

Social partnership

a dead end for labour

Nineteen ninety seven was not a very good year for social partnership. Those who thought that partnership had replaced adversarialism were dealt a blow by the struggle over the BCEA and the war of words over GEAR. Officials from the Department of Labour - the engine room of social partnership - have issued calls for the downgrading of Nedlac. Sections of business would not be averse to abolishing it altogether.

From the look of things, 1998 will be even worse. Notwithstanding the deals¹ reached by alliance leaders at the ANC national conference, the struggle over GEAR is far from over. Hostile worker reaction to public service cutbacks will increase the heat.

The labour movement faces a paradox. On the one hand, a breakdown of social partnership is not in itself a bad thing; this is someone else's ideology which creates serious traps for labour. But if partnership is replaced by unilateralism, opportunities to advance working class interests will be lost.

If social partnership is not the route for labour, how can it ensure it protects and advances its interests in a democratic and capitalist South Africa? What strategies does it need to adopt to ensure success?

Options

In contrast to the capitalist class and many elements in the nationalist movement, COSATU's socialist vision puts it in a complicated position in South Africa's new

Glenn Adler calls on labour to reject the ideology of social partnership. He suggests a policy of engagement which will achieve short-term aims without sacrificing long-term transformation.

democracy. While it has been a champion of democracy, its demands for redistribution and justice cannot ultimately be satisfied within a capitalist framework.

The worker movement has one foot in, and the other outside the new order it helped usher in. Its struggles must proceed with an eye to how contemporary actions affect its ability to achieve its future goals, as suggested by the old slogan, 'building tomorrow today'.

There are three possible directions labour may take.

The first is to downplay the transformative possibilities of the present moment. Given the failures of 'actually existing socialism' (the ex-Soviet union) and the constraints neo-liberalism imposes on economic choices, it is better to concentrate on a short-term reformist agenda that can be obtained in the 'real world'.

In political terms, this means not undermining the alliance at a crucial

moment in the government's development.

The second direction is similar, but reaches the opposite conclusion. Given neo-liberalism's hegemony, little can be accomplished by participating in policy-making. Indeed, such involvement will lead inevitably to co-optation. Labour must therefore avoid entanglements with the state and capital.

This is a repeat of labour's old strategy of militant abstentionism, now directed against the ANC government. It involves mobilising around the contradictions in the present situation to build discontent against the current order and the ANC itself.

Both these approaches suffer from too rigid a reading of politics. Potential for future transformation is more open than the first position allows; opportunities for making gains today are better than the second admits.

Somewhere in between lies a more complicated, but ultimately more promising position: that labour can use its power today to achieve gains that *in themselves* do not amount to socialism, but will contribute to its creation. In terms of the alliance this means participating in, and strengthening the alliance around common programmes with a working class bias. Participation includes the right to criticise government policies.

There are strong historical precedents for such an approach. Since the 1970s the South African labour movement has looked for, and found, ways to turn short-term victories into long-term gains.

The strength behind this strategy lay in labour's socialist vision. But the vision was given force by an independent power base: strong worker-controlled structures at the shopfloor.

Few progressive formations, in this country or others, have possessed such advantages.

Social partnership

Each of these positions accepts in principle the need for socialist transformation. Social partnership is different.

The term 'social partnership' emerged in Germany in the 1950s. There, it signalled labour's acceptance of working with capital and the state to achieve economic growth and the entrenchment of a democratic republic.

The German trade unions' acceptance of partnership was not just co-operation with capital. It was based on a principled commitment to working within the established economic system, and the abandonment of nationalisation and economic planning as a means to transcend capitalism. The familiar institutions of European social democracy – co-determination, corporatism, the welfare state – became ends in themselves, rather than means for transformation.

Partnership not only implied a common long-term vision, but also agreement on the capitalist rules of the game. Any actions by labour that were seen to threaten capitalist prerogative – such as the Swedish unions' efforts in the 1970s to socialise investment through wage earner funds – were considered serious breaches of faith.

In many countries, partnership remains an active ideology. While it implies some measure of sharing risks and benefits, this takes place within the unequal property relations of the market economy, ultimately upheld by the capitalist state. Notwithstanding the rhetoric, partnership is always uneven, as it takes place within relations of class domination.

Engagement

The odd thing is that, while COSATU has never embraced social partnership, its actions are now judged according to those standards. Government policy-makers and business leaders tend to use the language of



Anti-VAT march, November 1991. The unions have always found ways to turn short-term victories into long-term gains.

partnership only when they accuse labour of acting out of line. One hears less about partnership when it comes to macro-economic policy, or when companies make their investment decisions!

The 'social partner' *least* likely to talk about partnership is labour. A close reading of COSATU's most recent policy statements yields no references to 'social partnership'. When COSATU refers to partners it is talking about the tripartite alliance and other formations of the mass democratic movement. This partnership excludes the bourgeoisie - patriotic or otherwise - and reactionary groupings within the working class. Nor does the partnership extend to the state, which is clearly not yet the 'workers' state', despite the election of an ANC government.

It may even be questioned whether Nedlac itself is premised on the notion of partnership. Its Founding Act only says that it shall "seek to reach consensus and

conclude agreements" on social and economic policy.

COSATU has reaffirmed its commitment to socialism. In doing so, it has not lapsed into the old abstentionist position. Instead, at its recent congress, the federation resolved to "engage both the state and capital... underpinned by our ideological vision of a socialist society...

There are significant differences between partnership and engagement. Engagement accepts the need to bargain and reach agreements or compromises with one's opponents. It does not require a common vision of the future. Nor does it imply a common set of values to govern behaviour. Agreements depend on circumstances and may change when these change.

Co-optation

Co-operation may, over time, grow into a shared vision between capital and labour - this is the risk of co-optation - but it may

not. During the apartheid era the unions dealt confidently with capital and the state because their vision, their power and mandates prevented a drift into co-optation.

The possibility of reaching agreement on policies does not rule out the existence of conflicts and contradictions between the parties. Indeed, it is only in the context of conflict that bargaining is conceivable: parties who already agree do not need to negotiate. Co-operation and adversarialism are not opposites.

State and capital

A policy of engagement begs a number of questions. Why should business and the state co-operate with labour? How should engagement take place? How does engagement today link to future transformation?

In South Africa's transition to democracy, new institutions and procedures - largely inspired by labour - have developed. Labour thus gained a purchase on decision-making in the state and the economy. Nedlac is the most public of these institutions, but there are others - such as the sectoral fora which deal with industrial policy and efforts at the enterprise level to engage with management - which play an equally important role.

To some extent, labour has knocked down an open door. Capital supports forms of co-operation - for example, to bring labour on board its efforts to restructure industry to promote competitiveness. While the previous regime desperately needed labour's co-operation to prop up its own legitimacy (labour's support for petrol pricing or submissions to GATT helped win a measure of respectability for government policies), the ANC government also requires the support of civil society formations. Though there have been calls for both capital and the state to go it alone, this would entail very high costs. Even without Nedlac, there would have to be some form

of co-operation.

Such conditions will not exist forever. There may be a point at which labour opposition pushes business and government to go it alone. On the other hand, co-operation may lead to co-optation. It is impossible to establish these limits in advance; they are defined through struggle.

'Zig-zag' unionism

All the while capital and the state seek labour's co-operation, how should labour engage? This is where the major difficulties arise.

COSATU's involvement in policy-making has been broad, extending from the shopfloor to industry and Nedlac level, from local government to parliament and the state bureaucracy. The scope of intervention is equally wide: from traditional trade union concerns to social wage issues and political interventions. The problems with engagement are rooted here.

A (partial) list of commitments made at the recent COSATU congress include campaigns for a living wage, paid parental leave, restructuring UIF, child-care facilities, social security for all, monetary and fiscal policies that enhance growth and employment creation, public sector restructuring, tariff reduction, a viable public works programme, fair regional labour standards, organisational renewal, changing the country's electoral system, transformation of the police and justice systems and fighting globalisation.

Perhaps in its spare time COSATU would be able to pursue other imperatives endorsed at the congress: developing an alternative economic framework and establishing SACP units in workplaces!

All these goals are eminently admirable. Taken together, however, they are beyond the movement's capacity. In many respects labour has become a shadow government, developing policies in every conceivable

area of interest to the working class.

Labour's current agenda reveals serious strategic problems. COSATU has not decided which activities take precedence. What resources should be devoted to organisational renewal, as compared to building the SACP? If an organisation cannot make these choices, it risks doing many things badly rather than a few things well. This is the opposite of strategic action.

Problems

This lack of clarity is both the product of, and a contributor to, chronic organisational problems. Service to members is declining. Some affiliates are unable to fund necessary functions such as training for shopstewards and officials. Indeed, in many cases, business is taking on the function of educating workplace representatives!

Organisational problems directly affect union power. If management is training shopstewards – or, as bad, if no training is occurring – the unions risk losing their power, which is ultimately founded on the ability to mobilise workers at the shopfloor.

Documents presented at the congress are brutally honest. They point to a growing gap between the rank-and-file and leadership. This problem nurtures the development of what the COSATU secretariat calls "a new culture of 'gurus'": leaders whose ideas are not challenged by members.

If unions cannot establish specific long-term goals and marshal resources to achieve these, they risk lapsing into a reactive unionism, lurching from one issue to another as they pop up. This is what the September Commission called 'zig zag' unionism.

This is evident in Nedlac, where, with a few exceptions, the agenda has been set by government's legislative timetable. The process is driven by White Papers or draft legislation. Both labour and capital are restricted to opposing or amending someone else's plan. Government also

defines what is kept off the negotiating agenda – for example, GEAR.

The huge and highly technical agenda of discussions in fora such as Nedlac, combined with the weakened links between leaders and members means that these discussions cannot be widely debated in the unions. How, then, can workers be mobilised to back labour's demands? This leads to the 'tap' method of protest: leaders turning mobilisation off and on according to the ebb and flow of distant negotiations.

More worrisome is the impact on democracy. How can members follow, let alone control, decisions if these are made in far-away locations and sealed by late-night deals brokered between leaders?

These problems could result in the "strategic initiative passing into the hands of those opposed to fundamental transformation", (COSATU secretariat report to congress) and to the rolling back of gains made during the apartheid era and since 1994.

Strategic clarity

What is missing is the strategic clarity the unions possessed in the past, and a creative dynamism between negotiation and mobilisation. The link between worker organisation, strategy, and political vision was the engine that drove earlier interventions against capital and the apartheid state.

It is not surprising that such clarity is missing. The present situation is infinitely more complex than that faced by the movement in the past. It is a product of structural transformation in South Africa's politics and economy, some of which came about through the movement's successes, some by surprise.

The situation demands new approaches to building solidarity among a more differentiated working class. It requires new ways of challenging capital, which now has



Nedlac gathering, November 1996: consensus, not partnership.

far more weapons at its disposal for weakening labour, including those offered by globalisation. It means adapting traditions of militance invented to fight a racist authoritarian state so that they are useful in influencing an alliance partner in government.

No one has a monopoly on wisdom. Answers will come about through debate, research, reflection, and the trial-and-error of struggle. There are, however, certain themes which can be stressed, which speak more to process than to content, to the *how* rather than the *what*.

Labour must not accept the ideology of social partnership. It has to find ways of adapting its tradition of fighting for change today in pursuit of long-term transformation. This takes place on the terrain of a liberal democracy in a competitive capitalist economy, where the push towards partnership is stronger than ever. Labour must seek forms of pressure that will not push capital and the state to reject engagement altogether. A fine balancing act is called for.

The need for adaptation is clearly acknowledged in COSATU. Priority has been given to organisational renewal and to strengthening COSATU's structures.

Crucial to this effort is bringing strategic discipline into the exercise of power. This means the ability to choose the most important areas of activity to which scarce organisational resources must be devoted, enabling campaigns to be done well, even at the risk of doing nothing in other areas. This approach would need to be pursued with discipline in Nedlac and other fora. Labour could set its own agenda, conduct research and draft legislation. It could use its power to achieve its goals and, when blocked, as in the past, withdraw from the process, or refuse to comply in other areas of interest to capital and the state.

It is one thing to reject the ideology of social partnership. It is quite another to engage effectively. The steps COSATU has already taken are important, but they have not gone far enough. The alternative may well be the loss of strategic initiative. If this happens, social partnership may be the best thing the labour movement can hope for. ★

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