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A Question of Power: Co-Determination and Trade Union Capacity

Introduction

It is now ten years since some South African companies started experimenting with organisational restructuring to reposition themselves in an attempt to become more competitive nationally and globally. Some of these processes of restructuring included the introduction of a different style of management which promised greater participation by workers in decision-making. But it is still very difficult to discern a clear co-determinist model emerging from this complex picture. This is partly due to the fact that many of these experiments are often tentative and half-hearted efforts on the part of management to address organisational efficiency constraints. These strategies have not been accompanied by a clear commitment to co-determination per se. This has often led to failure to win the co-operation of workers to make these efforts sustainable. On the other hand, trade unions have not managed to go beyond making calls for 'workplace democratisation' and thus there is no clarity on the actual content of labour's own vision of co-determination. (Buhlungu, 1996)

The new government has taken the initiative by legislating measures which are intended to entrench co-determinist practices in the workplace through workplace forums. The new Labour Relations Act (LRA), which many have lauded as a victory for workers and unions (Baskin and Satgar, 1995; Benjamin, 1995; Lagrange, 1995), came into effect on the 11 November 1996. The Act includes provisions which allow labour to exercise rights which they would have had to fight for in the past, including rights to consultation, joint decision-making and the disclosure of information. But one of the most significant innovations of the new law is the introduction of rights and structures for co-determination. It is this innovation in the new LRA which presents the trade union movement with both opportunities and challenges.

Although there is uncertainty about the sustainability of the above initiatives and experiments, it is possible to categorise them under the rubric of what is termed 'co-determination' or 'workplace participation' because they suggest a shift towards what Pateman (1970) refers to as 'a modification, to a greater or lesser degree, of the orthodox authority structure; namely one where decision making is the "prerogative" of management, in which workers play no part'. (1968: 68) In South Africa, the orthodox authority structure which we have inherited from our past has been called the 'apartheid workplace regime', a social structure which 'allocates rights and resources unequally among differently socialised actors'. (von Holdt, forthcoming: 201)

The notion of a modification of orthodox authority structures which Pateman uses with reference to decision making in industry can also be said to hold for the sphere of national (governmental) policy formulation, particularly since the inception of the National Economic Development and Labour Council (NEDLAC) in 1995.¹ By agreeing to the establishment of NEDLAC, the new democratic government has given institutional effect to a demand by civil society organisations to have a voice in national policy formulation.

The debate about industrial democracy has been pre-occupied with whether worker participation and co-determination co-opt workers or advance the struggle of the working class for greater control in the workplace. (see Cressey and MacInnes, 1980) This paper argues that this polarity is incorrect because it leads to a zero-sum understanding of the outcomes of participation and co-determination. In other words, it fails to take note of the fact that managerial strategies in general, and co-determination in particular, are contradictory in that they contain both dangers and opportunities for labour. This, Cressey and MacInnes have argued, is due to the dual character of the labour process where labour is not fully subordinated to capital. (1980: 14) In this context, co-determination and worker participation open up space for struggle, thus presenting labour with opportunities to push back the frontier of managerial control. (Buhlungu, 1996)

Dangers and Opportunities?

Thus the emergence of co-determinist practices in South Africa should be understood as a contradictory process which presents both dangers and opportunities for the trade union movement. As one shop steward noted at a workshop convened by the September Commission to discuss workplace restructuring in 1997, participation in decision-making through joint structures 'involves taking risks, like swimming'.¹

This paper looks at the ability of the labour movement to take advantage of the opportunities and avoid the 'risks' which these initiatives inevitably involve. It then proceeds to argue that labour's ability to take advantage of the opportunities depends to a large extent on them realising that in order to avoid the dangers of co-determination, they need to build their power resources or capacities around a number of areas. Indeed, successful engagement in any transformative project or struggle depends to a very large extent on the building of these resources of power to ensure effectiveness. As one COSATU office-bearer noted in a submission to the September Commission,

We always talk about transformation of society, transformation of government, transformation of the workplace – we never talk about transforming ourselves. We need to transform ourselves and our organisation before we can transform society. *We need to make ourselves effective.* (cited by the September Commission, 1997: 167)

Some have argued that worker involvement in co-determinist processes and structures inevitably leads to the institutionalisation of struggles and the co-option of workers. (see for example Lehlere, 1995 and Barchiesi, 1998). Lehlere goes so far as to argue that,

Co-determination disarms workers because workers give up their right to strike on issues covered by co-determination agreements. Co-determination undermines the struggle for socialism because, instead of preparing workers for the struggle against capitalism, it promotes the idea that capitalism and the workers have common interests. It therefore leads to the co-option of the working class. (Lehlere, 1995: 42)

Within the union movement itself there is ambivalence towards worker participation and co-determination. Some share the perspective that engagement in joint decision-making structures is tantamount to playing into the hands of capital. This view leads them to conclude that engagement in co-determination inevitably leads to co-option and emasculation of trade unions. (see Ronnie, 1996) A NUMSA shop steward also articulated this position at the workshop convened by the September Commission:

Restructuring is an attempt by capital to survive. But the labour movement has never interrogated capital's agenda. By trying to open up the system they are trying to gain acceptance for it. (Ishmael Makhuphula, NUMSA, MBSA)

But this is by no means the dominant view within the trade union movement. There is also a view held by many workers and shop stewards that participation in decision-making is desirable. (see Buhlungu, 1996) They argue that the terms of such involvement are decided in day-to-day struggles and the balance of power between capital and labour.

The discussion in this paper disagrees with the 'incorporation argument', namely, that under capitalism industrial democracy in its various forms (co-determination, participative management, etc) necessarily leads to co-option. It is argued that each situation always presents threats and opportunities, costs and benefits. The question of who emerges as a winner is not determined *a priori* by the structure or process. It is a matter which is decided in a process of contestation and struggle, in this case between workers and management. Thus it is argued here that the new managerial initiatives and the provisions of the new LRA to set up participatory structures, present opportunities as well as threats for the labour movement. Organisational strength and capacity could ensure that labour turns these new structures in their favour. Cressey and MacInnes have cautioned against a simplistic dichotomy where participation is seen to lead to either the 'incorporation' (co-option) or the 'advance of labour'. (1980: 6) These authors urge us to understand the real challenge of participation, namely, that it presents the 'material space for struggle at the point of production' which 'cuts both ways'. (20) This argument is the basis of their critique of classical Marxist notions of labour subordination in production which allows no space for creativity and control by workers in production.

If we escape from the notion of a working class which prior to the historical break is merely an aspect of capital' but exists politically as a universal force opposed to it, and open up the possibility for a 'practical and prefigurative socialist politics', then it must also be remembered that such a struggle roots itself initially in the workplace rather than in the class struggle as a whole. Just as such struggles are not artificial or 'incorporated', neither are they necessarily 'spontaneously' socialist. They may take either form, and the task before us is surely thus to develop yardsticks for differentiating the two and promoting the latter. (1980: 20)

Co-determination and the Workers' Struggle

What the above suggests then is that worker participation and co-determination involve struggles by workers, and that whether workers win or lose those struggles is a matter which is decided by the balance of power between labour and capital. In other words, these strategies, whether they are initiated by management, government or workers and their unions, cannot and should not be separated from the day-to-day struggles that workers wage against capital on the shop floor and in the broader society. Both sides of the debate are guilty of making this artificial separation.

This discussion now turns to some of the opportunities available to workers and their unions. Workers and trade unions have always fought for greater involvement by workers in decisions. This demand featured prominently during the height of worker mobilisation and struggles in the 1980s. At the founding congress in 1985, COSATU passed a resolution on the minimum wage which made reference to the workers' demand for 'workers control and management of production'. (COSATU, 1985) A study of shop stewards by Pityana and Orkin, (1992) also found that the majority of COSATU shop stewards preferred worker involvement in decision-making. (1992: 68) South African workers and unions have always struggled to destroy authoritarian workplace regimes and to see the introduction of more participatory style of managing the workplace. In many respects, co-determination in the form of some managerial initiatives and the provisions of the new LRA, offer them an opportunity to do this, provided that they form part and parcel of a broader strategy of transforming the relations of production in society and that workers and their unions continue to struggle to build the necessary capacities and to turn the contest in their favour.

Even where participation takes a limited or *pseudo* form, workers and their unions can exploit contradictions and confusion in management schemes and put forward alternative proposals for workplace democratisation. A study of managerial initiatives at Nampak Polyfoil in Johannesburg showed that shop stewards and workers could redefine the terms of the debate by engaging management on these initiative. (Buhlungu, 1996) Similarly, Maller has shown that workers and shop stewards at Volkswagen South Africa were able to make use of their involvement in joint committees to influence decision-making in the company. (Maller, 1992)

A further opportunity is that offered by the new LRA, in the form of institutional rights for workplace forums. Among these are the obligations on management to consult with workers, disclose information and to decide certain matters jointly with workers' representatives.

For many years workers and their unions were excluded from policy formulation. As a result they have been outsiders, demanding a voice in the formulation of policy, particularly on those issues which affect workers directly. The struggle against the LRA amendments in 1988 and the anti-VAT strike in 1991 included a demand by workers and unions to have a say in economic and labour market policy issues. NEDLAC gives labour an institutional voice not only in labour relations policy issues, it also gives trade unions an opening to influence a whole range of other issues related to the economy of the country.

Servicing Co-determination: A Question of Power

Co-determination and managerial schemes of participation have very little to do with a 'change of heart' on the part of employers and government and more to do with two factors:

- (i) These initiatives are a direct outcome of struggles by organised workers. Where workers are docile and divided capital tends to prefer more authoritarian means of control. But where workers are strong and combative, they are able to push back that frontier of control and gain greater control of their lives in production.
- (ii) Co-determination and managerial schemes of participation come from a realisation by capital that despotic control alone is not sustainable. In other words, they represent an admission that capital is not omnipotent.

Thus if we accept the suggestion made in this paper that worker participation and co-determination are *not separate* from struggle, then it follows that these strategies are about the demands and aspirations of South African workers and unions, particularly black workers and their unions since the days of the Industrial & Commercial Workers' Union in the 1920s. A shop steward at the firm of P G Bison noted this connection when he observed that the management initiated change process, was one of the fruits of their struggles for workplace democracy and a living wage.² However, the grave mistake that some in the union made, including some workers and shop stewards, was to believe that the change process could be a substitute for struggle.

However, as noted above, co-determination is not just about opportunities. It is about dangers too. Once co-determination and participation are seen as substitutes for building worker power and struggle then the danger of union substitution and co-optation becomes very real. The PG Bison experience cited above illustrated this danger. Shop stewards became absorbed in participation forums, *bosberaade* and committees at the expense of union structures. A worker complained that the change process,

Made the shop stewards weak and made them to work for management. At some stage the union nearly collapsed here because they were not doing their job. (Worker 25, PG Bison, Piet Retief)

A similar situation occurred at Nampak Polyfoil, but union strength and the relative sophistication of some of the shop stewards and workers enabled the union to maintain unity and to frustrate management's attempts to weaken the union. A shop steward explained how the shop stewards found themselves mired in countless participation structures:

So what happened as we had meetings after meetings, whenever we had a problem in the management and shop stewards meeting this guy (from management) will come up and say, 'why don't we elect a committee that will look directly into that problem?'. Comrade, time went on! We ended up having eleven committees. And most of the shop stewards were involved in some of those committees and when we looked at this thing, comrade, we saw it was now creating problems. I mean, we can't be having eleven committees. And then, it seemed as if by that time the union wasn't functioning the way it used to. At the same time there are also (disciplinary) cases and most of the time a shop steward, when he is supposed to go to a case, he is busy in another committee – planning committee, steering committee, task force, what-what committee, canteen committee. Hey, there were a lot of committees! And then we decided that it (change process) should be suspended. However, there were hard feelings among the (shop stewards') committee members. (Interview with Zimi Masuku, shop stewards' committee chairperson, Nampak Polyfoil)

Some have sought to avoid these dangers by proposing what has been termed 'adversarial participation'. Ntshangase and Solomons (1993) have argued that,

The union should engage the companies and participate in these processes of change, but on our own terms through collective bargaining, rather than on management's terms. In this way we can achieve the goals of expanding worker power and the role of the union. This is what we mean by adversarial participation. Participation, yes, but in a way which does not ignore the irreconcilable differences between labour and capital. (1993: 35)

Proponents of this notion therefore argue for engagement with schemes of co-determination in a way which allows workers to pursue their collective interests through their unions. However, the notion of adversarial participation neglects to address the organisational capacities which the unions need to develop to ensure that engagement does not lead to co-option and substitution of the union by co-determinist structures. In other words, it does not examine the power resources which unions need to build to service co-determination and get maximum benefit from opportunities which it offers. This paper seeks to address this concern by looking at the union movement's capacity to service co-determination.

This paper is based on research material gathered in the course of several projects on unions and worker participation in the period 1993 to 1997. These include a Sociology of Unit (SWOP) study at PG Bison in 1993, an MA research project on union responses to participation at Nampak and PG Bison (1993-95), a SWOP/PPWAWU study at Nampak in 1994 and discussions organised by the September Commission in the first half of 1997. It does not

concern itself with issues to do with union engagement in national policy making, but reference will be made to that issue where relevant.

Although the bulk of the information used here applies to one union affiliated to the Congress of South African Trade Unions (COSATU), namely the Paper, Printing, Wood and Allied Workers' Union (PPWAWU), many of the issues raised and conclusions reached in this paper apply to most of the COSATU unions, albeit with some notable variations which will be raised in the course of this discussion.

The discussion that follows draws out the key issues pertaining to whether, and how, unions have been servicing co-determination. In discussing this issue the paper identifies a *lack of capacity* by unions to take advantage of the opportunities which co-determination offers. The discussion therefore starts with a few remarks on union capacity.

A Lack of Capacity

In recent years the term 'capacity' has featured prominently in debates about lack of union strength and the need to rebuild organisational power and vibrancy in the movement. More recently, the September Commission on the Future of Trade Unions investigated a number of strategies to strengthen the trade union affiliated to COSATU. In its report the Commission noted that the advent of democracy in South Africa has 'forced the unions to engage with a tremendous range of issues, many of them more complex than in the past'. (September Commission, 1997: 168)

Transitional periods and moments of economic crisis and change often force trade unions to reexamine their current strengths and to explore ways of coping with the challenges thrown up by these crises and changes. Another well-known case in recent years is that of the Australian Council of Trade Unions (ACTU). In 1986 the ACTU and the Trade Development Council (TDC) went on a fact-finding mission in Western Europe and Scandinavia to look at different models of unionism and to examine ways in which labour should fashion its relations with government. The result of this mission was a recommendation which urged the Australian trade union movement to adopt what was termed 'strategic unionism'. (Ford and Plowman, 1989) This strategy involved, among other things, moving beyond wages and conditions, formulating and implementing centrally co-ordinated goals and integrated strategies, participation in tripartite institutions, and strong union organisation. (Ford and Plowman, 1989: 289)

In the early 1990s the notion of 'strategic unionism' was used to describe the union movement in SA at the height of its power and influence in areas other than traditional collective bargaining (Webster, 1991; von Holdt, 1992) However, since then the deepening of the transition, globalisation and the emergence of forms of co-determination and tripartism have exposed a number of weaknesses which have called into question labour's ability to take advantage

of the opportunities which have opened up. This has been termed the capacity problem in the trade union movement. (Buhlungu, forthcoming; Baskin, 1996a) The September Commission has recommended a number of goals for the federation. To realise these goals, the report has identified the centrality of capacity building within COSATU and its affiliates.

In pursuit of these goals COSATU needs to develop the resources and capacities to engage effectively with the alliance, government, parliament, NEDLAC, provincial and local government, and with employers at sectoral and workplace levels. (1997: 23)

Before examining some of the problems facing the trade union movement in servicing co-determination, it is worth recalling a note of caution made by the Australian mission which is relevant to our circumstances. In its report the group warned that,

Effective policy formulation is not a part-time activity. It requires the dedication of relatively large amounts of resources, in both time and money. It also requires input from local union members as well as from properly trained professionals. (Ford and Plowman, 1989: 298-99)

This observation also applies to co-determination and workplace democratisation. Drawing from experiences in a number of countries across the world, the International Labour Organisation (ILO) (1989) has observed that worker participation in decision-making demands special training to equip workers and their representatives with special skills. It has noted that,

In order to exert influence, whether through representation on management bodies or in the process of consultation, negotiation or joint decision-making, workers' representatives must be capable of understanding the questions under discussion and appreciating the effects of the decisions to be taken. (1989: 39-40)

This paper argues that not only do South African unions fail to channel sufficient resources to service co-determination, they also lack a clear strategy and skilled staff to provide leadership to the rank and file. The September Commission has taken cognisance of this problem, hence the importance it places on capacity building. In this paper the term 'capacity' (or lack thereof) has been used to refer to this situation. Elsewhere trade union capacity has been referred to as,

The overall capability or competence to deal with or engage in particular activities and/or issues which are of critical importance to the organisation, running and sustaining of the union movement's strength and influence in relation to employers and the state....Such a capability depends on structures, processes and human and material resources available to the union to achieve its goals. (Buhlungu, forthcoming: 163)

Thus union capacity can be conceived of as a set of capabilities necessary to exercise power (power resources). It has four related aspects, namely, structural and organisational, strategic, financial and administrative aspects. A union can lack capacity in one or all these aspects. However, it must be noted that these categories are merely used here as analytical categories and that in

real life it is difficult to find problems occurring in such a neatly categorised form.

The discussion which follows looks at how the trade union movement has been meeting the challenges presented by the emergence of co-determination since the late 1980s and early 1990s. It particularly looks at the capacity problems unions face as they respond to co-determinist institutions and practices and uses the concept and framework of union capacity explained in the preceding paragraphs.

I. Structural and Organisational Capacity:

In 1992 Zwelinzima Vavi, COSATU's organising secretary (now deputy general secretary), noted that the federation was facing a problem of 'deteriorating organisational capacity'. (Vavi, 1992) He argued that there was a problem of organisational decline and weakness at factory, local, branch/regional and national levels. Workers and shop stewards were battling to understand 'complex issues', and the few unionists who understood these issues were over-stretched and thus unable to find time to share their knowledge with workers and shop stewards. (1992: 40-41) Today many of these problems persist and the growth on union membership will confront unions with an even bigger problem.

A second issue which is related to the above is the fact that many of the existing union structures are inadequate for meeting the current challenges facing the unions. This problem was observed during several research projects in PPWAWU and a number of the workplaces it organises. For example, local and branch structures are often ignorant about what happens in workplaces within their geographical areas and as a result are unable to provide guidance and support to shop stewards in those workplaces. Similarly, union training does not cover shopfloor issues sufficiently, resulting in ignorance among organisers and shop stewards. A SWOP/PPWAWU study of Nampak's 'world class manufacturing and service' strategy in 1994 found that many shop stewards do not have the skills to engage in strategic issues. The study then observed that, 'As a result, some shop stewards get tricked into endorsing certain changes without understanding the full implications thereof.' (SWOP/PPWAWU, 1994: 92)

Over the years the union movement has built a cadre of leaders who have led the movement during difficult times since the 1970s. However, there is evidence that in recent years the unions have been losing this leadership. (Buhlungu, 1994a; 1994b and 1997) This haemorrhage has been occurring at a number of levels, but the most serious losses have been those of shop stewards and full-time officials. A recent study of full-time union staff has found that there is a 'revolving door syndrome' in the unions, with the result that at the end of 1996, 57% of the current staff in COSATU unions had not completed four years as employees of the union movement. (Buhlungu, 1997)

The study also identified what it termed a 'generational transition', a process where the older generation of union officials was being replaced by a new generation which was less experienced in the organisational traditions of the union movement. (Buhlungu, 1997) A similar trend can be seen with worker leadership, where shop stewards are being promoted to positions above the bargaining unit, thus forcing them to cancel their union membership.

One of the consequences of these developments is that unions have been forced to rely on very few skilled and/or experienced leaders in complex matters. To make matters worse, 'Those who understand or have a better education occupy many positions. They are over-stretched and cannot find the time to develop fellow workers and shop stewards.' (1992: 41) According to the results of the staff survey only 35% of current union staff said their unions had strong shop stewards. (Buhlungu, 1997)

With regard to national issues and tripartite forums, Keet (1992) also noted a similar problem, namely, that there are very few union leaders at any level who have 'a confident or clear grasp of these and many other strategic options being adopted in the union movement today'. (1992: 32) The result is that once one of these few unionists leaves the unions, the repercussions are felt far and wide in the union movement.

The independent union movement was built on the principle of leadership accountability. In practice, this meant that every leader had to work on the basis of a mandate by the rank-and-file and that he/she had to report-back to them on a regular basis. However, there have been signs that this practice is no longer adhered to as stringently as in the past. This is particularly the case with national level negotiations and forums where Ginsburg, Webster, et. al. (1995) found that the bulk of COSATU's members did not know of their federation's involvement in national forums. More than 80% of the members had never been at a union meeting where there was a report or discussion of the National Economic Forum (NEF)³. (1995: 67-68)

The move towards co-determination is going to require an aggressive education and training programmes in the unions. (Buhlungu, forthcoming) But many unions do not have adequate numbers of personnel to perform the education and training function. Even those who employ staff to perform these functions, do not have structured programmes to educate shop stewards, office-bearers and full-time officials. Participants at a workshop convened by the September Commission in 1997, all of whom were shop stewards from most COSATU unions, noted that lack of capacity was the biggest problem facing the unions in their struggles to democratise workplace relations. A NUMSA shop steward from Witbank noted that capacity building through education and training is a pre-condition for involvement in co-determinist processes and structures:

If we want to participate, then the union must empower factory structures to take decisions on the spot. Otherwise management will take decisions alone. (Lesley Nhlapho, NUMSA, Highveld Steel).

Speaking at the same workshop, a shop steward from PG Bison in Germiston, used his union experience of board representation to illustrate the same sentiment. In the early 1990s workers at the company were invited to send two representatives to the board of directors. But these worker directors did not get any training or back-up to assist them in the performance of their duties, with the result that they were completely ineffective.

We were like lost sheep there. We did not know anything. The only thing we knew was eating time. (Joseph Mthembu, PPWAWU, PG Bison)

A related weakness is that of research within the unions. The majority of unions do not employ researchers. (Buhlungu, 1997) In those few cases where there are staff members employed to do research, they often find themselves drawn into other activities of the union, with the result that research suffers.

Another weakness in COSATU regarding capacity is a federation structure which often hampers the co-ordination of certain policy issues. In terms of the COSATU constitution, the federation cannot take binding decisions on issues like co-determination. This often leads to different unions taking different, and often contradictory approaches, thus leaving rank-and-file members confused.

A number of these structural issues can be observed in the unions today and research done among members and leaders of PPWAWU illustrates the constraints unions face. Existing schemes of co-determination were introduced by management on the shopfloor, and in the process, the union's organisational structures were by-passed. But what is of greater concern is that the union has not been able to regain the initiative and put its own proposals on co-determination. Part of the problem is that PPWAWU, like other unions has been slow in taking up production (as opposed to distribution and political) issues. Siphon Kubheka, former general secretary of PPWAWU noted this in an interview:

Most of the officials came from a political background, not from an industrial background per se. They were politicians. They were political activists who happened to be much more articulate in making this or that statement in whatever meetings. We were not asking people in the interviews, 'what is your experience about the factory situation?', 'can you tell us about the process of production in the printing industry?'. We were focusing on political issues, apartheid in the work situation. (Interview with Siphon Kubheka, December 1994)

But the problem goes beyond one of full-time union officials. It is about the slow pace at which unions have been reorienting themselves such that they pay more attention to issues of transformation of the sphere of production.

II. Strategic Capacity:

The absence of a union vision for the workplace is part of a bigger issue, namely, the lack of a political vision for the union movement. The transition to democracy and the crisis of the socialist paradigm has left unions groping for a new vision which informs union work and struggles. This has left a number of unions uncertain about ways of approaching certain issues. A shop steward at the September Commission workplace restructuring workshop expressed this uncertainty with regard to her union:

There is no meaningful opposition from our union. The reason why there is no clear challenge is because the union has no policy positions. Management tries to bribe shop stewards and organisers. Organisers try to avoid these issues. (Maud Khumalo, CWIU, Adcock Ingram)

She did add, however, that her union had realised this problem and was preparing a booklet on workplace restructuring for use by shop stewards.

A related problem is the fact that the union movement has lost the strategic initiative to business and the state. The final report of the September Commission (1997) has noted how unions often find themselves having to respond to proposals from employers and the state. With regard to co-determination, unions were caught off-guard by the new managerial initiatives, and found themselves unable to provide answers and guidance to their membership in the workplaces. For example, NUMSA shop stewards at a factory in Durban were approached by management regarding the establishment of team work. The shop stewards were not sure how to respond, so they approached the union official to assist. But they found that the union official was also at a loss about how to respond.⁴ The stock responses have been instant rejection or avoidance. (see for example, Buhlungu, 1996) Similarly, when the government introduced co-determination through the new LRA, unions were forced to respond. Thus the lack of a clear programme on co-determination has led unions to tend to respond in *ad hoc* and short-term ways. In 1993 PPWAWU got PG Bison to agree to a union-led research programme before the company could implement its down-sizing plans. (Bethlehem, et al., 1994) What is interesting was that the unions proposal for research was never a well thought proposal, but a device to buy more time for the union to consult with its membership. A similar process of research was undertaken at Nampak, but these lessons have never been co-ordinated or used to develop a union-wide strategy on participation. In the September Commission report this kind of *ad hoc* and reactive unionism is termed 'zig-zag unionism'. (1997: 168-69)

Lack of a clear strategic direction on these issues has forced the union movement to adopt defensive approaches and responses. Even where new approaches have been adopted, such as research, unions have failed to follow these through and to use them to develop a programme of servicing co-determination.

The leadership drain has been making things worse for the unions as a number of experienced unionists have been moving out of the movement. This has left fewer skilled leaders who could steer the movement towards the development of a clearer strategic direction.

It is the lack of strategic clarity and the absence of a political paradigm noted here, not co-determination per se, which makes these new initiatives a dangerous game for the union movement. In this confusion co-determination and worker participation represent different things to different people. These dangers are accentuated by the fact that the parameters of these initiatives are usually set by management rather than by the union movement itself. In other words, proposals for co-determination often come from management, and the way it is conceptualised is such that it dovetails with the objectives of the enterprise in the form of productivity and competitiveness, and the pace of the process is dictated by management. But this does not have to be so. A union movement with a clear strategic vision, and which is able to communicate that vision to its rank-and-file membership can reverse this and turn the situation to its advantage.

III. Financial Capacity:

Financial self-sufficiency is the backbone of a union's strength. It ensures that a union can rent offices, set up efficient administrative systems, pay its staff reasonable salaries, employ experts where and when required and train its membership and leadership. While unions cannot compare themselves with large companies and corporations in terms of resources, they have to strive to match them in terms of expertise, efficiency and power. This often implies that unions have to use their limited financial resources to set up and run unconventional, but effective, systems of education and training, administration, research and so forth.

Although some unions, particularly the smaller ones, still face serious financial constraints, the majority have succeeded in achieving much higher levels of self-sufficiency. This is due, in part, to the shift towards a percentage subscription rate which has boosted union income and is adjusted annually when workers get a wage increase. As a result many of the the larger unions do not have serious financial constraints. But in the majority of cases improvements in the financial situation have not necessarily translated into capacity building activities and initiatives, such as training and employment of union educators and researchers. The bulk of union income still goes towards running expenses and staff salaries and benefits. Those with limited financial resources often find it extremely difficult to engage with co-determination because they cannot run educational programmes, employ professional staff, and so forth. The union staff survey cited above revealed that a number of unions now employ staff in support positions (education, legal services, media, health and safety etc), but

few of these officials are engaged in education and training functions. (Buhlungu, 1997)

Financial capacity remains an important area for trade unions, particularly because in most of the existing schemes of participation and in the statutory workplace forums, management is not compelled to provide meaningful resources for participation or co-determination structures. This is in stark contrast to the German system where employers are expected to bear training and other costs for building the capacity of the works councils. (see Rogers and Streeck, 1994)

But financial stability will not necessarily resolve these issues for unions. As noted above the unions' lack of capacity is a multi-faceted problem which needs a holistic approach to resolve.

IV. Administrative Capacity:

The lack of efficient administrative systems and professionalism have been discussed by others. (see Marie, 1992; Baskin, 1991; Vavi, 1992) Baskin (1991) argues that lack of professionalism manifests itself at national, regional and national levels of unions.

Information systems are inadequate or non-existent. Efficiency is rarely practised, nor is it valued. At local level, organisers and officials are generally forced to rely on their own resources and inventiveness. Those unions which have tried to address these problems have often resorted to bureaucratic solutions, further disempowering both local officials and the general membership. (1991: 458)

Although elements of administrative inefficiency exist in all unions there are variations according to union size and the amount of resources of each union. For example, the smaller unions tend to have more limited resources and therefore cannot build a stable administrative infrastructure. The magnitude of the problem becomes obvious to a researcher coming to a union to get information. Information gathering for the staff survey revealed that most union officials do not know the number of paid-up members in their branches and regions or in the individual workplaces they organise. This has wider implications for the union, particularly when it comes to the collection of membership subscriptions. The same confusion exists with regard to the number of shop stewards in factories and branches.

Other problems have to do with lack of knowledge and poor communication between the various levels of the union. With regard to workplace change, this means that many union officials and leaders have limited knowledge of production issues and therefore cannot give appropriate advice to their members. National structures often fail to communicate union decisions to the shopfloor. These problems have a bearing on the unions' ability to service co-determination in the workplace. However, their effect is an indirect one.

Attempts to build trade union capacity should therefore include attempts to improve administrative systems and information flow and to beef up education and training which will engender a more professional approach to union work. Not only are these important for the normal day-to-day running of the union, but they are prerequisites for engaging management on complex issues on the shopfloor.

Servicing Co-determination: An Assessment

In South Africa many of those who have engaged in debates about co-determination and worker participation have given these terms perjorative connotations and tend to use them interchangeably with terms such as co-option, social contract and class collaboration. On the other hand there are those who have been too hasty to embrace notions of co-determination and participation without paying attention to their content and the dangers they pose for unions. Both sides of the debate share two major weaknesses:

- (a) They draw an artificial separation between co-determination and the struggle between capital and labour. The argument is this paper is that attempts to introduce co-determination and worker participation, whether they emanate from management or from workers and unions, are inextricably bound with the struggle between these two forces.
- (b) They fail to deal with the conceptual aspects of the debate. In other words, they do not explain what they mean by co-determination or worker participation. Where an attempt is made to do so, such attempts at conceptualisation ignore to place the debate within its historical context, namely, militant struggles by workers in different countries for workers' control of production. In these struggles, workers' control was not seen as an end itself, but a means to an end, namely the total transformation of the relations of production.

Following Pateman (1970), this paper has argued that co-determination or worker participation is essentially about 'the modification of orthodox authority structures' resulting in further limitation on managerial prerogatives. Although the struggle for workers' control is historically a project of the labour movement, there are numerous examples, including South Africa (see Maller, 1992 and Buhlungu, 1996), which show that management can pre-empt that struggle by offering limited or pseudo forms of worker participation and co-determination. Ramsay (1985) coined the term 'cycles of control' to demonstrate that management initiatives are introduced to 'head off or restrain the demand for more substantial changes in authority relations'. (1985 :60) He further argued that the co-optive power attributed to participation and, we may add, co-determination, is exaggerated because 'had participation enjoyed the success commonly attributed to it, it is hard to see why once employers had discovered it they should ever lose interest in it thereafter'. (1985: 61)

It has been argued here that the best strategy for labour, even in those situations where co-determination is an initiative of management or the State, is to engage in worker participation and to exploit the opportunities offered by the contradictoriness of such initiatives. But such engagement should be consonant with the goals of, and be on terms set by, the labour movement itself. It is in this regard that the issue of capacity becomes critical for the labour movement.

It has been shown that COSATU unions lack capacity in a number of areas and that this affects the way they engage in, or service, co-determination. This lack of capacity often results in an ambivalent attitude to co-determination. On the one hand, the day-to-day struggles in which the workers and unions are engaged are about limiting the prerogatives of management in the workplace. But, on the other hand, there is a fear that management may co-opt workers.

One of the points made by the Australian mission to Western Europe and Scandinavia in 1986 was strategic unionism and the policies it implied require a number of conditions in order to succeed. These conditions were identified as

- * a high degree of union organisation;
- * a high degree of membership involvement;
- * a high degree of knowledge, facilities and sophistication;
- * a high level of resources made available by relatively high membership;
- * fees and supplemented by contributions from the general community through government expenditure; and
- * a high level of expenditure on education and research. (Ford and Plowman, 1989: 292-93)

Although the conditions in Australia in the mid-1980s may have been different to conditions in the 1990s, the above requirements are also applicable to South African unions as they begin to confront new practices and institutions in a rapidly changing political and economic environment. South African trade unions can no longer take it for granted that they will maintain the degree of influence they enjoyed during the era of resistance. While these unions can still draw from their past and current strengths, they also require a much greater degree of organisational, strategic, financial and administrative capacity to retain their influence. (Buhlungu, forthcoming). Co-determination and tripartism challenge South African trade unions to develop new strategies of organisational rejuvenation. A failure to do this would make the dangers of co-option very real indeed for these unions.

In conclusion, it must be pointed out that the union movement is aware of some of these challenges and has started to address some of the shortcomings raised in this discussion. Most unionists today acknowledge that there is a general lack of capacity which threatens to rob unions of their power in society at the workplace. The September Commission Report⁵ (1997) has done the most detailed assessment of these problems and has proposed a number of solutions. With regard to the workplace, the Commission recommends what it terms

'strategic engagement' based on a union agenda and union independence. (1997: 111) It goes further to assert that,

A union which pursues strategic engagement sees dangers in company restructuring. But it also sees opportunities. Thus it engages in order to defend workers' interests, but it also engages to increase workers' control of production, to gain access to training and skills, to improve wages and conditions, and to improve the quality of working life and democratise the workplace. (1997: 112)

Apart from the September Commission there are other initiatives by trade unions to address these weaknesses. Two such initiatives are the National Labour and Economic Development Institute (Naledi), a union research body established by COSATU in 1993 to build research capacity for the labour movement, and the Development Institute for Training, Support and Education for Labour (Ditsela). Ditsela is a labour training institute set up in 1996 by COSATU and Fedusa with some financial backing from the Department of Labour.

Individual unions are also undertaking individual capacity building initiatives in a variety of areas, including those discussed in this paper. However, it is still too soon to assess the impact of these efforts. But there is no doubt that unions need to continue building their power resources in order to meet the challenges of the transition.

Notes

1. Willie Mokgeti, PPWAWU shop steward at Nampak Corrugated, Wadeville, speaking at a workshop convened by the September Commission in March 1997.
2. Interview with Joseph Mthembu, June 1994.
3. The NEF was a national forum set up for government, business and labour to negotiate economic policy. In 1995 the body dissolved into the new National Economic Development and Labour Council (NEDLAC).
4. Interview with NUMSA shop stewards at Divpac, Durban, August 1994.
5. The September Commission was a 12-member commission which was set up by COSATU to investigate and recommend strategies for the future of unions. COSATU's second vice president, Connie September, chaired the commission, hence the name. The Commission's final report was published in August 1997.

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