

Rediscovering labour's past

Class compromise or class collaboration?

In a previous *Labour Bulletin* Mbuyiseni Ndlozi argued that labour's strategy of radical reform adopted in the 1990s had failed. **Eddie Webster** refutes Ndlozi's reasons for this failure and argues that labour needs to extract lessons from this period as well as extend its strategic and theoretical scope to take into account the increased power of global capital.

In 'Strategic unionism, radical reform: Chemical unions misguided creed', *SALB 34.4*, Mbuyiseni Ndlozi argues that the Congress of South African Unions (Cosatu) mistakenly adopted in the 1990s a strategy of radical reform through strategic unionism.

The aim of this strategy was, he suggests, to secure agreements through the strategic use of power. But instead, he argues, unions were weakened by workers being retrenched, outsourced and privatised with low wages.

In addition, unions such as Ceppwawu (Chemical Energy Paper Print Wood & Allied Workers Union) developed a technocratic style of politics based on expert negotiations and high-level research.

Ndlozi's evidence for this argument is drawn from Ceppwawu's attempt to develop an alternative approach to restructuring. This approach, he argues, was rejected by capital and the state, although the union did manage to stop retrenchments at Engen and Sasol and limit privatisation.

However, Ceppwawu's ambitious goal of developing a national oil

company (Sanoco) failed and the state succeeded in deregulating the industry. The result was the union co-managing capitalism rather than achieving its goal as Ndlozi puts it of a 'worker oriented state that puts the interests of the working class above all other interests'. The union failed to realise its socialist aspirations, he concludes, because of a decline of democracy within the union and the emergence of neo-liberalism.

CLASS COMPROMISE AND COLLABORATION

Ndlozi is right to identify a shift in union strategy with the advent of democracy in the early 1990s. Ppwawu (Paper Print Wood & Allied Workers Union) Ceppwawu had become accustomed to management hostility. Its organisers faced a powerful but small group of employers eager to introduce 'participatory management'. This presented them with a dilemma and forced a rethink of their tactic of 'militant abstention'.

I recall the general-secretary of Ppwawu, Siphso Kubheka, visiting me at the Sociology of Work Programme (Swop) in 1991 in a state of anxiety over how to

respond to this shift in managerial strategy.

Swop associate Sakhela Buhlungu described this challenge to Ppwawu at the time in these words: 'The transition to global competitiveness has presented new challenges to the union movement in general which has necessitated changes in the union's strategic approach to issues. Not only is there an acceptance of the need to reorient the union's strategic focus, for example, the need to intervene more proactively on shopfloor issues, but there is also an awareness that a new strategic approach will require some additional capabilities which the union does not possess at the present moment.'

I do not think it is fair to argue, as Ndlozi does, that Ceppwawu's strategy of strategic engagement made it a 'co-manager of capitalism'. There is an important distinction between Cosatu's approach where class struggle is seen as a permanent feature of capitalism but it is accepted that labour needs to engage from an independent position to regulate capital, from an approach where unions co-manage capitalism through integration into management in a non-



Former Ppwawu general secretary, Siphon Kubheka, felt confused as to how to respond to participatory management.

conflictual way. The former is class compromise, while the latter is class collaboration.

Ndlozi may think of 'class compromise' as a capitulation to capitalist power. I saw it differently in the 1990s. I still do, but today we need to think about labour in different ways.

Under the impact of globalisation capital is more powerful now and the pressures on it to compromise when communism was an alternative are largely absent. More importantly, labour's collective power has been weakened by fragmentation of the labour market through decentralisation of production, casualisation, part-time work and the outsourcing of workers to a third party.

Guy Standing has described this trend in the labour market as the growth of a 'precarariat'. Today the contradictions lie within free market capitalism itself. Whether this is generating a global counter-movement against the hyper-commodification of nature, labour and money is a matter of on-going debate (see *Global Labour Journal* globallabour@mcmaster.ca).

STRATEGIC ENGAGEMENT

It was risky but necessary for the workers' movement in the 1990s to locate its redistributive demands

on a viable productive base through a social pact in which growth was tied to the expansion of the social wage.

A labour-led class compromise was potentially achievable even within the system of capitalism. This involved strategic engagement with capital and the state in a negotiated compromise that incorporated working-class power within the state. How to achieve this without co-opting working-class leaders and their organisations was a central question faced by the workers' movement then, and today.

It was an open question whether labour could sustain its central role during the period of consolidating democracy in South Africa especially as this occurred under conditions of market liberalisation which deepened after the ANC government introduced GEAR (Growth Employment & Redistribution) in 1996. As Ndlozi rightly argues the unions' attempt to engage in restructuring led to opposition from employers and government. However, it is wrong to confuse the necessity to engage with employers with the conditions under which engagement takes place.

LABOUR AND RADICAL REFORM

What were these conditions?

Labour had played a central role in the initiation of the transition to democracy and in the transition itself. It was the best organised and most powerful constituency in the anti-apartheid resistance and through its protest actions contributed to the crisis that precipitated the transition.

But labour contributed more than collective muscle. Its economic and social policies supplied the core ideas for the ANC's 1994 electoral agenda, the Reconstruction and Development Programme (RDP) and led to the development of innovative multipartite institutions that gave labour a direct voice in policy-making.

This shift in union strategy has been described as a move from militant abstention to strategic engagement with restructuring – a shift to a proactive rather than reactive unionism.

Cosatu's 1997 September Commission argued that, 'Strategic engagement is a strategy of engaging with restructuring and production issues, on the basis of a union agenda and union independence. It is a strategy for transforming and democratizing the workplace... it engages to increase workers' control of production, to gain access to training and skills, to improve wages and work conditions and to improve the quality of working life.'

I developed the concept of radical reform as a way of understanding the role of labour in the democratic process under apartheid. As John Saul put it, radical reform (or structural reform) was a way of avoiding the 'twin dangers of, on the one hand, a romantic and... rhetorical ultra-revolutionary approach and, on the other, collapse into a mild reformism that will do little to alter the balance of inherited class power and conservative/technocratic decision-making.'

Put simply, radical reform involved labour combining a radical vision of a future society with a reformist, incremental strategy. In pursuit of the long-term goals of ending apartheid and creating a socialist economy, the unions emphasised legal means of struggle. Through their independent power-base they had the capacity both to mobilise and restrain their members. This was a capacity unions used in negotiating with its enemies, both capital and the state, to win and expand legal space in which to pursue their goals.

However, at the centre of radical reform was strong shop floor organisation. Radical reform depended on union power, which Cosatu derived from the close

relationship between leaders, shop stewards and rank-and-file.

The essence of radical reform is that reforms are not regarded as ends in themselves but rather as dynamic phases in a progressive struggle to achieve longer-term goals. With the strong backing of their members, shop stewards have the power to push for concessions from management, which creates space for further advances but also wins improvements in workers' conditions, thereby reassuring them of the effectiveness of their actions.

ADOPTING WORKPLACE RESTRUCTURING

What lessons do we draw from labour's failure to shape restructuring?

At the centre of unions' failure to influence restructuring was the decline of shop-floor power. The exodus of union leadership in the 1990s to government, and corporate sector resistance, compromised the unions' ability to deal with workplace restructuring. This continues, albeit at a lower scale compared to the 1990s.

There needs to be a systemic investigation within the union movement on how to avert the leadership drain, as it leads to a constant loss of institutional memory. The systematic training of shop stewards on work and production issues is vital to broaden skill abilities and knowledge on production issues throughout the labour movement.

Arising from the apartheid workplace regime we have inherited a long-standing low trust dynamic in our workplaces. One way of addressing this is through subjecting all workplace change, especially productivity improvement measures, to negotiation with employers.

In order to do this effectively unions have to adopt their own workplace restructuring agenda. This will provide a guide to shop

stewards and organisers on how to handle workplace restructuring. It will also require expanding existing educational and research capacity to monitor workplace changes so that the union can respond practically to these changes.

A crucial innovation introduced by the National Union of Metalworkers of South Africa (Numsa) in the late 1980s to give workers the capacity to engage in production issues, was the establishment of Research and Development Groups (RDGs). These were, according to Kally Forrest, set up to 'tap into workers' detailed knowledge of operations, problems, and possible resolutions to such problems'.

The aim of RDGs was to empower workers with skills and knowledge to take charge of their workplaces. RDGs also discussed shop-floor issues and made recommendations to the union's constitutional structures for ratification. These groups were important for policy recommendations but the aim according to Forrest was also 'to nurture worker researchers who would acquire a detailed knowledge of their industries'.

Numsa had RDGs dealing with a variety of issues on housing, political economy, training and grading, health, collective bargaining, land, industrial restructuring and shelter. The industrial restructuring and collective bargaining RDGs formulated recommendations that served as a basis for Numsa's engagement with employers on workplace restructuring.

Established in 1988, the RDGs were defunct in less than half a decade and without any formal resolution to close them. Their demise can be attributed to Numsa's failure to ensure active participation by members in the implementation of this innovative idea.

GOING BEYOND PRODUCTION POLITICS

Cosatu's New Growth Path comes as a breath of fresh air as it opens up opportunities for labour to negotiate a labour-led class compromise that disciplines capital and the state and ensures that the social costs of the economic crisis are not borne by workers alone.

The New Growth Path is an opportunity for labour to demand increased influence over investment decisions and productivity gains, to ensure that surpluses generated by growth benefit the population as a whole. In this compromise, the state ensures that labour achieves increased control over the distribution of the surplus and that the surplus is used through redistributive social policies in the interests of all.

There is always a danger of judging the past through the eyes of the present. The mistakes made in the 1990s were not, as Ndlozi argues, to engage strategically with capital. Our mistake was to pay insufficient attention to how capital was by-passing labour by creating large numbers of workers engaged in survival activities in small enterprises without any form of collective representation.

Increasingly wage labour is becoming a privilege. The central theoretical and strategic challenge facing labour and its intellectuals in the 21st century is to bring together wage labour and great swaths of informal, precarious labour as well as movements against the commodification of nature and of money in order to create a new employment generating and ecologically sensitive development path.

In this formidable challenge I am sure Ndlozi and I will find a lot of common ground. ¹⁸

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