A luta continua! Trade Unions in Southern Africa

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For trade unions in Southern Africa, there was hardly a more appropriate time to remember the famous Mozambican revolutionary slogan “a luta continua” (the struggle continues) than now. Twenty years after the independence of the last colony in the region (Namibia) and fifteen years after the end of apartheid in South Africa, Southern African workers face a host of monumental challenges. These range from organisational challenges, to socio-economic inequalities and political repression. This article aims to sketch the state of labour and the possibilities for rising to the current challenges.

Trade unions in Southern Africa – like elsewhere on the continent - have not recovered from the membership and financial losses they suffered in the 1990s as a result of the IMF/World Bank-sponsored Structural Adjustment Programmes (SAPs), which led to mass retrenchments and privatisation of state enterprises. Shrinking formal sector jobs, an increasing number of casual jobs, as well as survival jobs in the informal economy characterise much of Southern Africa today. The only countries that still have a fairly large number of formal sector jobs are Namibia, Botswana and South Africa, but even there secure forms of employment are under threat.

The financial difficulties facing unions have had negative impact on their recruitment drives and their capacity to effectively engage employers and government. The situation has worsened due to the growing informalisation of employment. Most of the economically active population struggles to make a living in Southern Africa’s informal economy. Trade unions find it very hard to unionise informal economy workers and traditional forms of recruitment in the formal sector are of little relevance when dealing with the informal economy. Ghana is one of the few success stories where trade unions managed to penetrate the informal economy and to play a meaningful role in improving working conditions there.

Employers are taking advantage of flexible labour markets. Chinese companies, for example, which have significantly increased in number and scope of operations in Africa in recent years are notorious for flouting national labour laws, including health and safety standards. In some cases, these companies receive the tacit support of government agencies. In Zambia, for example, a Chinese company applied for and was granted an exemption from complying with the National Pensions Act. Again, in Zambia, fifty workers died in a Chinese company in 2005 partly because the Chinese employers failed to comply with safety regulations. A recent study by the African Labour Research Network (ALRN) that covered 7 Southern African countries revealed widespread abuses of workers rights and internationally-recognised ILO labour standards including those that have been ratified by the country in which they operate. In most countries the labour inspection system has collapsed due to poor funding and labour laws are thus not strictly enforced (Baah and Jauch 2009).

Investments at all costs?

The quest to attract foreign investments at (almost) all costs is a common trend in Southern Africa with host countries being willing to offer increasing concessions that often include compromises on workers rights. The infamous case of the Malaysian Ramatex clothing and textiles company that operated as an Export Processing Zones (EPZ) company in Namibia exemplifies the problems associated with such policies.

The Ramatex case

By 2001, Namibia still had not managed to attract any large production facility through its EPZ programme. This changed when the Ministry of Trade and Industry announced that it had succeeded to snatch up a project worth N$ 1 billion ahead of South Africa and Madagascar, which had also been considered as an investment location by the Malaysian clothing and textile company Ramatex. This was achieved by offering even greater concessions than those offered to other EPZ companies, such as corporate tax holidays, free repatriation of profits, exemption from sales tax etc. Drawing in the parastatals providing water and electricity (Namwater and Nampower) as well as the Windhoek municipality, the Ministry put together an incentive package which included subsidised water and electricity, a 99-year tax exemption on land use as well as over N$ 100 million to prepare the site including the setting up of electricity, water and sewage infrastructure. This was justified on the grounds that the company would create close to 10 000 jobs. The plant turned cotton (imported duty free from West Africa) into textiles for the US market. Ramatex' decision to locate production in Southern Africa was motivated by the objective to benefit from the Africa Growth and Opportunity Act (AGOA) which allows for duty free exports to the US from selected African countries who meet certain conditions set by the US government (Jauch and Shindondola 2003).

The events around the controversial Ramatex investment in Namibia exemplify the failure of Namibia's EPZ policy. The company's operations were controversial from the start as it polluted the groundwater with its industrial waste and embarked on some of the most ruthless and exploitative labour practices seen in Namibia after independence. Trade union efforts to recruit workers and to negotiate for better employment conditions were met with fierce resistance by the company management. The Namibian government shielded the company against criticism and went as far as accusing critics of being a threat to the national interest. Trade unions were warned to moderate their demands and not to scare away investors.

By 2004, Ramatex employed about 7,000 workers, including about 1,500 migrant workers from China, Bangladesh and the Philippines. The vast majority of these workers were women. In 2005, following the end of the global textile quotas, about 1,500 workers were retrenched and it became apparent that the company was planning to shift its production to Asia.

Further retrenchments occurred throughout 2006 and 2007. After having worked for 4 years at meagre salaries of N$ 3 (US$ 0,3) per hour without any benefits, the Namibian Ramatex workers finally went on strike in October 2006, achieving significant improvements in their conditions of employment. The company had threatened that any strike would lead to the closure of the factory and the Namibian government, in collaboration with some trade union leaders, tried to intervene to avoid the strike. Thus it was essentially the workers' own determination, rather than a militant union strategy that forced to company to meet several of the workers' demands (see Jauch and Shindondola 2003; Jauch 2008).

In March 2008, Ramatex closed down the factory without giving any notice. Workers found themselves locked out and management tried to skip the country. Machinery and equipment had been shipped out during the preceding months and it took a government intervention to force the company to negotiate with the recognised union and to pay at least the legally prescribed retrenchment packages. Over 3,000 workers were left stranded and unemployed while the city of Windhoek had to spend millions of N$ to deal with the environmental damage caused by the company (The Namibian, 5 December 2008).

Historically, collective bargaining has been the most effective tool for trade union intervention. Unions have relied on collective bargaining (backed by strikes when negotiation fails) in their struggle for improved pay and working conditions. But this tool can only be employed when workers are unionised and the union is recognised to be the legitimate representative of workers. Employers who want to avoid collective bargaining usually do so by blocking the unionisation of their employees. That is precisely what many of the smaller employers do and the ALRN study found Chinese employers amongst the main culprits. They use both open and subtle methods to discourage their employees from forming or join trade unions thereby denying the unions the opportunity to use their most effective tool – collective bargaining – to intervene in Chinese companies that are openly flouting the labour regulations (Baah and Jauch 2009).

Signs of hope?

Despite these frustrations, trade unions in Southern Africa have managed to unionise workers in many industries and are taking steps to address the concerns of their members. The Metal and Allied Namibia Workers' Union (MANWU) proposes the setting up of a committee made up of representatives of all stakeholders including the union and ministries in charge of works and labour to monitor compliance with labour standards in the construction industry. Preparations are currently under way to set up a Council for the industry which will serve as a regulatory body that will ensure compliance with all relevant laws.

Trade unions in Malawi, led by the Malawi Congress of Trade Union (MCTU) have adopted various approaches to deal with Chinese investors who do not respect workers' rights. They brought the bad labour practices in Chinese companies to the notice of the Chinese Embassy. Through dialogue, the Chinese ambassador has assured the Malawi Congress of Trade Unions (MCTU) leadership that the embassy will cooperate with the trade unions and the government to ensure that the Chinese investors abide by national labour laws. In addition, the unions are planning to embark upon a more aggressive organising campaign including educational campaigns on radio to encourage workers to exercise their rights to join or form unions of their choice. The MCTU is also planning to raise issues regarding working conditions in Chinese companies in their national tripartite dialogue (Baah and Jauch 2009).

The ANSA initiative

One of the most important initiatives undertaken by trade unions in Southern Africa is the project on "Alternatives to neo-liberalism in Southern Africa" (ANSA) that has been underway for the past 4 years. The ANSA Project hopes to provide a basis for discussions and actions by workers, farmers, women, intellectuals, youth, NGOs and politicians that are willing to find solutions to mass poverty, exclusion and exploitation.

The ANSA publication (2007) points out that these challenges can only be addressed collectively through manifold struggles and that fundamental changes are needed to improve the lives of working people who are the key agents of change and must drive the process. ANSA also analyses the role of "global actors" such as the World Bank, IMF, the World Trade Organisation (WTO), G8 and Transnational Corporations (TNCs) who have a strong influence over African states and whose interests are opposed to those of working people. ANSA refers to these global actors as the "Empire".

ANSA suggests that the most fundamental step is to build a movement from below. This means political "conscientisation" and mobilisation among working people at grassroots level. Such mobilisation must be based on a clear understanding of the current crisis and the possibilities for an alternative development strategy. Grassroots mobilisation has to include a constant engagement with the state to transform it into an ethical, responsible and developmental state that acts in the interest of working people instead of those of the Empire.

The ANSA publication (2007) argues that individual states cannot resist the pressure by the Empire on their own and thus they need to build an effective regional block in Southern Africa that will benefit the people of the region. Such a regional block will allow the movement of people and goods across borders and will be a building bloc for African integration in the long term.
ANSA considers three basic pillars on which an alternative development strategy has to be based. These are:

a) The "social factor", meaning how people's basic human rights are safeguarded and how vulnerable people are protected against poverty and exploitation.
b) The "democratic factor", meaning how the political system functions, how decisions are made and implemented, how resources and opportunities are distributed and how justice and fairness is achieved.

c) The “global factor”, meaning how the system works at global level, how decisions are taken and implemented, how global resources are controlled and distributed and how this global system affects Africa.

ANSA argues that an alternative strategy has to deal with all three factors at the same time. It cannot succeed without human rights for all or without free political participation or without a fair distribution of resources. An alternative strategy cannot succeed without limiting the influence of the Empire at the global level. Therefore, ANSA calls for the promotion of the social and democratic factors by fulfilling working people’s material and social needs and by creating a system of governance that is democratic and accountable. At the same time, there is a need to eliminate (or at least minimise) imperial interventions by the global actors such as SAPs and free trade agreements.

The space available here does not allow me to sketch all aspects of the ANSA proposals but the drafting of a comprehensive alternative development strategy by trade unions in Southern Africa in close collaboration with progressive researchers and grassroots activists augers well for the struggles ahead. After all, the massive socio-economic challenges faced by working people in the region cannot be confronted successfully by trade unions alone but will require strategic alliances with political, community, youth, women’s and informal economy organisations who all struggle for a new and fundamentally different Africa. Such broad alliances were already used very successfully during the struggle against apartheid-colonialism in South Africa and Namibia in the 1980s and similar strategic alliances will be required to deal with the current social and economic structures, which relegate the majority of Southern Africans to the fringes of their own society. A luta continua…

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