



# Social democratic dreams or class struggle

## realism? *A reply to Enoch Godongwana*

In response to NUMSA's Enoch Godongwana on the prospects for socialism in a future 'social contract' in South Africa, ALEX CALLINICOS\* urges SA workers not to repeat the social democratic accommodations with capital that have led to the weakening of trade unions elsewhere in the world.

Enoch Godongwana's article 'Industrial Restructuring and the Social Contract' in *SA Labour Bulletin*, Vol 16 No 4, March/April 1992, is a welcome contribution to the debate on the social contract. He sets the question in the context of the broader issue of the strategy for socialism, and insists that the implications for rank-and-file workers of the positions taken should be clearly spelt out to them.

He is right about both these things. This approach sets apart Godongwana's piece from the mixture of wishful thinking and academicism which has tended to dominate the debate.

Godongwana believes that a social contract between labour and capital can be justified when it is "informed by a socialist perspective" and therefore "seen not as an end in itself, but as a building block for further advance". Thus he rejects the root-and-branch opposition to social

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contracts for which I argued in the Afterword to a book I edited *Between Apartheid and Capitalism: Conversations with South African Socialists*.

Godongwana makes a fair point when he says that "It is important for those socialists who reject social contracts not to resort to rhetoric and dogmatism but to provide answers to questions facing the working class today." Before responding, let me say, first, that my opposition to social contracts is not based on some abstract theoretical deduction but on harsh experience – the experience, for example, of the social contract under the British Labour government of 1974-9, which so weakened the workers' movement, that had driven the

Tories from office in 1974, that it could be humbled by Thatcher in the 1980s.

Marxist analysis is based on the generalization of the international experiences

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of the workers' movement. If South African socialists don't learn from mistakes elsewhere in the world, they run the risk of repeating them.



Godongwana seems to reject both the Stalinist model in Cuba - which the International Socialist tradition to which I belong regards not as any kind of socialist 'model', but as a variant of capitalism, bureaucratic state capitalism - and the social democratic model in Sweden. He argues that "the immediate post-apartheid society [in SA] will not be a socialist one", and that the best the workers' movement can do is "to reform capitalism" on the basis of a social contract.

Godongwana recognises, however, "that our approach to the social contract can lead to social democracy and only reforming capitalism." To guard against this, he says, an "ideological outlook" is required whose aim is socialism, which will "empower the producers so that they have control over what they have produced."

There are two flaws in Godongwana's argument.

### The realities of social democratic accords

The first is that he presumes a social contract can deliver reforms in the sense of "economic growth, employment creation and better standards of living for the whole population." But can a social contract work even these reformist terms? Those who argue that it can work are misrepresenting the record of social democracy in various countries in the world.

A good example of such misrepresentation is provided in an article in the same issue of the *Labour Bulletin* by two members of the Economic Trends Research (ET) Group, Avril Joffe and David Lewis. They propose a "restructuring accord" between capital and labour, arguing that "the experience of countries such as Australia, Sweden, and Canada indicates that restructuring is an inevitable response to the global challenges. It also shows it is only in reaching some kind of strategic accommodation between labour, the state and capital that unions will be able to

extract what potential benefits the reorganisation of manufacturing production offers."

This is, to put it mildly, a distortion of what has been achieved in these countries. In the current global recession how much have 'strategic accommodations' between labour and capital preserved the gains won by workers over many years of struggle? How much have 'social accords' guaranteed the rights secured by trade unions?

What difference have 'strategic accommodations' between labour and capital made to the situation of workers in the advanced social democracies as soon as conditions get difficult?

- In Australia - the Accord on wages between the Australian Council of Trade Unions and the labour government has simply helped to tie workers' hands in the face of a particularly brutal version of Thatcherite restructuring.
  - In Canada - the reformist National Democratic Party holds office in several provinces. In Ontario, the NDP government has presided over the worst of the industrial slump, slashing welfare services, and even jailing three militant postal workers for daring to go on strike.
  - In Sweden - the recession has swept the Social Democratic Party out of office and replaced it with a neo-liberal government which - with the enthusiastic backing of big business! - is seeking systematically to dismantle the famous Swedish 'model'.
  - Elsewhere in Europe - the reality of contemporary social democracy is best represented by the 'socialist' Mitterand regime in France, whose monetarist policies have kept unemployment at the highest level in the European Community thereby contributing to the growth of the first mass fascist movement in Europe since the 1940s; while the social democratic Gonzalez government in Spain is currently forcing through an anti-strike law.
- So, South African workers, when the 'experts' of the ET Group tell you that accommodations between capital and labour

under social democracy is securing real advances for the working people in the developed capitalist countries, don't believe them!



### The real costs of 'restructuring'

And when capitalist economies need to restructure who pays the cost? Joffe and Lewis are, in a sense, right when they say that restructuring is "inevitable". Given that global capitalism is in severe crisis, it is inevitable that capitalists will seek to increase profitability by reorganising production, cutting costs, and raising productivity.

What Joffe and Lewis do not tell workers clearly is that this process will be at the expense of workers. They will find themselves having to work harder under tighter managerial supervision, often for lower wages, if they don't lose their jobs altogether! That's why workers have to resist restructuring in order to defend themselves and lay the basis of a socialist society.

Godongwana half sees this. That is why he wants "restructuring informed by a socialist vision". But that is where his second mistake lies: believing that a social contract can be "a building block for further advance". When Godongwana talks of a "democratic" social contract he shows himself not to understand what such a deal involves:

- A "restructuring accord" to restore the profitability of capitalism in South Africa has to be at the expense of workers. Militant organised workers are not likely to accept paying the price for capital. They will resist it. Is such an accord feasible where labour is organised and militant?
  - Such resistance by the rank and file will put great pressure on the leaders of the workers' movement to centralise power on their hands and to restrain the self activity of the rank and file in order to fulfil the commitments they have made under the contract. A trade union accommodation to capital will, in all probability, have the effect of bureaucratising the unions and demoralising workers.
- All the experience of social contracts in

Western Europe in the 1970s was of the growth of the trade union bureaucracy at the top and increasing disillusionment and apathy at the base.

Social contracts therefore don't bring socialism nearer. On the contrary, by undermining the organisation and self-confidence of workers' organisation, social contracts weaken the main force for socialism.

### Social contracts and collective bargaining

But, asks Godongwana, what's the difference between accommodations in social contracts and the kind of compromises which workers inevitably make when, for example, they end a strike by concluding a wage agreement with the employer?

Even those compromises carry with them dangers. They can encourage the development of a bureaucracy of full-time trade union officials whose job becomes that of reconciling labour and capital. Nevertheless, a normal trade union agreement over wages and hours is specific, focusing on the material situation of a particular group of workers. It is therefore relatively easy for the workers to monitor the implementation of that deal and to react to management backsliding.

When, however, COSATU proposes a 'macro-economic negotiation forum' with the employers and the state, it is seeking to exercise a degree of control over the entire policy of the capitalist class as a whole. Such an arrangement would put workers' representatives at a great disadvantage, since they would lack the resources possessed by the bosses and the government - a whole range of resources including the information relevant to policy-making, right across to capitalists' power to mount an investment strike against policies they don't like. The danger would be that the workers' leaders increasingly develop the mentality that they are in the same boat as the capitalists, sharing precisely 'the joint responsibility for managing capitalism' which Godongwana condemns.

## Reviving AND burying capitalism?

Godongwana's problem is that he wants to have his cake and eat it. He wants to have the benefits social contracts allegedly bring - reforms under capitalism - without the disadvantages they inevitably produce - a weaker workers' movement. He does not see that the logic of all social contracts is to undermine workers' organisations by obtaining their leaders' consent to capitalist restructuring at working people's expense.

Those like Godongwana who want "restructuring informed by a socialist vision" confront the same dilemma described by the German trade union leader Fritz Tarnow in 1931 when he asked: "Are we sitting at the sickbed of capitalism, not only as doctors who want to cure the patient, but as prospective heirs who cannot wait for the end and would like to hasten it by administering poison?"

Typically, social democrats believe that they can act first as doctors, and then as heirs. They accept capitalist restructuring as 'inevitable' in the hope that, once the system has been nursed back to health, favourable conditions will exist for a move to socialism. In fact, what happens is that, once trade union and social democratic political leaders have persuaded workers to accept the 'emergency', 'temporary' measures required to restore capitalist profitability (at workers' expense), they themselves are discarded by the bosses as soon as they are no longer necessary.

Godongwana wants to reject social democracy, but the course he advocates would lead to the workers' movement once again sacrificing itself for the sake of capital.

## Social contract - or - class struggle?

But are we simply proposing that South African workers should "wait for a socialist revolution", as Godongwana suggests we are saying? Absolutely not. The alternative to social contract is struggle - or rather, the struggles through which different groups of workers, or perhaps the labour movement as a whole, can defend, and even improve their



wages, hours and conditions. It was, after all, struggle that built the workers' movement in South Africa, that forced the state to legalise

independent unions, that dragged a great number of concessions from the bosses and that drove de Klerk to the negotiating table.

That struggle needs to be continued. A danger of the present situation in South Africa, and not just on the labour front, is that - despite all the formulations about 'combining negotiations and struggle' - negotiations are becoming a substitute for mass struggle. If this continues, the result will be to weaken the existing mass organisations.

And that will not simply make the movement more vulnerable to a regime which plainly is still seeking to hang on to power. The weaker workers' organisations become, the less they will be able to fight for socialism. Struggle isn't just a way of defending the material situation of the working class. It is essential to building workers' organisations - giving workers the strength and confidence needed to challenge a capitalist system which is in crisis, not just in South Africa, but all over the world.

Of course, 'struggle' can degenerate into an empty slogan. The real discussion that should be going on in the South African labour movement is not one about the social-democratic promises put forward by the ET Group and their like. Debate should instead be concentrating on the question of how to take the struggle forward.

How should workers fight, both in specific industries and right across the working class, in the face of a bosses' offensive (for that's what restructuring really is) and a ruling class ruthlessly fighting to hold onto the substance of power?

That is a question which can only be answered on the basis of careful analysis of current conditions in South Africa. Socialists overseas such as myself cannot pretend to offer that analysis. But we can warn South African workers against being misled by the attractive pictures they are offered of the failed strategies of "accommodation" all over the world. ☆