

## *restructuring the style of management:*

# N F Die Casting



Recently N F Die Casting on the East Rand has been the scene of murders, stoppages, dismissals, and national solidarity action. NUMSA organiser SUZANNA HARVEY tells the story.

### **Alrode, East Rand: the scene**

N F Die Casting has two plants in Alrode – an industrial area thoughtfully placed across the road from the township of Katlehong. Into its plants come ingots of virgin aluminium. Machines and workers combine to melt down and cast the aluminium, to machine it, to polish and paint it.

Out of the plants emerge shining components for the auto industry – manifolds, cylinder heads, and cast aluminium wheels. They are sent to the auto plants for building into vehicles. More than half of the wheels are sent to Germany, where they are fitted to Mercedes and BMWs.

Out of these same plants also, at the end of each shift, emerge tired and unpolished workers who, without their own cars to need components or even wheels, trudge the long road into the township opposite or brave a ride in a taxi along the Old Vereeniging road – lately scene of random killings of taxi commuters, route of passage between the business world of order, discipline and productivity, and the world of terror, devastation and civil war.

### **Strategic reform: the context**

What happens inside the plants is more, of course, than just the automatic combination of workers, materials and machines. That

combination has to be *put* to work, and the *manner* in which this is done is crucial. Between workers and management there is always partly a conflict and partly a concurrence of interests. The labour relation is neither set nor static. Overall, that relation is undergoing a transformation in SA at present; a process that events at N F Die graphically illustrate.

The accumulation of workers' resistance, together with capital's need for productivity in post-sanctions SA, is forcing management to *reform* labour relations in the hope of persuading workers that they share a common interest with management.

The strategy of force, of total domination over workers, to achieve compliant and cheap labour is increasingly ineffective. It is yielding to a process of co-option and persuasion – a more benign attitude to workers and the unions that represent them.

This context of strategic reform will help to explain the process of struggle and resolution at N F Die.

### **Jack-boot bosses: the style**

To describe the old management style at N F Die, we must start back in 1992, when workers returned to work at the end of the NUMSA national strike. They were met with angry and punitive measures. The company immediately retrenched, and altered working



hours. Workers resisted, management insisted, mass dismissal of a particularly militant department followed the retrenchment, and order was restored. But not for long. Soon newly elected shopstewards began to be active on the shopfloor. One



worker was manhandled and strangled by a bully foreman, then dismissed when he filed a grievance. A supervisor accused another worker of being too clever, and a communist. When this worker responded, he was dismissed for insolence. Meanwhile the company brazenly and lavishly employed four times as many workers as it had retrenched. When the union made a fuss, retrenchees were permitted to write an "entrance exam" which they unfortunately failed.

At the same time terror within the East Rand townships began to have an effect. NUMSA members living in hostels joined UWUSA. The two unions having different approaches to shopfloor issues, this suited management very nicely. In August a NUMSA member was shot dead, allegedly by UWUSA members, whilst sleeping inside N F Die's supplier factory, Falcon Smelters. The company appeared uninterested. NUMSA members complained that members of UWUSA and of management were displaying firearms on the factory floor – while NUMSA members were searched and disarmed at the gates. Management denied this, but an UWUSA member who accidentally shot himself in the groin inside the wheel plant could not.

### Tools down – the beginning

This, then, is some of the background to the struggle which started on 17 September when workers downed tools demanding to see the MD. Management, in their usual way, issued ultimatums and threatened action. The union officials, in their usual way, tried to persuade workers to go back to work and to "follow procedures". Officials argued that a formal grievance should be submitted to the MD who would then be forced to hear it, in terms of the company's own grievance procedure. Workers patiently tried this advice. The grievance was ignored by the company. Union officials dutifully declared a dispute and began the 30 day wait for an Industrial Council dispute meeting.

Management did not wait for any meeting. They disciplined workers for the workstoppage. They followed shopstewards when they went to consult each other, and issued final written warnings for walking around and refusing to work. They declared short-time in some departments at the component plant, while simultaneously insisting on extended hours in other departments.

At the end of September some N F workers were passengers in a taxi which was attacked. No one was killed but the incident



made vivid to workers the risks they are taking to travel in the area. Component plant management the same day declared longer working hours in two departments – meaning that workers would have to travel at the most dangerous times. Workers refused. Management threatened. The union told management to negotiate shift times. No deal. Management issued notices of enquiry. Workers in other departments refused to work their normal shift hours in solidarity with those whose shifts had been changed. Workers at the Wheel plant demonstrated at lunchtimes. Neither side would budge. The inevitable result of the conflict: 17 workers dismissed from the Component plant on Monday 11 October, a further 15 due to attend enquiries on Tuesday. Workers downed tools on Tuesday, management issued more ultimatums, workers went back to work, management called them to an enquiry for having stopped work, the union office sent faxes and officials up and down, disputes were declared, section 43 papers drafted, and then, on Wednesday morning 13 October, two unaffiliated employees of the company were shot dead in the Component plant parking lot on their arrival at work.

This dreadful event brought the crisis to a head. The company suspended all NUMSA members without pay, retained members of other unions and started to hire scabs. The objective: to rid the factory of NUMSA itself, hoping thereby to reimpose

authoritarian management over the workforce.

### **National struggle: the workers' reply**

For their part, the workers, no longer able to conduct their struggle within the factory itself, sought assistance from NUMSA workers in related plants, thereby shifting the struggle to a wider terrain. NUMSA is a national union, with members in the metal and auto industry countrywide. The attack on NUMSA itself brought union leadership into confrontation with industrial leadership.

Back in NUMSA's Alrode Local office, we organised a march and a press conference, and applied for an urgent interdict in the industrial court.

Alas, for how much longer will COSATU unions subject their members to the whims and pleasures of the industrial court? How easily we forget each insulting judgement, and how doggedly persistent are we in approaching the court for justice! In customary fashion, the Court sneered contemptuously at the union, beamed in class fellowship upon the company, sneaked a couple of extra secret company documents into the court file, and threw our case out.

Meanwhile, the workers organised. They organised to hit capital where it is weakest – where the auto and component industries meet in the marketplace. General meetings at Samcor, VW and Mercedes saw workers discussing N F Die Casting. Mercedes

workers announced that they would black N F Die Casting wheels. As N F Die wheels are used on all but the S-class Mercedes, such a blacking action would stop the lines at Mercedes.



Union president Mthuthuzeli Tom – a worker at Mercedes Benz – exchanges memoranda with Die Casting management



## Enter 'enlightened' management

A meeting was convened, attended by Samcor, N F Die, NUMSA and Anglo American (which holds a majority stake at N F Die). At this meeting, sweet reason prevailed. In the interests of continued (profitable) production, N F Die bosses were instructed to change their management style, to concede the claims of workers and the

union, and to reach an understanding with the workforce. What the industrial court had been unable to comprehend was clear to these industrialists, who have an overall and focused view of industry and of the needs of capital. They understand (as the court does not) that productivity rests on stabilised labour relations.

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**"The new production 'culture' is just an altered method of exploitation, it represents a new terrain of struggle"**

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NUMSA workers at N F Die gained from this meeting a complete victory and vindication of their claims and their struggle. They won reinstatement with full pay, and the company was obliged to work to achieve a satisfactory relation with their union.

It was, however, a full two weeks before the workers actually returned to work. Back in the noisy everydayness of the Alrode plant, away from the airy views of the Anglo head office, plant management and plant shopstewards found it hard to enact their newfound relationship. Negotiations over the wording of a "return to work agreement" were difficult and broke down on Friday a week later. Management called off the deal, and the union's victory fell in pieces.

But the die had been cast. The need for the new relationship was real, even if plant management found it uncomfortable. On the Monday, the agreement was saved and signed. Two things happened on that day. Anglo and auto bosses telephoned to intervene. Workers at the wheel plant stopped producing the exportable wheels, demanding that component workers be allowed to return to work as agreed. The old tradition of worker

militancy combined with capital's need for a new relationship, and the deal was sealed.

Workers are back at work. Things are hard. Management does not know yet how to manage without authoritarianism. Workers do not yet feel themselves close to management or to a shared interest in productivity and company image.

## Common interests : a challenge to SA workers

That "common vision" is what capital needs to forge in this, its next phase. It is part of the ideology necessary for the creation of highly effective teams capable of producing quality products. A "corporate culture" which appears to be friendly, because it masks the real labour relation. A relation which is really infinitely anti-social, because production communicates with the market and not with society.

There has been some debate about whether the new management style is better, because less antagonistic, or worse, because more co-optive. It is in fact neither. The new production 'culture' is just an altered method of exploitation. For workers, it represents a new terrain of struggle.

The material base of capitalism in SA is changing. Gone are the labour reserves designed to cheapen labour by paying part of the cost of its reproduction. Gone is the relative isolation of SA industry from the pressure of internationally determined "socially necessary labour time". In their place, bit by bit, unevenly, the new terrain of international class struggle starts to dominate – productivity through co-operation, flexibility, training and education for workers. N F is the story of the clash between the old and the new during the prolonged process of transition.

Do we have the means and the consciousness to exploit the inevitable contradictions of this transition to the advantage of the working class?

Taking class struggle into this new arrangement is the task we set ourselves. Management styles may change, but the capitalist project does not. ☆