A Dream Deferred? COSATU and the ANC in Power

Unionists... owe moral duties to the remainder of the labouring classes, and moral duties to the community at large, and it behoves them to take care that the conditions they make for their own separate interest do not conflict with either of these obligations.

–John Stuart Mill

One of the most remarkable things about this parliamentary process is how it has decollectivized us. It’s individualized us and the ethos of collective engagement that we had outside parliament is fast evaporating... There is something about parliament that is inherently hierarchical. It is like a sink hole. You work frenetically, you work very hard, but you do not see immediate material success flowing from the amount of energy you invest in a particular issue.

—Xavier Carim

I. Introduction

Economists love to talk about small countries. In neoclassical economics, the activities of small countries have no effect on the world economy. The Liliputs and Shangri-Las of the world can buy, sell, invest, and protect with concern only for the effects their policies will have on their own peoples. They are untroubled by the effects of their actions on the rest of the world. Of course, this inability to change the world system is only a good thing for small countries if they benefit from that system in the first place. It is one thing to know that you can sell your bobkins and betel nuts at a set price. It is something else to learn that, at those prices, you may not be able to pay for the trip back from the market. Economists have assumed away this hazard by building a discipline whose central tenets deny its possibility. In this, they are alone. In every other

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field where scholars look at states and nations, being big is a good thing. Societies do not struggle to shrink. Leaders do not talk about the “proximate and sharply delineated horizons” of the future. Once we admit that there is room in the international system for a country to suffer, then the prospect of impotence becomes terrifying. The United States can abandon the Bretton Woods system over a spat with the French, and the rest of the world has to adjust; when Malaysia imposed capital controls during the Asian financial crisis, the rest of the world laughed.

South Africa is one of many such countries whose leaders, whatever their urge to become drunk with power, can manage only slurred speech and rosy cheeks with the stock on hand. As written, the country’s history since 1994 has been one unending balancing act. The African National Congress (ANC) has played groups in society off one another in its attempt to hold the forces of finance and labor together behind its ruling coalition. During the seven years that the ANC has spent walking this narrow line, its allies in the liberation movement have seen their New Jerusalem whittled down to a new West, a replica-in-miniature of the political and economic systems of the OECD except without the explosive economic growth and expanding social opportunities that supposedly make those regimes so attractive.

For the Congress of South African Trade Unions (COSATU) in particular, the 1990s were a decade of drift and decline. While the federation’s ranks swelled, its leaders left to join the ANC government. There they found a regime that, counseled by the best and brightest of international economists, had decided that the only way the country could cure the ills of apartheid was by breaking the labor unions. For men and

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Today the unions of South Africa are in trouble. Admittedly, their numbers have risen while elsewhere in the world union memberships have declined. COSATU also governs South Africa in nominal alliance with the ANC and the South African Communist Party (SACP). But these trappings of power hide institutional decay within the federation. Amidst the pageantry of strikes and governmental councils, the strongest organization outside the state in South Africa, the once and perhaps future source of opposition to the government, is dying. Anyone who cares about the future of democracy in developing countries in the age of economic globalization should be worried.

COSATU does not find itself in these dire straits solely because of its leaders’ blunders, though they are numerous. Like the ANC, the federation entered the political transition with a very different view of what democracy would look like than how it looks today. Unlike the ANC, though, COSATU emerged from the transition with that view intact. The conflict between the two is more than a conflict between a specific interest group and a government that must represent all interests; it is a conflict between two ideas about how the economy should relate to society.

This paper examines COSATU’s decline and possible redemption through the lens of transition theory. Like some of those theories’ best authors, the analysis considers the consequences for South Africa’s new democracy of some of the decisions made during the transition. The symptoms of COSATU’s disease are described in part two. Part three describes how what appear to be blunders by the trade union leadership stem...
from COSATU’s vision of how trade unions should participate in democracy. In particular, COSATU’s role in the transition to democracy convinced many of its leaders that the new government would continue to work with and consult the union movement. Part four argues that the union view of democracy is more robust and sustainable than that of the ANC, and that the first step COSATU can take toward rehabilitating the dreams of the liberation struggle is asking the ANC for a divorce. Part five explains the importance of what happens in South Africa over the next few years for the small countries of the world.

II. The Troubles of COSATU

Writing about the union movement in South Africa today seems to be an exercise in crafting grim metaphors. Depending on the author, the Congress of South African Trade Unions (COSATU) is a ship without a rudder, a ramshackle house with too many rooms on the upper floors, or a snake swallowing its own tail. One particularly gifted scribe described it as “a loyal dog which has pulled its unconscious master from a burning house, only to be kicked and cursed for its efforts but, not knowing anything else, stays by the old brute just the same.”\textsuperscript{4} The general perception both in political science literature and in the press is that COSATU has been reduced to mudslinging. Lacking any viable political or economic strategies of its own, labor union leaders can only belittle the efforts by the African National Congress (ANC) to promote economic growth in South Africa.

\textsuperscript{3} Between 1980 and 1994, COSATU’s membership almost quadrupled, from 720,000 to 2.7 million members. See “Labour Law Reforms,” 12045. Since then, membership has risen to almost 4.5 million members. See “Not for turning.”\textsuperscript{2}

This criticism has a lot of truth to it. COSATU has bitterly attacked the "conservative fiscal policies" of the ANC's Growth, Employment and Redistribution program (GEAR), but GEAR was promoted as a response to the failure of the union-crafted Reconstruction and Development Programme (RDP) between 1994 and 1996. The unions have launched massive strikes over small disagreements with the government, which have produced little except rancor for either side. Despite years of vocal protest, COSATU has yet to formally call on the ANC to drop GEAR or to propose an alternate economic program.

The contrast between COSATU's current straits and the respect it held in 1994, at the beginning of its leadership alliance with the ANC, is stark. The union movement was not always this constrained and confused, indeed "the labor movement entered the transition phase not as a wounded giant hobbled by an authoritarian regime but as a movement with unprecedented freedom of action and flushed with [success]." Observers (particularly those on the left) had high hopes that, by participating in the new government, COSATU would be able to make the government of national unity (GNU) adopt more progressive policies than contemporary re-democratizing regimes. Instead, its leaders no longer seem able to push pro-labor legislation through the legislature, and public opinion is slowly turning against the unions.

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5 Ibid., 99.
6 Middle- and upper-income South Africans have never been vocal fans of COSATU, but there has been a significant shift in opinion among poorer and unemployed South Africans against the unions in the last year or so. "Poll Reveals Frustration with Labour Among Working Poor," *Daily Mail and Guardian*, 7-Sep-99, B5.
COSATU’s declining effectiveness and public image are partly linked to the crumbling alliance between the unions and the ANC in government.\footnote{While the alliance is of course technically between the ANC, COSATU and the SACP, for the purposes of this paper I will focus on the relationship between the ANC and COSATU, and only mention the SACP when its actions affect the relationship between the other two.} Most commentators argue that the disagreements between COSATU and the ANC explain why the federation seems to be floundering.\footnote{See for example Thomas A. Koelble, \textit{The Global Economy and Democracy in South Africa} (New Brunswick, NJ: Rutgers University Press, 1999): 165-168; Louwrens Pretorius, “Relations Between State, Capital and Labour in South Africa: Towards Corporatism?” in Murray Faure and Jan-Erik Lane, eds., \textit{South Africa: Designing New Political Institutions} (London: Sage, 1996): 202-207.} This section argues the opposite: it is union leaders’ identification with the ANC that has weakened the unions. COSATU has ignored the priorities and strategies it adopted before the transition and has agreed to work with the ANC government despite its very different policies and values.

This section details three problems that the structural nature of the COSATU-ANC alliance poses for COSATU. First, COSATU leaders are regularly co-opted by the ANC. The one-way transfer of organizational and leadership talent from COSATU to the ANC ensures that union organizers will be increasingly inexperienced, while its leaders will tend to identify with the goals of the ANC. Second, the expansion of interests and operations required to participate in national government has strained the local- and factory-level institutions that once gave COSATU such strength. While the unions’ increase in scale had already begun to challenge their traditions of participatory democracy and accountability by 1994, the expansion of their scope of activities threatens them with complete incoherence.\footnote{Johann Maree, “The COSATU Participatory Democratic Tradition and South Africa’s New Parliament: Are They Reconcilable?” \textit{African Affairs} \textbf{97} n1 (Jan 1998), pp. 29-51: 38.} Third, I discuss what I call the “crisis of constitution” in COSATU: the debate over what principles of organization the congress should adopt. Beyond deciding what it wants to do, COSATU must still determine what
it wants to be. The workerist tradition of COSATU’s predecessor, the Federation of South African Trade Unions (FOSATU) offers some insight into how COSATU could be productive outside of an alliance with the ANC.

These three perspectives can nest inside one another; each could be taken as a sub-argument for the one immediately following. Breaking them down in this fashion, though, paints a clearer picture of what I see as COSATU’s basic dilemma: its subordination of the struggle for greater worker rights to the quest for political power.

**Political co-option of COSATU’s leaders**

1994 was a good year for South Africa’s trade unionists. After decades of organizing and scores of strikes for legal recognition, the leaders of COSATU’s 17 constituent unions stood poised to join the ANC in a new, democratic South African government. Unionists were not being given token positions, either; Jay Naidoo, COSATU’s former Secretary General, was expected to get a key ministerial post, probably Trade and Industries. Alec Erwin, longtime secretary of the National Union of Metalworkers of South Africa (NUMSA), had helped draft the RDP and was also up for ministerial appointment. Cyril Ramaphosa, the charismatic former leader of South Africa’s “colossus of labour,” the National Union of Mineworkers (NUM), was now Secretary General of the ANC, and had declared that “the fundamental principle of the RDP is to safeguard and extend the rights won by the labor movement over the years.” Moses Mayekiso, also a former president of NUMSA and currently the president of the fiercely independent South African National Civics Organization, was expected to carry

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his fight for better housing to the new Parliament. All told, 23 of COSATU’s best leaders were up for election on the ANC ballot.\textsuperscript{16} Enthusiastic union supporters sent their leaders off with the expectations that they would deliver to black unionists the benefits long enjoyed by their white working-class counterparts.\textsuperscript{17} As Sam Shilowa, COSATU’s new Secretary General, made clear in the months following the election, union members were waiting for payback from the ANC for COSATU’s years of effort in the anti-Apartheid struggle.\textsuperscript{18}

Even as early as 1994, however, some saw ominous portents in the mass migration of union leaders to government. COSATU’s up-and-coming parliamentarians had in most cases led the labor movement for more than ten years. Their loss to government stripped the unions of the top two and in some cases three tiers of their leadership, leaving behind “largely untested” new presidents and secretaries general.\textsuperscript{19} Much of the new leadership had spent their formative years agitating in the popular struggle after 1985, as opposed to negotiating with government and managers as the older leaders had in their early days with FOSATU. Commentators worried that the unions would therefore be too quick to strike when the ANC started talking about the obstacles to rapid change.\textsuperscript{20} Others worried that workers, accustomed to the participatory democracy that characterized COSATU’s unions, would quickly become frustrated when

\textsuperscript{15} Jendayi Frazer, “Interview with M.C. Ramaphosa, Secretary General of the African National Congress,” \textit{Africa Today} v41 n1 (Feb 1994), pp. 7-10: 9.
\textsuperscript{16} “Fruits of Labour,” ibid.
\textsuperscript{19} “Fruits of Labour,” 2.
they saw how a broader constituency diluted the COSATU parliamentarians' ability to articulate their interests.\textsuperscript{21} Still others worried less about the reactions of the rank and file to the leaders and more about the leaders themselves: would they maintain their support base amongst union members, or seek out new constituencies of support once in power?\textsuperscript{22}

The past seven years have justified these fears. The leaders that left COSATU for the government have become distanced from their original union supporters. After overseeing the collapse of the RDP, for example, Jay Naidoo was moved to Posts and Telecommunications, where he oversaw the privatization of several communications parastatals, despite the bitter opposition of COSATU.\textsuperscript{23} Tito Mboweni, the former Labour Minister who once introduced labor legislation seen “at odds with GEAR strategy,” has since been named Governor of the Reserve Bank, a post that was expected to “depoliticise” (\textit{sic}) him.\textsuperscript{24} Alec Erwin, still at Trade and Industries, has been seen as close to the new president, Thabo Mbeki, and has joined his economic team promoting greater wage flexibility.\textsuperscript{25} In all of these cases, the men in question no longer have to look to the unions for support, but instead to the administrators in their respective government bureaucracies.\textsuperscript{26}

Mbeki has continued to cull the most capable leaders from COSATU’s ranks and add them to his government. Mbhazima Shilowa had always been known as an Mbeki man, and many in the unions accused him of placing his desire for appointment in the

\textsuperscript{21} Maree, “The COSATU Participatory Democratic Tradition,” 40.
\textsuperscript{23} “Mbeki’s Money Men,” \textit{Africa Confidential} v39 n17 (28-Aug-98): 7.
\textsuperscript{24} One friend apparently commented, “Give [Mboweni] a year in ‘the club’ and he’ll be as cosy (\textit{sic}) as the rest of the world’s central bankers about prevailing orthodoxies.” “Mbeki’s Money Men,” ibid.
\textsuperscript{26} MacDonald, “Power Politics,” 221.
government above the interests of COSATU. Shilowa did agree to “deliver the unions” to the ANC before the election, and had repeatedly quashed debate over government economic policy in COSATU when it would have conflicted with ANC pronouncements. Shilowa is now the provincial premier of Gauteng, South Africa’s most industrialized region (with its most unionized workforce), and is expected to work with Mbeki and Erwin to sell the unions on Mbeki’s economic policies.

Other former unionists in the government have carried their defection even further. The story of Cyril “the Suit” Ramaphosa, who has gone from leading the first legal strike of black workers in South Africa, to Chairman of the ANC, to partnership in a private investment firm (and most recently to quasi-unemployment), is the most famous, but not the only one. The general pattern over the last seven years is clear: union leaders are chosen based on their appeal to Mbeki, then taken into the government and given posts that remove them from interaction or put them at odds with their former union constituency.

COSATU’s new leaders have occasionally revealed their inexperience. Dwelling on the new unions that had come into their own during the transition, *Africa Confidential* mused that “Cosatu’s (sic) militant and inexperienced public sector unions may reject wage restraint when they are tasting the empowerment that unionisation and political freedom bring.” This prediction has been proven correct, the National Civic Workers

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29 “Gauteng for Mbeki,” *Africa Confidential* v40 n11 (28-May-99): 1. The choice of Gauteng was significant; only a year earlier, Gauteng’s then-Premier Mathole Motshekga had warned the ANC that “Gauteng cannot be taken for granted... Cosatu and the SA Communist Party [are] the most serious threat to the party.” See “New Sparring Partners,” *Africa Confidential* v39 n8 (17-Apr-98): 3.
31 “Fruits of Labour,” 2.
Union (NCWU) led mass demonstrations over wage disputes one month after Mbeki took office in 1999. The strikes were poorly timed and based on a small disagreement (the unions demanded a 7.3 percent increase, while the government offered 6.3 percent), and convinced many people that the unions were striking more for reasons of ideology than necessity. In this sense it paralleled the illegal nurses strike of 1995, which was widely viewed as the first major tactical blunder by the new leadership.

Disillusionment on the part of union members with their representatives in Parliament has also grown. South Africa's parliament is elected through closed-list proportional representation, and COSATU parliamentarians were formally elected as candidates on the ANC's closed list. As such, they are bound by strict ANC party discipline and have limited abilities to speak out against party policy. They are also barred from leaving the ANC and serving in parliament as COSATU members, because the constitution would require them to immediately vacate their seats upon leaving the ANC. While COSATU parliamentarians were crucial to passing the Labor Relations Act of 1995, since the government adopted GEAR in 1996 their efforts to push the legislature in more progressive directions have been stymied. Since most COSATU members believe that, if the government does not deliver their promised benefits, they should pressure the government through means other than the ballot box (read: strikes and mass action), the cycle of disillusionment and futile strikes is self-reinforcing.

All of this suggests a difficult conclusion about the nature of the alliance between the ANC and COSATU's leadership during the post-1994 period. In return for career

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advancement within the ANC, labor leaders in South Africa have muted protest by the rank and file and worked to legitimize government policies to skeptical unionists.

The Expanding Scope of National Activities

In 1994, COSATU was already struggling to maintain the close ties between membership and leadership that it had nurtured in the 1980s. The federation had enrolled over one million new members since Nelson Mandela’s release in 1990. COSATU faced the same difficulties as any organization faced with sudden, explosive growth, particularly the task of educating new members in organizational practices and maintaining a sufficient level of participation amidst a swelling constituency. Whereas earlier organizing drives had usually involved months if not years of organizing and negotiation before a factory would become unionized, now shop stewards were enlisting factories en masse. Union leaders could only guess at the different expectations all of these new members brought to COSATU, and indeed communication between the leadership and constituent locals began to break down in the years surrounding the transition.

From an organizational standpoint, the best thing COSATU could have done during the transition would have been to launch some sort of major orientation-cum-organizing project, in order to strengthen, rebuild, and in some cases build channels of communication between the leadership and the new members. This would have helped COSATU emerge from the transition larger, more organized, and more able to agitate for

34 Maree, “The COSATU Participatory Democratic Tradition,” 43.
35 Ibid., 41.
worker rights. The federation did not adopt such a policy, partly because, as we have already seen, COSATU's leaders had directed their attention outward to new opportunities in government instead of inward to the health of the unions. COSATU also embarked on a number of new projects made possible by the transition, which further distracted the remaining leaders' attention from strengthening the organization.

Even before the transition, COSATU leaders had negotiated with business and government in corporatist bodies like the National Manpower Commission (NMC) and National Economic Forum (NEF). Though their efforts in these bodies had been crucial to winning important concessions for the labor movement, they went largely unacknowledged among workers. A survey of COSATU workers in 1994 found that 74 percent of those interviewed did not know what NMC or NEF was. In 1996, workers interviewed still said that negotiation at the shop-floor level was the most important responsibility of COSATU's leadership and rank-and-file. Instead of addressing this disagreement about goals after the transition, COSATU's leadership redoubled its participation in the NMC and NEF's successor, the National Economic Development and Labour Council (NEDLAC), launched in 1995. A few months later, COSATU also opened a Parliamentary Office to lobby the legislature directly.

Both of these actions were part of a larger effort to ensure that the new government would consult COSATU during the stage of policy formation, rather than only letting them react to new policies. By itself, this was not a bad strategy, but COSATU was in effect reaching for the stars while the earth crumbled around its feet.

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37 Henbert et al., Comrades in Business, 153-154.
38 Maree, “The COSATU Participatory Democratic Tradition,” 40. The interviewees showed similar ignorance about COSATU's flagship legislation, the RDP.
Through the mid-1990s, reports increased that local discipline was breaking down. Intra-factory consultation meetings had dropped off, retired shop stewards were going unreplaced, and wildcat strikes were increasing. Workers, unable to see any material benefit from the ceaseless national negotiations, had begun to grow impatient with their leaders.

This gap between national ambition and local interest might have remained a simmering tension for years, had there been no single issue on which workers could focus their grievances. Unfortunately, there was. In the mid-1990s, unions began buying financial assets by investing their members’ pension funds in industries. Several unions also used their members’ dues to purchase controlling interests in new black businesses. Ramaphosa had led the way when he left the ANC to join National African Industries, Ltd., an investment fund that dealt primarily with union money. COSATU followed, by 1997 it had established an investment arm, Kopana ke Matla, which began negotiations with several financial consortia.

Investing union money in capitalist ventures was a good moneymaker, but many unionists questioned whether it was in line with COSATU’s commitment to a socialist future. As one senior unionist in the South Africa Commercial, Catering and Allied Workers’ Union (SAACAWU) remarked, “The debate is between those who claim the investment of workers’ retirement funds in big business is a new way to further the ends

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40 Ibid., 45.
41 Heribert et al., Comrades in Business, 152.
42 They were not just being unobservant, either; NEDLAC had all but been ruled a dead letter by 1997. See Habib and Padayachee, “Economic Policy and Power Relations in South Africa’s Transition to Democracy,” World Development v28 n2 (2000): 258.
43 “Cyril the Suit,” ibid.
of socialism—that is, for workers to control the means of production by buying them—and for those who see this as simply money-making and a sell-out.”

For union members who were already disillusioned with their leaders in government, the investment strategies were too much to take. Many felt left behind, and started responding to orders from their superiors with hostility. When the national leadership of the NUM refused to negotiate with management during a strike by its members at Anglo-American’s Rustenburg Platinum Mines, for example, the strikers elected their own negotiating committee and chased off their appointed shop steward. They claimed that “The NUM’s leadership is no longer interested in worker’s issues, all they are involved with now is the establishment of an investment company and the buying of shares with our pension fund in the Johannesburg Stock Exchange. We do not want to see NUM’s leadership here.”

Other critics of the investment schemes thought the rancor they caused within COSATU outweighed any long run monetary benefits they might yield for members.

The investment schemes are not necessarily a product of COSATU’s alliance with the ANC. However, the first union leaders to implement such schemes worked in the new government and associated with its financial experts. In any case, they were linked in the minds of many COSATU members, and gave weight to the perception that COSATU now devoted itself more to government prerogatives than workers’ needs.

For many, this view was confirmed in 1998, when COSATU’s Secretary General, Sam Shilowa, agreed to use COSATU as a campaign vehicle for the ANC. COSATU had of course campaigned for the ANC in 1994, but the circumstances had been very

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47 “Comrade Shareholders,” ibid.
different. Then, the election was part of a transition to democracy, a transition to which COSATU’s leaders had pledged themselves at the federation’s 1985 founding. As COSATU was allied to the ANC in the anti-apartheid struggle, it made sense that the unions would canvass for Mandela’s party. In 1998, on the other hand, the ANC was the ruling incumbent in a democratic system. Campaigning as an organization on behalf of the ANC would mark the complete politicization of COSATU. For an organization that had only reluctantly committed itself to political struggle in the 1980s, this was hard to take. When one considers that the ANC effectively ignored most union demands during its first five years in power, these misgivings make some sense. Asking trade unionists to campaign for a party that had largely scorned them for five years only raised more questions about the wisdom of COSATU’s expanded scope of activities.  

*COSATU’s “Crisis of Constitution”*

The conflicts and tactical blunders in COSATU that I have pointed out stem from a deeper, unresolved debate within the organization about what its role should be in post-apartheid South Africa. I call the debate COSATU’s “crisis of constitution,” meaning the disagreement about what sort of people should be in COSATU. I think three questions in particular need to be answered before COSATU can settle on a coherent strategy for the future. First, can its members campaign for political parties as members of COSATU? Second, can government officials be part of COSATU; should the unions’ elected leaders be able to take government appointments? Third, what is the maximum degree of ideological compromise that is acceptable for COSATU?

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Turning first to the question of political partners, it is not unusual in other countries for union members to campaign for political parties. Yet there is a difference between a situation like that in the United States, where unions have no formal political affiliation (however frequently they endorse one party or another), a situation like that in Brazil, where union membership also entails membership in a union-based, independent worker’s party, and a situation like that in Mexico, where union membership entails membership in the ruling political party, whatever its opinion of unions. While COSATU may formally call itself a union of the first type, its actions since 1994 make it more like one of the last.

Yet it is important to realize that COSATU’s current support of the ANC is not the product of an ideological commitment as much as a classic case of “mission creep.” When FOSATU merged with a coalition of politicized “community unions” in 1985 to form COSATU, South Africa’s unions made an explicit break with their apolitical past. They acknowledged that political participation in the freedom struggle was inseparable from the struggle for workers rights. While COSATU has repeatedly resolved since 1994 to stand behind the ANC, it has never reexamined that more basic decision to pursue political power. Now that the freedom struggle has been achieved, is it appropriate for COSATU to continue political alliances? Should it instead return its attention to strictly workplace organization and independent negotiation with the government?

This question will be addressed in greater detail in part four; for now, we can simply note that it is in the interest of many COSATU leaders to ignore it. If leadership in COSATU has become a gateway to a post within the national government, then any aspiring national politicians in the unions’ ranks would want to maintain close ties with the ANC. While good for individual aspirants, this situation is bad for the organization as a whole:

[In the confrontation between [unions] and the state, traditional union officials are simply sidelined. They cannot control a militant constituency because they are perceived as colluding with the government in the tripartite alliance. …[U]nion leaders will find themselves increasingly isolated both from their own disillusioned following and their former government allies.52]

It was reasoning like this that led the once fiercely independent South African National Civics Organization (SANCO) to prohibit its officials from taking government appointments. In the case of SANCO, the prohibition could not last; civics officials were simply too poorly paid to be expected to refuse better salaries and more power within the government.53

For COSATU, the situation is different. Its officials are relatively well paid and control a far larger national organization. COSATU’s “brain drain” is not produced by material need on the part of its leaders; instead it is caused by officials who view an appointment in the government (of which COSATU is, at least nominally, a part) as the next logical step in their career. As long as the unions treat the barrier between themselves and the ANC as a completely permeable one, experienced leaders feel no incentive to stay with COSATU and rebuild the federation’s organizational network; this means the unions will continue their slide into amateurism and anarchy.

52 Heribert et al., Comrades in Business, 152-3.
COSATU's organizational survival means little in the long run if the unions jettison the ideals that drew millions of South Africans into organized labor in the first place. Ironically, of all the political groups the ANC must deal with in Parliament—including the Democratic Party, the New National Party, Inkatha, and the United Democratic Movement—only its allies, COSATU and the SACP, oppose its commitment to economic orthodoxy.54 This means there is incredible pressure for COSATU, as a member of the governing Alliance, to conform to the ANC's economic pronouncements. Yet the ANC needs criticism of its economic policies to keep it honest—all the more so in these last few years, as government officials have acknowledged that GEAR, despite the sacrifices made in its name, has not lived up to their expectations for growth and development.55 COSATU has kept alive the progressive tradition of South African politics, from which future policies may have to draw. That tradition is arguably more important than any single institution, even as large a one as COSATU. Union leaders claim that remaining in the tripartite alliance is vital for preserving COSATU's influence on the ANC, but if the above-described organizational problems posed by that alliance destroy COSATU and its ideals with it, than the price of alliance is too high to pay.

South Africa's union bosses are in an odd position today. For political expediency, they must decry wildcat strikes for wage increases or improved working conditions. They must tell union members that the benefits from corporatist arrangements like NEDLAC outweigh the political compromises required to maintain them. Yet these statements contradict both the tactics used by COSATU's founders and their apartheid-era critique of corporatist bodies: "[C]orporatism amounts to sophisticated

53 Ibid., 149.
54 "Mbeki's Triumph," ibid.
union co-optation, because the more powerful business sector can dictate the terms of cooperation to weaker and dependent unions which are sapped of their militancy through false partnership models." Until COSATU makes a more definite commitment to one side of this debate or the other, it will remain in its current, unenviable position: too far in the government to retain the trust of its members, yet too far removed from the ANC to have any real impact on its policies.

III. A Crisis of Ideals

How did COSATU get into this mess? It would be easy to write off the troubles of COSATU in the 1990s as yet another dream betrayed—to castigate its leaders for opportunism and its members for intemperance. But to do so we must treat all the federation's manifestos and rhetoric before 1994 as simple posing for the cameras. Opportunism and intemperance have surely played some role in COSATU's tribulations, just as idealism has some part in even the most corrupt regimes. We cannot learn much from opportunism, though. The belief that everyone is just selfish at heart, even if true, is axiomatic. If the ANC and COSATU are only wrangling for power, then it makes little difference to the intellectual which organization wins. In the South African case as in others, the conflict of ideas is inherently more fascinating than the machinations of the greedy. This section argues that the drama of the 1990s is the manifestation of a crisis of belief within both the ANC and COSATU.

The break between the two groups began in the months after Nelson Mandela was released from prison. Most authors locate the fundamental split in the debates over the

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54 Heribert et al., Comrades in Business, 145.
ANC's first economic policy documents, particularly the 1990 Discussion Document on Economic Policy (DDEP) and the draft resolutions for ANC conferences in 1991 and 1992. These documents mark the first intrusion of neoclassical economics into an ANC policy paper, and their wording provoked a major row between party and union drafters. This debate over economic policy is important and will be discussed below. Yet a focus on economic policy ignores the political maneuvering that went on during these sessions. Economic policy was inextricably tied up with the question of who would dominate within the triple alliance of the ANC, COSATU, and the SACP. Two political styles clashed during the transition, with profound effects on the resulting democracy.

This section examines the ANC’s and COSATU’s political and economic beliefs at the time of the transition and the efforts by both groups to reconcile them. The ANC ultimately triumphed over most substantive disagreements, though it made several important nominal concessions to COSATU. The Alliance members never resolved all their differences, however, and it has been from these unresolved issues that many of the unions’ institutional problems, described above, have been derived.

*The Curious Evolution of the ANC*

Commentators on the South African transition have traditionally focused on the ANC’s conversion to capitalism to help explain why the country could dismantle apartheid without resorting to a civil war. After the fall of the Berlin Wall, this reasoning goes, the National Party (NP) government could no longer credibly call the ANC an agent of global communism. At the same time, the demise of a working left alternative meant that the ANC was particularly impressionable, and could accept that it too would
have to compromise. Guelke among others has pointed out the weakness of this argument: assuming as it does that the end of the Cold War weakened the ANC, how does it explain the dominant position the group had during the transition? Guelke argues that the NP relied on anti-communism to legitimate its rule far more than the ANC relied on communism to legitimate its resistance. Therefore the end of the Cold War allowed the ANC to “cast off associations that might have weakened its appeal inside the country and generated external opposition to the prospect of an ANC-dominated government.”

Fundamental to this argument is the assumption that the ANC could cast aside communism without reconsidering its most basic policies; indeed Guelke supposes that “the core values of the ANC as expounded by its principal leaders over 50 years do not appear to have changed in any fundamental way.”

This view—that the ANC was just using the SACP in the 1980s and could cast them aside when they were no longer useful—is just the inversion of the Cold War view that the ANC was a tool of the SACP. Both views assume a dominant role for either the ANC or the SACP, and neither view is very realistic. The SACP and the ANC have evolved together, one group providing material and intellectual succor to the other when it found itself disorganized and demoralized. It is a story worth revisiting briefly here, since the ANC would act it out again with the United Democratic Front (UDF) and COSATU in the 1980s.

59 Ibid. 96.
60 Ibid. 98.
61 Ibid. 97.
62 A good if slightly hysterical example of the older view is Michael Radu’s “The African National Congress: Cadres and Credo,” Problems of Communism v36 n4 (1987). Radu goes so far as to label the United Democratic Front (UDF), which the ANC tried desperately to control through the 1980s, a dupe of Moscow, yet even he admits the organizational and political autonomy of COSATU through the 1980s.
The ANC never braced itself for the hammer blow it received from the apartheid state’s banning in 1960. The party had made no effort to build a clandestine organization and had only a skeletal support network abroad. Oliver Tambo became the senior ANC leader in exile only because he had left the country on an external mission two days before the ban was levied.\(^63\) Driven underground and into exile, the ANC fell back on the support of the SACP, who had spent the ten years since its own banning building a clandestine organization and reconciling itself to working with the “bourgeois” ANC.\(^64\) As COSATU would twenty-five years later, the SACP resolved that the struggle for a worker’s state should be sublimated to the struggle for national liberation and the overthrow of apartheid. In this context, it made sense to work with the ANC despite the latter organization’s perceived propensity to “‘betray… the movement in order to reach a compromise with imperialism at the expense of the masses.’”\(^65\)

Yet the SACP was not content merely to yoke its cart to the ANC ox. While it devised a theory that reconciled its views with the ANC’s, it also placed its members in leading positions in the ANC and at the helm of organizations like the Organization of Democrats and the Indian Congress. *Umkhonto we Sizwe*, the most visible organ of the ANC inside South Africa after 1960, was an autonomous organization that drew its membership from both organizations.\(^66\) In the decades the ANC spent in exile, the SACP imposed its style of government—centralist, secretive, and authoritarian—on it.

These compromises of necessity wrought grisly changes on the thinking of the ANC as well. Scholars who concentrate on the ANC’s conversion to capitalism in the

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1990s would do well to remember that the ANC underwent a similarly dramatic conversion to Marxism-Leninism in the 1960s. The West could seemingly not care less about the ANC, which was itself huddled in Tanzania. The SACP had access to guns, money, and international contacts; sophisticated military leaders like Joe Slovo and Joe Modise; and a long-term plan for South Africa's liberation. Under such circumstances, it would not have merely been political suicide for the ANC to spurn Marxism. They would have probably died.

Rudderless, the ANC adopted both the methods and the outlook of its tutors: along with guerilla warfare came democratic centralism. The former mass movement began to think more like a vanguard party. Perhaps such a turn toward authoritarianism and suspicion was natural in a climate of impotence, for these were the years when the ANC was all but nonexistent inside South Africa. It would only be in the late 1970s, when labor unrest forced the apartheid state to make real concessions to black workers and when urban unrest flushed a new generation of militants into exile, that the ANC would formally turn back to "the masses."  

The transformation of the ANC after 1990 should not be thought of as a unique event. The party has metamorphosed at least one other time in its history. This does not imply that ANC leaders are fickle or cynical; I am not about to impugn the conviction of men who can walk out of prison with their fists in the air after twenty-seven years. It instead demonstrates the overriding commitment of the ANC to national liberation versus

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65 Harmel, M., "A Note by the Speaker," Viewpoints and Perspectives 1/3 (February 1954): 28, quoted in ibid., 34.
66 Ellis, "The ANC in Exile," 441-442.
any other goal. We should criticize the limitations of national liberation before we criticize the motives of the men who pursued it. The authoritarian turn of the ANC in exile did have ominous consequences for its relationship with the domestic opposition forces that emerged in South Africa in the 1980s. Sparks would fly when the ANC first approached the fiery young union movement that dealt apartheid its first crippling blow.

*The rise of COSATU and the "Strategic Compromise"*

COSATU has its roots in the 1970s, during the silence of the graveyard that settled over South Africa following the ANC's banning and the Rivonia trials. The apartheid state had smashed all political discontent. Yet the NP could not stop the development of the economy, and by the 1970s South Africa had begun to develop technology- and capital-intensive industries that required increasing numbers of skilled workers and supervisors. The economy had developed serious bottlenecks in labor supply; there simply were not enough white South Africans to fill all the necessary positions. As early as the mid-1970s, some scholars and businessmen had begun to admit that, for the economy to continue to grow, some firms would have to start training some black skilled labor.69

Black laborers were aware of these developments. Inspired by a number of white academics and intellectuals who provided resources and support through worker advice bureaus in the industrial centers of Durban, Cape Town, and Johannesburg, black workers launched a new wave of organizing in the early 1970s. In 1973, black workers in Durban and the surrounding Natal province began a series of rolling strikes protesting

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low wages and the inadequacy of the paternalistic works committee system.\textsuperscript{70} The state banned some of the fledgling unions' leaders, but also agreed to extend a limited right to strike to blacks and to establish "liaison committees" with the right to negotiate criminally binding agreements between blacks workers and employers at the plant level.\textsuperscript{71}

Black unions used the liaison committee structure to negotiate several important agreements with employers. However, black workers continued to agitate for legal recognition of their unions on an equal basis with whites. In the mid-1970s, the strike wave spread through all the major manufacturing sectors of the South African economy, particularly mining, metalworking, and forestry.

By the late 1970s, the apartheid state found itself pulled by employers and pushed by black workers toward revising its labor relations scheme. The government appointed a blue-ribbon panel, the so-called Wiehahn Commission, to study race relations in the labor market. The Commission published its final report in 1979. The report's recommendations, which the government ultimately accepted, amounted to radical liberalization of the labor market, including

1) The abolition of racial job reservation;
2) Allowing blacks into apprenticeship positions and thereby into the skilled artisanal trades;
3) The abolition of segregated facilities in the workplace;
4) The establishment of the Industrial Court to adjudicate on unfair labor practices; and

\textsuperscript{70} The works committee system had been set up under the 1953 Native Labour (Settlement of Disputes) Act. Works committees were a way for the apartheid state to keep unions out of the workplace by providing alternate structures. Black workers were supposed to negotiate with employers in the works committees. In practice, they were a farce: "Since there was no legal compulsion to recognize and negotiate with them, employers invariably refused to do so." See Robert Jones, "The Emergence of Shopfloor Trade Union Power in South Africa," \textit{Managerial and Decision Economics} \textbf{6} n3 (1985): 160.

5) The establishment of the National Manpower Commission as a research, 
watchdog, and advisory body.\textsuperscript{72} 

More than one author has remarked that "apartheid first began to crumble in the 
workplace."\textsuperscript{73} While they may not have been the first crack in the wall, the legalization 
of registered black trade unions and related reforms profoundly altered race and industrial 
relations in South Africa in the following decade.

The new black unions that emerged from this struggle drew lessons from the 
earlier black trade union federations in South Africa and the experience of white trade 
unionists. The South African Congress of Trade Unions (SACTU), which had organized 
black laborers in the 1940s and 1950s, had been closely allied to the ANC and SACP. It 
spent most of its energy mobilizing workers in support of ANC campaigns, and had never 
built a robust system of representation in the workplace. SACTU claimed few distinct 
locals and had no specific offices between the national leadership and the rank-and-file. 
When the ANC was banned in 1960, SACTU's leadership was driven underground or 
into exile, and the federation quickly collapsed.\textsuperscript{74}

White labor, on the other hand, was fat and happy. For the apartheid state, the 
price of labor peace and working-class white political support was extensive concessions 
to white unions. The 1924 Industrial Relations Acts had established a system of 
industrial councils, corporatist bodies wherein white unions negotiated industry-level 
agreements with employers.\textsuperscript{75} This setup allowed white workers to wrest impressive

\textsuperscript{72} Jones, "The Emergence of Shop-floor Trade Union Power in South Africa," 162.
benefits from their employers, but also gave them a stake in the survival of the apartheid regime. Racial equality would mean the loss of their extraordinary privileges.

Black trade unionists looked at these effects of affiliation with parties and governments on other federations and decided they wanted nothing to do with either.\textsuperscript{76} From their point of view, engagement in politics outside the workplace was a trap. Unions that struggled for other causes had too little energy left over to build their own movement, while unions that relied on the government lost their autonomy and became creatures of the state. The organizers of the 1970s therefore focused on building robust shop-floor level organizations, autonomous locals with directly-elected and directly accountable shop stewards who would concentrate on direct negotiation with employers at the factory level.\textsuperscript{77} When these unions united to form the Federation of South African Trade Unions (FOSATU) in 1979, they conspicuously devoted themselves to “workerism,” a commitment to factory-level activism and avoidance of other political issues. FOSATU did not prohibit its members from participating in other causes, but it did prohibit its constituent unions from supporting such causes \textit{qua} unions.\textsuperscript{78}

In these views, FOSATU resembled the other trade union movements that emerged in industrializing dictatorships in the 1970s, such as the Trade Unions Confederation (CUT) in Brazil and Solidarity in Poland. These federations faced repression from both employers and the state. For them, the Marxist-Leninist belief that the state was the natural ally of the trade union movement—that the union should actually subordinate itself to the guidance of the party—was hopelessly naive:

\textsuperscript{76} Baskin, \textit{Striking Back}, 22-23.
\textsuperscript{77} Maree, “The COSATU participatory democratic tradition,” 38.
At the height of the Solidarity union movement’s challenge to the Polish state, organized black workers in South Africa were strongly pro-Solidarity, not so much because they were anti-Communist but because they favored workers’ control and were anti-state.\textsuperscript{79} FOSATU espoused socialism in comparison to the ANC’s Marxism-Leninism. No vanguard parties for them; genuine democracy, when it came, would be introduced and overseen by direct worker control of industry and direction of the economy.\textsuperscript{80}

Party direction rankled FOSATU members. They had built their movement from the ground up, painstakingly schooling their members in the norms of democracy on the shop-floor. These unions were internally democratic, and the leadership of the federation supposedly received its mandates from the locals, rather than the other way around.\textsuperscript{81} The idea that factory workers had a better idea of how to build democracy in South Africa than the ANC was similarly repulsive to that organization, at least at first:

As early as 1973 it was revealed that one of the emerging unions had approached SACTU, suggesting that it should disband and join forces with the new labour movement. The suggestion was dismissed in no uncertain terms: ‘Their approach to SACTU is \textit{the height of arrogance on the part of these confused persons}.’\textsuperscript{82}

FOSATU’s commitment to workerism was never monolithic. Through the 1970s and into the 1980s various leaders and constituent unions argued for more direct participation in the liberation struggle:

Trade unions are not political parties. Trade unions are organizations of workers—uniting to fight for the rights of workers and to defend these rights on the shopfloor...it is very difficult for a trade union to launch and control political campaigns—as well as function effectively as the first line of defence of the workers. This is why it is very difficult for us—as trade unions—to respond effectively to political issues. While

\textsuperscript{80} For similar views among the trade unionists of Brazil, see Gay Seidman, \textit{Manufacturing Militance} (XX: XX, 1988): XX.
admitting all this, we must say at the same time that it is our duty as trade unionists in South Africa to be part of the struggle for freedom and justice.\textsuperscript{83}

By 1985, when FOSATU's members voted to merge with the ANC/UDF-backed community unions like SANCO and form COSATU, even stalwart workerists had accepted that the unions could and should play a pivotal part in the fight against apartheid.\textsuperscript{84} The merger represented

A 'strategic compromise' in which the integrity of the 'shop-floor tradition' was acknowledged while the new federation committed itself to participation in the national democratic struggle under the leadership of the ANC.\textsuperscript{85}

The alliance was as important for the ANC as it was for COSATU. Through the early 1980s the ANC struggled to retain any substantive control over the UDF; COSATU's decision to coordinate its action with the ANC saved the Congress a similar headache on the labor front. The two most powerful organizations in the opposition to apartheid had joined forces. Building the alliance between the two, however, required reconciling their two very different views on how a democratic liberation movement should be governed.

\textit{Making the Alliance Work: The Difficulties of Success}

In the years after 1960, when the ANC relied on the SACP to breathe new life into the liberation struggle, the ANC had adopted the worldview, philosophy, and style of the Communist Party. The alliance between the two groups had involved some intellectual compromise on both sides, but the final result swallowed neither organization. When COSATU formally allied itself with the ANC in 1985, its leaders

\begin{itemize}
  \item \textsuperscript{84} Baskin, \textit{Striking Back}, 95-102.
  \item \textsuperscript{85} Webster, "Trade Unions and Democratization in South Africa," 45-46.
\end{itemize}
expected to have a similar influence on the ANC.\textsuperscript{86} Initially they were not disappointed. Especially after the UDF’s banning in 1986, the ANC relied on the militants in COSATU to continue mass action against apartheid within South Africa. In return, the ANC adopted the language of COSATU, particularly with respect to its vision of socialism and its plans for reforming the South African economy. This collaboration was not difficult, to the extent that both groups had economic policies (their documents were notoriously vague before 1990), they agreed on the broad direction in which South Africa should move.\textsuperscript{87} During the latter half of the 1980s, the two organizations worked in relative harmony. COSATU’s financial and organizational autonomy did not pose much of a threat to an ANC that had to operate from abroad. Under the circumstances, an organization that could run itself was actually quite useful.

President De Klerk’s unbanning of the ANC and SACP in 1990 upset this relationship. Where during the 1980s the “activists in the labour movement and the civics were de facto leaders of the internal democratic movement,” after 1990 the ANC began to “reassert its hegemony as the political leader of the anti-apartheid movement….\textsuperscript{88}” The ANC suddenly “had to transform itself from an exiled South African liberation movement into a negotiation partner and government-in-waiting. This…wrought enormous changes on the organization and its policies.”\textsuperscript{89} For at least the third time in its hard-luck history, the ANC had to rebuild its rationale and strategy for

\begin{footnotesize}
\textsuperscript{84} Barrett and Mullins, “South African Trade Unions,” 28-30.
\textsuperscript{87} Nattrass, “Politics and Economics in ANC Economic Policy,” 344.
\textsuperscript{89} Nattrass, \textit{ibid.}, 343.
\end{footnotesize}
national liberation as its previous one collapsed. This time, new ideas came from an unexpected quarter: international capitalism.

The story of the ANC’s tutelage in the ways of foreign exchange reserves and investor confidence has been told elsewhere, and is not the main point of this paper. The ANC’s tutelage in the ways of parliaments and liberal democracy has been told less frequently. The ANC began its long ascent to power after a decade in which most political scientists had concluded that, first, the most important task of new democracies was maintaining economic stability after the excesses of dictatorship; and second, that the exigencies of maintaining economic stability included restrictions on the concessions to popular demands new democracies could make. The upshot for COSATU was that the ANC could not absorb the economic advice of the Western powers without accepting the political framework in which they implemented those policies—and that framework did not contain worker control of industry and participation in government.

For many COSATU leaders, the first whiff that something was rotten in the transition came when COSATU was denied membership in the Convention for a Democratic South Africa (CODESA) at the end of 1991. The NP denied COSATU’s application “and presumably the ANC did not oppose the NP.” Ultimately, only

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90 The first instance is of course the period after 1960. The second, described more briefly here, is the shift toward COSATU and the UDF in the early 1980s after armed struggle had proven a failure. Barrell, “The Turn to the Masses,” provides an excellent discussion of this second episode.


political parties were represented in CODESA; COSATU was able to participate indirectly, through the ANC and the SACP. "From this point political parties—not the civil society organizations that were the backbone of the 1980s insurrection... were to be at the center of the transition." For the first time since 1990, COSATU was treated like a junior partner to the ANC and even to the relatively tiny SACP.

The trade unions were not emasculated. In 1990, they won a major concession from the NP government in the form of the Laboria Minute, "a document that committed the state to submit all future labor laws to employer and union federations before tabling the legislation in parliament." The Laboria Minute "helped to establish a mechanism through which organized interests could directly participate in policy decisions affecting them." In 1992, "rolling mass action" by COSATU members broke a major deadlock in the CODESA negotiations. Yet the ANC's rapprochement with capitalism meant that COSATU lost any real hope of furthering direct worker control of industry, one of its major ideological principles.

From the ANC's perspective, COSATU's main purpose in the new South Africa would be to mobilize worker support for the ANC's reconstruction policies. This assumption reflects an eerie continuity between the democratic centralism of the ANC in the 1980s and the liberal democracy of the ANC in the 1990s. In both belief systems, civil society organizations like trade unions exist to support and influence the process of government, not to participate in it directly. The ANC's conversion to capitalism

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94 Ibid.
94 Heribert et al., Comrades in Business, 149.
97 Webster and Adler, "Challenging Transition Theory," 89.
drastically reshaped the party's economic philosophy, but left its theory of relation to the trade unions largely unchanged. At the moment when communism's collapse undermined the ANC's old rationale for rejecting participatory democracy, capitalism provided a new one.

The ANC leadership was neither stupid nor cruel; they recognized the trade union's desire for an active role in the new democracy. The ANC delegated to COSATU the job of drafting the Alliance's post-transition economic program, the document that would eventually become the RDP. Nelson Mandela promised union leaders substantive positions in the government of national unity (GNU). 99 While the ANC reserved to parliament the ultimate say in economic policy, it endorsed the Laboria Minute and assured union leaders that it would support negotiated settlements between management and labor. 100

For a labor movement trying to preserve its platform despite the transformation of its closest ally's views, these promises were signs that the ANC would continue to work with the trade unions to construct at least a mixed economy. While COSATU had to abandon the prospect of worker control in the early 1990s, the emphasis of the ANC on the RDP and its endorsement of corporatist bargaining suggested that it would still countenance labor participation in the creation of government economic policy. It is not surprising, therefore, that between the signing of the Laboria Minute in 1990 and the inauguration of NEDLAC in 1995 COSATU's leaders reconciled themselves to joining the government and working through corporatist structures. With the prospect of a

100 Hirschsohn, “Negotiating a Democratic Order,” 144-145.
sympathetic government, corporatism seemed less like a gilded cage and more like a natural evolution in COSATU's mission to protect worker interests and advance their rights...[by building] large broadly based industrial unions capable of dealing with the highly centralized structures of capital...[and] to formulate clear policies as to how the economy would be restructured in the interests of the working class and to work towards this restructuring.\textsuperscript{101}

In 1994, trade union leaders could still assume that they could represent the interests of their rank-and-file while participating in national government. The ANC appeared committed not only to consulting the union movement on economic policy, but also with entrusting its leaders with implementing the government's plan for economic restructuring. The unions' successful bargaining with the NP government on the Laboria Minute, their mobilization in favor of CODESA, and other campaigns, including their lightning general strike against the Value-Added Tax, had convinced them that they could substantively influence government policy.\textsuperscript{102}

All was not rosy between the ANC and COSATU. ANC revisions of the RDP in 1993 to reassure investors provoked an outcry among COSATU leaders.\textsuperscript{103} Even as the ANC worked to assure investors that it would maintain a friendly economic climate, though, it reassured the federation that it would be an important partner in the new government. In this context, the decisions of COSATU leaders to leave the unions for the government—what Webster terms the "exodus without a map"—and to focus their efforts on national-level bargaining forums make more sense. Yet the ANC never really adopted COSATU's view of the democratic process. While it used the union's mobilizing power in the struggle of the 1980s and the transition of the early 1990s, it

\textsuperscript{101} Ibid.
\textsuperscript{102} For the general strike, see Webster and Adler, "Challenging Transition Theory," 93. They note that COSATU was the only member of the Alliance who was capable of such mobilization.
actually adopted the economic philosophy of the trade union federation’s class enemies. The key point emphasized here is that that economic philosophy has a concomitant political philosophy, one that assumes that groups like unions are supposed to be observers or pressure groups, and not direct participants, in the democratic process. COSATU’s leaders, acting under the assumption that the ANC still accorded a substantive role to the trade unions, entered government without ensuring that links back to the union movement could be preserved independently of government support. When ANC policy began to turn against the unions after 1994, the federation was left without a coherent philosophy of its own to counter the ANC’s assertions that the unions needed to bend before the inexorable forces of liberalization and globalization. COSATU had ultimately made the same mistake that SACTU had decades before; it had yoked its cart to the ANC, which turned out to be a very fickle beast.

IV. The Crisis of COSATU as a Crisis of Democracy

COSATU is not suffering because the ANC is quietly becoming authoritarian. Far from it—the ANC has continued to burnish its liberal credentials, despite the dire predictions of some scholars. Rather, the federation is disoriented because its leaders have allied it to a liberal democratic party, while its rank-and-file still expect popular democracy.

We of course have to be careful about the adjectives we stick in front of democracy. Few other words in political science have been so bastardized:

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In the 1980s one could immediately divide a South African cocktail party into hostile camps with one’s definition of democracy. Arguments raged about the merits of “participatory”, “people’s”, “social”, “liberal”, “one party” and “workers” democracy. The left developed instant solidarity of purpose in dismissing liberal democracy as a political façade for capitalist exploitation. Yet it is the dominant paradigm of what a democracy should be today.105

In this case, however, we need such a distinction. The trade union movement, one of the only “schools of democracy” in South Africa during the long night of apartheid, trained its members in democratic norms and practices that fit poorly with the structure of democracy in South Africa today.106 For continuing to believe in these norms, trade unionists have been scolded as “irresponsible,” “impractical,” or even that worst of labels, “populist.” Getting attacked for espousing what will here be called popular democracy is not new: at the founding convention of the Communist Information Bureau in 1947, the Soviet culture czar A. A. Zdhanov attacked the Italian Communists’ “notion that they could find their way to socialism through the expansion of democracy into every sphere of life.”107 There is something grim about any political belief that can be attacked both by communists and liberal democrats, and trade unionists throughout history, in a variety of societies under a panoply of regimes, have had the uncertain luck to believe.

For a unionized worker in COSATU in the 1980s, democracy meant a direct voice in the policies of the institutions that affected your life. Oppression at the workplace should logically be met with agitation at the workplace. Alec Erwin, then General

105 Heribert et al., Comrades in Business, 81.
Secretary of FOSATU, summed up this view in 1979, and his explanation is worth quoting at length:

It seems to me there are, broadly speaking, two conceptions of democracy. One I would style a radical-liberal conception which is that everyone must have his say and be allowed to vote. And within those people someone must be a leader. I think that kind of democracy is actually open to disguised power manipulation and control because every man speaking will not change basic structures or institutions in society. We'd say you must have resilient structures that can hold people accountable in a real sense.

So the alternate conception of democracy is a much more structured view: that people must be able to control what is possible to control. We must establish more definite structures of accountability. So what we were trying to build in TUACC, and are presently trying to achieve in FOSATU, is that the democratic structure must be through a process of the factory controlling the shop steward because that man the worker sees every day in the plant, his access to him is far greater. Then the shop steward sits on the BEC [Branch Executive Committee] and the report back system is structured and definite. If I could contrast this, say to a BEC that's elected at an Annual General Meeting. There is no clear structure of systematic accountability there. So we've been trying in TUACC to build that structure up from the shop steward to BEC to TUACC.

Now that is a very much slower process because structures in themselves never create democracy. Only aware leadership and membership create democracy. So once having built shop stewards you then have to make them effective shop stewards. If they are effective their membership is going to be more informed, conscious and interested in knowing what they are doing. And likewise good shop stewards will make a good BEC, and a good BEC a good National Executive Committee.\(^\text{108}\)

COSATU's beliefs were diametrically opposed to the theories of transition developed during the 1980s and 1990s. When Timothy Sisk mulled that “elite coalescence has been the hallmark of South Africa's transition…elite-concluded accords do not work unless elites are able to demobilize their own constituencies,” he echoed the majority view.

\(^{108}\) Interview with Alec Erwin, Durban, 1979, quoted in Maree, “The COSATU Participatory Democratic Tradition,” 34.
among political scientists.\textsuperscript{109} Ever since O’Donnell and Schmitter declared that such elite “pacts move the polity toward democracy by undemocratic means,”\textsuperscript{110} allowing the groups that formed the pact to “(1) limit the agenda of policy choice, (2) share proportionately in the distribution of benefits, and (3) restrict the participation of outsiders in decision-making,”\textsuperscript{111} transition theorists had glumly assumed that conservative compromise was necessary for authoritarian elites to relinquish power. Przeworski argued that democratizing elites in developing countries would have to acquiesce to the authoritarian elite’s neo-liberal demands because robust sources of support and expertise like Western Europe’s trade unions were lacking.\textsuperscript{112}\textsuperscript{112} Ironically, these authors shared COSATU’s earlier views about corporatism, though they approved of the results: “organized labor is either absent or taken into account only as a factor of containment of grassroots militance.”\textsuperscript{113}

Private capital is normally amenable to these arrangements. Most transition theories presume that “responsible” trade unions will moderate their radicalism and compromise with capital in order to win a seat at the negotiating table during the transition. Crouch presumes that such “responsible” trade unions are a prerequisite to a negotiated transition.\textsuperscript{114} “In this way, a prescriptive assumption lacking convincing empirical validation is superimposed on the multiple determinants of labor’s strength.”\textsuperscript{115}

\textsuperscript{111} Ibid. 41.
\textsuperscript{113} Barchiesi, “South Africa in Transition,” 86.
\textsuperscript{115} Barchiesi, 87.
Unions are assumed to be weak, and capital is assumed to be predisposed toward democracy. No one worries whether capital will be "responsible" during the transition. Several leftist South African scholars criticized the assumptions of transition theory as "elite negotiated democracy" and argued that South Africa's vibrant labor movement could go beyond disruption and actually help design and implement the transition and subsequent policies.\textsuperscript{116} E. C. Webster has argued that corporatist negotiating bodies can do far more than moderate discontent. South Africa actually has the institutions and organizations to engage in the sort of concertation that Przeworski pines for in Latin America.\textsuperscript{117}

Erik Wright, writing in the tradition of COSATU's popular democrats, argues that bargaining is essential in a society like South Africa's that needs massive structural reform. South Africa does not begin to resemble an ideal free market, and relying on market-based solutions will not bring significant change in an acceptable amount of time. For Wright, bargaining is "a non-zero-sum game between workers and capitalists in which both parties can improve their position through various forms of positive mutual cooperation rather than simply from refraining from hurting each other."\textsuperscript{118} Wright's thesis demonstrates an important assumption of popular democratic theory. Not only is worker control and participation inherently required in a meaningful, substantive democracy, but that participation has efficiency effects that can make its performance

\textsuperscript{118} Wright, Erik, "Working Class Power, Capitalist Class Interests, and Class Compromise" (unpublished paper, Department of Sociology, University of Wisconsin, February 1997), 6, quoted in Webster, E.C. and
superior to unfettered capitalism. This efficiency argument is key for the theorists of “left productivism,” who search for “a post-Keynesian equivalent of effective demand where the alchemy will have to come on the supply side, in production rather than consumption.”\textsuperscript{119} In this theory the state invests in human capital through universal education and active labor market policies while maintaining high labor standards. Workers in such a system must have high levels of organizational power (i.e., they must be organized within robust unions) to trust that their employers will not simply expropriate any additional surpluses created by worker innovation.\textsuperscript{120}

All of these left criticisms of transition theory’s assumptions are justified by their authors’ belief in popular democracy as a normative ideal. COSATU had not published any economic theories as detailed as these before the transition, but it did turn to such scholars for help in designing the RDP.\textsuperscript{121} Their handiwork is visible in the Alliance’s early position papers, though as the ANC entered power it abandoned the thinkers of the democratic left for greener pastures:

Instead of the Alliance being the engine for transformation, policy has in many instances been driven by the old bureaucracy, business advisors, economists from the Reserve Bank, the World Bank, etc. We seem to have ditched the researchers and advisors who have served the democratic movement.\textsuperscript{122}

It is mistaken to say that COSATU’s leaders and affiliates did not understand democracy in 1994. In truth, the unions had a more advanced conception of democracy than the political parties, and the real post-transition challenge for the ANC was not to educate the

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\textsuperscript{120} Note that the left productivist analysis assumes that unions have positive effects on efficiency and productivity, as formulated most eloquently in Freeman, What Do Unions Do? (XX: X, 1980).

\textsuperscript{121} Webster, “Trade Unions and Democratization in South Africa,” 44.
unions about how democracy worked but to disabuse them of their equally legitimate ideas about democracy.

The ANC is a liberal democratic government, with all the constraints and biases that that label implies. The party's essentially neo-liberal orientation after 1994 and especially after 1996 led it to reject the sort of "bargained liberalization" that the unions hoped to negotiate at the factory, industry, and national level. Instead, the ANC's economic ministers stressed the need to let market forces determine the industrial relations system in the country. Yet this view of negotiation as an unnecessary obstacle to the market is valid only if one thinks of Parliament as the only valid place for democracy. If on the other hand the industrial relations regime itself is a valid place for democracy, then efficiency becomes irrelevant. Negotiation and consensus-building are as fundamental in the workplace as they are in the political realm. Over this disagreement—over how the economy should relate to the rest of society—the ANC and COSATU remain formally divided.

The last seven years have seen the ANC's adopted program of liberal democracy triumph on paper and in policy over the more robust popular democracy the trade unions had proposed. This has been a blow to the unions, but it has also been a blow to the majority of South Africans. The ANC's embrace of international capitalism entailed more than giving up on the dreams of COSATU; it meant giving up on any program of rapid change. Today we cannot talk about the ANC without describing how it is "constrained." The party is certainly under incredible pressure from stronger international forces:

Since 1990, when the democratization process began, some foreign governments, notably the US and some of its allies—Britain, Germany, Italy and Japan—successfully induced the ANC to move away from its socialist economic policies, including that of nationalization. Instead, they succeeded in persuading the movement to embrace Western-style free market principles which the ANC increasingly, albeit reluctantly, adopted. It is interesting to note, for example, that Mandela’s evolving position on fiscal responsibility was a direct response to pressures from foreign investors and governments...  

Yet surely these international actors would have cut South Africa some slack if soon after the transition Nelson Mandela had demanded understanding of the immense difficulties of binding the wounds left by apartheid. Mandela never asked, though. In power, the ANC put its faith in the teachings of the international financial institutions and wasted the opportunity to launch genuine radical change. One could surely object that the price of such change would have been peace in the country, but numerous writers have pointed out the fallacy of presuming that “stability,” no matter what level of bloodshed it entails, is preferable to “chaos.”  

Scholars can only argue counterfactuals today, however; the ANC consciously chose not to restructure the South African economy more than necessary. As a result, millions of South Africans remain in dire straits a decade after the transition began.

COSATU and South Africa’s rural unemployed have never been easy allies. No one agrees about trade unionists’ relative prosperity compared to the rural poor, but the


two groups place very different demands on government. The ANC's policy for resolving this dilemma is to force unions to accept pay cuts and greater work flexibility (once, in the days before euphemisms, called decreased job security) so that employment—albeit at these lower wages and under uncertain conditions—will rise. Regardless of the wisdom of the ANC's policy, it is foolish for a trade union federation like COSATU to support it. When the ANC cannot pass new economic legislation policies, the party blames the unions. When the ANC's economic policies fail, the party blames the unions. COSATU can neither counterattack nor offer a formal critique of the ANC's actions because they are nominally allied to the government. The union's main justification for staying in the Alliance—that doing so provides its members with influence on the government—has begun to sound more like hope than fact. The unions are an ideal fop for the ANC, since the party can redirect the anger of the unemployed toward the federation and away from the politicians. If COSATU wants to rebuild its credibility among the people of South Africa, it must first leave the Alliance.

V. Conclusion

You must be vigilant! How many times has a labour movement supported a liberation movement, only to find itself betrayed on the day of liberation? There are many examples of this in Africa. If the ANC does not deliver the goods you must do to it what you did to the apartheid regime.

—Nelson Mandela, address to COSATU's 1993 annual congress

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125 Ebrahim Patel argued that "wage rates in many industries are so low that those workers' real standard of living brings them very close to the unemployed," in "Comment," South African Labour Bulletin v17 n1 (1993), 27. Nattrass retorts, "However, given that workers with formal manufacturing jobs earn over five times as much as informal sector employees, this argument lacks credibility." See Nattrass, "Politics and Economics in ANC Economic Policy," 351.

126 Maree, "The COSATU Participatory Democratic Tradition," 42.
The situation in South Africa today cannot last. While we should not underestimate people's capacity for disappointment, we must suppose for conscience' sake that the poor of South Africa will demand more tangible reforms from the government in the years ahead. The neoliberal consensus that dominated the ANC's first years in power is already ailing down in the West. We lack only an economic crisis in the developed countries to bundle it off to its grave. When the day comes that we bury it, there will be room again for honest thought about the poor, and support for government actions in favor of economic and social rights.

South Africa needs such a change in the large countries of the world. Small country that it is, South Africa has little ability to buck international opinion, and its time to beg exception has passed. But the country's domestic political scene is not hopeless. Though battered and bled, misdirected and incoherent, COSATU has maintained the oppositional spirit of the liberation struggle. It has spent the later 1990s directing that spirit against the economic policies of the ANC. The day may yet come when it must direct its energies against the ANC itself.

The African National Congress is hegemonic in South Africa today, but it cannot remain so forever. Even Mexico's PRI, the century's great survivor among ruling parties, has finally been forced to mop the floors, cancel the electric bill, and turn in the keys. Someday the ANC will also fall from grace, and COSATU would do well to take a page from Mexico. There, the National Workers Confederation (CNT) had become an appendage of the state after 70 years in power. It has no strength apart from the PRI, and can look forward to six grim years under President Vicente Fox and the right-wing PAN. The same events could befall COSATU. Without union support, South Africa's
independent left has no chance of coming to power; yet as long as it remains tied to the ANC, COSATU cannot associate with the independent left.

What an alliance the COSATU and the left could make! South Africa may have to follow the lead of the first world, but it is itself a leader among the developing countries, industrialized, urbanized, and struggling to rebuild from a half-century-long fight against racism and exploitation. African countries in particular will copy South Africa’s policies if the country succeeds. Among the middle-rank industrializing nations like Brazil, Poland, Mexico, and Malaysia, South Africa has one of the strongest and most professional labor movements, despite its problems. And I have argued here, many of those problems cannot be solved unless and until COSATU leaves the governing Alliance.

South Africa could learn from Brazil, where the CUT has organized its own Workers’ Party (PT). Though the PT has never won the Presidency, its leaders rule cities and states throughout Brazil and have steadily built a reputation as the most honest and hardworking political party in the country. Even if it did not form its own party, an independent COSATU could more credibly demand more progressive policies by the ANC before lending its support. Authors who write that COSATU cannot reasonably expect its members to vote for anyone other than the ANC both overestimate loyalty to the party and ignore the fact that COSATU has declining influence within the Alliance. Put simply, what choice does the union have? It would surely not win elections in 2004, but I have argued in this paper that elections are only part of any substantive democratic process. COSATU must return to building the strong unions necessary for that other part of the democratic process: the opportunity for people to control what they can control.
References


Gilliomee, Hermann. 1998. “South Africa’s Emerging Dominant-Party Regime.” Journal of Democracy 8(4) XX-XX (my copy has the page numbers missing, I’ll get it.)


