

Marikana moment

A needs analysis

The traumatic and tragic events at Marikana and the Rustenburg Platinum Belt have raised a number of questions among commentators on the labour movement, writes **Neil Coleman**.

Questions that still beg answers include whether the Marikana events will turn out to be the democratic era's equivalent of the 1973 strikes?

Have workers rejected their unions for being ineffective and unaccountable, just as the old toothless Trade Union Council of South Africa was rejected?

Is the most powerful and largest union federation in Africa, the Congress of South African Trade Unions (Cosatu), on the brink of collapse?

Does Marikana represent the emergence of a new powerful independent union movement and, more broadly, a political movement that will realign politics in the country?

These questions are important and need answers. However, what is missing are questions on how to address a range of other burning problems which Marikana throws up such as the brutal role of employers and the mining industry, and in particular the flourishing of rogue employment practices in the platinum sector.

There are also questions about the various forces at work, including demagogues and opportunists of many varieties seeking to maximise their political advantage, at the expense of workers.

This is what Cosatu general

secretary, Zwelinzima Vavi, said about demagogues at the federation's recent congress as captured in the *Secretariat Political Report*:

'Demagogy is an attempt to stir up popular emotions in order to secure a bigger slice of the action for an elite... To voice the concerns of the poorest of the poor is not demagogy. To help marginalised communities organise themselves for transformation is not demagogy. To speak the truth, however awkward or unwelcome, is not demagogy. Demagogy is to lie to the people about what is possible and what is not. Demagogy is to foster dependency through patronage. Demagogy refuses collective responsibility and collective discipline. Sometimes demagogy masquerades as left militancy, but it is always, through and through, reactionary.'

Other questions are to do with the state's failure to transform the industry, or to implement its own regulations.

There are also questions to do with how the militarisation of the police has shaped its response to worker protests. The police are also unable to secure the safety of communities and union leaders.

The emergence of warlords and violent fiefdoms reminds one of the early 1990s.

Marikana represents many challenges for our democracy

in general and in particular for employers, the state and the labour movement.

Because the Marikana moment is extremely complex and contains many layers, there is the danger that one-sided analyses can lead to superficial responses, unable to engender the type of deep structural change that the situation demands. South African society – in particular those in positions of wealth and power – has an amazing capacity to be temporarily shocked by crises and then continue to carry on as if nothing has happened.

Marikana shows up issues generally applicable to the economy and matters specific to the mining industry.

LEGACY OF CHEAP LABOUR

The mining industry is important to South Africa's political economy, and therefore these crises reflect key national challenges, among others, the lack of a wage policy, extreme inequalities in income distribution and the inadequacy of our voluntarist collective bargaining system. Our economic structure, particularly the commodity-driven extractive character of the economy, and the role of international and local capital in perpetuating this structure, is built on a legacy of cheap labour, migrant labour, hostels and their impact on workers

and communities. However, our democratic state has failed to transform the economic structure.

The platinum industry represents a smaller view of the many challenges and key phrases come to mind when describing the tragedy of Marikana.

These include a *filthy rich and greedy industry*, controlling 80% of the world's platinum, which is a law unto itself and a state with mineral rights, but no strategy to leverage these to regulate supply and prices or to build manufacturing capacity. An industry which reproduces the apartheid mining political economy, to serve its selfish interests, and does everything in its power to dodge its commitments under the law, never mind its moral obligations.

The massive platinum boom has generated *fabulous wealth for companies and executives* but social squalor, tensions and poverty for workers and communities. The platinum belt around Rustenburg has created the fastest growing 'city' in Africa. That is, dozens of shack settlements, without basic infrastructure. For example, Nkaneng in Marikana has no toilets, roads, electricity, or refuse removal.

The boom in platinum *has created huge opportunities*, including the doubling of employment in 10 years. But this is squandered. Instead of a growing quality of life, platinum is leaving a legacy of vulnerable and exploited workers, and desperate and damaged communities. The industry deliberately fragments its workforce of 180,000, of whom 82,000 are employed through labour brokers and exploited mercilessly. Workers are consciously divided on ethnic, racial and regional lines. The ruthlessness of control systems is reflected in the brutality of mine security.

The industry *manipulates the vulnerability of workers* to combat unions and thrives on, and actively promotes, division. To this end it deliberately refuses to engage in sectoral collective bargaining.

This generates *huge frustrations for workers*, who see an industry and

employers getting fabulously rich, while they sweat underground, face death on a daily basis and sink deeper into poverty. The share workers have been paid in wages as a proportion of the total value of production in the platinum sector is roughly on average a pathetic 27%, over the last decade.

The government's *ineffectiveness in implementing the Mining Charter*, (see SALB 36.3) which among others requires companies to provide housing for all. There is no serious attempt to enforce the industry's legal obligations, let alone transform it.

On wages, *the Mining Chamber claims that workers are doing well*, compared to poverty wages in other sectors. It is true that the National Union of Mineworkers (NUM) has achieved significant improvements for mineworkers over the last 20 years. But workers are being paid a pittance in relation to profits in the industry, the toughness of the work and the danger miners face.

The average minimum monthly pay in mining is about R4,300 and about R5,500 in platinum. Workers compare their take-home salaries of a few thousand rand to the millions which executives are receiving. In comparison to international workers, our mineworkers are lowly paid. For example, our rock drill operators earn about 10% of what their Australian counterparts earn. Employers claim that they cannot afford wage demands because of the depth of the mines and labour intensity of production. However, this ignores facts published by the *Business Day* that 'mining companies have had many years with very large profits'.

Despite their huge wealth, platinum companies are on a drive to cut costs, with the emerging squeeze on profitability after the economic crisis, given the collapse of platinum prices. Thus the industry is grasping the opportunity after Marikana to use mass dismissals as a way to downgrade the conditions of existing workers and embark on 'free retrenchments'.

The industry continues with the unilateral approaches to bargaining processes and wage adjustments, an important factor which led to the crisis in the first instance. Attempts by the NUM and the government to institutionalise collective bargaining at sector level are therefore critical.

IMMEDIATE CHALLENGES

- The creation of conditions for peaceful and free union activity, for all structures legitimately representing workers, including action against those who are terrorising union leaders or preventing workers from assembling and organising peacefully.
- Requiring employers to participate in centralised bargaining structures, which need to meaningfully address the concerns raised by workers.
- Renewal of union structures to ensure that there are proper processes of democratic representation and accountability by union leaders.
- Engagement on a reconfigured wage structure, in the mining industry and in the economy as a whole. This requires a national wage policy and comprehensive collective bargaining at industry level, and may need legislative amendments.
- Action to address the living conditions of mining communities and to ensure decisive implementation of Mining Charter commitments, including on housing.
- National engagement on transformation of the mining sector and the economy as a whole. ¹⁸

Neil Coleman is a strategies coordinator in the Cosatu secretariat. This is an edited version of comments made during the Mail & Guardian breakfast debate on 16 October 2012.