

Challenges of Contingent Work

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Unions and labour brokers in South Africa

Øyvind Tomren



Master thesis at the Department of Sociology and Human
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Øyvind Tomren

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Abbreviations

ANC	African National Congress
APF	Anti-Privatisation Forum
BCEA	Basic Conditions of Employment Act of 1997
CCMA	Commission for Conciliation, Mediation and Arbitration
COSATU	Congress of South African Trade Unions
FAWU	Food and Allied Workers' Union
FEDUSA	Federation of Unions in South Africa
FOSATU	Federation of South African Trade Unions
GEAR	Growth, Employment and Redistribution
GIWUSA	General Industries Workers of South Africa
ILO	International Labour Organization
LMI	Labour Market Intermediary
LRA	Labour Relations Act
NACTU	National Council of Trade Unions
NALEDI	National Labour and Economic Development Institute
NEDLAC	National Economic Development and Labour Council
NEF	National Economic Forum
NEHAWU	National Education, Health and Allied Workers' Union
NUM	National Union of Mineworkers
NUMSA	National Union of Metalworkers of South Africa
RDP	Reconstruction and Development Programme
SACCAWU	South African Commercial, Catering and Allied Workers' Union
SACP	South African Communist Party
SAMWU	South African Municipal Workers' Union
SWOP	Sociology of Work Unit [University of Witwatersrand]
TES	Temporary Employment Service

INTRODUCTION

This thesis examines the challenges of contingent work encountered by trade unions in post-apartheid South Africa. As is the case in most industrial countries, South Africa has witnessed a sharp increase in contingent work over the last two decades. The increase in contingent work, which is sometimes referred to as the emergence of a new working class (von Holdt and Webster 2008), or the emergence of a shadow work force (Gleason 2006) has become a serious challenge for trade unions as these workers have proven to be difficult to organise by the traditional strategies employed by unions (Coe and Jordhus-Lier 2010). The thesis will concentrate on the largest union federation, the Congress of South African Trade Unions (COSATU) and its affiliated unions.

The South African labour movement played an important part in the struggle against apartheid, and was a key agent in the liberation struggle that resulted with the democratic election in 1994. However, in the wake of this victory the South African labour movement has been challenged by a new labour regime influenced by a neoliberal doctrine. Thus in addition to the liberal rights of all citizens, democracy has also brought liberation of the South African economy. This double process has also made an impact on COSATU. The introduction of democracy has provided new spaces of mobilization for the unions, but at the same time it has also set in motion processes that undermine union solidarity. The post-apartheid labour regime is marked by a high degree of flexibilisation, which in turn has stimulated an increase of contingent work. While contingent work has been present on the South African labour market for many decades, there has been a proliferation of non-standard work since the transition to democracy, and of a particular form of sub-contracted labour that has been termed Labour Market Intermediaries (LMI). A LMI is a company that provides labour for an employer for a fee, and operates as an intermediary between the employer and the employee (Coe et al. 2008). In the South African context LMIs are often referred to as labour brokers, as they serve as a broker between the employer and the employee (Theron et al. 2005). COSATU and their affiliated unions have called for an outright ban of the practice as they see this form of employment as a modern form of slavery¹. The argument put forward

¹ COSATU statement on “National Day of Action against Labour Brokers”:
<http://www.cosatu.org.za/show.php?include=docs/cosatu2day/2009/pr1005.html&ID=2463&%20cat%20=COSATU%20>

by the unions is that business use this practise to circumvent the rights provided for workers in a standard employment relationship (SER), in order to lower the cost of labour and to fire and hire workers at will. The practice of labour broking has had a massive increase since the end of apartheid, and the use of labour brokers has been the subject of discussion by academics, unions, politicians and the media for the last couple of years. Using the debate on labour brokers as a point of departure, this thesis will join the larger academic debate on trade union strategies, and in more particular, strategies on organising contingent workers.

While this thesis will discuss problems of contingent work in general, it will discuss the particular case of labour brokers in more detail. The focus on labour brokers is given by the following two reasons. Firstly, labour broking, conceptualized through the term LMI, is a global phenomenon and such a challenge for unions all over the world. The concept has become an important research topic for several academics, e.g. the GOTSU project issued by the University of Manchester². Secondly, the campaign by COSATU to ban the labour brokers makes South Africa a highly interesting case in order to discuss the problems of contingent work and trade union strategies.

Research questions

The first aim of this thesis is to understand how contingent work impact on the South African labour market. As the praxis of labour broking is considered by the South African trade unions to be the biggest problem, I will concentrate my discussion on them. Thus, the first research question is:

What impact has labour broking on the South African labour market?

Considering the findings in the first question I will then discuss in what ways the trade unions respond to the impact of labour broking. This part will concentrate on the different strategies unions employ in order to organize the workers employed by labour brokers. The second question is:

How are COSATU and its affiliates responding to the challenges posed by labour broking?

² <http://www.sed.manchester.ac.uk/geography/research/gotsu/>

Conceptualization

The concept of flexibilisation is complex and bears different meanings in different contexts. In this thesis I will focus on labour market flexibility, and in more detail, the processes of casualization and externalisation. When I refer to *casualisation* I do so in the terms of a process whereby an increasing share of the labour force are hired on a temporary basis (part-time, temporary and seasonal work). *Externalisation* involves sub-contracting of labour and is related to the praxis of labour brokers. In the South African labour legislation, labour brokers are referred to in the wider term Temporary Employment Services (TES).

The contingent workforce is not a homogeneous group and that makes it difficult to define these workers in a precise manner. Literature related to non-standard work applies a variety of different definitions, and the definitions provided are often difficult to operationalize. Thus, measuring the degree of contingent work on a labour market is problematic. When originally introduced by Audrey Freeman in 1985, contingent work related to the lack of attachment between the worker and employer. Since then the term has come to include every job that is non-standard, and is more often defined by what it is not than what it is (Connelly and Gallagher 2004). Hereafter, when I refer to contingent work I do so as a collective term describing casualized and externalized workers.

An outline of the contents

The thesis begins with a theoretical framework consisting of two different parts. The first part is related to the emergence of flexible employment, and how this is related to the dynamics of capitalism. This part will discuss some of the binaries linked to flexible work. The second part of the theoretical framework will deal with theory on trade unions. The purpose here is to discuss the organisational development of trade unions, and how this affects their potential to organise contingent workers. Following the theoretical framework will be a chapter that deals with the methodological approach that has been used in this thesis. In this section I will describe the research process that has led to this thesis, and reflect on its weaknesses. The next chapter will provide background insights to the South African labour movement, and some important characteristics of the labour market. South Africa has a strong history of unionism, and I find it important to understand what this legacy means for the contemporary unions. The next chapter will provide an analysis of labour broking on how the challenges it poses are met by trade unions. The last chapter will take the conclusions from the analysis-chapter and discuss what implications they have for COSATU as a federation.

Flexible Patterns of Work

Since the crisis of Fordism in the late 70s there has been a large debate on whether capitalist societies have transitioned to a post-Fordist state, and if so, what this post-Fordist society entails (Amin 1994). I will not go into details of this discussion, however for the sake of my following discussion on contingent work in South Africa, I find it important to touch upon some of these theories. The purpose of this chapter is less to explain *why* changes have occurred, and more to explain *how* these changes impact on workers in the labour market. However, as the reasons for and the consequences of these changes are interrelated I will begin this chapter by discussing some theoretical views on the Fordist crisis. I will mainly draw on work from regulation theorists, in combination with the work from David Harvey who is greatly influenced by the regulation school. Grand theories trying to explain changes on a national-, or sometimes a global level always face the danger of simplifying reality, often dichotomizing complex processes into simple binaries. This dilemma is also evident in much of the literature regarding flexible labour markets, and hence I will discuss some of the binaries linked to capitalist labour markets and their relevance as concepts.

So why not limit the theoretical discussion to South Africa? I agree with (Roskam 2007) that it's important to assess the implications of flexibilisation in the context of a particular country's socio-economic background. However, the processes of flexibilisation share some common characteristics witnessed in different capitalist labour markets, and these trends have been accompanied by an emergence of research on flexibilisation and contingent work (Connelly and Gallagher 2004). Secondly, when it comes to the implementation of neo-liberal policies stimulating a flexible labour market, South Africa is seen to be a late-arriver. It was only after the democratic election in 1994 that South Africa started to pursue neo-liberal strategies, at a time where western trade unions had struggled with their impacts for almost two decades. For these reasons I find it important to discuss some general trends in labour markets before moving on to the particularities of the South African labour market.

From Fordism to Flexible Accumulation

The post-war era of Fordism is seen as a class compromise between labour and capital. During this period labour movements increased their power, and was seen as an important agent in providing stability to the labour market both by employers and the state. Union representation was high all through the period, and many think of the post-war period of Fordism as a golden era of trade unionism.

According to Marx, the capitalist system is characterized by some inherent contradictions. As the competitive processes of the capitalist market would produce both winners and losers, and the winners would grow increasingly large, this would lead to a polarization of society. This polarization, or growing contrast between the bourgeoisie and the proletariat, would form the basis for class struggle, and at a given point of exploitation, a socialist revolution would be inevitable. However, this prophecy has been opposed by the historical development of capitalist societies. The socialist revolutions during the 20th century did not take place in capitalist societies, despite the fact that capitalism's influence in industrial societies had increased. In the 1970s, a French school of theorists, known as the regulation school, confronted this paradox. Taking the era of Fordism as their point of departure, the regulation school developed a theory that would explain the causes of capitalism's stability. Following Marx, the regulation school sees capitalist accumulation to be crisis-prone by nature, but at the same time they acknowledge capitalism's capacity to stabilize institutions, rules and norms. According to Lipietz (1982), *the mode of production* in capitalist societies is connected to a *mode of regulation* in order to avoid crisis. Due to a mechanism of social regulation the capitalist system can have longer periods of stability, and Lipietz termed these periods *regimes of accumulation*. In the Fordist regime of accumulation the mode of production was recognised by mass production, in combination with a Keynesian mode of regulation based on a welfare state. For regulation theorists, each regime of accumulation will sustain as long as agents' expectations and behaviour is in line with and ensure this reproduction (Bergene 2010). Aglietta (1979), another regulation theorist, emphasizes the need of investigating both economic and non-economic aspects of society in order to understand the reproduction of the capitalist system. The connection between the mode of production and the mode of regulation is a dynamic relationship, which means that the mode of regulation, or what is also referred to as the institutional fix, plays a part in shaping the mode of production. Tickell and Peck (1992) develop this point further when they point to

how the Fordist regime of accumulation was in fact a combination of several *national Fordisms*, shaped by the institutional and organizational conditions of each country. By example, in South Africa the mode of production in the apartheid era has been coined *racial Fordism*, reflecting the dualistic workforce between a privileged minority relying on an exploited majority population uphold by authoritarian state structures (Peck and Tickell 1992).

The transformation of social relations caused by the crisis of Fordism is discussed by Harvey in his *The Condition of Postmodernity* (Harvey 1989). Borrowing from the regulation school, he sees the crisis of Fordism as inevitable given the system's inability to contain the inherent contradictions of capitalism. In his analysis of the Fordist crisis, and the changes that followed, he introduced the concept of *flexible accumulation*. Harvey argues that all the visible problems that came to show in the end of the Fordist era could be summarized with one word; rigidity. The problem of rigidity was apparent in labour markets, labour allocation, and in labour contracts, and as trade unions enjoyed significant political power during this period, every attempt to overcome these rigidities ran into troubles with the labour movement, causing strikes and labour disruptions. Thus, the transition from Fordism to post-Fordism can be seen as a transition from rigidity to flexibilisation, or what he calls flexible accumulation.

Flexible accumulation ... rests on flexibility with respect to labour processes, labour markets, products and patterns of consumption. It is characterized by the emergence of entirely new sectors of production; new ways of providing financial services, new markets, and, above all, greatly intensifies rates of commercial, technological, and organizational innovation. (Harvey 1989:147).

Accordingly, Harvey's theory is not limited to the labour market, as it describes a state of capitalist organisation affecting society in a broader way. However, given the focus of this thesis I will concentrate on the flexibilization of labour markets.

In relation to the transition from Fordist accumulation to flexible accumulation, Scott (1988:14) identifies two important trends that characterize flexible labour markets. The first change is related to the vertical integration of firms where 'employers seek to externalize their consumption of selected labour inputs and thus to head off possible internal upward drift of wages and benefits'. As he notes, this strategy is especially favoured in firms who depend on both high-skilled and low-skilled workers, as the low-skilled workers can be supplied by subcontractors and thus minimizing the firm's fixed labour stock. Secondly, the

organizational changes mentioned above are often accompanied by a labour market with a high degree of fluidity; 'Elevated rates of turnover, extensive part-time and temporary work, and high proportions of politically-marginal workers such as immigrants, women, and adolescents in the labour force' (Scott 1988:15). Scott sees these changes as a response by employers to adjust to the ups and downs of production; by weakening the collective strength of labour, the employer is better able to hire and fire workers in correlation to the shifts in demand. In the case of labour, the rigidities mentioned by Harvey can be translated into actual achievements made by the working class in a certain period of capital accumulation, and flexible accumulation has provided the tools in which to confine these achievements. According to Harvey, the shift from Fordism to flexible accumulation is a shift that has been asserted throughout the capitalist world. Though acknowledging that the consequences are different for every country, Harvey's tendency to over-generalise has been met with criticism (Beynon and Hudson 1993). However, the international growth of contingent work since the 1980s is well documented (Gleason 2006). To summarize, according to Peck and Tickell (1992) it is still too early to speak of a new post-Fordist regime of accumulation as the mode of regulation to accompany flexible production is yet to be fixed. We have however witnessed some substantial changes to capitalist labour markets in regard to the use of flexible workers.

Global capital – local labour

The theory presented above has a global character in that it seeks to explain changes on a global scale. As it is linked to globalization, flexibilization is often presented as a global force, spreading from one capitalist country to the next. It is however recognised by most academics that flexibilization in one country does not equate to flexibilization in another. While identifying the global character of flexibilisation is important, it is equally important to acknowledge how these processes are played out differently in different contexts.

In contrast to much theory on globalization, workers affected by flexibilization and the places they work are to a large extent grounded. Following from this, the relationship between capital and labour is often portrayed as a conflict between capital as freed from place versus labour bounded by place. Geographers have aimed at complicating this picture by analysing the spatiality of both sides; revealing the geographical embeddedness of capital, and analysing

workers' potential to organize across space. In order to transcend the global-local binary geographers often employ the concept of scale. Though the term is filled with different meanings and applications, it provides a useful way to analyse how processes related to globalization are embedded in place, and how these places are interconnected.

Massey (2004) opposes the view of the local as merely being a product of the global. As she argues, this view treats the local as being a passive victim of the global, its playing field so to speak. In line with Massey's critique, the agency of workers, and their potential to resist the downward pressure created by capitalism has become an important focus for geographers over the last years (see Lier 2007). For geographers, the agency of workers involves acknowledging the potential of workers to employ spatial strategies in conflict with the spatial strategies of capital, and by downplaying the local differences between labour markets, one is consequently downplaying the local agency of workers affected by flexibilization. As outlined by Smith (2008), capitalism creates highly unequal outcomes across space, and hence it is vital to understand the environment in which these processes take place, or in this case, to understand the environment where workers live and work. The uneven development of capitalism also makes it difficult to identify a hegemonic model of flexibilisation. While there is a danger of focusing on global processes and ignoring the local, the reverse mistake of isolating the local is also possible. If one were to analyse the motivations behind a firm's strategy of flexibilization by zooming in on the local (e.g. analysing strategies pursued by a firm), there is a danger of ignoring the structural conditions that influenced and/or enabled the strategy. As argued by Peck (1996), strategies of flexibilization are not necessarily pursued solely to increase production efficiency; the causes of flexibilization must be linked to the wider structural conditions that apply to each territory.

The causes of increasing labor market flexibility here do not lie with production efficiency in a narrow sense, but instead may be traced to the erosion of the power of organized labor, the imposition of neoliberal, anti-labor regulatory systems, the presence of a permanent pool of the long-term unemployed, and the need to restructure established (Fordist and pre-Fordist) industries. Peck 1996:126

This last point made by Peck is an important aim of this thesis. Further, Peck argues how labor market flexibility does not necessarily reflect a new regime of flexible accumulation, as it can rather be seen as "reworking of existing accumulation strategies as capital takes advantage of its greatly enhanced strength vis-à-vis labour on the market". Following from

this, when analyzing effects of global processes there must be a balance between learning from the similar trends witnessed in different places, and at the same time acknowledge the different features of flexibilization.

Opportunity or insecurity

Whether or not labour market flexibility is positive for workers is a contested issue. The debate can be divided into those who see flexibility as increased opportunities or increased insecurity and can be narrowed down to one question; flexibility for who? As argued by Wills (Wills 2009) the consequences of flexibility affect workers differently. If the worker is what Wills calls ‘desirably qualified’, flexibility on the labour market provides good career development opportunities. If however, the worker does not possess the skills or education needed to navigate the labour market, labour market flexibility can lead to insecurity. Some authors view the present age as ‘the age of insecurity’; a time where the economic risk of competing on a world market is increasingly transferred from the employer to the employee, and the increased risk on the part of workers combined with a deregulation of welfare systems is further deteriorating worker security (Heery and Salmon 2000). As discussed above, the Keynesian mode of regulation witnessed during Fordism was aimed at comprehensive social security. During that era, all the different forms of security mentioned by Standing were strengthened, and the re-regulation of labour markets towards flexibility has decreased this security. In line with Wills, Standing (1997) argues how the consequences of these changes impact differently on different strata, or classes, in society. Further, the different impact in turn leads to a fragmentation of workers, and Standing sees this fragmentation of labour as ‘both the outcome and as part of the process of labour flexibility, in which the social relations of production and distribution are visibly changing (Standing 1997:21). Different classes, or strata as Standing prefer, are unequally capable of navigating the labour market, making certain groups more vulnerable to insecurity than others. The upper strata in what Standing terms ‘globalized’ labour markets, the elite, is typically people who are above the regulatory frameworks that makes up the labour market. Below the elite you find the *salarialat*, people employed in secure salaried employment, and the *proficians* who are only loosely tied to an employer. On the bottom of Standings income-security spectrum is a division between *core*

and *flexiworkers*. However, there are examples of workers situated in Standings lower strata that choose a temporary job over full-time work despite the fact that this leads to higher degree of insecurity. Bezoidenhout study from South Africa shows how some workers choose flexible work over full time, as the full time job does not pay enough to support the workers family.

The analogy of core and periphery

Van Guys (2001), in line with Harvey, points to how changes in the labour market have created a twofold divide between winners and losers. The “winners” are high skilled workers who enjoy high job security, while the “losers” are less skilled with a more vulnerable position on the labour market. This division is often explained by using the analogy of core and periphery. According to Harvey (1989), the *core* is represented by employees with a permanent status in a standard employment relationship (SER), and is seen to be central to the long-term future of the organisation. These workers, in line with the “winners” described by Van Guys, enjoy ‘greater job security, good promotion and re-skilling prospects, and relatively generous pensions, insurance, and other fringe benefits rights. This group is nevertheless expected to be adaptable, flexible and if necessary geographically mobile’ (Harvey 1989:150). For Harvey, the *periphery* is divided into two sub-groups. The first group consists of full-time employees, but differ from core workers by the contingency of their employment, and they have skills ‘that are readily available in the labour market, such as clerical, secretarial, routine and lesser skilled manual work’. The second group consists of temporary workers, casual- and subcontracted labour, with even less security than the first group.

Von Holdt and Webster (2008) use a similar division in their conceptualisation of the South African labour market. They describe the labour market as consisting of a *core*, a *non-core* and the *periphery*. The first division between the core and the non-core is a division between full-time employees and a group of casualised and externalised workers. Thus, all workers not belonging to these two first groups belong to the periphery, and they are described as informal workers. The different use of categories, though not entirely different, describes the organisation of two contextually different labour markets. Harvey’s (1989) analysis is based

on studies from the labour market in England, and von Holdt and Webster (2008) base theirs on the South African labour market. As with all dichotomies describing society, this analogy is problematic as this sharp division fails to grasp the complexity of actual labour markets. Hence, theorists using this analogy are incoherent as they place one group of workers in different categories. As argued by Kalleberg (2001)(2001), it is important to use these categories with caution as they have a tendency to oversimplify the complex dynamic of every labour market. However, I will argue that using such categories serve an analytical purpose of revealing tendencies related to the changing patterns of work. Both conceptualizations point in the same direction; the changes to labour markets towards market regulation create uneven opportunities and/or risks to different groups of workers.

Labour market intermediaries

A key agent in the new regime of flexible accumulation is what Benner et al. (2007) refers to in the wide sense as a labour market intermediary (LMI). Labour market intermediaries comprise everything from for-profit forms of intermediaries as temporary staffing agencies and labour contractors, to non-profit intermediaries as community colleges and union hiring halls (Coe and Jordhus-Lier 2010). What they all have in common is the role of an intermediary between the worker and the workplace. The global industry of labour market intermediaries (LMI) is rapidly increasing and the largest firms are now operating in more than 60 countries all over the world (Coe et al. 2007). The global spread of these firms can be seen in light of the expansionary factors inherent in capitalism, and as in other industry sectors, the global spread is due to a search for new markets. The core markets, the United States and the United Kingdom, are being saturated and the firms operating in these markets have witnessed a fall in profits. For that reason the LMIs have started to look abroad for new investment objects. The attractiveness of new markets is heavily dependent on local labour market regulations, and as noted by Coe et al. (Coe et al. 2007), the geography of expansion is shaped by the conditions of labour market regulations. As a consequence the industry is searching for new markets that are newly liberalizing. The liberalization of these economies is a consequence of neo-liberal influence, and such the geographical expansion is related to the extent to which processes of neoliberal labour market deregulation has taken place. The connection between market liberalization and the growth of LMIs is also evident in the South African labour market, and I will discuss this connection later in the thesis.

One of the most important difference between workers hired by intermediaries and workers in standard employment, is that it often entails different regulation. While a worker in a SER is covered by labour legislation, which is the product of workers struggle over a certain period, the introduction of a new type of work is at the same time an introduction of a new kind of regulation. As the new regulation has not been subject to the same degree of struggle and negotiation this will in most, if not all, cases result in weaker regulation on the part of the subcontracted labour. Consequently, by introduction of a new type of worker with its corresponding regulation, the employer will access a new space of work. Although the nature and the degree of regulation will differ immensely between labour markets and between work places, the important point here is that the work space of subcontracted labour is weaker regulated compared to the work space of workers in a SER. Further, the triangular employment relationship creates confusion to what part should be recognised as the employer and thus confusion to what party that is responsible for the worker, the LMI or the client. As this problem is directly connected to the labour legislation in each specific labour market I will return to this point later in the thesis. Secondly, the worker hired through an intermediary is separated from the worker in a SER by their different status as employees. This fragmentation of the work force puts the workers in potential conflict with each other, posing a threat to work place solidarity. Thirdly, workers hired through LMIs are subject to a higher degree of contingency compared to workers in a SER. Contingency in this aspect does not necessarily relate to the length of work done for a certain employer, as there are many examples of subcontracted workers working for the same company for many years. However, the contract between the worker and the intermediary must be renewed on a regular basis. In combination with weak regulation this potentially creates a high degree of insecurity for the workers employed by intermediaries.

Summary

This chapter has linked the global increase of contingent work to the dynamics of capitalism. I have argued how flexibilisation, and flexible work arrangements, have come as a response to the rigidities inherent in Fordism. I have also discussed some of the components of flexible labour markets, and how these impact on workers and their security of employment. However, an important point of this chapter is to stress that the implications of these global processes vary between countries and between labour markets.

Trade Unions

The purpose of this chapter is to discuss trade union strategies related to organizing contingent workers. The power of unions is ultimately linked to the workers in which they organise and the power potential of their collective action. An important foundation of this thesis lies with the presumption that some groups of workers are more difficult to organise than others. In the context of a global trend of an increase of contingent work, this poses several challenges for trade unions.

I will further argue how trade union strategy and more generally their potential to organize contingent workers are partly shaped by the organizational structure that exists within an organization. I do not claim that organizational structure is the only determinant, but I find it to be an important factor that influences the choices made and the options available for a trade union when developing strategies. The reason for focusing on organizational structure is given by the level of analysis that is employed in this thesis, and will be further discussed in the methodology chapter.

Revolutionary class struggle

The concepts of ‘class’, ‘class structure’ and ‘class struggle’ occupy a central place within Marxist theory. Not only are they of theoretical importance but they are also of powerful political significance. The analysis of class and class structure is of central importance in any Marxist analysis of a specific historical or contemporary situation – that is, of any conjuncture. It is on the basis of such analysis that the groundwork is laid on which the political strategies of revolutionary and socialist movements are developed, not in the sense that the strategy can be deduced from the class analysis but rather that it provides the context within which the political strategy can be generated.
Hunt (1977:13)

As summarised by van Guys (2001), there has been much debate regarding the importance or relevance of the concept of class. Critics of the concept have argued that changes in society has eroded it’s meaning, and new identities have replaced its relevance; new fault lines such as gender, race and education are better to explain social difference; individuals are no longer led by collective patterns (the individualisation argument); new classes have emerged, making

the old notion of class fragmented and obsolete (e.g. new middle classes). The changing patterns of work, as discussed above, have also put pressure on the Marxist notion of class. As the labour market becomes increasingly fragmented, the task of building solidarity between workers, in and between work places, has become a major challenge for trade unions. The changing relevance of class is also evident in research on trade unions. Neo-Marxists (e.g. Burawoy, Hyman and Harvey) are usually rejecting mono-causal class interpretations that look upon class as the only organizing principle of trade unions, or as the only determinant of social relations.

When Karl Marx first theorized on the role of unions he thought them to evolve, more or less automatically, into revolutionary organisations. According to Mouffe (1983), this “natural” development of unions is related to Marx thesis on the revolutionary character of the proletariat. The thesis is based on three assumptions; the homogenization of the working class; the neutrality of the productive forces; and the perception of the working class as having a fundamental *interest* in the construction of socialism. For Mouffe all of these assumptions are questionable, and the preceding chapter has to a certain degree showed how the first two assumptions are less valid in current capitalist societies.

This ‘optimistic thesis’, came to the fore in periods of intense industrial and/or political militancy, but would later change into deep reservations on the ability of unions to act revolutionary. Marx’ analysis swung back and forth in relation to the nature of the class struggles that were taking place, and to his changing analysis of the capitalist system. As Marx’ analysis changed from a ‘simple economic determinism’ to a more complex ‘economic determinism’, his optimistic view of trade unions’ revolutionary role faltered (Kelly 1988). An important element of what Kelly refers to as the optimistic thesis is how Marx saw the process of proletarianization as leading to a homogenization of the working force. This unifying force of capitalism was also emphasized in the Communist Manifesto, where it is argued that the process of proletarianization would overshadow differences related to age, sex and nationality (Silver 2003).

A paradox confronting the unions in their opposition to capital is revealed in the economic success of the reformist (non-revolutionary) campaigns and organisational structures. As union bargaining, at least to some extent, achieved improvements in living standards, unions

found a position in where they could benefit from capitalism. The aims of these unions were thus criticised for being merely economic, and lacked the revolutionary dimension that Marx first saw as inevitable. For Crouch (1982) this paradox is related to trade unions' position in the economic system;

On the one hand, unions are (or seem to be) an expression of class conflict, of workers' dissatisfaction with capitalist society. But trade unionism tries to resolve workers' grievances *within* the employment relationship: it looks for concessions and improvements from the capitalists and stops short of revolutionary activity. Crouch 1982:31

This was a dilemma that also became evident for Marx as he noted how trade unions combated the effects of exploitation, but did not strive to end the exploitation itself. For Lenin, the reformist character of unions was thought to be a lack of revolutionary *class consciousness*. Lenin acknowledged how the reformist unions were taking part in working-class politics, but it was not revolutionary politics, and they did not pose any real challenge to the capitalist system of production. In order to accomplish a revolutionary character, he argued that unions need to build a revolutionary class consciousness. However, the shortcoming of Lenin's work was the lacking analysis of the dynamics of class consciousness, or in other words, his failure to demonstrate under what circumstance this revolutionary class consciousness would develop. He believed that trade unions could take the form of a revolutionary agent, though emphasizing that this would not be their natural development, as first believed by Marx and Engels. In order for unions to become revolutionary, they would have to incorporate a socialist (Marxist) ideology, in contrast to the bourgeoisie ideology belonging to the reformist unions (Kelly 1988).

Luxemburg made an analytic separation between economics and politics in order to investigate under which circumstances trade union struggle would develop into politics of resistance. Thus, she followed Lenin in that she emphasized the need for unions to act politically, and warned about the dangers of pursuing narrow economic goals, or what Harvey (1996) would term *militant particularism*. Luxemburg used strike action as a lens of investigation, and emphasized the political strength of *mass strikes*. She argued that the mass strike would either be used for direct political purposes, or if this was not the case, the mass strike had the possibility of acquiring a political character, making this form of strike a

potential weapon to the unions in order to build what Lenin would call *revolutionary class consciousness*.

Gramsci made a distinction between what he termed *corporate consciousness*, and *hegemonic consciousness*. The former is related to the reformist unionism criticised above, and the latter was a consciousness aware of the ideological importance of class struggle. In his early writings, Gramsci's answer to the reformist character of the unions was the establishment of 'Factory Councils'. Inspired by the factory councils of the Turin automobile industry, he saw a possibility for these institutions to provide the ideological guidance for unions, aimed at ensuring a politically motivated class consciousness. However, following their collapse in 1921 he changed his focus to the Italian Communist Party (Munck 2010). As argued by Kelly, The Factory Councils were just as vulnerably to the bureaucratic weakness as that of the unions, and thus Gramsci was merely delaying the problem he aimed to solve. Gramsci also made a distinction between the forms of solidarity that was based on trade or occupational associations, and solidarity that was class based, as in working-class solidarity. This distinction is also relevant in the contemporary discussions on trade union strategies, and is mentioned in my discussion of the work by Hyman later in the thesis.

What is clear from the above discussion is how all the theorists acknowledged the reformist tendencies of unions. The optimistic view that unions would somehow automatically be based on the premise of a revolutionary, or transformative, consciousness in their class relation as workers was dismissed by all of them. They differ in their views on how this consciousness could be introduced, and theorists like Trotsky dismissed even the possibility of this to happen. An important assumption behind these Marxist contributions is that all issues can be reduced to those of capital and labour. As argued by Hyman (1975) many industrial disputes are between different groups of workers, and cannot be seen as merely labour in opposition to capital. Further, while it may be capital that creates these different groups of workers, the workers themselves do not necessarily perceive it so. Thus, for unions to base their collective identity solely on the concept of a working-class is problematic. As a consequence there has been a call for unions to broaden their agenda beyond a narrow notion of working-class struggle (see Hyman 2004). I will now further discuss theory on why trade unions develop into reformist organisations.

Reformism

While Marx early theory on trade unions predicted a revolutionary development, Michels (1999) study on organizations' development moves in the opposite direction. In what he terms "The iron law of oligarchy" he describes a tendency of large organizations to develop an oligarchic leadership in contention with democratic practices. As he argued, at a certain point of an organization's size it will become practically impossible for all the members to participate equally in the decision-making. Consequently, the organization will develop a smaller group of people with the responsibility of decision-making. Once a leadership is in place it is likely to develop a vested interest in maintaining its position. Further, as the leadership's survival is dependent on the survival of the organization it is likely to drive the organization in a conservative direction in order to minimize threats to the organization (e.g. state intervention). The members' ability to influence the decision-making gets increasingly difficult as the organization increases its size and following complexity. The complexity of the organization requires knowledge that is not readily available for the rank-and-file, which limits their ability to challenge the leadership's decisions. These tendencies will occur despite a history and promises of democratic practices inside the organization (Tolbert 2010; Voss and Sherman 2000) (Tolbert 2010, Voss and Sherman 2000). The theory has been heavily debated by social scientists, and its universality has been questioned. Is reformism a natural face of all organizations in a purely teleological sense? And, secondly, is it possible for a conservative and bureaucratic organization to change into a more radical and democratic movement? I will return to these questions later, but first I will discuss a theory that explains reformism by revealing the different structural conditions that apply to labour and capital. While Michels' theory explains reformism by a natural development of misleadership, and Lenin blames the development of a false consciousness, Offe and Wiesenhal (1980) see the development of reformism as a rational strategy based on opportunism.

The difference between labour and capital's collective action

In their essay "Two logics of collective action" Offe and Wiesenhal argue the asymmetry that exists between the collective action of labour and capital. They do this by analysing the structural constraints that apply to labour and how they affect labour's organisational potential. The fundamental difference or asymmetry exists, as labour and capital are qualitatively different in regard to both class *interests* and class *capacities*. Although the

authors acknowledge the differentiations that exist within the working class, they do not see workers as different in their relation to capital. Employing a class perspective they confront how '[social scientists] are wholly concerned with the *subjective awareness* of differences, while ignoring the equality of the objective conditions to which all wage workers are subject' (Offe and Wiesenhal 1980:70). As capitalism creates divisions within the working class the workers are more susceptible to interest distortion, but that does not change the equality of their position in the labour-capital relationship.

[T]he members of one class experience greater difficulties in finding out what their "true" interest is; that is, they have more difficulty in bridging the gap between empirical and "true" interest. This asymmetry has to do with class domination itself. Ambiguity, alienation, mystification, and fetishism directly affect working class *consciousness* as much as exploitation and the commodity form imposed upon human labor power affect its *material* and social conditions of life.

Further, the interests of workers are only discovered through dialogue, in contrast to the interests of capitalists that are more or less transparent. As to the different *capacities* of the two groups, workers mobilize living labour while capital only mobilizes financial resources. The difference in capacities will again influence the strategies available for the different groups in pursuing their interests. The consequences of these differences are dealt with in three different aspects of collective action; *input factors* (what is to be organized), *internal processes* (the dynamics within each organization) and *outputs* (the conditions of strategic success in the organizations' environments).

What is to be organized?

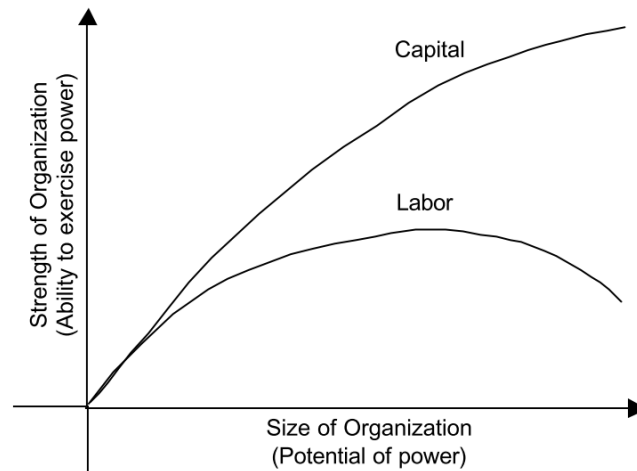
As unions organise workers, they also organise a multiple of needs. These needs are highly heterogeneous and ultimately pose difficulties in forming a collective identity. Further, workers unlike capital cannot merge in an additive sense. 'The insuperable individuality of workers', as coined by Offe and Wiesenhal, implies that the power of unions does not increase linearly when additional workers join the union. In other words, increased capital will always increase its power, while an increase in workers will at a given point stop adding any substantial strength to the union. This consequence is similar to the point made by Olson, but not exclusively because of the "free-rider" dilemma; the power of unions rests on the solidarity that exists within its organisation and as this solidarity needs to be forged, power cannot be increased by merely adding more workers. A consequence of this logic, though

fairly obvious, is that the power of unions does not rest entirely on the size of its constituency. Although unions usually dismiss such criticism, this is often a problem of organic organisations like unions; even though the membership size of a union is fairly stable, or even increasing, that does not necessarily mean that the power of the union responds in the same way.

Two logics of collective action

According to Offe and Wiesenhal there is a fundamental difference regarding the internal processes of the two types of organizations. Whereas capital organizations follow what Offe and Wiesenhal refer to as an *instrumental-monological* pattern of collective action, labour organizations have to pursue a *dialogical* pattern. In the former the leadership will alone develop the objectives and strategies of the organization, while the latter involves communication about objectives between the leadership and the rank-and-file. The degree of dialogical patterns of collective action will of course vary from organisation to organisation, but the important difference here is that labour organizations, unlike those of capital, cannot afford to follow exclusively an instrumental-monological pattern. This difference creates a paradox in the use of power for unions. While the *accumulation* of power for a labour organization is based on the increase of membership and financial resources and the bureaucratic control over those, the *exercise* of power depends on the level of solidarity within the organisation and the willingness of its members to act (e.g. their willingness to strike). As illustrated below, this leads to a trade-off between the size of the organization and the strength of a collective identity, which both influence the power of the union.

Figure 2



As a consequence, there is a balance between the mobilization of resources and the mobilization of activity, between the size of the organisation and its collective identity, and between the level of bureaucracy and internal democracy.

Organizational environment

While business associations have a power potential regardless of their existence, unions have to create their own power potential. The power potential of the business associations stems from the relationship between capital and state and their joint interest, namely capital accumulation. As noted by Offe and Wiesenthal, ‘in a capitalist society, the state depends on the flourishing of the accumulation process’. Hence, the state and business associations have a shared strategy, and business will thus be *invited* to partake in the political system. Unions on the other hand must struggle to gain representation in the same forums. These differences also apply to the member base of each association. Further, there is a contrast in communication between business organizations and the state, and between labour organizations and the state. Business organizations are usually *less visible* in the public, they communicate in *technical imperatives*, their claims are more *universal* (in the sense that the state and business organizations have capital accumulation as their joint priority) and the communication is *negative* (as they only have to warn governments on issues that might deter economic

growth). Offe and Wiesenenthal see these structural conditions as determined by the capitalist system, and are thus not created by the business organizations themselves.

Structurally conditioned reformism

Taking the contradictions described above as a point of departure, Offe and Wiesenenthal argue how the reformist tendencies witnessed in labour organizations are a product of a class compromise based on opportunism. They define opportunism in the following way:

- Substantive dimension: An inversion of means over ends, prioritizing institutional and other immediately available means over the pursuit of organizational objectives and principles
- Temporal dimension: a change in priority from long-term goals to short-term goals
- Social dimension: prioritizing quantitative over qualitative criteria of the recruitment and mobilization of members which emphasizes a focus on particular tactics over long-term strategies

The development of opportunism is further explained in a five-stage model of trade union development. The *first stage* describes the initial period of class formation and is recognized by a small-size organization that is militant with a low degree of bureaucratization. At this point the organization will almost exclusively follow a dialogical pattern of collective action. In the *second stage* the labour organization has consolidated its power, making the threat of a potential strike more powerful than an actual strike, and the power of the union is thus moved to the bargaining table. While on the one hand this will help to increase the power of the organization, it also creates a paradox; for the threat of a potential strike to be credible the organization must recruit, mobilize and activate members, but on the other hand it must be able to control its constituency to avoid actions that are external to the compromise that is made at the bargaining table. This paradox creates a conflict between the two different logics of collective action; 'if the organization fails to satisfy the first condition, its *survival* is threatened; if it fails to meet the second imperative its strategic chances of *success* are undermined' (Offe and Wiesenenthal 1980:107). To resolve this paradox the organization can either return to stage one, or proceed to the next stage. A return to stage one would mean to

sacrifice the accomplishments made in stage two and is only an option under a context where the labour organization can draw on alternative power sources (e.g. a strong socialist party). The other option is to substitute the internal guarantees for survival with external guarantees, the *third stage*. This involves the introduction of opportunism as described above, and at this stage the monological pattern of collective action becomes dominant. The central aim of the organization is thus to make it ‘as independent as possible of the motivation, the solidarity, and the ‘willingness to act’ of the members’. However, the dependence on externalized support is at the same time the weakness of stage three. In order to make the gains made by the class compromise permanent, all potential threats to such gains must be neutralized. This is of course impossible to achieve given the nature of the capitalist system, as it would entail neutralizing the economic and political power of private capital. Labour organizations are thus exposed to what Offe and Wiesenenthal refer to as the political “business cycle”.

Failing such neutralization of the structural power position of private capital, the organization is most likely to experience a *reversal* of the process of institutionalization that has taken place at stage three as soon as political and/or economic conditions are favourable enough to attempt an attack on those supportive institutional arrangements.

Stage four is then the situation that arises when the internal guarantees have been substituted for external guarantees, and the external guarantees come under threat, threatening the existence of the labour organization. This in turn calls for a new period of mobilization and activation of the organizations member. Thus, the *fifth stage* is similar to the *first stage*, but according to Offe and Wiesenenthal they differ in two important ways. The new mobilization will likely occur as a fraction of the existing labour organization, and the new fraction is likely ‘to focus on a much broader range of political, legal, and institutional arrangements, which have played such and important and deceptive role in the prior ages’ (Offe and Wiesenenthal 1980:108).

Structure and agency

The theory outlined above has been met with criticism for its excessive focus on structural conditions. It is argued that Offe and Wiesenenthal are downplaying collective as well as individual agency (Urry 1995), and for Roy and Parker-Gwin (1999) this is linked to their ignorance of historical contingencies. The critics do not claim that structural conditions are unimportant in the formation of collective action, but they stress how the structural conditions are themselves historical constructs. Thus, they argue how the abstract theories of Offe and Wiesenenthal are insufficient in explaining the different outcomes of collective action experienced in different places. It is further argued that if we were to follow Offe and Wiesenenthal's analysis, and all outcomes of collective action are indeed determined by the structural conditions inherent in the capitalist system, this only leaves two possible options for labour organizations; reformism or socialism. This conclusion is very close to the theories posed by classical Marxists (e.g. Lenin as discussed earlier), but according to Roy and Parker-Gwin this simplistic view is opposed by empirical data on the history of labour organizations, and the collective agency of unions to change the structural conditions is underestimated.

Our analysis implies that one can organize within the logic of the system as it is in particular times and places, or one can organize to change the legal and institutional context that structures particular logics of collective action.

(Roy and Parker-Gwin 1999:233)

I agree with Roy and Parker-Gwin in that Offe and Wiesenenthal are too deterministic in their analysis, but I don't think the theory should be dismissed on these grounds. If not treated in a teleological sense the theory is a valuable contribution in explaining why some labour organizations develop into reformist organizations. Urry (1995) stresses the importance of acknowledging how the cultural and institutional environment shapes individual workers and organizations. As mentioned earlier, global processes are not global in the sense that they create equal outcomes on a global scale, and if we were to follow Offe and Wiesenenthal's logic the effects of capitalism should produce highly equal outcomes and responses across space. I will further argue that it is precisely the different outcomes of capitalism, or flexibilisation that make the formation of collective action complex and difficult.

If we consider individual workers within a given society then their 'preference structures' will be largely determined *by* the cultural and organisational resources that the working class in that society possesses, such as the cultural resources of 'norms of solidarity' or the organisational resources of a union able to enforce the closed shop. ... Moreover, these resources are spatially and historically variable, so that we can talk of a set of repertoires for collective action...

(Urry 1995:57)

Revitalization

Since western unions' membership started to dwindle in the 70s there has been much discussion by labour academics and unionists how this negative trend can be turned? A recurring theme in these debates is a call on unions to renew them selves, to adapt to the current form of capitalism, and to reassess the organizational structure with its corresponding tactics and strategies for organizing. One solution that is often proposed is the model of social movement unionism (SMU). As argued by von Holdt (2002) , there is no coherence on what exactly defines such a strategy, but there are some common features both in theory and in practice that separates SMU from traditional forms of unionism based on class struggle.

From class struggle to countermovement

Although Polanyi himself did not write exclusively on the role of trade unions his theories have seen a renewed interest by labour academics (Burawoy 2007, Silver 2003, Webster et al. 2008). Whether Polanyi himself was a Marxist has been a debated issue. However, that he was inspired by the work of Marx is beyond doubt. In line with Marx, Polanyi saw the self-regulated market created by capitalism as a utopia as the model has inherent qualities that will eventually lead to its demise. Briefly stated he argued that in order to create a fully regulated market, this would require the full commodification of land, labour and money turning them into pure commodities. For Polanyi these commodities were rather to be seen as fictitious commodities and the process of turning them into pure commodities would lead to a countermovement whereby society would take measures to protect itself (Webster et al. 2008). This leads to an important difference between Polanyi and Marx. For Polanyi it was the broader notion of *society* that was 'the transcendent historical category, not class' (Burawoy 2003:229). According to Burawoy (2003), Polanyi did not give a precise definition of society, but what is clear is how Polanyi emphasized the importance of the connection

between community struggles and working-class struggles. This connection was thus integral in order to understand the wider sense of class struggle. His view of society as an active force against commodification has inspired theories on social movements, but also research related to labour movements. Building on the distinctions between Marx and Polanyi, Silver (2003) and Burawoy (2008) separate between what they term Marxian-type struggles and Polanyian-type struggles. Silver (2003:20) defines Polanyi-type struggles as ‘backlash resistances to the spread of a global self-regulating market, particularly by working classes that are being unmade by global economic transformations as well as by those workers who had benefited from established social compacts that are being abandoned from above’. By Marxian-type struggles she means ‘the struggles of newly emerging working classes that are successively made and strengthened as an unintended outcome of the development of historical capitalism, even as old working classes are being unmade’ (Silver 2003:20). As argued by Burwouy (2008), the two types of struggles have different implications;

Marxian-type struggles invite alliances based on the unification of a class of exploited workers whereas Polanyi-type struggles invite alliances among communities facing commodification of social existence. The latter would include wage-laborers, but also embrace those who don’t have access to wage labor and those who face land expulsions, water privatization, and more broadly degradation of the environment.

Social movement unionism (SMU) has become a buzzword in discussions on trade union revitalization (Seidman 2011). SMU can be said to include both of the two mentioned types of struggle as it is based on working class struggle, but at the same time aims to include a broader alliance with the community. An alliance between a trade union and the broader community implicates that the trade union extends its politics beyond that of the workplace where it engages in broader political struggles of society. Thus, in theory, a strategy of SMU can be seen as counterbalance to the reformist tendencies witnessed in western unions. The concept can be traced back to the 80s, and was initially describing oppressed trade unions in semi-industrialized countries. Von Holdt describes SMU in the following way;

...a highly mobilized form of unionism which emerges in opposition to authoritarian regimes and repressive workplaces in newly industrializing countries of the developing world...SMU is embedded in a network of community and political alliances, and demonstrates a commitment both to internal democratic practices as well as to the broader democratic and socialist transformation of authoritarian societies Von Holdt 2002:285

Building Solidarity

Workers have only one strength – their collective ability to withdraw their labour and so bring the capitalist system to halt. The great attraction of trade union power and the reason why millions of workers join unions is that they provide the organization that can make this power effective. Callinicos 1995:13

Why do workers join unions?

Following (Callinicos 1995) Callinicos' statement one would think that all workers of the world are in fact organized, and that they have the upper hand in their opposition to capital. How then do we explain why this is not so, and as argued by Crouch (1982) 'if unionization is a means whereby workers can offset some of their weaknesses in the labour market, presumably the greatest gains are to be had by those weakest in the labour market; and yet we often find that these have the lowest levels of union membership.' In his influential work, Mancur Olson (Olson 1965) developed a theory on trade unions by applying rational choice theory from a purely economic perspective. For Olson, each worker will rationally save their union contribution as long as they still benefit from the union's achievements. This is the so-called 'free-rider' dilemma that exists in all public goods. As argued, if the union is large enough, one extra member will not add substantial strength to the union, and the worker can benefit without any costs. Although it highlights one problem of union participation, the theory treats rational choice as being purely individualistic and does not acknowledge the collective nature of workers' rationality (Meardi 2009). According to Meardi, workers' rationality is bound to their social experiences and their interests are socially constructed. Following from this one may argue that the individual worker's actions will always be somewhere on a continuum between the individualistic rationality described by Olson and to actions based on solidarity of the workers' acknowledgment of being one of many workers in their opposition to capital. As it is a fundamental part of unionism, I will return to a discussion on solidarity later in this chapter, but first I will highlight some differences that separate the collective action by workers and the collective action by capital.

I will argue that the concept of solidarity is a constructed phenomenon and not a given side effect of the capitalist system. As solidarity is build by workers, it is also build in different ways and based on different ideas with different purposes. In her research on union solidarity, Johns(1998) developed a distinction between *accommodative* and *transformative* solidarity. These terms are related to my earlier discussion on reformist and revolutionary class struggle, and Johns use them to consider the spatial considerations that exist in solidarity campaigns. As capital is constantly on the search of higher rates of profit, workers will inevitably face the danger of being retrenched as business moves on to more profitable places of production. Johns analysed solidarity between a union in the United States and a union in Guatemala where she discussed different grades of solidarity and the motives behind the solidarity campaigns. According to Johns, accommodative solidarity is recognised by the motive of securing place-based interests in order to reduce the threat of outsourcing. The logic following this argument is based on the premise that by engaging in solidarity campaigns with workers situated in places that are lucrative for out-sourcing, and helping to improve the conditions for these workers, this will consequently help to improve their own job security. Transformative solidarity is recognised by union campaigns that aim to improve workers, as in the working class, position in relation to capital. Though Johns questions the motivations behind solidarity campaigns within a geographical framework, I will argue that she highlights a general problem existing in working class struggles. As argued by Richards, ‘the historical role of unions as agents of working-class solidarity and unity is ambiguous’;

While an important part of the discourse of trade unionism has been anchored in a claim to represent the interests of workers as a whole, the historical role of unions as agents of working-class solidarity and unity is ambiguous. In terms of their ability – and willingness – to incorporate workers into their ranks, trade unions have just as often demonstrated exclusive, as inclusive, tendencies. Moreover, to the extent that more inclusive, class-wide strategies on the part of trade unions have emerged, they have been heavily contingent and constructed phenomena, and never structurally-determined givens. (Richards cited in Van Guys 2001:13)

Richards’ argument on the historical role of unions is in line with my preceding discussion of classical Marxist analyses on trade unions. Flanders (cited in Hyman, 2004) describes unions as having two faces; a sword of justice, and vested interest. Hence, the main challenge confronting unions is ‘to revive, and to redefine, the role as sword of justice (Hyman 2004). In order to succeed in this task, unions have to deal with what Hyman terms internal problems, corresponding to what Offe and Wiesenthal refers to as the internal strength of a

union. For Hyman the internal challenge is related to the constituency of unions. The traditional union member is a male worker in a standard employment relationship, and as discussed above, the new division of labour is far more complex. The core of permanent workers is constantly eroding (Gleason 2006), and the 'atypical' worker is becoming increasingly typical. Based on these trends there is an urgent need to transform the union agenda to include the 'atypical' workers, or in other words, to broaden the constituency. Further, to broaden the constituency, unions must build solidarity between workers. However, building solidarity between all groups of workers is not necessarily a goal for trade unions.

The perceived common interests of the members of a particular union (or confederation) are defined in part in contradiction to those of workers outside. In compartmentalizing workers, unions traditionally have compartmentalized solidarity.” (Hyman 1999:3)

To Hyman (1999) the alleged crisis of unions is to be understood as a crisis of a certain type of trade unionism, and this unionism is linked to its conception of solidarity, namely *mechanical solidarity*. The notion of mechanical solidarity is borrowed from Durkheim, and is based on the idea of a unity of working-class interests and unions mission to articulate this unity. According to Hyman, most of the union strategies are based on this notion of solidarity, and this is also why they fail. He outlines three factors as cause to the crisis; increased internal differentiation within the working class; increased market coercion; and the erosion of egalitarian commitments within the labour movements.’

In line with my previous discussion, Hyman points to the fact that trade unions have always had problems of organising workers under common interest, and as the work force has become increasingly fragmented, this strategy is likely to continue to fail. Besides the fragmented work force, Hyman also points to the disjuncture between work and community. The old stereotype of traditional workers as integrated to a common workplace and a common local community has little relevance in today's society as most workers live at a considerable distance from fellow employees, and pursue different cultural and recreational interests. The problems related to these internal differences are related to a 'crisis of representation', and according to Hyman, unions have two options in response to this problem; base their strategies on narrow occupational interests; or appeal to a diffuse set of interests based on 'social movement unionism'. By basing their strategies on mechanical solidarity, the unions are faced with the following dilemma:

... [Unions] can either stick with a declining core, attempt to address the special interests (and advantages) of the new 'elite', or struggle to represent the periphery; but it is an enormous challenge to develop strategies which point effectively in all directions. Certainly this cannot be achieved by rhetoric assertions of a unity of interests. (Hyman 2004)

To Hyman, the consequence of this dilemma is to build what he terms *organic solidarity*. Again borrowing from Durkheim, he describes a unionism that 'replaces organizational conformity with co-ordinated diversity' (Hyman 1999:14). In this model of organic solidarity lies a recognition and respect of the diverse interests between workers, within unions and between unions. A weakness in Hyman's theory is the lacking explanation on how this organic solidarity is capable of dealing with the problems of representation that I have discussed earlier in this chapter. As argued by Offe and Wiesenthal (1980), the power of unions is ultimately linked to the solidarity within the organisation, but this solidarity is challenged as the union include more workers and thus become more heterogeneous. Thus the model of organic solidarity faces a dilemma, as there is a potential trade off between recruiting new types of workers (accepting difference) and forging solidarity between members (argue mutuality). Solidarity itself rests on unity and it's difficult to build solidarity between workers that is not based on the idea of them all being workers, and objectively all being the same in their relation to capital.

Organising contingent workers

The challenge of building solidarity among workers is by no means any easy task and the structural changes to labour markets since the end of Fordism has made this task even more difficult. As employers are constantly on the search for cheaper and more flexible labour, unions all over the world are struggling to hold on to their members. The changing patterns of work, recognised by an increase in contingent work, is one out of many problems unions are facing, but as I will argue, this problem is essential to overcome in order for unions to turn the negative trends imposed by the new regime of accumulation. As a summary of this chapter I will discuss some of the main points made on the collective action of unions and how this affect the task of organising contingent workers. What is clear from the preceding discussion is that contingent workers are more difficult to organise than workers situated in a standard employment relationship. This is particularly so in the case of workers employed by LMIs. In academic literature related to unions and contingent workers the answer to this dilemma is

that unions need to employ strategies that aim to bridge the gap between struggles related to the work place and struggles related to the community. This strategy is often referred to as social movement unionism, or community unionism, and can be interpreted as a merging form of Marxian-type struggles and Polanyi-type struggles. However, as noted by Offe and Wiesenthal, the internal strength of a union, which affects its ability to mobilize its members, is influenced by the solidarity that exists between workers, and not exclusively by the number of members. This poses another challenge for unions as a strategy of organising more layers of the work force, in order to broaden the constituency will further increase the heterogeneity of the organisation. While originating in semi-industrialized countries, the strategy of SMU has been adopted by unions in more advanced economies like the Britain and the U.S. One of the best-known examples is the “Justice for Janitors” campaign by the U.S. union SEWU (see Fantasia and Voss 2004, Milkman and Voss 2004). The campaign has received much attention in union revitalization debates as it managed to organize workers who were perceived by many to be unorganizable. In addition to its achievements it was at the same time challenging the conservative form of business unionism,

...by their more critical stance towards neoliberalism and their insistence that the goal of organizing was not merely to increase the numbers of workers in the unions, but to get workers to assert their own collective power directly when dealing with employers.

Fantasia and Voss 2004:127

By focusing on the collective power of workers the campaign showed a side of unions as ‘vehicles of social solidarity’. The tactics employed in the campaign involved, face-to-face interaction with workers, promoting rank-and-file leadership, the creation of workplace committees, in addition to corporate campaigns targeting social networks attached to companies. Despite the success of this campaign, it’s important to note that the target of the campaign was workers outside the manufacturing sector. Consequently, the success-formula of “Justice for Janitors” cannot simply be transferred to other sectors of the economy or other workplaces. Nevertheless, it shows the potential of organizing workers based on collective action. The strategy of SMU has also made its presence in the U.K. (See Wills 2009). According to Heery (2009), the strategies of SMU in Britain can be seen as a natural response to the challenges that apply to organizing contingent workers.

...the fact that it is mobile and tied only loosely to particular workplaces, has encouraged an 'up-scaling' in union representation. Where labour is contingent, union activity tends to take place beyond the workplace. The other change has been a greater reliance on other forms of job regulation alongside collective bargaining. For contingent workers, unilateral regulation of terms and conditions, union service provision and legal regulation loom large in the representative mix.

Heery 2009:13

Summary

This chapter has discussed the notion of a natural development of trade unions. While Marx first believed that trade unions would automatically develop into revolutionary organizations, other theories go in the opposite direction, claiming that unions will develop into reformist conditions. I have questioned the teleological claims of these theories, but I have found them to highlight some important aspects of labour organizations that help to understand their development, and what consequences this development has for the organization. An essential part of unionism is the notion of solidarity. This solidarity has to be built by the trade unions and their members, and as argued in this thesis, it is built in different ways. The type of solidarity that is built has implications for the unions' potential to organize contingent workers. I have also discussed the potential of unions to revitalize and employ new strategies that are more effective in order to organize contingent workers. In the literature related to organizing contingent workers and union revitalization, the concept of social movement unionism is recurring.

METHODOLOGY

There are no hard distinctions between what is real and what is unreal, nor between what is true and what is false. A thing is not necessarily either true or false; it can be both true and false.

I believe that these assertions still make sense and do still apply to the exploration of reality through art. So as a writer I stand by them but as a citizen I cannot. As a citizen I must ask: What is true? What is false?

Harold Pinter

The above quotes are taken from a speech given by the writer Harold Pinter after being awarded the Nobel Prize in Literature. The quote is interesting as Pinter says these words in relation to his life as an artist, but as I will argue they are also relevant in a context of social research. The first quote consists of a break with an understanding of reality that can be labeled 'naive objectivism'. According to Danermark (2002:16), 'naive objectivism' represents a view of science where it is possible to obtain 'general and objective knowledge of its object, that is existence and reality, by means of systematic and neutral empirical observations'. The opposite view, and the one proposed by Pinter is that of relativism. In its more radical form, relativism argues that it is impossible to 'uphold the existence of any reality at all'. An extreme consequence of this view is that all science becomes meaningless, as it is impossible to distinguish between true and false. I concur with the critical scientific view that reality exists, and that it exists independent of our knowledge of it. The *objective existence* of reality does not however mean that our knowledge of it reflects its true nature. As knowledge is conceptually mediated, as termed by Danermark et al., it is also dependent on theory, which in turn is constructed. This leads to the conclusion that all theory is fallible, but as argued by Danermark et al., not all knowledge is equally fallible. This leads to the second quote by Pinter when he as a citizen feels obliged to separate the true from the false. As a researcher I find myself in a similar situation. I find this ontological view as an important starting point in social research as it puts the researcher in a humble position in relation to what is perceived to be true, or real.

Qualitative research

As argued by Yin (2009), the choice of scientific method is dependent on the questions that the research is investigating. The aim of this thesis is to analyze *how* trade unions in South Africa meet the challenges of contingent work, and also to understand *why* they employ the strategies that they do. Based on these questions, I have chosen a qualitative approach for my thesis. Although it is possible to categorize strategies of trade unions and then apply quantitative methods to analyse the data, that would have been of little relevance for my thesis as I aimed to understand why different trade unions employ different strategies. *Qualitative* research differs from *quantitative* in that it allows for a more in-depth understanding of social phenomenon. The range of different methods that fall under qualitative research is however wide. In this thesis I have employed what Thagaard (2009) terms an issue-focused approach. This implies that the material collected through interviews is categorized and that the information gathered in the interviews is compared to each other. The purpose behind this method was to highlight the most important issues of the trade unions in their relation to contingent work. As mentioned, by Thagaard, the weakness of this approach is that you risk placing statements from the informants out of context, and to possibly give a different meaning to the statement than was intended by the informant. However, most of the categories that I used, were given by the interview questions, and it was also issues that the respondents themselves were familiar with. I have also made an effort at assuring that all quotes are placed in the correct context, and that my interpretation of the data material has not added any meaning that was not intended by the respondents.

The research process

Social research begins with a question or a topic that is of interest to the researcher or the funder of the research (Thagaard 2009). In my case, the interest in South Africa and the challenges of contingent work was influenced by my supervisor. My supervisor had previously done research on related issues in the country and posited important knowledge on the South African labour movement and their challenges. I started following the South African debate on the issue of labour broking, and started to investigate how the problem of labour brokers in South Africa is linked to the global presence of Labour Market

Intermediaries. I started the fieldwork, by writing a project design that would serve as a guideline for my research. The outline of this project design has turned out to be very close to the finished product, and I can thus argue that the process of my research has followed a more or less incremental path. However, before, during and after the fieldwork, I often found myself reading literature that was somehow remote to my research questions. This is somewhat related to the level of analysis that I have employed in this thesis, as I have found it very hard to narrow down my case, and chose certain theoretical approaches over others. There is an enormous amount of literature related to trade unions, and one of the most difficult challenges of writing this thesis was to select the literature that I felt described my case the best, and that would assist in explaining my research questions.

Constructing a case

There has been much confusion to what really defines a case study, and where to draw the line between a case study and a non-case study (Gerring 2004). Following Yin (2009), the answer to what research that qualifies as a case study starts with the research questions. Given my research questions, there is little doubt that my methodological approach had to be qualitative as analysing union strategies is difficult to do when applying quantitative methods. However, applying qualitative methods does not necessarily entail a case study. Before I started my fieldwork in South Africa I participated in a seminar with fellow students where we discussed our different research projects. During this seminar I was advised to refrain from the use of case in my thesis as my object of interest, namely labour brokers, would be difficult to define. However, as the project developed, I started to focus on how labour broking and contingent work's impact on the labour market, and what implications they have on trade unions. In one aspect one might argue that my case is defined by the different spaces where unions (represented by COSATU) meet these new forms of work on the labour market. However, it is COSATU as a federation with its affiliated unions that is the main research object. As the boundaries to this case are highly diffuse, and that the object of study does not exist in physical sense, the case can be considered as constructed. My case is in line with Yin's description of a case study.

The essence of a case study, the central tendency among all types of case study, is that it tries to illuminate a decision or set of decisions: why they were taken, how they were implemented, and with what result. (Schramm 1971, cited in Yin 2009)

The case of COSATU was selected first and foremost because of the debate on banning labour brokers. As Labour Market Intermediaries have increased their presence on a global scale, the campaign from COSATU to ban the practise is an interesting case. It is important to stress that it is not the purpose of this thesis to analyse the strategies of COSATU and the affiliated unions as a homogeneous block with a shared set of views and strategies. On the contrary, when interviewing the unions it was my objective to discover the diversity in both experiences and responses. COSATU as a federation consists of 21 affiliated unions, and each affiliate is different to the next one. However, in relation to the increase of contingent work there are at the same time some shared experiences. As my fieldwork in South Africa was limited to two months, I chose to interview a selection of the affiliates. The choice of what unions to interview was based on interviews with Andries Bezuidenhout at SWOP and Kimani Ndungu at NALEDI, two researchers who are connected to the South African labour movement. The unions were selected on behalf of membership size, media coverage, and the degree of exposure to casualization and externalization. On behalf of these interviews I initially made a list of seven unions to interview, but unfortunately I only managed to arrange interviews with five of them. In addition, my attempt at getting an interview with an official at COSATU also failed. I made several attempts at getting an interview, through e-mail, telephone, in addition to a personal visit to the COSATU house in Johannesburg. Despite the fact that this is an apparent weakness in my fieldwork, I have relied on a variety of different sources in an effort to attain the needed insights to the federation. These sources included official statements and documents, a vast academic literature related to COSATU, in addition to the information I gathered through my interviews. According to Yin (2009:52-53), the affiliates that I interviewed can be treated as sub-units that can 'add significant opportunities for extensive analysis, enhancing the insights into the single case'. Of the unions interviewed, four of them are affiliated to COSATU and one union, GIWUSA, is an independent union. GIWUSA was chosen to balance the views from the COSATU affiliates. The union is also interesting because of their outspoken strategy to combat the problems related to contingent work, and their devotion to organizing labour broker workers. It is also different in terms of its organisational structure which I will discuss further later in the thesis.

The interviews

Through my supervisor, I established contact with Andries Bezuidenhout who is part of the Society, Work and Development Institute (SWOP) at the University of Witwatersrand in Johannesburg. Andries provided access to the University library and a research centre, and helped me get in touch with people that were of importance for my thesis. He can thus be considered an important gatekeeper, who made the fieldwork less difficult than it could have been. I started off interviewing Andries Bezuidenhout at SWOP, and this interview provided a vital starting point in regard to whom I should interview and to get an overlook on the research that has been done by others on the subject I was investigating. Andries also got me in touch with people at Khanya College and NALEDI. The first interview with Andries, in addition to the interview with Kimani Ndungu at NALEDI were not structured by an interview guide. Khanya College is an independent NGO based in Johannesburg, and NALEDI is a research organization that is connected to COSATU. Before conducting interviews with the different unions I prepared an interview guide. I had spent much of my time both before and during the fieldwork reading about the South African labour market, the labour movement and the challenges of contingent work. The interview guide was thus based on this theoretical background. The interviews were semi-structured, allowing the respondent flexibility in answering their questions, and none of the interviews followed the interview guide in an incremental fashion. As the different questions are related to each other, the answers by the respondents tended to drift in a natural way from one question to the other, some times answering more questions in one answer. Although their knowledge varied, all the respondents were familiar with the different topics that I asked about.

All the interviews, except the interviews with Andries Bezuidenhout at SWOP and Kimani Ndungu at NALEDI, were recorded using a Dictaphone. I asked the informants for the permission, and none of them refused. In fact, it seemed like the informants expected this. I also informed them of my research project and if I was allowed to cite them in my thesis. All respondents agreed. All but one of the interviews took place at union buildings, except from the interview with Katishi Masemola at FAWU, which was conducted at a café in downtown Johannesburg. Due to the short list of informants I chose to transcribe all the recorded interviews. Although time-consuming, this proved to be very helpful. The information was later categorized using the data-tool Hyperresearch. The program made the selection of important parts a lot easier, and helped me sort the information by different themes.

Background

This chapter will deal with two different, but related, themes. Firstly, I will discuss the development of the South African labour movement, and more closely, the development of COSATU. Secondly, I will discuss how the labour market has changed with emphasis on the changes that have occurred in the post-apartheid South Africa in relation to contingent work.

Building a labour movement

The first unions emerged in South Africa at the end of the 19th century and consisted of craft unions. From that time and up to the 1970s all the attempts at building a sustainable labour movement failed, mostly due to state repression and a tendency to rely on a few key leadership figures. However, though the struggle to build a union movement during this era failed it had created experience and knowledge that was to be the foundation of the emerging union movement in the 70s. This second stage of union development included a broader alliance between former union officials, students and community activists who developed a strategy of building an organisation of black workers. This new movement differed from other unions in that it aimed to challenge the established bargaining system, involving a broader political and economical agenda. This strategy entailed challenging the government and employers, and as such not limiting the struggle to that of the factory. However, given the high degree of state repression shop-floor organisation became an increasingly important part of the strategy. Unions set up structures that would include a high level of worker control, including constitutions, committees and councils. At the end of this stage, in the late 70s, the Federation of South African Trade Unions was launched (Wood and Dibban 2005). FOSATU aimed at avoiding the mistakes that caused other attempts of building a union movement fail, and this entailed building a grass-root federation with strong links to the workplace combined with challenging political actors. FOSATU went on to form a political programme based on ‘working class politics’ which, according to Pillay (2006), can be divided into the following three strategies; a rejection of the predominantly nationalist form the anti-apartheid struggle assumed under ANC; a recognition that the working class, while rooted in employed workers, also included unemployed workers and other dependents of workers; and, a belief that working-class politics had to have a sound democratic organisational basis under worker leadership. In addition, ‘this leadership had to be built from the grassroots, and not to be

substituted by a political leadership of professional revolutionaries in the Leninist sense' (Pillay 2006:169). This balance between political engagement and shop-floor organization was an essential part of the federation's survival, and would also become an important strategy for its successor COSATU. The high degree of worker control made the reproduction of leadership figures and activists easier, it increased the level of solidarity between workers, making it difficult for employers to divide them. It also paved the way for an initial breakthrough against the apartheid system as the vibrant union structures transcended the divide between the struggles of survival and the struggles against the apartheid-state (Buhlungu 2010:53-54).

Social movement unionism in South Africa

Another important part of the trade union strategies was their strong links to community organizations, and the connection between workplace struggles and community struggles. As explained by a researcher at Khanya College;

Historically that was the hallmark of our labour movement here; that the union was also the champion of community issues. With its education, with its housing, all the issues. In fact the relationship was so close that often the worker leaders in the factory, the shop stewards, they were also civic leaders in the community. So, they would be the chairperson, the secretary whatever of the civic association, so it wasn't just that there were a connection between the civic struggles, often they were in fact the same people, and the union transplanted their organizational structure into the community.

Ighsaan Schröder, Khanya College

As a consequence of these close connections there was mutual support between the two spheres. The labour movement assisted in community issues, but it also gained support from the community on workers issues. One example is the support in strike action; '...in the 80s, if the union called a stay-away, every single person was away. If the unions go on a strike the community would boycott the employer'.

This combination of union and community activity made the South African labour movement an example of Social Movement Unionism (SMU) that gained attention in union revitalization debates (see Munck 2002). However, the links to community organizations cannot be seen as a theoretical strategy brought into practice. The ties to community organizations were given by their common enemy, the apartheid state, and developed more or less naturally through

already existing networks of resistance. As argued by von Holdt (2002), social movement unionism in South Africa was forged by a project of national liberation.

Taken together, these structures and practices constituted what may be called an apartheid workplace regime. In this context, the trade union struggle of black workers took the form of a struggle against white power in the workplace, and the link to broader apartheid structures – and the national liberation struggle against these – was easily made. The trade unions were part of a broader counter-hegemonic movement with insurrectionary strands.

von Holdt 2002:287

Thus, the context under which SMU emerged in South Africa is an essential part in any union revitalization debate looking to South Africa for answers. Naturally, this also has implications for any discussion involving the current situation of COSATU, which I will return to later in the thesis.

The birth of a giant

The next stage of labour movement development started in 1985 and is linked to the formation of COSATU. Up to this point the labour movement had already won several concessions from the apartheid system;

By 1985, workers had demanded the right to express grievances, to elect their own leaders and to be disciplined only after a fair hearing. They were also having a say on pay, working conditions, health and safety, pension funds, and dismissal.

Wood and Dibban 2006:50

At its initiation COSATU became the biggest union federation in the history of South Africa, and had from the outset a membership base of nearly 500 000 workers, divided between 33 affiliated unions (Buhlungu 2011). The federation gathered both old and new unions with an aim at establishing a unified front to increase the national influence of the labour movement. The older unions were those that used to be a part of FOSATU, and they shared a history of grassroots mobilisation and democratic union structures with a high degree of worker control. Hence, there were tensions inside the federation as changes were made both in terms of strategies and resource use. As COSATU started to prepare for democracy the struggle for influence in national politics became a priority, making sure that the labour movement would be ready, and a voice to be reckoned with when changes occurred. However, this change of

strategy had consequences for the internal democracy of the organisation as fewer resources were spent on training workplace representatives. According to Wood and Dibban (2005), the backbone of COSATU was the local shop stewards councils of affiliates, but they had been weakened compared to its predecessor FOSATU. The changes to internal democracy created tensions inside the federation, as COSATU changed its priorities.

The federation did not devote the same resources to training workplace representatives as its predecessors did, in view of other pressing demands on union resources such as aiming to influence national policy...In addition – due to the focus on national policy and the large growth in membership, both the shop stewards and the rank and file became increasingly remote to the central issues that the unions were contesting.
Wood and Dibban 2006:50

In the early 1990s, COSATU and its affiliates started to prepare for democracy by developing ideas on how the new and liberated society should be governed, and further what part the labour movement should play. Buhlungu (2010:72-73) highlights four important areas that had become a priority for the federation; a new labour relations regime, new institutions and a democratic political culture, a new social and economic development path, and the inclusion of a strong civil society movement. In the years going up to the first election COSATU had made an impact on all of these areas.

Corporatism

When the ban on ANC and SACP was lifted in 1990 they soon formed an alliance with COSATU. Although ANC would be the leader of the alliance, COSATU wanted to secure a place in negotiations and influence a new government on worker issues, and it was thought that this was best achieved through corporatist engagement. As explained by Hirschsohn (1998:659), up to this point COSATU and its affiliates had exercised its power ‘from the outside’, and joining ANC and SACP in an alliance was seen as a opportunity to influence politics from ‘the inside’. However, right from the beginning of the alliance there were tensions between the three parties as COSATU and SACP followed a more radical programme with an articulated basis in socialism. According to Friedman and Shaw (2001), ANC successfully pressured COSATU through the SACP to abandon the revolutionary approach in favour of a more reformist approach. Desai and Habib (1995) describe this change as a move from a politics of resistance to a politics of reconstruction, and which entailed a form of unionism that can be labelled *strategic unionism*. According to COSATU

this reformist approach did not mean that the federation had abandoned their goal of a socialist transformation, on the contrary they argued that the compromises were an important strategic element of their revolutionary path (Friedman and Shaw 2001). ANC however went far to assure business interests in South Africa that the party had little to do with socialism. As noted by Marais (2011:78)), Nelson Mandela, just days after the election in 1994, assured investors that the economic policies of the ANC had been cleansed of Marxist ideology.

As already mentioned, an important part of COSATU's strategy was to have an influence on economic policy. However, this strategy was opposed by key figures within the ANC who insisted that matters of the economy should be the preserve of the government. This tension led to the formation of the National Economic Forum (NEF) in 1992. The NEF was set up as a compromise and served as a forum where the labour movement could exert some influence. The degree of influence to result from this was on the other hand ambiguous as COSATU and the ANC had differing views on the mandate of the forum. As explained by Marais (2011:105), 'COSATU saw it as a negotiating body, but the ANC and corporate leaders preferred it to be an advisory body'. When NEF was changed into the present day NEDLAC in 1994, the conflict was passed on.

These tensions would plague the NEF in its later incarnation, the National Economic Development and Labour Council (NEDLAC), which became little more than a 'consultative structure' with faint influence on policy decisions.

Marais 2011:105

COSATU's corporate engagement was debated both inside the federation and between labour scholars in South Africa. Maree (1993), warned about the dangers of corporatism, fearing that the federation would be outmanoeuvred by capital interests, and at the same time giving up its power to fight back. As corporatism entails a compromise, there will naturally be gains and losses. Maree's concern was that gains made by this compromise would be unevenly distributed among the South African population where he draws a distinction between the organized working class represented by COSATU and the unorganized (the unemployed, marginalized workers, women and youth. Consequently, for the corporatist strategy to be a success, COSATU had to have the capacity and the willpower to organize this second layer of the South African population.

New opportunities, new challenges

At the dawn of democracy COSATU and its forerunner FOSATU had already gained several improvements for their members, and expectations were high in regards to what could be achieved by a new democratic government. The high expectations was evident by a survey done by COSATU prior to the elections, asking its members on how they thought the new government would improve conditions related to housing, wages, access to water etc. (Buhlungu 2011:75). In 1994, ANC won the first democratic election, nearly getting the 2/3 majorities. This success was partly caused by the massive support they got from COSATU in the election campaign. In return for their support, COSATU won influence on the development path of the new South Africa through the introduction of the Reconstruction and Development Program (RDP) that was introduced shortly after the election. As the programme was largely architected by COSATU it came to highlight the federation's influence on national policy. For the labour movement and the left, the RDP was thought of as a blueprint for transformation, where the most important objective of the programme was to combat the high levels of inequality brought on by the apartheid era. This required a strong developmental state, but with assistance from private capital. As put by former COSATU General Secretary Jay Naidoo (2003:6), the 'RDP promised to accommodate capital, but not be subordinate to it'. Further, as explained by Marais (2011:77), the transition to democracy was 'hinged on the recognition that friend and foe had make concessions and compromises in order to avert disaster for their respective agendas', and the RDP must be seen in light of these circumstances. The programme entailed job creation, as well as projects related to housing, water, land, electricity and nutrition. As for changes in labour policy, the most important was the introduction of the new Labour Relations Act (LRA) and the Conditions of Employment Act (BCEA). The LRA and the BCEA are seen to be the cornerstones of the South African labour relations regime. The first amendment to these labour laws (since the introduction of democracy) was in 1995, and the negotiations that took place at NEDLAC reached a deadlock where COSATU issued a series of protest marches before an agreement was met. The new labour law was celebrated as a victory for COSATU, and business interests argued that the amendments were too labour friendly (Cherry 2006).

For the first time in South African labour history, workers were brought under the ambit of one industrial relations system. This included public service workers, farm workers and domestic workers. The new LRA also promoted collective bargaining by providing for organisational rights of unions in the workplace, thereby entrenching in

law what many unions had struggled to achieve through private agreement: access to employer premises, meeting rights, and union subscription facilities. This new labour regime gave workers an institutionalised voice not only at the workplace but also at the sectoral and national levels through industry-wide bargaining councils and the multi-partite National Economic, Development, and Labour Council (Nedlac).

(Kenny and Webster

1998)Kenny and Webster 1998:217

However, the celebration of these achievements was dampened by the introduction of the GEAR-programme two years later (Wood and Dibban 2006:51).

From redistribution to growth

In 1996 the government introduced a new policy reform, the Growth, Employment and Redistribution Programme (GEAR), with the purpose to reconstruct the economy to meet the challenges posed by an economy competing on the world market. The policies introduced were heavily influenced by neoliberalism, and the underlying premise in the document was that by encouraging growth this in turn would lead to redistribution (the trickle down effect). The leading architect of the programme was the lobby group called South African Foundation (SAF). In 1996 they released a report on South Africa that characterized its labour market as too rigid with a discouraging effect on investments and job creation. According to the SAF-report the rigidities were caused by the labour movement, which had gained too much power. Setting the discussion in a global perspective, it was argued that the country needed to further open its economy. SAF also proposed a two-tier labour market, as the supply of cheap labour was seen as an important factor when competing on the world market (Buhlungu 2011:87-88). SAFs analysis labelling the South African labour market as too rigid was counter-argued by the ILO-analyst Guy Standing (cited in Kenny and Webster 1998:218).

South Africa has a flexible labour market. In some respects it may be too flexible ... It is almost comical to describe SA as having employment inflexibility. Many workers have little employment protection, retrenchments are fairly easy and widespread, notice periods are short or non-existent, and most firms can resort to temporary or casual labour and, if need be, labour contracting--the world's most flexible labour system and spreading like wildfire.

While the SAF-report proposed a neoliberal macroeconomic plan based on a free market and a minimalist state, the ANC was at the same time pressured by COSATU and its working class constituency. Consequently, the following GEAR-programme was a compromise

between these two conflicting interests. This compromise however, in stark contrast to the compromise of the RDP, weakened the hand of labour significantly. In an attempt at finding a middle ground between these interests, the GEAR-program issued the concept of *regulated-flexibility*. The program did not include amendments to the labour legislation, but its development plan had far reaching effects on the world of work, both in terms of policies and its impact on politics (Kenny and Webster 1998). As explained by Buhlungu (2011:88), ‘the debates it [GEAR] generated shifted the focus away from the workplace towards the macro economy, a terrain with which the majority of workers were unfamiliar’. In a response, COSATU shifted much of their resources from the workplace to policy making at the national level. This in turn had consequences for leadership at lower levels as it had a demobilizing and disempowering effect. Another important dimension of the GEAR-program was how it bypassed NEDLAC. The council was set up to prevent unilateral decision-making on economic matters, and was meant to serve as ‘a consultative statutory body incorporating representatives of government, labour, employers and the community’ (Buhlungu 2011:73). However, as already mentioned, the mandate of this consultative body was a disputed matter originating from the introduction of its predecessor NEF. The introduction of GEAR thus showed the weakness of NEDLAC and its missing influence on national economic policy. It also demonstrated a weakness in COSATU’s corporatist strategy as NEDLAC had failed at institutionalizing the federation’s influence on the macro-economy.

The post-apartheid labour market

The unemployment rate in South Africa has been consistently high in the period since the introduction of democracy. Conservative figures from Statistics SA show that by March 2010, one out of every four South African was unemployed. This figure however only counts ‘active’ job seekers, excluding persons too demoralised or marginalised to begin the search. When this latter section of workers is included the number grows to nearly 40%. The explanation for these high figures is complex and includes ‘low rates of economic growth, restructuring of production in an increasingly global economy, skills shortages, a misshapen manufacturing sector, the increased entry of women in the labour market and population growth’ (Marais 2011:179). My focus here will be on the restructuring of work. While the unemployment rate has been constantly high, profits have however grown in the same period. According to Habib and Valodia (Cited in Marais 2011:179),

The wage share of national output has been falling rapidly throughout the transition, while the profit component has been increasing...Relative to capital, labour's gains have been limited in this transition.

A flexible work force

An integral part of corporate restructuring is the drive for flexible modes of production. As explained earlier, there has been an international trend of increased flexibility in capitalist labour markets, and this trend is also evident in the post-apartheid South Africa. However, regardless of this post-apartheid trend, it's important to note that contingent work is not a contemporary phenomenon in South Africa. The history of flexible work goes back to the 19th century where migrant workers were recruited by agents working on temporary contracts in the mining industry. Hence, the modern form of labour broking can be seen as a successor to this practise. The South African labour market was also influenced by the international trends in western labour markets. Professional agencies like Manpower and Kelly established offices in South Africa as early as the 1960s, although at the time only hiring white workers. Thus, the South African labour market has a long history of flexible work, and the use of flexible work has only increased since the transition to democracy. This is the irony behind the SAF-report's proposal to increase flexibility in 1996. The labour movement had gained several achievements both from the apartheid state, and also by influencing the ANC government. They had however, failed at building worker security for all layers of workers. The LRA from 1995, and especially the BCEA from 1997, both contain several loopholes for business when it comes to circumventing basic rights of contingent workers. Marais (2011:182) explains how this is affected by the economic policies of the GEAR program.

Facilitated by liberalized economic policies, the economy has been more thoroughly globalised – which has increased both the perceived need and opportunities to sidestep the provisions of the new labour regime...[C]ompanies have adopted to this new environment by restructuring production, establishing new patterns of work organisation and/or relocating production units.

Marais 2011:182

The double transition of democracy and globalization has thus created a paradox for labour; 'on the one hand, it strengthens the rights of labour, while it erodes them and bypasses the new institutions, on the other' (Buhlungu and Webster 2004:3).

Summary

This chapter has traced the development of the South African labour movement. While the apartheid labour movement was based on grass-roots mobilization, COSATU has engaged a corporatist strategy with an aim to influence on workers issues from 'the inside'. Through their alliance with ANC they have managed to develop several institutions that serve their members, and at the beginning of the alliance they also managed to influence economic policies. However, when the government adopted a neoliberal program in 1996, COSATU was left out. One of the consequences of these policies was an increasingly flexible labour market. In combination with a high unemployment rate this flexible labour market has created a high degree of insecurity for workers. While COSATU has managed to build security and improved the wages of their members, a large portion of the South African population are either unemployed or employed in precarious jobs.

SOUTH AFRICAN TRADE UNIONS AND CONTINGENT WORK

This chapter will discuss the problems of contingent work from the side of trade unions in South Africa. As explained in the methodology chapter I have interviewed four unions affiliated to COSATU, in addition to the general independent union GIWUSA. The purpose here is not to give a detailed analysis on all the failures and successes of the unions, but to shed some light on the over all picture in the unions relation to labour brokers and other contingent workers. The implications of contingent work varies across sectors of the South African economy and thus between different unions. However, I will argue that there exist challenges of contingent work that to a certain degree transcends these sectors, and the aim of this chapter is to highlight these. In that aspect I hope to reveal the most important challenges that face COSATU as a federation. My main focus will be given to labour broking as the workers they hire are perceived to be the most difficult to organise. Following from this one might argue that if a union succeeds at organising labour broker workers, it would also have the strength and capability to organise other forms of contingent work, excluding seasonal workers. I will begin the chapter by discussing the impact of labour broking on the labour market, before discussing responses from the unions and their strategies of organizing these workers.

Implications of Labour Brokers

The use of labour brokers, or temporary employment services (TES), as they are referred to in the LRA, has seen a massive increase in South Africa over the last decade (Theron 2005). Labour brokers have increased their presence across most of the sectors of the South African economy, and of the unions interviewed, it was only the public sector union NEHAWU that didn't identify labour broking as their main challenge. Being a public sector union, with most of their members holding jobs in the state sector, the main challenges for NEHAWU has been privatisation and outsourcing of services. As the problem of labour broking is part of the wider concept of outsourcing, these issues are related. However, as discussed earlier in this thesis, all the different sectors of the labour market have their own characteristics, and such, the problems related to labour broking have different impacts on different sectors. All the

unions affiliated to COSATU have however joined the campaign of banning labour broking, and that goes for GIWUSA as well. I will discuss this campaign later in the thesis.

The triangular employment relationship

In the 1983 amendments to the LRA there were two important changes in relation to labour broking. Firstly, it was decided that all Temporary Employment Services (TES) were required to register with the Department in order to legally operate. Secondly, the TES was recognized as the employer of the workers they hired, and not the client. However, in the 1995 amendments, the demand on registration was removed (Theron 2005). As the TES is responsible for the worker, employers hiring these workers avoid certain risks. This is evident by a quote on a TES-company website: ‘Remember, the outsourced staff are our employees, so we carry all the responsibilities of an employer and therefore take care of all the hassles and dangers associated with being an employer’. (cited in Theron 2005:625). When a client hires workers from a TES this creates what Theron terms a *triangular employment relationship*. The responsibility of the worker is thus divided between the TES and the client company. In combination with weak regulation this creates a vulnerable situation for the workers as both the TES and the client can bypass basic rights that are given to permanent workers in a standard employment relationship. While the TES is employer, the client company ‘is made jointly and severally liable in respect of the client’s breach of a collective agreement or the BCEA’ (Theron 2005:623). However, this liability does not include the case of unfair dismissal. For workers in a SER a case of unfair dismissal will be a case between the employer and the worker, and the worker can try his/her case to the Commission for Conciliation, Mediation & Arbitration (CCMA). For a labour broker worker on the other hand, this will be a case between the worker and the labour broker. Ironically, many cases that labour broker workers have applied to the CCMA have been dismissed ‘either because the employee had failed to establish that he or she was in an employment relationship with the party cited, or because it was held that there was no dismissal’ (Theron 2005:635). The combination of the resources it takes to try a case at the CCMA and the difficulty of navigating the complex employment relationship in a legal context has a serious impact on the security of the labour broker workers. As these workers are “easier” to terminate, from both the client and the TES side, the employer has a lot of power over them, resulting in a high degree of worker control. According to Alex Mashilo at NUMSA, the monitoring of labour broker workers is a serious problem. As an example, if it is known to the employer that an

employee has been organized, the worker risks the danger of losing its contract. This experience is also shared by John Appolis at GIWUSA.

So when you start organizing, then the employer will target what you call the initiators of the union in that workplace to terminate their contracts, and use the legal contract as a way of justifying the dismissal or termination.

In some aspects, Appolis sees this situation as parallel to the apartheid-workplace.

Many of the features of the apartheid labour market have continued under this form of employment. So clearly for us it's a strong sentiment to ban labour broking. There's a deep hatred for labour broking because it reminds us of the past, where someone can control an individual the way they like, and the laws protect it.

The temporary nature of employment

As other types of casual employment, labour broker workers are hired on a temporary basis. However, in many cases the legal termination of the contract is highly ambiguous. Most labour brokers operate with standard contracts for all their workers, and Theron (2005:633) gives three examples of such contracts. A contract that states a fixed-term (a certain number of weeks or months), where the labour broker will review the situation at the end of the contract, and possibly extend it. Secondly, a contract that is designated to a certain project, where the contract is terminated at the end of the project. And third, a contract that terminates on one of the following grounds; 'the completion of specific tasks for which the client desires the employees services, or the client for any reason no longer wishes to make use of the employer's services.' For unions this is highly problematic as workers come in and out of the system all the time. In the case where a union is successful at organizing a labour broker worker, it is always facing the danger of losing the worker as the worker's contract might be terminated shortly after, or the contract will not be renewed.

The first implication, which is the most critical implication, is the way labour broker employment is handled in that no employee is guaranteed of returning to work say for example tomorrow or next week. So, employees under labour brokers are often highly irregular, they are not guaranteed, so they don't have job security at all. As a union that organises the employed workers it's often quite difficult to organise a worker who comes to work this weekend, but next week he is told no.

Alex Mashilo, NUMSA

The rule is that you have labour broker workers for a year, for most, as your members, and after that, because of the contracts, you lose them. You can get them again maybe, when they go and work for another company and they reach you in the union in terms of those kind of things...Our membership probably consists of 20 per cent labour broker workers, 80 per cent are still permanent workers, and there's a constant turnover within that 20 per cent because of the nature of the employment relationship.

John Apollis, GIWUSA

Wages

The experience in all the unions interviewed is that labour broker workers earn less than the permanent workers. In some cases there are huge differences. Different wages for different workers is of course not uncommon in a workplace, but the problem arises when there is a wage difference between two workers that perform exactly the same job. For John Appolis, the fact that many labour broker workers earn less than permanents is a natural cause of the labour broking industry. As he argues, in order to make money, these firms need to exploit workers, or else they would not make a profit. He describes a situation from one of the companies that they have engaged.

They do exactly the same work, the labour broker workers and the permanents, on the floor there. It's just that they don't get the same wages, so we aim to push from the side so the labour broker workers become unionized to challenge the kind of discrimination that is going on over there. They do exactly the same work as the permanents. So it's not for the reason that the permanent workers are becoming more skilled, it's more the fact that they got more kind of security.

Masemola at FAWU shares this experience;

We came to discover that the workers in the assembly point or production lines, you would have a few workers that are permanent employees and alongside [labour broker workers], doing the same job, working everyday alongside each other. So it's two groupings of workers, the one is paid 7200 rand a month, and the others are paid anything between 3500 rand to 2700 rand a month, because they belong to a labour broker. Yet they are doing the same job, and they are working in the same environment.

The fragmented work place

The increase in the use of contingent work has made a deep impact on the South African work place. The use of labour brokers in addition to other forms of contingent work has led to a fragmentation of the work place that has serious implications for the unions. One consequence of this fragmented work place is that you no longer have a hegemonic area where there is only one employer for the union to engage. The use of labour brokers has attributed to this complexity, but are some times only one group of many at the work place. The workers that are organised are often organised by different unions, and operate under different bargaining councils. This affects the consciousness of the workers in that they do not necessarily look at each other as colleagues, or that they don't view their struggles as being the same. All in all, this affects workplace solidarity. Alex Mashilo at NUMSA describes a scenario where you have five different types of workers; core workers employed by the primary employer on a permanent basis (standard employment relationship), a temporary work force employed by the primary employer, workers employed by a supplier to the primary employer, sub-contracted workers, and then labour broker workers. They work in the same industry, the same work place, and some of them produce the exact same product. As noted by Mashilo, this division of labour is a serious challenge for work place solidarity. The problems associated with a fragmented work place also put pressure on the COSATU principle of 'one industry, one union';

You have workers in the same industry, but because they are employed by different employers who claim that they belong to different industries... which industry does a labour broker belong to? ... So there are so many principles that are challenged by work place change, and we did research last year, in NUMSA, that shows that we are still quite lagging behind in coordinating work place struggles that bring together all workers, regardless who their employer is.

Another consequence of a fragmented work place is how it creates tensions between the workers.

There are also tensions between the formal permanent workers and the labour broker workers, and there is no organic process of organizing on the side of the permanent workers. They see them as rivals, as competitors, as people who are driving down their condition. It is easy for the employer to sacrifice a permanent worker and to get a labour broker worker, because they are cheaper. So there is a lot of pressure on the permanent workers to comply with the main employer because he uses the presence of the labour broker worker kind of as a pressurizing tool. John Apollis

Thus, in the case mentioned by Apollis, the presence of labour broker workers also has a negative impact on the permanent workers. For SAMWU, the antagonism between the different types of workers is also related to the anti-privatisation stance that is part of SAMWU's political campaign. As the union has taken an anti-privatisation stance, union members often see the workers hired by labour brokers as part of the privatisation problem, and this creates antagonisms between the permanents and the workers hired by labour brokers. Instead of building unity amongst themselves, workers are competing against each other with the consequence of harming work place solidarity. As stressed by Alex Mashilo this is a serious problem for the unions: 'Obviously unions are centred on solidarity, and then if solidarity is under challenge, then you are unable to effectively carry out your role as a union.'

Union Responses

I must confess to you now that we have not developed a clearly defined strategy to wage a campaign against this monster of labour broking.

(pers. comm., Katishi Masemola, FAWU)

According to Masemola, this lack of a clear strategy is due to some organisational weaknesses and the fact that labour broker workers are very difficult to organise. None of the unions interviewed had managed to build a clear strategy on how to organise the labour broker workers.

Collective bargaining

For NUMSA, the most important strategy and at the centre of focus is that of collective bargaining. 'It's to use collective bargaining to regulate all these forms of employment and ensure that we limit space for precarious work, that's the most important strategy for us, that is in the centre.' This strategy has provided mixed results, and it varies across sectors. Engineering is the sector where the union has been most successful. Here NUMSA has managed to regulate labour broking in some companies to the extent that all workers share the same conditions of employment regardless of them being permanents or hired through labour

brokers. The agreement also regulates the timeframe for how long a temporary worker can be temporary. However, some labour brokers have responded to this by making some of their workers permanent from the labour broker's side, and as a result, the worker cannot be made permanent by the client. Collective bargaining is also an important strategy for FAWU. The union is waging a demand in the collective bargaining round to make labour broker workers permanent, and there has been some degree of success. According to Masemola, the difference between success and failure can be measured in the organisational presence at the work place along with the degree of unity between workers.

Where we don't have success is mainly a lack of strong organisational presence in the work place, as well as a lack of consciousness among the permanents to fight against labour broking, or to fight in the interest of those workers who are on the pay roll of labour brokers. So, lack of consciousness and lack of organisational strength are the two main factors, which make us to not succeed or to fail in our campaign.

Masemola goes on to describe the difference in terms of consciousness on the shop floor and how this difference is related to the size of the work place. The union is stronger in the bigger work places, and there is also a higher degree of consciousness between the workers. According to Masemola, this is explained by better-educated shop stewards who identify with the plight of the labour broker workers. The consciousness is however also present in the general work force. SAMWU submits demands to local councils, the municipality and the labour brokers, demanding equal rights for all workers. If that fails, the union will try to settle a demarcation dispute with the bargaining council, or alternatively, the CCMA. There has also been a realignment of the internal structure of the union in that the committees and shop stewards include both permanent workers and workers hired by labour brokers. Another strategy is to put pressure on the municipality to turn the labour broker workers into permanent workers.

Building workplace solidarity

As experienced by FAWU, there is a link between the degree of solidarity at the work place, and the success of organizing. As already discussed in the chapter on trade unions, this solidarity has to be built. The fragmentation of the work place is a serious barrier to this solidarity as it creates divisions between workers and put them up against each other. As a response to this problem, the unions interviewed had established, or was about to establish educational and political programs for their officials, alongside educational campaigns. Of

these unions, NUMSA had the most serious program, and it also has the most resources. However, the effect on the shop-floor is limited.

...the weakness in terms of educational training is that most often it reaches worker leaders, the shop stewards, and does not penetrate into the membership at the shop floor, but limited as it is, it's able to conscientize the shop stewards to know they are linked to one another and to develop strategies for coordinating work place strategy.

At the time of the interview FAWU did not have any strategies on building work place solidarity, but an educational programme was under development. According to Masemola, the purpose of the programme is to convince shop stewards and union members that it's in their interest to fight casualisation as they might be casualized themselves in the future. However, as noted by Masemola, the programme has not taken off yet and it lacks structure and aggression. SAMWU issues joint campaigns that aim to improve rights and conditions for both permanents and labour broker workers. E.g. demands on health and safety issues as protective clothing for all workers.

GIWUSA

Of the unions interviewed, GIWUSA stands out in both in terms of success and devotion to the organization of labour brokers. In terms of strategies, GIWUSA has turned its focus to the biggest labour broker company in South Africa, Adcorp Holding. This business consists of many smaller sister corporations including Capacity Outsourcing. According to Appolis, Adcorp has been expanding with an aim of monopolizing the industry, and in that process they have bought a big number of smaller labour broking companies. GIWUSA has organised marches to the Adcorp building, and they monitor their business to get details on their operation. The direct effect of these operations is difficult to measure, but according to Appolis, these and other campaigns by other unions, have made the exploitation by labour brokers more visible to the public and has helped bringing the issue up to a serious debate. In the cases where GIWUSA has made some progress it is in the situation where they have reached an agreement with the client company. One example is the case of AEL (African Explosives Limited), where a temporary worker will get a permanent status after two years, thus reducing the number of casuals. However, this agreement is in line with AEL's strategy of replacing older permanent workers with younger workers, and Appolis notes that, 'it makes

commercial sense for them to take on labour brokers'. Despite having limited resources, GIWUSA has made a conscious political decision to organise labour broker workers and other types of contingent workers. Of GIWUSA's total membership, contingent workers constitute about 25 per cent, where many of them are employed by labour brokers. In the last years, the union has gained valuable experience on organising contingent workers through workshops, interviews and research. Based on this knowledge, the union has decided to form locals in townships in order to increase the union's presence where the workers live. According to Apollis, there are still more questions than answers as to how to deal with the challenges of contingent work. However, the union is optimistic that the questions will be answered by experimenting and by engaging workers.

Cooperation with Community Organisations

As mentioned in the background chapter, COSATU and its affiliates used to have very strong connections to the community. In the years following the transition this relationship has faded. FAWU used to have strong relations with the communities, but today there is a distance between them. According to Masemola this affects the union in a negative way. In the times where they had a strong connection to the community they would for an example get support during strikes. In SAMWU this connection has also become weak. According to Ronnie, there is also no strategic plan of cooperating with the community.

In SAMWU there is generally little cooperation with community organisation. There is no strategic plan of cooperating with the community, at least not from the outset. However, where you have opposing views, as on the issue of labour brokers where people in the community use the service of labour brokers and the union is opposed to the practice, these different views come together at a certain point as the workers hired by labour brokers find the working conditions intolerable and turn to the union for assistance.

Summary

This chapter have discussed implications of labour broking on the South African labour market. What is clear from the discussion is that the labour market does not provide sufficient security for workers employed by labour brokers. As perceived by the unions interviewed, the labour broker workers often do the same work as permanent workers, but are paid significantly less. Labour broking in addition to other forms of contingent work has contributed to a fragmentation of the South African work place. This fragmentation has a negative effect on work place solidarity as workers are divided and the different groups of workers often perceive of each other as rivals. The high level of insecurity, in addition to the temporary nature of employment makes these workers very difficult to organise.

The unions' success of organizing these workers has been small, but there have been some achievements. Of the unions interviewed, GIWUSA stands out in both in terms of success and devotion. The task of organizing labour broker works has been a priority for the union the last couple of years, and the union has gained important experience on how to develop their strategies further. GIWUSA also has close connections to the community and with community organizations.

COSATU and contingent work

In this chapter I will discuss the current situation of COSATU and their potential to organize contingent workers. As described earlier, there have been some substantial changes to COSATU since it was established in 1985. This chapter will discuss the most important changes, and discuss how these influence the relationship between COSATU and contingent workers.

The problem of representation

According to Buhlungu (2011), 92 per cent of the COSATU members are permanent workers. When compared to the growing contingent work force, this puts the COSATU members in a privileged position on the labour market. It also points to how the federation have failed at organizing workers that are not in a standard employment relationship. As COSATU claim to represent the whole working class, this situation creates a problem of representation as the membership of the federation does not reflect the South African labour market.

In line with this, Roger Ronnie is worried about the future of COSATU and their ability to represent all workers. He fears that COSATU will end up representing a small elite of the working class, a situation that has been the case for many unions in Europe and the U.S. He proposes a strategy that takes better use of the already won places of struggle, these being mainly the bargaining councils, the CCMA and NEDLAC. These institutions need to be looked upon as places of struggle rather than a place for co-regulation between the different parties (unions, state, and business). He feels that there is an urgent need to include more workers into these places of struggle, as to say, involve more workers to take part in the decision-process. By including more workers, and workers in the broader sense of the word, that will help building solidarity amongst the working class, solidarity between workers in atypical forms of employment, and the workers in more formal forms of employment.

The campaign on labour brokers

From a personal view, Roger Ronnie at SAMWU sees the potential ban on labour broking as a lazy approach. According to Ronnie, there is room for manoeuvre in the existing legislation to fight for the rights of the workers hired by labour brokers, and to organise them. One way of doing this is to enforce labour brokers to comply with already existing legislation, in addition to improving the existing legislation. According to Ronnie, it is the responsibility of the unions to deal with the problems of labour brokers, and not to simply look to regulation to solve the problem.

A ban would have enormous impact on dealing with the fly-by-night labour brokers, but to outlaw the entire industry and not to allow, under certain circumstances, for that kind of flexible employment would not resolve the problems as business would then go on and deal with the issues in an underground fashion.

Masemola explains that neither he nor FAWU are against all use of flexible work, but it is a particular type of labour broking that they want to get banned; ‘The labour brokers that we are referring to, and we want an outright ban of is where casual workers are working permanent, but they are on the pay roll of labour brokers.’ Thus, FAWU acknowledges the need for temporary work, but they feel that the industry needs to be regulated in order to secure benefits and decent working conditions for the temporary workers that are exploited by weak regulation. Further, improved regulation will not sufficiently deal with problems of labour broking and that is why FAWU has called for a ban. According to Masemola, if the proposed ban on labour brokers will fail, this will lead to a further deterioration of working conditions followed by an increase in strike action. However, he also sees the possibility to engage the labour brokers directly.

In our country we believe that we should use trade unions, our collective power to strike, but also use the wisdom to engage and to negotiate, so we hope we will reach an agreement with the labour brokers themselves, but also with companies that utilises labour brokers for a minimum set of working conditions for the labour broker workers. So those will be the options that we are going to look into, unlike to completely want an outright ban only to find that it doesn’t get realised, never mind it remains our objective.

GIWUSA share the point made by Masemola. They want to ban the labour brokers, as they don't see how regulating the industry will tackle the problems associated with the triangular employment relationship created by labour brokers, but John Appolis also sees the ban as an unlikely outcome. Further, he does not see labour brokers as adding any real value to the economy, and as a consequence he looks upon labour brokers as a superfluous part of the economy. From the point of Appolis, jobs are not created by labour brokers, but by the client companies.

Rob Reese, at NALEDI, does not see an outright ban on labour brokers as a likely outcome of the campaign. Firstly, he thinks capital is too strong, and he doesn't see a sincere interest on the part of the labour movement to build the power needed for such a campaign to be successful. When Reese speaks of power, he speaks of the power on the ground, and more precisely, the power of workers on the ground.

I think there is too little attention to building on the ground, and that means a lot of changes, and if you did build on the ground, that would open the door to the casuals too.

For Reese, the weakness in the campaign on labour brokers is part of a deeper weakness in the labour movement itself. As he argues, resource allocation is part of the problem; while the union's power is with the workers on the ground, the union's resources are being spent on a national level. According to Reese, this problem of bureaucratization is due to a certain type of trade union institution that has been developed in a particular period, but is not, however, suited to deal with the challenges of contingent work. Reese also challenges the argument of the core non-core divide, with permanents that are being looked after by the union, and casuals that are more or less on their own. According to Reese this divide is too simplistic and he goes on to make an argument on how even the permanents are not really organized, because in order to organize workers you need to have what he calls sustained activity on the ground; it is not enough to collect a member fee and move on to the next worker. Reese calls for more attention to the shop floor, and more educational training in order to, in his words, 'turn back the consciousness'. This line of arguments is supported by Roger Ronnie at SAMWU:

The solidarity, or the articulation of more organisational forms or types of demands that could build that type of solidarity, and which deals with some of the existing problems confronting those workers, has not emerged as strongly as the call to ban, and that's the point I was making: If we ban the labour brokers, we solve the problem so we don't have to deal with problems currently confronting them, so we rather focus on the question of banning and put all our energy there, yet on a daily basis workers get abused through labour brokers and client employers who use labour brokers...No strategic plan has emerged at the federation level that is dealing with this.

Roger Ronnie, SAMWU

Thus for both Ronnie and Reese, the problems associated with labour brokers are related to other organizational problems in COSATU and its affiliates. According to Ighsaan Schröder at Khanya College, there are two ways to look at the campaign to ban labour broking; you can either call for a ban from a progressive point of view, where the ban is in support of the workers hired by labour brokers and in defense to their exploitation. Or you can call for a ban from a reactionary view; in defense of the existing members of the organization as the labour broker workers are seen as a threat to these members. These two views can be seen in relation to the distinction between transformative and accommodative solidarity mentioned in the theoretical framework. As there has been little action from COSATU to defend the interest of labour broker workers, aside from the campaign to ban, one might argue that the COSATU campaign is based more on *accommodative* solidarity than *transformative*.

The alliance

In the years following the introduction of democracy, COSATU's participation in the alliance with ANC and SACP has been heavily debated. From critics, it is argued that the continued alliance and a democratic representation of its members are mutually exclusive. Despite the fact that the relationship has been riveted with tensions and many commentators have predicted the demise of the alliance, COSATU has insisted that it is only through continuing their participation in the alliance that the federation can continue to serve working-class interest (Pillay 2006). As the ANC is by many seen as a government responsible for implementing neoliberal policies with detrimental effects on the behalf of workers, COSATU is caught in a conflict between loyalty to the ANC and the representation of the South African

working class. This conflict affects their relationship with other organizations. John Apollis in GIWUSA points to the divide between the ANC-COSATU alliance on the one hand, and the labour movement opposed to neoliberal policies on the other.

Cosatu is in an alliance with the ruling party so they are not prepared to be seen working or forming alliances with the APF [Anti-Privatization Forum] or Giwusa that are very critical of the ANC government and its policies. Not just official, but really not backing it. And there are no ways that the labour movement can be having alliances with the government that's pursuing a neo-liberal agenda. The two don't go together. So the cooperation becomes difficult because of these different political ideologies, and the analysis of the sources of our problems in South Africa.

However, despite these differences he emphasizes that GIWUSA will always support issues that affect the whole working class, whether they are raised by COSATU, like the campaign on labour broking, or in terms of strike action for the municipal workers issued by SAMWU.

But where there is a real issue that affects the whole working class... if tomorrow they [COSATU] march against labour brokers, we are the first to be there in terms of supporting, even the APF. In terms of strikes, the municipal workers, because they work in the communities, we want to support their struggles, but from their side there's hardly any kind of similar support."

The development of COSATU

As argued by Buhlungu (2010), while COSATU still remains a very powerful and influential organization, it is faced with some organizational weaknesses that has become apparent by the increase of contingent work and its failure to represent these workers. To some extent, the changes to COSATU translate to the transformation from a *dialogical* pattern of collective action to an *instrumental-monological* pattern, described by Offe and Wiesenthal (1980). The federation has increased its external strength through its participation in the alliance with the ANC, but the question is to what extent this has come at the expense of the federation's internal strength. As the federation has relocated its resources to focus its strategies on the national level, this has come at the expense of union mobilization on the shop floor. According to Hirschsohn (2011), COSATU has 'embedded many of the founding principles of union democracy and worker control', but there has been a weakening of participatory practices which undermines the worker control over both union and federation leaders. It is also clear that COSATU's relationship with the ANC has some limiting effects. One of these is the absence of collaboration with other organizations, as argued by John Appolis.

Summary

This chapter has discussed the current situation of COSATU and how the organizational changes that have occurred since its foundation influence its potential to organize workers. With the exception of the campaign to ban labour broking, the federation has done little to organize contingent workers. There is no strategy on the national level, and as I discussed in the previous chapter, there is little sharing of experiences between the affiliates. As contingent workers have increased their presence on the South African labour market, the failure to include these workers in the federation has created a problem of representation. As a consequence it is getting increasingly more difficult for COSATU to claim to represent the working class in the wider sense of the term. An important part of organizing contingent workers is the establishment of connections to community organization and the civil society. However, the possibility for COSATU to engage the community is limited by its alliance to the ruling party ANC.

CONCLUSION

As argued in this thesis, there has been a global increase in contingent work during the last decades. This increase is related to processes of flexibilisation that to a varying degree transform capitalist labour markets, and the regulation of these. These changes have also occurred in South Africa since the introduction of democracy. In light of this situation my aim in the thesis was to answer the following two questions:

What impact has labour broking on the South African labour market?

How are COSATU and its affiliates responding to the challenges posed by labour broking?

The impact of labour broking

In an answer to the first question I have argued how the South African labour market fails to provide security for workers employed by labour brokers. The insecurity put these workers in a vulnerable position and makes them open for exploitation by both the labour broking company and the client. From the experience of the unions interviewed, the exploitation mainly takes the form of low wages, and the risk of unfair dismissal. The temporary nature of the employment is also a challenge both to the workers themselves, and to the unions trying to organize them. The presence of labour broker workers alongside other forms of contingent work has created a fragmented work place that poses a threat to work place solidarity, and thus to the potential for unions to organize these workers. The different groups of workers in the work place often perceive of each other as rivals.

Responses by the trade unions

The responses to the challenges of labour broking by the COSATU affiliates have to a large extent been unsuccessful. There are some partial successes in all the unions interviewed, but they have failed at making significant progress in organizing these workers. Compared to the independent union GIWUSA the COSATU unions lack a serious devotion and strategy, and organizing these workers is not as highly prioritized. In addition, GIWUSA has managed to

build connections to community organisation and is present in the communities with union officials. As a result of these efforts, the union has managed to organize many labour broker workers who now represents around 25 per cent of their constituency.

The failure of COSATU and its affiliates to organize contingent workers, can to a certain extend be found in the success of GIWUSA, where the most important difference is the level of engagement and the devotion to organize these workers. In addition I have discuss how COSATU has changed since its foundation and what consequences these changes have on their potential to organize contingent workers.

Contribution to the field

Firstly, this thesis can be considered as a contribution to the study of labour market intermediaries. I have discussed how these intermediaries, or labour brokers, impact on the particularities of the South African labour market.

Secondly, this thesis is a contribution to the literature related to organizing contingent workers. I have discussed how these strategies in part are influences by organizational structure, and also how the possibility of succeeding is limited by political orientations.

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Appendix

List of informants

Andries Bezuidenhout (SWOP) – 10/5, unstructured

John Apollis (Giwusa) – 27/5, recorded semi-structured

Ighsaan Schröder (Kanya) – 1/6, unstructured

Kimani Ndungu (Naledi) – 23/6, unstructured

Roger Ronnie (Samwu) – 29/6, recorded semi-structured

Rob Rees (Naledi) – 2/7, recorded semi-structured

Alex Mashilo (Numsa) – 2/7, recorded semi-structured

Katishi Masemola (Fawu) – 6/7, recorded semi-structured

Ighsaan Schröder (Kanya) – 8/7, recorded semi-structured

Guy Slingsby (Nehawu) – 14/7, recorded semi-structured

Interview guide

Labour brokers and contingent work

- Implications for trade unions
 - What are the main challenges posed by labour brokers?
 - What strategies are used by your union in response to these challenges?
 - To what extent are the implemented strategies successful?
- Implications for the workplace
 - In what ways do the changes to the workplace, in regard to fragmentation, affect worker solidarity?
 - What is done by your union to build solidarity in the workplace?

Regulation of the industry

- Why do you feel that improved regulation of the industry is insufficient in dealing with the problems associated with labour brokers?
- If an outright ban of the industry will fail, as it did in the Namibian case, how do you think this will affect workers and trade unions in the long term?

Other trade unions

- Would you say that the trade unions under COSATU are coordinated in their strategies?
 - What cooperation exists between the COSATU affiliates?

Civil society organisation

- What role does civil society organisations play in your strategies?

Ideology

- To what extent do you see your union as an ideological project?

