater gap opening up with Japan.

As car factories and production methods increasingly resemble each other across frontiers, other factors have to explain the superiority of one nation's industry over another. One reason for the success of the Japanese car industry is that neither Europe nor America have fully succeeded in converting their car industries to Japanese-style 'lean production'.

But there is an equally significant, if rarely discussed, reason for continuing Japanese superiority. The answer is more and more clear. In Japan there is a superhuman level of working time. Toyota employees in Japan now put in an average 2 300 hours of work a year.

This is 30% more than the annual hours to be worked under the AEU-Toyota agreement in Britain, 25% more than the US car industry working hours, and nearly 50% more than the 1600 hours a year German auto-workers will work with their 35-hour-week.

The Japanese working



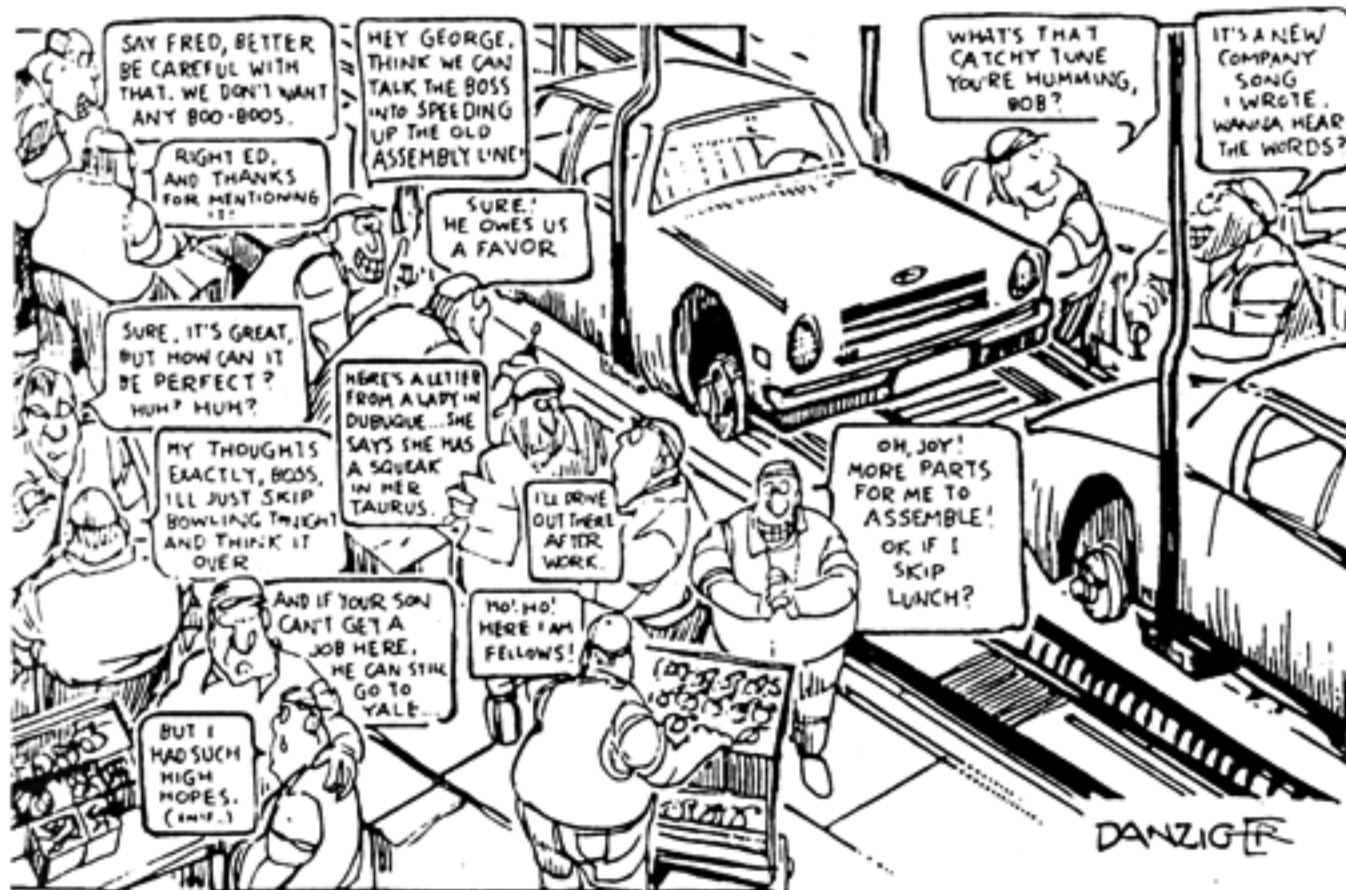
cars produced per employee.

Ten thousand people a year die in Japan from *karoshi*, or overwork. In the United States and England, the Japanese companies have selected young workers to

company's face. "I have looked at the line speed at Nissan, seen the age of these young men, and wondered how long they can work like that. It is not fear of losing their jobs, but peer pressure: if they slacken off, the rest have to work harder.

"This is what they have copied from Japan. If it is not coercion then it is very close to manipulation. It may be ten years before we know whether the way they work at Nissan is healthy, or whether the price of this success is too high," Sadler said.

Neither the United States nor Japan has copied the move towards a shorter working year, or week, which has been one of the most significant social gains in Europe in the last decade. In the AEU-Toyota agreement a 39-hour-week is stipulated. This contrasts with the general 37-hour-week



'I like my job' - Japanese techniques come west

Graphic: ILR

week is now longer than what it was in 1975. Despite the immense gains in Japanese national wealth, the distribution of it in terms of social benefits such as reduced working time has not even begun to approach European or American standards.

Of course, internal factory organisation in Japan, including team-working and flatter wage differentials, make a major difference, but the large number of extra hours put in by Japanese car workers give Japanese companies the edge in most international comparisons of

operate lines which move faster than in traditional companies. None of the Japanese transplants is more than a decade old, and all have been sited in areas of high unemployment where jobs are at a premium. In Asia, where Japanese firms have been operating longer, there is a growing number of strikes in Japanese-owned plants as workers finally revolt against such pressure at work.

In England, Durham University's Dr David Sadler believes that the work-rate at Nissan's Sunderland plant in the UK may explode in the

in the metal industry won by the AEU and other UK metal unions after 20 months of industrial action in 1989-1991.

The price for securing union recognition at Toyota, and avoiding the US pattern of non-recognition, was for the union to backtrack on a major achievement of reducing the working week.

It is interesting that in Britain the Japanese companies fought hard to maintain longer working hours in comparison with other car companies, especially the German car industry. When Toyota UK comes on stream

in 1994, its workers will work 188 hours more than Ford workers in Cologne or Volkswagen in Wolfsburg - the equivalent of five extra weeks production for English Toyota!

Three divergent trends

Taken together, one can see three major and diverging modes of social or union organisation developing in the car industry.

- A European mode based on co-determination, union recognition, high-tech investment, flexible work, a declining workforce and a short working week.
- An American mode based on adversarial bargaining, protection of workers through seniority and traditional work-rules, and declining unionisation - especially in Japanese-owned companies - and a working week largely unchanged in forty years.*
- A Japanese mode based on full incorporation of workers into the company, flat pay differentials (in Japan), job security, and highly exploitative long - and getting longer - hours.

For workers in each of these three modes there are specific advantages which are not lightly given up. For American unions, to gain partnership but accept flexibility would undermine the work rules that protect the majority of dues-paying members.



For Japanese workers, to resist long hours would be to deny their companies the profitability that guarantees them job security.

For European unions, to reject the move towards enterprise-based democratic corporatism would expose them to a concerted de-unionisation offensive.

Nor are the different modes rigid. Undoubtedly the Japanese car companies in the United States and in England are seriously altering traditional British and American social relations in their workplaces. This has knock-on effects on labour relations in other car companies and in neighbouring countries. Volkswagen has just bought 70% of Skoda, the Czech auto manufacturer. Wages in Czechoslovakia are one tenth of neighbouring Germany. The arrival of Eastern Europe as a low-cost, third-world type assembly area for automobiles will have consequences on organisation in West Europe.

But as trade unions worldwide search for common policies on industrial relations - a process highlighted by the formation of European Works Councils - the divergences are more glaring than are the common bonds that should, according to tradi-

tional labour internationalist rhetoric, hold together workers in different countries but in the same industry.

New vision for the unions: who will take it up?

A solution could be found in taking the best of all worlds: European industrial democracy or co-determination plus short work hours, combined with American protection of workers on the job, combined with Japanese employment security and flat pay differentials linked to team working. But this would require a revolution in the institutional thinking and outlook of most unions. It would also be impossible to implement without a major restructuring of the automobile industry.

Concepts such as planning, workers control and social ownership are taboo in the new 'All Power to the Free Market' world in which we live. Yet the concentration of the world's most important industry into fewer and fewer hands - the number one bosses in the global car industry are so few they would all fit into a big limosine - makes it paradoxically the one industry which could conclude a truly world agreement on labour relations and workplace social organisation.

But who will identify this prize and organise to reach out and grasp it? ☆

* According to estimates made by economist Peter Unterwiesing, formerly of the UAW Research Department, now head of the Auto Department in the IMF, only 40% of the total workforce in the US auto industry will be unionised by 1993. In the 15 years since 1978, UAW auto industry membership will have sunk from 900 000 to 500 000.

TGWU cleaning workers fight for industrial council

The struggle for an industrial council for the contract cleaning sector reflects some apparently contradictory trends in the labour field. It also shows surprising determination in what is usually regarded as a 'weak' sector of workers. DOT KEET examines the implications.

The singing and chanting of some three thousand, mainly women workers echoed down the glass and concrete canyons of central Johannesburg on 25 October last year. They marched on the government's Department of Manpower (DOM), and then to the head office of Supercare, one of the largest contract cleaning companies in South Africa. For these workers were the 'cleaners' organised by the Transport and General Workers Union (TGWU). And they were marching to protest at the refusal of Transvaal members of the National Contract Cleaners' Association (NCCA) to support their Natal members' agreement to proceed with wage negotiations pending the registration of a national industrial council for the contract cleaning sector.

The workers' anger, and the TGWU's frustration, re-

flected the fact that the constitution and composition of such an industrial council had been fully negotiated during the second half of 1990. It had, in fact, actually been initiated by the NCCA, itself, following strike action by 7 000 cleaning workers in Natal in May 1990.

With the constitution agreed between the unions and the NCCA in November 1990, an application was then sent to the DOM to register a national industrial council for the contract cleaning sector.

The DOM had to verify that the employers' association was representative of this sector nation-wide, and that the unions involved - the TGWU cleaners' section (with about 14 000 members) and NACTU's Brushes and Cleaners' Union (with about 4 000) - represented more than half of the estimated

35 000 cleaning workers nation-wide.

With wage negotiations paralysed because a national industrial council was still not in place by the middle of 1991, 8 000 Natal cleaning workers went on another more prolonged, six week strike in September-October 1991, seriously affecting schools, hospitals and other work places across the province.

In this situation, the Natal employers agreed to start negotiations in anticipation of the formal registration of the industrial council. Similarly, TGWU agreed to proceed, confident that the IC would soon be in place to finalise the negotiations.

The TGWU had already convened a national shop stewards' meeting in October to go ahead with the negotiations with the NCCA, when the employers' organisation

declared that they had no mandate to proceed without the agreement of their Transvaal region.

Then, at the NCCA national executive meeting on 12 December, the Transvaal branch reversed their position altogether on the registration of the national industrial council that they had already participated in negotiating.

At the same time, some of the major contract cleaning companies withdrew their membership of the NCCA - which promptly lost its national representativity. This is a tactic often used by employers when they want to scuttle an industrial council. In this case, however, two companies concerned, Prestige and Supercare, declare themselves still in favour of an industrial council for the sector.

What seems to have happened is that there was some sort of a 'coup' from within the Transvaal region of the NCCA, and the leadership was taken over by smaller cleaning companies. They were reportedly led by John Borritt, of SA Cleaning Services, who has something of a union-bashing reputation as the boss of SA Security Services. What is clear, however, is that there are differences of interest and approach between the smaller and the bigger companies in this sector of the South African economy, with larger companies seemingly in favour of industrial regulation through a national industrial council.

Bigger companies departing from dominant trends?

From a high of more than 100 regional and national industrial councils covering more than one million workers, during the 1980s, industrial councils have actually been closing down in recent years, and no new national industrial councils have been set up recently.

Most South African employers are now more wary of entering into industrial councils with the trade



unions. They have had a decade's experience of the success with which unions have used industrial councils to negotiate both national and regional collective wage agreements.

There are continuing debates amongst unionists about the problems of entering industrial councils, especially in removing negotiations, and initiative and control from the shop floor into the hands of central union officials.

But such national agreements can benefit both their own members and other organised workers, and have been used to extend their gains to weaker sectors of

workers in non-unionised or smaller and remoter work places around the country.

The unions themselves are better able to apply their limited resources in centralised bargaining. Although negotiating skills then tend to be concentrated at the centre, the unions as a whole gain in credibility, workers' confidence in their ability to deliver - and hence in membership.

Yet some bigger employers in the growing and highly competitive commercial cleaning sector seem to favour such national collective bargaining. Jane Barrett, National Co-ordinator of the TWGU's cleaners, points out that it is precisely because of the intense struggle for survival amongst contract cleaning companies that some are moving in this direction.

These cleaning operations are highly labour intensive - with wages making up about 89% of costs. Strikes over wages and different company wage agreements could make some companies uncompetitive with their rivals. In the South African context it is more likely to be in the bigger companies - where the unions can get organised - that higher wages and better conditions are gradually being achieved.

By contrast, the smaller mushrooming cleaning companies are more difficult to unionise and can maintain lower wages and actually undercut their bigger competitors. Hence the latter are in

favour of the industrial regulation for the whole sector.

Furthermore, unrestrained competition amongst them could be very damaging to them all in relation to the contractor companies hiring their services. In this situation, a national agreement imposing the same wage rates on all companies in the sector would make them all more secure.

Thus it would seem that this is a sector in which some employers are seeing their own interests as going against the government's drive - and the general trend in business - for industrial deregulation. It may also be another example where the strategic approach of big(ger) business management is apparently pointing towards the national centralised bargaining being demanded by COSATU.

TGWU going against COSATU policy?

From another angle, however, by entering into such an agreement with contract cleaning companies, the TGWU itself may be going against another official position of their own national trade union federation.

COSATU is explicitly against the process of "contracting out" being used by employers to divide their work forces and undermine the gains made by the unions on behalf of directly employed workers. Whole sections of plant operations - particularly canteens, security and cleaning

operations - are now being contracted out by large manufacturing and other companies.

This may be just the beginning in South Africa of a process that has gone much further in other countries, especially in Asia, where various aspects of the production process itself are sub-contracted out. This is often to smaller, scattered companies - sometimes not even in the same country - thus seriously affecting the organisational capacity and influence of the unions concerned in the main plant.

In the South African context, sub-contracting sections of plant operations is also going hand-in-hand with a process of "casualisation" which involves employers bringing in casual temporary or part-time workers. This is both through direct employment but also through sub-contracting companies.

Whether they are 'delivering' full-time and permanent, or part-time and temporary workers, sub-contractors are becoming an increasing and problematic feature of labour employment patterns in South Africa. And it is precisely in these areas that the TGWU has most of its members.

With regard to sub-contracting, it is also worth noting that one of the demands of the striking Natal cleaners employed by Sneller Services was precisely for an end to contract cleaning. They argued for direct employment by the entities

where they work as cleaners.

By entering into an industrial council with such contract cleaning companies, could the TGWU be helping to entrench them as a 'legitimate' part of the employment scene in South Africa? TGWU's Jane Barrett replies that just getting such employers to agree to negotiate collectively over wages is a victory for the workers concerned.

Furthermore, it could actually have the long-term effect of 'pricing' them out of existence. Sub-contracting is convenient for large manufacturing companies and the like, mainly because it takes the bother of defined sections of their work force off their hands and they are delivered back at extremely cheap rates. If the unions manage to get an industrial council to push the wages of such sub-contracted workers upwards, it could eventually become more cost-effective for large employers to integrate them back into their own directly employed work forces - for example by setting up their own 'in house' cleaning departments.

In this way, the division and danger of weakening workers' organisation could be overcome. Workers in the same work place could be integrated into the same industrial unions.

Separation strengthening to women workers?

There is, however, a further paradox to which Jane Bar-



... these usually 'invisible' 'servers' were feeling and expressing their strength as women as well as workers

Photo: William Mottala/COSATU

rett calls attention. She points out that, to some degree, the separate employment and organisation of cleaners has actually served to strengthen them in many ways.

Cleaning workers are overwhelmingly women and many of them work night shifts or have hours of work that separate them from much direct workplace contact with other workers. Even where they work during the day, they are a tiny "service" minority amongst the rest of the "productive" workers. Furthermore, they are unskilled, extremely low paid and are often not seen as "key" "production" workers, even by trade union organisers. For all these reasons, the interests and

needs of these workers tend to be overlooked or given low priority by the largely male union organisers and shop stewards in factories and other work places.

Employed separately by the same contract cleaning boss - who is slightly less removed from them than would be the top management of a large company - cleaners are given a stronger sense of collective identity vis-a-vis their employers and each other.

More importantly, organised as cleaners in their own section of the TGWU, these workers have been better able to articulate and fight for their specific needs as workers *and* as women. This is evident in the demands being put forward to em-

ployers by the union. It is not certain that they would have had the same opportunity to further their needs as women workers had they simply been integrated as insignificant minorities in the large industrial unions operating in their workplaces.

Finally, it was certainly noticeable from the faces, dancing and chants of the thousands of women cleaners taking over the streets of central Johannesburg, in October last year, that these usually 'invisible' 'servers' were feeling and expressing their strength as women as well as workers.

The unusual determination and effectiveness of the recent strikes and marches by this section of workers must serve to strengthen their case

and status within the TGWU and other unions in South Africa. It can, however, also strengthen the case and argument of the TGWU itself in the rather bedevilled unification process between themselves and the South African Railways and Harbour Workers Union (SARHWU).

Strengthening TGWU with SARHWU

COSATU's recent Fourth Congress issued a strong instruction to these two unions to merge into a single union for their sector in keeping with COSATU's policy of "one industry, one union".

Whatever the other reasons for their long delay in getting together, one complication that SARHWU raises is the fact that the TGWU also organises security guards and cleaners. SARHWU argues that their merger should produce a national union of transport workers alone.

The current organisational and leadership crisis in SARHWU [see page 8] does not bode well for their role in the unification process. By contrast, TGWU cleaners' recent actions - and its potential to pull off industrial action over an industrial council - could have a positive effect.

The TGWU's first line of action will probably be to declare a dispute with the NCCA and take them to the Industrial Court for unfair practice in not sticking to their earlier agreement. Failing that, the TGWU will discuss the option of calling

for national strike action at its national shop stewards' meeting in mid-February.

The capacity of cleaners to paralyse the commercial and manufacturing life of complex industrial centres has been proven elsewhere, and may yet be felt in South Africa. And the joint marches and demonstrations of 1990 by the TGWU's cleaners and security guards might be seen again.

If they are successful, there may yet be an industrial council for this sector. Either way, it will certainly strengthen the TGWU's arguments that both cleaners and security guards - as service workers with transport workers - should be included in the new union to be created with SARHWU.

Another area of union unity and co-operation that can be strengthened through the recent struggles and achievements on the cleaners front has been the participation of NACTU's Brushes and Cleaners behind the TGWU in the industrial council negotiations. As with broader national co-operation between COSATU and NACTU, such co-operation on practical workers issues can help build mutual confidence amongst unions and contribute towards workers' organised unity.

Workers' unity and strength in action

Possibly the most marked way in which the recent cleaners' strikes and marches run counter to common perceptions lies in the very fact

of such actions having taken place and at this time.

In the depths of a severe recession with unemployment reaching an all-time high of some 50% of the working-age population, it could be expected that South African workers would adopt a more cautious stance and avoid taking actions that could threaten their jobs.

Even more so could such caution be expected of low paid unskilled women workers - often with many dependents and often the only bread-winners in their families. Such workers are usually perceived as being extremely dependent and vulnerable, and all too easily replaceable from the mass of unskilled unemployed. The cleaners have gone against these stereotypes and taken to action with notable determination.

Finally, although TGWU workers have taken action in both Cape Town and Johannesburg recently, the prolonged Natal strike is particularly noteworthy. This is because it took place in the province where Inkhatha's UWUSA made the most concerted efforts to prevent COSATU unions from organising workers, and where violence has been most severely felt by working people. State-financed intimidation has not stopped these workers. ☆

'Worker control': *new meanings?*

For employers

"Management will have to give up control in order to keep it"

Andrew Levy

For unions

"Workers' control ...means participation"

At a recent management seminar, speakers supported 'worker control' and centralised bargaining. KARL VON HOLDT reports.

Worker control, according to management consultant Andrew Levy, is changing its meaning.

"Five years ago," he says, "when unionists spoke about worker control, they meant booting management out of the factory and running it themselves. Now what they mean is *participation* - worker participation at every level. Nothing will happen in this society without the participation of labour through negotiation."

He was speaking at the annual Andrew Levy Horizons Seminar, held in November last year. The theme of the seminar was centralised bargaining. "Both management and labour will exist in the new SA, and COSATU accepts this. The central issue will be *control* - the debate over bargaining forums is actually a debate over access to control. Control will be moving away from management."

Levy said that worker involvement in control would take place at national level (through the NMC), industrial level (industrial councils) and plant level.

At the national level every issue facing labour would be negotiated, and this would mean joint determination and a degree of centralised planning. At the industry level, the industrial council system would have to be extended to areas where it does not exist. The agenda of industrial council bargaining would be extended to include commercial issues.

At plant level, Levy expects to see a statutory system of workers' committees which will have veto rights. "There will be a tremendous extension of the scope of collective bargaining at plant level - unions will be involved in job evaluation, promotion and training."

Centralised bargaining

A key speaker from industry was Brian Angus, executive director of the metal and engineering employers organisation (SEIFSA). He emphasised that in future bargaining agendas are going to be "much broader". "We are going to have to be prepared to negotiate over many issues we are used to deciding alone." Furthermore, if employers wish to grow and survive, they themselves are going to have to broaden the agenda to include things like productivity.

This would entail an increasing shift towards centralised bargaining. Angus mentioned that he has been involved in "sensitive" discussions in two industries which are considering establishing industrial councils.

Angus expects some of the following issues to appear in the bargaining agenda:

Unemployment and job

creation. There will have to be a "massive negotiated job creation programme", but the unions will also have to give trade offs: "many employers are laying off because they are fed up with unions".

- Productivity. "Our productivity record is dismal and needs to improve on a massive scale. Employers cannot do it alone, they will have to negotiate with workers."
- Social security programmes.
- Affirmative action programmes. "Human resource managers encounter resistance from hardline bottom managers, but there will be increasing pressure from government and unions."
- Worker participation in decision-making about strategic business planning, investment and purchase of equipment.

Angus argued that a prerequisite for success is to create a common vision on many of these issues. "The recession is forcing unions to confront the need for growth and development."

Social partnership - or step towards socialism?

There seems to be a new tendency among some key sectors of management to accept centralised bargaining. This comes after the concerted attack on centralised bargaining led by Barlow Rand in the mid- to late 1980s. One factor is that employers probably realise that

Centralised bargaining by sector

The following sectors are mainly centralised:

- Metal and engineering (IC)
- Mining (Chamber)
- Motor (IC)
- Motor Assembly (NBF)
- Furniture (several strong ICs)
- Footwear

The following are mixed:

- Textiles (some centralisation, especially in W Cape)
- Construction (larger companies in ICs)
- Food (ICs cover meat, sugar, sweets, biscuits)

The following are decentralised:

- Chemical
- Paper/printing
- Retail
- Transport
- Cleaning
- Hotel

they will be unable to resist this demand forever, especially with the political developments in the country. The transition towards democracy is strengthening the labour movement, and is likely to result in a government far more sensitive to the labour constituency.

Another factor is that the most far-seeing employers - such as PGBison - are beginning to see enormous potential benefits for themselves in co-operating with labour and building a 'social partnership'. As Levy puts it: "The new meaning of workers control is infinitely better than the meaning of 'workers control' ten years ago. If that is the ~~trade off for ditching nationalisation and socialism~~, it's a worthwhile compromise. It's ironic that management will have to give up some of its control in order to keep it."

Practically speaking, Levy is probably accurate in

arguing that the meaning of 'workers control' in the labour movement has shifted from 'takeover' to 'participation'. But is this simply a phase in a more radical, longer term project?

Within the union movement there is an urgent need to discuss these issues. How should unions engage with workers participation projects? How to take forward the struggle for increasing workers control? Do such projects mean abandoning socialism for a 'reformist' social democratic vision? Or are they steps on the long road of a democratic struggle for participatory socialism?

Clear strategies have not yet been developed in the labour movement. This is highlighted by the fact that NUM's performance bonus agreement in the gold mining industry has just been rejected by the worker leadership. ☆

The South African Communist Party:



preparing for
a new era?

In December the SACP held its first legal congress inside the country. KARL VON HOLDT reports.

The leadership of the SA Communist Party had reason to be pleased with the results of the 8th Party Congress, held inside the country.

The unbanning of the SACP in February 1990, and the rapid events since then, had left the party floundering. It lacked a clear leadership, structures and policy. The previous party congress, held when the party was banned and operating underground, had taken place in Cuba in 1989.

The 8th Congress was a crucial forum for reconstituting the SACP and finding direction. As one party leader saw it, the congress had two key tasks - to consolidate the SACP as an open working class party, and to

identify key areas of debate for the next few years. In short, it had to lay the basis for a new era in the SACP's existence.

The congress gave the party an organisational boost. A relatively young, talented leadership, with a range of mass, labour and underground experience, was elected to the Central Committee. The election of Chris Hani as new general secretary was a major scoop. Hani, a key figure in the ANC's armed wing, is one of the most popular figures in the ANC.

Growth

The party was able to report an enormous growth in membership - from 5 000 in

January to 21 000 in November. Three hundred branches have been launched, with a further 100 to be launched soon. Seventy five percent of the 400 delegates were workers or unemployed. Many are active unionists. Delegates debated and adopted a new democratic constitution, a manifesto and resolutions.

The congress was well organised, and all plenaries were open to the press - a first for progressive organisations in SA, and a sign that the party is serious about democracy. Plenary debate was open and democratic.

SACP leaders were clearly quite delighted by the successes of the congress. But many socialists in the

party, the trade unions and beyond, were disappointed. Internationally, the congress took place in the context of the collapse of communism and profound crisis of socialism. In SA the working class faces new, complex and immensely challenging tasks of transition to democracy. Yet the congress did not rise to the ideological or political challenges posed by the crisis. And it failed to define a clear strategy for the SACP or the left in SA.

Thus, while the congress succeeded in establishing the SACP as an open working class organisation, it failed to identify the key areas for analysis and debate.

However, one should be cautious about assessing the congress and the manifesto it adopted. They represent moments in the life of a rapidly changing party. One thing is evident. There is a new culture of openness and debate within the party. Many activists are raising doubts and grappling with new questions. This could lead to future surprises.

Orthodox communist ideology

Outgoing party general secretary Joe Slovo made an appeal for bold questioning and for an opening up of the party in his political report to the congress. He argued for the term 'democratic socialism'. He replaced the traditional references to 'Marxism-Leninism' with simple 'Marxism'. He appealed for party members to approach



*New general-secretary
Chris Hani*

*Photo: Kentridge Mathabathe/
New Nation*

the ideas of non-party socialists, and even non-socialists, with open minds, and called for critical thinking: "If the experience of revolutionary practice has put in question the validity of some of the original formulations, we must have the courage to examine them. It is un-Marxist to replace thought with dogma."

Slovo also argued for a liberalisation of party discipline. Arguing that "most majority ideas start their life as minority ideas", he said that "to act without tolerance towards minority ideas is to paralyse the development of knowledge". He rejected the idea of organised tendencies, but felt minorities should be able to put forward platforms for debate prior to party conferences. Individuals who disagree with party policy should not be compelled to support these policies in public, he said.

Similar positions were expressed in the draft manifesto and draft constitution, pre-

pared by the party leadership before the congress. However, most of these positions were rejected by congress. 'Democratic socialism' was rejected in favour of simple 'socialism'; 'Marxism-Leninism' was reinstated in all party documents; and there was a leaning towards a tighter, disciplined vanguard style of organisation.

'Democratic socialism' was rejected on the grounds that socialism is intrinsically democratic. With this move, delegates rejected the need for a serious assessment of socialist theory and practice. Delegates argued that 'democratic socialism' sounds unnecessarily defensive, and were clearly suspicious that it might indicate a move towards social democracy.

Although it is used extensively, the term 'vanguard' is not defined in party documents. But in the context of the rejection of minority platforms, and the reinstatement of Marxism-Leninism, it suggests the retention of an ideologically homogenous, tightly organised party which is regarded as "more advanced" than other organisations, such as trade unions.

The manifesto steers clear of any serious analysis of the collapse of communism, or any self-analysis of the historical relation of the SACP to communism. There is no hint that the crisis of socialism could be more than an organisational and political defeat - that it might have profound theoretical and

strategic dimensions as well.

Some delegates did raise these questions. A member of the Western Cape delegation, for example, made an impassioned plea to confront the real issues: "The socialism that failed is the socialism that we supported and knew as socialism for years. We cannot simply dismiss the problem by calling it 'distorted socialism'.

Those societies achieved things like full employment, free health care, and so on - those were not distortions, they are real features of socialism. So the issues and problems are much deeper. We need to define what kind of socialism we want for South Africa."

However, the majority constantly denied the crisis by arguing that it is not socialism which failed, but its implementation. "It is not the tool that is at fault, but the workman," they argued, relying on an unfortunate metaphor used by Slovo. Most delegates clearly felt more comfortable with the certainties of communist dogma, than with bold, creative and critical debate.

The current situation

However, the congress took a much more creative approach to analysing the current transition to democracy in SA. The manifesto sees negotiations opening up a long period of democratic struggle: "The immediate issue under negotiation - a new democratic constitution and non-racial elections -

must open up, not close down, a process of ongoing political, economic and social empowerment of the working masses of our country."

While "social democratic pacts between organised labour and capital" might be immediately on the agenda because of the present balance of forces, in the long run this would simply stabilise capitalism and leave democratisation "incomplete and thoroughly blocked". The SACP foresees a mixed economy in which the working class can make both immediate gains and "lay the basis for a future socialist SA".

The manifesto suggests that the working class should develop a new growth strategy, raise productivity, and support a more competitive export industry. Workers should take the initiative in order to defend their and the broader national interests against the narrow interests of the bosses. "The active involvement by workers in macro-economic bargaining must become part of a process in which the working class, more and more, takes the lead in shaping national economic policy and in defining the national interest."

The working class should also take the lead in influencing the pattern of international economic alliances which SA enters into, and the SACP intends becoming active in "revitalising a movement of the South" to change the rules of the world

economy.

The manifesto also argues for "the development of a vast network of democratic organs of popular participation in both the economy and the political system under the leadership of the working class." It is the "development of these institutions of popular democracy to a position of dominance in all spheres - political, economic, social and cultural - which constitutes the core of the social system for which we are struggling."

Orthodox ideology, innovative strategy

The strategic perspective outlined above is highly innovative. The idea that the working class in a capitalist society can engage in a struggle to shape national economic policy rests to some extent on the experiences of social democracy, as well as attempts to extend social democracy in a more radical direction (see also box on p 56). Such strategies are increasingly being discussed in labour movements and left parties (for example, the Workers Party in Brazil). While it is a perspective rich with possibilities, it is entirely foreign to Marxism-Leninism.

The manifesto contains the outlines for a democratic struggle for socialism. Marxism-Leninism, on the other hand, quite simply does not have the concepts to guide such a struggle. Leninism lacks a theory of social change or civil society, has a

statist concept of political power, and a completely inadequate concept of democracy. The Leninist vanguard political party has no prospect of winning social hegemony or electoral victory for the working class.

There is thus a profound contradiction in the manifesto adopted at the congress. On the one hand it entrenches orthodox communist ideological positions. On the other, it suggests a new and innovative strategy of democratic struggle for socialism. This contradiction reveals some of the tensions within the party as it grapples with its future.

The role of the party

Before the congress many members of the party were demoralised, feeling that the party was regarded as a junior partner in the ANC-SACP-COSATU alliance, and that it had no clear role. Some in the unions questioned whether the party should exist at all.

The overlapping leadership and membership of the ANC and SACP has paralysed the party, robbing it of its most capable activists and denying it a clear independent role. Many of the party's best activists occupy leadership positions in the ANC. Yet they find it difficult to put forward a party position in the ANC, let alone open a socialist debate, because this would be seen as a party caucus and could generate an anti-communist backlash.

Similarly, the SACP finds it impossible to put forward a clear criticism of the ANC, or to analyse the different currents and forces within the ANC - because this again could unleash an anti-communist backlash and accusations of divided loyalty. The party argues that socialists should build the ANC, but cannot put forward an effective programme for how they should do this and what policies they should push the ANC to adopt.

This situation makes it difficult for socialists to discuss the way forward. For example, there are different views about the ANC among socialists in the trade unions - and in the party. Some believe that the 'working class bias' of the ANC is rhetorical, that the middle-classes and a new elite are rapidly consolidating their position in the ANC, aided by the sorts of compromises imposed on the ANC by objective conditions.

In this view, any attempt to build a working class orientation in the ANC will be marginalised. While this view recognises that currently the ANC is the key political force in the democratic camp, and that the left should actively bolster its strength and influence its strategy, it feels that a working class party, such as the SACP, should be the focus of building a socialist project.

Others believe the struggle for an ANC with a strong working class bias is far from over, and that it is

crucial to build a socialist presence and debate within the ANC itself. In this view building the SACP is secondary, and perhaps merely a distraction from the main task.

This is an extremely difficult dilemma, one with deep historical roots. Perhaps it is not possible to arrive at clear answers at this stage, but the debate must be started. Until it is resolved, the party will find it difficult to define a role for itself. But the congress made no attempt to discuss it. It simply reaffirmed the alliance and the role of communists inside the ANC, at the same time asserting the need to establish a more independent profile for the party.

Campaigns

Many activists feel that the key to building the party's profile is to launch party campaigns. The congress decided to launch two - one against hunger, homelessness, and lack of health care, and one for solidarity with Cuba. But the problem of the party's role will not be resolved simply by launching campaigns.

The campaign against poverty, for example, seems to lack focus. If the anti-VAT campaign showed anything, it was that a mass campaign must have clear demands, clear opponents and clear intentions. What would the intention of the SACP campaign be - to put pressure on the ANC? To bring demands to CODESA - which is not dealing with these issues? To

impact on the national economic negotiations - which are being driven by COSATU?

These questions point once again to the fundamental strategic dilemma facing the SACP: what is its independent role? What has it to offer which is not offered by the ANC or COSATU? This dilemma is sharpened when one realises that the most innovative element in the new manifesto - the discussion of the mixed economy and strategies to empower the working class - is virtually a carbon copy of strategies and policies developing within COSATU. COSATU is the major working class organisation with the capacity and resources both to mount mass struggle and to develop political and economic policy. What does this mean for the 'vanguard' role of the SACP?

The significance of the congress

At the level of ideology, the congress rejected the innovating positions of Slovo, Cronin and others, and reasserted the communist orthodoxy of the SACP. How significant is this? Is this a serious defeat for the innovating trend led by Joe Slovo? What are the prospects of bold new socialist thinking in the party?

The key innovators were re-elected to the central committee - Slovo unanimously as chairperson, Cronin with the highest number of votes. Hani supported the term 'democratic socialism'.



8th Congress - a fluid moment in the life of the SACP

Photo: Kentridge Mathabathe/New Nation

Slovo himself told a press conference that he did not see the result as a defeat for his views. On the contrary, delegates accepted the content of 'democratic socialism' (multi-party democracy, civil liberties) while rejecting the term; perhaps, he said, this was simply a defensive gesture.

Yet surely this defensiveness is highly significant. The majority of party activists have been schooled in orthodox communism. They easily responded to a core of hardline Marxist-Leninists, rejecting the questioning and more open-ended approach advocated by Slovo and others. The majority of delegates chose to cling to the dogmas of the past, and hope that these will carry them safely through the crisis. Perhaps one could not expect more from a party so burdened with a history of orthodox communism.

Yet there are many party activists who are trying to

grapple with the new questions. There is a new thirst for analysis and debate. Although neither the congress itself nor the manifesto adequately confronted the key questions, these are likely to emerge in party discussions and publications in the future.

Key issues facing the party

In my view, the party faces the following burning questions. If it is unable to lead debate on these issues it is unlikely to develop as a socialist force.

- What limits and possibilities are open for the ANC, and what is the role of the left in the ANC?
- What should the relationship be between a socialist party and the labour movement?
- Under conditions of multi-party democracy, how can socialists win a parliamentary majority? How can they use parliamentary power to transform society?

- What is the relation between building 'organs of popular power' and parliamentary politics?
- Can social-democratic type reforms lay the basis for socialism?
- What is 'democratic socialism'? What is a democratic socialist economy, and how can market and plan be integrated?

These questions require debate over strategy. They also require a theoretical critique of Marxism-Leninism, and a conceptual debate about civil society, power, the state, hegemony and social change.

The SACP - reviving socialism, or stifling it?

This is a fluid moment in the life of the SACP. The ideological positions adopted at the congress reflect the fact that there are a large number of hardline orthodox communists in the party, and the fact that most activists have been schooled in communist dogma. On the other hand, there is an unprecedented air of open debate and questioning. The innovators in the party leadership have been elected with enthusiastic support, even when their views were rejected. There is a strong presence of unionists in the party at all levels, and while this does not necessarily mean ideological renewal, it does introduce a culture of debate and organisational democracy.

The contradictions in the party's manifesto - and the contradiction between the

New SACP leadership

National officers

General Secretary:

Chris Hani (ANC NEC)

National Chairperson:

Joe Slovo (ANC NEC)

Deputy General Secretary:

Charles Nqakula

Deputy National Chairperson:

Raymond Mhlaba

Treasurer:

Kay Moonsamy

Central committee

(25 members)

Jeremy Cronin (ANC NEC)	407
Ronnie Kasrils (ANC NEC)	400
Chris Dlamini (COSATU)	392
Sydney Mufamadi (ANC NEC)	387
John Gomomo (COSATU)	385
John Nkadimeng (ANC NEC)	365
Billy Nair (ANC NEC)	361
Moses Mayekiso (COSATU)	350
Blade Nzimande	339
Harry Gwala	332
Sizakele Sigxashe	329
Essop Pahad	329
Geraldine Fraser-Moleketi	324
Raymond Suttner (ANC NEC)	321
Jenny Schreiner	291
Sam Shilowa (COSATU)	285
Tony Yengeni	283
January Masilela	276
Garth Strachan	267
Thenjiwe Mthintso	266
Stan Nkosi	258
Brian Bunting	258
Govan Mbeki (ANC NEC)	252
Matthew Makhalima	251
Nozizwe Madlala	248

[Figures show number of votes]

party's vitality and its dogmatism - are rooted in the history of the South African struggle. On the one hand there is a rich culture of mass

struggle and debate, rooted in the UDF and the labour movement, with an enormous range of tactical and strategic experience.

On the other hand, there is a strong tradition of orthodox communist dogma, which is like a straitjacket on critical thinking. This tradition carries with it a deeply-rooted culture of undemocratic practice and intolerance. There is a real danger that this tradition could prevent the party from catching up with history and debating the burning questions.

If the party is unable to cast aside this straitjacket and renew itself, it will have to face a tough question posed by many of its socialist critics both inside the labour movement and outside it, and both inside the party and outside it. That question is: has the party become an obstacle to the re-grouping of the left and the forging of a new socialist vision and strategy?

It is too early to judge this question. The next two or three years will show whether the vitality of the struggle or its dogmatism will dominate the SACP. Hopefully, the party will show itself able to forge a new role and contribute towards creative, bold socialist thought and practice.

If it does not, the most creative activists are likely to drift away from the party, and it will become increasingly marginal to political developments in South Africa. ☆



Democratic socialism: new path for the Workers' Party in Brazil

At its first national congress, held in December last year, the Workers' Party in Brazil adopted 'democratic socialism' as a new path, rejecting both 'actually existing socialism' and 'social democracy'. JOSE RICARDO RAMALHO* reports.

The concept of socialism itself was at stake in the recent First Congress of the Workers' Party (known as PT) in Brazil. Strongly critical of the model of 'actually existing socialism', now considered a failure, but also unwilling just to modify capitalism, the PT is searching for its own way, as a party of

the Left in a Third World country.

For the PT's president, Lula, "the Workers' Party must reaffirm socialism. Our party has the credibility to do that since it was born criticis-

ing 'actually existing socialism' and fighting for democratic freedom, trade union autonomy and a multi-party system. Socialism must be democracy, come what may; not only institutionally democratic, but also economically and socially democratic. Above all, to have socialism, we need al-

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ways to be flexible and able to criticise ourselves: to review mistakes and create ways for the people to participate in decision-making."

First Congress

The first congress of the Workers' Party took place in the industrial town of Sao Bernardo do Campo, birthplace of the PT in 1980 and part of the greater Sao Paulo conurbation, from 27 November until 1 December 1991. Organising the congress involved 400 people working for four months, at a cost of approximately 200 million cruzeiros (US\$200,000). The congress was attended by 1 240 delegates from all over the country, as well as 400 special guests, including foreign visitors, who all came to discuss the future of the most important left-wing party in Brazil.

Despite press predictions that the PT was abandoning radical proposals and moving towards the centre, most party leaders denied that the party is heading quickly towards social democracy. "Our poverty in Brazil is so serious, that it requires something stronger than social democracy," says Jose Dirceu, PT secretary general.

The party published 13 theses or proposals ahead of time, for discussion during the congress. All presented analyses and proposals about the international and national situation, socialism, the organisation of society and of the party. The theses reflected the different politi-

cal tendencies, each with different delegate strength in the congress. The majority tendency is called 'Articulation' and is led by Lula himself and Jair Meneguelli, the president of CUT (National Federation of Trade Unions). 'Articulation', considered to be the centre of the PT, controlled around 50% of the delegates in almost all ballots, and managed to get its proposal approved as the guide line for the debate, right from the start.

To the left and right of 'Articulation', other important tendencies fought each other and tried to get their amendments inserted into the text of the main proposal. 'Articulation' lined up most of the time with a group called 'New Left' (12% of the delegates), also attacked as the 'right' of the Workers' Party. The 'leftists' divided into three main groups: 'Socialist Force' (15%) and 'Socialist Democracy' (12%), both with a strong Marxist orientation, and 'Socialist Convergence' (7%), the main Trotskyist tendency inside the party.

A different kind of socialism

Articulation's discussion document, 'For a Democratic and Popular Brazil', presented an extensive analysis of the international situation, and made proposals about the kind of socialist party the PT should be.

On the new international economic order, the document says: "The Workers' Party is engaged in building

a new economic, political and ecological order, with a fundamental demand - the democratisation of power. We cannot have a new democratic order without the large participation of the poor countries of the southern hemisphere, and without the distribution of economic, political, technological and military power, concentrated in the hands of the rich countries."

Analysing the collapse of 'actually existing socialism', Articulation recognizes that "over decades, the regimes of actually existing socialism refused political participation and democracy to the people." The document comes out clearly against the experience of the dictatorship of the proletariat. It recalls that the Workers' Party has always rejected one-party political systems, state-run trade unions, forced statism in the economy, the exclusion of the people from the exercise of power, the elimination of opposition, and the predominance of the state or party over society or individuals.

The congress approved the Articulation document, as a fair description of the kind of socialism PT wants.

"Since it was founded, the Workers' Party has been trying to build, practically and theoretically, an alternative both to the so-called actually existing socialism and to social democracy. The Socialism that the PT struggles for, means freedom of opinion, demonstration,



Lula campaigns for the presidency in 1989

Photo: CEDI

the press, party and trade union organisation; where the mechanisms of representative democracy, free from the coercion by capital, can combine with forms of direct participation by the citizen in economic, political and social decision-making. The democratic socialism we aim for, established legitimisation by the majority of political power, respect for minorities and the possibility of alternatives in power.”

Rejecting ‘actually existing socialism’ inevitably led to speculation about social democracy. But Articulation denies anything of the sort: “The PT does not see social democracy either as a way of building socialism, or as a real alternative solution for

the problems of Brazilian society. The adoption of the deep structural reforms needed by the country, requires a radical break with the present economic, political and social order, which would be beyond the limits of the social democratic perspective.”

Strategy for transformation

The strategy approved by the congress to achieve socialism, was to contest social hegemony in order to produce a revolutionary transformation of Brazil. This means to conceive of political power as being built in the everyday struggles in the trade unions, inside the factory, in schools, in the countryside.

“We do not see the conquest of power as an ‘assault on the state’, but we also do not see socialism as emerging without struggles and big confrontations as the socialist forces and hegemonies increase in society.”

For the PT congress, the struggle for social hegemony cannot take place solely through economic struggle and popular pressure, nor can it be limited to activity in the institutions of the state.

“The PT actions as government today must be a decisive element in the building of our hegemony. That means to govern, to execute policies and to democratise the state, to stimulate participation and popular control, to interact with other social

classes, to really exercise hegemony, legitimated by the electorate."

The minority tendencies also put forward proposals for discussion. The New Left led by Jose Genoino Neto, who is also PT leader in the National Congress, spent weeks campaigning for its ideas throughout the country. In a newspaper article Genoino defines socialism as the radicalisation of democracy, condemning the dictatorship of the proletariat.

"We reject the idea of socialism as a perfect society. We see conflict, diversity and pluralism as human conditions. We value the expression and the democratic solution of differences and conflicts, assuming social and political pluralism."

Socialist Force and Socialist Democracy, which are considered to be the left wing of the party, reject both Stalinism and social democracy.

"Socialism for the Workers' Party should be a period of transition between capitalism and a classless society, humanistic and universal, and can only exist at world level," according to Socialist Force.

"It means a complex social formation, based on the process of social appropriation of the means of production under working class control, but articulated to the continuation, for a long period, of the market, other relations of production and private property, subordinated to a democratic plan."

For Socialist Democracy,

socialism means a revolutionary rupture with the existing order, and the foundation of a new state.

"This revolutionary rupture will count on the active participation of millions of workers and ... will derive its legitimacy from the majority of the population of the country, which would recognize the need for a revolution of the bourgeois establishment. The revolutionary rupture must minimise the need for violence. The revolutionaries have the responsibility to use violence only when it is legitimate in defence of the emergent power, and in preventing the violation of human rights."

For Socialist Convergence, the main Trotskyist group, the choice is "socialism or barbarity": "The objective conditions for revolutionary transformation of humanity are better than ever. And the social cost of the revolutionary way is very small compared to imperialist barbarity."

1980 - 1991: the transformation of the Workers' Party

The Workers' Party was launched in 1980. In eleven years of existence, the PT has achieved much. Its presence within political institutions has increased significantly.

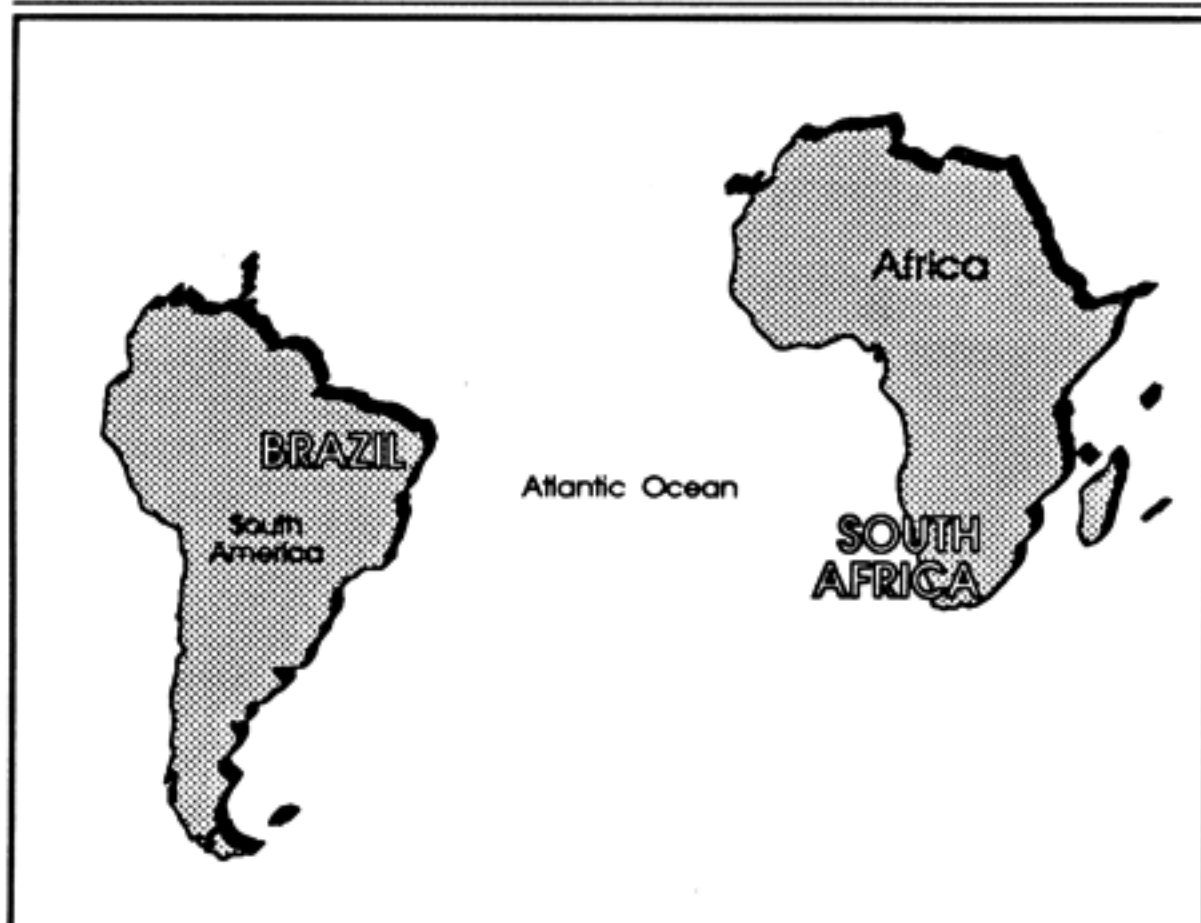
At national level, in the 1982 elections, eight PT deputies were elected; in 1986, there were 16, and the number has now reached 36. Of course, this is still a small number in an assembly of

503 deputies, but it is an extremely active group, attracting the support of the most progressive sectors of Brazilian society.

The Workers' Party performed impressively in the presidential polls of 1989, the most spectacular and active electoral campaign ever seen in the country; the abstentions were only 11.9%. The Workers' Party candidate, Lula, a metalworker from the industrial region of Sao Paulo, who is also president of the party, competed against 21 other candidates. In the first round of the elections he came second in 19 of the 27 states of the Brazilian Federation, and he won in the capital, Brasilia. In the second round he lost by only 4% of the total votes, with 31 million electors supporting him.

In 1988 the mayors of important cities, such as Sao Paulo, Porto Alegre, Campinas and Victoria, all in the rich and populous south eastern-region of the country, came from the Workers' Party.

The political responsibility involved in running these city administrations has made the party more realistic and pragmatic, and has influenced the discussion about political alliances with other parties. The First Congress decided that the changes needed in Brazilian society will require broad unity among progressive forces. "The Workers' Party does not want to own the truth; problems won't be solved only by the party," says Lula in his 'Manifesto to the mili-



tants'. The PT is in favour of a policy of co-operation with other forces in the Left, but without abandoning the main political lines of the party.

Institutional activity has to be used as a way of organising society ever more, says Lula. "This experience of administering big cities has already shown very positive aspects, such as the redeployment of investment towards social problems, a new morality in public administration, fighting corruption and opening space for popular participation."

Another aspect that has concerned the PT, and that the congress discussed, has to do with the organisation of the base. Lula insists the idea of a 'base nucleus' should be reactivated to guarantee the masses a chance to participate in politics, from the home or the workplace.* The congress also approved new rules for women's participation in the decision making

structures of the party. From now on, women should make up at least 30% at all levels.

The Workers' Party and the trade unions: a break with populism and corporatism

What then is important about this party? Is it another trade union party? The Workers' Party grew from the militant new unionism of the late 70s and 80s. This unionism broke with the traditional corporatist and populist unionism which had been established in the 1930s and which was closely tied to the state. The traditional left, ie the Brazilian Communist Party, worked within the bureaucracy of the official corporatist unions.

The military dictatorship, which ruled Brazil from 1964 to 1985, subordinated the country to the economic domination of foreign capital. In the industrial sector, the regime imposed a wage

squeeze on the workers, and the unions and their leaders were repressed.

In Brazil's most modern industrial sector, working class representative organisations began to emerge, built up on the shop floor by the factory movements. The shop stewards' committees, most of them functioning in secret, spread over the industrial areas of the country. Opposing corporatist trade unionism, the workers fought for the right to independent working class action, trying to break the strict legislation that joined the unions to the state.

After a period of fierce repression from 1968 to 1977, the workers started to defy the anti-strike law, undermining it by a wave of strikes that shook the country and established the freedom to strike and to demonstrate. Agreements with management were reached without the intervention of the Ministry of Labour. A solid, courageous and democratic form of trade unionism came into existence, in which the rank and file participated effectively.

The development of the workers' organisation in the countryside was somewhat different. There was not a long history of union organisation in the countryside. During the military dictatorship new leaders emerged from movements engaging in land struggle. They rejected the caution of the traditional unionists.

* The base nucleus is the basic unit of the party in the workplace or community

Participation, rank-and-file organisation and democratisation became key concepts placing the new rural trade unionists in opposition to the traditional ones. The proponents of these new concepts eventually joined up with the advanced industrial workers' organisation, who held similar principles.

The gap between the 'old' and the 'new' trade unionism became clear when CUT was created in 1983. Representatives of the 'old' generation of rural leaders excluded themselves from it and committed themselves to CONCLAT (National Federation of the Working Classes), the organisation of the traditional trade unionism.

CUT and the Workers' Party

The new trade unionism, organised around CUT, united a variety of workers spread all over the country. They fought for a national minimum wage, for the end of the wage squeeze, for job security and for freedom of trade union and factory committee organisation. These demands, made under CUT leadership, combined with the claim for agrarian reform to form a single struggle for social and political rights.

But this was still not enough. The new trade union movement raised the need for broader political representation for the workers to be recognised as independent political actors. It was in this context that the Workers' Party was born.

The intention was to gather people together from all the progressive political forces of the country. To do this, different sectors of the working class, such as those involved in industrial struggles, in land struggles in the countryside, and in the Catholic-led fight for better living conditions in the cities - all merged with human rights organisations, socialist intellectual groupings, and the left wing of the opposition party of the moment, the MDB. It also gathered left intellectuals who broke with the Brazilian Communist Party because of its centralism and bureaucratism. Having to incorporate people from such a wide spectrum, the emerging Workers' Party kept away from the traditional left forms of organisation. The PT strongly rejected centralism and Stalinism and, whenever signs of them appeared in the party, they were quickly attacked.

This is why, although trade union leaders constituted a powerful section within the Workers' Party, this never resulted in the constitution of a trade union party in the usual sense. The party criticised the populist and legalist heritage of the dictatorship, as well as the centralism and authoritarianism of the traditional left. Democracy and participation became the main watchwords in the moulding of the party.

The Workers' Party represented a completely new element in the line-up of political forces that emerged in the reform of 1979. Most political parties in Brazil were

initiatives of the dominant classes and thus reflected various statist strategies. By contrast, the Workers' Party sought to establish its structure from the base nuclei, benefiting from the trade union and grassroots movements' experience of democratic practice throughout the 1970s. With its origins in extra-parliamentary politics, the Workers' Party has placed the Brazilian working class firmly inside the political system. While struggling for political representation in the National Assembly or Congress, and in local government, the Workers' Party still gives priority to its links with the social movements. It has provided an opportunity for political expression to various kinds of social movements (the women's movements, cultural minorities, environmentalists) without losing its identity as a party linked to the struggles of the working class.

The role of the Workers' Party in Brazil today

The Workers' Party is today the only significant opposition to the government led by President Fernando Collor. Although its own left wing accuses it of moving towards the centre, especially after the party's electoral successes, the truth is that the PT remains essential to the articulation of working class demands. Workers from the cities and from the countryside still have a party fighting for social reforms, for a democratic civil society and for a state controlled by the whole society.

A survey during the First Congress showed that the working class is still far from providing a majority of the militants of the party. Some 705 of the delegates had been to university, and most of them had an income at least three times greater than the minimum wage. This leads some to argue that the Workers' Party is still a middle class party.

But although middle class militants are very active in the PT, the organized working class of Sao Paulo, Rio de Janeiro and Minas Gerais is also active in the party. The fact remains that the Workers' Party appeals to a working class constituency which other parties have never properly reached.

Democracy in Brazil today is not only about free elections and party representation in the congress, but also a constant struggle to overcome the misery in which 40 million of the population live. This fact cannot be separated from the struggle for freedom of organisation and safety for trade union leaders, often persecuted and even killed, especially in the countryside. The Workers' Party has been and remains a fundamental organisation in the fight to meet the people's basic needs in Brazil - for a decent standard of living for the poor in the cities, for the day-labourers in the countryside, for the Indians who are denied access to their natural resources. ☆

Congress of CUT-Brazil: new challenges bring deep divisions

The major trade union federation in Brazil, CUT, faces similar challenges to the South African labour movement: the need to revive shopfloor structures, defining the role of trade unions in a new democracy, debating social contracts and socialism. Their recent congress showed sharp division. ADHEMAR S MINEIRO* and SERGIO FERREIRA** report.

CUT, Brazil's biggest and most militant national workers' confederation, held its fourth National Congress in September 1991 in Sao Paulo. CUT has grown tremendously since its last congress in 1988. Then CUT had 450 affiliated unions. By 1991 this had increased to 1 679 unions, representing more than 15 million workers.

On the other hand, the congress was marked by deep

divisions between two almost equal blocks of delegates. These divisions expressed not only a struggle for power, but also important doubts about the future direction of CUT (see also Ferreira, Sergio, 1991).

It is very difficult to understand what happened in Sao Paulo without understanding the history of CUT, and the impact of rapid changes in the world and in Brazil.

* *Economist and IBASE researcher. Also Vice-President of the Economists Union of Rio de Janeiro, and delegate to the 4th CUT National Congress.*

** *IBASE researcher on trade unions*

Changing Brazil, changing world

CUT was built in the last years of the military dictatorship in Brazil, in a world still dominated by the Cold War division between East and West. The confederation organised workers in a new way in Brazilian history. CUT describes itself as a class-conscious union, open to workers' participation, democratic, pluralist, unitary and representative, independent and autonomous of the state and the political parties, and organised by its rank and file from the workplace (see p 76ff).

Brazil faced a national process of transition from dictatorship to democracy in the mid-80s. Finally a new constitution was adopted in 1988, and in 1989 the first direct elections since 1960 for the president of the country were held. CUT was a very active protagonist in the struggle for democracy.

Internationally, the post-war order of two antagonistic blocks, one socialist and one capitalist, was replaced by a new reality. Japan, USA-Canada and "United Europe" compete for leadership among the rich, while there is also an enormous contrast between wealth and poverty, North and South.

This period also saw the crisis in East Europe of what is called "existing socialism". As one of the principles of CUT is the struggle for socialism, although CUT always held strong criticisms on "existing socialism" (for instance CUT supported Solidarnosc in Po-

land), the new reality obliged the confederation to face a new and essential discussion on this issue.

Questions

The congress faced many questions. How should CUT relate to a new government directly elected by the people? Though conservative, it was no longer a military dictatorship or a "transitional government" negotiated with some sectors of the military and the former dictatorship. Should all negotiation with this new government be considered "class conciliation"?

Can CUT's programme, which includes increasing wages, the non-payment of Brazil's external debt, redistribution of wealth and land reform, be called "reformist"? If so, can this "reformism" lead to revolution? Reforms or revolution, or reforms and revolution? Old debates in the left kept on reappearing in discussion of new problems at the Congress.

Do the changes in the international order also change the reality of the international workers' confederations? Should CUT affiliate to ICFTU, which in the past indirectly collaborated with the military in Brazil through its Latin-American branch (ORIT), under the influence of USA AFL-CIO?

Organisational problems

On the other hand, the economic crisis has undermined the relations between the leadership of the unions and the workers they represent.

Many of the experienced leaders, formed in the last ten years, have now assumed regional and national tasks inside CUT. Others play active roles in political parties, or were elected to local, regional or national parliaments. They have become distant from their original constituencies.

Many of the grassroots structures of the workers (the local commissions, or shop steward committees) have collapsed during the crisis, due to unemployment or employers victimisation of union leaders. Many activists abandoned their work, looking for new jobs and survival. All these problems have caused some breakdown in the regular channels of contact between rank and file and leadership of the trade-union movement. This is seen as especially serious for CUT, which aims to organise workers with a new conception of democratic participation.

Moreover, the crisis has affected the private sector of the economy more seriously. Public employees have many legal defences against unemployment, and have acquired the right to organise under the new constitution. This has increased the proportional weight of the public sector delegates at the CUT congress. This is also the sector most actively fighting the government, because of official policies to reduce employees and to privatise enterprises. It is also the sector where the so-called "leftists" have grouped in op-

position to the majority of the leadership of CUT.

Two blocks

Those are perhaps some important elements to understand the strong division among CUT delegates in Sao Paulo. The Congress was basically divided into two big blocks of delegates. The first one, with just over half the delegates, was led by the group 'Articulacao Sindical' (Unionist Articulation). This group is in a majority in the leadership of CUT, and has close relations also with the majority in PT (Workers' Party), including Lula (the president of PT) and Jair Meneghelli, president of CUT.

The second block consists of various groups, some of them very small. The main groups in this "opposition" block were called

- 'CUT pela Base' (CUT by and for the Rank and File) - itself a gathering of other groups, and the second political force inside CUT;
- 'Corrente Sindical Clas-sista (Class Unionist Current) - the union wing of the Partido Comunista do Brazil (Communist Party of Brazil), pro-Albania until 1990;
- 'Convergencia Socialist' (Socialist convergence) - one of the Trotskyist groups organised inside CUT, and also participating inside PT.

This division began more than a year before with the discussion of how a union like CUT should behave under a government which is elected but conservative.



CUT on the march in 1988

Photo: J R Ripper

CUT involved itself strongly in the presidential election at the end of 1989. The defeat of Lula demoralised CUT activists, especially during the first quarter of 1990.

Negotiating a 'social agreement'

Searching for a response to this new situation, the 'Articulacao Sindical' majority in the CUT leadership proposed that the time was ripe to abandon the phase of only resisting and making demands. It was time to pass to a new phase of affirmative policies on social and economic affairs. The rest of the leadership,

representing all the other tendencies in CUT, insisted that to formulate practical policies would mean respecting and accepting the limits imposed by capitalism, and this could not be called anything except 'class conciliation'. This was unacceptable and against CUT principles.

However, participation in negotiations with the Collor government, which happened in September 1990, was approved by the CUT leadership structures. The other groups in the leadership did not approve the decision. They accused the majority of violating a deci-

sion of the 3rd Congress and participating in a kind of 'social agreement' (or 'social contract').

This new situation forced CUT to face two questions. Firstly, the limits of negotiations, and what was called 'social agreement', with a conservative government. Secondly, the problem of democracy in discussion but unity in action, and the compromise all members of leadership structures must make once a decision is made. This led to a strong polemic on democracy inside the union.

The united mobilisation of a general strike at the end of May 1991 did not end this heated polemic. The opposition groups put forward a thesis that all the points supported by 'Articulacao Sindical' were a final confirmation that this group is for 'reformism' and the bureaucratization of the unions. On the other hand, part of 'Articulacao Sindical' insisted on treating almost all the opposition groups as 'ultra-leftist' and lunatics, having no real proposals to deal with a very complicated conjuncture.

Elections and democracy

Disputes over delegate elections and the regional meetings of CUT worsened the situation. Some regional meetings, where delegates to the National Congress are elected, were under suspicion of fraud. When the 4th Congress was finally opened, the first question to be discussed was whether to validate some regional meetings and the dele-

gates elected from them.

From this point, on the congress was definitely an emotional dispute. The deadlock on whether to apply the principle of "qualified proportionality" to the leadership structures of CUT symbolised the crisis in the organisation. The structure of CUT is very different to the structures of South African unions. CUT is a national confederation representing different professional categories at a national level (which includes local unions, regional unions, national unions, and "oppositional labour movements" that have not yet won elections in the local unions not affiliated to CUT). The national leadership, elected by delegates in the national congress, is elected on the basis of different slates which are presented in the congress representing different political platforms.

The method established in the 3rd Congress was to divide the seats according to the proportion of votes. That means, if 'Articulacao Sindical' has 50% of the total votes, it chooses half of the seats; if 'CUT pela Base' has 30%, it chooses the next 30% of seats, and so on. But in the 4th Congress, the group opposed to 'Articulacao Sindical' proposed a new principle of "qualified proportionality". This means that the proportionality is not only applied to the total of seats, but also to the order of choosing them.

For example, if the block led by 'Articulacao Sindical' has 52% of votes, and the op-

position 48%, the majority block chooses the first seat (eg the president), the opposition the second seat (general secretary, for instance), the majority the third, the opposition the fourth and so on. 'Qualified proportionality' obviously divides the power more equally between the political forces participating in the leadership. But it requires very strong political compromise to operate well.

What way forward?

There was deadlock on introducing "qualified proportionality". Because of their complexity, many important decisions (related to internal restructuring of CUT, and to the question of international affiliation to ICFTU) were postponed to a National Plenary (the second level of decision-making inside CUT) in the mid-1992. The essence of the thesis of 'Articulacao Sindical' was approved, but maybe half of CUT was not convinced about it.

In the end, the 4th Congress showed clearly the difficulties experienced by delegates and national leaders in dealing with questions of democracy, relations with the state, socialism, development, and internal structures. And particularly, the difficulty of dealing with the differences among them. World changes, the evolution of Brazil's economic crisis and political process, and the short eight years of CUT's existence may perhaps explain some of these difficulties. The question now is how to overcome them. ☆

Taking up the debate stimulated by Joe Slovo's "Has Socialism Failed", ALAN FINE argues that it is not "democratic socialism" but social democracy that South Africa needs ... and is already beginning to implement.

The extensive debate on the history and future of socialism that has occurred, since the publication of Joe Slovo's "Has Socialism Failed?" in February 1990, has focused almost exclusively on political questions (see *Labour Bulletin* Vol 14 No 6, Vol 15 Nos 3 and 7).



ment to civil liberties the logical conclusions about socialist economics. The reason for their silence lies, it would seem, in the fact that a commitment to civil liberties requires a fundamental revision of socialist economic thought by those who call themselves democratic social-

Democratic socialism or social democracy?

The debate hinges on

- the extent to which (if at all) the absence of democratic political structures and practices contributed to the collapse of eastern bloc socialist regimes, and
- whether future forms of socialism in South Africa and elsewhere are sustainable if not based on traditional liberal democratic political systems, including multiparty elections and safeguards for individual human rights.

But participants in the debate have been conspicuously silent about drawing from this commit-

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ists. This article does not attempt to engage with those - like Harry Gwala and David Kitson for example - who reject the idea that there is a need to democratise socialism. As will become apparent, this article also disputes the majority SACP view that socialism is inherently democratic.

It is not only political theory which demands the transformation of socialist economic thought. Any attempt seriously to get to grips with the potential and limits of economic transformation in South Africa leads to the conclusion that the

most realistic goal is far closer to the system traditionally described as social democracy, than to any form of socialism compatible with orthodox Marxist thought.

Arguments for democratic socialism

In his paper Slovo eloquently spelled out a set of political goals and the means for achieving them: "A post-apartheid state which will guarantee all citizens the basic rights and freedoms of organisation, speech, thought, press, movement, residence, conscience and religion; full trade union rights for all workers including the right to strike, and one person one vote in free democratic elections... Because experience has shown that an institutionalised one-party state has a strong propensity for authoritarianism, a multi-party post-apartheid democracy, both in the national democratic and socialist phases, is desirable."

Having stated this, it is insufficient for Slovo (and many others, including non-SACP socialists, like Pallo Jordan, and socialists formerly hostile to the SACP who are now members, such as Moses Mayekiso), to argue that socialism did not fail but was distorted by the (undemocratic) methods used to implement it. None attempt to debate whether "democratic socialism" can be attained through democratic means.

In his conclusion, Slovo

spelled out four broad fundamentals of socialism as he sees it:

- "Humankind can never attain real freedom until a society has been built in which no person has the freedom to exploit another person;
- the bulk of humanity's resources will never be used for the good of humanity until they are in public ownership and under democratic control;
- the ultimate aim of socialism, to eliminate all class inequalities, occupies a prime place in the body of civilised ethics even before Marx;
- the all-round development of the individual ... can only find expression in a society which dedicates itself to people rather than profit."

Questions

What he and other democratic socialists now have to do (if they are to merit the label 'democratic') is to examine these fundamentals and ask whether they can be attained democratically.

The most basic question is: How is the "bulk of humanity's resources" to be brought into public ownership while simultaneously retaining multiparty democracy? Can democratic socialists explain how relations of production are to be altered without resort by the state to the full might of its security apparatus - the resources of the 'dictatorship of the proletariat', a concept

glibly abandoned by the SACP, among others?

How would a hypothetical elected SACP government convince the owners of productive property to hand over their assets? Will the owners yield merely because the majority of voters has voted that they should? Or will they be convinced that it would be in the national interest? Most unlikely.

Alternatively, will they be offered 'fair compensation' for these productive assets? This may be a possibility if the target is only a small part of the country's productive capacity. It could be argued that certain strategic state-owned enterprises are necessary to the process of economic development. But that is a far cry from Marxist socialism.

The same question applies, obviously, to other basics of socialism. The Marxist concept is that wage labour is, by definition, exploitative, and that class struggle can and must be resolved by total victory over and elimination of the capitalist class. Democratic socialists have a duty to explain how this is to be achieved through the liberal political structures and instruments outlined by Slovo and others.

It is true - to return to Slovo's third and fourth points - that class inequalities (not to mention society as a whole) came closest to elimination in a place like Cambodia. But democratic methods were abandoned, to

put it mildly, and society left little room for the "all-round development of the individual".

Debating socialism for South Africa

The most methodical attempt so far to begin debating socialist economic structures for a future South Africa has been carried out by Rob Davies (*African Communist*/2nd Quarter 1991), in which he criticises Eastern Bloc (and Yugoslav) economic structures and suggests adjustments which would be advisable in SA.

In brief, he argues that :

1. Socialisation means far more than state ownership of the means of production. It "implies social processes in which working people assume powers of economic ownership....the power to organise and control the actual labour process".

2. More attention must be given to the establishment of co-operatives and other forms of "collective production."

3. There must be a greater say for organs of civil society. He makes a criticism of centralised economic planning.

4. Since socialism is but a transitional stage between capitalism and communism, there is no need to abolish markets. Rather, interventions by the state and other organisations like unions can be used to influence markets.

Further questions

That, for Davies, is an outline of our socialist future, a

future which itself is merely a step towards a higher goal. There is just one problem. He has spelled out, in more detail than any other South African democratic socialist, ideas about socialist economic structures. However, he too has not attempted to explain how the transition to socialism - including the nationalisation and/or socialisation of property - can occur through the use of democratic political instruments, assuming he believes this to be desirable.

Furthermore, socialism is not a precondition for the establishment of co-operatives. Many in SA came into existence under the most repressive phase of National Party rule. Their long term viability depends now, as in future, on whether they are able to compete with other parts of the private sector.

And interventions in the market by governments, labour organisations and other elements of civil society are common to any market economy - not just transitional socialist ones.

Would it be tendentious to assume that it is slowly beginning to dawn on those socialists who are serious about their commitment to democracy that there are no satisfactory answers to these questions, and that the only way for them to remain socialists is drastically to transform the very meaning of the term?

This is all quite apart from the fundamental economic questions related to the sus-

tainability of a Marxist socialist national economy (whether democratic or otherwise) in a modern, high tech, competitive international economy.

The question becomes even more stark when the inevitable destabilisation of the economy and society that accompanies socialist transformation is brought into the equation.

Even though it is difficult to jettison the faith of a lifetime, the germs of this transformation are there. Davies himself, while continuing to pay homage to a reformed form of socialism, also takes a look at the real world and asks what is to be done in the "immediate post apartheid period" when the emphasis will be on the national democratic struggle. He talks of

- redistribution and the provision of basic social needs for the poor;
- the acceptance, even in broader society, of an effective though limited state sector;
- workers' right to organise, and the establishment of democratic decision-making bodies to deal with aspects of economic policy at various levels.

Social democratic project in SA

Strangely enough, these tentative suggestions are wholly compatible with what one could call - dare one say it? - a social democratic project. Even more strange is the fact that this entire agenda is

already in operation. Large parts of it have been a focus of the work, particularly, of organised labour, and also of community organisations, since the second half of the eighties.

The entire Labour Relations Act issue, culminating in the tripartite agreement of September 1990, was just the most dramatic sign of the emergence of a more democratic economic system. A critical part of that agreement was the undertaking by parties to it to establish a forum where all labour issues could be negotiated (see Geoff Schreiner - 'Restructuring the NMC', *SA Labour Bulletin*, July/August 1991).

While it may take time, there is little doubt that this body (or a mutually acceptable substitute) will eventually become the forum for negotiations on economic strategy in its broadest sense. The establishment of an economic negotiating forum, as demanded by COSATU, is now merely a matter of time. It has the support of influential sections of organised business and even of some cabinet ministers. Details over appropriate participants and structures are the issues still to be negotiated.

One weighty question that all parties still have seriously to confront is : who will represent the interests of the unorganised, largely unemployed, marginalised members of society? This aside, though, redistribution questions are already being addressed through, for

example, the Independent Development Trust, and the Development Bank.

Once an interim government and an economic negotiating forum are established, any shortcomings in consultation and accountability in the operations of these projects can be addressed, and new ones established if and where this is considered necessary.

Advances

At a less centralised level, debate and negotiation on micro economic issues are almost as old as modern day trade unionism itself. The early nineties have, however, seen substantial advances and more are promised. Last year's job security and training agreements in the metal and motor sectors, and the social and union rights agreement in the mining industry are examples.

The recent clothing and textile sector agreement on industrial policy, in which the South African Clothing and Textile Workers Union played a central role, is another highly sophisticated example of the potential that exists for labour's participation in schemes designed to enhance economic growth and job creation.

Bilateral agreements of this sort are not the limit of what can be achieved in a social democracy, of course. Worker participation in the firm's decision making can occur through decentralised agreement or it can be legislated for. This is the meaning

of the term 'worker control' in these circumstances - as close to 'socialisation' of the means of production that social democracy can achieve.

It is a lot less than traditional socialists would want. It assumes the continued existence of the private sector. It certainly does not mean the end of conflict between management and labour. In the most advanced social democracies - where there is an underlying acceptance of the status quo - industrial and social conflict is fought out over complex shifts in balances of power and advantage, either through mass mobilisation, the legal system or the legislature, or a combination of these.

South African socialists have, at this stage, given the absence of any credible socialist model anywhere in the world, little realistic option but to pursue, in the short to medium term, what amounts to a social democratic agenda. As much of the eighties in Europe - as well as recent events in Sweden - show, social democracy itself has to undergo a serious re-examination of its priorities, limits and goals.

The irony is that - as the experience of western and northern Europe shows - the more comprehensively these goals are achieved, the more will wither on the vine of improved quality of life the revolutionary consciousness of the working class on which the socialist revolution depends. ☆

Compensation for accidents and diseases at work

by PAUL BENJAMIN of the
Centre for Applied Legal Studies (CALs)

The Workmens' Compensation Act* provides for the compensation of workers who are injured in accidents at work or who suffer from occupational diseases. It also provides for the compensation of the families of workers who are killed in accidents at work or die from occupational illnesses.

Compensation is paid for all workplace illnesses and injuries regardless of whether the employer or anybody else caused the accident through their negligence. The Act stops workers from suing their employers for damages. Compensation is paid from the Accident Fund to which employers contribute.

The employers' contribution to the Accident Fund depends on the industry in which they are engaged; dangerous industries pay higher contributions than less dangerous industries. If a company has a very bad accident record, its contribution can be increased by the Workmens' Compensation Commissioner. However, in practice, this is seldom done.

Who and what is covered?

The Act covers most categories of

employees. The major exceptions are domestic workers.

In addition, employees earning in excess of R42 000 per year are excluded. This figure is increased from time to time.

A worker who is injured at work is supposed to report the accident to the employer. Even if the worker does not report the accident, the employer must report all accidents that it is aware of to the Workmens' Compensation Commission. The employer must also supply the Commissioner with details of the employee's earnings so that these can be used to calculate the compensation.

The Act covers :

- **Temporary disability**

Workers who are unable to work for a period because of occupational illness or injury are classified as being "temporarily totally" disabled. While they cannot work, they can receive compensation equivalent to 75% of their wages up to maximum earnings of R2 500. In other words, the highest compensation they can receive is R1 875 per month.

* Although the Act refers to "workmen", it covers workers of both sexes - hopefully this sexist language will soon be removed from the statute

● Permanent disability

Workers who suffer a permanent injury or disability receive compensation either in the form of a lump sum or as a pension. This depends upon the severity of the injury. The Act contains a Schedule which classifies injuries giving them a percentage disability. Examples of this classification are :

- Total paralysis 100%
- Loss of leg (at hip) 70%
- Loss of hand and wrist 50%
- Loss of sight of one eye 30%
- Loss of thumb 25%
- Loss of all toes 15%
- Loss of little finger 4%

Workers whose permanent injury is assessed at 30% receive a single lump sum payment equal to 15 times their monthly wage. Where the injury is less than 30%, the lump sum is reduced proportionately.

Where the disability is rated at 100%, the worker will receive a pension equivalent to 75% of his or her monthly wages. In a situation where the assessment of the injury is less than 100%, but greater than 30%, the pension will be reduced proportionately.

● Death at work

Pensions are also paid to the dependants of workers killed in accidents. The maximum pension that the family can receive is 75% of the employees earnings at the time of the accident. Of this pension 40% is given to the widow and 20% to a maximum of three children up to the age of 18.

Problems

The major problem with pen-

sions is that they do not increase at anything near the rate of inflation. Up until the start of the 1980s pensions were not increased. During the 1980s, pensions paid to permanently disabled workers and dependants of workers killed in accidents increased at roughly 5% per year although inflation was closer to 15%.

The problem with the compensation of permanently injured workers is that many workers whose injuries are assessed at being well below 100% will not be able to obtain further employment. For instance, a manual worker who loses his hand at the wrist is unlikely to get further employment and his pension will only be 37,5% of his wages at the time of the accident. In addition, many workers who do not even qualify for pensions may find that their injury is so severe that they are unable to obtain new employment.

Civil claims

The Act prevents workers from bringing civil claims against their employers but they can claim increased compensation if they can prove that the accident was due to the negligence of their employer. If this is proved, the Commissioner can award them compensation up to their full financial loss. In the 1980s trade unions made extensive use of this provision. Claims must be made within two years of the accident.

It is important to remember that the Act only prohibits civil actions against employers. It does not prevent actions being brought against co-employees

such as supervisors who may have caused an accident, or against other third parties such as the manufacturers or suppliers of equipment that may have been defective and caused the accident.

Medical Aid

The Commissioner will pay for the medical treatment of workers who are injured in accidents for a period of two years after the accident provided the treatment is for an injury received at work. After the two year period, the Commissioner may continue to pay for further medical treatment.

Occupational diseases

The compensation of workers who suffer from occupational diseases is more difficult than the compensation for accidents. This is because it can be very difficult to determine with certainty whether an illness was caused by exposure to a substance at work or not. For instance, one well known occupational disease is occupational asthma. This has identical symptoms to ordinary asthma and it is very difficult to show that the workers asthma was caused by his/her working environment.

The Act contains a list of 16 scheduled diseases. These include diseases caused by exposure to substances such as cyanide, lead and mercury, skin diseases, and lung diseases such as byssinosis (caused by inhaling cotton dust) and asbestosis and mesothelioma (both caused by inhaling asbestos fibres). Where a worker suffers from a listed occupational disease and was employed in an environ-

ment listed in the schedule within the last two years, it is presumed that the disease was caused by his working environment. If this is not the case, the worker will have to prove that the illness was caused by exposure at work.

Calculating compensation

The compensation that workers receive is based on their earnings. The Act defines earnings as including an employees' cash wage, the value of any food and accommodation supplied to the worker by the employer as well as overtime payments or other earnings that are earned regularly or constantly. The Act excludes payment for irregular overtime or casual payments, special payments made to the worker on account of the nature of his or her work and any ex-gratia payments.

Earnings therefore include regular bonuses, shift allowances and similar payments. It can be argued that earnings should also include a range of items that do not actually go into the employees pay packet such as an employers contribution to a medical aid fund or a provident pension fund, the value of free medical services received or transport supplied by the employer.

How could unions take up issues of compensation?

1. Because compensation is regulated by a statute, many trade unions do not believe it is an issue that should be taken up in collective bargaining. However, there is nothing to prevent unions making demands upon employers that

would improve the compensation workers receive. One obvious demand would be that workers would receive their full wages while they are temporarily disabled. In other words, the employer would pay the difference between the 75% compensation and the worker's wages.

Another demand that could be made is that the employer should pay the worker his or her compensation immediately so that the worker does not need to wait to receive the compensation from the Commissioner.

Demands could also be made to improve the position of permanently injured workers or the families of workers killed in accidents. The employers could "top up" the pension received by bringing it to the level of the employees' earnings or by paying an amount that would ensure that the pension rises in line with inflation.

2. Trade unions, either through in the form of shop stewards or safety stewards play no role in monitoring whether an employer is complying with the Act. A demand that would allow union representatives to fulfil this function would be for the employer to let the shop steward committee have copies of all reports of accidents as well as all other compensation forms filled in. This would allow the committee to ensure that all accidents are reported and that the details of the employees earnings' supplied by the employer reflect the full earnings.

3. Where the union believes an accident may have been caused by the negligence of

management, they can arrange for a claim for additional compensation to be lodged. Where they believe the accident may have been caused by the negligence of somebody other than the employer, they would refer the matter to lawyers to investigate whether a civil claim could be instituted.

4. The union could check to see whether the compensation received is calculated correctly and based on the employees full earnings. If this is not done, an objection can be made against the award of compensation. This must be done within 60 days of the award of compensation.

If more than 60 days has passed since the award of compensation is made, the worker can ask for the compensation to be revised if it is incorrectly calculated or based on earnings that are less than his or her full earnings. If the Commissioner refuses to revise the compensation, an objection can be lodged.

These are all strategies to make more effective use of the present Act. However, it is also important that unions campaign for better accident compensation legislation. The Workmen's Compensation Act is currently being re-drafted by the Government and it is expected that it will be debated next year on the National Manpower Commission. Now is the time for unions to formulate demands for an accident compensation act that provides fairer and better compensation for injured and ill workers as well as the families of the victims of fatal accidents of diseases. ☆

Economic Notes

Economic Notes is supplied by Labour Research Service (LRS), Cape Town

Artisans' increases behind labourers, but beat inflation

The average wage increase for artisans between July 1990 and June 1991 was 17,4%. While this wage increase beat the inflation rate for that period, it was lower than the 20,7% average wage increase for labourers.

These are the results of the Labour Research Service's latest review of artisans' wages. A total of 98 artisans' wages were surveyed from AWARD, the Labour Research Service's Actual Wage

Rates Database.

Altogether, 63% of the sample won increases above the inflation rate of 14,5% for the survey period. But these increases are spread over a large range from 14,6% up to 50%.

Of the sectors surveyed, only the metal products sector settled below 14,5%. Artisans in this sector won an average increase of 14,2%. The highest average increases were won by artisans in the iron and steel sector. There, artisans secured an increase of 19,6%, on average. The building products sector was not too far behind, settling for an average increase of 18,6%.

Artisans' wages too are widely distributed. At one extreme of the

Harmonisation of working conditions

In most companies, workers are divided into "staff" and "workers". Staff are generally white-collar workers who do administrative work. Workers are often called blue-collar workers, because they wear overalls.

But the colour of their collars is only a symbol. Working conditions often vary considerably. "Staff" normally have far better conditions than the workers. Management is often more lenient with the staff in the case of disciplinary offences, such as latecoming.

This issue is answered by "the harmonisation of working conditions". This demand means that white-collar staff and blue-collar workers should be treated the same. Here are some examples:

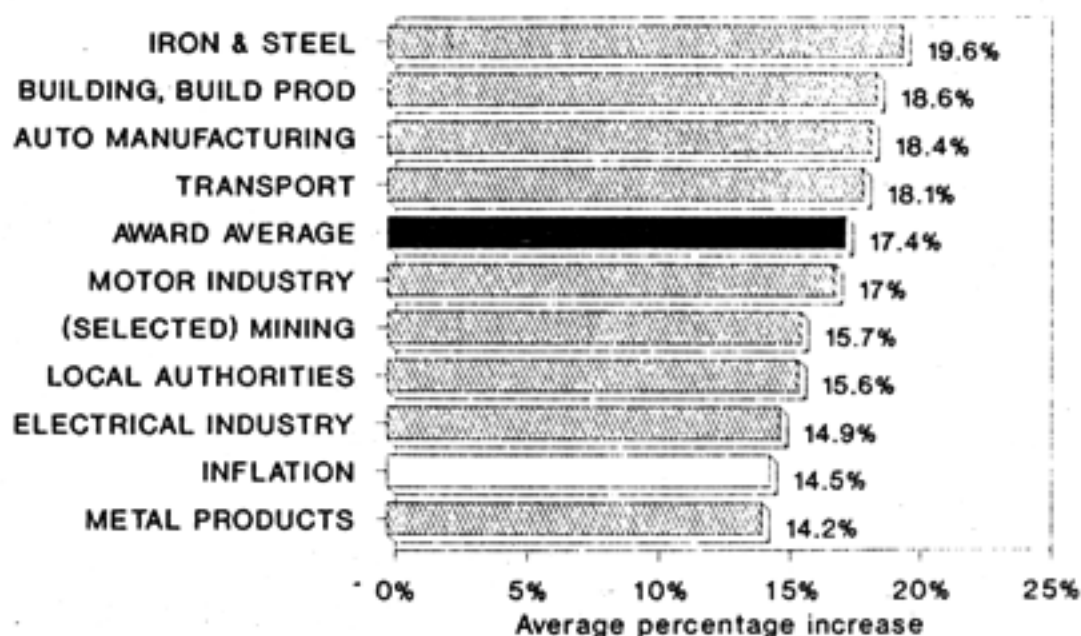
- everyone should clock in (from the managing director down), or no-one;
- there should be one canteen for everyone;
- everyone should get the same kind of overalls, and the same colour (from supervisor to cleaner);
- disciplinary rules should be the same for everyone, and applied the same;
- annual leave should be the same for all employees;
- hours of work should be the same;
- parking bays should be allocated according to service, not rank.

There will be other examples at your own factory.

Harmonisation of working conditions is a useful demand, especially in the era of the "social contract"! ♦

AVERAGE INCREASES

Iron & Steel secures the top increases



Labour Research Service 10/91

graph, only 2 companies pay artisans a rate below R5,00 per hour. These are Progress Furpile and Progress Knitting & Textiles, which pay artisans R4,60 and R4,59 per hour respectively. Both these factories are owned by Progress Industries Ltd, which is owned by the directors.

At the other end of the graph, only 6 companies pay artisans more than R13,51 per hour. The highest paid artisans work for Transwerk, the engineering division of

Transnet. There, they are paid R17,93 per hour or R807 per week, based on a 45 hour week.

Amongst these 6 companies are two municipalities, Johannesburg and Pretoria. Artisans working at these municipalities earn R15,98 and R14,07 per hour, respectively. These cities have large tax bases and so are able to pay high wages to their artisans.

Of the different artisan categories surveyed in this review, fitters are the highest

paid. They earn an average wage of R10,70 per hour or R482 per week, based on a 45 hour week. Electricians are the second highest paid at R10,63 per hour, on average.

The lowest paid artisans are in the building trade. They include bricklayers, carpenters and plumbers. They earn an average wage of R8,10 per hour or R365 per week, based on a 45 hour week.

The majority of building artisans in this survey fall under industrial councils which set minimum wage rates. Actually, the shortage of artisans and the demand for skilled labour result in artisans being paid higher wages than industrial council minimum wage rates. ♦

New SLL figures released: in real terms, a surprising decline

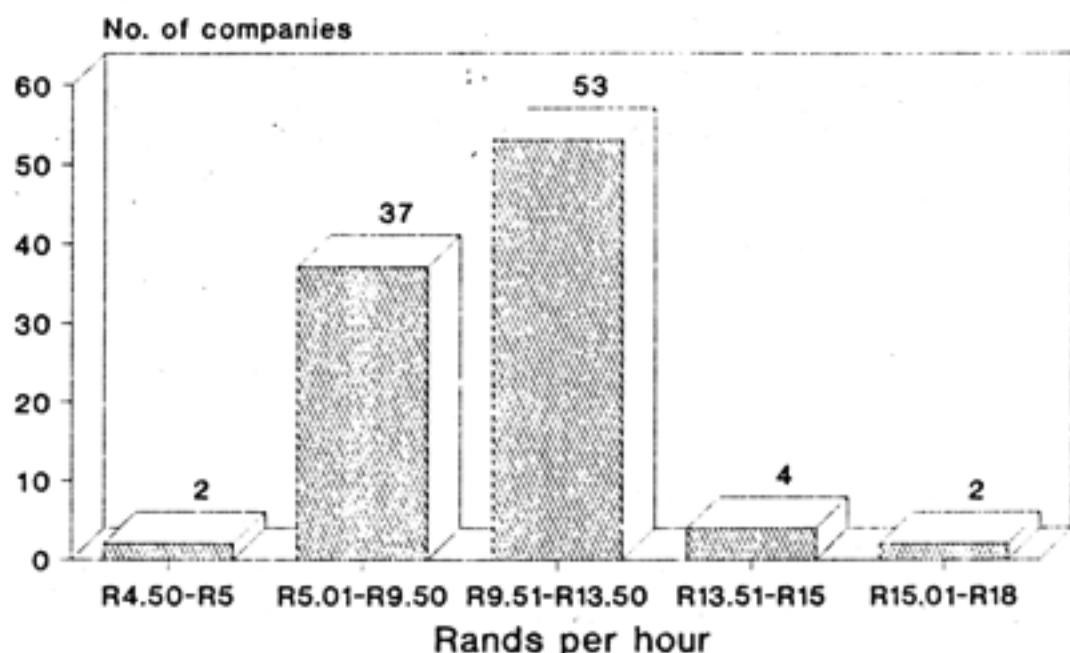
The Bureau of Market Research at Unisa have announced their latest figures for the Supplemented Living Levels. The average African family now needs R872,67 per month to enjoy "a modest, low-level standard of living".

That's R201,40 per week, or R4,48 per hour for a forty five hour week.

The Supplemented Living Level has increased by only 12,1% since 1990. Compared to the Consumer Price Index, that means a 3,1% decline in

DISTRIBUTION OF WAGES

Majority earn between R9.51 & R13.50



Labour Research Service 10/91

SLL (major centres)	Per month	Per week
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Durban	R986,75	R227,73
Pretoria	R926,05	R213,72
Cape Peninsula	R922,51	R212,90
Johannesburg	R842,98	R194,55
Port Elizabeth	R862,78	R199,12
Bloemfontein	R786,69	R181,33
South Africa	R872,67	R201,40

Source: Bureau for Economic Research

real terms. Why did the SLL go up by only 12,1% when the CPI went up by 15,6%? The CPI is supposed to measure the cost of living, and the SLL is supposed to do something very similar.

The main factor in the lower increase in the SLL is probably the continuing rent crisis in African townships. Rents in many areas have not been increased for some years. This may have brought down the overall cost of living in real terms. But just wait until VAT is covered in the next set of SLL figures! ♦

Company profile: Tollgate

Tollgate Holdings was changed from a road passenger transport company in 1988 to an industrial holding company in 1989 by buying interests in companies in food (Gants), textiles (Arwa), tourism (Entercor and Budget Rent-A-Car) and distribution (Norths).

A consortium headed by

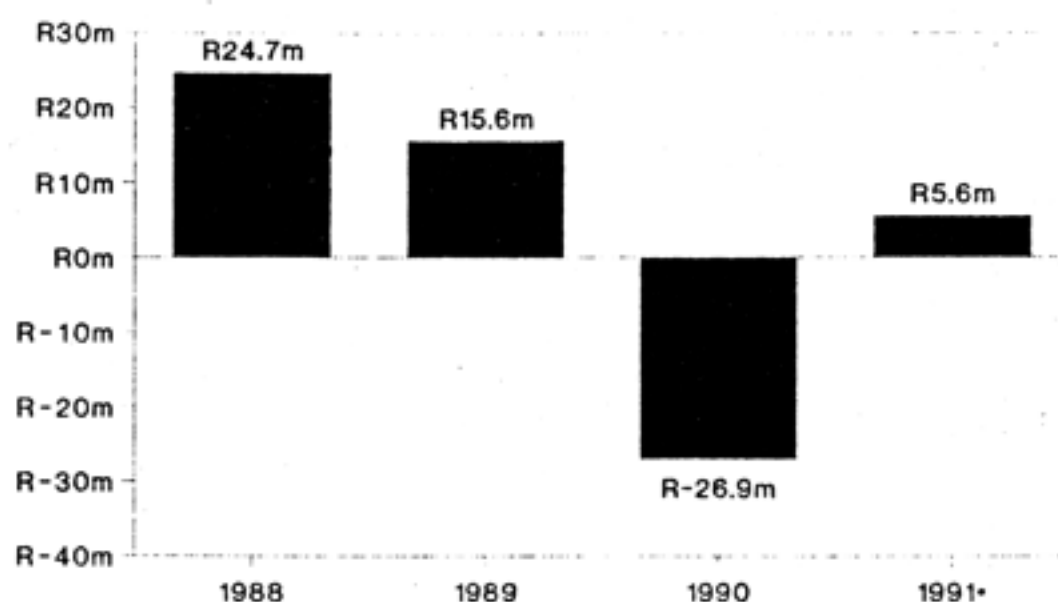
Mr Julian Askin took control of Tollgate in June 1990. His analysis of Tollgate was that it was overborrowed, inefficiently managed, totally lacking in strategic direction and suffering big losses in its subsidiaries. His solution was a ruthless rationalisation resulting in a 52,6% decrease in the group's workforce from 19 000 to 9 000. Reducing the group's debt was the main reason for selling off its subsidiaries.

While it is difficult to compare the group's profits with previous years because of its radical changes, Tollgate showed a profit in June 1991 for the first time since 1989.

But the Tramways division is profitable. "Our rationalisation of the group's commuter bus interests has returned this division to profitability but not, I believe, to levels of return on these considerable assets that are acceptable to the shareholders of a publicly-owned company" (*Chairman's statement, 1990 Annual Report*). The *Cape Times* (18 November 1991) reports that the group's passenger transportation subsidiary, City Tramways, will soon be sold.

According to *Financial Mail* (9 August 1991), selling City Tramways will reduce the group's debt to zero. City Tramways employs 2 200 workers and is responsible for the public bus transport in the Cape Town area. Mr Askin was clear that the group has no social responsibility: "It is not the proper task of Tollgate to operate efficiently a high-cost commuter division solely on the basis of providing an extensively regulated

TOLLGATE'S PROFIT BEFORE TAX Upturn in 1991



Labour Research Service 11/91

* at June 1991 annualized

social service against unregulated competition..." (Chairman's statement, 1990 Annual Report).

The "taxi war" in Cape Town has shown the importance of having an efficient public bus service. While Tollgate is negotiating with an undisclosed party, Askin has given the assurance that City Tramways will not sell off the buses as Putco did (Financial Mail, 9 August 1991). ♦

Striking back at unions: the blacklist

A service which offers to check the strike record of prospective workers has appeared in the Western Cape, reports the SA Labour News.

SR Investments claims to be able to run a strike check on future workers, through a centralised computer data base. Subscribers to this service will in return provide information on workers who have participated in strikes.

The strike check effectively creates a "blacklist" of workers who have taken part in industrial action, making their future employment prospects very difficult.

This service is seen as a way of possibly getting back at unions who use strikes as a weapon supporting "unrealistic demands". Denis Nel of SR Investments said: "We want to eliminate strikes.

Inflation

Consumer Price Index (1985=100)

Annual rate of inflation (% increase over 1 year)

Area	Nov 1991	Nov 90 - 91
Cape Town	122.8	15.5%
Port Elizabeth	121.8	14.4%
East London	122.4	15.7%
Durban	121.5	15.0%
Pietermaritzburg	123.2	15.9%
Witwatersrand	122.6	16.3%
Vaal Triangle	118.4	11.7%
Pretoria	121.8	14.8%
Klerksdorp	121.9	14.9%
Bloemfontein	117.5	12.3%
OFS Goldfields	121.5	13.8%
Kimberley	121.8	15.2%
South Africa	122.2	15.5%

Area	Dec 1991	Dec 90 - 91
Cape Town	124.4	16.8%
Port Elizabeth	123.1	15.2%
East London	124.1	17.1%
Durban	123.1	16.1%
Pietermaritzburg	125.0	17.4%
Witwatersrand	124.3	16.7%
Vaal Triangle	119.8	13.0%
Pretoria	123.3	15.2%
Klerksdorp	123.1	14.8%
Bloemfontein	118.5	13.1%
OFS Goldfields	122.9	14.3%
Kimberley	123.0	16.0%
South Africa	123.8	16.5%

Source: Central Statistical Service

People will be more careful if they know that their names will be put on a list every time they go on strike."

One industrial relations expert says that this scheme is almost certainly an unfair labour practice. This is because the law guarantees freedom of association and trade union membership implies participation in collective action. Because members of the trade union go on strike collectively, black-listing individuals

would be victimisation.

Firms taking part in the service could face action from workers.

Nel, however, did not believe that the service could be viewed as an unfair labour practice or as victimisation or that it will cause industrial relations problems for the companies subscribing to it. What do you think? Nel has admitted, however, that the database does not yet exist. ☆

Profile

I'm still just a member of the NUM team

The new acting general secretary of NUM, Kgalema Motlanthe, talks to Snuki Zikalala

As the new acting general secretary of NUM, I don't see myself as the most important person in NUM. Whatever I do will have to represent what the collective thinks. I'm part of the team.

That is how I have been working as the education co-ordinator of the union and I don't think there are going to be any drastic changes. A lot will depend on how we pull the team together.

To be honest with you, I did not expect to be elected as the acting secretary general of the union. I had been out of the office for almost two months, and was not aware that people had an eye on me. I even came late to the meeting and was not officially dressed for the occasion. Well, I still have to come to terms with it. It was quite overwhelming.

I have been involved in negotiations with the management as part of a back up team negotiating with ISCOR. I have gained a lot of experience from those negotiations. It

is not going to be easy sailing as the acting secretary general. A lot will be expected from me.

Early life

I was born on 19 July 1949 in Alexandra. My father was working at Anglo American Corporation Head office until he was pensioned. He has passed away. My mother worked in a number of places as a washer woman and a machinist. She is pensioned. I have two brothers.

I am married and we have three children. My wife works at Lera-tong hospital as a Radiographer.

I started my primary education in Alexandra until my family moved to Meadowlands in 1959. After completing my High school, I joined the Johannesburg City Council and worked in what was then known as the Commercial Branch, running bottle stores in the townships. I was a supervisor in a number of bottle stores in Soweto until I was arrested in April 1976 for ANC activities.

Prison years

I was charged under the terrorism act: belonging to an illegal organisation, trying to set up MK structures, and for the possession of reading material and of weapons.

I was sentenced to 15 years but served only ten years and got released in April 1987. It is difficult to tell you about my life at the Island in three minutes. The understanding of ex-Islanders is that the story can never be told by one person, because it involves the experiences of many people. We are hoping for the day when we can come together and write a detailed account of our lives on the Island. I gained a lot from political discussions we held.

The labour movement

I was released at the time of the SARWHU strike and this influenced me to join the labour movement. I joined NUM in June 1987. And of course, as you remember, in 1987 there was a national strike on the mines. I was given the task of co-ordinating the strike support committee. That gave me the opportunity to meet with many of the people who were active, because I had been out of circulation for something like eleven years. I came into contact with people who helped me understand the comrades who were working in the UDF and other structures.

We organised solidarity across a broad spectrum of political organisations and students organisations. Students from Witwatersrand University organised themselves into a number of brigades. Some were in charge of transport, others of accommodation, some were fund raisers. We had similar support from NAMDA. Their members attended to miners who were injured.

Though the 1987 strike ended with a number of injuries, this does not mean that we won't involve our membership in strike action again. But we need to emphasise that a strike is always a weapon of last resort.

Union education

I came into the union as an education instructor. I was then asked to co-ordinate education. As an education instructor I was faced with a challenge of getting ordinary people who had no elementary education to understand concepts that are difficult to explain in vernacular. The majority of mineworkers come from rural areas. One has to find a simple mechanism of explaining the whole process of production and concepts like capitalism. We would encourage

members to explain to us about their life experience, working and living conditions and we would then interpret it for them. In that way they would "grasp" the intricacies of the capitalist mode of production.

I had a staff of six people. At the moment we are trying to move away from the approach that only six people should be involved in education. I believe that workers themselves should be involved in education. Miners are staying in hostels, and this makes it possible for them to organise study groups.

Political role

About my political life, I am not a member of the SACP. I have no problems at all with the organisation, nor the collapse of the Eastern Bloc. We should draw lessons from that experience. We should avoid falling into similar grooves or traps, so that whatever we intend building in future should be the desire of the people.

What is important is that we should always keep in contact and be accountable to people we are representing. We should never allow bureaucracy to cut us from the people we are representing.

Two hats

On the question of two hats, I don't think it is in itself a problem. The primary role for me is to unite the workers, make sure that they remain an united force and that whoever belongs to the ANC or to the SACP should not transform NUM into either the party or the ANC. NUM is first and foremost a trade union. I think we should try our level best to inculcate the spirit of independence in the union. The union should see itself as an independent formation. Not an appendage of this or that political organisation.

An ANC government will not change the attitude of the union that much. The union's role is to articulate the interests of the mineworkers and it has to do that without fear at all. I think that the ANC government will be able to create a favourable political superstructure within which we as a trade union can conduct our business.

CODESA

It was surprising for the press and a number of people to hear that we have taken a different view from COSATU on CODESA. The situation in the country is in flux. A decision that may be correct today, may actually have no relation with the



Photo: Shariff/Labour Bulletin

reality of tomorrow or two days later.

Our CEC revisited this question and came to the conclusion that COSATU's participation at CODESA can only lead to more complications. The correct approach is that COSATU should not participate in CODESA. Because if it opens up the flood gates for all organisations, some of which are not that political, we may actually turn CODESA into a jamboree. CODESA has an important task to accomplish. Therefore the leaner and more streamlined it is, the better for all of us.

We should articulate the interests of the workers through the ANC-SACP-COSATU alliance. COSATU should work through the alliance. COSATU should allow a proper division of labour to take place. I would be totally opposed to the ANC partaking for instance in collective bargaining issues at industry level.

Union independence

It is a fact that there were problems before in the alliance, just after the organisations were un-

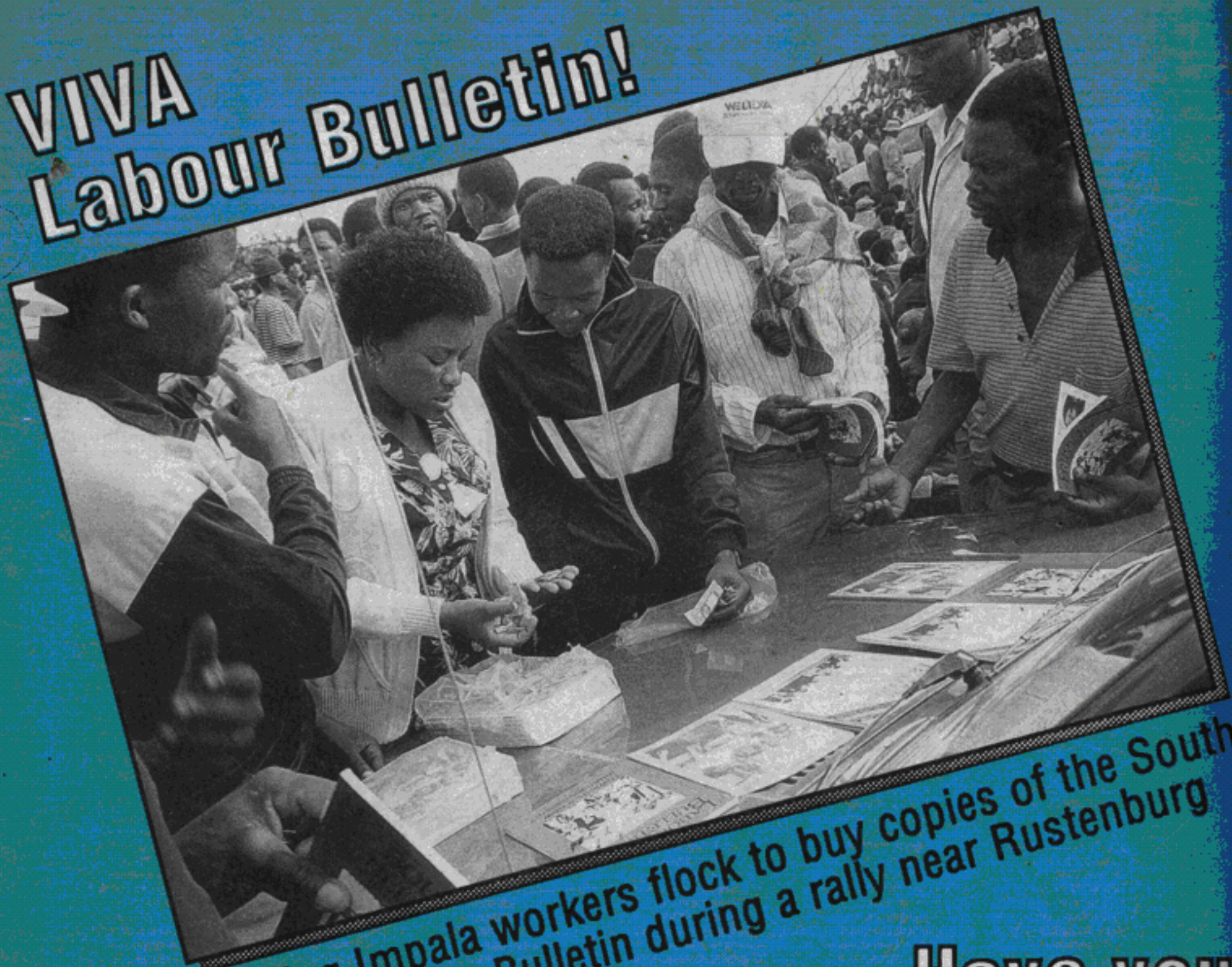
banned. The ANC and the SACP took decisions on behalf of COSATU. That has now been solved. If it happens again, COSATU has to take the blame. COSATU has to assert its independence and not be forced into issues, otherwise the whole notion of the alliance is meaningless.

The immediate challenge facing us at the moment is to improve the quality of service that we give to our members. The second is to achieve maximum unity in the industry. Presently there are half a million people employed in the mining industry, and we have 300 000 members.

It is for us to change the quality of life of mineworkers and empower them to partake meaningfully in influencing the immediate circumstances of their lives, both at the work place and in the rural areas where they live.

Since the last strike in 1987, NUM has been restructuring as a number of people were dismissed in that year. Our major task will be to consolidate and strengthen the structures that are existing at the moment. ☆

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