

managing the **democratic revolution**

ARI SITAS argues that corporate capital has the upper hand in managing the transition process in South Africa

It is 20 years since the Durban strikes of 1973 and the emergence of a new trade unionism in South Africa. Most of the credit has to go to those thousands of people who created COSATU, NACTU and many more centres for worker democracy and rights.

We are on the eve of major social changes with serious implications for the labour movement. By all public accounts, trade union leaders and shopstewards are confident of tomorrow's prospects.

The recent COSATU shopsteward survey confirms this optimism. It is a serious indication that democracy and socialism are central to their agenda, their beliefs and aspirations.

In this contribution though, I will argue against the grain.

My argument arises from a suspicion that what we say and what we do, what we believe and what we *have* to do are very often different. I will argue that at the moment all the cards are being stacked against real democracy; that corporate capital in South Africa has taken the initiative and in fact has the upper hand, despite trade union strengths.

Business in transition

During the last 10 years, trade union and community struggles have driven a wedge in employer ranks in South Africa. There is now one grouping of corporate capital bent on reform, which is, according to one of its



spokespeople, "community-conscious", while a second grouping remains stuck in apartheid's time-warp.

The first group, however small, has launched a – sometimes

bumbling and chaotic – project for transition. And, despite what we might wish to think, it has been highly successful.

Whether a class, a fraction of a class, a power-bloc or a group is successful can be evaluated through the following:

- a. If it manages to make its interests and claims appear natural and legitimate. If this is the case, we can say such a grouping enjoys legitimate authority.
- b. If it manages to define the language and the patterns of change for the society in question. If this is so then such a grouping is dominant.
- c. If it manages through its ideas and actions to lead society in a process of change. If this is so then such a grouping is hegemonic.

I argue here that corporate capital in South Africa has established its authority (a), it is indeed dominant (b), but for various reasons it has not been able to place itself in a hegemonic position. That it might still do so, remains a historical possibility.

Capital's authority

The horrific violence in black communities, the war in Natal and the collapse of social infrastructures have opened up a space for responsible bystanders to act as normalising agents. This opportunity has been taken up with remarkable vigour by many employers and employer interests.

Starting from 1987, the Pietermaritzburg Chamber of Commerce played a catalytic role in the peace process in its burning environments. Since then, individual employers, the Consultative Business Movement (CBM), various chambers and regional associations have positioned themselves as the neutral facilitators of peace and stability. From the local area to the National Peace Accord, corporate interests have become the voices of normality and reason.

Furthermore, in all the sectors of possible change, business interests are represented: education, health, schooling, housing, development and so on. Through bilateral and tripartite arrangements their interests are seen as natural, legitimate and a central pillar for reconstruction.

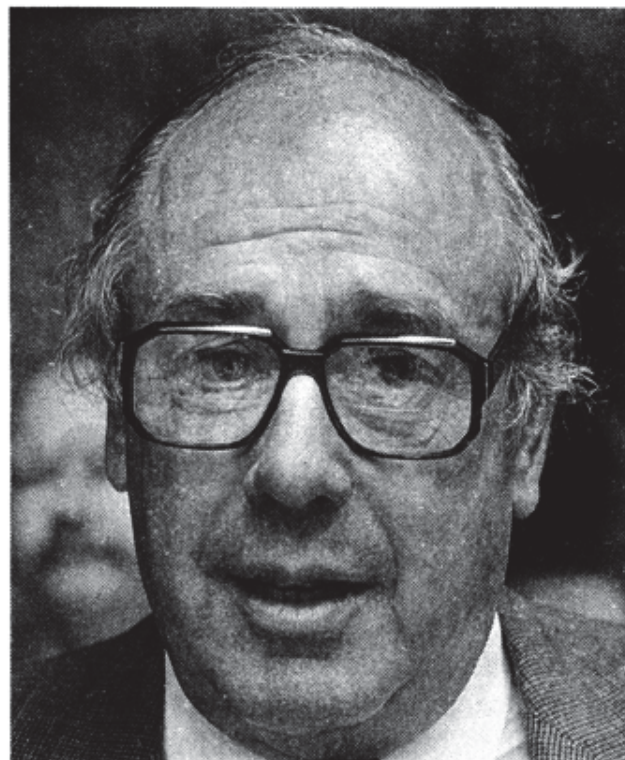
For their part, the relationship with labour has been regulated and brought into proper collective bargaining arrangements. A number of arrangements, or accords, or social contracts are beginning to tie the parties together.

What also appears natural and beyond anybody's control is the economic crisis, which is like an epidemic inflicted on an innocent managerial class with devastating effects: lay-offs, short-time, wage freezes. The most responsible thing society can do is to create conditions of stability for the economy to have a time for cure and regeneration.

In short, the success of the reform wings of corporate capitalism has been to create its legitimacy and place it centre-stage in the transition process.

Capital as dominant

What has also been achieved by corporate capitalism is the definition of the *terms* of change and reconstruction. Within its ranks a whole range of professionals and intellectuals have, with the assistance of the mass media,



John Hall, from Barlow Rand to National Peace Committee: defining the patterns of change?

Photo: Elmond Jiyane

framed the language and the prospects of change.

Crucial to this has been the economic growth debate. Not only are industry's interests taken for granted, but in every calculation and consideration its profitability and performance is at the centre of everyone's worries.

At the same time all major decisions are on the desks of professional experts whose income depends on the mental labour they perform for the institutions that hire them. Most strategic thinking in the country has placed corporate interests on the crest of all influential outcomes. For example, the communication and media fate of the Peace Accord, on which thousands of grassroots lives depend, has been placed in committees run by corporate advertising agencies.

Inside the factories and shops, professional managers, experts in human resource and participative management are creating a new corporate image: of the social or caring factory. Workers are not seen by them as commodities but as a social force or as a "resource for innovation". Hundreds of

practical initiatives are taking place in a vacuum where very few unions dare to tread.

Beyond the shopfloor a new social responsibility ethos is developing rapidly: child care, education, unemployment, literacy and small business initiatives are taken on board and addressed in ways that have enhanced the credibility of the corporate world in the lives of ordinary black people.

Considering all the above, corporate capitalism has not only put on a caring face, but has rather initiated a range of practical initiatives and expert opinions that have defined the language and patterns of change.

Nevertheless, this reform project, however powerful, is not what we can term *hegemonic*. It cannot establish its leadership over sectors of the population.

It cannot achieve such a position because there are lines of disunity within its own possible business ranks. There are serious conflicts of immediate interest over tariff policies, taxation, affirmative action, investment priorities, pricing policies, relationships to financial institutions and so on.

Also, it is hampered because it is seen by the black community as a bastion of the white status quo, and many communities simply use its initiatives in instrumental ways.

Furthermore, it has no socio-political vision that it clearly articulates. And no political party at this stage can represent all of its aspirations: The National Party is still too close to the past, the ANC is still feared despite its more recent

and more moderate economic principles and Inkatha, despite its commitment to capitalism, is too small a movement to deliver.

The only credible move that would place the reform wing of corporate capitalism in a hegemonic position is a return of the PACT government of the 1920s. But this time it would be a 'pact' government based on joint NP-ANC rule, a pact which accepts the authority and dominance of the claims and interests of corporate capital.

Forward march

I must not be misunderstood: each of the above claims could also be read as an incremental victory for labour: decent wages, participation in decision making, economic forums, a social democracy, a move away from apartheid and now, a very important reconstruction accord and so on. I am convinced the labour movement has been central in the transformation of all relationships in our society*. But, I do also have a strong sense that history is starting to slip away.

The forward march of labour in South Africa has not been halted: but the maps, the paths and the road signs have been changed. Without understanding the directions for this new geography, one could easily get lost. The question that should haunt us then is: can labour's interests be 'hegemonic', can labour's aspirations gain dominance and authority? Or are we satisfied with the landscape that these maps describe. ☆



* On this see my "Trade Unions and Democracy in the 1990s" - in K Nurnberger's (ed) A DEMOCRATIC VISION FOR SOUTH AFRICA, Pietermaritzburg, 1991.