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The 2010 Mass Strike in the State Sector, South Africa: Positive Achievements but Serious Problems

Recently, around 1.3 million state sector workers went on strike for four weeks against attempts to impose neoliberal austerity measures. The strike took place just weeks after South Africa's government spent billions on hosting the FIFA World Cup, the biggest sporting event in the world. It was the biggest state sector strike in recent history, dwarfing even the month-long mass strike of 2007, involving unions affiliated to the Congress of South African Trade Unions (COSATU), as well as eleven non-COSATU unions linked together in the Independent Labour Caucus (ILC), a loose alliance.¹

The strike was all the more remarkable given that COSATU, the largest union centre, is part of a Tripartite Alliance with the African National Congress (ANC), the ruling party in South Africa. (The third leg of the Alliance is the South African Communist Party, SACP, many of whose leaders serve as key figures in the ANC government, but also as union leaders.) In striking against the state-as-employer, the federation inevitably had to confront the ANC-as-government, on the eve of the ANC's September 2010 National General Council (NGC).

Context

South Africa has been hard hit by the recent international financial crisis. 2009 saw world economic growth fall to just over one per-

¹ We would like to thank Sian Byrne and Shawn Hattingh for their comments on an earlier version of this paper.

cent, trade growth to just over two percent, with 50 million job losses worldwide, and 200 million people plunged into severe poverty.

From 2000 onwards, South Africa experienced sustained economic growth, after decades of stagnation, but the crisis saw manufacturing shrink by 22.1 percent and mining by 32.8 percent in the first quarter of 2009, with perhaps 770,000 jobs lost in the first eight months of the year.² Further pressure on wages came from a range of sources, among them a controversial ruling allowing ESKOM, the state-owned electricity monopoly, to drastically raise electricity prices for the second year running.

Historically, strike action has been illegal in most forms of state employment, including teaching, the public service and agriculture. In the 1980s, African-based trade unions made some inroads into the sector, such as the state railways and chemical industry, but it was with the breakdown of *apartheid* in the early 1990s that union activity had a substantial impact. Legal reforms in 1993 were consolidated in the post-*apartheid* Labour Relations Act (LRA) of 1995 (amended in 1996, 1998 and 2002). This covers all employees besides military and intelligence personnel and allows any employee to strike except those in “essential services”, i.e. services that, if interrupted, endanger life, personal safety or health.

Unions

In this context, state sector trade unionism has forged ahead at a time when mining- and manufacturing-based trade unionism has been hard hit by the country’s economic difficulties and move towards free trade. With 224,387 members, the South African Demo-

² Haroon Borhat, ‘Consequences of the Global Economic Crisis: early reflections for South Africa’, *Bargaining Indicators*, vol. 13 (2009); South African Reserve Bank, *Quarterly Bulletin*, vol. 252 (June 2009); ‘Job Losses to Exceed a Million’, *Fin24.com*, 29 October 2009, [http://www.fin24.com/articles/default/display_print_article.aspx?ArticleId=1518-25_2559255&Type=News] (accessed 3 November 2010).

cratic Teachers Union (SADTU) is now the second largest affiliate of two million-strong COSATU, the largest union federation in the country. It is closely followed by the National Education, Health and Allied Workers Union (NEHAWU), which organises in hospitals, schools, universities and elsewhere, with 216,652 members.

Both have overtaken the National Union of Metalworkers (NUMSA), with 212,964 members, and are catching up with the National Union of Mineworkers (NUM), with 270,536 members. In the 1980s, NUMSA and NUM, based in private industry, were the core unions of the federation; today, bodies like SADTU and NEHAWU, based in state services, have come to the fore. This has translated into a union federation a substantial proportion of whose members are white-collar and blue-collar workers.

While COSATU is a mainly African union federation, with origins in the anti-*apartheid* movement, the ILC is a front for a range of other unions – almost all these unions proclaim that they are not aligned with any political party, and their membership is noticeably drawn from the more skilled layers of white, coloured and Indian workers. One such union is the Public Servants Association (PSA), with 205,000 members, affiliated to the Federation of Unions of South Africa (FEDUSA), which has 550,000 members, the second biggest federation in South Africa.³ Another is the National Union of Public Service and Allied Workers (NUPSAW), with 60,000 members, affiliated to the centre-right Confederation of South African Workers' Unions (CONSAWU).

COSATU has played an important role in the ANC, most recently in the political rebirth of Jacob Zuma. Zuma was a disgraced politician who had been fired from the post of deputy president in 2005 and prosecuted for alleged corruption (as well as on a rape charge). COSATU's backing of Zuma against incumbent ANC leader President Thabo Mbeki allowed him to make a spectacular

³ The ILC, as an alliance of unions, probably had more members than FEDUSA, but FEDUSA is a formally constituted union centre, whereas the ILC is a negotiating coalition.

comeback: Mbeki was pushed out of the ANC leadership; Zuma became the country's president after the 2009 general elections. COSATU played an absolutely critical role in the ANC's election campaign.

The link between COSATU and the ANC means that when state sector unions strike, they strike against ANC ministers and officials. This gives strike action in the state sector a particularly charged character. The visibility of the corruption and cronyism of ANC leadership – a continual target of the private sector media – also means that the lavish lifestyles of top politicians are both well-known and widely resented. However, union federations like CONSAWU and FEDUSA insist that the close links between COSATU and the ANC lead COSATU to compromise too readily, and stress the advantages of their non-alignment.

Resource Constraints?

A months-long state sector dispute came to a head in August this year. SADTU and NEHAWU demanded substantial real wage increases: with inflation running above six percent, unions aimed at increases of 8.6 percent, as well as housing allowances of R1,000 (approximately USD 140), backdated to 1 April. Unions also wanted a number of issues dating back to the 2007 strike resolved, especially issues around medical insurance. The state, claiming resource constraints, offered 6.3 percent on wages, leading to a one-day general strike on Tuesday 10 August.

Following the stoppage, the state raised its wage offer to seven percent; the housing allowance was raised to R700 (around USD 100) from R630 (around USD 90). Government officials suggested that higher gains were not possible, given "resource constraints". ANC Public Services Minister Richard Baloyi insisted that the government could not afford more than the original offer, and the government gave the unions 21 days to consider this offer: after that it would unilaterally implement the package.

How valid is the claim about resource constraints? This argument is a useful one for government negotiators, but the situation is more complex than assertions of an absolute lack of money would indicate.

South Africa has the largest economy and largest tax base in Africa; it is also one of the two most unequal societies in the world (the other is Brazil). Since the end of the 1970s, South Africa has been following a neoliberal macroeconomic policy. This was first implemented in 1979 by the *apartheid* government, and was then endorsed by the ANC in its first year in office, 1994. Fiscal austerity is a centrepiece of this project. Thus, the state has resisted an increase in the state sector wage bill on principle and in the context of a drive to cut spending and taxes. The South African state could generate more income if it adopted another policy model, but that would require redistributive taxation, which is precisely what the ANC (and governments internationally) and the larger South African ruling class (and its counterparts elsewhere) will not consider in the neoliberal epoch.

In contrast, the state is quite willing to spend large amounts of money on projects designed to promote nationalism and foreign investment. In mid-2010, South Africa hosted the FIFA World Cup, building (or upgrading) a large number of stadiums and significantly upgrading commercial infrastructure. Costs spiralled to perhaps half a trillion rand (around USD 71,400 million). The main aim of the Cup was to promote South African nationalism and rebrand the country as an attractive investor destination. Such expenditure, at the very same time that the state was refusing to implement modest wage increases, infuriated unions. Thus, COSATU's Pat Craven spoke for millions when he told the BBC's Africa Network that "money is available" because the government was willing to spend "huge amounts of money on World Cup tickets for their

senior managers, on five-star accommodation for government ministers.”⁴

This is resented in a context of high levels of poverty, including amongst many state employees. By the government’s own admission, for instance, a third of schools lack adequate electricity and sanitation; as under *apartheid*, most African schools have high learner-teacher ratios and poor facilities. State hospitals are notoriously overcrowded, understaffed and badly resourced.⁵ South Africa’s infant mortality rate has increased over the last five years, one of only nine such countries in the world.

The Strike

The state’s hard line was partly a result of its determination to impose the neoliberal framework. It also served to signal that COSATU’s support for Zuma in no sense gave the unions the right to set ANC policy. One of the unions’ gripes with Mbeki had been his continual insistence that COSATU was a subordinate part of an ANC-led Alliance. Zuma, it seems, shares Mbeki’s view that the unions must play second fiddle to the party and be kept in their place.

On the evening of Tuesday 17 August, the negotiations between government and union representatives collapsed. An indefinite strike started the next day, involving around 1.3 million workers, both COSATU- and ILC-affiliated. Addressing a crowd of 30,000 near parliament in Cape Town, COSATU general secretary Zwelinzima Vavi told an angry crowd that Zuma said “he is earning more than 2.2 million rand”, or around USD 300,000.⁶ Many state sector nurses earn around R57,120 (about USD 8,160) plus a monthly housing allowance of R476 (USD 68); teachers’ wages are at a sim-

⁴ ‘South African Workers March in Wage Strike’, BBC, 10 August 2010, [<http://www.bbc.co.uk/news/world-africa-10928321>] (accessed 3 November 2010).

⁵ On the crisis in the public hospitals, see *inter alia* Karl Von Holdt, ‘Nationalism, Bureaucracy and the Developmental State: The South African Case’, *South African Review of Sociology*, 41 (2010), 1.

⁶ ‘South African Workers March in Wage Strike’ (as cited in note 4).

ilar level. In both cases, wages are lowest in state (as opposed to private sector) jobs and in historically black hospitals and schools (despite far worse patient-nurse or teacher-student ratios).⁷

Many in COSATU naively believed that Zuma would reverse the neoliberal trend of ANC and ruling class policy (something he had never in fact promised).⁸ Disappointment in the Zuma government undoubtedly contributed to the unions' anger at the government's reluctance to compromise in the months leading up to the strike. High levels of inequality, leaving many people of colour (and some whites) poor, also fed into the willingness to wage a protracted strike.

State schools were closed, hospitals were affected; courts were disrupted because stenographers and interpreters were part of the strike action. The army was instructed to assist in the hospitals. Police arrested dozens of strikers for "public violence", following attacks on strike breakers. Sixty-one strikers had been arrested by the seventh day.⁹ Rubber bullets and water cannons were used on several occasions. Zuma condemned the strike for its violence, and for "tarnishing" the country's image abroad.¹⁰ He also threatened to fire strikers.¹¹

⁷ Chris Stein, 'South Africa: Public Health Strained by Nurses' Strike', IPA, 27 August 2010, [<http://allafrica.com/stories/201008270470.html>] (accessed 3 November 2010).

⁸ "We are proud of the fiscal discipline, sound macroeconomic management and general manner in which the economy has been managed. That calls for continuity": thus Zuma, the unions' candidate, ahead of the elections. Lupher Chilwane, 'Economic Policies to Remain, Zuma Tells US Business', Business Day, 27 November 2008.

⁹ 'Pregnant women suffer as strikers stay away', Independent Online, 24 August 2010, [<http://www.iol.co.za/news/south-africa/pregnant-women-suffer-as-strikers-stay-away-1.673883>] (accessed 3 November 2010).

¹⁰ SAPA, 'Zuma condemns Strike Violence, Intimidation', *PoliticsWeb*, 22 August 2010, [http://www.politicsweb.co.za/politicsweb/view/politicsweb/en/page71619?o_id=194558&sn=Detail&pid=71619] (accessed 3 November 2010).

¹¹ 'Zuma Threatens to Fire Strikers', Fin24.com, 19 August 2010, [<http://www.fin24.com/Business/Zuma-threatens-to-fire-workers-20100819>] (accessed 3 November 2010).

The police, however, are *also* unionised, with police unions linked to both CONSAWU and COSATU. On 21 August, the courts issued an interdict preventing the Police and Prisons Civil Rights Union (POPCRU, a 95,864-strong COSATU affiliate) from joining the strike. On 24 August, COSATU threatened countrywide sympathy strikes from non-public-sector unions; two days later, there were countrywide rallies.

A Partial Victory

At the end of August, the state raised its offer to a 7.5 percent wage increase, and an R800 (around USD 110) allowance, and also indicated its willingness to discuss the possibility of a future home ownership scheme, as opposed to a housing allowance. This was certainly a substantial set of gains, although they fell short of the original demands. The strike was suspended on 6 September and officially ended on 13 October, although at that point there was no union agreement on the proposed settlement.

One striking feature of the strikes was the relatively high degree of interracial union and worker cooperation, given South Africa's history of racial tensions and national oppression. It is, however, also notable that many strikers from the minorities did not participate in pickets or in rallies. This reflects the ongoing divisions, rooted in the political traditions of many workers, and the relatively bureaucratic, top-down style of unionism that characterises many FEDUSA and CONSAWU unions. The intractability of the rank-and-file workers was also remarkable, and forced union leaders to hold out for a better deal despite heavy ANC government pressure and very hostile media reporting – notably by the government-owned, ANC-controlled South African Broadcasting Corporation (SABC).

A Partial Defeat

Despite the pressure from below, and widespread resentment of ANC leaders, COSATU took care to ensure that the strike was suspended before the ANC National Government Council. COSATU maintains the Tripartite Alliance despite the ANC's overt neoliberalism for two main reasons: loyalty, dating back to the anti-*apartheid* struggle, and strategy: the hope that the ANC can be shifted towards COSATU's social democratic programme. (Doubtless some union leaders also view the Alliance as personally beneficial, since it provides a route to senior government positions via the ANC. In order to keep leaders from entering government, union salaries have started to rise: in 2009, Vavi's own salary doubled to R500,000 – around USD 71,428 – supposedly to keep it competitive).¹² All of this profoundly limits the willingness, and ability, of the union leadership to adopt a course of confrontation with the ANC. The ANC's National Government Council was set for 20–24 September, and COSATU, convinced that the Zuma regime was open to labour, intended to participate fully.¹³

The decision to suspend the strike, despite the power of the strike movement, and despite the likelihood of a dramatic victory for strikers' demands, illustrates how the Tripartite Alliance has a very negative impact on the labour movement. It helped generate a substantial backlash within the union rank-and-file, many of whom felt that the union leadership had been far too willing to compromise, and some of whom described the outcome as a "sellout".

¹² 'Vavi explains why his salary has been doubled', Mail and Guardian (online edition), 4 November 2009, [<http://www.mg.co.za/article/2009-11-04-vavi-explains-w-his-salary-has-been-doubled>] (accessed 3 November 2010).

¹³ COSATU does not participate in ANC structures as a distinct body; it does not have a block vote. However, COSATU members and leaders play an important role as ANC members and leaders, notably Gwede Mantashe, now ANC general secretary and previously head of the National Union of Mineworkers. Meanwhile, many COSATU leaders are ANC members.

Contrary to the view that the Zuma ANC is pro-working class, it was the ANC government that forced the dispute into a protracted strike, that rejected strikers' demands and that unambiguously presented the strikers as greedy, irresponsible, violent and unprofessional through the state TV and radio stations of the SABC. It was also the ANC that set the police and army against the strike. In addition, the ANC imposed a "no work, no pay" rule, i.e. it docked wages from strikers.

Nonetheless, COSATU persists in the project of reforming the ANC, despite the way that its priorities have been distorted by the Alliance, despite the way that the Alliance has allowed the ANC to systematically co-opt union leaders into the state and the business sector¹⁴ and despite the obvious failure of COSATU to shift basic ANC politics for nearly twenty years. COSATU's alternative economic policy – centred on a mixture of Keynesianism, protectionism and union rights – was not even discussed at the 2010 National Government Council, despite initial ANC promises.¹⁵

Failings and Controversies

Perhaps, however, the most glaring failure of the strike was the failure to link the union struggle to the struggle of other sections of

¹⁴ Sam Shilowa, the previous COSATU general secretary, became ANC premier of Gauteng province and a Mbeki loyalist. From wealthy politician, he developed into a wealthy businessman, who now gives interviews about his extensive wine collection (and "most embarrassing" wine "moment") and favourite night out ("Paris. Food, wine and, on the odd occasion, who knows, women and dance"): Jeanri-Tine Van Zyl, 'Mbhazima Shilowa', *Wine: A Taste of Good Living*, November 2008. Compare Shilowa the union militant and SACP leader who vowed in 1991 that the working class would "not retreat in the face of ANC or party positions": Morice Smithers, 'From Grassroots Organiser to Union President', *South African Labour Bulletin*, 16 (1991), 1, p. 93.

¹⁵ COSATU, *A Growth Path Towards Full Employment: Policy Perspectives of the Congress of South African Trade Unions: Draft Discussion Document*, Johannesburg, 11 September 2010, [<http://www.cosatu.org.za/docs/discussion/2010/cosatubooklet.pdf>] (accessed 3 November 2010).

the working class. The strike was strongest by far in the state hospitals, and in state schools in the townships – the slums in which the African, coloured and Indian working class remains concentrated. In other words, the main impact of the disruption of production at these facilities was on these working class communities. Private hospitals, mainly serving the ruling and middle classes, were barely affected; private schools and well resourced government schools in the suburbs ran as usual.¹⁶

The disruption of health and education only affected the ruling class *indirectly*, i.e. inasmuch as it generated public outrage, not least by those personally harmed by the strike. This was a recipe for driving a wedge between different sectors of the working class: between working and poor people-as-producers and working and poor people-as-consumers. It was in not dealing with the impact of the strike on the rest of the working class that the unions failed abysmally. A court interdict forcing essential workers back to work was ignored. In one case, a procession of strikers, mainly nurses and cleaners, paraded through Chris Hani Baragwanath Hospital – the largest hospital in the country, in Soweto – while patients were left unfed and unattended. In another, pregnant women were turned away from a Johannesburg clinic focused on women's health.¹⁷ Meanwhile, as year-end examinations loomed, the parents of school students fretted over the lost teaching time.

Such actions were widely publicised in the media, of course forming the centrepiece of the state and commercial media's vilification of the strikers. They also enabled the state to present itself as the responsible guardian of the country, rather than as a miserly and hostile employer that has also harmed larger sections of the African working class through bad health and education services. Of course, it was hypocritical and self-serving of multi-millionaire ANC politicians to describe badly paid workers in run-down facil-

¹⁶ Some closed after threats of disruption by COSATU strikers. Personal communication (a teacher who did not wish to be named), 26 August 2010.

¹⁷ 'Pregnant women suffer as strikers stay away' (as cited in note 9).

ities as greedy and unreasonable for asking for a moderate wage increase, just barely ahead of inflation. That does not, however, excuse a section of strikers for undertaking actions like barricading the entrances to hospitals.¹⁸ Zuma's condemnation of the strike had resonance precisely because such actions are widely and understandably condemned *within the working class*.

Better Tactics

A more imaginative set of tactics could well have helped address the situation. For instance, if strike action was unavoidable, strikers should at least have raised demands that rallied the support of the larger working class community. As noted earlier, state hospitals and township schools are run down and underfunded. If the strikers had publicised these issues and incorporated demands for improvements into their platforms, it would have been possible not only to capture proletarian public opinion but to also to organise joint rallies. Likewise, it was essential that the settlement in the education sector would include an agreement for a rescheduling of end-of-year examinations. This did not happen; as a result, a large reservoir of popular support was wasted and, in general, the strike had a negative impact on vulnerable groups like the working class elderly, the unemployed and school students.

In essence, the overall focus of the strike was strictly economist-ic and left aside broader social and political issues: despite a few fiery speeches from COSATU leaders like Vavi, the demands and the agenda of the strike remained focused on incomes. It is notable that COSATU did not have a serious media campaign in place, relying mainly on press statements being relayed by a hostile business and government media. COSATU is a major shareholder in the main private TV station, e.TV, but does not produce pro-labour programmes on the station; nor does it run a proper pro-labour newspaper.

¹⁸ SAPA, 'Zuma condemns Strike Violence, Intimidation' (as cited in note 10).

To have placed wider issues on the agenda – or to have actively fought the battle of ideas in public – would almost certainly have involved dealing with questions relating to the ANC and the Tripartite Alliance and would have increased the political temperature as a whole. The imperative to retain the Tripartite Alliance for reasons already mentioned is almost certainly one of the main reasons for the narrow framing of the strike, and for its limitations. Precisely because the strike took place in the state sector – which, unlike private industry, has been relatively unaffected by the global economic crisis in terms of job losses – the strikers were in a very strong position. This strength provided an opportunity to raise demands around job security in the *private* sector. The narrow economism of the strike meant, however, that wage increases for government workers were prioritised over demands that would have united workers across the state / private divide *within* COSATU, CONSAWU and FEDUSA. None of the federations have managed to mount a serious, on-the-streets campaign against job losses; this was an opportunity lost.

Some have suggested the strike signals the beginning of the end of the Alliance. This is unlikely as long as COSATU's politics remain unchanged and as long as COSATU ignores the possibility of an *alternative* alliance: not with the ANC, but with other unions, as well as with the post-*apartheid* community movements that fight around issues such as housing and electricity. COSATU is correct in stating that the “massive national challenges” in South Africa will not be resolved within a neoliberal capitalist framework;¹⁹ it is clearly mistaken, however, when it places its hopes for an alternative in the South African government, or in the ANC, or in tripartite corporatist forums (on the latter, see below).

¹⁹ COSATU, A Growth Path Towards Full Employment (as cited in note 15), p. 120.

Democracy and Labour

Finally, it is also essential to note that COSATU stated that the strike was off on Wednesday October 13, *even though* no deal had been struck with the government; the next day, a 51 percent mandate from striking unions was still not achieved. Rather than using labour law tactically – and, more specifically, using labour law only as a shield to build strong, autonomous unions – COSATU has committed itself to the official bargaining machinery of the state, which dates back to 1924.²⁰ This has the effect of centralising unions and increasing the power of full-time officials, office bearers and head office policy experts.

COSATU's commitment to using the country's corporatist system for social partnership – notably the National Economic Development and Labour Council (NEDLAC), but also various forms of workplace and industry-level cooperation – to forward its social democratic agenda also reinforces the trend towards centralisation of union power and resources in the hands of the leadership.²¹ This creates tensions in the unions, exemplified by the distrust generated by the settlement. Calling off the strike without a proper mandate – this is not the first time it has happened – feeds into a working class distrust of unions that bodes ill for the future. In any case,

²⁰ The 1995 LRA is a consolidated, expanded version of these laws. The 1924 Industrial Conciliation Act excluded “pass-bearing natives”, i.e. the majority of African men, but included whites, coloureds and Indians as well as (technically but not in practice) African women (who did not carry passes). The key features of the law were that strikes were only legally “protected” if a protracted procedure was followed, that union-employer negotiations were centralised and structured by law and that wage determinations could be made by state commissioners, upon application, for whole sectors. These features, created in the wake of the 1922 Rand Revolt, were specifically designed to centralise unions and channel union action through state channels. They are retained in the 1995 Labour Relations Act.

²¹ NEDLAC's slogan is “Building Bridges that Hold the Nation Together”. Its aims include “problem-solving and negotiation” on “challenges facing the country”. Requests for national level industrial actions, such as sympathy strikes, must go via NEDLAC. See [www.nedlac.org.za] (accessed 3 November 2010).

COSATU has yet to decisively reverse a single element of the neo-liberal agenda via NEDLAC, despite the millions of rands invested in this strategy.

South Africa's unions play a key role in the protection of the broad working class. However, the unions face major challenges. A lot of activism and work will be required to ensure that trade unions help focus the energy of the working class on the root causes of current social ills and on the common links between the struggles of workers and the unemployed, unions and community movements, thus developing a broad front of oppressed classes in order to secure social and economic equality, as well as participatory democracy and social justice, in South Africa. This also means that the unions need a clear vision of a libertarian and socialist transformation, and that the unions themselves remain under the strictest rank-and-file control.