

The responses of trade unions to the effects of Neoliberalism in South
Africa: the case of COSATU and its affiliated unions

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I declare that THE RESPONSES OF TRADE UNIONS TO THE EFFECTS OF NEOLIBERALISM IN SOUTH AFRICA: THE CASE OF COSATU AND ITS AFFILATES is my own work and that all the sources I have used or quoted have been indicated and acknowledged by means of complete references.

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Date

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Abstract

This dissertation aims to critically evaluate the ways in which the trade union movement in South Africa has responded to the socio-economic effects of neoliberalism in this country, giving an overview of these responses and their impact, and then trying to identify key weaknesses. Neoliberalism as an economic system has had far-reaching socio-political effects.

In this dissertation we will show that the responses to the effects have been largely piecemeal and as such, while there have been small successes, a comprehensive strategy will be needed if there is any hope of influencing macroeconomic issues. There are other issues affecting the efficacy of the trade union movement, including weaknesses within the trade union movement and ideological and organisational shortfalls. The hegemony of neoliberalism also creates a context in which change is constrained. All these factors are addressed.

Key terms: Neoliberal(ism); trade unions; working class; globalisation; revolution; class analysis; policy approach; national sovereignty; welfare state; informalisation; social movement unionism; capitalism; socialism

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Introduction

Extensive research has been done on the effects of neoliberal economic policies on the working classes, both globally and in South Africa (Adelzadeh 1996; Bieler et al 2008; Calitz 2000; Pillay 2008; Teeple 1995). Research has also been done on policy-oriented responses to neoliberalism (Bramble & Barchiesi 2003). However, very little research has been done on what the trade unions have actually done to combat the *effects* of neoliberal economic policies and what the outcome of such actions have been. The little research that there is (van Holdt & Webster, 2001: 19-25; Labour Bulletin 2003: 8-13), has focused on specific responses to specific situations and specific neoliberal practices (such as privatisation) (Hassen 2001:31-35), but there is a lack of research on how COSATU and its affiliates have responded to the effects of neoliberalism on a macro-level. These effects are not seen as wide-ranging social problems, but as isolated problems. This study will aim to address this shortcoming.

The trade unions seem to have become increasingly impotent (see Bramble & Barchiesi 2003:2,3). Although COSATU is in alliance with the ruling party, it was not consulted about the adoption of the Growth, Employment and Redistribution (GEAR) neoliberal macroeconomic policy (see Adelzadeh 1996: 92). And despite their objections to the policy, GEAR was adopted. In real terms, inequality, poverty, and unemployment (37 per cent of the economically active population according to the expanded definition which includes discouraged work-seekers), (Bramble & Barchiesi 2003:3) in South Africa have worsened and are not likely to improve under GEAR (Adelzadeh 1996: 84-86, 71-72; Bieler et al 2008: 8; Calitz 2000:567; Pillay 2003: 266; Pillay 2008: 45-62).

Trade unions are organisations that are committed to improving the lot of the working class. However, neoliberal economic policies are affecting the working class adversely. The

research problem is to investigate the responses of trade unions to the effects of neoliberalism, and the impact of neoliberalism on the working class.

The study aims to explore how trade unions have responded to the effects of neoliberalism, how effective the responses have been and what the major weaknesses of the responses have been.

The research questions are then:

How have trade unions responded to the effects of neoliberalism?

How effective have these responses been?

What have the major weaknesses of these responses been?

Chapter 1 deals with neoliberalism. This will help to understand what the effects of neoliberalism have been on a macro-level and why these need to be responded to. It will also help to illuminate the ways in which neoliberalism can impact on the ability of the working class to fight for its own interests. The two main approaches, the class analysis and policy approach, are described.

The nature and character of neoliberalism is discussed. In this context, the diffusion of neoliberalism, national sovereignty, power relations and the demise of the welfare state are discussed. The charge that South Africa cannot be labelled 'neoliberal' is addressed. The evolution and consolidation of neoliberalism is discussed with reference to the conception of neoliberalism as a coup by the capital elite. This 'coup' was a response to the strain on capital in most of the world after the end of the post-war boom period towards the end of the 1970s. The move toward neoliberalism in South Africa is explored, along with the subordination of the working class. The way in which class struggles shaped the evolution of neoliberalism in South Africa, is discussed.

The effects of neoliberalism on the working class are divided into two categories: working conditions and living conditions. Working conditions include issues such as exploitation, informalisation and flexibility, while living conditions include issues such as education, healthcare, unemployment and employment equity, inequality, welfare and poverty.

Chapter 2 deals with the development of the trade union movement in South Africa. The strong heritage of the South African union movement is important because it could inform the ways in which the union movement would respond to neoliberalism today. Shifts in the union movement in terms of organisation and ideology are also discussed, along with constraints that could hamper its efforts. This helps to explain the responses the trade union movement employs.

First, the historical development of trade unions in South Africa, and their strong political orientation during this development is documented. Shifts in the ideology of the trade union movement are then discussed, and it is posited that the ideology has gone from socialist to (at least) accepting of neoliberalism.

Organisational shifts are discussed next, including weaknesses in organising those in atypical employment and the unemployed. Organisational shortcomings associated with the restructuring of work under neoliberalism, impacts on solidarity and strength by fragmenting the working class, but also results in declining union membership. The historical unified mass action of COSATU during the Apartheid era, combining unions with other sectors of the working class, is also explored as ‘social movement unionism’.

There are external and internal constraints on the union movement. The first external constraint is the Alliance with the ruling party. This Alliance encourages COSATU to cooperate with the ANC, even when it is ideologically opposed to practices or policies. Unemployment and informalisation also constrain the union movement: Organisational

difficulties with the unemployed and atypically employed were mentioned earlier, and workers in precarious employment are reluctant to risk conflict by joining a union. The first internal constraint is COSATU's failure to link up with community movements and their struggles, and the second internal constraint is bureaucratisation. The lack of links to community movements is a grave weakness that undermines strength and solidarity, and bureaucratisation has undermined the ability for decisive action.

The third chapter deals with the methodology employed. First, the research design is outlined. The research was exploratory and qualitative. Data sources and methods of data collection are then described. Documents from COSATU were analysed with selective coding and then qualitative interviews were conducted. Interviews were conducted with representatives from COSATU and four affiliated unions: NEHAWU (National Education Health Allied Workers Union), NUM (National Union of Mineworkers), NUMSA (National Union of Metalworkers South Africa) and SAMWU (South African Municipal Workers Union). A trade union expert was interviewed as well.

Sampling techniques are described next. Purposive sampling was used for this study. Lastly, the data analysis and interpretation are outlined.

Chapters 4 and 5 form the analysis of the COSATU documentation and data gathered from interviews. This is to form a picture of the official positions of the trade union federation as a whole on issues such as the ideological conception of neoliberalism, the effects of neoliberalism on the working class, organisational issues and the political role of the trade union movement. Such a picture also helps to identify the effects of neoliberalism as seen by the union movement and explain the ways in which the movement responds to them.

The interviews deal with the same broad issues as the documentation (ideological conception of neoliberalism, the effects of neoliberalism, organisational issues and the political role of

the unions). However, there were areas of discontinuity between the different trade unions, as well as between the respondents (representatives from COSATU and affiliates) and COSATU documentation. The interviews brought to light some internal problems and constraints within the union movement and also clarified some issues raised in the documentation. The interviews supplement the information gathered from the COSATU documentation and identify weaknesses within the movement.

As mentioned earlier, representatives from COSATU and four affiliated unions (NEHAWU, NUM, NUMSA and SAMWU) as well as a trade union expert were interviewed.

In chapter 4, the first issue addressed is that of the trade union's conception of neoliberalism. Given the socialist heritage of the trade unions, it was expected that COSATU and its affiliates would characterise neoliberalism as a class project, however there is a complete lack of the explicit conceptualisation of neoliberalism as a class project.

On the subject of the trade union's conception of neoliberalism, the interviewees clearly characterised neoliberalism as a class project¹, but only when prompted. On the effects of neoliberalism, the interviewees also spoke of the crises of unemployment, inequality and poverty, and also the issues of fragmentation versus possible solidarity.

The effects of neoliberalism are explored next. The 'triple crises' of unemployment, inequality and poverty are well documented, with the main focus on unemployment. Issues such as service delivery and privatisation are also emphasised. It is also suggested that the working class is losing patience with the continued prevalence of these effects.

¹ A class project is understood here to mean goal directed action by a self-aware class to preserve or promote its interests. The implications for transformative political action are that the system that allows this action needs to be challenged and the opposing class needs to overthrow the system as self-aware unified class.

Chapter 4 concludes with an overview of ideology and responses to the effects of neoliberalism on two levels. Firstly, there are policy submissions and appeals to parliament through formal political apparatus such as NEDLAC and other institutions of the neoliberal state. Secondly, there is mass mobilisation, the historical source of the power of the working class. Mobilisation could start with focus on specific issues but culminate in intensive struggle against neoliberalism and the state.

Chapter 5 starts by discussing the issue of organisational strategies, there is a stated commitment by COSATU to organising atypically employed workers and the unemployed. There is also documentation referring to issues relating to fragmentation and declining union membership.

With respect to organisational strategies, the interviewees did not provide any strategies for organising the unemployed or atypically employed identified. COSATU did not offer any organisational responses to neoliberalism.

The political role of the trade unions relates to challenging the power of capital. This can be done with relation to narrow workplace issues and with relation to broader political issues. However, there is also the question of a broader challenge to capital, not on the basis of specific issues, but as a class fighting for emancipation. The political role of the trade unions will be discussed with reference to these two dimensions. On the first, COSATU has well-documented responses to issues related to labour and such issues as those related to the Reserve Bank, women's issues, anti-privatisation, service delivery and the well-publicised opposition to e-tolling. On the second, the COSATU documentation has been non-committal and where mention is made of a broader political goal, there is no more than vague transformational rhetoric.

The interviewees, when questioned regarding the political role of the trade unions, spoke of the transformation of the system, but only vaguely without any concrete strategies. With respect to responses to non-labour issues, links with civil society organisations were emphasised.

Chapter 5 ends with an overview of organisational and political responses in the arena of mass mobilisation and formal spaces for engagement, including the problem regarding the lack of influence in the latter.

Chapter 6 deals with the weaknesses of the trade union's responses to neoliberalism and possible areas where these weaknesses should be addressed to increase the potency of the trade union movement. This helps to arm the union movement with tools to strengthen the movement and respond to neoliberalism more effectively.

The shortcomings are divided into the same categories as the documentary and interview evidence in order to address the shortcomings in each of those categories. In the category of ideology, there is a disjuncture between the documentary evidence, the interview evidence and trade union action. There is a lack of any concrete strategy for breaking the power of capital in the category of the political role of the trade unions. In organisational matters, there is the issue of the unrepresented unemployed and atypically employed sectors of the working class. The lack of representation of these groups wastes strength that could be lent to the movement by sheer weight of numbers.

In the category of the effects of neoliberalism, the ways in which the union movement has handled living conditions as an effect of neoliberalism is discussed. Attention is then given to the effect of neoliberalism on the ability of the working class to fight for its own interests. There are three main aspects to this: Firstly, the hegemony of neoliberalism needs to be broken and this includes eliminating the belief in the possibility of reform. Secondly, the

fragmentation of the working class needs to be addressed. Thirdly, attention needs to be given to the practical difficulties associated with creating conflict within neoliberalism.

Alternative strategies would need to first clarify what an alternative system would entail, and then examine what could increase the efficacy of strategies, why mass action is being largely ineffective and what shortcomings within the unions, undermine the union movement.

This study is approached from a certain point of departure, which is made up of a number of assumptions. The first of these relates to the conceptualisation of neoliberalism. The study uses the class conception of neoliberalism. This is based on the assumption that the globally pervasive neoliberal practices we see today are the product of an ideology, not only a set of policy prescriptions. Isolated policies could be identified as policies, but an entire system of consistent policies must rest on an ideology.

The trade unions have a strong revolutionary history. The trade unions have historically been committed to the plight of the oppressed – the apartheid era campaign to exempt basic foodstuffs from VAT (Value Added Tax) is an example of this. In the past, the trade union movement was hugely successful, protesting many injustices of the apartheid regime. In recent years however, the trade union movement in South Africa has had some small successes but has largely been characterised by massive failures.

The goal of this study is to answer the research questions in a way that arms the union movement with the knowledge of areas of weakness and their impact on the fight against unemployment, inequality and poverty so that they can be addressed and the union movement can then reclaim its role as a revolutionary force for the oppressed.

This study raises questions about the strength of the union movement in South Africa. There are three main dimensions to this question. The trade union movement seems to be

weakening and far from leading the struggle of the working class. The first dimension concerns ideology. The movement seems to have lost a substantive commitment to radical ideologies while still keeping the radical rhetoric. This points to confusion and a weakness in ideological conviction one way or the other. Without ideological conviction, political struggles can be no more than half-hearted.

The second dimension concerns solidarity. The working class is severely fragmented by neoliberal work restructuring, by unemployment and by individualistic competition. Without solidarity among the working class, any struggle the union movement could initiate would be doomed to fail, mired in a lack of a common identity and focus, on the goals of the working class as a whole.

The third dimension is closely related to the second. Without organisation, solidarity becomes difficult, if not impossible. New forms of organisation are necessary to compensate for the ways in which neoliberalism undermines the traditional organisational model. Atypically employed workers and the unemployed, need to be organised by the union movement if it is to have the strength to present a convincing challenge to neoliberalism. Organisation in this context does not only refer to recruitment and retention of members, but also the capacity to arm the working class with the tools and strategies of struggle. This cannot be done without a strong, consistent ideological base.

The trade union movement cannot hope to succeed in leading the working class in a struggle against neoliberal oppression without strengthening these three dimensions.

Chapter 1: Neoliberalism

Introduction

The purpose of this chapter is to summarise the ways in which neoliberalism can be conceived of, what its origins are and how it impacts on society. A clear understanding of neoliberalism is important in order to understand why it is necessary for the trade unions to respond to it and what responses are required to counter the effects of neoliberalism. First, the two approaches to neoliberalism are discussed. Then this chapter is divided into sections regarding the nature and character of neoliberalism, its evolution globally and in South Africa, the role of class struggle in shaping the evolution of neoliberalism in South Africa, and the effects of neoliberalism on working and living conditions. An understanding of the nature and character of neoliberalism will facilitate an understanding and evaluation of union responses to date. The nature and character of neoliberalism is largely shaped by its evolution and furthers an understanding of its impact. The examination of the impact of neoliberalism with reference to working and living conditions provides concrete indicators with which to ascertain what has been done to ameliorate the conditions of the working class in South Africa.

Approaches to the study of neoliberalism

There are two main approaches to the study of neoliberalism: a policy approach and a class (accumulation-centred) analysis. The policy approach is most widespread, and is often explicitly stated: “‘Neo-liberalism’ is a set of economic policies that have become widespread during the last 25 years or so.” (Martinez & Garcia, 2001). Some conceptions are more subtly stated, and there are of course many conceptions of neoliberalism with differing emphasis on it as a social, economic and political phenomenon. However, these are ultimately reducible to the two aforementioned categories of approaches.

Neoliberalism, according to Harman (2007:1) could “...refer to a way of running the capitalist system that could be changed with a change in government policy, or...something intrinsic to the present phase of capitalism that only challenging the system as a whole could overcome”. The policy approach focuses on the role of the state – whether it promotes privatisation or nationalisation, regulation or deregulation of the market, and expansion of, or reduction in social spending. Harman (2007:1) argues that the policy-oriented approach is widely accepted, and goes on to characterise it as follows: “The logic of this position was that all that was needed to reverse the unpleasant policies pursued by capitalist governments and corporations was a shift in ideology or politics at the top of society”.

Stiglitz (2006: xi) asserts that there are changes that need to be made in order to help globalisation “work better” especially in developing countries where neoliberal globalisation has seen a rise in inequality, unemployment and poverty. He identifies the promotion of conservative economic policies and the belief in the inherent efficiency of the market (characteristics of neoliberal principles) as flaws in globalisation. The areas where he suggests changes are “...in policies, in economic institutions, in the rules of the game, and in mindsets”. Such changes are desirable for all but capitalists and supporters of neoliberalism. However, how will these changes be made? Despite numerous papers, proposals and debates, the hegemony of neoliberalism has remained unchallenged in practice.

Thorsen & Lie (2009: 14) define neoliberalism with reference to beliefs related to the role of the state, which is a minimal role, the responsibility of which is to preserve commercial liberty and private property rights, nationally and internationally, where it should also ensure free trade and free markets. They characterise these beliefs as ‘political’. The authors then summarise the definition of neoliberalism in the following way: “...a loose set of ideas of how the relationship between the state and its external environment ought to be organised...” (Thorsen & Lie 2009: 15). Although they claim to have a political conception of

neoliberalism, their emphasis on the role of the state, coupled with the “ideas” about the way the relationship of the state to its environment “ought” to be organised, which form the basis of policy prescriptions, belie merely a policy-oriented approach. Even when evaluating the work of David Harvey, they ignore political questions of class and power, both of which he addresses (Harvey 2005; Harvey 2006).

Larner (2000) speaks of the complexity of neoliberalism and its many forms. Her work claims sophistication; she gives an overview of three ‘approaches’ to neoliberalism: policy, ideology and governmentality. The analysis is represented as political, with numerous references to political implications. The author refers to “the neoliberal *political* project” [emphasis added] and identifies the main actors in a policy approach as politicians and policy-makers. She argues for a “...formulation that draws on the insights of both the neo-Marxist and socialist-feminist analyses” (Larner 2000: 10) and touches (in the section on an ideological approach) on the neo-Marxist view that neoliberalism is a form of social regulation, also mentioning that it is seen to create the conditions for “sustained capitalist accumulation” (Larner 2000: 7). (However, there is no discussion of class projects, class analysis or power relations). Larner (2000: 13-16) goes on to briefly discuss questions of hegemony and identity in terms of hegemonic and oppositional dynamics. Despite her brief forays into nuanced analysis, she betrays a policy conception. Larner (2000: 1) opens her work with the statement that neoliberalism “...denotes new forms of political-economic governance premised on the existence of market relationships”. This places the emphasis squarely on the political and economic aspects of governance which, she says later (2000: 2) happens from a distance, which suggests she is referring to policy. In her discussion of an approach centred on governmentality, she speaks of a lack of literature dealing with “politics surrounding specific programmes and policies”. This emphasis on “programmes and policies” is repeated throughout the document. The author refers to “welfare state

restructuring” throughout her work (Larner 2000) or even “social policy reform” (Larner 2000: 9) to denote neoliberal reforms or “...neo-liberal political projects” (Larner 2000: 8). This reduces neoliberal reform to the implementation of policy involving the actions of the “politicians and policy-makers” referred to earlier. Larner (2000:2) explicitly characterises neoliberalism as “a political discourse and a set of practices”.

Bourdieu (1998) says that: “The movement toward the neoliberal utopia of a pure and perfect market is made possible by the politics of financial deregulation. And it is achieved through the transformative and, it must be said, destructive action of all of the political measures...that aim to call into question any and all collective structures that could serve as an obstacle to the logic of the pure market: the nation, whose space to manoeuvre continually decreases; work groups, for example through the individualisation of salaries and of careers as a function of individual competences, with the consequent atomisation of workers; collectives for the defence of the rights of workers, unions, associations, cooperatives...” The withdrawal of the state is emphasised in the policy approach, as it is by Bourdieu. The destruction of the “collectives” he mentions, are all enabled and sanctioned by policy, for example, the aforementioned destruction of the state as a sovereign entity, corporate policies promoting individualisation, legislation curtailing the actions and avenues available to unions, associations and cooperatives. This suggests that Bourdieu’s approach can also be seen as falling into the broad category of the policy approach.

Weissman (2002) speaks of “market fundamentalism” – neoliberalism – and identifies four areas of influence: marketisation, deregulation, privatisation and “financial market manipulation”. Here again, the focus is on the role of the state, in line with the policy approach.

Palley (2004) argues that neoliberalism can be understood in terms of “income distribution” and “employment determination”, (any problems with which neoliberalism believes market forces will solve). However, he mentions many of the same issues related to the role of the state (such as deregulation or fiscal austerity) as the previously discussed authors. He asserts that policy decisions are based on neoliberal “rules” but the policies (he specifically speaks of interest rate policy and fiscal policy) benefit the “elite” (Palley 2004). Despite his mention of the elite, it is possible to see a strong policy orientation: he speaks of Thatcherism and Reaganism and the beginning of “formal neoliberal policy dominance”; refers to wage flexibility as “neoliberal policy in practice” and calls for policy changes and government intervention to address the effects of neoliberalism (Palley 2004).

A class analysis suggests that the power of the capitalist class needs to be challenged in order to challenge neoliberalism. From the class analysis approach authors such as Radice (2011), Harman (2007); and Duménil & Lévy (2004a, 2004b) examine neoliberalism as a new phase of capitalism. Albo (2010: 84) speaks of a “‘pure’ [Marxist] theory of capitalism with its distinct ‘laws of motion’; and specific historical periods of capitalist development – monopoly capitalism, post-war capitalism, neoliberal capitalism as examples”.

The Marxist analysis can be seen as the “analysis of the relationship of neoliberalism to capitalism – and by implication, of anti-neoliberalism to anti-capitalism” (Harman 2007:2). This approach argues that processes of accumulation shape policy, and as such one cannot analyse policy without looking at its origin. Policy can also be said to be dependent on the class interests of the capitalist élite (used here to mean those who own or control in part or in whole the means of production), who strive to maintain divisions and practices that maintain their class privilege. Therefore neoliberalism can be seen as a class project, shaping the processes of accumulation. These processes of accumulation then form the basis for

neoliberal policies. It can be argued that a class analysis offers a richer, more nuanced view of neoliberalism. Class analysis examines the origins and rationale behind neoliberalism, whose interests it serves, and how it gains political legitimacy.

Wheeler (1996) does not explicitly speak of class analysis or a class project, but he does speak of the power that corporations, the IMF and the World Bank wield over the poor. He speaks of the “corporate concentration of capital” and the “shrinking world of privilege astride a huge and growing world of abject poverty”. He also discusses the ways in which capital preserves its privilege, with capital powers and institutions subjugating entire countries. Wheeler (1996) goes on to provide possible measures for raising money to meet the social and economic needs of the poor. These are not mere policies, but suggestions for global agreements and legislative measures (such as tax on speculative investment, exchange controls, global minimum standards for wages) that will curtail the accumulation of capital and thereby also lessen its power. While he does not analyse the class relations specifically, his analysis can be said to fall into the broad category of an accumulation-centred analysis.

Working class mobilisation is an important concept in keeping with the Marxist tradition. Lehulere (1996: 8) states that “political mobilisation” is needed to achieve the stated social and economic goals of COSATU. The working class in South Africa has potential power. The trade union movement, as social movement unionism during apartheid, harnessed this power and organised it to challenge the ruling elite of the time. If this power can be harnessed and organised again, the power of the capitalist class, the new ruling elite, could be broken.

The nature and character of neoliberalism

Neoliberalism is seen here as a class programme, a phenomenon that allows capital to increase its power over the working class. As an economic, social and political programme, neoliberalism is an approach to societal development grounded in the fundamental belief in

the limited role of the state in the economy. In other words, the market is seen as the leading force for social and economic development.

It is undeniable that global economic bodies and economically powerful groups of countries exert pressure on other countries to adopt neoliberal policies. This allows the capitalist elite, in a country that is being pressured to adopt neoliberalism, to pursue their accumulation of wealth in favourable conditions and allows the wealthy in other countries to exploit the resources the less powerful country has to offer. "...transnational organization of economic power and activity now outstrips the regulatory capacity of states, even the most powerful. While global markets do not entail the end of the state as an economic unit (few think that they do), they nevertheless severely erode national economic sovereignty and impose on all governments conservative fiscal policies and market-friendly economic strategies." (Held & McGrew 2003: 299). Albo (2010: 87) goes on to say that "...the form internationalization takes in different phases, also transforms the class alliances of the power bloc between the internal and imperialist fractions of capital in national social formations. This, in turn, carries implications for the specification of the autonomy and sovereignty of the state, the allocation of state functions to international agencies, and the coordination of the political-economic relations between the hierarchy of states in the world market (Panitch and Leys 2004). The periodisation of the forms of the nation-state and international competition, figures prominently in all debates about contemporary capitalism." It would seem that global neoliberalism is largely characterised by the sovereignty of the state transferring to the market. As such, the capitalist class is given the power to serve its interests.

Harman (2007: 4) explains the nature of neoliberalism as a "resurrection of the orthodox 'laissez faire' economic ideology that prevailed until the great slump of the 1930's" (arising out of the liberal tradition with its belief in private property) "backed" by neoclassical economics. These ideologies believe in the perfect self-regulating capacity of the market; that

the market has an intrinsic logic that ensures that it will run smoothly unless distorted by monopolies or intervention and that the market will “clear” (Harman 2007: 4) meaning that it will provide full employment and that all goods will sell. Within neoliberalism there is a notion of the “sanctity of the market”, however, as Hund (2010:1) points out, markets are constructs of capital and their ‘power’ is the power of capital.

Held & McGrew (2003:299) assert that: “Three sets of interrelated issues have come to frame the scholarly debate concerning economic globalization. The first of these issues concerns the extent of global economic integration or, more crudely, whether it is accurate to talk of a single borderless global economy. This is associated with a second issue, namely whether a new form or epoch of global capitalism has evolved, sustaining a new global division of labour and transforming the location and distribution of economic power. The third set of issues revolves around the political implications of economic globalization, specifically the extent to which states have become subjugated to global market forces, placing new constraints on progressive economic policy and the welfare state.” This subjugation of the state to the market is the cornerstone of neoliberalism.

Teeple (1995) asserts that neoliberalism spells the end of the welfare state. “As the conditions for the post-war expansion of capital gradually waned, and as the great compromise between labour and capital in the industrial world began to come apart, the state was portrayed as a behemoth strangling the efforts and initiatives of the market, and the reforms of the welfare state came under attack in theory and practice...‘reformed capitalism’...its costs [appeared] unaffordable” (Teeple 1995:3). McNally (2008:6) agrees: “[G]lobalizing capital has involved an intensification of capitalist value logics – removal of extra-market protections designed to subsidize prices of subsistence goods (e.g. food or fuel); weakening of labour market protections for workers; privatization of state-owned enterprises; deep cuts to non-market provision of healthcare and other social goods. On the other hand, this intensification

of value logics has occurred through the medium of more unstable and volatile forms of money.” The removal of these controls illustrates the practical manifestation of the retreat of the state as neoliberalism evolves. Neoliberalism assumes that “ordinary people can ‘take care of themselves’” (Hund 2010:1).

Economic globalisation, defined as “...deeper integration and more rapid interaction of economies...” (Moghadam 2005:35), promotes the global diffusion of neoliberal economic policy. Globalisation results in free trade agreements and other global agreements, supported by the International Monetary Fund (IMF) and the World Bank, that then manipulate countries into implementing neoliberal policies to preserve the primacy of the global market. Held & McGrew (2003: 5) quote others: “...the neoliberal project – the Washington consensus of deregulation, privatization, structural adjustment programmes (SAPs) and limited government – consolidated its hold within key Western capitals and global institutions such as the IMF.” The Washington Consensus was a series of reforms intended to stimulate economic growth in Latin America. Williamson, the architect of the Washington Consensus, outlined ten principles or reforms:

“Fiscal Discipline • A redirection of public expenditure priorities toward fields offering both high economic returns and the potential to improve income distribution, such as primary health care, primary education and infrastructure • Tax reform (to lower marginal rates and broaden the tax base) • Interest rate liberalization • A competitive exchange rate • Trade liberalization • Liberalization of inflows of foreign direct investment • Privatization • Deregulation (to abolish barriers to entry and exit) • Secure property rights” (Chestnut & Joseph 2005)

The three main concepts in the Washington Consensus are macroeconomic discipline, a market economy and global openness with regards to trade and investment. Ideally, this would attract foreign investment and stimulate competition.

Many ‘developed’ countries had already implemented such policies, nevertheless, the Washington Consensus met with opposition, and became “...an infamous catch phrase associated with the neoliberal, imperialist, market-fundamentalist agenda” (Chestnut & Joseph 2005). The authors argue that there was a “public misconception” surrounding the Washington consensus and some of Williamson’s social welfare recommendations regarding the support of healthcare and education were ignored.

Chestnut & Joseph (2005) go on to assert that the IMF applied the principles laid out in the document conservatively and universally, “...transforming it from a set of broad policy guidelines to a rigid neoliberal development model”.

As elsewhere in the world, the main features of neoliberal strategy in South Africa include: “focus on budget reform to strengthen the redistributive thrust of expenditure”, a “faster fiscal deficit reduction programme”, an “exchange rate policy to keep the real effective rate stable at a competitive level”, consistent monetary policy, the “relaxation of exchange controls”, a “reduction in tariffs to contain input prices and facilitate industrial restructuring”, “tax incentives to stimulate new investment”, the “restructuring of state assets”, an “appropriately structured flexibility within the collective bargaining system”, an “expansion of trade and investment flows in Southern Africa”, and a “commitment to the implementation of stable and coordinated policies” (GEAR 1996:2). The policies seem focussed on economic growth, investment, labour flexibility and privatisation. While budget reform has taken place, there is little evidence to suggest that it has had a positive effect on redistribution; inequality is continually rising. The budget reform seems to have been towards fiscal austerity measures –

elsewhere in the document (GEAR: 4) a “tighter fiscal stance” and budgetary “restructuring” to “contain costs” are put forward as medium-term strategies.

The neoliberal trajectory of the South African state with reference to social provision and labour law

There is a contention that South Africa cannot neatly be labelled as neoliberal, as the presence of social grants and labour laws in South Africa run contrary to typical neoliberal practices. The neoliberal character of the state can be seen in the macroeconomic policies above, so the grants and labour laws are situated in a neoliberal context which impacts on the effect of grants and the application of labour laws. Furthermore, on closer inspection, it can be seen that the social grants in South Africa do not define the state’s trajectory away from neoliberalism and that the labour laws have a distinctly neoliberal character.

In the case of social grants, the grants in South Africa are: child support, care dependence (for a severely disabled child who needs full-time specialised care), disability, grant-in-aid (to be used to pay caregivers), war veterans and old age. All were R1270 per month as of October 2013, except for foster child support at R800 per month and child support and grant-in-aid, at R300 per month (South African Government Services n.d.). These grants are below the minimum wage in the lowest paid sector, domestic work, which is R1618,37 as of December 2013 (Department of Labour). An extra R20 per month is given to recipients of old age grants and war veterans who are over the age of 75. Pensioners and persons with disabilities who earn less than R49200 per annum are still eligible for grants (South Africa Government Services), but of course those who have no income at all still receive only R1270 per month. Grant-in-aid, at R300, is grossly inadequate, especially since caregivers are also termed domestic workers under the Basic Conditions of Employment Act (1997: 5) and consequently their minimum wage is more than 5 times what is provided by the government for their pay.

With the high levels of unemployment in South Africa social grants are often used to support entire families. According to Business Day Live (Anon 2013) 22% of South African households rely on grants as their main source of income. Social grants are also devaluing every year due to the fact that they do not keep pace with inflation. In 2013 the inflation rate was 5,6%, while disability, care dependence, war veterans, grant-in-aid and old age grants increased by 5% and child support and care dependence by only 3,9% (Anon n.d.). Add to the above the lack of grants for the unemployed in a country with very high levels of unemployment and underemployment and it becomes clear that the South African government can hardly be accused of welfare. Indeed, the percentage of the population living under the poverty line increased from 23% in 2006 (United Nations, n.d.) to 31,3% in 2009 (Central Intelligence Agency, n.d.).

As for Labour Laws, in chapter 7 of the BCEA, section 49(3) states that: “An employer and an employee may agree to replace or exclude a basic condition of employment...”. (Department of Labour 1997: 21). Furthermore, certain basic conditions of employment are only applicable if it is “practicable” for the employer to adhere to them. This also applies to basic conditions such as the provision that requires an employer to provide alternative work that is “no less favourable” to a pregnant employee or one who is within six months after the birth of a child if the employee is required to perform night work or work that is harmful to her or the child’s health or safety (Department of Labour 1997: 14). The aforementioned are examples of the levels of flexibility that the neoliberal BCEA offers to employers. All it offers to employees is insecurity. The following are further examples of the neoliberal flexibility found throughout the BCEA:

- Basic conditions of employment can be replaced, changed or excluded.

- Working hours can be changed when work needs to be done immediately in cases where the employer “...could not reasonably have been expected to make provision...” and cannot be performed during ordinary working hours.
- An employer can pay an employee ordinary wage for overtime and give the employee 30 minutes off for every hour, or give the employee 90 minute off for each hour worked rather than paying one and half times.
- Time off in lieu of payment for overtime worked can by written agreement be granted within a period of twelve months rather than one month as stipulated in the BCEA.
- With written agreement any employee could work up to twelve hours a day without overtime pay.
- Ordinary working hours and overtime can be averaged over a period of up to four months.
- Employees can be required to perform duties that cannot be left unattended or carried out by another employee during a meal interval.
- By written agreement a meal interval can be reduced to a minimum of 30 minutes or dispensed with entirely for an employee who works less than 6 hours per day.
- Written agreement can change a weekly rest period of 36 consecutive hours per week to 60 consecutive hours every 2 weeks.
- Written agreement can provide for the reduction of a weekly rest period by up to 8 hours if the rest period in the following is increased by the same number of hours.
- By agreement an employer can pay ordinary wages for a Sunday and give time off for the difference between the received pay and the pay that the employee is entitled to for Sunday work.
- By written agreement the time off in the previous point can be given within 12 months instead of the 1 month stipulated by the BCEA.

- With agreement an employee can be required to work on a public holiday.
- By agreement the number of days of paid sick leave can be equivalently increased to reduce the daily amount of sick pay.
- Amount of leave days and leave circumstances for family responsibility leave can be varied by collective agreement.
- By agreement an employer can be exempt from paying remuneration for a notice period waived in part.
- An employee may be dismissed for operational requirements with severance pay equal to one week's pay for each year of service.

The above makes it clear that the BCEA, while providing basic guidelines, is heavily skewed in favour of employers, allowing for alteration of most of these. The most basic of conditions can be modified by 'agreement'. However, labour is so replaceable that workers are easily coerced into agreements that are extremely disadvantageous, simply because the alternative is unemployment. So with the unemployment and institutionalised insecurity, the term 'agreement' becomes meaningless. The provision to replace paid sick leave with extra sick leave, for instance, is ridiculous. Sick leave can only be taken when sick. Even compassionate leave, which is granted upon the death of a family member and is only a meagre 3 days, can be renegotiated.

The tenuous position labour is in as a whole in South Africa, means that conditions are favourable to employers. Any document that allows for variation will be varied to favour the employer. Apart from the factors mentioned above in relation to the BCEA, the main point remains: If labour law in South Africa were not neoliberal, and did not allow for it, there would not have been the massive increase in precarious work that there has been in South

Africa. The BCEA makes provision for casualisation, labour broking and ‘flexibility’ (retrenchment) on the basis of “operational requirements”.

On the basis of the above analysis of the social grants which are no more than tokens, and the neoliberal (by virtue partly of their incredible flexibility) labour laws, it seems that the mere existence of grants and labour laws in no way impact on the identification of South Africa as neoliberal.

The evolution of neoliberalism

The roots of neoliberalism are traced to the early 1970s developments in the world economy. The booming economic growth that followed the Second World War had slowed dramatically, and governments faced fiscal crises. The wealthy capitalist class felt the effect of the fiscal crisis: “... the incomes and assets of the elite classes were severely stressed in the 1970s.” (Harvey 2006) This provided a favourable context for “...shifts in tax structures, caps on public spending, wage and price controls, and ‘anti-inflation’ monetary policies” (Teepie 1995:55). Teepie goes on to argue that the welfare state (and as such social reforms) “...came under attack”. He argues that these changes were caused by the “internationalization of the economy” – globalisation. Neoliberalism, according to Teepie (1995:75), represents the “policy side” of globalisation. However, globalisation in itself, while furthering competition between local and international markets and free trade, does not explain all the rationale for fiscal austerity measures and other neoliberal policies.

Working from a Marxist analysis, Duménil and Lévy (2004a) characterise the change from Keynesian to neoliberal economic practices as a ‘coup’ by capital to restore their wealth and power after the recession of the 1980s.

The global stagnation in the 70's was fought with neoliberal 'reforms' by Margaret Thatcher (elected in 1979) in Britain and Ronald Reagan (elected in 1980) in the United States under the influence of neoliberal advisors. Harvey (2005: 22-23) says that Thatcher, under the influence of Keith Joseph (strongly connected to The Neoliberal Institute of Economic affairs) was committed to revolutionising the economy, attacking trade unions and "all forms of social solidarity that hindered competitive flexibility", decreasing the social expenditure of the old 'welfare state', furthering privatisation, "entrepreneurial initiative", tax cuts and the creation of favourable conditions for business to encourage foreign investment. Social solidarity was to be abandoned in favour of "individualism, private property, personal responsibility, and family values" (Harvey 2005:23). Reagan's predecessor, Carter, had started implementing deregulation, but Reagan reappointed staunch neoliberal Volcker to the Federal Reserve and "...then provided the requisite political backing through further deregulation, tax cuts, budget cuts, and attacks on trade union and professional power" (Harvey 2005:24-25). Large corporate tax breaks were given and there was a massive cut in personal tax for the top bracket. Harvey (2005:26) continues, "...[A]nd so began the momentous shift towards greater social inequality and the restoration of economic power to the upper class".

Harvey (2006) argues that the stresses placed on the finances of capital in the 1970s provoked a "class revolt" amongst capital. McNally (2008:5) argues that neoliberal fiscal policies allowed capital accumulation to continue (capital accumulation had of course not halted, but had slowed after the end of the boom period and neoliberalism addressed this with capital-friendly policies). So a class analysis sees neoliberalism as more than the "policy side" of globalisation. From such an analysis, neoliberalism is seen as a class project and explains deregulation with the eagerness of capital to ensure that accumulation can proceed unhindered. Furthermore, it can be asserted that the internationalisation of the economy

(economic globalisation) promotes the *spread* of neoliberal policies, as poorer or developing countries have to conform to the demands of capitalist countries that they depend on. Harvey (2006) cites the example of Mexico, who could not repay their debt and were then bailed out by the US, working through the US Treasury and International Monetary Fund, on condition that they opened their markets and adopted neoliberal policies. However, Harvey (2006) says that it is usually the United States (as an economically powerful country with influence over the IMF) or the IMF *in collaboration* with the “elite” of a particular country that pushes for the change to neoliberalism. Radice (2011: 37) refers to neoliberalism as a “project of class hegemony” – a class project, the capitalist class driving the adoption of neoliberal policies.

Harvey (2006) goes on to argue that capital accumulation under neoliberalism does not *generate* wealth, but redistributes it. He speaks of “accumulation through dispossession”.

Wealth flows from the working class to capital. The dispossession can take many forms, ranging from agribusiness ‘crowding out’ small farmers, to the loss of pension funds.

“Available figures on the shares of capital and labor in national [South African] income point to a sustained redistribution of income from the poor to the rich” (Lesufi 2002: 293).

Furthermore, regressive tax policies offer tax cuts for large corporations to encourage investment. The working class then has to carry the burden of tax. This clearly benefits the capitalist class and they use their economic power to further their interests.

Globalisation refers to international integration. This includes ideas and ideologies, and products through trade. As ‘free trade’ spreads and transnational corporations establish themselves in multiple countries, capital gains power in these countries. In this way, capital has leverage when making demands that are in line with neoliberal market-oriented ideology, which deepens the neoliberalism accepted by many countries needing loans or, indeed, trade. Neoliberalism thus spreads and deepens with the help of globalisation.

Teeple (1995:5) summarises the core of the rise of the global economy, and the decline in sovereignty of the nation-state: “In this transition, in which nationally based economic development has been more or less transfigured into a self-generating global economy, all the social and political institutions associated with the national economy come into question and indeed begin to undergo a commensurate transformation.” The nation-state’s institutions not only come into question, but also become liabilities as countries struggle to keep up with the demands for growth imposed by international capital. Governments no longer have the power to ameliorate the worst effects of capitalism – capital now has the power to dictate policy, and the freedom to seek greener pastures if its demands are not met.

An important point in the evolution of neoliberalism, which McNally (2008: 19) predicts will intensify, is the creation of centralised corporations by means of mergers, further strengthening the power of capital: “As they centralize, combining former rivals under one corporate owner, capitals try simultaneously to get a leg up on their competitors and to concentrate their power over labour, so as to drive down wages, benefits and total employment.”

This attempt by capital to concentrate their power over labour is a key feature of neoliberalism. The response of organised labour to this in South Africa is the main focus of this study, so therefore we need to look at the introduction of neoliberalism in South Africa.

The evolution of neoliberalism in South Africa

Narsiah (2002:3) says “In South Africa, there has been a movement from a development policy with a socialist resonance, the Reconstruction and Development Program [sic] (RDP) – to one decidedly neoliberal in form and substance – the Growth, Employment and Redistribution (GEAR) policy.”

The introduction of The NEM (Normative Economic Model) as a macroeconomic policy framework in 1993 heralded the formal introduction of neoliberalism in South Africa. This was evidenced by its arguing for the “unfettered role of the market and the private sector as leading forces in the reconstruction and development process” (Lesufi 2002: 286). The NEM followed pre-1994 debate as to the best approach to redress the legacy of apartheid in which there were two main approaches: a neoliberal approach emphasising profitability and “redistribution through growth” and an approach from the liberation movement emphasising state-driven “growth through redistribution” (Lesufi 2002: 286-287). With regards to the first approach, Lehlere 1996:4 reminds us that “...for the capitalist the goals of economic growth is [sic] not to ‘foster social equity’: it is to make profit”.

South Africa also signed the General Agreement on Tariffs and Trade (GATT) in 1993 and then proceeded to remove tariffs at a rate faster than required by the GATT. In December of 1993, the IMF granted South Africa a loan of US\$850 million, with this effectively forcing neoliberal structural adjustment programmes on the incumbent democratic government. The government followed advice from the IMF and surpassed expectations as to the speed and extent of the liberalisation of the economy (Bond 1997). However, Barchiesi et al [Sa] asserts that this loan was unnecessary and served to commit the ANC government to work with the IMF to ensure a smooth transition in the 1994 elections, after which the borders of South Africa would be opened to foreign financial institutions. (After this, the IMF and World Bank have made further interventions.)

Narsiah (2002: 4) writes that the early 1990s saw “missions” to South Africa by representatives of the World Bank, targeting ANC researchers and policy advisors. The author goes on to say that senior ANC officials were also trained at the Washington headquarters of the World Bank and the IMF. Narsiah (2002:4) asks, “Why did a liberation movement with a largely socialist agenda shift so quickly to a neoliberal position?” One of

the possibilities she reports is the one of the influence of the World Bank. She quotes a “senior World Bank official”:

“The Bank in short, had gained the confidence of important sectors of the new government, a number of NGOs, business leaders, senior academics and trade unionists with whom it had worked. At the same time, the Bank had been able to accumulate an extensive and deep knowledge of South Africa’s economic situation, and had built the basis for responding effectively to any request for financial and technical support in the future’ (Cofino, nd:2)”

There does seem to be a sinister undertone of coercion, and while not explicitly stated, there is enough evidence in the dealings of the international financial institutions with poor or developing countries (for example Mexico, which defaulted on its loan and then had to implement structural adjustment programmes, resulting in a financial crisis in 1995) to entertain the possibility that coercion was implied.

In 1994, the Reconstruction and Development Programme (RDP) was implemented. Bond (1997) quotes the Campaign Against Neo-liberalism in South Africa (CANSA) saying that the government should reference the RDP, which on page 146 clearly states that “Above all, we must pursue policies that enhance national self-sufficiency and enable us to reduce dependence on international financial institutions”. Despite the RDP, the government:

- followed “forceful” World Bank advice from 1991-1994 regarding the role of loans from commercial banks for housing instead of the state and community agencies suggested in the RDP, including limiting state housing subsidies (Bond 1997);
- endorsed in 1994 the 1992-1993 World Bank land redistribution plan which relied on market forces and in 1997 Bond wrote that it “...has yet to get off the ground”;

- from 1994-1995, had an infrastructure planning team led by a World Bank resident representative undermine in its proposals the RDP in terms of water, sanitation and electricity (Bond 1997);
- and enlisted the help of two World Bank economists (Bond 1997) to draft the controversial macroeconomic policy GEAR (Growth, Employment and Redistribution), which followed the NEM and was in line with its approach and was adopted in 1996.

In 1997, after the RDP was replaced by the neoliberal GEAR (although it was claimed that RDP principles were contained in GEAR), the World Bank approved a US\$46 million loan to South Africa for the growth of the export industry (Goodman, 2001:353). Furthermore, the ANC government's reluctance to repudiate the billions of US dollars of Apartheid debt² ensures that the South Africa's economic policies will be subordinated to the will of its creditors for many years to come.

Importantly, however, Barchiesi et al [Sa] claim that the apartheid debt was mostly owed to domestic monopoly capital and as such the foreign debt was not enough to make it necessary for South Africa to open itself to foreign financial institutions. This sets the experience of South Africa apart from the introduction of neoliberalism in other developing countries. The conditional loans by the IMF to countries with debt crises was most widespread in Latin America. Miranda and Molina [Sa] characterise the situation in Latin America:

“During the decades of the 1990s and the 2000s, virtually every country in the region had some type of lending arrangement with the IMF – among them, Argentina, Belize, Bolivia, Brazil, Chile, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala,

²² Under the Doctrine of Odious Debt, a country can have debt conceded if the debt was not used for the betterment of the country and the creditors were aware of this. It is undeniable that this was the case in South Africa.

Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru, and Uruguay. The wave of IMF loans in the region came hand in hand with all-encompassing [neoliberal] economic reform programmes aimed at opening up economies to foreign competition and allowing greater private sector participation in development.”

While the developing countries mentioned above were more dependent on the IMF bailouts because of their debt crises than South Africa, Miranda and Molina [Sa] assert that the neoliberal structural adjustment programmes in these countries were also embraced by the “decision makers” in this region. (Another similarity is that the majority of the debt was incurred by the “domestic dictators” in the 1970s and early 1980s in the countries suggesting that the debt should have been conceded rather than bailed out by the IMF to gain leverage.) However, the authors report that after large scale protest and unrest in these countries, many of them amended their policies and “drifted away from the IMF”. This has not yet happened in South Africa, but there has not yet been sustained unrest to challenge this government with its strong commitment to neoliberalism.

While the influence of the World Bank mentioned earlier is a compelling argument, the enthusiasm of the government (evidenced by its zealous implementation of liberalisation and GATT mentioned above) is not entirely explained by this. In 2003, Desai wrote, “The new ruling elite and the beneficiaries of the old apartheid regime had already made common cause after the ANC came to power in 1994. Now they were cementing their alliance with the corporate raiders in the advanced capitalist world.” They were moving further from their legacy as leaders of a powerful struggle. However, as we shall see in the next section, the class struggle against apartheid shaped the way in which neoliberalism evolved in South Africa.

The role of class struggle in shaping neoliberalism in South Africa

Class struggle is an integral part of South Africa's history. The apartheid era was characterised by racially demarcated class and the struggle for liberation was to realise basic rights for the exploited class. The class struggle in South Africa shaped the South African incarnation of neoliberalism. When apartheid was overthrown, the leaders of the class struggle became the new elite and were in a position to pursue their interests.

During apartheid, South Africa was characterised by social provision for whites and monopoly capitalism. The implications are twofold: Firstly, the major corporate powers were the major creditors of the apartheid debt, which also means that "the legacy of apartheid decisively shapes economic policy in the "new" South Africa. " (Barchiesi et al. n.d.) Secondly, the defeat of institutionalised racism and the use of transformative rhetoric, obscured the failure on the part of the new government to move away from monopoly capitalism.

The ANC had a choice after coming to power: follow the demands of the social base they had represented or yield to the demands of the bureaucrats and corporate power of the apartheid era. Due to the huge domestic debt that the ANC government inherited from the apartheid era, corporate creditors put a lot of pressure on the ANC to adopt capital-friendly policies. Its policy choices were severely constrained by the strain the debt put on resources, making redistribution difficult. However, even though the ANC government was not in a weak enough position with regards to foreign debt to be coerced into opening its borders, they still chose to do so. (Barchiesi et al. n.d.)

It would appear that the elite position the ANC leadership found itself in, resulted in a loss of vision. It would also seem as if the prospect of power and money diluted the ideology of the class revolt. Thus, they acquiesced to the demands of the capitalist class and joined the global

neoliberal project. Many of the leaders of labour were also assimilated into the government. The government, however, had to address the needs of the population. So the form of neoliberalism in South Africa was impacted on by superficial social democratic social provisions and institutions. These take the form of tokenistic amounts of free water and electricity or social security, for example, and institutions such as Nedlac. These welfarist provisions are not typical of neoliberalism, in which the needs of the populace and labour are dismissed. However, as Barchiesi et al. (n.d.) state,

“The demands of the South African people and working class which led to the defeat of the oppressive apartheid regime include, from this point of view, not only the abolition of institutionalized racism but also a real redistribution of wealth. The redistribution of wealth was sought both to empower people and communities in order to have their basic needs met, and address the historical imbalances created by racial capitalism. These were demands for revolutionary change by millions of people so that they could take control over their own lives after being deprived of the most fundamental social rights by a conjunction of institutionalised racism and monopoly capitalism. This demand was expressed in very concrete and material terms as demands for: proper housing, water and electrical services; the recognition of an adequate education to the tertiary level as a social right; a meaningful land reform; the end of oppressive and discriminatory practices in the workplaces; and the implementation of world-recognized labor standards.

The ANC-led cabinet which came out of the 1994 elections adopted a developmentalist approach to these demands. This approach was manifested as combining an active role for the state in the redistribution of domestic resources with a policy aimed at encouraging competitiveness in the promotion of manufactured exports and at defining South Africa as an attractive site for foreign investments.”

However, the authors go on to point out why the RDP was vulnerable to being replaced. There was a lack of strategies for supporting the “fiscal measures” that would be needed for the redistributive policies the RDP proposed. The RDP was also drafted in a time when neoliberal hegemony was destroying social democracy worldwide and that the RDP contained “...strong neoliberal elements, such as an increased outward orientation of the economy and the promotion of foreign direct investment.” (Barchiesi et al. n.d.)

The abovementioned institutions also result in the institutionalisation of structures (such as the historically powerful COSATU which was instrumental in the overthrow of the oppressive apartheid regime) that could be a vehicle for mobilisation, subsuming them into the neoliberal system. These institutions are merely lip-service however, and as Barchiesi et al. (n.d.) point out, capital and the government often take decisions bilaterally and present labour with a “*fait accompli*”. One wonders if ‘participation’ is any more than state control in the service of capital? As Barchiesi et al. (n.d.) asks, “The South African post-apartheid situation, therefore, ultimately questions the nature of the state itself as the primary focus of progressive struggles for change. For if state power achieved on the basis of one of the most powerful mass movements in the twentieth century cannot provide even elementary [sic] social reforms, what good is state power in this period?”

The ways in which neoliberalism is sustained are also partly informed by the class struggles of the past. As Harvey (2005:70) says, neoliberalism is sustained by persuasion or, if necessary, force. The persuasion or propaganda in South Africa has two aspects. Firstly, the government points to the cosmetic social democratic-style ‘reforms’ mentioned above. Secondly, the ANC-led government appeals to their legacy and image as freedom fighters in a liberation movement. Where this is wearing thin, repression is employed. Because South African democracy is merely nominal, manifesting only in suffrage, the increasingly

authoritarian (as the neoliberal project loses legitimacy and dissent strengthens) government does not shy away from the use of force.

Barchiesi et al. (n.d.) claims that: “neoliberalism is the response by the political and economic elites to higher and more sophisticated levels of articulation of the class composition in a society, and to the struggles that follow.” The class struggle in South Africa prior to the demise of apartheid, however, was not only in response to the exploitative nature of capitalism, but the dehumanising effect of institutionalised, sanctioned discrimination and exploitation along racial lines. As we can see above, this has shaped the evolution of neoliberalism in South Africa.

Lehulere (1996) asserts that “[i]n a society where there is a fundamental conflict between different social classes, like the conflict that exists between capitalists and workers under capitalism, an economic strategy represents a political programme of how a particular class will subordinate the other class so that its interests are realised.” The neoliberal GEAR macroeconomic policy clearly represents the interests of one class to the detriment of the other. The above assertion by Lehulere represents the essence of class analysis. The level of success of resistance to the aforementioned class subordination constitutes the yardstick against which COSATU and its affiliates should be evaluated in their responses to neoliberalism.

The effects of neoliberalism on the working class

The working class is conceived of here as those in formal, informal or temporary employment, but also includes the “the unemployed, students from working-class families and the rural poor” (Bieler et al 2008: 47). Thus a narrow focus on workplace issues would be grossly inadequate and a focus on both working and living conditions, as they are shaped by patterns of accumulation under neoliberalism, is called for. A discussion of the effects of

neoliberalism will be organised around the two broad categories of working and living conditions.

The implications of neoliberal economic policy for the working class are encapsulated in the following statement: “High rates of growth and static or increased poverty indicate that a tiny few are reaping the benefits of the surplus produced.” (Bieler et al 2008:10) Importantly, neoliberalism affects not only working conditions, but every aspect of society. Under neoliberalism, poverty and unemployment increase, social expenditure is cut and inequality rises as the wealthy accumulate wealth free from constraint. As Lehulere (1996: 4) states, profit is seen as more important than “human needs” in the social system in South Africa and this is the cause of social inequality.

Neoliberalism impacts on more than the material conditions of the working class. Most importantly it affects the political and organisational ability of the working class to organise and wage consistent struggles against it. This is the effect that has most impact on the prospects for a ‘better life’ for the working class. This aspect will be examined in more detail in later chapters.

Working conditions

Barchiesi (2011:2) says that for many workers “...trade unions promised to redeem wage labor, turning it from a condition of oppression, degradation, and precariousness into a prospect of inclusion and human dignity.” But even after the demise of apartheid, this has not been the case. Lehulere (1996: 4) states the problem clearly: “...the concentration of economic power is a product of the process of capitalist development” and “...to make profits the capitalists must exploit workers”. There is an increase in informalisation, and even where work is formal, it can often not be called ‘decent work’. Bieler et al (2008:11) assert that “[a] weakening of the position of labour in relation to capital and increased informalisation of

work contracts can be summarized as the most important changes during the last 10 to 15 years in the situation of the working class”.

According to the Labour Research Service Report (2013:4), over 40% of workers engaged by Lonmin operations (a large mining company in South Africa which saw violent and protracted strike action in 2012) are contracted employees. This has implications not only for job security, but also for benefits. The report also states that less than 5% of fixed- or short term employees (of the estimated 3 936 801 workers across sectors covered by agreements in the sample) enjoy benefits. Evidence of provident funds is below 15% (Labour Research Service 2013:11). This figure is also true for evidence of employer medical aid contributions (Labour Research Service 2013:13).

This ‘informal’ employment under neoliberalism is euphemistically called ‘labour flexibility’. In its widest form this allows employers to hire and fire, raise or lower wages, and vary duties as they see fit and as their enterprise requires. Barchiesi (2003:114) asserts that “statistical indicators concur” that there has been a “quantitative decline of stable waged employment”. ‘Flexible’ labour is insecure, and this also creates ideal conditions for exploitation. If workers in these situations complain, they can easily be replaced. Furthermore, their duties can be performed by another staff member – there are no guarantees of employment or job description. Add to that the amount of variation allowed in the BCEA (Basic Conditions of Employment Act) on matters such as working hours, wages and the like, and it becomes clear that the government has embraced the notion of ‘regulated flexibility’ as official policy.

Because of the replaceability of labour in South Africa, capital is in a powerful situation. Even though there are labour regulations in place, these make it possible for employers to force workers into ‘flexible’ labour legally. Where labour regulations thwart employers’

needs, for instance those concerning rest periods (The South African Department of Labour 2004:10), they are often simply ignored.

Capital can adjust labour practices to maximise profitability and cut production costs – for instance, by lowering wages (wage flexibility) or casualisation so that workers need be paid only when their services are required. Hourly or shift wages (as opposed to full monthly salaries) and a lack of medical aid, pension funds and the like, all maximise profit. The capitalist class benefits directly from casualisation and flexibility, as these strategies maximise possibilities to drive down costs and as such promote class interests – capital accumulation. Wealth is redistributed, as mentioned earlier, from the workers to the capitalist elite.

When one compares wages, the above assertion becomes obvious. In 2012 (Labour Research Service 2013:6) the minimum wage for 40% of surveyed workers (“minimum entry level occupation, such as general workers, or the lowest wage in the bargaining unit”) was R3000 per month or less, while a figure of R5000 per month, applies to almost 80% of workers. In contrast, Chief Executive Officer salaries ranged from 5 – 17 million Rand per annum (Labour Research Service 2013:14).

With flexibility, labour practices change as employers become more creative in their attempts to subvert any regulation. There are two main points that Cheadle (2006) makes with regards to the changing forms of employment under ‘flexibility’: Regulation has to ‘catch up’ to labour practices and applying laws designed for traditional employment across the board, presents problems. “[T]he modern labour market is dynamic and labour market regulation is always a step behind... But it is not just the new forms of work that are changing – the nature and structure of the workplace, the organization of work, the demands of the global

market, and the structures of ownership are all in flux, not as a transitional feature but as an end-state.” (Cheadle 2006:664)

Many labour laws apply only to permanent staff, so the increase in “peripheralisation” (Barchiesi 2003:114) means that there are less constraints on employers who wish to thwart such laws. “[T]he traditional model of employment (permanent full-time employment with one employer until retirement) is steadily giving way to less stable (and often more vulnerable) forms of employment.” As Cheadle (2006: 664) asserts, much labour regulation is based on traditional forms of employment and is unsuited to new forms of employment. Bieler et al (2008:16) also mentions that COSATU “does not seem to have found a way to successfully recruit vulnerable workers, many of whom are women” and that there is no evidence of organisation “in any significant form” amongst informal or casual workers in the formal sector and that organisation in the informal sector is “...only sporadic and embryonic”. Pillay (2008:51) cites Theron and Godfrey’s (2000) argument that “...there is a real danger that formal, stable employment will become the exception rather than the norm” and asserts that “this is especially so if the government gives in to increased demands by employers and opposition politicians for greater labour market flexibility, which means further entrenching what is already a de facto two-tier labour market, with a second tier of relatively unregulated, cheap employment.”

This experience is also discernible elsewhere in the world and the FTZ’s (Free Trade Zones), according to Teeple (1995:84), represent attempts by countries to provide advantageous conditions for the pursuit of surplus value, because capital is now, in the globalised world, free to take its enterprises wherever conditions for the capital accumulation are most favourable. This means that these ‘capital-friendly’ zones have “...minimal employment and pollution standards – and even these are often not enforced – and laws barring trade unions. As a consequence, they tend to work long hours, frequently in unsafe or toxic conditions, and

without the benefits assumed by workers in the industrial nations, such as sick leave, holidays, pensions, and degrees of employment protection” (Teepie 1995:85). However, in a country with such high unemployment as South Africa, at least such practices, while not legislated, do not need to be confined to zones. Such practices are widespread and the general view of employees is that bad work is better than no work. Informal or casual work rarely offers benefits such as medical aid, pension funds and vacation leave. The degrees of employment protection offered in such forms of employment are often immaterial – workers are frequently afraid of victimisation or retrenchment should they seek recourse to the law.

There is another reason why the informalisation of work is beneficial to the class project of neoliberalism: “The contemporary trend away from long term labor contracts, towards temporary and part-time labor, is not only an effective economic strategy, freeing corporations from contracts and the expensive commitments of health care and other benefits, it is an effective strategy of subjugation as well. It encourages workers to see themselves not as ‘workers’ in a political sense, who have something to gain through solidarity and collective organization, but as ‘companies of one.’ They become individuals for whom every action ... can be considered an investment in human capital” (Read 2009:30). The logic of competition from the neoclassical economic tradition, where neoliberalism has its roots, leads to individualism which serves the interests of neoliberalism. From a practical point of view, “The call for labor flexibility has also made sure that any laws regulating the labor market in such a way as to make it difficult if not impossible for capital to reorganize the shop floor are removed” (Lesufi 2002:288).

Workers are often prepared to settle for inadequate wages and working conditions because employment under such conditions is seen as “better than nothing”. Webster (2011:160)) cites a case in Newcastle in KwaZulu-Natal where factories were shut down because they were paying below the minimum wage. There was an outcry among the employees: they

were now unemployed and their means of survival had been removed even if their wages were low. Factories that are closed move to Lesotho, Swaziland or Mozambique, where minimum wages are lower (Webster 2011:161). Workers are desperate and the lack of any work makes the workers settle for anything. Webster (2011:171) mentions that there is a problem integrating decent work in South Africa's "new developmental path". Lack of work is itself a result of the low growth nature of the neoliberal path of economic development and facilitates subtle managerial strategies to subjugate labour and reduce its ability to fight back.

Trade unions are seen as obstacles to 'flexibility' in a climate of "market-led growth" and neoliberalism (Webster 2011:171). Imported products are often cheaper and for South African products to remain competitive, production costs, including wages, need to be lower. Is it possible that the root of the problem lies partly, in concessions for corporations? That national neoliberal fiscal austerity measures and trade policies within a globalised 'borderless economy' are crippling our working class? That the class project of neoliberalism is to blame for the poverty, inequality and unemployment that persist in South Africa? The campaign for 'decent work' is, or should be, part of the struggle against the worst effects of neoliberalism. Webster (2011:177) goes on to suggest that within an efficient and democratic developmental state there lies the potential for a "paradigm to progressively achieve decent work". However, despite some initiatives³ to promote decent work, as Webster (2011:178) citing Southall (2007) states, "...local governments and national departments fail to deliver services because of loss of skills, numerous vacancies and endemic corruption".

³ "Bridging the employment gap through the adoption of a New Growth Path (NGP) that foregrounds employment; Bridging the rights gap through the concept of regulated flexibility, giving workers rights but allowing for a degree of flexibility in the implementation of regulations to ensure that labour market institutions play a more active role in preventing the abuse of vulnerable workers through, for example, labour brokers; Bridging the social protection gap (progress has been made in building a social floor through the introduction of the EPWP (Phase Two of the CWP [Community Work Programme])); Bridging the social dialogue gap through Nedlac, an established peak-level social dialogue institution" (Webster 2011: 177)

Living conditions

Living conditions are another avenue for examining the impact of neoliberalism on the working class. South Africa has, since 1994, seen a major improvement in legislated equality as concerns access to basic services and employment opportunities. All children now have legal access to schooling, there is free access to healthcare and employment opportunities are open to all. However, neoliberal fiscal austerity measures have hindered the quality of these efforts. The changes have mainly been that inequality is no longer racially bounded – it is now a class inequality that South Africa is facing.

Access to education has been identified as a right, yet there are schools that have no funds for books or even classrooms, and cuts in social spending have resulted in many schools that should have benefitted during the early years of democracy still being disadvantaged. Many school feeding programs have been discontinued and only those schools where parents can afford exorbitant fees can manage to maintain buildings, provide enough desks and other basic necessities. Hoadley (1999) asserts that, “Under-resourced public schools, which constitute the vast majority of schools, are largely located in working class areas, and serve a predominantly black student population. Schooling is thus delineated largely in terms of class.” The South African Human Rights Commission (2010) issued a report including the issue of education in South Africa. The following findings do not bode well for the recipients of education in poor or working class areas today.

“-Statistics show that education in South Africa is not providing the broad access to quality education that would enable the equitable sharing of opportunities.

- The poor performance of learners and teachers in literacy and numeracy and the declining numbers of Grade 12 learners who are eligible for entrance to higher education provides evidence that sufficient standards of quality are not being met.

- The lack of decent infrastructure infringes on a child's right to education, and educational opportunities remain bound to historical patterns of inequality.
- The increased access to education has come at the expense of quality.
- In 2007, the average literacy score in Grade three was 36%, but only 15% of children passed both numeracy and literacy.
- There are concerns around the quality of teaching in schools.” (South African Human Rights Commission 2010:xii)

The report indicates that there is inequality in education, and the findings above apply mostly to the under-resourced schools mentioned above. The delivery and facilities of education are not adequate in working-class areas. Many schools do not have electricity or water, decent toilets (913 schools have no ablution facilities at all) and adequate teaching resources such as libraries, laboratories or computer centers (Department of Basic Education: 2011).

Healthcare was identified as a right after the advent of democracy, yet only those who are fortunate enough to have medical aid can afford private hospitals, and state hospitals are largely characterised by understaffing, lack of proper medication in some situations and long waiting periods for treatment. The poor quality of care and lack of resources in state-provided healthcare cannot be rectified while practicing neoliberal austerity in social spending. The South African Human Rights Commission's (2010) aforementioned report including the state of health facilities and healthcare in South Africa and the findings were appalling:

“- There is inconsistency in data gathering on health issues, and the consequent unreliable statistics and lack of disaggregation of certain indicators make it difficult to measure the progressive realisation of the right to health care services.

- South Africa is not even close to halfway on meeting the target for the child mortality rate, after nine years of commitment to the MDG and with only six more years to go.

- South Africa is a far way from reaching the target of reducing the maternal mortality rate by three quarters. In fact the trend is suggesting that it is increasing.
- The growth in HIV prevalence among the 25+ age group, which shows an increase of 1.3% from 15.5% to 16.8% since 2002, is disconcerting.
- New patients living with and affected by HIV/AIDS find it difficult to access ARV programmes due to a lack of additional resources, and therefore their right to adequate health care is compromised.
- Access to health care services for the poor is severely constrained by expensive, inadequate or nonexistent transport, by serious shortages with regards to emergency transport, and by long waiting times at clinics and other health care facilities.
- There is insufficient access to health care for vulnerable groups such as women, sex workers, prisoners and older persons.” (South African Human Rights Commission 2010:ix)

It is evident from the above that the right of healthcare is severely compromised for the poor or working class who cannot afford private healthcare.

Employment equity legislation has been more successful in terms of implementation, yet there is such widespread unemployment that even these benefits have not been useful to many formerly disadvantaged groups and a massive portion of the employable population, formerly disadvantaged or not, is unemployed. Despite hiring policies to redress the unequal racially discriminatory practices of the past, there are simply too few employment opportunities. Those who were victims of inferior or no education during apartheid, moreover, often cannot find employment due to a lack of skills and a surplus of unskilled labour.

Bieler et al (2008:11) summarises the effects of spreading neoliberal policy through the globalisation of capital in the following way: “From the available global data, then, it is

possible to construct a picture for the working class of increased effective unemployment, increased informalisation of work (at least in absolute numbers) and increased inequality in a context of rising global economic growth and increased productivity. In other words, the general picture is increased power of capital over labour through a greater concentration of wealth in fewer hands.”

Bieler et al (2008:10) link rising inequality to neoliberalism: “According to Milanovic as cited in Kaplinsky (2005), the Gini coefficient⁴ that measures inter-country inequality has risen dramatically since 1980, when neoliberal globalisation began in earnest”. The authors also state that the global inequality between rich and poor is higher than that in any one country. While some workers have benefitted from restructuring in developing countries, the “...vast majority of people in these countries have remained in an impoverished situation” (Bieler et al. 2008: 10). Drum magazine (2011:19) gives a breakdown of the wealth in the country and state that “[o]f course as a democracy we are more equal, but in real terms wealth has become more concentrated in the wealthiest 10 per cent of the population...[although there are still differences between race groups] inequality has increased within race groups”.

Central to justification for fiscal discipline where non-contributory welfare or government grants are concerned, is the idea that “...welfare benefits would ‘abandon’ - to recall [ex-president] Mbeki’s expression – citizens to a life without responsibility, while welfare cuts would compassionately empower them.” (Barchiesi 2011:10). Barchiesi (2011) writes that work has become the ideal of ‘virtuous’ citizenship, but without sufficient employment opportunities many are denied not only the means to economically empower themselves, but also citizenship insofar as the government has, according to Barchiesi (2011:10) reduced citizenship to labour.

⁴The Gini coefficient is a measure of inequality based on income or consumption expenditure where 0 represents perfect equality and 1 represents perfect inequality.

The growth that is promised by neoliberal globalisation does not alleviate poverty. According to Pillay (2008: 53) “Independent researchers confirm this picture of persistent poverty and rising inequality”. As Bieler et al (2008:9) state, “neoliberal globalization is primarily a phenomenon of jobless growth”, that any job creation has not “kept up with population growth” and also that the quality of many jobs is very low. This quality is reflected in the statement made by Bieler et al. (2008:9) that “...at least half of all those employed can be classified as the ‘working poor’ making a living in various forms of informalised labour.” It seems clear that the ‘trickledown effect’ so often mentioned in debates concerning neoliberalism is nothing more than a myth. As Lesufi (2002:296) says, “Instead of wealth trickling-down to the poor, millions of people trickle-down into poverty.”

Conclusion

There are two approaches to the study of neoliberalism, a class analysis approach and a policy approach. The policy approach sees neoliberalism as a set of policies, and the class analysis approach sees it as the articulation of the power of capital. Despite claims to sophistication and subtlety, all approaches can be categorised in terms of these two approaches. A class analysis approach has been used to conceptualise the nature, character and evolution of neoliberalism. Neoliberalism is seen as a class project by capital and is conceived of as resting on power and hegemony of the ruling class. The study will use this conception of neoliberalism to approach the evaluation of trade union responses to the effects of neoliberalism in South Africa. This conception of neoliberalism will also be used when considering the need to break the hegemony of the ruling class, in order to challenge neoliberalism in a meaningful way.

There is a view that the social grants and labour laws in South Africa mean that it cannot be classified as a neoliberal state, but the tokenistic nature of the grants and the neoliberal labour laws are merely cosmetic.

The evolution of neoliberalism is generally regarded as a response to the decline of profits after the postwar boom period, replacing Keynesianism, but in South Africa the transition was from apartheid - social provision for whites and monopoly capitalism with exploitation of the black population - to neoliberalism. The class struggle in South Africa shaped the way in which neoliberalism evolved in South Africa.

The effects of neoliberalism are divided into two categories, even though the two are interrelated: working conditions and living conditions. From the above examination of neoliberalism and its effects, it is clear that unemployment, degradation of employment, poverty, lack of social welfare and inequality have accompanied the introduction of neoliberal policies in South Africa.

Chapter 2: The development of trade unions in South Africa

Introduction

This chapter will serve to trace the way and the context in which trade unionism developed in South Africa. This is necessary in order to understand the way in which the trade union movement functioned in South Africa and what can reasonably be expected in terms of the responses to neoliberalism. It also provides reasons why, given the tradition of social movement unionism in South Africa, a broader response to neoliberalism (not focussed on workplace issues alone) could be likely.

The history of the union movement in South Africa is important because the movement was a strong militant force during the apartheid regime. It fought against apartheid for the oppressed, using mass mobilisation and economic pressures, such as large-scale stay-aways. This suggests that the union movement has a point of reference for opposing an oppressive government. This creates a context in which the responses of the trade union movement to neoliberalism must be understood.

This chapter begins with a summary of the historical development of trade unions in South Africa. The next section examines the ways in which the ideology of COSATU evolved. Shifts in COSATU's organisation and strategies are the focus of the section after that, and then, lastly, the constraints that it faces, specifically the Tripartite Alliance and unemployment combined with the growing informalisation of work, are discussed. Since “[i]n South Africa the most viable organization of the working class remains COSATU, the Congress of South African Trade Unions” (Bieler et al 2008:16) it seems reasonable to discuss trade unionism in South Africa with reference to COSATU.

The way unions are responding to neoliberalism in South Africa, or rather to the effects of such policies on the working class, should be informed by the way in which trade unions

conceive of neoliberalism. As trade unions developed so too did their ideologies. This is also an important factor to take into account in examining their understanding of neoliberalism. This chapter focuses on the historical growth of trade unions in South Africa, the changing ideology of COSATU, organisational changes within COSATU and factors constraining COSATU today. The chapter will end with an overview of the ways in which international trade unions have responded to neoliberalism.

Trade unions developed with a political orientation in South Africa because of their part in the struggle to overthrow apartheid. Buhlungu (2010:1) argues that African unions, specifically COSATU, “...maintain a keen interest in politics, specifically the politics of liberation and development”. Many COSATU members later became instrumental in the post-apartheid government with promises of commitment to the plight of the working class as a whole.

The historical development of trade unions in South Africa

This section traces the political action taken by South African unions as they developed. It is important to see that there has been a focus on political issues from the formation of the first black union. This contextualises the questions as to whether COSATU can still practice social movement unionism, and how it responds to issues that extend beyond the workplace, and as such to neoliberalism. Historical developments prior to the formation of COSATU will be brief and aim to give an overview of the context in which it developed. Political developments will be emphasised because the focus of this study is COSATU’s political response to the neoliberal offensive.

In 1919, the first formal black union, The Industrial and Commercial Worker’s Union (ICU), was founded (Davenport 1987:263). In February 1920, 71 000 black mineworkers embarked on strike action over disparities between black and white wages (Davenport 1987: 280-83).

The Industrial and Commercial Worker's Union (ICU) was founded in 1919 by Clements Kadalie, as a trade union for black and coloured dockworkers in Cape Town. However, it soon grew to include skilled and unskilled workers from the industrial and agricultural sectors. The ICU did not petition authorities but instead, adopted a militant stance. This and promises of land restoration appealed to workers and according to some sources, by 1926 it had a membership of as many as 250 000 (Jacobs, 2011:40).

The ICU wanted redistribution of power but lacked experience and skills to develop strategies. They equated growing membership with success, and protest with pressure. Attempts to gain recognition and respect undermined the position of the ICU in the eyes of any of its supporters (Jacobs, 2011:43).

In 1921 The South African Communist Party (CPSA) was founded and it tried to initiate more militant worker action via the ICU (Jacobs, 2011:42).

In 1922, white miners embarked on a strike on the Witwatersrand. The 1922 strike and revolt on the Rand clearly demonstrates the division between black and white trade unions looking out for each group's interests in a country where the colour bar and other discriminatory elements impacted directly on labour (Davidson et al., 1976:122-123).

In 1927 strikes occurred on Witwatersrand and Durban. The ICU was not in a position to lend support and as a result, lost credibility (Frederikse, 1986:22). Around 1930 the ICU disappeared from the scene.

1941 saw the Formation of the African Mine Workers Union as well as the Council of Non-European Trade Unions (CNETU). 1942 saw frequent strikes and many resulted in redress of grievances (Davenport, 1987:341).

The war years saw an increase in trade unionism. South Africa's involvement in the war and subsequent loss of white manpower brought many more black workers to the industrial areas. Scarcity of white labour increased black bargaining power. (Bendix 2010: 66). However, the situation changed after War Measure 145 of January 1942, outlawed strikes by black workers (Davenport, 1987:341).

In 1941 the African Mineworkers' Union was established (Davenport, 1987:341). In 1944 a wage dispute arose on the mines. To combat union resistance, the Government instituted War Measure 1425 of 1945, which prohibited gatherings of more than twenty people on mine property (Davenport, 1987:342).

In 1946 the black Mine Worker's Union put in a claim for an increased basic wage. The demand was ignored and a strike involving 74 000 black miners (the great miners' strike) ensued. The strike was forcefully put down by police, which resulted in a loss of lives (Davenport, 1987:342).

In 1948 the Nationalist government came to power. It was a serious setback to black trade unionism. This government opposed legal recognition of black trade unions and passed legislation that reduced bargaining power. Restrictive legislation included the following:

- 1950 – The Suppression of Communism Act broadly entailed anything that could bring about any change in the Union, whether political, industrial, social, or economic, by the promotion of disturbance or disorder. It also allowed the Minister of Justice to declare any organisations illegal, whether Communist, or 'any related form of that doctrine' (Davenport, 1987:368).
- 1953 – The Bantu Labour Act rendered black strike action illegal (du Toit & Ronnie, 2012: 196).

- 1956 – The Industrial Conciliation Act prohibited multiracial trade unions and contained a job reservation clause. (Davenport, 1987:258)

In 1955 The South African Congress of Trade Unions (SACTU) was founded. It was an umbrella trade union organisation. Its basic approach was that in South Africa, industrial relations couldn't be divorced from politics (Price & Rosberg, 1980 :182). By 1963 it had a membership of 500 000. SACTU's political activities made it an easy target for the authorities. In the wake of Sharpeville many of its leaders were imprisoned, banned or restricted. SACTU never recovered from this blow and by 1965 had ceased to exist (Frederikse, 1986:27). By 1960 almost two-thirds of trade union leaders had been restricted.

On 31 May 1961 South Africa was proclaimed a republic. A general strike was called by black workers to protest the declaration of a republic without consulting the black majority. The government responded by a mass mobilisation of armed force.

Late 1960's and early 1970's saw a decline in black trade unionism. However, by 1973 the wage gap between white and blacks had widened markedly. Militant worker action resulted, particularly in Natal where 60 000 – 100 000 workers went on strike. The strike action can be seen as a watershed in demonstrating to employers the full power of worker action (Visser [Sa]: 25-26).

The success of the 1973 strike action spurred black trade unionism. In 1973 the Urban Training Project (UTP) was one of the first groups that began helping with the establishment of black trade unions. By 1975, it was servicing ten unions (Sithole & Ndlovu, 2011: 187-241).

The government, to maintain some control, in 1979 commissioned Prof Nic Wiehahn of the University of South Africa, to restructure South Africa's labour situation. The Wiehahn Commission recommended that:

- Black trade unions be legalised
- Trade unions should be registered in terms of the Labour Relations Act
- Existing safeguards to limit strike action be maintained (Study Commission, 1981: 92).

Initially the reforms were met by distrust on the part of unions since registration imposed a series of obligations and restrictions. Gradually this changed as subsequent industrial court decisions entrenched the right to strike and forced employers to bargain in good faith with representative trade unions.

Soon labour federations sprang up at the expense of the now declining Trades Union Congress of South Africa (TUCSA) that had been active in the 1950's. In 1979 the Federation of South African Trade Unions (FOSATU) was formed. FOSATU focused on training and efficient shop stewards to represent workers and was relatively militant. The more moderate Council of Unions of SA (CUSA) was formed in 1980. (Davenport, 1987:461)

In 1981 the government cracked down on independent, unregistered trade unions. Many trade union leaders were imprisoned. Dr. Neil Aggett, regional organizer of the African Food and Canning Workers Union, was found hanged in his cell. Dr. Aggett was the first white person to die in detention. 100 000 black workers throughout South Africa downed tools for half an hour in protest. At his funeral 5000 black and white people marched through streets of Johannesburg in show of trade union unity (Frederikse, 1986:116)

By now trade unions had become more sophisticated. Rather than the earlier demagogic militancy, the emphasis was on educating, learning basic administrative skills and organisation. They avoided overtly political matters in order to avoid government oppression.

The period 1980 – 1982 saw a marked increase in unionisation and strike activity, including illegal strikes. The state became reluctant to prosecute illegal strikers since the number of prosecutions would have been excessive (Davenport, 1987:462).

In December 1982 National Union of Mineworkers (NUM), led by Cyril Ramaphosa was formed and gained a significant following, as well as recognition by the Chamber (Davenport, 1987:462)

1979-1983 saw trade unions concerning themselves with shop-floor issues (as opposed to political), building solid membership and strong links with European and American labour movements, who in turn supported S.A trade unions financially.

In 1983 the UDF was formed to oppose the governments constitutional proposals and reforms (Tricameral Parliament). FOSATU decided not to affiliate with the UDF to avoid government crackdowns on unions and risk shop-floor gains built up over the previous decade (Frederikse, 1986:153). However, a number of unions, including the South African Allied Workers Union, the General and Allied Workers Union, the Municipal and General Workers Union, and the S.A Mineworkers Union affiliated themselves to the UDF. (African National Congress, 1983)

By 1984 FOSATU had unions representing 130 000 workers. In 1983-1984, the ANC's armed struggle intensified. In retaliation, in October 1984, 7000 armed troops marched into Sebokeng, Sharpeville and Boipatong, arresting people. After the 1984 Defence Force strikes

into townships FOSATU joined with other organisations in protest strikes and stayaways (Frederikse, 1986:179-180).

In November 1984, the Federation of South African Trade Unions (FOSATU), the Council of Unions of South Africa, other independent unions, community organisations and boycotting students began a series of general strikes to demand, amongst other things, that the army withdraw from the townships. SASOL and ISKOR ground to a halt. This was the first of many worker and student stay-aways and boycotts organised by unions in affiliation with UDF and other community organisations. The strikes were a resounding success and organised labour could no longer remain unpoliticised. By mid 1985, P.W. Botha declared a State of Emergency (Frederikse 1986:180).

The Congress of South African Trade Unions (COSATU) was launched in December 1985 during the State of Emergency (Mackay & Mathoho 2001:7).

In 1986, COSATU met with the UDF (United Democratic Front) in South Africa, and the banned ANC (African National Congress) in Harare. In 1987, a joint call by COSATU and the UDF for a two day stay-away in response to the whites-only election, was heeded by 1 million people (Mackay & Matoho 2001:8). In 1987, COSATU adopted the Freedom Charter as its guiding document, and in 1988, the government restricted COSATU's political activities (Mackay & Matoho 2001:8).

Between 1989 and 1990, COSATU successfully blocked the imposition of the apartheid Labour Relations Act, which restricted the right to strike ('sympathy' strikes, intermittent strikes and boycotts were declared illegal), reversed job security, negotiated retrenchments and restricted union activity by threatening "punitive damages" for strike action and by implementing complicated procedures to be followed for striking. In 1991, COSATU

successfully led an anti-VAT (value-added tax) campaign with a two day strike to exempt basic foodstuffs.

In 1992, pressure from COSATU led to the establishment of a national negotiating forum – the National Economic Forum (NEF) – which was the predecessor of NEDLAC (The National Economic Development and Labour Council) (COSATU 1995).

In 1994, the ANC adopted the Reconstruction and Development Programme (RDP) as its electoral platform. The RDP, the Alliance programme of action from 1994, started in vigorous debates within COSATU.

After the 1994 elections, many COSATU leaders such as Jay Naidoo (former secretary general of COSATU) became leaders in the new government and state bureaucracy (Mackay & Matoho 2001:8).

Legislation such as the Labour Relations Act of 1995, the Basic Conditions of Employment Act of 1997, the Employment Equity Act of 1998 and the Skills Development Act and social welfare policy in respect of social security, unemployment insurance and retirement funds, were heavily influenced by COSATU's input and lobbying in parliament and in NEDLAC. However, COSATU was less successful in its resistance to GEAR and privatisation (Mackay & Matoho 2001:37).

In August 1997, COSATU implemented a rolling strike action campaign for fair employment standards (COSATU 1997).

May 2000 saw the third leg in COSATU's campaign to protest job losses and poverty in which more than 4 million workers throughout South Africa went on strike (COSATU 2000e).

Changing ideological orientation in the history of the trade unions in South Africa

This section tracks the changes in COSATU's ideology to contextualise their current responses to neoliberalism and also to see how the federation's responses evolved with the ideology. The ideology and consequent conception of neoliberalism is important in considering how neoliberalism has been addressed by COSATU.

COSATU has its roots in a socialist ideology, and Lehulere⁵ (2003:25) argues that the organisation has fought apartheid and capitalism, as well as debated macro-economic issues from the end of the 1980s, as part of the role it defined for itself in the resolution of its Second Congress in 1987: "COSATU as part of the working class has a historic leadership role to play in leading and deepening the struggle against national oppression and economic exploitation" (cited in Lehulere 2003:25).

However, it would seem that COSATU's socialist roots have gradually given way to more conservative economic views after the end of apartheid. Three phases in this shift can be identified: "...the essentially socialist economic strategy developed by the federation's 1992 Economic Policy Conference; the classical Keynesian approach embodied by the Macro-Economic Research Group (MERG) and Reconstruction and Development Programme (RDP) reports of 1993-4; and finally, the shift to a blend of Right-Keynesian industrial policy and neoliberal supply-side strategy embodied in the federation's 'Social Equity and Job Creation' platform of 1996".

At its founding congress in 1985, COSATU argued for a strong working-class bias in economic matters; namely, an understanding of the effects of the economy on the working class, economic restructuring in favour of the working class, and fair distribution of wealth. Cyril Ramaphosa (General Secretary of the National Union of Mineworkers at that time) also

⁵ The section on ideological orientation is based on the work and views of Lehulere unless otherwise indicated.

expressed the need to raise awareness amongst the working class of their “exploitation as a working class” apart from the political objective of “develop[ing] a consciousness among workers...of racial oppression”. Undertakings made at the Second Congress of COSATU in 1987 are in keeping with the socialist ideology of COSATU at the time: COSATU reiterated the need for “economic and social transformation in the interests of the working class” and (adopting the ANC’s Freedom Charter⁶) “asserted the need to develop and ‘strengthen among all workers a coherent working class understanding of the demands of the Freedom Charter and encourage the fullest discussion on socialism and democracy within our structures and amongst all progressive and democratic forces’”.

Political organisations were unbanned in 1990. COSATU now had “...legal space to elaborate its vision of a socialist economic programme and, to this end, it convened an Economic Policy Conference in 1992” (Bramble & Barchiesi 2003: 27). COSATU argued that the South African economic crisis was attributable to the combination of capitalism and apartheid. At COSATU’s 1992 conference it was agreed that:

⁶ The Freedom Charter was adopted on June 26, 1955, at a Congress of the People (C.O.P.) in Kliptown. In the run up to the Congress, thousands of people countrywide submitted ‘freedom demands’ to C.O.P. headquarters, and meetings were attended by, amongst others, representatives of the ANC, S.A.I.C (South African Indian Congress), S.A.C.P.O (South African Coloured People’s Organisation) and C.O.D (Congress of Democrats), who made up the C.O.P., to synthesize submissions into a final document.

There was fierce debate surrounding the adoption of the Charter. Criticism came from the Africanists, who later formed the PAC, and the Liberal Party. Liberals objected to the socialist nature of the Freedom Charter. The Africanists rejected cooperation with whites, coloured people and Indians and felt that the Charter contained foreign (Communist) ideas and diluted African Nationalism. Both groups withdrew from the Congress (Davenport 1987:386-388)

- working class power (economic and political) be espoused over production and distribution of investment and surplus “...according to social needs”;
- even development and the support of the development of other economies by the South African economy be proposed;
- civil society campaign for state intervention to ensure that resources and power were redistributed, with strategies such as “...nationalisation, anti-trust legislation and other forms of legislative intervention, including price control”;
- the principle of “growth through redistribution” be championed;
- trade be geared towards “...full employment and fair labour standards in all countries”;
- industrial policy should facilitate the creation of full employment, provide affordable quality goods, pay a “living wage” and “contribute to human resource development”;
- “full socialism” should be achieved, mentioning such typically socialist principles as workers’ control of the means of production and social ownership; and
- COSATU take up “...the need for industry to adopt environmentally sustainable policies” which is contrary to the neoliberal mantra of accumulation above all else. Indeed, Teeple (1995:150) asserts that expanded capitalism (the expansion facilitated by neoliberal policies) has caused “seriously degraded nature”.

Apart from the explicit statement of socialist orientation, COSATU can be seen here to spurn neoliberal notions of competitiveness, accumulation, and redistribution through growth. However, COSATU’s development progressed quickly to classical Keynesianism after the 1992 Economic Policy Conference. This is illustrated by the MERG (Macro-Economic Research Group) report of 1993, which “provides a reasoned basis” for the “desired outcomes of economic policy” listed by the RDP (Reconstruction and Development Programme).

The starting point of the MERG report was supposedly the Economic Policy Conference of 1992, but the MERG report offered four basic principles or “four pillars of the COSATU reconstruction programme” that necessitate at least a reinterpretation of the goals set out by the 1992 conference.

These ‘pillars’ are identified as:

- job creation;
- human resource development;
- a social wage; and
- empowerment of civil society.

This is no longer a clearly socialist position. There is no mention of “redistribution of power and resources”, the dominance of the working class, nationalisation or “grassroots democracy”. Rather than apartheid and capitalism, apartheid and mismanagement were now seen to be at the root of the economic crisis that South Africa found itself in during the early 1990s. The MERG and RDP both neglected conceptions of class. Neither did they examine potentially obstructive social forces to their strategies.

The third phase, was “Right-Keynesian economic strategy with some neoliberal prescriptions”, possibly due largely to pressure from the now neoliberal ANC.

This suggests:

- a support of government “invest[ment] in public works”; and
- side by side with commitments to ‘openness’ to global economic forces and ‘competitiveness’” (Lehulere 2003:33).

Whereas classical Keynesian economics focuses on ‘demand management’, neoliberal economics depends on ‘supply-side’ management. Lehulere (2003:33) goes on to argue that

“...this focus on the ‘supply-side’ is, in effect, a focus on restructuring class-power relations on the shop floor in the first instance, and in the second instance, is a focus on the restructuring of the totality of the process of producing and appropriating surplus-value under conditions of the long-term stagnation of the international capitalist economy.”

The adoption of the “Social Equity and Job Creation” (SEJC) document in 1996 indicates a shift in COSATU’s ideology towards Right-Keynesianism. This document:

- blames low wages, apartheid policies, “a preference for speculative activity” [rather than capital investment] and “weak competition policies”;
- suggests redistribution of wealth and makes no mention of power;
- ignores the *social forces* that would drive or obstruct the path of the programme;
- wants institutions that drive the globalisation of the world economy to include trade unions; and
- concentrates on unionised workers rather than the working class as a whole.

The last two points, trying to ‘reform’ capitalist labour practices and concentrating on the concerns of unionised workers rather than the plight of the working class as a whole, are weaknesses that have endured until today. These two points represent a definite shift toward the right. Capitalism itself, with its emphasis on accumulation above all, is no longer identified as the reason for the inequality and poverty that are so rampant in South Africa. Working class power was fundamental to the plan to achieve full socialism at the 1992 Economic Policy conference but this is clearly no longer the case with the SEJC. The rightward shift is further evidenced in the weaknesses of the document, which fails to identify capital as a “hostile class” but rather treats it as a ‘bad partner’, complaining of the

undermining of labour standards and denial of agreements. The SEJC document thus dealt a potentially fatal blow to the future of unionism in South Africa.

The acceptance of neoliberalism is captured in the SEJC documents' statement that "...the trade union movement accepts the need to open our economy" and a stated commitment to lowering tariffs in line with GATT (General Agreement on Tariffs and Trade). Lehulere (1996:8) states clearly that "[The SEJC] is steeped in neoliberal dogma about 'productivity', 'open economies', 'competitiveness', the myths of 'social adjustment programmes', acceptance of the GATT regime, policies to 'expand the savings rate' and so on".

The document "Advancing Social Transformation in the Era of Globalisation" (2000):

- called clearly for aligning COSATU with sections of the capitalist class, those who 'suffered' under the neoliberal policies embodied in GEAR (COSATU 2000)(apparently, the manufacturing sector and small capital were 'progressive'); and
- completely neglected class politics, stating that the fault lay with some members of the class ("public-sector managers and bureaucrats from the Department of Finance").

Lehulere (2003:41) argues that the document "Advancing Social Transformation in the Era of Globalisation" of 2000 in conjunction with the SEJC, heralded COSATU leadership's final "...crossing of the class line".⁷

In this section, we have seen how COSATU's ideology progressed from socialist, through Keynesianism, to Right-Keynesianism. In the 1980's and beginning of the 1990's, COSATU's position was socialist, as evidenced by the Economic Policy Conference of 1992. By 1993, COSATU had shifted to Keynesianism, illustrated in the "Macro-Economic

⁷ Later, COSATU documentation and representatives from affiliates and COSATU will provide an inside perspective on the trade union ideology from the collapse of apartheid until today.

Research Group” document. The “Social Equity and Job Creation” (2006) document, shows a shift to Right-Keynesianism, and embraces neoliberal principles such as tariff reduction and “opening” of the economy. By 2000, the document entitled “Advancing Social Transformation in the Era of Globalisation” identified some sections of capital as progressive and proposed aligning with it. This progression is clear from the COSATU documentation. It appears that COSATU has abandoned its socialist roots and as such its class politics. Does this mean COSATU has also abandoned its class conception of the capitalist economic system? This is a very important question for this study, because a conception of neoliberalism should inform the responses to neoliberalism. If it is not seen as a class issue, it will not be responded to as a class-based system. If it is not responded to as such a system, it will be allowed to continue unrestrained as the union movement focuses on a few isolated issues.

Organisational shifts

The discussion of changes in organisation and strategies of organisation can supply context to questions of the power of unions in tackling broad political issues. This section can also illuminate strategies employed in responding to the organisation of the working class under neoliberal conditions of work. It can furthermore offer insights into possible weaknesses of such responses.

With ideological shifts came shifts in organisation and strategies. During the apartheid era, COSATU was seen to engage in ‘social movement unionism’, combining shop-floor and community struggles (Buhlungu 2010:97,176). Stillman (1993:269) cites a brochure distributed as part of the solidarity campaign to free Moses Mayekiso in the 1980s as stating that the black trade union movement was a “leading force” in the struggle against apartheid. Stillman (1993:261) even quotes Justice van der Walt in 1989 saying at the Moses Mayekiso

trial that "...the black trade unions have served to a great degree to organize black workers and also to give expression to their demands in the workplace as well as their political aspirations".

Webster and Lambert (1987:23) argue that political, or 'social movement', unionism began with the unified mass action between student and community organisations and the unions which emerged in the November 1984 stay-away. COSATU played important leadership roles in actions such as the 1987 stay-away in response to the whites-only election and the two day strike in 1991 to exempt basic foodstuffs from VAT. Buhlungu (2010:97) says that COSATU also lead the mass action to force the apartheid government back to negotiations in 1992-93. The 'social-movement unionism' was achieved by mobilizing working-class organizations and movements. Webster and Adler (2000:3) state that "[a] powerful and strategically sophisticated labour movement has the potential to reconfigure democratization through participation in negotiated compromises. These compromises have the potential to extract concessions from the other side, discipline capital and ensure that the social costs of adjustment are not borne by workers alone". However, Buhlungu (2010:97, 176) asserts that unions have become isolated, no longer seeking support from community and other organisations.

COSATU has been accused of now becoming a federation for a 'labour elite', representing workers in formal employment with "...relative job security and access to skills, benefits and rights" (Buhlungu 2010:177-178). In the past, general unions made attempts to recruit unemployed workers. One such example is SAAWU (South African Allied Workers' Union)⁸

⁸ SAAWU was a union that refused to register under the Apartheid government. It was focused on unity between unions, non-racialism, and collective leadership. It was politically active, believing that exploitation "...doesn't end on the shop floor" (Saspu National 1981) and was continually harassed by the Apartheid state (MacShane et al 1984:43-44). With respect to organization, SAAWU said, "We further firmly believe in active

who attempted to organise a union of unemployed workers. There are major political and organisational advantages to organising unemployed workers due to the strength and solidarity this lends to the working class. These attempts are no longer taking place and this has severely undermined the strength of the unions and their ability to fight deepening poverty and inequality. Buhlungu (2010:178) asserts that “...from a trade union point of view, the mode of operation of the federation and its affiliates is largely reactive, ad hoc and defensive” and that even when large strikes have been organized such as the public sector strikes of 2007, the focus has been narrowly confined to wage demands.

Buhlungu (2010:5) states that the union movements in Southern Africa have fought for democratisation, but political liberalisation brings economic liberalisation which then does not serve labour movements, as neoliberalism creates job losses, flexibility and informalisation with the resulting membership decline, low wages and bad working conditions, amongst others. Buhlungu (2010:5) explains: “In the context of Southern Africa, a region with a majority of extremely fragile economies, this means that these [labour-friendly] parties often choose to disown labour and embrace capital in the hope that this will bring in new investment”.

Buhlungu also argues (2010:5-7) that not only do trade unions lose political influence and have little influence over macroeconomic policy after the ‘labour-friendly’ party comes to power, but the effects of neoliberalism – such as flexibility and job losses – weaken the strength of the unions by lowering their membership. Furthermore, he goes on to say that unions often struggle to free themselves from the influence of the political party they supported. This is especially true in South Africa, with the tripartite alliance.

mass participation and mass participatory democracy. And with that philosophy we are sure to be in a position to bring in all the workers and all democratic minded people” (Saspu National 1981).

In 1993, when capitalism was replaced by mismanagement and apartheid as an explanation for the economic troubles that South Africa was experiencing in the early 1990's, (Lehulere 2003:32) the political opponent was effectively removed. The labour movement was both ideologically and politically disarmed. After that, in 1996, came the unilateral adoption of GEAR, with COSATU powerless to oppose it.

The implications of the above are that, when neoliberalism became entrenched in South Africa, the trade union movement became organisationally, politically and ideologically weak. This has implications for their ability to respond effectively to the effects of neoliberalism. These weaknesses will be discussed later.

Buhlungu (2010:89) states that many sectors have suffered job losses since the 1990s and this has led to declining union membership, as mentioned above. With the retrenchments, downsizing and the growth of atypical or informal employment (associated with neoliberalism), it would seem that changes in organizing strategies are essential for the strength of the unions. The growth of the numbers of working class in atypical employment or who are unemployed means that a failure to organise these groups will undermine the power of the unions. These are the most vulnerable groups and not only do they need the unions' power the most, but they could also lend immense organisational and political power to the unions in the face of growing poverty and inequality.

The September Commission⁹ (1997) claims that COSATU should be a "home" to all "working people". This excludes the unemployed. In fact, no mention is made of the unemployed members of the working class.

⁹ The September Commission was formed in early 1996 by the Central Executive Committee to report on the changed political and economic conditions in South Africa and evaluate the appropriateness of COSATU's strategies and policies in this context. The report identified three broad priorities: "...firstly, *developing a coherent political, economic and social vision and corresponding strategies* [including the transformation of the

Buhlungu (2010:93-95) identifies responses unions have made to “shop-floor restructuring” but argues that these have been inadequate. Buhlungu (2010:93-95) identifies three sectors in which efforts have been made to cope with the shop-floor effects of neoliberalism, namely retail represented by SACCAWU (South African Commercial, Catering and Allied Workers Union), clothing and textiles represented by SACTWU (Southern African Clothing and Textile Workers’ Union) and mining represented by NUM (National Union of Mineworkers).

The September Commission (1997) recommended that the Federation organise workers in vulnerable sectors, including domestic work and the informal sector, extending also to vulnerable “layers” of workers in other sectors.

According to Bulungu (2010: 93-94) SACCAWU tried in vain to end casualisation and multitasking before trying to recruit casuals. However, Buhlungu (2010:93-94) states that they were difficult to represent – casuals have a “lack of formal union rights”. He goes on to point out that there is fragmentation because of the “segmentation” (and sometimes downright antagonism as casuals are viewed as a threat) between casuals and permanent workers. There are sometimes even separate representatives for casual and permanent workers (Buhlungu 2010: 94). This has severely negative implications for solidarity, and as such, for union strength.

SACTWU has tried to expand to Southern Africa in an attempt to include non-unionised workers in areas where labour is cheaper. An example of such an area is Lesotho. This would then discourage the relocation of companies to these areas to cut costs, thereby reducing retrenchments and membership losses according to Buhlungu (2010:94). He also mentions that SACTWU tried to organise self-employed workers (through talks with the Self-

private sector and workplace], secondly, *building organisation* [focussing on women and the context of labour market changes], and thirdly, *building capacity*.” (COSATU 1997)

Employed Workers' Union, which collapsed in 2004) and home-workers which were used to replace permanently employed workers.

Buhlungu (2010:94-95) has identified two kinds of restructuring in mining, in addition to the large scale retrenchments in the industry since the 1990s. There has been an increase in the use of subcontracting and an increase in female miners. Buhlungu (2010:95) says that NUM has "...experimented with various methods of organising subcontracted workers by using their leverage with mining houses to force subcontractors to recognize the union".

COSATU stated a commitment to recruiting vulnerable female workers in the September Commission of 1997 and that "COSATU and affiliates may have to develop organising strategies that take specific account of the conditions vulnerable workers who are women face." NUM has recruited female workers, however they have been ineffectual in gaining better wages and working conditions for women (in comparison to men) according to Buhlungu (2010:95). These are the factors which make it more profitable to employ female miners in the first place. NUM has tried to improve on traditional methods of organising, but these measures seem to have fallen short and have been unable to stop the retrenchments.

It appears that creative organisational methods will have to be found to combat declining membership. There has been a glaring lack of progress in recruiting atypically employed workers since the call was first made in 1997, and in the intervening years, fragmentation and unemployment have grown significantly. This failure is significant. It would suggest that COSATU is either unable or unwilling to adapt to organisation under circumstances of neoliberalism. However, COSATU simply cannot afford to admit defeat in organising atypically employed and unemployed workers if it hopes to gain organisational strength. Strength lies in solidarity and numbers.

Factors constraining trade unions in South Africa today

This section examines external factors that may constrain COSATU in South Africa. The reason for this is to establish how trade union responses to neoliberalism have been influenced by external factors such as the Tripartite Alliance, and the informalisation of work and what responses can be expected from unions in the future in the context of these external constraints. This section also examines two internal constraints: COSATU's failure to link up with community struggles and bureaucratisation.

The Alliance: Source of strength or weakness?

It is my contention that The Alliance has encouraged COSATU to 'toe the line' when it comes to neoliberal economic policies. As seen in the previous section, COSATU has abandoned its socialist, and then Keynesian, economic principles (Lehulere 2003:33). This could be partly due to pressure from the ANC. Lehulere (1996:8) states that "...COSATU is scared of confronting the ANC and the government's adoption of neo-liberal policies". It is true that COSATU has opposed many policy initiatives by the state, both pre- and post 1994, such as the notorious Protection of Information Bill and has even opposed exorbitant electricity price increases by the parastatal Eskom. However, massive stay-aways such as the one in 1987 mentioned above or mass strikes for reasons other than workplace issues are seldom used, and when they are, such as the mass strikes in March 2012 to protest exorbitant toll charges and labour broking, these are ignored. The government was quoted as saying that COSATU had the right to protest, but that the toll charges would go ahead as planned. It seems reminiscent of the situation when GEAR was introduced. COSATU has committed to further action. In relation to electricity price increases and the toll charges, on 02 April 2012, Patrick Craven, spokesperson for COSATU, wrote on their website that April 2012 "...will be a dark month for consumers", but no further action is mentioned.

According to McKinley (2003:43), NUMSA (National Union of Metalworkers of South Africa) had argued that the alliance of the ANC, SACP and COSATU be discontinued after the 1994 elections. This argument was presented in 1993. This seems to suggest that NUMSA foresaw the problems arising from the alliance, as during the course of the political negotiations (1990-1993) the ANC had made a number of capital-friendly concessions, many of them contrasting with the broadly socialist ideology of COSATU at the time. The alliance, however, continues.

McKinley (2003:45) asserts that “[b]y embracing the RDP as the programmatic expression of working-class struggle through the Alliance – i.e., the vehicle through which the organised working class could strategically intervene in socio-economic policy formulation and ‘delivery’ of basic material needs – COSATU acceded to a corporatist process that would necessarily have to rely heavily on cooperation from a nationalist-dominated ANC party/government now in political power and an international and domestic capital with its hands firmly on the levers of economic power”. Of course, as McKinley (2003:45) points out, capitalist relations do not lend themselves to the delivery of “socialist priorities”, and neither can the fundamental profit-seeking practices of capitalism be reconciled with a “working-class” political economy.

McKinley (2003:46) states that COSATU had “‘deployed’ 15 senior unionists to take their place as ANC politicians”, and encouraged other members and officials to “join the ranks of the new government bureaucracy”, but shortly after this, these new politicians displayed a “rightward shift”. The RDP was also marginalised and eventually cancelled, growth was lauded as the goal of the new government rather than redistribution, and COSATU itself was marginalised (McKinley 2003:47-50). COSATU had hoped that by ‘buying in’ to the Alliance, they would be able to exert a working-class influence over the new ANC government. The ANC government, however, introduced the blatantly neoliberal GEAR

(Growth, Employment and Redistribution Programme). COSATU vocally opposed GEAR, and despite AsgiSA (Accelerated and Shared Growth Initiative for South Africa, 2006), GEAR has remained the dominant policy. AsgiSA can be seen to have been an attempt to mollify COSATU. While AsgiSA advocated the sharing of the ‘fruits’ of growth, it explicitly states that while it contains initiatives to achieve economic goals, it does not amount to a shift in economic policy (<http://www.info.gov.za/asgisa/> accessed 8 December 2010). COSATU was effectively ignored. Indeed, Lehulere (2003:39) refers to “...the marginalisation of COSATU...within ruling ANC circles since the accession of Thabo Mbeki to the leadership of the ANC. Compared to the first ANC government, there are fewer leading members of the new government drawn from the unions and, in general, there has been an attempt to relegate COSATU to the level of an ordinary trade union rather than a partner in the struggle for mass liberation. The rhetorical radicalism of COSATU during the anti-privatisation campaign of 2001 represents an attempt by the federation’s leadership to reassert and defend the place of the labour movement in the power bloc. The need for COSATU to continually reaffirm its commitment to the Alliance, while downplaying the significance of the differences over GEAR, must also be understood in this light.”

McKinley (2003:50) states that the Alliance has become the “‘new’ home of South African political corporatism”.

Unemployment and the informalisation of work

Unemployment and the informalisation of work is an important consideration when discussing neoliberalism and trade unionism. Growing informalisation can be seen as a consequence of neoliberalism as companies try to lower costs and also take power away from unions as it is difficult to unionise such workers, who are also often reluctant to stand up for their rights or to engage in social action for fear of retribution. Informal or atypical work also

often excludes benefits and certain protections afforded to more typical workers, undermining the union principle of ‘decent work’.

The fear of loss of income in a country where unemployment is rife is a major constraint to trade unions in South Africa today. People are not always aware of the level of protection that can be offered to them by trade unions and are afraid of victimisation and dismissal should they join. Unemployment levels are so high – Pillay (2008:48), citing Stats SA, says according to the official, narrow definition of unemployment, the levels were up to 26,7% in 2005 from 16,9% in 1995 – that there is often one breadwinner supporting large families and they cannot afford to jeopardise their income.

As mentioned earlier, the ‘growth’ associated with neoliberalism does not translate into employment. According to Pillay (2008:49) there has been “a growing trend towards the informalization of work” and “...a rising proportionate of formal sector workers have become ‘informalized’”. This means that unless trade unions can somehow recruit informal workers, the growing majority of workers will be un-unionised. “If COSATU is to continue its path of ‘social movement unionism’, it must face the challenge to take the struggle to where the most exploited workers are – the informal economy.” But as Pillay (2008:54) asks, “...[I]s the trade union movement, as COSATU claims, still mainly representative of the ‘working poor’, or is it increasingly becoming representative of a ‘labour aristocracy’ of formal, core workers representing less than a third of the labour force? Do they have an interest in organizing the semi-formal, informal and unemployed sections of the working class?”

COSATU’s failure to link up with community struggles

Harvey (2005:70) asserts that the state can resort to “persuasion”, “propaganda” or if necessary “raw force and police power” and, following Polyani, claims that to sustain a neoliberal “utopia” it becomes necessary for the state to resort to authoritarianism. In the face

of growing discontent, evidenced by the growing “service delivery phenomenon” in terms of basic services such as water, electricity and sanitation (Bond 2010) the ANC government appears to have become more authoritarian. For example, the ‘Secrecy Bill’ (South African Protection of State Information Bill) and the e-tolling system both went ahead despite large-scale protest, including by COSATU. Desai (2003:7) claims that repression has become more widespread. There are institutional avenues for repression - the 1993 Regulation of Public Gatherings Act even allows for the banning of mass demonstrations (Desai 2003:7). He quotes (sociologist and political commentator) Ebrahim Harvey as saying that: “[T]he black ruling elite has not hesitated to act against protestors with the jackboot that we are [sic] so familiar with under apartheid.”

According to Bond (2010), South Africa has one of the world’s highest protest rates per person. Given these levels of protest, surely COSATU would gain strength from linkages with community struggles? That is, after all, the basis of the social movement unionism they have practised in the past. Moreover, the state has a safeguard that will take a large effort in terms of mass mobilisation to break, the safeguard is one that the ANC has worked very hard to maintain and is the image of it as a liberation movement.

Desai (2003:4) asserts that the mass mobilisation found in community struggles has defined the family as a unit of struggle, as opposed to the individual, as is the case in, for instance, trade unions, where the individual worker is involved in struggle. This family solidarity in protest has been a source of great strength for the legendary student movement in Chile – students reportedly joined workers’ protests because “they are our parents” (Larrabure & Torchia [sa]) – and could conceivably also address the problem of the unemployed and therefore un-unionised working class not being able to lend strength to the union movement’s mobilisation. So far there have been merely individual issue-based links, such as support for the Treatment Action Campaign (TAC) and the National Health Insurance (NHI) scheme.

Despite support for these and other isolated campaigns opposing the ANC, Desai (2003:5) says that when it comes to opposition to the ANC's neoliberalism, COSATU functions to "contain and domesticate dissent".

Importantly, as we will see later, COSATU and individual affiliates have expressed the view that COSATU should foster a close relationship with civil society. Desai (2003:6) also claims that many South African Municipal Worker's Union (SAMWU) shop stewards are involved in community movements. So why has COSATU not linked with community struggles?

There are numerous examples of community struggles opposing evictions, and the lack of basic services in particular amongst many other issues. This has often been done by simply reconnecting services such as water and electricity disconnected for non-payment. There have also been retaliatory actions, such as the disconnection of the mayor of Johannesburg's electricity (Desai 2003:4, 8). However, protests have often turned violent (Desai 2003:6). This may hold the key to an aspect of COSATU's failure to link up with, largely militant, community movements. COSATU is a member of the Tripartite Alliance and, according to Desai (2003:5), sees its role as tempering the worst excesses of neoliberalism, especially with regards to job losses. Joining forces with movements who operate out of the confines of legality could undermine its position in The Alliance and as such any influence it may have. However, Desai (2003:5) also says: "The rightward shift of the ANC, however, has from time to time been challenged by the leading trade union federation, COSATU, working within the rubric of the Alliance. However, the latter's attempts to advance its interests is so highly ritualized, domesticated within the ANC Alliance and otherwise institutionalized, that COSATU shows little inclination to act outside and against the major policy decisions of the ANC." This also suggests that the strategy of staying within the law to maintain influence is idealistic, at best, as it has so little influence. It also points to another factor that may be

discouraging COSATU from the linkages with the community: their position at present in the Alliance is one of comfort and often, of privilege. Even if their status as Alliance partner were maintained, it would create conflict within the Alliance and jeopardise the privilege that COSATU and its leadership now enjoys. Indeed, Desai (2003:5) goes on to quote John Battersby, then editor of the Sunday Independent, as characterising the Alliance as representing an “...elite and emerging middle class”.

Whether a symptom of connivance with neoliberalism or a misguided attempt to challenge the system ‘from within’, it is clear that COSATU’s failure to link up with community struggles is wasting a source of potential “counter-power” (Desai 2003:7). Bond (2010) makes the point that, without better coordinated protests, the policies of the government will breed more anger and “degeneration into a far more uncivil society”.

Bureaucratisation

Another shortcoming that could cripple the union movement is bureaucratisation. John Mawbey from SAMWU (2012:5) speaks of “creeping bureaucracy”. He says “...our very success has led us into patterns of behaviour and operation...bureaucratising” and that some unions have “lost touch” and fallen into a “comfort zone”.¹⁰

¹⁰ Bureaucracy is also illustrated by the unsuccessful attempts to obtain an interview with SACTWU (South African Textile Workers Union). It was necessary to obtain permission from leadership to give an interview by the representative, which a representative said would take weeks, no one was available nor was anyone sure who would be the right person to interview and after many assurances that an interview would be given and referrals to other people over the period of about four months, it was still not done. Now if an hour involving one person is that difficult to organise, that does not bode well for action.

Bureaucratisation is possibly also attributable in part to the opportunities for upward mobility for union officials and shop stewards. Buhlungu (2007) states that “[t]he extension of union influence has created new avenues for upward social mobility for activists. Since 1994 unions have lost thousands of key leaders and activists at all levels...” Van Holdt (cited in Masondo 2013:115) mentions that the upward mobility of shop stewards has created “...the perception that being a shop steward was a springboard for promotion and career mobility”. This has led to suggestions that shop stewards use their position for personal advancement, breaking the link with ordinary workers.

International trade union responses to neoliberalism¹¹

The international responses of trade unions to neoliberalism will provide a valuable global context to evaluate the responses of COSATU to neoliberalism in South Africa. It can also serve to investigate the possibility of a pattern of factors that influence the ways in which trade unions develop their identities in the changing neoliberal climate and shape their action.

According to Upchurch and Mathers (2011:8): “State facilitation and repression of social movements is one of several processes that affect how social movements develop through a ‘cycle of contention’ where this is understood as a phase of heightened social conflict which becomes generalized across a whole system, often in waves confined to specific periodic events or to more general phases of politico-economic change.”

South Africa’s trade union movement became increasingly militant as state repression increased. The cycle was then ended with the end of apartheid, or so it seemed. The assertion by Upchurch and Mathers (2011) that “...the distinctive aspects of the union movement which had led it to be characterized as [social movement unionism] began to erode as trade union organization, defined by activism at the base and democratic practices, was altered and past

¹¹ Unless otherwise indicated, this section is based on the work of Upchurch & Mathers (2011)

attempts to carry identity beyond the workplace were dissipated. An institutionalizing effect had taken place, whereby the radical/political aspects of the union movement had been defused.” does seem to have specific relevance to South Africa, as the union movement seems to have been subsumed into the state apparatus with the alliance. However, it would appear that worsening of conditions as neoliberalism intensifies is ushering in a new “cycle of contention” (politico-economic change started after the democratic government came to power in the mid-90s, but only recently has it become apparent to large portions of their constituency that their failings are their own, and cannot all be blamed on the legacy they inherited). It remains to be seen how, in the wake of an increase in revolutionary action, the state will respond. There are signs that suggest that repression will replace the ‘partnership’ with The Alliance as protestors have been met with violence in recent demonstrations. The withdrawal of support for the ruling party by the large COSATU-affiliated union NUMSA suggests that traditional unions are losing patience with the state. However, they are also facing problems of their own. As Munck (2012) points out, “The global competition at the heart of neo-liberal globalisation severely weakened the organising capacity of unions.” A consideration of the responses of international trade unions will be helpful to contextualise the position of COSATU and the possible avenues it could pursue in a climate of globalisation. According to Upchurch and Mathers (2011:8), “The cycle can only be ended by either reform, repression, or, in extreme cases, by revolution.”

After Reaganism replaced the New Deal in the United States of America, the trade unions faced both a “de-institutionalisation” of structures that facilitated unionism, and repression. However, “...rather than facing unyielding state oppression and employer intransigence as in the global South, unions in the USA faced a period in which hostility could be measured by a ‘softer’ process of marginalization and legislative indifference.” (Upchurch & Mathers 2011:12) Twenty years of industrial restructuring followed, leading the unions from

“business unionism” to social-movement unionism. Importantly, however, this social movement unionism was devoid of the politicism of the historic South African unions. This is a “de-classed” conception of social movement unionism. Indeed, throughout the global North the concept of social movement unionism has become broader and more vague, with neglect of the political dimension.

In recent times, however, unions in the US have become slightly more political, albeit in trying to influence legislation, and action has become more radical.

Western European unions have historically enjoyed considerable institutional support in Social Democratic systems. However, Western European Unions have relied on a social partnership model and with increasing liberalisation, these partnerships have become strained and new forms of protest and new political campaigns have resulted. In the UK, Unions’ constituents have lost patience with partnerships with the Labour party and unaffiliated unions have experienced growth in members. Unions have “...re-politicized elements of their strategy and identity.”

In Germany, there existed (less formal) links between unions and the *Sozialdemokratische Partei Deutschlands* (SPD). However, with the introduction of the neoliberal Hartz reforms, “...designed to roll back the welfare state and focus on supply-side solutions” with the support of the SPD while part of a coalition government, a new left party has been formed with union support. Furthermore, unions have become more political, taking up issues such as a national minimum wage and the withdrawal of German troops from Afghanistan.

The workers movement in France has been hugely successful in terms of mobilisation and solidarity since the “attempt” to introduce neoliberal reforms, “[b]eginning in 1993 with the *Parti Socialiste* being ejected from government...” (Upchurch & Mathers 2011:14). There was massive strike action from public sector workers in 1995, but the movement has spread

to the unemployed, students, youth- and precariously employed workers, small farmers and migrant workers.

They have also “...linked up across national borders to target transnational institutions such as the EU” (Upchurch, Taylor and Mathers, 2009 cited in Upchurch and Mathers 2011:14).

According to Jefferys (cited in Upchurch and Mathers 2011:14), “[t]he mobilizations have also challenged the *pensee unique* of neoliberalism to frame opposition in terms of a defence of republican values”. After Nicolas Sarkozy was elected and proved unwilling to engage in the “selective facilitation” practiced by the previous governments, and his increasing repression of the movement, organised labour has adopted radical measures (for example, sequestration) as well as engaging in massive strikes and demonstrations.

Due to the radicalisation of the movement, the major French unions have been “ambivalent”, vacillating between support, opposition and neutrality with regards to the aforementioned mobilisation. Indeed, according to Webster (2013: 280) in most of the countries covered in case studies conducted in Gall et al (eds. 2012), unions have vacillated between grudging accommodation of neoliberal reforms and resistance. There have also been strategic differences between the union federations in France. The *Confédération française démocratique du travail* (CFDT) underwent a “depoliticization” while its rival federation *Force Ouvrière*, became more militant and the “ex-communist oriented” *Confédération Générale du Travail* (CGT) has become at times militant, at times compromising. The latter and the French Communist Party had hegemonic power over the organised labour movement in France. When this ended, the left-leaning space was taken by new unions such as *Solidaires, Unitaires, Démocratique* (SUD) that consistently resists neoliberal reforms. Despite its minority status, it has “...engaged in political framing of anti-neoliberalism to mobilize members, exhibits a relatively open and de-bureaucratized structure, and engages

with other social movements such as the *sans papiers* (undocumented migrants) and *Confédération Paysanne* (Confederation of Small Farmers)”.

Trade unions in Greece became independent after the institution of parliamentary democracy in 1974. Despite this independence, trade unions remained dependent on the state and the governments in power. This meant that any power the trade unions enjoyed was through this clientelist relationship rather than through traditional trade union methods such as collective bargaining. This has made it difficult for trade unions to establish social pacts, which also makes militant outbursts against austerity measures likely.

Moreover, the relationship between the traditional trade unions and parties in government has had consequences for the traditional trade unions. Because those parties have been associated with the austerity measures Greece is implementing (a condition of their loan from the IMF after its recent debt crisis), in 2009 and 2010 militant trade unions occupied the offices of the traditional unions due to their moderation. As the Greek government continues to impose further neoliberal reforms and public spending cuts, the traditional unions are compromised and the aforementioned more militant unions are thus being given political opportunities to develop.

In the formerly communist states of Eastern and Central Europe, there have been no structures for unionism in place. Some authors also note that production systems in these countries have been based on low cost and low wages. Union identities are fragmented, ranging from those striving for social dialogue and a social democratic model, to those embracing neoliberalism and on the other hand, radical unions with social movement identities.

Miranda and Molina (2011) speak of the community protests that have had success in countries of Latin America in terms of reforms. The student movement in Chile, however,

which supports and is supported by the union movement, is presenting a challenge to the state that is unprecedented although it is claimed that there are global parallels. (Larrabure & Torchia n.d.) Again, the importance of solidarity with community movements is shown.

From the above, following Upchurch and Mathers (2011), it emerges that the relationship of the union movement to the state, and its evolution, is important in order to understand the ways in which trade unions respond to neoliberalism. Also crucial, is the political orientation of these unions, instrumental in shaping their identities.

There also appears to be a pattern emerging of radical opposition to traditional unions (many of which seem to vacillate in their responses), especially those perceived to be allied with the state and in some cases, there have been alliances between unions and non-union organisations. According to Upchurch and Mathers (2011), “We can also observe varying forms of de-bureaucratized union identities emerging within the new cycle of contention inspired by neoliberal globalization.”

These considerations need to be central to the discussion of the future success of unions along with the acknowledgement of the need for class consciousness of the fundamental inequality of the capitalist, and especially neoliberal, system. As Upchurch and Mathers (2011:17) say: “The very nature of the sense of injustice felt by workers continues to place class-based struggle for social and economic justice at the centre of union opposition.”

Munck (2012) says that “...unionists have increasingly challenged unfettered capitalist control of the labour market. We can see that in particular branches of industry or areas of the world...as well as a broader international labour revival since 2000 with a plethora of initiatives by international unions at both the official and grassroots levels.”

What does all this mean for South African COSATU unions? It points to a need for a clear class-based foundation in the struggle, and a de-bureaucratisation in the unions, and the possible need for linkages with civil society organisations and community movements, as well as global labour. COSATU also needs to be clear in its position, avoiding the trap of sometimes accommodating neoliberalism that so many traditional unions with relationships to government fall into. It may also mean that, unless COSATU disentangles itself from the ruling party, as its affiliate NUMSA has recently done, it may be hard pressed to retain its hegemony over organised labour. The loss of majority by the COSATU-affiliated NUM at Lonmin mine in Marikana to a radical union could be a sign of things to come as workers lose patience with the moderate unions that continue their alliance with, and support for, the government.

Conclusion

It would seem that despite the poverty and inequality in South Africa, government is determined to follow a neoliberal strategy, emphasising 'growth' as a panacea. Many concessions in favour of corporations are in place. In the 'State of the Nation' address of 2011, President Jacob Zuma promised further tax concessions for business.

Trade unionism developed with a strong political agenda during the apartheid era. COSATU successfully engaged in well-organised mass action during these years on issues beyond the shop floor. After the fall of apartheid, however, COSATU has not enjoyed the same success. Declining membership, largely due to COSATU's failure to reach atypically employed and unemployed members of the working class has weakened the union movement. SAAWU, a union affiliated with FOSATU, COSATU's predecessor, had a "strong community orientation [that] was proved by the fact that it attempted to organise a union of unemployed workers, more as a sign of community and political protest than to exert pressure within the

industrial sphere”. SAAWU had some success, but then merged with other unions after the formation of COSATU (Bendix 2001:188-189). Such a strategy could greatly strengthen COSATU now.

As mentioned earlier, COSATU stopped characterising the issue of neoliberalism as one of social classes in policy documentation. In the September Commission (1997) COSATU states that it should be a “home” for all “working people”. There is no mention made of the unemployed, who are also members of the working class. It does not seem as if COSATU has any interest in mounting a class project any more.

As can be seen in tracing the documents that provide an ideological roadmap to the evolution of the ideology of COSATU, the federation has all but abandoned the socialist ideology that informed and guided it during the days of its potent and large-scale political activities. As COSATU’s ideology became more moderate, eventually lapsing into some rather neoliberal views, so too did its political and emancipatory gains.

The Alliance with the ANC and SACP seems to have had the effect of the SACP being subsumed under the ANC, in terms of ideology and policy. Opposition to the ANC from COSATU is ignored and brushed aside. One has to wonder whether COSATU will be able to mount a class project while in alliance with the ANC. According to COSATU [Sa], “The slogan of ‘an injury to one is an injury to all’, is about the vision of social solidarity that binds the working class”. However, to achieve such solidarity, COSATU will have to develop organising strategies that embrace the whole of the working class.

Work is too scarce for workers to make demands and with the informalisation of work, many workers are not unionised. Unionised workers still take action, but many companies choose to make increasing use of casual labour in order to evade union-backed demands. Add to this the high levels of unemployment in South Africa, and not only does union membership

decline, but the working class as a class becomes fragmented. The unions no longer have the organisational and political power they once had.

COSATU could strengthen its action by linking with community movements, but has chosen not to do so. This suggests a reluctance to challenge the ANC on an issue as far-reaching as neoliberalism, or a 'comfort zone' that it is reluctant to disrupt. It could also, most disturbingly, suggest with an implicit acceptance of neoliberalism.

A discussion of the ways in which trade unions internationally have responded to neoliberalism help to contextualise COSATU's responses discussed later. It also points to patterns which illuminate important components of resistance.

Neoliberalism, as a class project, cannot be countered with workplace politics. Its effects are pervasive and perennial. The only way it can be countered is with a movement grounded in class politics. The unions have a background in class politics, but are seemingly no longer taking this as their point of departure.

Chapter 3: Methodology

Introduction

The purpose of this chapter is to document the methodology used. This allows transparency in the research and the way in which findings and conclusions were derived from the data. This chapter is divided into the following sections: research design; data sources and methods of data collection; qualitative interviews; documentary information; sampling techniques; issues of reliability and validity; and data analysis and interpretation.

This study is qualitative in that findings are expected to emerge in the course of the research. It is guided by qualitative research principles such as openness, flexibility and transparent research methods. (Sarantakos 1998:51)

The nature of the research questions and the appropriate information to respond to them adequately were suited to a qualitative study. With regards to the interviews, the reasons for the qualitative suitability are, firstly, the questions had to be open-ended to allow for detail in responses, secondly, follow-up questions were necessary to clarify original responses (Bailey 1982:198) and, thirdly, the inability to answer a question directly needed explanation and was a valuable source of data.

Research methodologies are different from research methods. Bailey (1982:32) characterises methodology as the “philosophy” of the research process, which “...includes the assumptions and values that serve as a rationale for research and the standards or criteria the researcher uses for interpreting data and reaching conclusions”. According to Sarantakos (1998:33) methodologies are defined in two ways. First, a methodology is a research model employed by a researcher for a specific project “...including basic knowledge related to the subject and research methods in question and the framework employed in a particular context”.

Sarantakos (1998:33) states that this can be seen as a research model. The second definition characterises methodology as relating the research principles to a paradigm, “Methodology is determined not by the research model but rather by principles of research entailed in a paradigm” (Sarantakos 1998:34). Methodologies resulting from this latter definition are quantitative and qualitative methodologies. In contrast, research methods refer to “the research technique or tool used to gather data” (Bailey 1982:32). Methods are chosen depending on the “major elements of the methodology in which they are embedded”, for instance, the perception of reality or the purpose of the research (Sarantakos 1998:34). Methods can include tools such as interviews and content analysis.

The research methods sought answers to the research questions concerning the responses of trade unions to the effects of neoliberalism on the working class with qualitative methods: interpretation of documentation and open-ended interviews interested in detailed, rather than quantifiable, responses. Bailey (1982:495) defines qualitative analysis as nonnumerical analysis, but the implications stretch beyond nominal variables or categories with interest in detailed answers and factors such as evasion of questions or an unwillingness to be interviewed.

Research design

Groenewald (1986:43), citing Cilliers, describes the research design as “...the general form or system according to which the study is executed.”

This study explores how COSATU as a federation responded to neoliberalism using qualitative methodology and tools. This study is informed by a particular understanding of that which is being responded to, and also informed by lessons of how trade unions internationally have responded to it. This provides the context in which the study specifically explores the trade union reactions to the effects of neoliberalism on the working class and the

efficacy of these responses. The investigative or exploratory nature of the study requires a qualitative research design (Sarantakos 1998:189).

There are several defining features of qualitative research which make it suited to this study. Firstly, qualitative research allows themes to emerge in the course of the research and is thus open to findings. Bailey (1982:38) says that the absence of a formal hypothesis is characteristic of an exploratory study. Secondly, qualitative research is flexible – if further research is required, or the research methods need to be reconsidered, this can be done. Interviews are open-ended and unstructured, allowing for detailed ‘thick’ description. The way in which questions are answered can be analysed to supplement the raw data – the interaction between interviewer and interviewee. Qualitative research also acknowledges that each case is unique, and does not try to generalize findings (Babbie & Mouton 2008:270). Qualitative research also requires context sensitivity. (Sarantakos 1998:46-47)

Transparency in methods and analysis will also allow findings to be judged from different perspectives. Qualitative research claims that we cannot access the ‘real world’ except through subjective experiences of reality from different perspectives. (Sarantakos 1998: 47)

The study attempts to explore the aforementioned reactions by trade unions. The research design is qualitative because the study seeks in-depth descriptions and understanding. Moreover, this study does not aim to produce findings that can be generalized, but to investigate specific actions in a specific context. (Babbie & Mouton 2008:270; Sarantakos 1998:47)

Data sources and methods of data collection

COSATU is used to represent the trade union movement in this study. (In this study, COSATU documentation will be used). This is justified by the dominance of COSATU since

the 1980s in organising workers from different industries. Furthermore, COSATU has not only been the 'voice' of the organised working class (for example the opposition of GEAR) but has also been dominant in organising working class action and policy debates. (Baskin 1991; Macun 2001:60)

The information required to answer the research questions is found in documentation (policy documents and documents detailing action) and transcriptions of open-ended interviews. The questions surround the responses to the effects of neoliberalism on the working class as an overarching ideological project and the efficacy of these responses. As such, the information required has three dimensions: conceptual, political and organisational.

Documentation was analysed and more detail was obtained from open-ended, interactive interviews.

Qualitative interviews

Interviews were chosen to allow for the most detail to be given in responses, and questions could be clarified or probed further in an interview situation. (Bailey, 1982:198; Sarantakos 1998:247). While following a general line of inquiry, interviews were not rigidly structured and were interactive. Interviews consisted of open-ended questions.

The data sources for this study are basic individual interviews. (Babbie & Mouton 2008:289) Interviews were conducted with trade union representatives from COSATU affiliates. Trade unions from textile and clothing, metalwork and engineering, mining, retail and the public sectors were contacted and interviews requested. Representatives from four trade unions were interviewed. These were NEHAWU (National Education, Health and Allied Workers Union), NUMSA (National Union of Metalworkers of South Africa), NUM (National Union of

Mineworkers) and SAMWU South African Municipal Workers Union).¹² These are trade unions that are active in the sectors where effects of neoliberal projects, such as informalisation and retrenchments, are rife.¹³

An expert, Professor Edward Webster from the University of the Witwatersrand, who is knowledgeable in the areas of trade union activity and can thus comment on trade union activities that have responded to the effects of neoliberalism, was interviewed. A representative from COSATU's parliamentary office was also interviewed. Access was requested in correspondence with potential respondents. Interviews were tape recorded and then transcribed. Interviews provided enough detail to facilitate the identification of core categories in selective coding, thereby facilitating data analysis. (Sarantakos 1998:203)

Documentary information

Secondary sources were also used, for example trade union policy documents, memoranda and campaign bulletins. These were supplemented with Congress reports and Central Committee reports. Secondary analysis of a research document from the Human Sciences Research Council was conducted. Personal observation regarding living and working

¹² SACTWU (South African Clothing and Textile Workers Union) did not have a representative available for interviewing. They had been approached regularly and several representatives did commit to an interview, and one representative committed to addressing the issues in the interview schedule via email, but despite receipt of the interview schedule no responses materialized. This represents a bureaucratic structure, and possibly a lack of commitment where undertakings are made.

¹³ NEHAWU was selected because there is growing atypical employment in the sectors of health and education, NUMSA was selected because they are a union that has had some success with the fight against labour broking in their sector, NUM has been the most successful in terms of issues like working conditions and skills retraining and SAMWU was chosen because they have been severely affected by outsourcing. SACTWU was (unsuccessfully) approached because they have been severely affected by retrenchments due to the decline of manufacturing.

conditions under neoliberalism and the efficacy of trade union responses to the effects of neoliberalism were examined.

Policy documents, memoranda and campaign bulletins were from COSATU. Bailey (1982: 303, 304) identifies advantages in documentary research. For this study, relevant advantages are a lack of reactivity, which is often associated with interviews, the low cost of accessing large amounts of information from documents, and the high quality, in this context mostly in terms of structure, of official (organisational) documents.

Sampling techniques

Non-probability (purposive) sampling was appropriate for this study, as the research aims require specific respondents who have knowledge of the issues involved in the study.

(Sarantakos 1998: 151) Purposive samples are, according to Groenewald (1986:20) more appropriate for in-depth studies "...of the form and substance of the phenomenon".

These respondents were representatives from four trade unions affiliated to COSATU (NEHAWU, NUMSA, NUM and SAMWU) as well as a representative from COSATU's parliamentary office and a trade union expert. There was to be a fifth union representative interviewed, from SACTWU. However, after repeated requests for interviews and assurances that interviews would be given over the period of four months, it proved to be fruitless.

Gaining an interview from SAMWU required some persuasion over a period of two weeks, after which it was granted. All the other representatives readily agreed, as did the trade union expert.

Interviews were requested by telephone, after which a formal request was sent via e-mail.

The interview schedule was sent via e-mail to all prospective interviewees (including at

SACTWU) and consent forms were signed by respondents prior to commencement of the interviews.

Issues of reliability and validity

According to Smith (1975: 58), reliability refers to “consistency between independent measurements of the same phenomenon”. According to Bailey (1982: 68) validity has two aspects: firstly, the methods of data collection need to measure that which they set out to measure, and secondly, measurements need to be accurate. As this study has a qualitative design, the issues relating to reliability and validity are credibility, transferability, dependability and confirmability. Credibility is ensured through triangulation – interviews were conducted with different respondents – trade union representatives and an expert in the field of trade unions and economic policy. Transferability is secured through thick description – responses were reported with as much detail as possible. Dependability and confirmability can be checked by means of a confirmability audit trial, where raw data, themes that were developed, findings, conclusions, the research proposal and notes can be checked. (Babbie & Mouton 2008:276-277)

Documentation was analysed within the framework of the study. This means that qualitative methods were followed in that data was coded and, to ensure that research is reliable, a guiding principle of qualitative research, transparency, was followed. Information from documentation was followed up when interviews were conducted.

Data analysis and interpretation

The study is investigative and therefore inductive analysis was required. Selective coding provides central themes or core categories that come to light in the course of the study. (Sarantakos 1998:203)

Selective coding was used to provide a coherent narrative related to the key concerns of the study. This analysis related the findings to the research questions. The conceptual basis, and political and organisational aspects of COSATU's responses were illuminated by the analysis and interpretation.

Selective coding illuminates the core categories and related themes to form a narrative that informs the hypothesis (Babbie & Mouton 2008:500-501).

Chapter 4: COSATU and affiliates on ideology and responses to effects of neoliberalism

Introduction

The focus in this chapter is on COSATU's documentary evidence regarding two issues relating to responses to neoliberalism, and the views of some affiliates as represented by their representatives in interviews. It should be noted that the themes in this chapter are not wholly distinct from the themes developed in the next chapter. They are interrelated. The ideological basis – COSATU's conception of neoliberalism - informs how COSATU should respond to the effects of neoliberalism and the neoliberal system politically, which includes organisation, the difficulties of which are also an effect of neoliberalism due to the restructuring of work (including the worsening of working life and associated disillusionment with COSATU unions) and unemployment. The purpose of this chapter is to form a coherent representation of COSATU and affiliates' official position(s) on, and actions related to, two themes (identified below) that represent important aspects of the responses of COSATU and affiliates to the effects of neoliberalism. This should also serve as a comparison between COSATU's official position as represented in the literature and the positions of individual affiliates. Reports on COSATU's responses to the effects of neoliberalism also serve to illuminate the efficacy of the responses, because some issues are continually addressed without success.

COSATU is seen as a collective voice of its affiliates and acts as the overall policy and political strategy organising centre. This is because, firstly, on issues that are social or economic, rather than workplace centred, actions are often carried out under the banner of COSATU, not by individual affiliates. Secondly, all the affiliates are represented in parliament and government by COSATU representatives. Thirdly, and most importantly, the

ideology of the affiliates should be uniform and represented by COSATU, which has an ideology as a federation.

COSATU is a trade union federation, but not a trade union. Therefore, while it is important to review the literature, in order to review COSATU's response to neoliberalism; to get a more nuanced view of the character of the federation it is important to investigate its affiliates, using the same broad themes employed for COSATU. This approach will also illuminate any areas of inconsistency or fragmentation in the federation. Cohesion and consistency give strength to an organisation of this size and a break in commonality of goals will severely weaken the ability of the federation as a whole to respond effectively to neoliberalism. Small differences, especially in differing sectors, are to be expected though, and these also should be reviewed. For this reason, representatives from four affiliates were questioned. These four affiliates are: the National Education, Health and Allied Workers Union (NEHAWU), the National Union of Metalworkers South Africa (NUMSA), the National Union of Mineworkers (NUM) and the South African Municipal Workers Union (SAMWU).¹⁴ All four unions are very active in terms of strikes and wage disputes. NEHAWU, NUM and NUMSA are amongst the largest unions in terms of membership – all have memberships of over 200 000. SAMWU, with a membership of 114 355 (membership figures according to COSATU May 2012), represents workers who have been affected by the large amount of

¹⁴ In order to gain an outside evaluation of the challenges faced, and strategies employed by trade unions under neoliberalism, Professor Edward Webster, Professor Emeritus at the University of the Witwatersrand in the Society, Work and Development Institute, was interviewed. In order to supplement and corroborate the documentary research in the previous chapter, Matthew Parks, COSATU's deputy parliamentary coordinator, was also interviewed. From NEHAWU, Sidney Kgara, Head of the Policy Unit, was interviewed. The representative interviewed from NUMSA was Tengo Tengela, and from NUM, Mike Fafuli, from the secretariat pillar, operating as a Research, Information and Policy Officer. From SAMWU, John Mawbey, Head of the Organising and Development Department, was interviewed.

outsourcing in this sector. Many workers in the manufacturing sector have also suffered as manufacturing has declined as a result of imports. Cheap imports made possible by the neoliberal mantra of ‘free trade’ and its required removal of import tariffs by developing countries.

In order to understand trade union responses to the effects of neoliberal ideology in a meaningful way, it is necessary to also illuminate the context in which the effects and responses take place. Firstly, it is important to form a picture of the way in which the trade unions conceive of neoliberalism. Secondly, the effects themselves, as seen by the union movement, need to be identified. Throughout, it should be acknowledged that phases in the evolution and consolidation of neoliberalism (the introduction of the GEAR macroeconomic policy, labour law amendments, restructuring and privatisation) have shaped these factors to a greater or lesser degree.

COSATU’s conception of neoliberalism

How the union movement led by COSATU, conceives of the neoliberal project, should inform their responses to it and its effects. As seen earlier, neoliberalism can be seen as a policy approach, but can also be seen as a class project – a strategy advanced by capital to preserve its interests. In chapter 2 on the evolution of trade unionism in South Africa, it is shown how the socialist tradition shaped struggles aimed at resolving issues of exploitation and political power. Given the socialist tradition of the trade unions, the Marxist approach to neoliberalism would seem to be the natural choice. An analysis of the COSATU documentation should reveal whether this is the case.

However, somewhat surprisingly, there seems to be a lack of documentation dealing directly with a conception of neoliberalism. Although official Congress and Central Committee Reports do deal explicitly with neoliberalism and its effects and implications, other

documentation dealing with the resolutions and campaigns of COSATU does not. This suggests that the day-to-day dealings of COSATU are not aligned to the official rhetoric. An example of a Congress report dealing explicitly with neoliberalism, is “COSATU 11th Congress Declaration on the Lonmin Marikana platinum mine tragedy, the mining industry, and general poverty wages” (2012e), which lists the ways in which neoliberalism has impacted on the way in which work is organised and degraded. The greed and exploitation inherent in capitalism is also discussed.

COSATU’s “The Declaration of the 4th Central Committee” (COSATU 2011d) is peppered with class rhetoric, mentioning the inequalities and poverty created by capitalism, referring to the ‘working class’ and naming socialism as an ideal. However, resolutions refer only to discussions and negotiations (with no mention of alternative avenues, such as mass mobilisation, should the formal avenues yield no results) to fulfil resolutions, with constant reference to the Alliance and support for the ANC¹⁵. Resolutions dealing with issues of organisation are vague. This is also the case with the 5th Central Committee discussion paper (COSATU 2011e). Although there are strategies put forward for many of the socio-economic challenges facing South Africa, and alternatives to neoliberalism are proposed, the emphasis is on reform within capitalism. Here, socialism is not explicitly offered as an alternative. Furthermore, the class and anti-neoliberalism rhetoric is not repeated in most of the Campaign Bulletins and other documentation from the day-to-day operations of the Federation. These documents also do not discuss neoliberalism and its implications (as implications of neoliberalism) in any depth.

However, passing mention is made to neoliberalism in many documents. In 1998, in a document entitled “South African Reserve Bank and Monetary Policy” (1998a) there is a

¹⁵ It should however be noted that the document identifies a need for the working class to “recapture” the ANC as a radical liberation movement (COSATU 2011:11).

small paragraph that mentions the “negative social impact of restrictive monetary policy” and suggests that this and the possibility of alternatives be investigated. In September of 1998, a report entitled “Women and the Jobs Summit” (1998c) mentions in passing that it is “disturbing” that business has embraced neoliberalism “uncritically”. In November of the same year, in the report on the “Presidential Jobs Summit” of October 1998(c), COSATU claims that there is agreement within the Alliance that there is a “paradigm crisis for a [sic] simplistic one-size-fits-all strictures of the so called Washington Consensus” as well as the need for “adjustments” to the GEAR strategy because of its failure to meet its targets. However, COSATU had not agreed that the targets of GEAR should be adjusted within the neoliberal GEAR “framework”. In 1999, COSATU explicitly criticised neoliberalism in general, and GEAR in particular for neoliberal fiscal austerity such as wage restraint, privatisation and “downsizing” (COSATU 1999). GEAR still dominates macroeconomic policy today, despite its ongoing failure to deliver on its goals. In the 2010 “Declaration by Manufacturers and Trade Unions on Industrial and Economic policy Interventions Needed to Create Decent Jobs”, the “...goals of our industrial strategy have not adequately been supported by some aspects of our macroeconomic policies”. This is undoubtedly not untrue or inaccurate, it is however, very vague and does not provide a conceptualisation of which aspects these are and how they do not support the unspecified goals referred to.

In May 2000(c), in the COSATU Memorandum on Job Creation, COSATU called for an end to accelerated import tariff reduction. This is a recurrent call in COSATU memoranda. Massive job losses and the decline of manufacturing is largely the result of cheap imports. In the same year, in “Unions Committed to Service Delivery” (2000g), COSATU reiterated the problem of “unnecessary budget cuts”, this time due to deficit targets. Throughout the documentation and memoranda there are mentions of wage cuts and the cuts in the social wage, due to various fiscal austerity measures and ‘structural adjustment’. Structural

adjustment is a euphemism for structural decisions that facilitate neoliberalism and remove controls designed to limit the excesses of unfettered capitalist accumulation.

In a “Memorandum to the Employers and Government of South Africa” (2005) COSATU claims that capital campaigned for “tight” fiscal policies and are resistant to the transformation of the economy. Political transformation has not been accompanied by transformation in economic power. The transformation of the economy is obviously not beneficial to those already in possession of economic power.

In 2009(a), in “Memorandum to Parliament”, COSATU says that “...our autonomy as a nation is something that we feel should be jealously guarded...” The autonomy and sovereignty of a democratic nation is something that is often under serious threat in a global economy. This document also highlights the detrimental effect that global trade has on developing countries. Developing countries are not afforded the tools that developed countries used to grow their economies, and the World Trade Organisation (WTO) fails, in its prescriptions, to address these inequalities.

By July of 2011(a) in “Memorandum to SEIFSA [Steel and Engineering Industries Federation of South Africa]” COSATU speaks of the “...deepening failures of capitalism and neoliberal policies to resolve the persisting challenges of poverty, racialised development and escalating unemployment...”. The document goes on to attack neoliberal propositions such as flexibility, longer working hours and low wages which would entrench a two-tier labour market and claims that neoliberal policies have “...been discredited all over the world”. In October of the same year, in a “Memorandum to the Premier of the North West Province” (2011c), capitalism is accused of being corrupt. The memorandum goes on to state that capitalism “...continues to rob the working class of the surplus it produces” and also that neoliberal policies are a reason that local government cannot meet its responsibilities. The

criticism is more specific toward neoliberalism and less ambiguous than before, but neoliberalism is still not explicitly conceptualised as a class project.

In May 2012, Zwelinizima Vavi (General Secretary of COSATU) writes in "Finding Wage Crisis Solutions" that "...the capitalist crisis we are experiencing is a direct result of how capitalism as a system functions". Later in the document, he goes further, suggesting "rallying points" that can be used as a basis for revolutionary¹⁶ action: "An anti-imperialist and anti-capitalist programme of emergency demands...Unity of action against the attacks of the capitalist classes...the fights for governments of the workers and popular classes... Self-organisation in the struggle to overthrow capitalism... and Socialist democracy as a project of society". Here it can be seen that capitalism has been identified as the root of the crisis and that socialist democracy is seen as an alternative, and also that social movement unionism, as a unity of trade unions and civil society organisations, is advocated. In this document, it seems that there is an implicit strategy and economic ideology. This is heartening. However, with the ideological progression documented earlier, and a lack of mention of concrete socialist principles, one cannot help but wonder if such allusions to socialism are a resurgence of the socialism of COSATU in the 1980's and early 1990's, or empty rhetoric. An important question is also whether the dominant methods of struggle since 1994 are clearly related to a socialist ideological position and whether the class conception Vavi seems to subscribe to is reflected in these methods. This will be addressed in a later chapter.

Throughout the documentation, COSATU alludes to many of the problems associated with neoliberalism, even in places attacking neoliberalism itself. However, since all the issues they address are related to neoliberalism, this should be a dominant point in all the literature, as

¹⁶ In this study, 'revolution' refers to the overthrowing of neoliberalism as a system, to effect dramatic change in practices.

opposed to sporadic mention. What is also glaringly absent is a class conception of neoliberalism, or any mention of class politics at all, with the possible exception of the statement made by Vavi above. Neoliberalism is not explicitly analysed, characterised as a class project or at all, or identified as the root cause of the problems the working class faces. Without a clear ideological position on the phenomenon of neoliberalism, without the identification of it as a class offensive, without clearly acknowledging that it can only be challenged with a class response, how can the trade union movement hope to defeat it?

The trade union's conception of neoliberalism

The way in which the union movement conceives of neoliberalism should inform the way in which the unions respond to neoliberalism. As mentioned in the previous chapter, there seems to be a lack of COSATU documentation dealing directly with the union movement's conception of neoliberalism. However, in the interviews with the representatives of the COSATU affiliates mentioned above, there seemed to be a very definite conception of neoliberalism. The interviewees were asked specifically to answer questions on the perspectives of their trade unions, and not their personal views on the conception of trade unions.

The socialist heritage of the trade union movement suggests that their conception would be a class conception rather than a policy approach. This expectation was confirmed in the interviews. The dominant view seems to be that neoliberalism is a global class offensive, and there is emphasis on the withdrawal of the State as a devastating manifestation of this offensive on the poor and the working class.

This next section will deal with how the trade unions conceive of neoliberalism. There seems to be a general confusion surrounding neoliberalism beyond that it is a class project. This section will attempt to unravel the responses of the interviewees and evaluate these in terms

of the distinction between the understanding of neoliberalism as a class project or as a policy framework.

The interviewees all speak of the rise of neoliberalism in the 1970s when the boom period ended. With the exception of John Mawbey from SAMWU, all the interviewees commented on the conception of neoliberalism as a *social* project only after further probing, contrary to the expectation that this would be the main point in a trade union conception of neoliberalism.

Sidney Kgara from NEHAWU says that neoliberalism is a “bourgeois-led” class project. He speaks of the avoidance of *responsibility* by the state and of attempts to reduce costs and intensify exploitation in order to maximise profits. He asserts that the state has the responsibility to provide basic services such as those listed as rights in the Bill of Rights. This is of course also a very important part of neoliberalism – privatising basic services. He summarises: “...essentially you externalise the costs of adjustment on the poor – the working class.” This captures the logic and devastating effect on the poor of neoliberalism. Mike Fafuli from NUM points out that the state’s withdrawal from its responsibilities and facilitation of the market is especially detrimental in South Africa “...given the legacy of apartheid and neo-colonialism”. Here we can see that there is a definite awareness of the austerity of the state brought about by neoliberalism, continued in the next section.

Matthew Parks from COSATU’s parliamentary office agrees with the view that neoliberalism is a class project, and also with the widespread view that it cannot be reformed. However, he says that the reality is that we have a neoliberal state. He says that COSATU approaches the issue by tackling “key parts of the state and economy”, such as the role of the state in the economy and basic services, and then expands its influence. In this way, it seems that at least basic services would be available to all and the state could curb the worst excesses of

neoliberalism by involving itself in the economy. However, this approach implies a particular conception of neoliberalism as a system that can simply be changed through debates and arguments with relevant institutions.

Agreeing with Kgara, Tingo Tengela from NUMSA also asserts that neoliberalism is a class project and also explicitly states that there is a dominant class that benefits from the neoliberal agenda. He also mentions another characteristic of neoliberalism: the decline of productive capital. The predominance of finance capital (referring to investment, speculative economic activity and banking) is a large part of this, but there is also the growth of services over production. The growth of finance capital over productive capital means a decrease in labour as labour intensive industry is replaced. Services, however, replace productive labour with unproductive labour. While services are also not high labour-absorbing industries and are more likely to use 'flexible' workers, the main concern is to do with a decline in production. It has been said that South Africa, because of the growth of unproductive industry and cheap imports, could face deindustrialisation. This will make South Africa completely dependent on those imports and the working class, especially unskilled or semi-skilled workers, could face even more unemployment, poverty and inequality. Globally, Tengela says, "...accumulation is taking place, at the sphere of circulation, that is, not at the sphere of production." This emphasises the decline of production under neoliberalism.

Fafuli also argues that neoliberalism is "...obviously a demonstration of a class offensive and a class interest" and that it benefits those who "own the means of production". He also asserts that it has worsened poverty and inequality, which is a widely accepted view. Fafuli, however, makes a further point. He claims that, to solve the capitalist crisis, global capital (in first world countries) sought to subordinate other countries, speaking of the imposition of Structural Adjustment Programmes. This raises a question of the links between neoliberalism and neo-colonialism that will have to be addressed. This is not a new question: indeed, Parks

mentions that COSATU's ideological position is that they go hand-in-hand, but it should be addressed in the South African context. This reflects an explication of the point that neoliberalism is a global class project.

Mawbey mentions a philosophical viewpoint that is often used by proponents of the withdrawal of the state: if people are ambitious or motivated, they will create an economic "space for themselves". This often appears to be more of a justification for the withdrawal of the state from providing basic services. According to Mawbey, what actually happens is that people get marginalised or forced into informal economic activity "...because the real activity is not being generated" Mawbey also states explicitly that neoliberalism is a class project, but also points out that capitalism has always been a class project. Capitalism has always been about accumulation by those who have the resources and the capital and then make profits on the basis of their ownership of the means of production. Mawbey then also speaks of the welfarist state of the post-World War Two period and the "constrict on profit-making" that it proved to be. But he argues that with increasing globalisation, there is now an "ultimate [international] class at the top" and that a "narrower and narrower grouping are actually those who make the economic determinations about whether money will be invested or not, or shifted around the globe". The withdrawal of the state from services and welfare is again emphasised here.

Mawbey says that the role of the middle class has become unclear under neoliberalism because even the middle classes are often employed on a contract basis, using knowledge workers as an example.

Fafuli speaks of the necessity of state interventions in the recent recession brought on by the collapse of the banking system in the United States of America. Bailouts by the state were necessary. Fafuli says that this has demonstrated the necessity of state involvement and the

possible pitfalls of the supremacy of the market. Fafuli says that the state must not only regulate the market, but “redefine its responsibility” and must “...have an economic interest on behalf of the people in a democratic society”. Fafuli states that “[i]t has to be an activist developmental state....That I think is an important pillar and a site of struggle to reverse the negative impact of neoliberalism”. It is undoubtedly true that the state has a responsibility and must regulate the market at the very least, to lessen if not reverse the negative impact of neoliberalism. However, the transformation of the state to an activist developmental state will need massive working class pressure.

This section will examine the views expressed by interviewees regarding the evolution and consolidation of neoliberalism. There are many different ideas here, but there seems to be a general consensus that the most important factors in the consolidation of neoliberalism were the global financial institutions and the need for the capitalist class to preserve its interests when the post-war boom period ended. Sidney Kgara from NEHAWU claims that, because neoliberalism “emerged out of a crisis”, it was seen as a necessary alternative, indeed, the only alternative. And in order to achieve hegemony, it was necessary to weaken the labour movement. And now, according to best practice models presented in business training and, Kgara says, the media, neoliberal goals and strategies are seen as intuitive and common sense. Kgara goes on to say that neoliberalism is “...entrenched ideologically through power, but also through persuasion”.

Mike Fafuli, from NUM, also speaks of the supremacy of the market and private enterprise and that “...the freedom of the market becomes an overarching principle”. Fafuli also says that adjustment was imposed on third world countries that were unwilling to adjust, but that South Africa adjusted willingly. The introduction of GEAR in 1996 was seen by many as the introduction of neoliberalism and Fafuli asserts that it was the “domestic model of neoliberalism in South Africa.” The willingness of the ANC government to act in accordance

with neoliberal ideology can be seen in their acceleration of the reduction of import tariffs beyond what is required. Fafuli also speaks of the “global offensive against workers and the poor”, echoing Kgara from NEHAWU. Parks, however, asserts that the ANC avoided certain socialist policies on the advice of socialist governments elsewhere and ceded to the IMF in order to address the financial problems inherited from the Apartheid state. But he says that “once you cede sovereignty to the IMF and World Bank, it’s very difficult to get it back”.

Tengo Tengela from NUMSA asserts that finance capital perpetuates “the neoliberal agenda”. Finance capital is dominant at the expense of productive capital. Tengela claims that liberalisation of exchange controls and liberalisation of trade, amongst other neoliberal changes, have been aimed at the strengthening of finance capital and that finance capital is at the “core” of the neoliberal project benefitting capital. Kgara agrees that a part of the dominance of capital relies on finance capital. Speculative and financial activity has grown exponentially in recent years and its profitability, without the operating costs of productive activity, is unlimited.

John Mawbey from SAMWU argues that the collapse of “so-called socialism” allowed neoliberalism to consolidate, because it made “...that alternative social vision, the more difficult to envisage”. He does, however, argue that the system contains “the seeds of its own destruction”. Mawbey also acknowledges the role of the international financial institutions such as the IMF, saying that they played a very important role in the consolidation of neoliberalism.

There is an important point concerning the decline of neoliberal hegemony, on the other side of the proverbial coin regarding the consolidation of neoliberalism. Some of the interviewees argued that not only does neoliberalism contain the ‘seeds of its own destruction’, but that the hegemony of the neoliberal ethic is waning. Webster speaks of an attack on neoliberal

thinking and mentions Joseph Stiglitz arguing for regulation of the market and state intervention in the face of the “disrupt[ion] of society and the growing inequality”. Webster also mentions that social democracy may be an alternative, and that it may “come back into the discourse”. Kgara says that an alternative that is being explored is state capitalism, such as the capitalism in China. According to Kgara some see this as a possible solution to the crisis of capital. The references to social democracy and state capitalism break with the socialist tradition of the trade union movement in South Africa. Kgara claims that the neoliberal method of addressing declining profitability, the intensified exploitation of workers, has been exhausted, but that the capitalist class does not know how to “get out of [neoliberalism]”. Kgara claims that confidence in neoliberalism is declining. And that “...intellectuals are in retreat” and furthermore, even the international financial institutions that were instrumental in the dissemination and consolidation of neoliberalism “...are beginning to say things about the regulation of markets.”

The effects of neoliberalism as seen by COSATU

There has been extensive work done on the socio-economic effects of neoliberalism. The trade unions appear to identify the same sorts of effects, such as unemployment, labour flexibility and atypical employment, social spending cuts, inequality and poverty in general. COSATU has consistently spoken of the “...triple crises of stubborn unemployment, deepening levels of inequality and poverty” (COSATU 2011a).

The main focus is unemployment. In 2000(a), COSATU stated in its Memorandum of Job Creation Demands that unemployment is the main cause of poverty. While this is no doubt true, at least in part, this stops short of identifying an actual source of the problem. Poverty, whether related to poverty wages, lack of social security or unemployment, is caused by the implementation of neoliberal policies and practices in the pursuit of capitalist ends. In the

same year, COSATU printed a bulletin (2000e) with the title “Crush Poverty! Create quality jobs!”. In this document, COSATU states that unemployment is the “number one crisis South Africa is facing” and that South Africa is facing a “jobs crisis of unprecedented proportions”.

The main problem here is job shedding. With the adoption of neoliberalism, the government accelerated tariff reductions on imports. As COSATU points out in 2000(a) in “COSATU Memorandum on Job Creation Demands”, this has resulted in massive job losses in certain sectors like the textile industry, as local manufacturing is crowded out with cheap imports. As mentioned in the “declaration by Manufacturers and Trade Unions on Industrial and Economic Policy Interventions needed to create decent jobs” (2010) interventions to foster domestic industry are not needed only to counter job losses, but also to address the threat of deindustrialisation. However, while this is true, as long as cheap imports are available, domestic industry cannot thrive. The union movement needs to address this issue too.

As early as 1996, COSATU mentioned “ongoing attempts by business and its allies in parliament to push for more labour market flexibility and to undermine labour standards” (COSATU 1996). COSATU also argued that women suffer most from the effects of neoliberalism. In the report entitled “Women and the jobs Summit” (1998c), COSATU states that not only are unemployment figures for women very high, but also that increasing numbers of women are found in atypical forms of work, that is, part-time, casual or contract work, with little or no security or benefits. Many women are thus also underemployed. These ‘flexibility’ effects, namely retrenchments, casualisation and underemployment, “disproportionately” affect women (COSATU 1998c).

Flexibility also entails long and irregular working hours and there are certain sectors, for example the service sector, which are “[c]haracterised by long hours and low pay” (COSATU 1998c). Shift work and a lack of basic benefits such as sick leave are characteristics of most

such jobs. In 2000(a), the “COSATU Memorandum of Job Creation Demands”, again raises the issue of decent work, stating that quality jobs are being replaced through subcontracting and outsourcing. COSATU goes on to point out in this document that the struggle for decent work and job security is inextricable from the struggles of the unemployed. This is why the atypically employed and the unemployed need to be organised to fight for their rights. This is a weakness in the position of the unions. In the Labour Survey of 2012 (COSATU 2012f:10) better pay, benefits and job security were priorities for workers who were asked what they wanted from their employers. This reflects the degradation of work – benefits and job security are assumed attributes of formal employment.

In the 2000(f) Campaigns bulletin “Labour Law Amendments” of COSATU, it is mentioned that Sunday work was protected by raising the pay required on a Sunday. (Even though one and a half times pay for workers who ordinarily work on Sundays was not significant and many employers simply ignored the Sunday work legislation made in the Basic Conditions of Employment Act, the aforementioned Campaigns bulletin argues that those legislative provisions still acted as a disincentive.) Implementation of the BCEA should also be a priority for the union movement. As Buhlungu (2007) says, “the most serious weakness of the labour movement today [is], namely its inability to make full use of the labour dispensation that it fought for.”

This disincentive was threatened by a proposed amendment. The fact is that with the long hours many are required to work, due to atypical work and poverty, there is very little time for family or for cultural activities, let alone personal development or union activities. Parents are, in effect, denied access to their children and this has a definite social impact. (COSATU 2000f) Children are denied role models in this way and are often left to their own devices. Is

it any wonder then, coupled with poverty, lack of education and employment, how much delinquency there is amongst the youth?¹⁷

COSATU's fight against labour broking has been gaining momentum in recent years. In 2009(b), COSATU brought out the "COSATU Memorandum on Labour Broking". COSATU quotes then Labour Minister Membathisi Mdladlana as characterising labour broking as human trafficking, reducing workers to tradable commodities and describing labour brokers as "pro-employer" and "anti-trade union" because workers are constantly moved "often with no access to union officials, with no possibility of stop-order deduction for union subscriptions". Under neoliberalism, we are no longer faced with the commodification of labour that Marx spoke of but the commodification of workers themselves. A further problem with unionising workers under labour broking, not mentioned in the document, is the problem of sector-based unions. Labour brokers will often move a worker, especially one who is unskilled or semi-skilled, between positions in different sectors. This makes unionisation difficult because a worker could possibly find that he or she is no longer in the sector in which their union works when changing positions through the labour broker. COSATU needs to intensify the fight against labour broking in the run-up to the 2014 general election, to use their support for the ANC as leverage.

In the document "Public sector employees fight for a living wage!" (1999), COSATU states that since 1996, public sector workers have been receiving very low wage increases. From 2011 to 2012 wages across sectors averaged an 8% nominal increase which, when inflation is factored in at 6%, translates into a 2% real increase (Labour Research Service 2013: 6). The document goes on to say that the fiscal austerity measures that neoliberalism demands, such as "wage cuts, downsizing and privatisation of public services" means that employees,

¹⁷ Noonan (2012), citing the IRIN report of 2007, states that "The prison population continues to grow, particularly with youths, with over 60,000 people under the age of 25, currently in jail or awaiting trial."

especially public service employees in this case, cannot afford many basic services and the government does not provide them. Government, in 1999, again stated an intention to cut wages, and this led COSATU to conclude that “the Government remains politically and ideologically committed to the wage cuts” (COSATU 1999). COSATU stated in “Memorandum to the employers and government of South Africa” in 2005 that in the ten years between 1994 and 2004 the share of the national income made up by wages and salaries fell from 51% to 46%. The document goes on to remind us that the call by capital to cut wages to stimulate employment is a myth. As the document says: “...we have got low pay, and we’re still not getting the jobs”. This is a point that needs to be emphasised, as many people have fallen prey to the hegemony of neoliberal attacks on decent work, including wages. The wage cuts associated with neoliberal policies also contribute to those classed as the working poor, which according to “COSATU Memorandum of Job Creation Demands” (2000a) is a growing group. It is important to remember that this is over and above the large portion (24,9% in the second quarter of 2012 according to Statistics South Africa, not including discouraged work seekers) of the population that is unemployed.

COSATU asserts in the Memorandum on Job Creation in 2000(a) that “There is a direct link between joblessness, poverty crime, violence, HIV/Aids and other health hazards”. As COSATU goes on to say, there is a lack of effective or sufficient plans to aid the unemployed. There is the Unemployment Insurance Fund, but this is temporary and there simply are too few jobs for it to be enough, as many people are unemployed for very long. Because of the high unemployment rate, there are many households where extended families rely on the salary of a single earner. In the above-mentioned document, COSATU estimates that the statistics average out to one wage earner supporting ten people. The loss of employment in such a situation is very different from where a wage earner supports only him- or herself. The lack of employment, and also of secure employment or a living wage,

makes social spending all the more necessary. Neoliberal fiscal austerity, however, demands cuts in social spending. In the document entitled “Unions Committed to Service Delivery” (2000g), it is claimed that in the previous year, the budget “...declined in real terms for all functions except defence, skills development, general administration and the contingency reserve. That means that health, education, policing and welfare stagnated or fell.” The broad implications of cuts in social spending make the point that the whole system needs to be dismantled for conditions to improve.

In 2007, in the document entitled “Assessment of the Jobs and Poverty Campaign”, COSATU states that many unemployed youth do not have access to education or skills training, while large numbers of children drop out of school because school fees are unaffordable. Add to this the “unavailability of finance, and the exorbitant level of lending rates by the financial sector” mentioned in “Declaration by Manufacturers and Trade Unions on Industrial and Economic Policy interventions needed to create decent jobs” (2010) and it becomes clear that expecting entrepreneurship from the unemployed to compensate for unemployment is simply absurd. Even if such entrepreneurship does occur, the decline of steady employment and decent wages mean that the local market has very little spending power, even for basic necessities, and this makes it very difficult for small businesses to survive, especially when one also takes into account the immense wealth and power of large corporations to squash competition.

One of the ways in which government saves on social spending is by privatising basic services. Although privatisation in South Africa is less than elsewhere in the world, the transferral to private enterprise of “...broadcasting stations, resorts, and related services in the transport sector, as well as selling minority stakes in utilities to so-called strategic equity partners and Black Economic Empowerment groups” (Jerome & Rangata 2003) points to a privatisation programme. In 2001 COSATU launched anti-privatisation protest action.

Privatisation means that the wealthy receive better services, as services become profit generating enterprises, or at best, cost-recovery, and as COSATU states (Anti privatisation protest action 2001) it will lead to higher prices for basic services and limit cross-subsidisation. As COSATU asserts, it will destroy hard-won gains for labour in the private sector, cause job losses and substandard and less services for the poor, as well as limiting the capacity of the state to provide basic services for those who cannot pay for them, create employment and infrastructure, and “play a developmental role in general”. Privatisation is another example of the state ceding responsibility to the market.

In the COSATU “Memorandum on open road tolling” (2012b) the tolling system is characterised as a form of privatisation, where those who can afford to pay have access to decent roads. The privatisation issue highlights the inequalities between rich and poor. This is steadily worsening in a country where employment has fallen and continues to fall, along with wages, and the government does not provide an adequate social wage, while the market continues to enrich those who can afford to exploit it. In “Memorandum to the employers and government of South Africa” of 2005, COSATU says that poverty and inequality were features of apartheid South Africa, but that there is a very real danger that they become permanent features of post-apartheid South Africa.

Thanks also to the removal of exchange controls, in line with neoliberal practice, and the global economy in general, the money that is earned in South Africa with exploited South African labour, leaves the country. So the economic growth that capitalists claim is stunted by fair labour laws and standards, would not occur in any case – profit is not ploughed back into the South African economy and the only trickle-down effect is where the money trickles out of the country where it was created.

In a document entitled “Assessment of the Jobs and poverty Campaign” dated March 2007, COSATU again raises the issues of unemployment, retrenchments, trade deficits, lack of service delivery, privatisation and informalisation, low pay and poor working conditions. The progress that the document claims the campaign has made are, firstly, job creation, although this has mainly been in atypical forms of work, and a slight decrease in retrenchments. COSATU again states that economic growth has benefitted the wealthy and that “The level of inequality has increased in the last 12 years [from 1995-2007]”.

Zwelinzima Vavi, in May 2012, states “We have, over and over, warned about the ticking time bomb of unemployment, grinding poverty and deepening inequalities”.

These effects cannot be ignored by government or business any longer. On the 7th September 2012, News 24 reported:

“Johannesburg - The violent protests at Lonmin's Marikana mine reflected an "exploding bomb" created by poverty and inequality, COSATU general secretary Zwelinzima Vavi said on Friday.

‘We have warned over and over again that South Africa is sitting on a ticking bomb - the recent Marikana mine massacre [in which 34 mineworkers were killed and 78 were injured] was an exploding bomb, sending an alarm signal to us all, [saying] 'Wake up, do something about this situation',’ he said.”

‘That seems to be a very clear message, not just from the workers in Marikana, but across the mining industry.’”

The effects of neoliberalism in the eyes of the unions

The effects of neoliberalism are well-documented in the COSATU literature. Interviews echoed the effects contained in the literature. Although the emphasis differed between

sectors, there were some effects in labour that are pervasive across sectors, such as labour broking, outsourcing and contract work, retrenchments and ‘flexible’ working hours. On a broader front, the main concerns are also aligned with those of COSATU, according to the documentation: unemployment, inequality and poverty.

Of course, ‘flexibility’, whether referring to working hours, wages or employment, while highly beneficial to the employer, holds no value for the employee. Shifts, wages and whether they are to be assured of even low quality work in the future are prescribed. The workers themselves have no flexibility to take advantage of. This flexibility that the employers enjoy serves only to exacerbate insecurity, leading to the formation of a class of “precarious’ workers. These precarious, ‘atypical’ workers are extremely difficult to organise, largely because of limited contracts, unpredictable hours and movement between sectors. This is an effect that therefore has a huge impact on the union movement as a growing section of the working class is almost unreachable. For an organisation that has always used mass mobilisation, the effects of this could be devastating.

The socioeconomic effects have all been mentioned before. Webster speaks of the liberalisation of the labour market and cost recovery in basic services, long working hours that leave children without parenting, and a lack of labour law compliance. Kgara echoes these concerns while also mentioning the feminisation of work, job losses and class polarisation. Kgara also mentions the “social determinants of health” – with poverty and a poor public health system; he says that it is reduced to the “behaviour of the individual” within neoliberalism so that it does not become the responsibility of the state. Tengela highlights privatisation and the liberalisation of trade, tariff reductions and the removal of exchange controls, but also the inaccessibility of health and education to the poor. Tengela also mentions labour broking and flexibility. He says that the effects of neoliberalism

“...drives society to different levels of extremes”, mentioning violence as an example. Parks says that workers eventually get “fed-up” and then reject the unions.

Fafuli touches on many of the above-mentioned issues, but also speaks of the “brain drain” in South Africa because of working conditions, including long hours. He also mentions the plight of migrant workers, and their specific vulnerability to disease, largely because of transactional sex. Mawbey, while also echoing many of the above, also raises the linkage of many labour issues with community issues, especially with the provision of basic services. So while there are specific concerns that take precedence in certain sectors, mostly the understanding of the socio-economic effects of neoliberalism overlaps, and the picture formed is one that is well-documented in the COSATU literature.

There is also undoubtedly the effect of neoliberalism and the poverty, inequality and unemployment it breeds on the working class’s ability to fight for a more equitable social and economic strategy. Webster asserts that the political effect has been to fragment the labour market and create division in “historically working class political parties”. Fafuli mentions xenophobia, saying that the working class has “retreated into itself”. As Fafuli says, it points to a competitive edge for scarce jobs, where there have been calls for global working class solidarity. He goes on to say the huge proportion of unemployed has “weakened organs of the working class and the poor” and that many of these unemployed people have joined issue-based social movements and that has caused further divisions between those who belong to worker organisations and those who belong to issue based unions. Fafuli goes on to say that “...these fragmentations disable the working class to respond effectively to the challenge of neoliberalism offensive”. Fafuli says that there are ideological differences within the working class which is “...also a limitation on its ability to respond as an organised social force”. Mawbey says: “[Neoliberalism] is clearly a project which sought to divide”. He also claims that outsourcing serves to “break up” the workforce.

Kgara claims that the “working class in the north is plunged further in their crisis” and that this will force a re-evaluation of circumstances and it will start to consider alternatives eventually. But, he says, “...we are far from that. The illusion is still there.” The question is, in alluding to alternatives, is Kgara speaking of policy alternatives, or does he refer to struggles to break the power of capital and create a new social order?

According to Kgara, there are two opposite ways in which neoliberalism and its effects are impacting on the union movement. Firstly, he argues that it has intensified political consciousness and as such class consciousness. On the other hand, it has promoted individualisation in some sections of the working class who, instead of collectively pursuing union goals, want the union to perform other, individualistic functions such as providing loans.

So while some mention has been made of class consciousness, it seems that the major political effect of neoliberalism has been to fragment the working class. This of course weakens the ability of the labour movement to fight neoliberalism and so it becomes a cycle. The necessity of weakening labour in order to allow neoliberalism to achieve hegemony, as Kgara says, suggests however, that the fragmentation of organised labour is not so much a consequence of neoliberalism, as much as a fundamental part of the neoliberal strategy. One can only hope that if there is more class consciousness to come, more of the radicalism that Kgara speaks of, that it will grow and manage to constructively channel the frustration the working class is demonstrating through strikes. Indeed, Parks mentions that neoliberalism could strengthen working-class solidarity, demonstrated through the widespread strike action.

Overview of ideological position and responses to the effects of neoliberalism

This section begins by summarising the ideological position of COSATU and its affiliated unions regarding a conception of neoliberalism. It then summarises the responses in the

previous sections and highlights the major campaigns since the advent of democracy. It thus also serves to chronologically trace the evolution of responses. It also highlights the increasing disillusionment with policy submissions as suggested by recent mass action, for example with regards to the e-tolling system.

There are inconsistencies in the COSATU documentation dealing with a conception of neoliberalism. Official general documentation contains allusions to socialism or socialist goals and seems to conceive of neoliberal capitalism as a class offensive. This is not the case in the other COSATU documentation dealing with specific campaigns and issues. While the rhetoric in the general documentation has been more explicitly condemnatory of neoliberalism, all documents dealing with these issues should mention neoliberalism as the root cause of the effects identified. This would unify action, at least ideologically, as a defence against the onslaught of neoliberalism. Despite inconsistencies within documentation and the lack of a holistic approach to the effects of neoliberalism, COSATU does have an understanding of the effects of neoliberalism, as evidenced in official Congress and Central Committee documentation as well as allusions in the other documentation to neoliberalism as a cause of many of the social issues it is fighting.

COSATU seemed, judging by the documentation, to decline in militancy and radical policy during, and especially after, the first ten years of democracy. COSATU replaced demands with pleas and it is only with the e-tolling system that COSATU reclaimed militant civil disobedience in mass action, causing massive traffic congestion and strikes in protest.

However, it seems that the working class has lost patience with policy submissions that fall on deaf ears, as evidenced by strikes starting in the second half of 2012.

The COSATU documentation lists various campaigns in response to effects mentioned earlier, as well as issues such as women's rights. There are numerous reports, not only of

policy submissions and negotiations, but also of picketing, strike action and marches to strengthen the former. The representatives of COSATU's affiliates gave similar reports, including comments on their efficacy.

Webster asserts that COSATU "has forces on the ground so it can block" certain proposals put forward by the ANC. Matthew Parks from COSATU says that while COSATU campaigns and strikes to reduce the burden on the poor, labour broking and so on, "the fundamental thing is, those things still go through". As Webster says "there are limits to what a trade union can do...especially in this global neoliberal world".

Kgara also mentions the strike action that halted privatisation, and also claims that the current labour law amendments are as a result of union resistance. Kgara says that government is being influenced, but the decline of neoliberal ideology (not that he provides any evidence of such a decline) is also a factor in influencing government. He mentions the National Health Insurance scheme and the campaign for a state-owned pharmaceutical company. Kgara speaks of the massive strike action protesting e-tolling, and on the other end of the strategic spectrum extensive submissions to Parliament regarding housing. Parks asserts that NEDLAC is "useful in some areas", for instance on the question of the minimum amount of local content in imported products and some "labour rights discussions". NEDLAC (National Economic Development and Labour Council)¹⁸ was established as a forum for bilateral discussions. There are also institutions such as parliament and the Department of Labour, not to mention parliamentary seats. (However, it must be remembered that these are all

¹⁸ "... (NEDLAC) [with labour institutions and legislation] came out of a series of engagements around the National Economic Forum, the Labour Market Commission and the National Training Board..." (Gentle 2012) in 1995. Nedlac's objectives are considering changes to, and promoting agreement and participation in decision-making, regarding social and economic policy. Nedlac also considers "proposed labour legislation relating to labour-market policy before it is introduced in Parliament" (Nedlac)

institutions of bourgeois rule and as such unlikely to further any endeavours that challenge the status quo.)

Fafuli also speaks of a dual strategy to respond to the effects of neoliberalism: engagement in formal spaces and mobilisation. It seems that the labour movement has, however, devoted disproportionately high levels of attention to formal spaces as opposed to mobilisation.

Submissions to parliament, government departments and NEDLAC number 187 since 2000 (COSATU), while efforts aimed at organising the unorganised are negligible. He mentions an aggressive campaign for transforming the hostel system into family units and influencing the government to launch a T.B. response in Carletonville (a mining town). Fafuli reports that NUM has also created initiatives to enable effective responses not only to the effects of neoliberalism but also to the neoliberal strategy, such as a training college for shop stewards (Eijah Barayi Memorial Training College) which provides political education.

Mawbey claims that the success of unions has caused bureaucratisation. He believes that this means that the unions have become complacent. However, SAMWU has had some success. Mawbey speaks of short-term contract and part-time work being replaced with permanent employment in a campaign in Durban, as well as strike action in Tshwane which led to outsourced workers being directly employed again. He also mentions a successful campaign to force municipalities to justify outsourcing in terms of the Systems Act¹⁹, and this meant that outsourcing became an arduous process, thus creating an obstacle to outsourcing.

The following examples of major mass action, in 1996, 1999 and 2012 present a pattern. In 1996, there was a large march after negotiations deadlocked. Members were urged to stage

¹⁹ “The Municipal Systems Act is part of a series of legislation which aims to empower local government to fulfil its Constitutional objects... The Municipal Systems Act ... [is for] regulating key municipal organisational, planning, participatory and service delivery systems...” (Parliamentary Monitoring Group n.d.)

mass action. In 1999, huge numbers marched and mass action was implemented. However, in 2012, following, not a lack of successful negotiations but a unilateral decision by government to implement e-tolling, COSATU succeeded in mobilising some road users to cause traffic congestion and made empty threats to dismantle the toll gates. These have had no effect.

In 1996, in “Focus on the Employment Standards Bill”, COSATU engaged in negotiations at NEDLAC’s Labour Market Chamber. However, these negotiations deadlocked. In this situation, members were called on to discuss the deadlocks “...and give their unions renewed mandates...” In response to the Labour Relations Act earlier that year, thousands of workers marched. COSATU called for an ‘action plan’, urging workers to discuss the campaign and plan actions such as marches and pickets, suggest courses of action to COSATU and affiliates and to lobby parliament. Negotiations were scheduled with government and meetings were scheduled within COSATU.

The document entitled “Public Sector workers Fight for a Living Wage” traces the union action in 1999 by public sector employees. In January of 1999 COSATU public sector unions held bilateral meetings with government and presented their wage demands. In July, following “bad faith negotiations”, rolling mass action was implemented, consisting of lunchtime demonstrations, marches and threats of a strike. In August the strike took place, with over 570 000 workers striking. In the “COSATU Memorandum of Job Creation Demands” of 2000(a), COSATU again threatened to strike on May 10. When the strike took place, with almost four million workers participating, COSATU stated that it would continue to protest until its demands were met. COSATU also met with civil society organisations to discuss their actions and the reasons for the protest: massive job losses. Later in May, COSATU continued the campaign, staging “pickets and sit-ins in targeted areas where there are threats of job losses” as well as road shows. Negotiations were proposed, including on the subject of macroeconomic policy (COSATU 2000e)

In March of 2012, COSATU stated that its “COSATU Memorandum of open Road Tolling” (2012b) should be delivered to representatives of government in all the provinces. In May of 2012(d), in “COSATU Memorandum on Swartruggens toll gate to be delivered to representatives of government”, COSATU states that it will demand the demolition of the toll gate if demands (including the reduction of toll fees, the construction of an alternative route, etc.) are not satisfied. The e-tolling system, however, is still in place months later.

In September 2012, a five-week strike at Lonmin mine in the town of Marikana ended with workers getting up to 22% wage increases. This unprotected strike was not led by COSATU mining union NUM (National Union of Mineworkers) but by AMCU (Association of Mineworkers and Construction Union) and the workers themselves²⁰ and was marked by violence from the beginning – two security guards and two police officers were killed and later police opened fire on striking workers, killing 34 mineworkers and wounding 78 (The New Age 2012). The wage increases were achieved, but a tragedy such as this can obviously not be seen as an effective response to the effects of neoliberalism. Mineworkers at gold, platinum and coal mines across the country embarked on illegal strikes in the wake of the Lonmin strike. Zwelinizima Vavi later stated (speaking at Goldfields) that COSATU and NUM would lead mineworkers and were not calling for an illegal strike but for wage negotiations (News24 29 September 2012). Despite these resolutions, striking continued across sectors. One can only hope that future negotiations will be fruitful, otherwise this sector, and others, may face more wildcat strikes and more violence. It seems that workers are becoming increasingly dissatisfied with wages and conditions, and the unwillingness of

²⁰ "A common feature of these strikes [by mineworkers in Marikana and farm workers in De Doorns] has been that they were led and driven by self-organised workers' committees in defiance of the existing unions and of signed collective agreements made with these unions." (Gentle 2012) The self-organisation suggests that organisation is not impossible in conditions of atypical employment and unemployment, and that community organisation, as opposed to workplace organisation, is a possibility.

management to address the situation. Violent strike action also took place in other sectors, and strike action has continued to spread across sectors and across the country.

COSATU's responses to the struggles of the working class have resulted in frustration and as such, decline in membership and non-union sanctioned action, which is dangerous and unstable. The responses of COSATU do not reflect an understanding of the necessity of destroying the power of capital, but an approach that functions within capitalism, and seems to have fallen prey to the hegemony of neoliberalism.

Conclusion

Judging by COSATU's documentation, there is little to suggest that neoliberalism is recognised as a class assault. Even more troubling, there is consequently little or no evidence that the responses to it are a part of a broader class response aimed at breaking class power. The trade union movement in South Africa has been one characterised by struggle aimed at liberation of the working class, but the documentation of the largest trade union federation suggests that COSATU is no longer struggling for liberation, but merely for benevolent slave masters.

Despite a poverty of literature explicitly stating how the trade union movement conceives of neoliberalism, there seems to be no ideological lack amongst the individual affiliates. There would appear to be consensus, at least amongst the four affiliates interviewed, that neoliberalism is an offensive against the working class, a class project by capital to advance their interests in a way that is unprecedented. All agree that neoliberalism is a class project and that the system needs to be overthrown. Tengela from NUMSA mentions socialism as an alternative and Fafuli speaks of Marxist class consciousness.

However, it can be seen that there are inconsistencies between the interview responses and the practices of these affiliates. This suggests that the ideological conceptions reported by the respondents are merely formal, and not substantive.

This could be why issues are dealt with individually, instead of as part of a larger problem. Responses to the effects of neoliberalism are piecemeal and reformist. There is also a large amount of focus on policy submissions (187 to parliament, NEDLAC, and government departments since 2000, COSATU) rather than revolutionary action. This makes the responses ineffective and impotent at worst, and limited and temporary at best.

Importantly, to neutralise a class project, it seems that a class response would be appropriate.

A class response in this context refers to a self-aware class fighting to free itself from oppression by another class. Lehlere, from the theoretical context of contending social classes (2003:32), asserts that an economic strategy "... must spell out a plan of political mobilisation that will ensure that the power of the classes or social groups that stand in the way of the realisation of its socio-economic goals, is broken" (2003:26). Small successes will only mean small reforms within the system. It is widely held that capitalism cannot be reformed, as it is by its very nature an unequal system. This is especially true for neoliberal capitalism. It would seem that the system as a whole needs to be responded to in order to deal with the effects in any meaningful manner.

Chapter 5: COSATU and affiliates on organisational strategies and political roles

Introduction

The purpose of this chapter is to present the organisational and political strategies employed by COSATU and its affiliated unions under neoliberalism. As a federation it would be reasonable to assume that COSATU's official position (as outlined in its documentation) would be representative of its affiliates. Any major divergence could weaken the federation as a vehicle for change, by causing fragmentation and discord. It is however likely that emphasis on particular factors will depend on the sector that an affiliate operates in. This chapter will highlight divergences and overlap to provide a comparison between the data found in the documentation of COSATU, and the data gathered through interviews with representatives from selected unions operating in different sectors.

As mentioned in the previous chapter, representatives from four unions affiliated to COSATU were interviewed. These are: NEHAWU, NUMSA, NUM, SAMWU, all of which are very active, especially with regards to labour issues. NEHAWU, NUM and NUMSA have large memberships and although SAMWU has a slightly more modest membership it has been severely affected by outsourcing, a problem associated with neoliberal labour markets.

This chapter will be divided into two broad themes: organising strategies under neoliberalism, the political role of trade unions today and then there will be an overview of the responses of trade unions to the effects of neoliberalism in these areas. There are also expected to be places where the COSATU literature and interview responses from individual unions diverge. Lastly, the individual unions are sector based, and will therefore hopefully be able to present a picture of the nuanced strategies needed in the different unions because of the specific constraints and challenges of a particular sector. Hopefully, this will all converge to form a complete and accurate picture of the union movement with respects to organisation

and political strategies at a time when South Africa is facing extremely high levels of inequality, poverty and unemployment, yet continues to pursue neoliberal goals.

Organisational strategies according to COSATU

Organisational strategies are a very important issue under neoliberalism. Without effective and far-reaching organisation, the unions would find themselves weakened by small numbers, and the working class would not have a vehicle to fight for the common goal of social justice, or even decent work. However, under neoliberalism, organisation is extremely difficult. The working class, as a class, is severely fragmented. From the class analysis approach, organisation does not only refer to the narrow technical and practical concerns of recruiting and retaining members, but also arming the working class with the tools to fight and reverse the power of capital. This is the basis on which COSATU's strategies and responses will be evaluated in this study.

Apart from the permanently employed workers with all the benefits that are a part of permanent employment, there are other groups that need organisation and need far more than wage increases. The first is precariously employed workers. Precarious workers are workers that do not have permanent employment contracts. In some cases they do not have employment contracts at all. They are usually afforded little or no notice period on termination of employment and lack job security. Such workers include casuals, contract employees and outsourced freelancers. Precarious workers are often too scared to join unions and risk retrenchment or victimisation, or, especially in the case of contract workers, they simply do not feel that they will be employed in the same place for long enough to benefit from belonging to a union. The increase in this kind of employment makes it impossible to maintain the strength of unions without organising these workers. Any workers who do join unions and want better wages or decent working conditions can also be easily replaced, given

the high levels of unemployment in South Africa under neoliberalism. The Congress document entitled “COSATU 11th Congress Declaration on the Lonmin Marikana platinum mine tragedy, the mining industry, and general poverty wages” (2012e) lists the ways in which work has become atypical under neoliberalism, but does not offer any solutions to the problem.

The unemployed are also members of the working class. And with such high unemployment, they are a large group. If they could be organised, not to fight for better employment conditions or wages, but for social justice, including work, they could be a very strong force. With nothing to lose and strength in numbers they could be a formidable part of the struggle. But with no money for membership fees and no common place in which to organise them, since they are not in the workplace, they have not been organised.

Fragmentation also means that the scarcity of work has caused competition rather than solidarity. There is antagonism towards people of other nationalities, rather than solidarity as part of the global working class. The unemployed people who replace workers that are unfairly dismissed under neoliberal practises also face antagonism. Permanently employed workers resent casual workers for ‘taking jobs’, but it is management who tries to increase the number of workers without benefits or recourse to large portions of labour law.

In 1996, in “Focus on the Employment Standards Bill”, COSATU claims that its action is also for “...the tens of thousands as yet unorganised workers and their families”. This implies an intention to organise these workers. Again, in “Public Sector Workers Fight for a Living Wage” (1999), COSATU says it “welcomes” the support and participation in protest action of unorganised workers, and “In joining hands as we did today, we began to see the light shining at the end of the tunnel – arousing our hopes as it must, in the belief that out there lies the working class banner on which the motto ‘One country, one federation’ waits to embrace us

all.” This also implies a hope, if not an intention, that unorganised workers will be organised. Some of these plans were adopted soon after the advent of democracy, but they do not seem to have had much of an impact on reality. As precarious work increases, and as such typical work, which lends itself to organisation decreases, so too does union membership. Almost two decades later, there are still no concrete strategies for organising the unemployed or atypically employed. If this is apathy on the part of the unions, it does not bode well for mobilisation. The plans are very vague, and while implying an ideal, do not put forward practical strategies that are needed to mobilise this large portion of the working class. In the Declaration of the 4th Central Committee (COSATU 2011d) there is, yet again, a resolution to organise atypically employed workers. This is echoed in the 5th Central Committee Discussion Paper (2011e). However, there are still no concrete strategies discussed and, as we will see in the next chapter, this is not reflected in the responses of the representatives of the affiliates interviewed.

In the COSATU campaigns bulletin: “Crush poverty! Create quality jobs!” of 2000(e), it is reported that double the membership of the Federation took part in a general strike, and the preceding marches and stay-aways included thousands of the unemployed. The document goes on to say that this proves that “...COSATU still has the capacity to mobilise its members and the working class in general behind a common struggle for a better life for all.” The document urges readers to share the document with families and “fellow workers”.

In “Unions Committed to Service Delivery” (2000g) there is mention made of several instances where affiliates of COSATU have formed alliances with civil society organisations and communities to tackle specific issues, for example HIV/AIDS training for health workers. The report ends with “As workers, COSATU and its affiliates are taking the lead. We call on all others to join us in the struggle to improve service delivery to our people.” In 2005, in COSATU’s “Memorandum to the employers and government of South Africa”,

COSATU again “welcome[s] the support of other groups, including youth, students, the unemployed, faith-based groups, progressive NGOs and others.”

In the 2007 “Assessment of the Jobs and Poverty Campaign” COSATU states that they have not been successful in collaborating with civil society and other organisations to “develop a broad enough front...behind our demands” or in “mobilising unemployed youth and retrenched workers”. However, no mention is made of how such solidarity and mobilisation will occur. Or, for that matter, of whether attempts will be made to recruit the unemployed or community members. On the 13th of October 2011, COSATU again gathered with the community to present a “Memorandum to the Premier of the North West province” (2011c). In March 2012, in “COSATU North West Memorandum” (2012c) COSATU calls on “leaders and communities” to collaborate in addressing working conditions, service delivery, lack of transformation and so on.

It appears that despite the often-stated intention of organising the unemployed, this has not happened. Despite several issue-based collaborations with civil society this has not translated into organisation, as mentioned by COSATU above. Precarious workers have also not been a focus of organisation. It is clear that to maintain and build numerical strength, strategies to foster solidarity and organise precarious workers and the unemployed will be necessary. It is also essential to realise that the strategies used for the permanently employed workers with the associated benefits will not be adequate under the employment practices and high unemployment that neoliberalism not only creates, but demands.

Organisational strategies under neoliberalism according to the unions

As neoliberalism is a class project, organising goes beyond the recruitment and retention of members. The working class needs to become aware of its class identity and armed with the tools to fight systemic subjugation by capital. This requires education and mobilisation

against capital as a class. There needs to be awareness of a class offensive and an understanding of the scale of the problem as well as the acknowledgement of alternative economic systems. This would constitute effective mobilisation in the context of neoliberalism.

However, especially in the context of declining membership, recruitment and retention of members does form an important part of union organisation. As addressed earlier, neoliberalism brings about new challenges in organising workers. Work is restructured and the formal model of full time employment with a regular salary and benefits is becoming rare. This means that due to the precarious position of many workers, the movement between sectors and labour saving devices such as casualisation, many workers are not eager to join unions, nor is it viable. Workers who are precarious are not willing to jeopardise jobs where they can be easily dismissed, and in the case of casuals, where payment is related to hours worked, it is necessary to preserve perceptions of submission to the whims of management to protect income. Moving between sectors also means that joining a sector-based union often seems pointless, as is also the case with fixed-term contracts, where workers feel that they will be employed for such a short time that there will be little point in joining a union.

In the previous chapter, mention was made of instances where unions and COSATU itself have collaborated with civil society organisations. This is also true of the interviews with representatives of affiliates. However, as with the COSATU literature, while there are concerted efforts to collaborate with civil society, and an acknowledgement of the importance of doing so, there is a conspicuous lack of strategies aimed directly at organising the informally or precariously employed and unemployed. As previously mentioned, in a society where the unemployed make up such a large portion of the working class, and so many workers are informally or atypically employed, a movement that relies so heavily on mass mobilisation to provide strength to its campaigns cannot afford to keep overlooking these

groups. It is admittedly difficult to organise these groups, but COSATU has claimed a commitment to doing so, and this should be a priority for the reasons mentioned above.

Despite the claimed commitment to organising the unemployed, Parks points out that this would be very difficult. Under current, traditional organisational models, this is probably true. However, Parks insists on grounding the issue of organising workers on this narrow conception of organisational questions. New and creative methods and conceptualisations of organising are necessary to adapt to the neoliberal circumstances of the working class today, otherwise the trade union movement will always be a few steps behind capital. Parks claims that one of the problems in recruiting the unemployed would be that the unemployed could then expect COSATU to organise jobs for them, but of course COSATU cannot do this. He goes on to say that ideally the unemployed should be organised for training or employment placement, but this, he says, is the responsibility of the government.

Parks also says that a major difficulty caused by labour broking and outsourcing is that workers become fragmented. Where workers have different employers, wages and contracts in one company it makes it extremely difficult for a union to organise these workers. It would seem the whole issue of organising workers is confined to the existing mode of union organisation. Anything that defies this mode is declared difficult or unfeasible. This seems to suggest that the trade union movement sees the imperatives thrown up by the neoliberal mode of capital accumulation as set in stone.

In cases where workers are fragmented, 'strength in numbers' is diminished. In a situation where the workers are dependent on the employer, especially in the case of farm workers where the worker depends on the farmer for housing, electricity and so on as well as his income, makes it very difficult to organise these workers. In the case of vulnerable employees

such as farm workers and domestic workers, the fear of causing strife inhibits recruitment/union activity.

Kgara claims that the working class “ideologically... have not transcended the framework of capital” and that therefore the working class does not realise that there is an alternative, but that it believes that there are solutions to be found within capitalism. Kgara does not, however, provide evidence to substantiate this claim. It would seem that the problem could lie with the leadership of the working class, judging from the action taken by the union movement. The fact that the mineworkers in Marikana self-organised, as did the farm workers in De Doorns (Majavu 2013; Gentle 2012) suggests that the unions, with their reluctance to engage in large-scale action to challenge the power of capital, might be becoming fetters to the further development of the fighting capacities of the working class.

Webster claims that there are “signs of a more organised challenge” which according to him, will be necessary to capitalise on the economic problems being experienced globally. He also argues that labour, as a movement, needs to develop new organising strategies in order to organise the unemployed and informally or precariously employed. Kgara says that because the unemployed are not in the workplace, they are difficult to organise, but that campaigns, such as the Jobs and Poverty campaign, go beyond workers to be inclusive of the working class. He goes on to mention The National Health Insurance scheme that COSATU has been fighting for as an example of inclusion.

Kgara does not believe that unions can effectively organise precarious workers but does not explain why, apart from saying that NEHAWU has mostly public sector workers, and even in the private sector, it is the field of private healthcare, so most of their workers are permanently employed and as such they do not need to organise precarious workers. He claims that the union movement cannot effectively organise precarious workers, and that

neoliberalism significantly fragments the working class, but yet does not explain why, in this context, unions are still committed to an organising model that is inappropriate to the form of existence of the working class. The assertion that the unemployed are difficult to organise because they are not in the workplace betrays a very limited conception of organisation. Again, anything that does not fit the traditional organising model is labelled difficult. The existing parameters of union organisation need to be transcended. It would appear that it is the union officials who have not transcended the framework of capital rather than the working class, as Kgara had claimed.

Kgara argues that unions have to be sector based but that policies should change, although he does not elaborate on how organisational policies should change. Webster suggests that the sector-based model may be inadequate. It is true that COSATU has been campaigning for a minimum wage across all sectors, but the problem goes beyond that. Casual or contract workers, as well as many workers employed by labour brokers, often move between sectors and therefore cannot belong to a sector-based union. With precarious workers there is also a fear of dismissal or victimisation if they join a union. Mawbey says that it is imperative to organise precarious or informal workers. This, he says, is the only way to “prevent the undercutting effect that they will obviously have and which the whole purpose of employing them is really about”. But the problem is that short-term contracts still present a problem – as soon as workers are organised, the contract ends. These sorts of problems are a natural consequence of partial, piecemeal and ad hoc approaches to a systemic problem. However, if it could be done, it is possible that organising precarious workers could be the key to discouraging such employment practices. He suggests that with labour broking or sub-contracting, the “core employer is legally bound to determine conditions”. This would need to be enforced though, which is also difficult.

Tengela believes that a key strategy is to ban labour brokers and then workers can be organised as permanently employed workers. He says that this has been achieved in the auto industry, but they are now fighting for the banning of labour brokers in other sectors. Fafuli agrees with this strategy. He says that if labour broking can be undermined, 70% of the work will be done towards decent work. These workers can then be organised and need to fight for equal rights and equal status. This is a fundamental strategy. It addresses the root of the problem of a lack of decent work, rather than trying to cope with problems within the exploitative framework.

Fafuli, in response to a question regarding dedicated unions for atypically- or unemployed persons, cautions that any alternative strategies to expand the ability of unions to organise must be careful not to fragment the organised workers. It should build on the organisation that already exists. This means that any dedicated atypical or unemployed organising structures should not remove such workers from structures in which they are already organised. However, with sufficient unity in the movement, this should not be a problem. Dedicated unions could also focus on strategies to overcome the difficulties associated with organising the atypically- and unemployed members of the working class.

Tengela claims that the “industrial proletariat” is organised, but an important area is to organise, mobilise and unite the “rural proletariat”. The rural proletariat refers to the rural working class and workers, such as farm workers. There is very little organisation there. Majavu (2012) says that “Human Rights Watch estimated recently that less than 3% of South African farm workers are organized.” Tengela also says that it is very important to “... have a programme that...unites the working class at the point of production across racial lines, across gender lines...” Fafuli argues that there must be “a global outlook on how to create an alternative system” and the organised workers must lead this as they have resources and the ability to mobilise.

In addition, Fafuli places the responsibility of mobilising “the broader working class”, including the unemployed, on workers. He claims that they need to donate infrastructure and resources to the unemployed, and to this end, the unity of the poor and the working class is imperative. Mawbey mentions that there have been attempts to organise the unemployed members of the working class, but that these attempts have been largely unsuccessful and short-lived at best.

Fafuli emphasises the importance of links between COSATU and civil society organisations. He says the issue-based links must be replaced by “systematic tactical alliances”. He also says that “...global solidarity is fundamental – a platform that links formations and organs of [the] working class and the poor at the global scale.” Fafuli says that there is an understanding of the importance of international solidarity amongst the “upper echelons” of the working class but the xenophobic attacks demonstrated that this is not the case with the ordinary members.

Webster suggests starting organisation by operating as an advice bureau for precarious workers and as such proving that there is practical assistance offered by a union. Tengela asserts that COSATU should link workers in a value chain and generate “core demands” for them. He also says that the idea of a general workers’ union may be more suited to the present day “...because all the sectors are in the value chain”. An important proposal he makes is to “...inculcate trade union tradition even from high school”. Then when the youth enter the labour market, they are educated about unionism. He also says that labour inspectors need to be empowered, and their numbers need to be increased.

Mawbey argues that union leadership needs “...to drive a culture that is about organising people, is about getting people to participate, is about educating and trying to get people to

see the union and its work as going beyond their own pocket". This could be the foundation of any other strategies the union employs to organise the working class.

The point Webster makes above, about offering practical assistance to workers, is an important one. It suggests that there are alternative approaches to organisation for precarious workers. When unions speak of the organisation of precarious workers, the approach seems to be one of traditional organisation, as well as the traditional sector-based union model, which may be inappropriate to precariousness for reasons mentioned above.

An alternative to the sector based model of organisation is needed where the specific challenges and needs associated with organising precariously employed workers are addressed. This alternative approach should be informed by an understanding of the effects that patterns of neoliberal capital accumulation has on the structure of the working class. It is true that fragmentation is a danger, but it also true that an organised or supported precarious employed group is better than the simple lack of organisation we see today.

It seems that the biggest practical problem in organisation is the way in which neoliberalism has impacted on forms of work. Precarious or atypically employed workers and the unemployed are difficult to organise, yet the unions insist on traditional modes of organisation. Such workers are also vulnerable, as they are dependent on their employer for a livelihood and are scared to join unions. This is even more of an issue for employees such as farm workers, who often depend on their employer for housing. High unemployment makes workers more vulnerable because they are replaceable. Another important issue is the fragmentation of the working class. The unions stress the importance of the global unity of the working class, but between their inability to adapt to the new forms of employment and maintain links and collaboration with civil society organisations (which could possibly also help with the organisation of unemployed and atypically employed workers); there is little

progress in this regard. Another big issue is a lack of decent work. The unions maintain that labour brokers form a large part of the problem and while this is true, there needs to be a more holistic approach to decent work. Implementation and enforcement of all labour standards need to form part of campaigns. On the issue of arming the working class with the tools to fight the power of capital, there is no comprehensive strategy. This is not addressed as the main issue and there is no acknowledgement of the need for such a strategy. This is troubling, and speaks to the commitment of the union movement to the actual overthrowing of neoliberal capitalism as a system.

The political role of trade unions today according to COSATU

Form must be distinguished from content in examining the political role of the union movement today. It would appear, taken at face value, that there is continuity in the tradition of unionism. The unions still take mass action, strike and fight for wages and working conditions and make endless submissions to governmental bodies. However, their ideological position seems to have evolved into an unrecognisable combination of rightward-leaning economic policies and left-leaning rhetoric. In the lack of class politics and failure to conceptualise neoliberalism as a class project, there seems to be a gulf between the content of the union movement that fought Apartheid, and the one we now see.

There are two aspects to the political role of trade unions. The first is the fundamental issue of the power of capital, and the understanding that the key to resolving the issues faced by the working *class* (as opposed to workers only) lies in confronting the state and capitalism. The second relates to specific issues that impact on the lives of all members of the working class, such as banking practices that negatively affect the poor (COSATU [Sa]).

The issue of large-scale change means that the power of capital must be broken, beyond the workplace, as a system. However, on this, the trade union movement, at least as evidenced by

COSATU documentation, has been non-committal, at best. In the area of action, there is also no evidence of a comprehensive strategy to fight neoliberalism as a system. Action is geared toward specific issues. So while COSATU seems to have done a lot of work to gain concessions within the framework of capitalism, this should not be the final goal. As long as COSATU's campaigns do not focus on breaking the power of capital, it is only working towards concessions within the framework of capital.

COSATU has focussed on influencing policy and has used mass action only as a last resort. As we can see from all reports on mass action, it is used only to address specific issues, for example the recent e-tolling mass action. Thus it seems that even when it has been used, mass action has not been aimed at breaking the power of capital, but only at gaining minor ground within the policy manifestations of the power of capital.

According to COSATU's "The Declaration of the 4th Central Committee" (COSATU 2011d:8), COSATU members should join the SACP (South African Communist Party) or the ANC. This could help to foster political consciousness amongst trade union members which could help to mount a political offensive aimed at breaking the power of capital.

Unfortunately, strategies to achieve this are not offered.

However, there are positive undertakings in the arena of linkages with other organisations. In the May 2012 COSATU document "Finding wage crisis solutions by Zwelinzima Vavi" COSATU states that it is necessary to mobilise workers into strong unions and build alliances with "progressive governments and international institutions" and to build international worker solidarity. The document states: "...we require alternative strategies and centres of power to counterbalance and outmanoeuvre the multinational corporations whose power and speed has increased manifold since the emergence of the unipolar world". The document

furthermore states that COSATU has to “re-embrace a radical policy platform”. Whether this has spread to the affiliates will be seen in the next chapter.

With regards to the second aspect of the political role of trade unions, while labour issues remain at the forefront of COSATU’s action, COSATU has had a long tradition of involvement in political matters – matters other than those strictly related to labour issues such as wage disputes, working conditions and collective bargaining. Many of the effects mentioned in the previous section are not strictly speaking labour issues. However, these effects can all be said to affect the working class, and the poor in particular, disproportionately. COSATU claims to represent the working class (COSATU 2006: 3) and not only the workers. However, their failure to organise atypically and unemployed members of the working class undermines such representation.

In 1996, in the “Focus on the Employment Standards Bill”, COSATU states that it is going to “defend and advance” workers’ rights. This includes allowing only for upward variation of rights, removing gender discrimination in labour and fighting child labour. To this end, COSATU engages in protest action and negotiations. However, as previously stated COSATU does not only concern itself with matters relating to the labour market. In its March 1998(a) document “South African Reserve Bank and Monetary Policy”, COSATU demands public hearings regarding the reserve bank, to address the “Negative social impact of restrictive monetary policy”, “Questionable interventions by the Bank”, the “Constitutional position” on the Reserve Bank relating to its role and independence and “Amendments to the Reserve Bank Act”. In November of the same year, a document entitled “Elections ‘99” (1998b) which included a section on the Jobs Summit, COSATU commented on many issues, including macro-economic policy, infrastructural development, domestic investment, amendments to the Labour Relations Act, equity, tariffs, income grants, etc.

COSATU released a Campaigns Bulletin in 2000(e) on proposed labour law amendments. This document states “we will not take this lying down” and says that the “drafters of these [labour law amendment] policies are oblivious to this reality that “President Mandela told the COSATU Congress that if any future government tries to do to workers what the apartheid regime did ‘you must do to them what you did to that regime’”.

In the document “COSATU’s Job Crisis Campaign” (2000d), COSATU expresses the view that civil society organisations need to become involved in the job creation campaign. While job creation is a social problem, it does fall within the purview of trade unionism. However, COSATU’s proposal to join forces with civil society suggests a wider political focus than issues related to labour market policies and programmes. In the “Campaigns Bulletin” of July 2000(e), this is made more explicit, saying that COSATU is joining with civil society organisations “...behind a focused assault on poverty and unemployment”. COSATU can be seen to play a role in political reform. This suggests a commitment to the working class as a whole, and not only COSATU members.

COSATU has also addressed women’s issues, especially the position of women in the labour market. In “Women and the Jobs Summit” (1998c) COSATU states that “...the Summit will only begin to address the crisis of unemployment, poverty and inequality more broadly, if the plight of women is seriously addressed”, and goes on to comment on the increasing informalisation of work amongst women. The document focuses on the issues mentioned earlier, but also emphasises the importance of access to facilities and infrastructure for, in particular, poor women, as well as the creation of strategies and facilities that lessen the necessity for the unpaid work often done by women, for example, the building of childcare centres. There is also an emphasis on public works programmes (providing training, short term poverty relief and infrastructure), training in literacy and empowering education involving issues such as nutrition and family planning, and legislative protection from

discrimination. Furthermore, COSATU calls for more general strategies such as more progressive taxation, as Value Added Tax (VAT) impacts on the poor at household level, where women are often tasked with providing basic necessities. COSATU also calls for job creation for women by the expansion of certain sectors, and the retention of jobs, through “...the development of industrial policies, beneficiation, re-negotiation of tariffs, and so on.” Access to productive resources for women is another proposal contained in this document, along with support for “the social sector, the self-employed and co-operatives”.

In 2000(b), in a report on the ICFTU Women’s March, COSATU calls for equal access to services, education and work for women, for gender issues to be given precedence in labour policy and for an end to gender violence. COSATU calls for access to housing and transportation, for equal pay, and for maternity leave at full pay. This equality also extends to access to promotion, equal access to education and training, and health and safety at work, often neglected for vulnerable workers. Poor women are often forced to stay in abusive situations because they are financially dependent. Social security could combat this. Of course, this is one of the places in which spending is cut by fiscal austerity measures prescribed by neoliberalism. Apart from equality and safety, COSATU also calls for the cancellation of the debt of developing countries. It is their contention that the unpaid work that women do, including production of food, has more than repaid any debt.

In March 2000(b), in the document on the “ICFTU World Women’s March” it is stated that the international trade union movement marched for women’s rights, especially an end to poverty and violence against women.

COSATU’s “Memorandum of Job Creation Demands” of 2000(a) addresses retrenchments, with special mention of insolvency laws that cause many retrenchments, the reduction of import tariffs at a rate that is faster than required, and restructuring. The document states that

business is to blame, but that government has an important role to play in legislative changes that need to be made, for example the insolvency laws and Labour Relations Act. In the Campaigns Bulletin of 2000(e) with the slogan “Crush poverty! Create quality jobs!” COSATU states that there are structural deficiencies inherited from apartheid that need to be addressed. This suggests a need for large-scale political restructuring.

In the document, COSATU (2000e) goes further, calling for an end to all dictatorships, military juntas and one-party states, as well as condemning the land invasions and “...collapse of the rule of law” in Zimbabwe.

In 2001, COSATU issued a notice entitled “Anti-privatisation protest action” in which COSATU condemns the privatisation of state enterprises and the commercialisation (operating on a profit or cost-recovery basis) and corporatisation (commercialisation and registration as a company) of state enterprises. This limits the extension of basic services to the poor, including by means of cross-subsidisation, and results in job losses and casualisation, as the public sector bargaining apparatus no longer apply. COSATU demands that all privatisation is halted until policies are put in place and other conditions are fulfilled.

In 2000(g), the COSATU document “Unions Committed to Service Delivery” listed ways in which service delivery issues were addressed through collaboration with communities and civil society organisations. Proposals were also put forward to improve the availability of funds, such as reducing the employer contribution to the Government Employee Pension Fund, keeping “benefits of efficiency gains” from the Revenue Service. Government is urged to provide resources and “deal with persisting inequalities”.

COSATU’s document “Workers unite against redlining!” deals with discrimination by the banks against the poor, such as refusing to extend credit to a poor person hoping to start a small business or buy a house in a ‘high risk’ area (redlining), and also against exorbitant

bank charges and lending rates. Here the government is again charged with legislative intervention: “The government must stop banks from redlining and high bank charges and interest rates”. In the document COSATU calls workers to join picketing and marches to campaign for banks to “serve the people”. In 2001 COSATU staged anti-privatisation protest action. In the document “Anti-privatisation Protest Action” the action is characterised as including marches, rallies, demonstrations and stay-aways, with an initial two-day stay-away. In the Campaigns Bulletin of 2000(e) with the slogan “Crush poverty! Create quality jobs!” COSATU reiterates all the points made earlier, and also mentions the need for an affordable and efficient public transport system. The availability of transport has a severe impact on the ability of people to maintain employment, and also to make family life a reality for the many people who work far from home.

The 2007 “Assessment of the Jobs and Poverty Campaign” reiterates demands made by COSATU on a variety of issues, since the launch of the campaign in 1999. These include labour related demands, such as “decent, well-paid and secure” jobs and demands against labour brokers and job losses. It also includes demands related to the development of local production, equal access to basic services such as education, health and policing, service delivery, and against discrimination, tariff liberalisation, inequality and poverty. . In “Assessment of the Jobs and Poverty Campaign” (COSAT 2007) protest action is reported: “sectoral lunch hour demonstration’, a general strike on the 18th of May and demonstrations. COSATU claims here to have “...made progress in ensuring negotiations at the WTO do not comprise SA and other developing countries”. It seems that mass action became less militant in this period. In 2009, COSATU penned a “plea” (not a demand) in the form of a “Memorandum to Parliament” (2009a) for the attention of President Jacob Zuma, regarding government policy. This declining militancy is a problem if COSATU is to overthrow the system of neoliberal capitalism as a whole.

In August 2011(b), in the “Moses Kotane Memorandum”, COSATU addresses the question of corruption, especially corruption related to government tenders. Privatisation, a living wage, poor working conditions and labour regulations are all mentioned again. In October of the same year, the “memorandum to the Premier of the North West Province” also addresses the question of corruption, as well as commenting on the same issues as the August document. Both of these documents address violence, discrimination and the problem of public transport as well.

The months leading up to the COSATU 11th Congress in 2012 were characterised by demonstrations and protests aimed at addressing the issues of labour brokers and open road tolling. COSATU demanded that labour broking be outlawed and the exorbitant e-tolling system be scrapped. In March of 2012(b), COSATU released a “Memorandum on Open Road Tolling”, stating that the tolling system would place more strain on the already inadequate buying power of the poor, not only for travelling but also because the price of goods transported on the toll roads would rise. Second, the tolls would “perpetuate exclusion”, reserving the well-kept roads for those who can afford to pay the toll fees and third, public transport, though exempt from the toll fees, is totally unreliable and inadequate, not to mention unsafe. These concerns were reiterated in May 2012, as well as objections that the toll roads restrict the constitutional right to freedom of movement, that there is no alternative route for some toll routes and that the toll gate represents a form of privatisation.

There are many factors related to the ideal of a better life for all. COSATU, in the 2000(e) “Crush poverty! Create quality jobs!” Campaigns Bulletin document, mentions “...the revolutionary role that the democratic trade union movement has played in the past and continues to play in the transformation of our society”. In 2005, in “Memorandum to the Employers and Government of South Africa”, COSATU gets to the crux of transformation, calling for an end to inequality and for economic freedom. COSATU claims in this document

that political freedom has not been matched by economic freedom, but the poverty and inequality mentioned in the document are based on what seems to be an economically determined concentration of political power, driven by capital. As mentioned earlier, in May 2012, in “Finding wage crisis solutions”, Zwelinzima Vavi, the General Secretary of COSATU, writes “We have, over and over, warned about the ticking time bomb of unemployment, grinding poverty and deepening inequalities.” And then, he goes on to illuminate the failings of democratic transformation: “This is our reality as we celebrate our political medals for the 18th year while the other side is celebrating its economic jewellery over the past 300 years of colonialism, including now more painfully, the 18 years of our democracy.”

As we have seen in this section, there have been many documents generated by the Federation. However, while some refer to parliamentary action and political work, the proportion of action is very small. There is also almost no mention made of large scale broad political work aimed at strengthening the working class politically, organisationally or ideologically. This suggests that the priorities of the largest union federation lie not in overthrowing the system, but in negotiating for reforms within the existing neoliberal systemic framework.

All the mass action and protests, all the submissions, memoranda and campaigns to combat narrow workplace and wider political issues, even those as wide as service delivery have a fatal flaw: they are inappropriate to challenge neoliberalism conceived of in class terms. Only a class conception of struggle, only the recognition of the need to overthrow the system as a whole, could constitute an appropriate challenge to what is conceived of in this study as a class offensive: neoliberalism.

The political role of trade unions according to the unions

As pointed out in the previous chapter, there are two main aspects of a political role for the trade unions. The first is a broad political commitment to breaking the power of capital in order to empower the working class on a broad scale. The second relates to tackling non-labour issues.

With regards to the first, Tengela says that COSATU is "...advocating for, as an alternative system...for socialism" He asserts that the system has to be changed to be socialist or social democratic. He says that the key issue is the social wage, but also speaks of social provision (specifically he raises the concept of a state-owned company to provide housing, which will then also create employment opportunities).

Fafuli speaks of the National Democratic Revolution. This aims to transform South African patterns of domination based on class, race and gender. The trade union movement, according to Fafuli, adopted this programme and COSATU aims to unite the working class, and the workers have a responsibility then to bring about this transformation in a way that empowers the poor and working class. Fafuli also asserts that there must be "...international solidarity amongst [the] working class". He emphasises a "unity of the left", political education emphasising "Marxist/Leninist" class consciousness and the "linkage of the shop floor, and homestead politics". Fafuli also mentions the Civil Society Conference, saying that "...civil society could strengthen the role of the workers in bring about change and the fight against poverty in society"

The affiliates report more overtly politically transformative agenda than the COSATU documentation suggests but it is a vague ideological goal rather than a strategy that will be implemented to destroy the dominance of neoliberal capitalism.

Regarding the second aspect of political trade unionism, tackling non-labour issues, there have been campaigns aimed at such issues, but links with civil society are emphasised to address these.

As discussed in previous chapters, COSATU (and as such its affiliates) has a rich history of politically motivated social movement unionism, especially during apartheid. So COSATU has always addressed issues that are concerns for the working class as a whole, but that are not necessarily labour issues, for example e-tolling. Given the pressure put on the apartheid regime, it is important to investigate whether COSATU's affiliates are still ideologically and practically committed to political unionism. COSATU (2000:7) speaks of the ongoing "revolutionary role" of the union movement in society.

Webster argues that even though there is still mobilisation, it cannot strictly be called social movement unionism because there are no "horizontal linkages" between the unions and civil society organisations. Matthew Parks, representing COSATU, says that the views on linking with civil society organisations vary between affiliates.

Kgara mentions the campaign for National Health Insurance to promote universal access to quality healthcare. He says that "We are entering a new terrain of retirement insurance in terms of social security" and the Public Service Campaign to return privatised public services to the state. Kgara also speaks of a campaign for a state-owned pharmaceutical company to develop anti-retroviral medication. And then he also mentions the campaigns against e-tolling and labour broking. Kgara says that "civics" need to be rebuilt. According to him, NEHAWU works with some of the many social movement organisations.

Tengela explicitly states that the goal is to "...take up issues... that are affecting not only workers that are at the point of production but also workers who are outside". He also mentions the Civil Society Conference, saying that COSATU can learn organising skills from

social movements, but also that COSATU should foster links between the trade union movement and civil society to build solidarity.

Fafuli also stresses the importance of aligning the union movement with civil society organisations, but says that there is a lack of these links, except for occasional support for the Treatment Action Campaign. Issues such as e-tolling and privatisation are also issues beyond the shop floor that Fafuli mentions as areas the unions address. Fafuli also mentions initiatives such as placing pressure on companies to foster “secondary economic activity” in mining towns by making it a prerequisite for the granting of their mining licence and for the wife or eldest child to replace a deceased worker who was the primary breadwinner. Another initiative mentioned was skills retraining²¹ for workers about to be retrenched so that they can find alternative employment or be redeployed within the mine. A further initiative is “employees share ownership schemes” whereby workers can benefit from their labour and this has the added benefits of job satisfaction and increased productivity.

Mawbey claims that any community issue relates somehow to local government. He also says that engaging with civil society organisations has always been part SAMWU’s strategy, for instance they currently “interact” with environmental organisations. Moreover, SAMWU was involved in the “local government restructuring issue” of the early 1990s and SAMWU also had representation in political parties.

While Mawbey claims that community issues are local government issues, can it not be said that community issues are also linked to employment issues? Poor or expensive service delivery because of outsourcing is both a labour issue and a community issue, as is a corrupt

²¹ It should be noted that DRDGold, Harmony Gold and Gold Fields have all offered skills retraining (Madlala 2005) as has mining group Exxaro more recently in 2011 (DKL Engineering 2011). DRDGold and Exxaro did so as a direct result of consultation with unions.

tender system. As Fafuli says, the working class is the poor, so poverty wages and exploitative hours are social issues, not only shop floor issues. Traditional shop floor issues have simply become so bad that they have spilled over into every other facet of life. All the above-mentioned campaigns seem to suggest that the alleviation of the effects of neoliberalism can be dealt with within the framework of capitalism. Earlier on, Kgara attributes this view to the working class, but the unions seem to also be promoting this view. The character of political campaigns should emphasise a transformation of the economy as a whole.

Overview of organisational and political responses of trade unions to the effects of neoliberalism

This overview will briefly reiterate the points made about organisation and the political role of the unions. COSATU and its unions are struggling to recruit and retain new workers and there are problems of workers who do not fit into the traditional model of unionisation. The unions are holding onto a model that no longer works as the context of work has changed, and as the unemployed are forming an ever-growing part of the working class. The political role of the unions has weakened. Historically, the unions in South Africa fought for the end of an oppressive system. They no longer seem able to challenge an oppressive system.

Parks makes the point that without an economy, there will be no jobs, so COSATU has to “...find the catch between the workers that are impoverished and sustaining the economy”. This is undoubtedly true, but with the working class growing impatient this may be seen as an excuse for the apathy (in terms of mounting a powerful class response to neoliberalism) for the unions that could spell a further decline in membership.

Organisationally, COSATU seems to be struggling to mobilise as large a portion of the working class as previously discussed. Of course, the organisation of the working class in the

sense of arming it against neoliberalism, is not evidenced anywhere. This cannot be done without strong ideological foundations in every action. In the traditional sense of organisation, recruitment and retention, COSATU's failure to organise the working class as a whole, including atypically employed and unemployed workers, remains a fundamental weakness, especially if COSATU is to mount a class response.

Although the industry model of organisation has problems, such as excluding a lot of workers, Parks asserts that it is the most effective model, as the bargaining can then take place at the workplace, where there is 'strength in numbers'. He also expresses a view that different industry unions should merge, for the same reason. It is true that strength in numbers is important, but Parks fails to mention what workplace organisation is effective for. Maybe so for collective bargaining, although the wildcat strikes in the gold and platinum mines in 2012 call this into question. However, it is unlikely that it is effective for waging struggles against neoliberalism – the strength in numbers found in a workplace is hardly enough to overthrow a system. This raises another issue: solidarity. Without effective organisation, the working class cannot achieve the solidarity necessary to effectively challenge the system of neoliberalism.

As mentioned earlier, political responses have two broad aspects. One, is breaking the power of capital with goal-directed action to overthrow the system as a whole and replace it with a more equitable system. There seems to be no work in this regard. Second, is action geared toward fighting broader working class issues. There are many formal avenues for COSATU to pursue. There is also protest action. Over the years there have been numerous negotiations, pickets, marches, stay-aways, strikes and demonstrations. Recently, there was action regarding open road tolling and labour broking. The tolling issue had to be taken to court where it was postponed, and labour broking continues.

Tengela makes a vital point that appears to go to the heart of union power. He says that a social base is necessary in union action, to construct and drive policies in their interests. This can be understood to refer to the necessity of a large portion of the working class to underlie and drive union action. However, importantly, this also ensures that there is power “on the ground” to support policy submissions. Tengela goes on to mention the use of bargaining power to improve effects such as wages and working conditions. He says that COSATU needs to create links with social movements and tackle social issues. This will create a strong and meaningful response.

Fafuli echoes this point. He says that the unions need to build “systematic tactical alliances” and so achieve solidarity. This solidarity will mean an effective mechanism of pressure when confronting the ANC as the ruling party. He asserts that the unions are advocating an interventionist state that will respond to “the plight of the majority” but without neglecting the middle class or even business. This seems to be a more fundamental strategy, addressing the root of the problem – the unconstrained free market. As mentioned above, solidarity does of course also relate to the problems in organisation faced by the unions.

It would appear that all the unions have had some success, on their own or together with other affiliates under the banner of COSATU. All use the formal forums to engage with government but use mass mobilisation when submissions are ineffective or responses are too slow. Despite successes, however, there do not seem to be significant improvements on a large scale and changes seem to be made only on a case-by-case basis. As we look at all the actions taken, it is useful to note how many times the same issues are given as the reason for action. The question that must be asked, then, is why is COSATU so seldom effective, despite large scale strike action, stay-aways and demonstrations?

This raises the question whether responding to the effects in this manner will bring about the empowerment of the working class. This study suggests that it will not. Neoliberalism, as a phenomenon embedded in power relations, can only be effectively challenged by breaking the power of capital. Thus labour needs to respond politically with a powerful working class, responding as a class, to the power relations themselves and as such the whole system of neoliberalism.

Conclusion

Given the consensus between respondents in the last chapter that neoliberalism is a class offensive, it seems imperative to find ways to compensate for problems in organisation. The unemployed and workers who are not permanently employed need to be organised. However, it seems that despite a view held not only by a few unions but by COSATU, that such individuals need to be organised, there are no real strategies aimed at achieving this. It is true that banning labour brokers would go a long way toward making this easier, but in the meantime these workers are an untapped resource. These workers are also unrepresented and have no recourse in the event of exploitation and poverty wages, both of which are widespread. If the aforementioned ideological position is substantive rather than formal, it should translate into logical political and organisational responses. However, we have not seen these responses, as mentioned earlier, which casts doubt on the depth of the stated ideological conception of neoliberalism.

There are problems of influence. This is evidenced by the recent resurfacing of the e-tolling system²². It seemed as though e-tolling would be scrapped after it was postponed when the union movement took the matter to court, but this did not happen. Fafuli speaks of the

²² The government introduced open road electronic tolls. COSATU objected on the grounds that this impacts mostly on the poor and constitutes privatisation (COSATU 2012)

alliance between the ANC and COSATU as a strategic alliance. This strategic alliance could probably be exploited. It is important to remember that COSATU supports the ANC in the elections. This is a position of some power. Despite problems of influence, Parks states that COSATU is respected in society and popular amongst the people it serves, and that COSATU will continue to exist because "...there's a will for people to be unionised."

As mentioned in the previous section, Tengela from NUMSA mentions socialism as an alternative and Fafuli speaks of Marxist class consciousness. However, politically, there are not actual campaigns to overthrow the system as a whole or even tame the rampant effects of the power of capital, even though the interviewees mentioned the view that the hegemony of neoliberalism is weakening. All the campaigns are focussed on issues, not the system of neoliberal capitalism as a whole. NUM, for instance, has put in place many practical interventions to assist their membership. However, these are placed within the system of capitalist exploitation. SAMWU has fought the issues of outsourcing and subcontracting with some success, but the problem of the restructuring of work and working conditions or wages will not be solved while it is addressed within a capitalist framework.

As can be seen from the previous sections, COSATU is still very active in the working class, especially with regards to labour issues. Despite the fact that COSATU has tackled issues related to other matters, the political role is called into question by the lack of official documentation, and indeed action, related to a wider political position. The political role of COSATU in the past related not to specific issues, as stated earlier, but to the overthrowing of an oppressive regime. Such a broad objective is glaringly absent from COSATU documentation.

So even though COSATU is still very active, there are certain poverties, at least in the literature, that cannot be overlooked. There is no broader political position with regards to the

breaking of the power of capital. This power remains unchallenged in action and largely ignored in the documentation. While the intention is to organise the working class as a whole, no concrete plans or approaches to this are contained in the documentation and there is no evidence to suggest that there has been success in this area.

In conclusion, the trade unions themselves, at least the affiliates interviewed, as well as COSATU seem to hold the ideological view that neoliberalism is a class offensive and needs to be overthrown. However, their campaigns do not focus on the system of neoliberal capitalism, but amelioration of the effects of neoliberalism, whether centred on workplace issues, work restructuring, or broader socioeconomic issues. So either the trade union movement is unwilling to challenge the status quo, or they are unable. Either way, once the strongest power base of the working class and the oppressed in general, the trade union movement could conceivably bring about change. Consistency and alternative strategies to those traditionally used could return the power to the movement, and as such to the working class.

Chapter 6: Weaknesses in Responses, and Alternative Strategies

Introduction

This chapter attempts to identify the main weaknesses in the responses, identified in previous chapters, of COSATU to the effects of neoliberalism. It also identifies additional issues that need to be addressed, if the union movement is to find alternative strategies to bring about large-scale change for the working class in South Africa. The shortcomings in responses are divided into issues surrounding ideology, the political role of the union movement, organisational issues and the effects of neoliberalism. It is also shown that there is a disjuncture between the documentary evidence and the interview responses on these issues. Two theories are put forward as to what the reasons for these disjunctures are. The additional issues that need to be addressed, concern the clarification of the goals of the movement and how the efficacy of campaigns could be ensured; examining why mass action is not achieving its goals; and weaknesses within the unions themselves that undermine their efforts. Conclusions related to strategies that could increase the possibilities of success for the trade union movement on a large scale, are also offered. It is unlikely that continuing to campaign on specific issues will achieve the goals of employment, equality and poverty alleviation.

As seen in previous chapters, COSATU has a rich history of mobilisation and has had numerous small successes. However, those successes were mainly centred on labour issues and there has been no success in the realm of macroeconomic policy. The most recent campaigns COSATU has embarked on are centred on the e-tolling system discussed in previous chapters. In the first wave of protests, in May 2012, COSATU added the demand to ban labour broking to the e-tolling campaign. They were unsuccessful with the issue of labour broking, but the implementation of the e-tolling system was postponed to December 2012. COSATU again embarked on rolling mass action, including protest marches and a

campaign to block traffic in Gauteng on the N1 highway. However, to date, despite threats of further action, the implementation of e-tolling has gone ahead.

Webster (2012: 4) says that while the government has resources, COSATU can “block” it because it has “forces on the ground”. As he says, “...sometimes they get what they want, sometimes they don’t”. COSATU has ‘blocked’ many labour law amendments in the past. Taking the e-tolls as an example, it would appear that ‘blocking’ is not that effective when not centred on a labour issue.

From the recent wildcat strikes it would seem that the working class is rapidly losing patience with the lack of government intervention to curb the worst excesses of capital, and also with the unwillingness of the capitalist class to relinquish their control over the surplus value (to borrow Marx’s term) created by the working class. The traditional trade union movement (consisting of unions affiliated to COSATU) is in danger of losing members to radical unions (as happened in Marikana)²³ if they do not succeed in efforts to force capital and the government to concede decent employment regarding factors such as wages, living conditions and permanent employment at least. Patrick Craven, spokesperson of COSATU, is quoted as saying “If we fail to win this fight against unemployment, poverty and inequality, the workers involved in this year’s wave of spontaneous strikes are giving us a clear warning of the serious consequences...” (Mabona 2012: 5)

Key shortcomings in responses

There are a number of key shortcomings in COSATU’s responses. There are glaring contradictions between the COSATU documentation and the interview responses, including the interview with the representative of COSATU as the federation. In the research on

²³ The NUM lost its majority status at Lonmin’s Marikana mine to the radical union AMCU, and there have been numerous attacks on its members and officials. (fin24 2013)

ideology, there was inconsistency in the framing of neoliberalism as a class project by the interviewees and a lack of any class characterisation in the COSATU documentation. The disjuncture between negotiation in forums and policy submissions on the one hand, and mass action on the other, is demonstrated by the documentary sources and interviews.

Organisationally, the documentary evidence reflects a commitment to organising the precariously- and un- employed. However, the interviewees did not think such organisation was viable. The only area where the interviews were consistent with the documentary evidence was in the area of grassroots effects, such as service delivery. In more general effects, such as the ability of the working class to fight for its rights, consistency lay in the lack of evidence from the interviewees, or the documentation, beyond passing mention that neoliberalism could fragment the working class or promote solidarity. The interview responses seem reasonably uniform though. The documentation will be compared with the responses of the interviewees in each section dealing with a shortcoming: ideology, the political role of the union movement, organisational issues and the effects of neoliberalism.

Ideology

Despite the fact that there seems to be a lack of COSATU literature dealing directly with neoliberalism or a conception thereof, all the affiliates interviewed, clearly framed it as a class project. It was thought that the way in which trade unions conceived of neoliberalism would inform their response to its effects. This does not seem to be the case. The effects are dealt with as issues in themselves, and if they are addressed as part of a broader theme, it is a broader 'decent work' issue. The effects are not addressed as a part of a class offensive.

Furthermore, the fact that a federation as resourceful and historically powerful as COSATU and its affiliates have no definite theoretical and political statement (in any documentation) on as crucial a phenomenon of our time as neoliberalism, is concerning. It suggests that COSATU has been influenced by the hegemony of neoliberalism to such an extent that it has

not realised that overthrowing the system is necessary, and that such a statement is crucial to inform a strategy for revolution.

It cannot be ignored that all the respondents spoke of the issues of class as forming part of the ideological position on neoliberalism only after further probing. This is troubling. Surely the concept of 'class' should be a cornerstone of the ideological view of neoliberalism of any revolutionary organisations? The inconsistent application of the concept of class, weakens the ideological consistency of the union movement. If neoliberalism is not seen as a class project, there can be no cohesive strategy to address all its effects. According to the interviewees, fighting a class offensive is a stated goal of the union movement. As such, the concept of class should form the basis of any conception of neoliberalism. It should also form the basis of any strategy. The concept of class seems to be an afterthought from the interviews. The lack of spontaneous mention of class or revolution, coupled with the lack of discussion in the documentation, of neoliberal capitalism as the foundation of the unemployment, poverty and inequality we are facing, suggests that there is a lack of ideological commitment to revolution in the union movement. Were the interviewees merely paying lip service to the socialist heritage of the federation? If this is the case, it points to a disjuncture between the rich ideological heritage of the federation and its current actions. This could be a sign of deep ideological confusion. It would seem that while there is a formal commitment to radical ideologies, the substantive commitment is to reformist agendas. Such a disjuncture would suggest a shift in the point of departure which informs action and undermines the integrity of the socialist principles COSATU claims to still subscribe to.

The political role of the union movement

As mentioned previously, the political role of the unions has two dimensions. The one, fighting broader working class issues, is one where the union movement has been very

involved and it continues to fight on issues such as service delivery, unemployment, e-tolling and the like. It is in the area of the other dimension, fighting the political system as a whole, where the union movement falls short.

In the previous chapter it was seen that the representatives report a commitment to transforming the system. Neoliberalism must be replaced. But there are no concrete strategies put forward. It seems strange that there are no strategies in place. Any attempts to deal with the system are small-scale and not holistic, but merely address aspects of the system, for instance issues relating to the reserve bank mentioned in chapter 5. These are narrow issues and attempts to effect any macroeconomic changes have been wholly unsuccessful. There should be broad, federation-wide at least, strategies to overthrow the system. The neoliberal GEAR strategy was implemented in 1996 and as such possible strategies for responding to it should be broadly disseminated, understood and well-developed by now. Years later, despite a stated commitment to revolution, there are still no concrete strategies according to the interviewees and the literature.

The capitalist power relations in the workplace are a symptom of the power relations in the broader social and economic system and therefore, the solution lies in substantively breaking the power of capital, rather than merely formally opposing it.

There is a disproportionate amount of time and resources spent on parliamentary submissions and negotiations by COSATU. Despite their lack of success in influencing macroeconomic policy, the union movement as represented by COSATU still aims to influence policy choices. It would seem that COSATU hopes to reform neoliberal capitalism to gain socialist (or social democratic) ground – a reformist rather than revolutionary strategy; this despite the rejection of the possibility of reform, which forms part of a socialist ideology. If the union

movement is concentrating on reforming policies, this suggests that neoliberalism is functionally conceived of as a set of policy prescriptions, and not as a class project.

Organisational issues

Organising is a much more substantively political issue than merely recruiting and retaining members in existing unions. Organisation is also about arming the working class with the tools and strategies to fight neoliberalism. As seen in the previous chapter, there is a massive portion of the working class that is not organised - untapped revolutionary potential.

Precarious workers form part of this group. Apart from attempts to address the root of the problem there are no strategies to organise them. Labour broking is one of the components of the 'root' of the problem. Government has ignored all calls to outlaw them²⁴. There are also calls to extend benefits to these sorts of workers in a bid for 'decent work' for all workers. This would make precarious workers, while still insecure, less desirable for employers. It is clear that sector-based unions are inadequate for workers who move between sectors, but there have been concerns from union representatives about forming a multi-sectorial union. The concerns raised, are that this could cause fragmentation and undermine solidarity, but surely this would be better than an absence of unionisation among precarious groups of workers? The failure of the union movement to support and organise precarious workers suggests that either the movement fails to see how crucial the informalisation of work is to neoliberalism, or there is an apathy which precludes the possibility of finding creative ways to organise such workers.

The unemployed also form a large part of the aforementioned 'untapped' group of the working class. COSATU aims to recruit workers and despite a stated commitment to the

²⁴ The Financial Mail reported on 27 June 2013 that the issue of labour brokers is still unresolved as the Labour Relations Amendment Bill "stalled" in parliament. (Jones 2013)

working class as a whole, there have been no actual strategies to recruit the unemployed. It is of course, difficult to recruit the unemployed when they are not, in fact, at places of work where the unions operate. However, in the past, COSATU succeeded in mobilising a larger portion of the working class than their members only, and the current lack of a strategy to recruit them needs to be addressed. COSATU has said that workers have access to resources to support the membership of the unemployed, so the membership fees of paid-up workers could subsidise the membership fees required from the unemployed. There have been calls in the COSATU literature to partner with civil society and the global working class. However, apart from isolated issues and actions, this does not seem to have happened in any meaningful way, beyond the civil society conference mentioned in the previous chapter. Isolated issues and actions are undoubtedly responses to the effects of neoliberalism, but the sporadic and fragmented nature of such responses renders them impotent in the face of a large-scale neoliberal offensive against the poor and working class.

The effects of neoliberalism

The effects are mostly well-defined in the COSATU documentation and by the representatives of the affiliates who were interviewed. This includes small-scale effects and broader issues; the 'triple challenges' of unemployment, poverty and inequality. However, there is no evidence of an awareness or emphasis on the political effects of neoliberalism as a demobilising political force within the working class. Responses also seem to be centred on the issues above without addressing the basis of the situation: neoliberalism. Responses seem focussed on the manifestations of the underlying problem.

However, even these seem to presuppose a cleavage between working and living conditions. The restructuring of working class life under neoliberalism does not take place only at the point of production, but in life away from work. The traditional methods of political action

and organising employed by the unions, do not address the fact that neoliberalism is compressing the space between workplace issues and community issues. The restructuring of working class life as a whole means that work issues are closely interrelated to non-workplace issues. The restructuring of work as a whole has changed the meaning and implications of employment. Employment no longer means security and freedom from poverty. Neoliberal work is also impacting on inequality. So under neoliberalism, poverty, unemployment and inequality are part of workplace issues, and issues related to working conditions and wages are related to living conditions. Flexibility means that insecurity and underemployment are impacting more than ever on the poor. The lack of an adequate social wage under neoliberalism means that large-scale unemployment and poverty is all the more devastating.

Apart from the well-defined and –documented effects, ranging from poverty to service delivery and insecure work, there is a less well-defined effect which is not discussed in the literature and was not illuminated in any uniform or specific manner by the interviewees (although there was passing mention made in both of these contexts of a possibility of either fragmentation or the promotion of solidarity). The effect which needs to be clearly articulated is one which is central to breaking the cycle of control and hegemony: the effect which neoliberalism has had on the ability of the working class to fight for its own interests. This could possibly be addressed in part by building links with community movements.

This issue has a number of dimensions. There is the issue of hegemony and an ideological understanding of the need for more than mere reform, there is also the issue of fragmentation, and lastly, there are the practical implications of fighting for transformation in a neoliberal economic milieu.

In the previous chapter, it was seen that interviewees mentioned that neoliberal ideology is losing popularity and that its hegemony is slipping. This is heartening. However, the working class needs to realise this instead of just the intellectuals and economic thinkers that have no need to fight for their own interests. While the trickle-down effect of economic growth is clearly a myth, one can hope that there is a trickle-down effect with regards to anti-neoliberal ideology. However, it is unlikely that there will be, without the involvement of the unions. This leadership needs to take place on all levels, from leadership to shop stewards. As long as the unions continue to fight on issues without contextualising them within neoliberalism, as a system that can be overthrown as a whole, it is unlikely that the hegemony of neoliberalism amongst the working class will weaken. The unions also need to make it clear that as long as neoliberalism survives, poverty, unemployment and inequality will survive too, as capitalism, especially in this largely unregulated manifestation, is by its nature an unequal system.

There are a few aspects surrounding the issue of fragmentation. Interviewees, as reported in the previous chapter, expressed concern over fragmentation of the working class in the event of separate unionisation for precariously employed workers. It would however seem that the lack of unionisation amongst such workers causes even more fragmentation, as the union platform could be a point of intersection. There is also the issue of fragmentation, as many permanent workers feel that casual or temporary workers are ‘stealing’ their jobs. A common, union-led goal could help to forge solidarity, rather than hostility, between these groups. The current sector model does not allow for maximum organisation for many such workers, especially temporary workers, as mentioned in preceding chapters. Many unions do merge, but this is usually when there are multiple unions for a single sector. Unions should be more closely linked, and there should be provision made for workers who move between sectors, such as a union for precarious workers with links to sectoral unions so that they can handle

the administrative aspects to ease the transition for workers. Such a union would also be able to focus on the difficulties specific to precarious work.

The issue of the problem with fighting for economic justice within neoliberalism is a simple one, and one that has been touched on many times before. With such high unemployment and poverty and a grossly inadequate social security system, people are afraid to fight for their rights, because they stand to lose the little they have, with no guarantees of ever regaining it. This is one aspect of the demobilising effect of neoliberalism – it breaks the faith and confidence of the working class in its collective strength to sustain battles for improvement in living conditions.

The disjuncture between the documentary evidence and interview responses would seem to indicate a certain pattern. The ideas in the documentation – a class project, revolution, organising the precariously employed and unemployed – seem to be idealistic and resting on socialist ideology. There are possible reasons why this idealism is not present in the interviewees' responses. Firstly, it is possible that the hegemony of neoliberalism is such that even amongst the union movement, there is a resignation to the reality of the neoliberal state in which we are functioning. Secondly, it is also possible that the strength of the global neoliberal offensive has led to a disillusionment and apathy with the struggle for a just system. Either of these is plausible, and both weaken the strength of the core ideology underlying the striving for an alternative system.

Alternative strategies for the union movement

Alternative strategies need to be informed by the choice of alternative economic, and consequently social, systems. Although we have seen in earlier chapters that the ideology of the union movement seems to have moved away from its socialist roots, the interviewees in the previous chapter stated a commitment to socialist principles, albeit only formally (by the

unions they represented), and there was also mention made of social democracy. This issue, of an alternative, needs to be clarified. A clearly defined alternative system needs to be identified and all the affiliates need to commit to the same goal to lend strength to change. Cohesion will also strengthen the ideological commitment. Furthermore, the system decided on, needs to be supported by COSATU documentation and parliamentary submissions. We have seen that parliamentary submissions lost their socialist overtones, which led to the conclusion that COSATU had abandoned socialism.

Once ideological unity has been achieved, there are certain key points, apart from the ones mentioned above, that need to be addressed. Firstly, the question is: How will the unions ensure their campaigns are effective? They have many campaigns on a range of issues but they do not have a very high success rate on many of these, such as the electricity price increases and the e-tolling. This relates to the second issue: why is mass action not having the desired effect? The e-toll system can again be used as an example. Thirdly, what are the shortcomings in the unions that undermine their own efforts?

To ensure efficacy, there have to be large enough effects on capital. Mass action such as strikes and stay-aways were employed during apartheid, and providing that these actions are on a large enough scale, they can have devastating effects on the capitalist interests of the elite. As mentioned earlier, there needs to be more solidarity amongst the union movement. Issues such as the electricity price need to be embarked on by the federation as a whole. The old 'strength in numbers' strategy is one that guides many worldwide campaigns on a range of issues; it is the principle on which petitions are based. This also raises the issue of organisation. The numbers will rise with the effective organisation of the precariously employed and unemployed.

These issues are closely tied to the issue of why mass action has not been working. There are issues of solidarity and organisation as mentioned earlier. Furthermore, despite prolonged strikes in the mining and farming sectors in 2012, it is still true that many workers simply cannot afford to remain committed to unprotected strikes and lose their income. Another issue is often ignored. While mass action has often turned violent, there are more peaceful yet radical (and potentially effective) threats that are made and not followed through. COSATU threatened to dismantle the toll gates if the e-toll system went ahead. Despite this, the e-toll system²⁵ has been implemented and COSATU has continued with blockades and demonstrations, but the toll-gates have not been dismantled. This undermines future threats and ultimatums. Discounts have been offered to certain sections in respect of the tolls but after more than a year of action it would not be unreasonable to expect that more progress would have been made. Ungovernability was a key strategy in the fight against Apartheid. Where other strategies fail, it may be time to employ the strategy for emancipation again.

There is much speculation on shortcomings within the unions, but there are a few points that can be made with a relative degree of certainty. The first is a point that has been made before. It relates to solidarity. To summarise: solidarity has many aspects. The first relates to ideology. The federation needs to determine a common goal after identifying a common conception of neoliberalism. Then there is the issue of solidarity in action. Mass action needs mass by definition. This can be achieved by involving the whole federation in campaigns. This relates to the issue of organisation. Solidarity needs to be achieved by the working class, *as the working class*, not just workers. The working class consists of both permanently and precariously employed workers, the unemployed and their families. This class is defined as those who are dependent on capital and as such are exploited, or at the very least exploitable,

²⁵ COSATU is continuing to stage 'drive-slow' protests in Gauteng to cause congestion on the freeways to protest the e-tolling system (COSATU 2013). However, the e-toll system is still going ahead. The case has been taken to court by OUTA (Opposition to Urban Tolling Alliance).

by the capitalist elite. In South Africa, with the high rate of unemployment and underemployment the vast majority of this class is also poor. If the distinction between the constituents of the working class mentioned above can be ignored for a common goal, if solidarity can be achieved and the group can be given strength by numbers, the working class can unite as a class. Then the working class can fight as a class for emancipation from the capitalist class.

Solidarity in the working class can of course also be achieved by building on the organisation of community movements. The lack of linkages also relates to the limited conception of neoliberalism, as the action is focussed on changing policies, instead of mobilising the social forces which are adversely affected and thus have an interest in changing the system. This of course points again to the reformist focus of COSATU's action. It needs to be established why COSATU has not fostered these links and if it has to do with the Alliance, the Alliance should possibly be finally dissolved. It has been discussed in earlier chapters how the Alliance constrains COSATU, and the hindrance of relationships with community movements, thereby hindering social movement unionism, would be quite a coup for the ANC. Community movements have been invaluable for the resistance to neoliberalism in Latin America (especially Chile, as mentioned earlier) which resulted in the reversal of some neoliberal policies (Miranda & Molina, 2011). Importantly, the lack of links with civil society ignores the interdependence of responses to workplace and community issues. This suggests either a very limited conception of neoliberalism, or a lack of motivation to foster the solidarity necessary to fight an all-encompassing class project. Either of these are disturbing possibilities. Workplace issues cannot be fully addressed without addressing broader community issues. Workers live in communities, and communities are supported by workers. Those who are not unionised have a voice in community movements, and this could be a great source of strength for the resistance to the system as a whole.

Apart from links with community movements, the globalised nature of capitalism and labour could require global responses by global unions. As Munck (2012) says: “We can no longer afford to ignore the complex interplay of the spatial dimension of labour activity, not least when dealing with the international...”

Internationally, unions have had patterns of responses. French unions have managed to foster solidarity in broader society and across national borders. In most of Western Europe, unions unaffiliated to political parties in government have been gaining support as neoliberalism spreads and there has been increasing opposition to traditional unions. So the relationship between the union and the state is important, as is the political orientation of the union in shaping its identity. Unions in the United States have been moderate and have developed a social movement orientation, but until recently, without the political dimension. They have also been largely ignored by the government (Upchurch & Mathers, 2011), which is similar to the situation in South Africa since shortly after the ANC came into power (the first major act of marginalisation of the union movement was the implementation of GEAR despite strong resistance). As international repression increases, so does radicalism and militancy across the globe (Upchurch & Mathers, 2011). So there are lessons to be gained from the experiences of unions internationally. Unions need a class-based foundation, they need to be de-bureaucratised, and they need to forge links with civil society and global unions.

We have seen that COSATU is severely lacking on all these fronts. So judging from the international experience, COSATU is in danger of losing support. It could be seen to be accommodating neoliberalism in its alliance with the ruling party. As repression increases, so will militancy, with or without COSATU. There are more radical unions in South Africa, and the Lonmin miner’s strike should serve as a warning to COSATU. The international literature also suggests that a union’s identity and action are shaped by its relationship to the state and its political orientation. COSATU falls into the traditional camp on the basis of these factors.

The international literature also shows that there is radical opposition to traditional unions. If neoliberalism is allowed to continue and not confronted head-on, and if repression is not met with strong resistance under COSATU's hegemonic position over organised labour in South Africa, COSATU will be replaced.

It is clear, judging from the criteria identified in the section above that COSATU has to address its main weaknesses, which are severely crippling the movement. COSATU's continued position with regards to the alliance, its bureaucratisation, its more complicated ideological failings and its failure to generate working class solidarity are placing it in the company of the increasingly irrelevant unions in the rest of the world. This study has investigated especially how the ideological foundation is undermining COSATU's ability to launch a coherent counteroffensive against neoliberalism, and how solidarity within the union movement and the working class as a whole are lacking. It also suggests how these can be addressed.

Conclusion

The main purpose of this study was to find out what the main responses of the trade unions to the effects of neoliberalism have been, how effective these have been and, considering the endurance of neoliberal practices in the world of work and beyond, what the major weaknesses of these responses have been. An analysis of the responses to the effects of neoliberalism revealed that responses have been largely narrow and isolated and as such have not been broadly effective. As pointed out earlier, there is mention made of revolution in the documentary evidence. However, emphasis has been placed on policy submissions, even when these have clearly proven ineffective in many areas. These factors and others within the movement (including organisational factors) have weakened the movement, and as such, the responses to the effects of neoliberalism.

It would seem that the only solution that will have far-reaching impact will be to diminish the ideological hegemony of neoliberalism and mount a class response (with civil society), so that the working class can be freed from the myth of reformed free-market capitalism. The working class continually fights for better wages, better working conditions, better service delivery, better living conditions and against corruption, but the situation will not change as long as the supremacy of the market is preserved. The union movement needs to strengthen their commitment to the socialist ideology on which the union movement rests. Class consciousness can be fostered and the government can be put under pressure to put the mass populace before the capitalist elite. The incremental gains made by collective bargaining and mass action are isolated, and continually under attack. The whole system needs to be dismantled, and the government needs to be made to intervene and, at the very least, regulate the way the market functions and take responsibility for meeting the basic needs of its people. Regulation will only ameliorate the excesses of capitalism. The government can partner with labour, represented by COSATU, to return to the socialist²⁶ economic goals of the Freedom Charter. The only way to escape from the neo-colonialism that South Africa is experiencing now is to reject the neoliberalism that feeds it.

The trade union movement cannot hope to achieve any major success while neoliberal capitalism is allowed to continue. Their chances of successfully bringing an end to neoliberal capitalism will, in turn, be greatly increased with the organisation of the precariously or atypically employed and the unemployed. This will increase their strength, and campaigns for

²⁶ The section in the Freedom Charter entitled “The People Shall Share in the Country’s Wealth!” states that: “The national wealth of our country, the heritage of South Africans, shall be restored to the people; The mineral wealth beneath the soil, the Banks and monopoly industry shall be transferred to the ownership of the people as a whole; All other industry and trade shall be controlled to assist the wellbeing of the people;”

policies that undermine the power of capital to exploit the working class, such as the banning of labour brokers, will have more strength behind them. While no doubt change can be secured and implemented incrementally, changes affecting one group of workers in one sector is unlikely to spark large-scale change to macroeconomic policy.

There are shortcomings within the trade union movement that undermine its own power, and these need to be addressed before the union movement can reclaim its role as a revolutionary force for the emancipation and empowerment of the disenfranchised.

In retrospect, it would have strengthened conclusions if more affiliates had been included in the study. Another shortcoming is a lack of interrogation of the representatives of affiliates and COSATU on why policy submissions are emphasised and why the threats related to the toll gates (as a symptom of a decline in hard hitting action) were not carried out.

While this study recommends that the precariously employed and the unemployed be organised, that class consciousness be fostered among the working class and that the neoliberal system be overthrown, further research is needed to identify possible solutions to the problems associated with the organisation of the precariously employed and the unemployed, to determine how to achieve widespread class consciousness among the working class and to find specific concrete strategies for revolution. Further research is also needed on the meaning of neoliberalism from a working class point of view. Furthermore, to reverse the clearly ineffective one-sided approach currently used by COSATU and its affiliates, further research should be done on how to effectively use both parliamentary and extra-parliamentary forms of struggle to advance working class interests.

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Annexure A

Interview schedule for Trade Union responses to neoliberalism in South Africa

The following is a set of guidelines to frame the interaction with the trade union interviewees given the qualitative nature of the research. As an open ended tool, it allows space for follow-up questions in the course of the interview process.

On the conception of neoliberalism

1. What is the trade union's understanding of neoliberalism as a social and economic programme?
2. What is your take on the view that says neoliberalism is not just about policies adopted and implemented by the state but most importantly about an expression of class interests?
3. What are the social forces (political and economic) that have brought about and stand to benefit from the continued implementation of neoliberalism?
4. What do you think it will take to reverse the dominance of neoliberalism and bring about alternative socio-economic programmes?

On effects of neoliberalism on the working class

5. What will you describe as the effects of neoliberalism on the working class? In your response focus on the following:
 - (a) Political effects – the ability and readiness of the working class to fight for its social and economic interests
 - (b) Economic effects – quality of living standards as evidenced by incomes, access to social services (health, water, education, housing etc)

(c) Organisational effects – challenges of organising the working class flowing from how neoliberalism is reorganising its (working class) mode of existence

(d) Social effects – precarious existence and long hours of work often leaves very little time for trade union work and community engagement let alone cultural activities

On trade union responses to neoliberalism

6. How will you characterise the overall strategic approach of the trade unions to the issue of neoliberalism in South Africa?

7. What political strategies have trade unions put in place to address the effects of neoliberalism on the working class?

8. What organisational strategies have trade unions initiated to combat the effects of neoliberalism on workers and poor communities?

9. How have the massive policy submissions to parliament and other bodies like NEDLAC helped the trade unions to combat neoliberalism?

10. What does COSATU (or trade union movement/particular trade union) see as their role in the working class as a whole?

On the political role of trade unions in this period

11. Historically, in the struggles against what COSATU defined as apartheid capitalism, the federation employed various approaches to characterise its role – political unionism and social movement unionism - Is it still meaningful to talk about ‘social movement unionism’?

12. Evidently, COSATU and its affiliates have not retained those traditions of social movement unionism in this period, what will you say are the reasons?

13. In what ways, do you think, has the phenomenon of neoliberalism impacted on the ability of the trade unions to continue the traditions of social movement unionism?

14. What relations currently exist with community based social movements which are clearly organising against the effects of neoliberalism?

On organisational strategies and methods against neoliberalism

15. What are the major problems experienced in organising what is commonly referred to as atypical workers (casuals, informal, labour broker workers, part-time, temporary workers etc)?

16. Is the current model of trade union organisations that is primarily industry or sector based suitable for atypical workers?

17. Why, in your view, has it become difficult for trade unions to organise atypical workers, including the unemployed in spite of numerous resolutions and undertakings to do so?

18. What recruitment and retention strategies have the trade unions put in place to address the peculiarities of atypical employment?

Annexure B

List of interviews

Sidney Kgara	20/07/2012 14:00 NEHAWU Head Office
Edward Webster	26/07/2012 11:00 University of the Witwatersrand
Tengo Tengela	28/07/2012 14:00 YIU Sushi – Wonderboom Junction
Mike Fafuli	30/07/2012 10:30 NUM Head Office
John Mawbey	04/10/2012 10:00 SAMWU Head Office
Matthew Parks	18/12/2012 09:30 COSATU Parliamentary Office