

Corruption what can unions do?

The *Labour Bulletin* continues its focus on corruption. **Roger Ronnie** explores how widespread this phenomenon is in the broader society and what unions can do to address it.

Corruption has always been a prominent feature of our society. These days, it is just a lot more visible. Access to a motor vehicle license, identity documents and a house, the approval of a building plan and securing a lucrative contract are just some of the activities that are often subject to the corrupt exchange of money. The Lesotho Highlands Project and, closer to home, the ongoing parliamentary travel scam, are examples of the scope and scale of corruption. But corruption is not confined to South Africa or other developing countries. All over the world politicians and people in business have been found guilty of the practice. Corruption is an integral part of an economic system based on exploitation, personal accumulation and the law of the jungle. Trade unions, as they became more institutionalised within capitalist society, have not remained immune from corruption.

Although some would argue differently, various studies have confirmed that trade unions continue to embody values of fairness, solidarity and democratic practice. While membership numbers have declined, trade unions remain influential organisations. Their ability to influence public opinion and policy,

power in the wage-setting arena and acting as the collective representative of thousands of workers are some of the conditions that promote corruption within the union movement. The corruption I am talking about relates to taking money or goods in exchange for favours made possible by the position occupied within the union.

Various developments have contributed to the growth of corrupt practices. The establishment of union investment companies and the way unions have gone about providing benefits to members have promoted the growth of what has become known as business unionism. This, in turn, has led to a situation where more and more union leaders are becoming susceptible to corrupt practices.

Big business recognises the profit potential of the captive market that unions can deliver. This has led to the development of questionable relationships between many union leaders and their counterparts in business. So in turn, every act of corruption within a union carries the conscious or tacit involvement of individuals from the business community. Funeral schemes, loan schemes, legal services, tax support services are just some of the initiatives that create a culture of self-enrichment within unions. One of the reasons for this is the commission basis on which the financial services industry operates. Another reason is the secrecy that surrounds many of the business deals unions - on their own or through their investment companies - enter into. This creates a breeding ground for corruption and promotes a culture of self-enrichment. In most instances, what is put forward as acting in the best interest of members is in fact all about acting in the best financial interest of a few.

The situation is not helped when members continue to support corrupt union leaders because these leaders have in the past led workplace struggles.

There is another more worrying aspect of these developments that threaten the democratic traditions and relevance of trade unions. This is that some, who constantly talk about fighting corruption, when it is discovered argue that we should not do anything about it, as it will damage the organisation. As many of the corrupt elements in unions are in positions of power or influence, this approach means that they simply become more powerful and difficult to dislodge as they dispense their largesse.

Another outcome of this approach is the political opportunism that flows from the protection of corrupt elements within unions. Political favour is carried through a dual process of protection and threat of disclosure. This has a very negative impact on the organisational coherence and stability of the union.

There are however, some immediate steps that unions can take to counter the growth of corruption within the ranks. These include:

- Trade unions must continue to take steps that seek to improve the material conditions of their members. This must however, be done in a way which is open and transparent and which builds worker control over the way in which the benefits are provided and managed.
- Review the foray of unions into mainstream economic activity by way of the establishment of investment companies.
- Call and campaign for greater control and regulation of the financial services industry.
- Act decisively against all cases of corruption. A history of struggle must not become a license to act in a manner that undermines unions and show scant respect for workers.

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