

Consumption, Productivity, and Crisis: Remaking South Africa's Apartheid Workplace in the 1970s

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Some say..that poor-paid labour means a poor nation, and that better-paid labour means greater markets, and greater scope for industry and manufacture. And others say that this is a danger, for better-paid labour will not only buy more but will read more, think more, ask more, and will not be content forever to be voiceless and inferior.

--Alan Paton, *Cry the Beloved Country*, 1948

From a South African perspective, the 1970s was a period of intense internal crisis for apartheid.¹ External threats had been substantially muted by the 1970s. After all, by the early part of the decade the Afrikaner nationalist government had effectively disrupted any substantive ANC military challenge to its power and crushed most internal dissent, fended off the feeble attempts of western governments to punish the nation for its policies, and could bank on the willingness of the US and the UK to shelter South Africa from its more vociferous critics in the UNO in the name of global anticommunism and the containment of Third World revolutionary nationalism.² Ironically, however, if the “crisis of industrial society” besetting the northern economies represented a speed bump on the road to post-Fordism, in South Africa (as the Paton quote above suggests) the Fordist contradictions at the heart of the apartheid project had reached their moment of reckoning. Simply put, an impoverished and disfranchised African working class could not consume enough goods to power a modern domestic economy.

South African historians, well aware of the limits to external political pressures, have long recognized the 1970s as a turning point for apartheid, though usually as a largely internal crisis of *governance* rather than one of political economy. An important exception to the habit of separating South Africa's internal crises during the 1970s from the "shock of the global" was a small book by John Saul and Stephen Gelb, published by Monthly Review Press in 1981, *The Crisis in South Africa*. Describing the events of the 1970s as symptoms of a long-brewing "organic crisis" in the articulated system of what they called "racial capitalism", Saul and Gelb simultaneously paid attention to those exogenous and endogenous forces making apartheid untenable. Following their lead, this paper seeks to foreground the Durban strikes of 1973 as a key point at which the growing internal contradictions of apartheid as a labor system intersected with growing external pressures flowing from changes in the global economy rather than international political condemnation or the growth of a global human rights discourse.

In 1973, African workers in the manufacturing plants ringing the South African city of Durban engaged in a series of mass strikes that shook the apartheid labor relations system to its core. Some South African historiography (characterized, misleadingly, as "liberal") argues that in response to this upheaval industrialists embraced the idea of permitting, and even encouraging, Black workers to organize and join recognized trade unions, thus paving the way for gradual reform of apartheid from within led by the more farsighted members of the business class. On the other hand, current nationalist historiography privileging the vanguard role of the ANC and the SACP dismisses the reformist response to these strikes as a mere "face-lift", irrelevant to the main currents of anti-apartheid activism. This paper challenges both of these

assessments by examining closely the evolving response of employers and the apartheid state to massive industrial unrest.

After a decade of robust growth, during the 1970s South African manufacturers faced a new set of challenges. International economic pressures began to choke off their export markets, yet the domestic market remained severely constrained—indeed, saturated—because of employers’ persistent dependence on Black labor paid only a subsistence wage. One 1972 wage study determined that blacks still spent a whopping 96% of their income on essential commodities, with virtually no disposable income left over.³ As Saul and Gelb pointed out, by the 1970s the capacity of white consumers to drive a sufficient home market had reached its limits, but many producers remained reluctant to abandon their dependence on cheap, unskilled, hyper-exploited black labor. Foreign capital continued to be attracted by the low wages made possible by apartheid; “by the mid-1960s,” Saul and Gelb observe, “direct investment in manufacturing was the predominant form of foreign participation in the South African economy.”(74) At the same time, however, by 1973 manufactured goods (rather than primary commodities) made up a mere 14 per cent of South African exports, and most of those went to other low-consumption African countries. Indeed, value-added manufactured goods actually *declined* as a proportion of South African exports between 1969 and 1975.⁴ The most farsighted firms hoping to increase exports —often heavily capitalized multinationals, and/or producers of consumer durables or even capital goods rather than basic goods—sought to upgrade black labor into semi-skilled positions. But they faced the intransigence of the white unions, as well as the danger that improved productivity would lead to increased black unemployment, thus exacerbating the problem of lagging domestic consumption.

Meanwhile, rapidly rising prices for basic goods driven by global inflationary pressures coupled with stagnant wages pushed Black workers to the limit of their endurance.⁵ Beholden to a white working class constituency, the apartheid state proved reluctant to raise Black wages unilaterally or to remove barriers to Black access to skilled labor. As industrial psychologist Simon Biesheuvel noted in a 1974 lecture, white workers' "self-esteem is wholly tied up with their Whiteness, for they have nothing else that can distinguish them from Blacks. The privileges...that go with Whiteness will therefore be defended with the utmost determination," especially at the ballot box.⁶ For their part, most employers continued to insist they could not do so unless Black workers' productivity increased first, a difficult prospect under apartheid laws that deliberately denied blacks skills, training, and permanent urban residence.⁷ This, in turn, continued to be explained by defenders of apartheid as a basic "cultural" trait of black workers. As the director of the National Institute of Personnel Research put it, "Work motivation and morale are so culture bound that it must be virtually impossible to maximize productivity motivation in a multi-cultural labour force."⁸

Many of these building contradictions had already been noticed by economists, employers and the government long before the outbreak of the strikes in 1973. The National Development and Management Foundation (NDMF), the Institute of Personnel Management, and the Bantu Wages and Productivity Association had long bemoaned extremely low labor productivity in the RSA's factories, which fell far behind both the industrialized countries and the new competitors in the global export trade. Taking to the pages of the South African Federated Chambers of Industries (FCI) house organ in 1968, economist and National Party senator from Natal, O.F.P. Horwood described the conditions under which South Africa might maintain the rapid growth

that had characterized its economy over the previous decade. Admitting that the country “was not in a position to compete [on the global market] in the production of more sophisticated products for the developed world,” Horwood urged industrialists instead to “look northwards!” to the rest of the continent, whose developing economies might provide a market for South Africa’s capital goods. The implication of these two propositions, Horwood maintained, was that on the one hand South Africa needed to “keep ahead in the development race” and pursue “as high a rate of internal economic growth as possible”, but on the other that employers “do all in our power to avoid labour costs rising too rapidly” in order to remain competitive in the saturated export markets of the developed world. Alas, he observed, “these two needs are frequently incompatible.”⁹

As Horwood appreciated, by the late 1960s apartheid’s growth path had come up against a major impasse, one that would be exacerbated by the global economic downturn of the early 1970s. Certainly all observers agreed that during the first two decades after 1948, the South African economy saw extraordinary growth, with GDP multiplying nearly five-fold driven by an average annual growth rate of 8.1 per cent. In fact, in the five years after 1963, the growth rate exceeded a “cracking average annual rate” of over 9 per cent. These same years saw closely related phenomenon reshape the country’s political economy. Employment in manufacturing grew rapidly, especially among African workers, whose share of industrial employment went from 60.5 to 75 per cent. By 1968, manufacturing had become “the largest individual contributor to the national product” of South Africa, reported a promotional brochure produced by one of the country’s most powerful banking conglomerates. Although sectors producing basic goods like food, textiles, and footwear remained the largest employers, manufacturing growth also came in

entirely new and highly capital-intensive areas—petrochemicals, automotive parts, basic metals, and electrical machinery, for example, with transport equipment showing the steepest rise. Indeed, South Africa ranked very high on the world scale when it came to capital formation during these decades.¹⁰

Nevertheless, as these financial boosters admitted, “the economy retained its dual nature—partly industrialized, wealthy, or fully developed, and partly rural, poor and somewhat [sic] underdeveloped.” Overall domestic consumption had grown over the previous two decades as well, it was true; in the eight years after 1960 total income had nearly doubled, and growth in consumer spending—as a whole—averaged 8 per cent a year. But much of this expansion came in spending for durable goods, mostly by whites. Moreover, as the bank’s brochure admitted, a similar rapid growth in expenditures for food and basic items of clothing, while suggesting a general rise in living standards, also reflected “the tremendous inequalities in income” that characterized South Africa’s divided economy. As Dan O’Meara has pointed out, the pattern of import substitution ” that underlay SA manufacturing growth until the 1970s was driven by “the demand of the small white minority.”(172)¹¹

More critical observers at the time proved less euphemistic in their assessment of the country’s economic dualism. A report presented at the Black Sash national conference in 1972, for instance, pointed to weak mass purchasing power as a persistent problem, exacerbated by low productivity and a growing black-white wage gap. Even the business-oriented Productivity and Wage Association acknowledged that in 1970 black wages in 80 per cent of private sector jobs fell below the poverty datum line, while white incomes in manufacturing were five times greater than black.¹² The United Nations’ anti-apartheid unit provided a telling statistic reflecting this inequality: white consumers, less than 20 per cent of South Africa’s population, controlled 69 per

cent of the country's purchasing power—African consumers had only 23 per cent. To put it another way, of the wages of 3.6 million Rand paid in South Africa in 1969, Africans took home one-sixth of the total. So it should come as little surprise that while 92 per cent of white households owned refrigerators in 1968, only 1.6 per cent of black households did. Similarly skewed figures for washing machines, automobiles, and other durable goods characterized the South African consumer economy two decades into the country's "boom."¹³ How many more refrigerators could a manufacturing economy driven by import substitution industrialization sell to the small white middle-class? That would require a lot of braais and cold Castle!!

Such striking figures point to a puzzling conundrum about apartheid's blocked growth path. Why, given the apparently enormous untapped domestic market, did so many economic planners recommend enhancing South Africa's competitiveness in the global export market instead of boosting domestic consumption through increased wages? As economist S.R. Back observed in 1969, "import replacement was the main force behind our rapid rate of industrialization...but the remaining scope for import replacement has become limited." But for him, the solution lay in "breaking bottlenecks in our supply conditions and so reduce our cost of production...and/or promote exports once again as an engine of growth."¹⁴ Like Horwood, the Union Acceptances brochure concluded that a relatively small domestic market meant that sustained growth would require a "growing value of industrial exports." (39) By 1972, an important (but often overlooked) government *Commission of Inquiry into the Export Trade* (the Reynders Commission) came to much the same conclusion. Contending that "South Africa had entered a third stage of economic growth, viz. one in which exports would once more have to assume the role of a major generator of income and growth,"(I,x) the Reynders report agreed that the previous decade had seen an increase in domestic consumption, but one driven primarily by

the growth of a white middle class. Successful import substitution to meet the growing consumptive demands of this class had, the commission maintained, “been very largely exhausted”(I:35)--all those damn refrigerators! Meanwhile, in a globally competitive environment exports had begun to slump (even while South Africa continued to import expensive capital goods), causing a severe balance of payments crisis by the end of the 1960s, resulting in a devaluation of the currency in 1971. This left but two ways forward. Citing FCI testimony, the commissioners felt that South Africa’s economic future required “a combination of growth based upon the expansion of exports and import replacement, as well as an increase of the purchasing power of the indigenous population and higher productivity.”(57) Yet, on balance, the lead was to be taken by exports; as the Commission concluded, “Exports should no longer be regarded as a residual available after” the local market had been supplied...”(34). In essence, the Reynders Commission report echoed what the South Africa Foundation had noted a decade earlier, namely that ““the problem of further industrialization cannot be approached solely from the angle of import substitution and saving foreign exchange” through a better balance of payments. Instead, “emphasis should increasingly be placed on industrial siting and development with a view to producing for export.”¹⁵ As one critic complained, the commission reported “in favour of export promotion while maintaining largely unchanged the distortions” in the economy, including “labour deployment, and the development of human resources”—euphemisms for apartheid labour policies.¹⁶

Barriers to the expansion of import substitution models of growth appeared high. As the activists of Black Sash noted, “purchasing power must be expanded by increased employment and wages”...but the government’s position remained “no increase in wages without a rise in productivity,” a long-standing problem bemoaned by South African employers, the National

Development and Management Foundation, and personnel managers. As the NPI Director had noted in 1968, “South Africa has a special case for increased productivity because of its socio/economic duality....An ultimate continuum in the standard of living of the population is desirable and inevitable. Since it is unrealistic to expect this continuum to be achieved by lowering the standards of the European section, the only solution lies in accelerating production increases.”¹⁷ Yet, in the face of the call for an export drive, the journal of the IPM actually published a critique of apartheid’s counter-productive wage structure, prepared by Fred van Wyk and Dudley Horner of the South African Institute of race Relations. Noting that demands for higher productivity from African workers were often “a red herring to counter the plea for a living wage to be paid to African workers,” van Wyk and Horner insisted that “if we cannot produce sufficient goods at economic prices and if the Black worker is to be held to ransom by the White worker [‘s demand for wage disparity] an export drive will be of little consequence.”¹⁸

The Reynders Commission acknowledged that apartheid labor market restrictions—both statutory and informal—on Black advancement led to a shortage of skilled labor and low productivity, and thus restricted competitiveness in foreign markets. Meanwhile, artificially high wages for skilled [white] labour created inflationary pressure, and thus “restricted the purchasing power of unskilled [black] workers, thus limiting the local market,” making the economies of scale needed for breaking into export markets far more difficult to achieve. Competitive expansion of exports would require an increase in skilled labor, improved personnel relations, and productivity growth in manufacturing, all very difficult to achieve under apartheid’s industrial relations system and limited home market. As the commission noted, manufacturing growth during the 1960s came almost entirely from increased inputs, *not* enhanced productivity, which had remained relatively stagnant.¹⁹ (I:34) As Horwood had put it, “the local market is

generally too small to justify the large units which are required for the fullest utilisation of our advantage” in minerals and metals. South Africa manufacturers, faced with a “limited home market” needed to remain competitive in emerging markets, but had to be vigilant against increasing their wage bill prematurely, so they could still compete in developed markets as well.

Here, in a nutshell, were the basic contradictions of apartheid’s political economy in its third decade: how to increase Black labor productivity and efficiency, economies of scale in production, savings for capital formation, and domestic consumption beyond a narrow band of privileged whites, without emancipating the African working class? How to improve South Africa’s competitive position in global markets without a rapid productivity increase based on skilled Black labour? How to achieve economies of scale without expanding the domestic market by paying higher wages? “The ink had hardly dried” on the Rynders Commission report, one economic historian reports, when the commodity boom (driving up the costs of South African exports of manufactured goods) combined with the global slowdown made a breakthrough into an export-led economy unlikely during the 1970s. As economic historian Charles Feinstein notes, “there could hardly have been a worse time than the early 1970s in which to initiate a switch to such a policy.”²⁰ Moreover, by the end of the decade, if not before, the growing global anti-apartheid movement began to throw up new barriers to increased exports. Most importantly, less than a year after the Reynders commission released their report, African workers themselves directly called the wage question in dramatic fashion. “Our industrialists should help ensure a steady and selective rise in real wages,” wrote economist W.F.J. Steenkamp in the wake of the 1973 Durban strikes. “That is the task, not of the minimum-wage fixer, but of the actual-wage fixer, the employer. He cannot evade that responsibility either by claiming that it is more important to create employment than ‘to pay high wages’, or by insisting that it is the task of the

Government to raise wages,” Steenkamp continued. “To allow real wages to decline is to risk the sort of outbursts that were experienced in Natal. This may do more damage to our ability to produce and to create employment than the payment of steadily rising real wages - and not necessarily high wages,” he concluded. This was a surprising admission for a one time chairman of the country’s Wage Board. By 1974, with the recessionary global economy looming, even the loyal Afrikaner nationalist newspaper *Die Vaderland* could admit that the country “should pin its hopes on the internal expansion of demand, purchasing power, and production. Through greater purchasing power and production our Black millions should make an important contribution towards keeping the wolf from our doors,” a point made by white liberals almost a decade before.²¹

Faced with this impasse in the 1970s, employers and the state sought to stabilize industrial relations, create what they called lines of “communication” with Black workers, enhance productivity by improving personnel relations, and even boost some wages (and thus consumption, or at least labor peace), but *without* promoting Black unionization. Instead, notwithstanding their overblown anti-apartheid reputation, employers established management-dominated “liaison committees”, designed as an alternative and obstacle to the spread of independent Black trade unions that might challenge managerial shop floor practice. Both employers and apartheid planners feared that Black unions would empower Black workers, enhance their bargaining power, and inevitably become politicized. If the liberals overstate the eagerness of capitalists to usher in free labor unions, however, the radicals continue to dismiss the significant role such reforms, as flawed as they were, played in empowering Black workers on the shop floor and setting a course for independent trade unions. Above all, the “organic

crisis” of South African capitalism precipitated a shop-floor struggle fought out over the dual contending imperatives of wage and productivity increases.

By 1970, half a million African workers labored in South Africa’s burgeoning manufacturing sector.²² As a labor system based on low wages, large inputs of unskilled work, and long-distance migratory labor, apartheid had proved well-suited to mining, agriculture, and the early stages of manufacturing growth and import substitution for a small but rapidly expanding home market of a white middle class. With the maturation of secondary industry during the 1960s however, employers required a more skilled, settled, productive, satisfied, and consuming labor force. Nothing drove home this truth to manufacturers more than the mass strikes of African factory workers that spread through Natal province and beyond during the first three months of 1973, forcing a serious re-evaluation of apartheid industrial relations for the first time in two decades. From January 9th, the date of the first walkout by 1,500 Zulu workers at the Coronation Brick factory, until the end of March, there were 160 strikes, involving over 60,000 workers. These strikes broke out across multiple sectors in the Durban area’s diverse industrial infrastructure, concentrated at first in clusters on the outskirts of the city--22 in iron, steel, and metal shops, 20 in textiles, 7 in clothing, 6 in cement. Most of these walkouts were of short duration, more than half of them lasting for only two days or less. The strikes came in concentrated waves, sporadic large ones involving thousands of workers interspersed with many smaller ones, in part because they occurred in dense industrial districts in which job actions could “spread by imitation” as workers in one factory observed others marching down the street or massing outside of factory gates. By the end of March the strikes tapered off, but did not entirely dissipate. By the time 1973 came to an end, nearly 100,000 African workers had

engaged in industrial actions—more than twice the number that had struck over the entire past decade combined.²³

These strikes, apparently spontaneous and leaderless, were at the time poorly understood. “The beginnings of most of the strikes are shrouded in mystery,” concluded the most sympathetic study of the upheaval at the time. “What is clear is that there was no organised body such as a trade union which called for a strike to occur at a particular time over particular demands.” In most instances, workers simply downed tools, or massed at the factory gates before work, and demanded to meet *en masse* with management to discuss their grievances—low wages, in particular--refusing to put forth any recognized leaders, lest they be subject to dismissal and arrest.²⁴ Anxious to quell the disturbances, but frustrated by the immediate lack of negotiating mechanisms or visible partners to negotiate with, the apartheid state and industrial employers hurriedly sought to shore up the ersatz system of plant-specific “works committees” that had represented the single allowance made to African workers’ industrial organization in South African labor law since 1953. Despite the fact that industrial employers gave lip service to the idea of trade union rights for Africans in 1973, in fact they ultimately colluded with the National Party to extend the system of works committees and, primarily, “liaison committees” as a more pliable alternative. The establishment and operation of these committees, rarely examined in practice, reveal a great deal about South African industrialists’ approach to relations with African workers.

Undeniably, employers in South African industry were caught entirely off guard by the 1973 strikes, and in response they quickly cast around widely for a new means of shop-floor discipline and avenues of “communication” with their workforce. As one observer noted, the strikes “forced a number of employers to realize that a complete absence of regular means of

communication with African workers might actually be against the employers' interests."²⁵ Such a "complete absence" should have come as little surprise to employers, given the structure of South African industrial relations at the time. Governed by the 1953 Native Labour (Settlement of Disputes) Act, designed in Labour Minister Ben Schoeman's infamous words to "bleed the unions to death," African workers were barred from joining the "registered" trade unions that received state recognition and the legal right to bargain collectively. Although African unions were not technically illegal, without this essential state sanction they lacked the power to compel employers to recognize and bargain with them. As a result, by the early 1970s African unions were absent from the vast majority of South African workplaces. Instead, labor relations for Africans were overseen by the Central Native Labour Board and its twelve regional committees, which sent ill-trained "officers" to factories to help mediate disputes—backed up by the power of police, since it remained illegal for African workers to strike.²⁶ This proved effective for small, isolated workplace disturbances, but entirely inadequate in the face of mass strikes across multiple plants.

To the degree that African workers retained any form of officially recognized collective institutions to channel grievances, these were single plant "works committees," wholly inadequate to the task. Allowed as an alternative to trade unions by the 1953 legislation, as of January 1973 only 24 officially recognized works committees existed in all of South Africa, and only two in the Durban area. One hundred and eighteen more (20 in Durban) "non-statutory," or informal works committees had been established—this meant that less than 1% of South Africa's factories maintained even this half-hearted attempt at government-sanctioned recognition of black workers.²⁷ This should have come as little surprise to employers; a decade before, the SA Federated Chamber of Industries and the SEIFSA had resisted department of Labour attempts to

“issue a pamphlet bringing to attention of Bantu employees the salient provisions” of the Act, out of fear that “there is a lack of control over these committees....native trade unions can easily abuse the position and stir up trouble amongst the committees without contravening the law.” Above all, they told the Minister of Labour that employers “do not want discussions about working conditions in the plants, as that may cause disputes.”²⁸

Yet, as observers in 1973 pointed out even the few existing committees had done nothing to enhance “communication” or impede the strikes, as they “were tightly controlled by management, and in most cases were not allowed to discuss the subject of wages. During the strikes the works’ committees proved to be entirely ineffective as channels of communication and as negotiating agents. When the workers had come out on strike the elected representatives faded away.” Even some employers admitted the limited utility of the existing workplace committees. C.F. Heilmann, managing director of Metal Box Co., told the National Development and Management Foundation (NDMF) in August 1973, “even the most effective of Works Committees does not provide the answer to the need for real communication between employers and Black labour,” as the recent strikes had demonstrated. “Industrial employers and management were talking to the wrong people,” he acknowledged ruefully.²⁹ But this was an unusual view; one survey of employers in the wake of the strikes concluded that “they seem to believe that they will be able to re-establish their customary total control of the work force by a few relatively minor concessions.”³⁰

In addition, Industrial Council agreements negotiated by white unions on occasion applied to African workers in the same industrial sector, and state Wage Board determinations theoretically acted to keep a floor under African wages—though most observers agreed that well over half of African workers still earned less than the official “Poverty Datum Line.” As of 1972, in an

African labor force of 6.2 million, only 18,700 belonged to unregistered unions, while 838,000 were covered by IC agreements negotiated by white trade unions, and 293,000 had a floor on their wages guaranteed by Wage Board determinations. This latter figure, however, represented only 35,000 more than those covered in 1962, suggesting the degree to which African wages had been allowed to stagnate during a period of a prolonged boom in South African basic manufacturing, as Steenkamp had recognized.³¹ The *Natal Mercury* reported that the Wage Board had failed to bring most African incomes up to the PDL, as demonstrated by a survey of 180,000 workers carried out by the Productivity and Wages Association. The Wage Board, the paper reported, “feels that managers should be largely responsible for wage increases. This seems to be a naïve view....’Natal Mercury’ surveys during the last four years alone have shown that most managements rarely pay more than the last wage determination.” In other words, while the Wage Boards and Steenkamp had imagined they were setting a *floor* for African wages, employers regarded it as a ceiling, and did not intend to increase their workers’ wages beyond their competitors, especially as they competed for a limited market at home and an increasingly competitive one abroad.³² This proved especially true in labor-intensive sectors like the textile and clothing industries, the epicenter of the largest strikes in 1973.

Given their short duration, their nature as illegal wildcat strikes, and their limited demands—confined to immediate wage increases, rather than union recognition--the most surprising aspect of the 1973 strikes was the unusual response of the state. The latter refrained from the customary repression meted out to striking workers; faced with a strike wave that involved, by some estimates, 100,000 African workers engaged in patently illegal and criminal work stoppages, the police made only 353 arrests and prosecuted only 207 people for illegal striking over the course of the year. David Lewis acknowledges that “the state was

uncharacteristically circumspect in its response” to the strikes, but offers little by way of explanation for this restraint.³³ In fact, I think one can argue that the government actually hoped that manufacturers would finally be induced to increase wages for African workers, while avoiding the protracted public process of a new round of wage determinations in Wage Board hearings. This was a move long overdue but one that much of the Afrikaner Nationalists’ political constituency objected to. What better way to dampen industrial unrest, yet insure the politically unpalatable but economically necessary prospect of wage increases for African workers than to have greedy English-speaking (and sometimes Jewish) employers appear to concede to black demands?

Certainly, the Afrikaner press had a field day hoisting Natal’s English-speaking, United Party employers on their own petard.³⁴ “It is precisely from these sources that the Nationalist Party gets the most venomous criticism over its non-White policy of ‘suppression’, precisely they who tear into shreds the government’s labour policy,” observed the leading Afrikaner newspaper, *Rapport*, with undisguised glee. Labour Minister Marais Viljoen complained on the floor of Parliament that “employers who previously did not find higher wages possible have now suddenly found that they are....It is a lamentable charge against such employers, that a strike had to force them to give workers a wage which they were in fact capable of giving before,” he concluded. Shifting the blame to his antagonists, Viljoen denounced the UP “which on the one hand elaborates clamorously on the maintenance of labour peace while on the other hand there are members of the Opposition who participate in firms that pay Bantu workers insufficient wages.”³⁵ Historian Alex Mouton, whose father was an officer in the Natal SAPF, recounted to me that when an English-speaking factory-owner called his father in the middle of the night to plead for a police force to protect his plant from strikers, his father refused, asking pointedly why

Afrikaners should come to the rescue of English employers unwilling to pay Africans a living wage.

As for employers, their immediate if reluctant response to the walkouts was indeed to grant wage increases in 118 of the 160 strikes, although the *Natal Mercury* complained that “the general and officially condoned attitude towards adequate wages for Africans is that as long as you can get a nice warm feeling from thinking and talking about it, heaven forbid that anyone should take it too seriously.”³⁶ The English language press sought to put a positive gloss on this concession. In Feb. 1973, both the *Eastern Province Herald* and *Cape Times* responded to the strikes by pointing out that it was in employers’ “long-term interests” to boost wages, as this would improve consumer power of black workers.³⁷ The actual limitations of this kind of material gain should be kept in mind, however. Mafika Pascal Gwala, the Durban Black Consciousness poet who also had spent time as a factory worker, described his encounter with one of his “former factory mates who had shown reluctance to strike action”:

Question: "What did you make of the strikes, now that you say you are getting the R2,00 extra like everybody else?"

Answer: "Actually there is fuck-all gained. As everything has gone up at the shops.....And worse than that too. You now have to stand more shit at work....You are now expected to be able to run more machines. If you prove to be slow, you are fired. Refuse overtime, you're fired."³⁸

Even if inflation soon ate up the wage increases and speed-ups increased output, Black workers did gain “a sense of solidarity and potential power” by forcing employers to concede to their demands for the first time in a generation. But how would this power be institutionalized and canalized in the future without trade union rights; how would this solidarity be preserved and

extended? For, as one study of the strikes noted, interviews indicated that African workers “are no more satisfied now than they were before the strike.” As Benjamin Mokoatle, a black managerial employee of South African Breweries, told a meeting of the NDMF “even though [the convulsions in Natal] manifested themselves in demands for more pay, they reflected deeper lying dissatisfactions in the sphere of human relations.”³⁹

In response to the strikes, unusually farsighted white liberals like Alex Boraine, did call for trade union rights for black workers, their official recognition as “employees” under the Labour Relations Act, and the scrapping of the separate system of industrial relations for Africans established by the 1953 legislation. Boraine, then an employment consultant to the Anglo-American Corporation (AAC), proclaimed in June 1973 that “It is the right of every worker no matter his race to negotiate for better wages and acceptable working conditions.”⁴⁰ Merle Lipton and other “liberal” analysts of the complex relationship between apartheid and capitalism have latched onto these exceptional views as broadly representative of the business class at the time. “Manufacturing and commercial capital did not need, and indeed opposed, most apartheid labour policies,” Lipton claimed in her influential 1986 book, *Capitalism and Apartheid*. In her view, as the manufacturing sector began to rival mining and agriculture in South Africa’s political economy, “progressive urban businessmen” sought to “move away from a cheap labour system and towards the creation of a stable, contented [African] workforce.”⁴¹

While there is some scattered evidence for this assertion, driven largely by capital-intensive producers like AAC seeking labor stability, skilled labor, and enhanced productivity in order to remain internationally competitive, a close examination of the employers’ immediate response to the Durban strikes suggests instead that when confronted with workers’ demands they sought to establish limited “communication” with the shop-floor without conceding any real

power to workers' organizations. As for labor-intensive sectors like textiles, not only did they resist unionization, they remained dependent on maintaining a low wage bill. Neither sector had much interest in negotiating with African workers or their unions. The IIE study pointed out that employers saw themselves as "having an absolute right to set wage rates (and other conditions)...The workers may not be negotiated with, and therefore may have no say whatsoever in the setting of wages." This study quoted a Durban Chamber of Commerce circular that warned employers during the strikes to "not attempt to bargain as this will only encourage the Bantu to escalate his demands", as if workers should be regarded as spoiled children. As radical students remarked caustically several years later, after 1973 employers "might be ready to 'communicate' with their workers, but they certainly weren't prepared to negotiate with them....Managerial intellectuals proliferated like rabbits, as did research groups on industrial relations, all expressing concern for a "more meaningful industrial relations system."⁴²

According to South Africa's leading English-language business magazine, the *Financial Mail*, a few months before the strike outbreak a large group of Natal employers had concluded a seminar on labor-management relations with a call for black trade union rights. Although the opposition United Party refused this stance, even after the strikes, this view received eloquent expression in Parliament from isolated, lone Progressive Party stalwart, Helen Suzman, who on 20 February called for full trade union rights for black workers. Recognizing the quixotic quality of her motion, Suzman took the opportunity to point out that "it is far more dangerous to have these wild-cat strikes than to have trade unions where there are people with whom to negotiate...trade unionism is the best insurance against economic disorder." In fact, this was an extraordinarily isolated position. As Charles Harvey told the British Parliament's Trade and Industry Sub-committee in May 1973, "since the strikes there has continued to be talk of the

need for better worker-management communication but no progress towards African trade unions.” Referring to November’s alleged agreement by Natal employers to recognize black trade unions, Harvey noted that “Natal employers find it easier to vote en masse for African trade union rights in principle, than to put their wishes into practice in their own firms.” Shortly after the strikes, University of Natal economist Jill Nattrass conducted a survey of 455 firms (only 62% responded) and concluded that, shaken by the unrest, many desired “some machinery for worker representation.” Her study showed that 71% of respondents would accept trade unions, and 88% would accept works committees in their plants. Yet, despite this apparent support for workers representation, at the time of the survey (July –September 1973), Nattrass remarked, “relatively few [respondents] were taking steps to improve the situation.” Less than a year after the initial panicked response of employers to the strike outbreak, the Natal Chamber of Industries found it still had to warn recalcitrant members that they needed to move forward with works and liaison committees, lest they face another “explosion” on their shop floors.

“What’s happened to all the employers’ declarations favouring African trade union rights and promises of more support for the formation of works committees?” wondered the *FM* in April 1973. L.D. Thorne, director of the Natal Employers’ Association, when asked about the famous 1972 business-declared “support” for unions, dismissively told an SAIRR workshop in 1974 that “the Chairman was the editor of the *Financial Mail* and he wanted something to put in his newspaper.” In fact, he insisted, Natal’s employers had agreed only that “ultimately the trade union movement would probably be the right answer.” Until “ultimately” arrived, however, they paternalistically urged “the committee system as a training ground” for black workers. Indeed, the *FM* itself observed that when a delegation of businessmen communicated their concerns to the Labour Minister in February 1973, they “did not press for Black unionization” despite their

alleged earlier support for such a move. The Durban Chamber of Commerce, the *FM* reported, “takes the line that as African trade union rights will be clearly unacceptable to government, the next best thing are works committees.” Even Boraine later contended that “confronted...by an implacable government which refused to entertain even the modest proposals put forward to bring about a better deal for black workers” he entertained “no thought...that there would come a time when we would no longer have to deal with apartheid legislation.”⁴³

It was indeed the case that the Nationalist government remained dead-set against Black trade unions, which it regarded as susceptible to political penetration by anti-apartheid militants. J. M. Henning, a Nationalist MP from Vanderbijlpark, warned that “if we give recognition to Bantu trade unions, we will create greater unrest...We want to create a mechanism in such a way that the militant will be excluded, elements which do not want to bargain and negotiate in the interests of the Bantu, but which want to negotiate in order to misuse the Bantu.” The Minister of Labour, Marais Viljoen, appeared to agree. “The nature of the Bantu is such,” he intoned, “that he is still to a very large extent susceptible to intimidatory pressures.”⁴⁴ Taking up the debate generated by Suzman’s motion on February 20th, Viljoen insisted that the “Bantu” worker wanted “fair wages”, not trade unions. “To be able to know at all times what a fair wage is and how the Bantu worker is faring in his working conditions,” Viljoen maintained, “regular talks between the Bantu workers and their employers in the works committees will be a very valuable instrument.” Yet over the next few months, as the Nationalists consulted with employers about how to revise South Africa’s labour relations regime, many manufacturers seemed to share Viljoen’s hope that “with the expansion and utilization of the works committee...we will be able to preserve labour peace” without unions.⁴⁵ This approach reflected Steenkamp’s notion that employers, rather than the Wage Boards, must take the responsibility

for keeping wages in line with inflation. As *Die Vaderland* put it, the government had laid down the wages—now it was up to employers to do better. “The minimum wages are obviously too low,” the paper admitted in response to the strikes. Yet it also went on to complain that “it is inhuman for employers to shelter as long as possible behind this low minimum.” [21/1/73]

Like the NP’s most loyal press outlet, while some Nationalists pinned the blame on the usual suspects, “agitators,” they also reserved plenty of blame for the employers, as did even the English-language business press. At last noticing the basis of the South African economy, the *South African Financial Gazette* declared that “it is not only morally shameful, but practically unsound, to try to build up an economy...with labourers who do not get enough pay on which to lead normal lives.” This echoed the sharply critical voice of the *Financial Mail* and its labor correspondent John Kane-Berman, who wrote that “the responsibility for the current labour unrest in Natal...rests fairly and squarely on management’s shoulders.” Instead of waiting for labor unrest to break out, the *FM* piously proclaimed, “step number one ought to be to form works committees in every plant.” They also called on the government to make works committees mandatory on employers who did not establish them, and to at least begin contemplating the eventual recognition of African trade unions.⁴⁶

By mid-February 1973, Labour Minister Viljoen had announced that he would begin drafting the new Bantu Labour Relations Regulations Amendment bill that would strengthen the existing provisions for works committees. Although frankly designed to avoid legitimating African trade unions, the bill as proposed would at least empower the Department of Labour to establish works committees in a plant at the request of workers, *without consultation with the employer*. Secondly, in large factories, workers would be able to establish more than one works committee, and again at the behest of the workers, a plant-wide “coordinating works committee”

could be established. Finally, in the absence of a works committee, as a last resort to establish and improve workplace “communication”, employers themselves could establish a “liaison committee”, which would now secure statutory recognition from the Department of Labour. Of course, even with alleged legal protection against victimization, this remained a very far cry from the creation of shop-floor independence for the Black working class. Nevertheless, as proposed, the proposed bill offered African workers far more initiative in the workplace than the state or employers had ever granted them before.⁴⁷

As they consulted with Parliament and Minister Viljoen about the impending labour relations bill, however, manufacturers did their best to strip even from the works committees the possibility of providing black workers with an independent vehicle with which they could express and channel their grievances. Their decisive influence on the final bill casts a good deal of doubt on the shibboleth that employers consistently pressed for black trade union rights under apartheid. Like manufacturers elsewhere, South African employers proved reluctant to hand workers the independent means to engage in collective bargaining and challenge managerial control over the workplace. They had, however, the luxury of blaming their reticence on an intransigent government, even while that government laid the blame for the upheaval in Natal’s factories at the feet of employers unwilling to pay a living wage to African workers.

As debate about revising South Africa’s labor laws continued, the *Financial Mail* bemoaned the inactivity of Natal’s employers who seemed to “hope the whole tiresome issue will move off at least into the middle distance.” The magazine noted the employers’ flagging interest even in genuine works committees. “From individual firms [in Durban] there have been precious few indications that, despite the lessons of the strikes, many have bothered to set up works committees...to get the dialogue going,” the magazine’s labor correspondent complained

in April. With the strikes beginning to subside, the Natal Employers' Association seems to have lost interest in reform. In a poll conducted of 74 firms attending a seminar on works committees in April, 12 companies claimed to have had them in place before the strikes; 4 had established new committees since January; and 12 more claimed to be doing so—but this made for a total of only 28 out of 74 firms. The Durban Chamber of Commerce, for its part, clearly preferred the idea of *liaison* committees—half of whose membership would be appointed by management—to the more worker-based works committees. The Associated Chambers of Commerce worried that with too many works committees “a de facto situation would arise where African trade unions would emerge.” They suggested instead that perhaps the employer should be consulted prior to the establishment of a committee in a plant.⁴⁸

The powerful influence of these views became clear with the passage of the final “Bantu Labour Relations Regulations Amendment Bill” in mid-June 1973, with Viljoen continuing to reassure Afrikaners that this “is not the first step on the road to recognized African trade unions.” Indeed, *largely at the behest of employers*, the final bill did much to weaken even the potential independence of the works committees. The initial draft bill presented to parliament emphasized the formation of works committees, elected entirely by workers, with *liaison* committees—a joint worker-management committee—as a last resort. But by the time the bill finally reached the floor, this relationship had been reversed, so that the prior existence (or establishment) of a *liaison* committee by employers precluded the establishment of a works committee in a factory. “There has been a decided shift in emphasis in the employer’s favour between the earlier [draft] and the later Bill,” remarked the South African Institute of Race Relations in their year-end survey. In contrast to the works committees, consisting entirely of members elected from the shop floor, fully half the members of a *liaison* committee were to be appointed by management,

and the employer reserved the right to appoint the committee's chairman.(286-87) Most significantly, now the controversial provision that had allowed the Department of Labour to hold an election for a works committee over the objections of an employer had been stripped from the bill; instead workers had to entreat their employer to help them elect and establish a works committee in their plant. "The objections to that from employers, however, were so strong that I felt on those ground I should withdraw it," Viljoen confessed to Parliament, even while he assured legislators that "my department will continue...to get employers [and] Bantu workers to establish these works committees."⁴⁹

As the SAIRR noted in its analysis of the difference between the draft and final bills, "some observers believe that the liaison committee...gives the employer virtually complete control over the decision-making process on wages and working conditions." Indeed, as the *FM* complained, "workers are not likely to be encouraged to set up works committees by the new provision that the employer presides at their election." Clearly these changes came at the request of employers worried that granting too much independence to works committees might open the door to trade unions and full-on collective bargaining, something many of them still hoped to postpone, if not avoid altogether. "The presence of management on liaison committees," the *FM* pointed out, "can only inhibit the growth of Black unions, and lend credence to the view that the government hopes to use the bill to prevent the formation of even unregistered Black unions." For his part, the Minister of Labour was not shy about admitting this intended purpose. He mockingly assured Helen Suzman that "there is no change in our attitude whatsoever. The Government does not acknowledge Bantu trade unions, and it does not intend to acknowledge them." Echoing Ben Schoeman's claim twenty years before, Marais Viljoen insisted that the expanded system of works and liaison committees would deprive African unions "of their life's

blood.” He professed himself satisfied that “this measure offers our Bantu workers every opportunity to look after their own interests.”⁵⁰

And, if they couldn’t, employers would be pleased to assist them. Naturally enough, employers in factories all across South Africa rushed to establish liaison committees lest they be confronted with workers’ demands to hold a works committee election.⁵¹ In fact, in many plants, employers wedded to a paternalistic approach to management, already had long-established non-statutory labor-management committees. Despite their ineffectiveness, these could now be wheeled forward and legitimated under the new dispensation as statutorily recognized “liaison committees”, allowing management to delay further in developing a “labor relations” approach to shop-floor conflict that would require genuine negotiation with workers. For example, the Steel and Engineering Industries Federation, whose companies employed more than 300,000 African workers, recommended to its members that they should establish liaison committees “immediately in preference to works committees.” The Institute of Personnel Management (IPM) as well—the quintessential representative of “enlightened” SA business opinion, and long-time advocate of increased wages, enhanced productivity, and improved labor-management relations—supported liaison committees at the expense of works committees.⁵²

This preference for a paternalistic “human relations” over a negotiative “industrial relations” approach to Black workers can be seen in a study done by the Department of Industrial Psychology at the University of the Orange Free State shortly after the strikes. Euphemistically observing that “there has been considerable pressure for higher wages for Non-Whites and substantial increases have already been granted,” the three authors of the study echoed employers’ longstanding insistence that “these higher wages can only be recovered from higher productivity.” Based on a questionnaire distributed to 141 businesses, including major

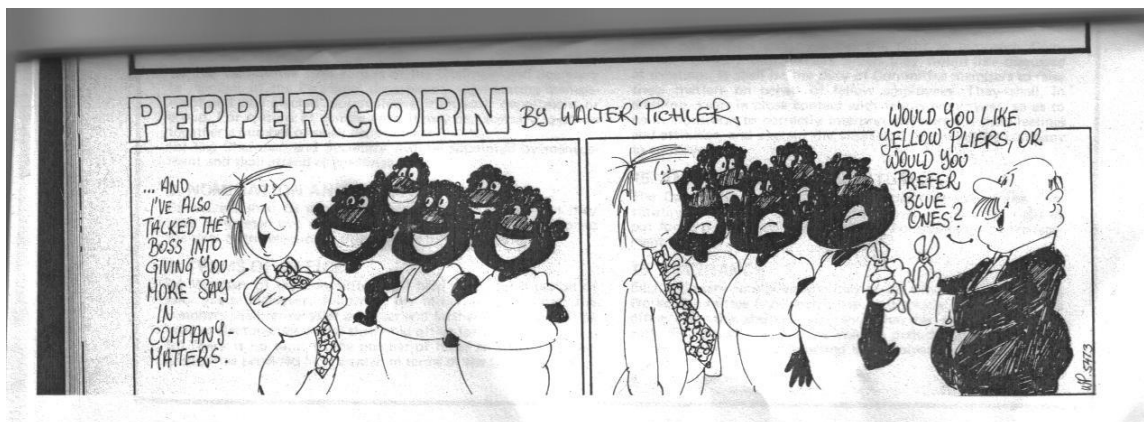
multinationals such as Esso, Eveready, Ford, GE and Leyland, and domestic corporations such as Highveld Steel, Yskor, and Mooi River Textiles, the study discovered that only 27.8% of the 79 private sector employers they polled saw the lack of African unions as one of apartheid's obstacles to enhancing the efficiency and productivity of Black workers. Instead, "a rather strong opinion is held," the authors noted, "that the recognition of Bantu trade unions would rather create new problems than reduce existing problems significantly." Following the employers' lead, the study concluded "We do not think that the Bantu is ready for labour unions but the system of Works Committees will have to be developed further with a considerable initiative on the part of the employer."⁵³

Even while Parliament debated the proposed legislation, the strikes had prompted a flurry of meetings, conferences, symposia, and discussions among businessmen, parliamentarians, academics, and trade unionists—white more often than black—about how to enhance "communication" between Black workers and their employers. In May 1973, the IPM called together 75 managerial delegates in a meeting closed to the press to discuss the expansion and implementation of the moribund works committees, as envisioned by the Department of Labour and the legislation then working its way through parliament. The IPM made it clear that they intended to discuss the new "liaison committees" established by the legislation. Indeed, as was pointed out in the summary of the conference published in the IPM's magazine, *People and Profits*, "being a consultative committee, voting should generally not be used, as the [Liaison] Committee is not a vehicle for company decision making. The Committee's function is to authorize the Chairman to take matters to management." A "Typical Works Committee Constitution," provided to the conference by Alcan Aluminum (which boasted they had not had a strike in 1973), enjoined that the committee "cannot...review or amend any instruction given by

management, nor can it in any way interfere with any disciplinary action,” and could be disbanded at any time by management.⁵⁴

The IPM stressed to its members how the proposed committee system promised to improve communication with Black employees, and enhance productivity, punctuality, discipline, and honesty. At the same time, delegates were cautioned that “a Works Committee believed by its members, and the employees whom it represents, to be ineffective, will breed more discontent than not having a Works Committee at all.” In an effort at humor to illustrate this pitfall, *People and Profits* published a cartoon strip with the article. “I’ve also talked the boss into giving you more say in company matters,” a self-satisfied white manager tells a group of five grinning Africans (who all look identical). In the next frame the boss appears, and says to the nonplussed workers “would you like yellow pliers, or would you prefer blue ones?” (see Fig. 1)

Fig. 1: “Peppercorn”, by Walter Pichler



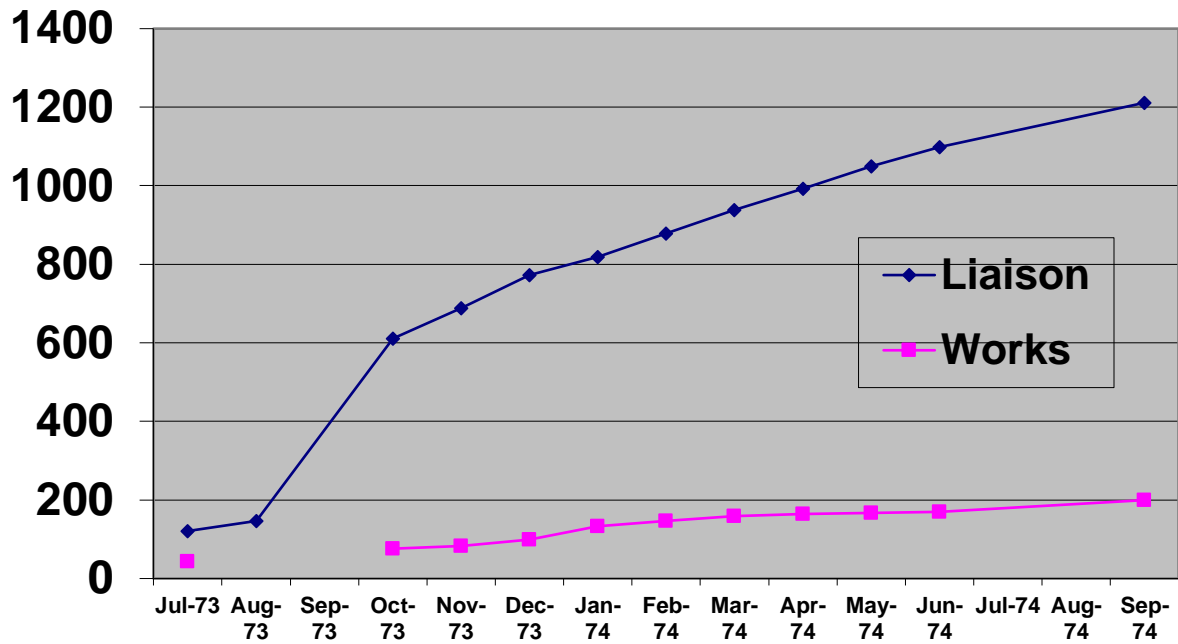
Source: “Works Committees That Really Work,” *People and Profits* 1(August 1973): 12-16, 21, p. 16

Ironically, such a critique of the triviality of “consultation” and “communication” could just as easily have appeared in a black trade union publication, although undoubtedly with a less racist depiction of the black workers.⁵⁵

In the years following 1973, with the new legislation in place, the country’s managerial class began to seek in earnest solutions to the continual turmoil on South Africa’s shop-floors. When the NDMF convened a conference in 1975 to discuss “labour relations and the black worker,” the organization acknowledged that “it is now generally accepted that companies which do not tackle with determination the establishment of Works or Liaison Committees...can expect serious labour difficulties.” When implemented, the NDMF insisted, not only would a functioning committee system improve communication between African workers and management, but long sought-after improvement in productivity would ensue.⁵⁶

In practice, however, employers almost always established liaison committees, with their “anti-polarisation nature...with benefits such as better guidance by management” in lieu of works committees. It should come as little surprise that despite their protestations about wanting to see black workers organized, when given the chance most South African employers fell back into the comfortable habits of paternalism offered by the Liaison Committee structure. “The fact that both parties are represented on a Liaison Committee, with its accompanying advantage, has convinced participants [i.e., employers] of the preferability of this method,” industrial psychologist Ryno Verster reported in *People and Profits* two years after the passage of the new act. Because blacks allegedly had been reticent to create works committees, according to Verster, by June 1975, employers had established 1,797 liaison committees and only 271 works committees in South Africa’s workplaces.⁵⁷ (see Fig. 2)

Fig. 2: Growth of Works and Liaison Committees, 1973-74



Source: derived from data in “Liaison and Works Committees—Are They Working?,” *People and Profits* 3(August 1975):4-9, p. 7.

The study of the committee system done by Verster found that in the 18 months after the new legislation, in 90% of the cases management had initiated the formation of the committee.⁵⁸ As labor sociologist Eddie Webster put it in his representation to the Wiehahn Commission three years later, the Verster data “seems to indicate that management perceives its interests to be best served by a system of control through consultation.”⁵⁹

Not surprisingly, over half the companies surveyed did not think Black trade unions deserved recognition at all.(66) Most were “worried about the misuse of trade unions for other purposes and therefore require sufficient control before the idea is acceptable,” and many remained skeptical of “the Black employee’s development.”(66, 81) Indeed, employers justified their heavy presence on liaison committees by insisting that it “improves two-way

communication” and “makes evolutionary training of blacks in negotiation possible.” Some employers went so far as to deny altogether that blacks in South Africa had been “deprived of the fundamental right of collective bargaining.” Peter King, the personnel director for Van Leer Limited, insisted that the “Works Committee system is a `union’ system.” When pressed about his outlandish claim that 600,000 African workers “belonged” to these committees, JDG van Heerden of the IPM maintained that “a common trust between worker and employee is such” that works committees would satisfy the needs of workplace stability, and that bona fide trade unions should not be introduced. At the same meeting, Marais Viljoen assured employers that since a quarter of the Black labour force in South Africa was now “covered” by committee structures, and workers “have a say in the determination of their conditions of employment and other matters,” Black trade unions remained unnecessary.⁶⁰

At best, Ryno Verster’s survey of employers concluded, “Black trade unions will be acceptable only if Blacks have received more training and experience in negotiation.”(86) Liaison committees might afford “the experience they will need once they are given admission to trade unions,” Verster claimed. The paternalism embodied in this view was echoed by employers, whose view was well represented by NEA Director, L.D. Thorne, who claimed that only “in-factory” committees would facilitate communication between workers and management. Unions, in his view, would only promote dissension, demand dues payments, and undercut the generous welfare provisions provided African workers by their employers. “When the baby has learned to walk,” he offered in the most excruciatingly paternalistic terms, “he will be able to try more sophisticated toys.” Deploying one of the most shopworn defenses of apartheid, Thorne reminded his audience that South African blacks enjoyed “working conditions that are envied in many parts of the world, certainly in Africa.” “What can the union offer...that

the average employer does not already provide today? And that often in a measure more generous than his union could even contemplate,” he concluded. Thorne relied on the same argument as his counterparts the world over when threatened with a working class seeking organization on a horizontal basis: your employer has your welfare at heart, the union does not. Like most South African managers, although anxious to bring the country’s production regime in line at last with a modern Fordist paradigm focused on productivity increases followed by gradual wage growth and expanding mass consumption, he couldn’t help but cling to the racial paternalism that was the most “advanced” expression of South African personnel relations at the time.⁶¹

In the view of the most *verligte* English-speaking employers, with sufficient productivity increases perhaps management and its surrogates—the NDMF and the IPM—would in the long run be able to steer and shape this process, and therefore usher in a Black trade union movement friendly with, if not entirely subordinate to, white management. But such management-led boosts in labor productivity, abetted by a new “human relations” regime on the factory floor, would have to come prior to significant increases in wages. But there was, in fact, no guarantee this would be the outcome—and indeed it wasn’t. During the decade following the strikes, the real annual growth rate plunged to an anemic 2.6 per cent. In 1985, a government “white paper” on industrial development strategy continued to bemoan the low level of labor productivity in South African manufacturing, seen as the principal roadblock to the restoration of healthy growth under apartheid. “The key to the expansion of the domestic market in the long term lies in the raising of the productivity and thus the income and the buying power of the lower income groups,” the White Paper proclaimed more than a decade after South African economists, managerial consultants, and employers claimed to recognize this fundamental fact. This could eventually

“pave the way for new import replacement” in a climate euphemistically characterized by “the rapid development of...less affluent people” coupled with “revolutionary changes” in the “international trade environment.”⁶² In the *short term*, however, like the Reynders Commission before it, the industrial development strategy “study group” continued to look to the export sector as the primary engine of manufacturing growth. Yet, as economist Colin McCarthy noted in his brief 1991 obituary for the apartheid economy, “South Africa never succeeded in changing over from import substitution to export-oriented growth.”⁶³ Instead, by the time the government released its White Paper in 1985, apartheid’s career as a functional industrial relations system had effectively come to an end. That same year saw the creation of a new Black labor federation, COSATU, which consolidated the working-class agency unleashed during the 1970s. Inadvertently, industrialists themselves proved to be the gravediggers of apartheid’s industrial relations regime; the committee system ushered in as an alternative to unions served as the initial sharp-edged shovel that broke the ground. Egged on by the government to increase black wages, trapped between conflicting imperatives to expand exports and boost wages, and eager to establish carefully controlled lines of “communication” with African workers in order to enhance labor productivity without empowering workers, the South African industrial class unwittingly opened up a Pandora’s box. Within a decade this opening provided to workers in the aftermath of the 1973 strikes led to the flourishing of the black trade union movement and the proletarianization of the anti-apartheid struggle, ushering the South African working class onto the historical stage as a central player in apartheid’s demise.

Notes

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- ¹ The best account of these crises remains Saul and Gelb, *The Crisis in South Africa* (Monthly review, 1981)
- ² Irwin, *Gordian Knot*, 128, 151, 167, 171.
- ³ J.A. Horner, "Black Pay and Productivity in South Africa," an address to the South African Institute of Personnel Management, June 1972 (SAIRR, 1972)
- ⁴ W.N. Meyer, "The Role of Exports in SA's econ dev, 1961-1976 (PE: UPE Research paper C16, 1979, p. 42
- ⁵ N. Nieftagoodien, *The Soweto Revolt* —inflation in 1972-1973 food, clothing, transport increase by 30%...p. 13.
- ⁶ "Black Industrial Labour: Corucopia or Pandora's Box," 9.
- ⁷ "Economic factors in the Racial Situation in SA," pamphlet, 11/18/73, PP.SA.DP, ICS
- ⁸ This description of what Saul and Gelb call an "organic crisis" of apartheid industrial relations is derived both from their theoretical analysis and my own research into the "Durban Moment." "Personnel and Prodcutivity," *PM* 19(July 1968): 22-25.
- ⁹ O.F. P. Horwood, "Manufacturing Industry in South Africa against the background of the international Scene," *FCI Viewpoint* December 1968: 14-20, 14-16, 19.
- ¹⁰ **Union Acceptances Limited, *Scope for Investment: South Africa's Growing Economy* (Johannesburg, 1969), 14, 20-21, 36, 38.**
- ¹¹ **Union Acceptances Limited, *Scope for Investment: South Africa's Growing Economy* (Johannesburg, 1969), 16, 51-52.**
- ¹² "Fact paper on Employer and Employee relationships and Low Wage Structure," presented at the BS Natl Conf., 1972, BC 668 (B1.18), Manuscripts and Archives Department, University of Cape Town Libraries .
- ¹³ UN Centre Against Apartheid, "Facts and Figures on South Africa," 16/72.
- ¹⁴ S.R. Back, "Opening Address," in *Exports from South Africa*, ed. D.J.J. Botha (Port Elizabeth: University of Port Elizabeth, 1969).
- ¹⁵ 137), *South Africa in the Sixties: A Socio-Econmoic Survey*.
- ¹⁶ Anne E. Ratcliffe, "Export Policy in Perspective," *SOUTH AFRICAN JOURNAL OF ECONOMICS*, Volume 43, Issue 1, March 1975, Pages: 45–55,
- ¹⁷ DJM Vorster [Dir., Natl Inst. For pers. Rsearch], "Personnel and Prodcutivity," *PM* 19(July 1968): 22-25. See also S.T. Kleu, "Government Policy in relation to Improving Productivity," in National Productivity Institute, "Conference on the Effective Utilization of Labour," Johannesburg, March 8, 1972.
- ¹⁸ FVW and DH, "Let Them Eat cake: African Wages: Philanthropy or productivity," *PM* , 22(August 1971).
- ¹⁹ And S.T. Kleu, "Government Policy in relation to Improving Productivity," in National Productivity Institute, "Conference on the Effective Utlization of Labour," Johannesburg, March 8, 1972.
- ²⁰ Bell and Madula [in S. Jones, *The Decline of the South African Economy*], 110; Feinstein, 193.
- ²¹ STEENKAMP, W. F. J. (1973), Labour and Management in Manufacturing Development. *South African Journal of Economics*, 41: 274–283. As early as 1971, Steenkamp had called for the end of the colour bar blocking Black access to skilled labor positions. "Failure to meet the legitimate aspirations of the urbanised blacks will strongly tend to produce economically damaging effects as time passes," he told a national labour conference. At the same time, as a loyal Afrikaner he continued to insist that "The policy of separate development is a sound and an attractive one"(110); ." *DV*, 28/8/74, in *Thought*, 19:3, p. 43; "Wages up—so Africans can spend R1,200m," *Rand Daily Mail*, March 7, 1966, p. 3; *RDM*, Sep. 17, 1965, p. 27.
- ²² *Management Responsibility and African Employment in SA: Report of a Panel Investigation*, Ravan, 1973, p. 17; Feinstein, p. 144; Lipton, pp. 138-82, 380.

²³ IIE, pp. 9-38, 98-99(quote); SAIRR, "A View of the 1973 Strikes." RR151/73, Appendix A for a list of strikes and dates; *A Survey of Race Relations, 1973*, 284-86; MacShae, *Power*, p. 20; M. Sutcliffe and P. Wellings, "Worker Militancy in South Africa: A sociospatial Analysis of Trade Union Activism in the manufacturing Sector," *Environment and Planning. D, Society & Space* 3(1985):357-79.]

²⁴ *The Durban Strikes*,

²⁵ Memorandum of Charles Harvey, House of Commons, Parliamentary Papers. *Minutes of Evidence Taken Before the Trade and Industry Sub-Committee*. Volume 1. *Wages and Conditions of African Workers Employed by British Firms in South Africa*.

²⁶ On the 1953 legislation and its impact on African workers see Alex Lichtenstein, "Making Apartheid Work."

²⁷ *Financial Mail*,; SAIRR, 1973, p. 274.

²⁸ Department of Labour records.

²⁹ L. Douwes Dekker, D. Hemson, J.S. Kane-Berman, J. Lever, and L. Schlemmer, "Case Studies in African Labour Action in South Africa and Namibia (South West Africa)," in *The Development of An African Working Class: Studies in Class Formation and Action*, ed. Richard Sandbrook and Robin Cohen (Toronto, 1975), 207-38, p. 24; NDMF, *Searchlight on the Urban Bantu Worker*, p. 17. For the failure of works committees see also Albert Wessels, Chairman of Veka Clothing, who told the *Financial Mail* "when the committee was really put to the test [during a strike in Veka plant in Charlestown], it was found to be completely out of touch with the workers"; *FM*, April 27, 1973, p. 38.

³⁰ Gerhard Maré, "The Strikes in february 1973—Insights From a Research Project Just Completed," in Dudley Horner, ed., "Labour Organisation and the African: Proceedings of a Workshop held by the Natal Reion of the SAIRR," January 1975, p. 23. Also noted in *The Durban Strikes*, p. 83.

³¹ The SAIRR estimated in 1971 that 60-75% of urban African households received income below the PDL; *Survey of race Relations*, p. 179; *Management Responsibility and African Employment in South Africa: Report of a Panel Investigation* (Ravan, June 1973), p. 50.

³² Tim Muil, "Labour Laws and Wage Scales: Dangers of a Dual Economy," *Natal*; Tim Muil, "Wage Determination: A Yardstick that Does Not Measure," *Natal Mercury*.

³³ SAIRR, 1974, p. 326; SAIRR, "A View of the 1973 Strikes," pp. 2-3. The SAIRR observed, however, that the "commendable restraint" of the police could be attributed to the fact that they couldn't figure out who to arrest amongst the "leaderless" strikers. This is not, of course, to minimize the impact of the banning of Turner, Hemson, Cheadle, and other activists, but merely to point out that the immediate physical response to the strikes by the police was far less repressive than usual. Lewis, *from Protest to Challenge*, p. 203.

³⁴ Of the 47 MPs the UP had in Parliament in 1973, 15 were from Natal, where the otherwise overwhelmingly dominant NP only had 3 (all from rural districts). Outnumbered 2:1 in the Cape, 4:1 in the Transvaal, and with no MPs in the OFS, the UP could only claim Natal as a site of influence and power; Hansard, 1973, p. ix. .

³⁵ *Rapport* quoted in *Sechaba*, 5(May 1973):5; *Die Vaderland* in "Strike: A Spro-Cas Dossier," Jan.-Feb. 1973, ICS, London; Viljoen in Hansard,

³⁶ SAIRR, 1973, p. 284; Editorial, "Writing on the Wall," *Natal Mercury*,

³⁷ [*Thought*, 1973, 18:1, p. 37].

³⁸ IIE, *The Durban Strikes*, pp. 80-82; Pascal Mafika Gwala (sic), "An African View of the Present Urban and Industrial Situation in South Africa," 1973, from Aluka database,

<<http://www.aluka.org/action/showMetadata?doi=10.5555/AL.SFF.DOCUMENT.pap19730000.032.009.754>> , p. 5.

³⁹ *The Durban Strikes*, pp. 45, 101; Mokoatle, NDMF, *Searchlight on the Urban Bantu Worker*, conference held on August 2, 1973 (NDMF, 1973), p. 22; theologians in *Loog*, as reported in Ormonde Pollock, "New Warnings of Strife in S.A.," *Natal Mercury*,

⁴⁰ Alex Boraine, "Labour Policies in South Africa Today," June 9, 1973, pamphlet, Institute of Commonwealth Studies (ICS), London; see also Boraine's statement to the NDMF, *Searchlight on the Urban Bantu Worker*, p. 68.

⁴¹ Merle Lipton, *Capitalism and Apartheid*, 139, 161. For a reprise of this debate, see Lipton's more recent book, *Liberals, Marxists, and Natioanlists*, and the ensuing critical discussion in *Historia*.

⁴² *The Durban Strikes*, p. 141; NUSAS, "Wiehahn—Exposing the Contradictions," 1979, in SA.TU Collection, ICS, London.

⁴³ *Financial Mail*, p. 551; Hansard, Memorandum of Charles Harvey, *Wages and Conditions of African Workers Employed by British Firms in South Africa*, p. 313; Memorandum on Employers' Attitudes to Black Representation," Jill Nattrass, records of the Wiehahn Commission; Jill Nattrass and Ian Duncan, "A Study of Employers' Attitudes Towards African Worker representation," Occasional Paper No. 1, UND Economics department, date?; *FM*, p. 126; L.D. Thorne, in Dudley Horner, ed., "Labour Organisation and the African: Proceedings of a Workshop held by the Natal Region of the S.A. Institute of Race Relations," March 7, 1974 (Johannesburg, 1975), p. 71; Boraine, in "Labour Organisation and the African," p. 68; Boraine, *A Country Unmasked*, p. 20. It also seems that the employers merely meant that blacks should be permitted to join the white-led TUCSA unions.

⁴⁴ Henning, in Hansard; Viljoen, as quoted in *The Durban Strikes*, p. 105; see also Hansard, Feb.13., *Durban Strikes*, pp. 108-09.

⁴⁵ Hansard,

⁴⁶ Hansard; *SAFG* in "Strike: A Spro-Cas Dossier," Jan.-Feb. 1973, ICS, London; *FM*,

⁴⁷ *FM*; SAIRR, *Survey of race Relations*, 1973, pp. 276-81.

⁴⁸ *FM*, SAIRR, 1973, pp. 277-78, 286-87. For a range of employers' views, see *FM*, March 9, 1973, p. 850, and the symposium in *FM*, April 27, 1973, pp. 31-38. M.D. Marais, of ISCOR, stated his views clearly as "an Afrikaner": "I don't think the Bantu are ready yet for trade union negotiations....I think working committees [sic] can be a solution." (32)

⁴⁹ *FM*; RR, 1973, pp. 280-81, 286-87; *The Durban Strikes*, pp. 163, 181; Ryno Verster, see "Liaison Committees in the South African Industry: their Present Functioning and Constitution," Department of Industrial Psychology, Univ. of OFS, December 1974, p. 86; Douwes-Dekker, "Are Works Committees Trade Unions," p. 9; Hansard.

⁵⁰ SAIRR, 1973, pp. 281, 289; *FM* Hansard

⁵¹ [again the parallel with New Deal unionization in the U.S. under section 7a of the NIRA is striking, as employers in 1933-34 rushed to establish company unions rather than allow workers to organize independently.]

⁵² DD, Are WC Tus, pp. 20-22.

⁵³ H.P. Langenhoven, R. Vester, and J.S. Uys, *The Utilisation of Non-White Labour in South Africa: A Pilot Study* (Bloemfontein: Personnel Research Division, Dept. of Industrial Psychology, University of the OFS, 1974), pp. 1, 9-10, 42-44 (Table 12), 52, 64, 67-68, 77-78 (for list of firms surveyed). When asked if the recognition of black unions "will probably create more new problems," 70.9% of public sector (62) and 67.2% of private sector (79) firms answered "yes."

⁵⁴ "Works Committees That really Work," *People and Profits* 1 (August 1973): 12-16, 21, p. 15; see also NDMF, *Labour Relations and the Black Worker*, proceedings of a conference held Nov. 25-26, 1975 (Joburg: NDMF, 1975).

⁵⁵ "Works Committees That really Work," p. 16.

⁵⁶ NDMF, *Labour Relations and the Black Worker*, proceedings of a conference held Nov. 25-26, 1975 (Joburg: NDMF, 1975), 1

⁵⁷ Verster, see "Liaison Committees in the South African Industry: their Present Functioning and Constitution," p. 71; Ryno Verster, "Liaison and Works Committees—Are they Really Working," *People and Profits* 3 (August 1975): 4-9, pp. 4-5. These committees "represented" over 575,000 black workers by June 1975, according to *People and Profits*.

⁵⁸ Verster, "Liaison Committees in the South African Industry: their Present Functioning and Constitution," p. 20. The study covered 326 companies that had established 437 liaison committees (p. 16), and 41 works committees. For a summary of the report's findings see Verster, "Liaison and Works Committees—Are They Working?," *People and Profits* 3 (August 1975): 4-9.

⁵⁹ Memorandum from Eddie Webster, Nov. 1977, National Archives, Pretoria, p. 13.

⁶⁰ NDMF, *Labour Relations and the Black Worker*, proceedings of a conference held Nov. 25-26, 1975 (Joburg: NDMF, 1975), pp. 14, 28, 54, 2, 19.

⁶¹ Searchlight, p. 61.

⁶² [RSA. *White Paper on Industrial Development Strategy in the RSA* (1985), 4, 12, 16.

⁶³ “Stagnation in the South African Economy: Where did Things Go Wrong?”, Stellenbosch Economic Project, Occasional Papers No. 1, 1991, 10.