South Africa spent its first decade of democracy embarking upon a transition from apartheid-capitalism to neoliberal capitalism. Since South Africa was not in a debt crisis, the country’s embrace of a homegrown structural adjustment program was not predetermined, but neither was it fully unexpected — during the 1990s many countries adopted, or were forced to adopt, similar economic frameworks. One feature that did make South Africa stand apart was the strength and political savvy of its organized Labour movement, notably the Congress of South African Trade Unions (COSATU). As the country’s largest and most politicized Labour federation, COSATU had 1.2 million members in 1992 who were concerned about the implications for the working class of a negotiated political transition and sufficiently mobilized to force the government to compromise on economic policy. Despite this organizational strength, and despite its close relationship with the African National Congress (ANC), which undertook the main political negotiations on behalf of the liberation movement and later led the new government, South Africa’s unions were unable to influence the economic restructuring program of the new regime to any significant extent. The purpose of this paper is to show how COSATU engineered its own marginalization from the process of developing the country’s new economic framework through its incorporation in new policy consultation institutions.

South Africa’s recent history will be familiar to most readers. After decades of colonial racism, the system of racial citizenship was formalized upon “independence” in 1910, and deepened with the election of the National Party in 1948. The National Party government, which held office until
1994, introduced apartheid — separate development — which stripped all nonwhites of political, civil, social, and economic rights and built an economy that was structured to transfer wealth from the black majority to the white minority. This repressive political structure inspired resistance ranging from armed struggle to urban grassroots campaigns, and it imposed tremendous costs upon the economy. By the late 1980s, a coalition of internationally oriented business leaders; ANC political exiles and supporters; Labour and social movement organizers and their constituencies; black business people and public servants; a liberal faction of the National Party, and a sizeable portion of white voters, bolstered by the growing international sanctions against the apartheid government, began to negotiate an end to apartheid and a transition to democracy. The democratization process was accompanied by an equally important political question: the nature of the economy under majority rule. Organized workers knew that the managers of the largest capitalist enterprises sought a neoliberal restructuring program as the quid pro quo of their support for full nonracial citizenship and democratic rule. During the 1970s and 1980s, the Labour movement had associated these business leaders with apartheid and sought to overturn the rule of both simultaneously, but by the 1990s Labour’s predominant approach became seeking incorporation into the new governing coalition in an effort to steer the economic program towards redistribution. Analysts elsewhere have begun to consider why an ostensibly socialist trade union federation adopted a strategy to co-manage capitalist economic restructuring. Here, I explain both how this alternative strategy unfolded and its implications for Labour’s effectiveness in transforming the situation of the working class. As I argue below, COSATU paved the path to its own marginalization through its incorporation in macroeconomic policymaking and through the politics of the ANC and the South African Communist Party (SACP), thus effectively enabling leaders of the largest capitalist firms to take the lead in shaping the country’s post-apartheid economic restructuring framework.

**Labour and Hegemony**  By 1989, the multiclass ANC was committed to negotiating a new political dispensation characterized by full citizenship and nonracial democratic rights and was willing for it to be anchored by a
capitalist economy. This would pose a critical challenge for the post-apartheid government: to organize consent for the new capitalist order among its political allies as well as its voting constituency. Within the organized Labour movement, there was a general recognition that business leaders would press for a neoliberal restructuring framework that was inconsistent with the vision of post-apartheid transformation held by the liberation movement, organized Labour, and the working class more generally. But there were indications that trade unionists would accept some type of reformist capitalism that brought immediate benefits to their constituency as long as it did not foreclose the possibility of more radical changes in the future. This offered some scope for compromise to the post-apartheid government, which would have to reconcile South Africa’s liberation movement not just to the preservation of capitalism in general but to the continuation, at least over the short term, of the white-dominated ownership structure that had been established by colonialism and entrenched by apartheid. Organizing consent for capitalist renewal would remain a challenge, however, due to the widely held perception among the ANC’s voting constituency that the private sector had not only benefitted from apartheid but had colluded with the racist political regime.

Neo-Gramscian analyses pinpoint the centrality of hegemony — organizing consent — to governing modern capitalist society. Carroll and Ratner explain: “In the modern era, formal freedoms and electoral rights exist alongside the class inequalities of the bourgeois state; therefore, relations of domination need to be sustained with the consent of the dominated.” A key element of the South African political transition was the gamble that the majority could be reconciled to capitalism — there was no alternative, since more overt forms of domination (culminating in a five year “state of emergency” during the 1980s) had been unable to secure the reproduction of capitalism. In Gramscian terms, the strategy of capital would be for it to pursue a “passive revolution,” transferring the political apparatus to the ANC in the hopes they would accept a very limited economic transformation and could “sell” it to their constituency. The challenge for the post-apartheid government, then, would be to ensure that these political changes and economic continuities were legitimized by new norms and
values, becoming hegemonic over time, for, as Carroll and Ratner continue, “Consent does not arise spontaneously; it must be won through ideological struggles and material concessions. By these means, a general interest or collective identity is constructed that unites the dominant and subordinate alike as members of the same political community.”

One of the striking aspects about the South Africa situation is that it was largely the interventions of COSATU to secure organized Labour’s inclusion in the policy process that made it possible for the new government to neutralize a potentially powerful opponent to the process of reconsolidating capitalism in post-apartheid South Africa. It is difficult to point to a specific moment when COSATU decided to seek incorporation into the new governing coalition, but the federation’s close relationship with the ANC certainly linked it to the political negotiations processes. Indeed, the negotiated transition was seen as a critical opportunity to improve the lives of ordinary South Africans, even if its outcome would inevitably fall far short of a socialist revolution. Many key unionists and associated thinkers, researchers, and strategists called for “radical reformism” or “strategic unionism,” which Eddie Webster described as an innovative politics of operating “inside and outside the state,” powerful on the streets and in ruling circles. Proponents of strategic unionism aimed to establish new ways to incorporate organized Labour into the decisionmaking process and to develop the effectiveness and coherence of trade unions so that they could participate equally and effectively in the economic restructuring decisions that would inevitably affect their members.

As a framework for action, strategic unionism permitted the leadership of the trade union federation to proceed politically during the transition period despite real differences in perspective over the relationships between COSATU and the state, COSATU and the ANC, and the desirability, nature, and timing of a socialist revolution. Indeed, the emerging approach is perhaps best understood less as a fully worked-out strategy than as a political compromise, one that echoed a previous schism between so-called workerist and populist tendencies. Strategic unionism retained a radical flavour since it incorporated elements of a neo-Gramscian discourse of counterhegemony — one proponent called it “a strategy that envisages a
far-reaching transformation of the state, of the workplace, of economic
decisionmaking and of the texture of civil society, a transformation driven
by a broad based coalition of interest groups, at the centre of which is the
Labour movement.” Strategic unionism could be portrayed as a socialist
strategy, therefore, promising to broaden the arena of and means for class
struggle and working class empowerment: “strategic unionism premises the
ensuring of transformation by developing a step by step programme of
radical reforms — each of which extends the arena of democratic decision
making and deepens the power of the working class.” The overall effect on
the political strategies of COSATU, however, was to focus the federation’s
efforts almost exclusively on securing the incorporation of organized workers
into the country’s new ruling bloc.

COSATU was able to reconcile its continuing commitment to socialism
with the compromises they made as part of the political negotiations, in
part, by conflating socialist strategy with social democratic redistributive
policies. As early as 1990, Alex Erwin, perhaps the most prominent
COSATU economist of the era, suggested that:

Our solutions lie neither in free market capitalism nor in centrally planned
commend economy socialism. COSATU has a socialist conception of the
economic policies which will be necessary to solve our economic problems....
This means firstly that there must be particular, but not exclusive,
development for the working class majority in our society. Secondly, central
to our thinking is the development of democratic political structures that
will entrench mass participation in formulating and implementing economic
policy. On these broad issues we are unashamedly socialist. But our challenge
is to develop programmes that include the majority of South Africans, and
that will build a productive, prosperous, ecologically stable and culturally
vibrant society, where each and every citizen benefits in a meaningful way.

Prior to 1994 at least, there appeared to be a strong consensus on this
point: from the perspective of the ANC, a mixed economy promised a
compromise that could allow the political negotiations to proceed; from
the perspective of business leaders, it would help stabilize the country and
expand domestic markets; from the perspective of organized workers and
social activists, it was a starting point that might inspire a broader and
deeper social transformation after majority rule. But the proposals put forward by business leaders (and increasingly, the ANC as well) rapidly became more limited in their scope and more neoliberal in their tenor. Initially, redistribution had been posited at the point of production (via ownership structures/control of investment decisions), but soon it was modified to focus exclusively on the realm of consumption (i.e., state provision of welfare services financed through the tax system).

On the basis of the initial promise of a more radical and participatory negotiated future, both COSATU and the SACP pursued the incorporation of the working class, especially organized Labour, into what they expected would be a new hegemonic bloc centred on the multiclass ANC, hoping that the changes would improve the lives of the majority and engender further working class empowerment. Initially, participatory policymaking was defined quite inclusively, but more radical perspectives on the nature of democratic participation were watered down gradually to a framework more consistent with elite accommodation. Soon, the trade union movement found itself largely unable to influence an emerging government program that privileged capital in a variety of ways. Where it wasn’t excluded, organized Labour was either marginalized or coopted into processes designed to facilitate capital rather than meet worker needs. Thus, COSATU and the other nonracial trade union federations were incorporated into systems fostering reforms to serve capitalist renewal, not socialist transformation.

**Hegemony in Practice** COSATU expected to wield real policy influence after 1994, forming the core of a post-apartheid hegemonic bloc. Until late 1996, COSATU focused on influencing the government’s economic program in two ways: by securing the ANC’s commitment to a jointly agreed economic restructuring and political program, the *Reconstruction and Development Programme* (RDP), and by participating as part of a Labour delegation at an economic policy forum, the National Economic Forum (NEF), which later became the National Economic Development and Labour Council (NEDLAC). Both COSATU and the SACP hoped the RDP, which COSATU originally developed as a proposal for an election accord with the ANC and later became the ANC’s electoral program, would cement a
new ruling bloc. The program was developed through a relatively participatory process, involving trade unionists, community activists, ANC and SACP members (though notably not capital) and went through numerous drafts. The outcome was a populist document: “the first priority is to begin to meet the basic needs of people — jobs, land, housing, water, electricity, telecommunications, transport, a clean and healthy environment, nutrition, health care and social welfare.” As Karl von Holdt commented, it tied COSATU to a hegemony-seeking politics: “COSATU has chosen to help the ANC draft a broad programme for government that tries to anticipate and accommodate the interests of most forces in our society. In doing this, it has lost the opportunity to put forward a more powerful Labour perspective and policy with which to clarify its own positions and challenge the rest of society.” Moreover, the RDP text contained many contradictory elements, including some signs of the ANC’s growing commitment to deflationary macroeconomics. Nonetheless, its spirit, and most of its content, contradicted full-blown neoliberalism and incorporated the popular classes as both the primary objects and subjects of policy reform.

The main opportunity for organized Labour to provide input into South Africa’s economic restructuring strategy on an ongoing basis was the NEF. COSATU’s demand for a “macroeconomic negotiations forum” was first made during a 1991 general strike protesting the apartheid government’s decision to introduce a value-added tax. The NEF, comprised of equal delegations of organized Labour, business, and government representatives, was created late in 1992. Labour’s rationale for the NEF wasn’t just defensive (to prevent the apartheid state from making structural economic changes that would hamper a progressive economic program under majority rule) but rather was also designed to extend the arena of democratic decision-making. Some trade unionists even claimed that tripartite, corporatist policy bodies could be engaged to pursue a socialist politics. Prominent trade union official Enoch Godongwana said: “Socialism needs to transcend social democracy. We need to approach the debate on social contracts creatively, guided by a socialist perspective and working class democratic practices such as accountability of leadership, mandates, reports and mass action if demands are not met. There must be no compromise on fundamental issues.”
But the NEF proved to be a highly contradictory terrain upon which to wage progressive politics. The Labour delegation, which COSATU dominated both numerically and politically, participated directly in a number of policy decisions, and acquiesced in others, that caused it to lose considerable control of the economic policy process long before majority rule. In 1993, COSATU allowed the NEF to consider South Africa’s new offer to GATT on an “emergency” basis, derailing its own proposal that trade liberalization occur only after industrial restructuring measures to preserve and create employment were in place.\(^17\) The same year, COSATU agreed that a government delegation which included ANC representatives should negotiate an $850 million (US) loan with the International Monetary Fund (IMF) to consolidate the country’s debt, and raised no major objections either to the fact that the new government would be bound by the agreement or to the fairly stringent conditions attached to the loan (unusually so when the country was comfortably servicing its debt).\(^18\) COSATU colluded in upholding the secrecy attached to the entire process and to the specifics of the loan’s policy conditions, rather than ensuring that its membership and other South Africans could participate in a public debate about the conditions attached to the loan that was being negotiated on their behalf. In other policy discussions, Labour delegates focused on securing agreements in areas of common concern with their NEF counterparts. Economic growth became the primary goal, displacing and marginalizing the Labour delegation’s traditional and mandated agenda that emphasized concerns like employment, redistribution, worker rights, and social justice.

These efforts to shape the emerging economic program drew COSATU away from its participatory democratic traditions. The nature of its involvement in the NEF and ANC policy circles meant COSATU focused on developing the capacities of the leadership to make credible policy interventions, as judged by their NEF/NEDLAC cohorts and ANC policy advisors, rather than fostering the capacities of the membership to be directly engaged with the policy changes that were occurring. John Saul has argued that any strategy for structural reform such as strategic unionism requires a leadership made accountable through regular consultation, mandating, and direct participation so that “the movement” is grounded in working
class society (broadly conceived), which itself remains somewhat autonomous from the leadership. COSATU’s traditions should have provided a strong base to develop that politics: most COSATU members subscribe to participatory democratic principles that include the regular election of representatives, direct mandating on all issues that affect the membership, regular report-backs, and the possibility of recall. Worker-controlled meetings and congresses are important mechanisms for ensuring mass participation and critical to a worker-driven process. Beginning during the political transition, however, the mandating structures in COSATU began to weaken, undermining the practice of trade union democracy. Both workers and experienced shop steward leaders felt that decisionmaking in COSATU was becoming ever more concentrated in the hands of a few leaders and national officials. In fact, almost half of the Labour delegates at the NEF’s Long Term Working Group, mandated to hammer out a new macroeconomic framework, were academics and researchers from outside institutions. Even more Labour-linked researchers and economists with only an indirect relationship to the federation’s mass base were conscripted to sit on the technical subcommittees, where specific policy proposals were hammered out. As a result, workers felt more disengaged from the political process and mobilization became more difficult, thus removing a core power resource of the Labour movement.

Despite these disturbing trends, trade union leaders hoped that after the 1994 elections the COSATU-led Labour delegation and the ANC-led government delegation would use the NEF to promote their common RDP vision. This seemed to be coming to fruition when the NEF’s successor, NEDLAC, was established in 1995 as “the key body to build consensus on economic and development policy and mobilise the entire South African society behind these objectives of the RDP.” Instead, the new government soon extended its control over the policy agenda in NEDLAC while simultaneously sidestepping the institution to develop key policies, especially on macroeconomic issues, in other structures.

Meanwhile, the RDP influenced ANC policy far less than expected. An RDP office was created in 1994 and headed by ex-COSATU General Secretary Jay Naidoo, but many bureaucrats and even some Cabinet
ministers, including Deputy President Thabo Mbeki and even President Nelson Mandela, were ambivalent about proposed RDP-friendly projects and tended to fight the RDP rather than promoting it. In early 1996, after a torrent of media and senior policymaker criticisms about its effectiveness, the government announced, without discussing the matter with its Alliance partners first, that it was shutting down the RDP Ministry. The content of the program was substantially rewritten, once again without consulting the Alliance, first in the 1994 RDP White Paper, then in the never-released National Growth and Development Strategy, and by June 1996 in the unapologetically neoliberal Growth, Employment and Redistribution (GEAR) economic restructuring strategy. Under GEAR, social rights were actively downgraded and redistribution was placed on the back burner in an attempt to resecure the conditions for private investment. By 1999, the RDP was little more to the ANC than a hollow, albeit still effective, electoral slogan.

Labour Presses On Faced with a political ally that had opted for an economic restructuring program that devastated the working class, the COSATU and SACP leadership attempted to rejuvenate Alliance politics in order to regain some sway over policy. In November 1996, COSATU presented the Draft Programme for the Alliance to the ANC. The paper criticized the way GEAR had been formulated and introduced, and said the government was making policy with little reference to Alliance structures or the needs of its mass membership. The paper and subsequent discussions sought to bring the ANC back to the centre of a “popular bloc,” pitted against a “minority bloc” of capital, the state bureaucracy, the armed forces, parastatals, and the central bank that were seeking to preserve the privileges acquired during apartheid. COSATU called for the Alliance to agree to a common program for social transformation — again based on the RDP — and a common strategy for implementing it. Such a program, COSATU argued:

Would remove the impression that government is acting as a neutral referee, sitting above the other players in society. Rather, the mass bias of the government, and its commitment to the implementation of a particular programme, would be the lodestar which would clearly reflect the mandate of the majority party. The Alliance would therefore openly mobilise people
This proposal was unmistakably a renewal of the call for a hegemonic bloc that incorporated COSATU and the ANC’s broader, working class, and poor constituency. The Draft Programme formed the basis for a series of discussions aimed at keeping the Alliance together. A breakthrough was reported when it was announced that the government position had been revised and GEAR was no longer cast in stone. Although GEAR remained government policy, the ANC promised that, in future, economic programs would be discussed within the Alliance before they were announced. The summit seemed to confirm the commitment of all parties to maintain the Alliance, to smooth over some differences, and to move disputes into Alliance structures.

But the tensions among the three Alliance partners soon resurfaced when the ANC made it clear that its interpretation of the agreement was that in future, neither COSATU nor the SACP would criticize government policies publicly and any disagreements would be worked out among senior leaders behind closed doors. At a 1999 COSATU congress, Cabinet Minister Terror Lekota, speaking on behalf of President Thabo Mbeki, told the assembled Labour delegates that:

The recent trend, on the part of some highly placed comrades, of ascending platforms or by other ways criticising or agitating against policies and actions of the movement, inside and outside Government, smacks of a lack of revolutionary discipline... This undisciplined approach has a number of negative consequences: It confuses the mass based support of our movement; it lends itself to exploitation by our opponents and opposition parties; it creates a climate in which agents provocateur can thrive and advance their counter-revolutionary agendas.

Ongoing criticism of GEAR led government ministers to accuse COSATU and the SACP of undermining the “national democratic revolution.” Meanwhile, the government publicly confronted and humiliated COSATU, for example by unilaterally forcing a wage settlement on public
sector workers in the middle of a legal collective bargaining process and altering a major piece of Labour legislation that had been agreed through NEDLAC. Clearly, the new Alliance agreement failed to establish a new basis for policymaking; it merely papered over political differences among the three erstwhile allies.

In fact, what was most striking about COSATU’s question for inclusion in a post-1994 ruling bloc “with a working class bias” was that the new ruling bloc that actually emerged after the political transition was centred on a multiracial middle class and globalized business interests. Sakhela Buhlungu succinctly summed up the situation: “The Mbeki era is about building and consolidating powerful social forces that will finally cohere into a ruling bloc in a democratic South Africa. The unions and the broader working class movement will not form part of it.” This outcome suggests a successful passive revolution on the part of capital, strengthening the future prospects of mining conglomerates and financial services companies by incorporating elements of the black middle class under a majority government but shutting out the working class and the poor. It was capital, rather than Labour, that won the ANC leadership over to the position that an economic restructuring program that served capital’s particular interests would meet the needs of South Africa as a whole, while a program that responded to the demands of organized Labour and the working class more generally would harm society. Even when COSATU recognized that the working class was being marginalized and demobilized, at least in the development of macroeconomic policy, the leadership recommitted their efforts for inclusion in a reconstituted bloc by appealing to the ANC’s good intentions rather than mobilizing their membership to press for change or considering a counterhegemonic politics.

The victory for bourgeois democracy has not been complete, despite the ANC’s ability to consolidate its electoral power for three elections, winning more than two-thirds of the popular vote in 2004. In terms of its economic program, the government has faced significant contestation, most coming from its own voting constituency. Recent years have seen growing protests as few South Africans see improvements in their day-to-day lives and some experience new forms of repression. Until 2003, the government stridently
defended its neoliberal program, tried to squelch political debate about it, and tolerated no serious discussion of alternatives or modifications, as indicated in the refusal to allow GEAR to be debated or alternatives to it discussed in the Alliance structures and the public chastising of COSATU for criticizing the program at its own conference. This implied that despite the ANC’s prowess at the ballot box, the state continued to rule on a nonhegemonic basis. There have been signs more recently of a shift in its policy framework to incorporate more of the demands of the poor and working class. Direct state involvement in employment creation, a free antiretroviral campaign administered through public health clinics, a slowdown of the privatization campaign, and a more expansive fiscal stance with a “developmental” orientation may finally permit the state to consolidate itself on a basis of hegemony rather than domination, but without broadening the ruling bloc to incorporate organized Labour. This shift in policy direction may have been simply for electoral purposes, but it appears to be indicative of a new direction that might permit the consolidation of hegemony in South Africa.

Protest Politics and Counterhegemony In theory, the government’s failure to build an economic program based on a broad-based consensus with its political allies and the needs of its voting constituency should have set the stage for organized Labour to reengage in a counterhegemonic politics. By this time, it was clear that unemployment had not only remained high but was rising, at 37 percent of the economically active population and 42 percent of the African population by the turn of the century, with almost all job creation occurring in the informal sector. Indeed, the post-GEAR period saw a rise in mass protest activities called by COSATU, with major anti-GEAR and antiprivatization general strikes held in May 2000 and August 2001. Increasingly, these protests were framed against the government — or at least government policies — rather than “safer” targets like big business or white privilege. But although the unions have organized and participated in some protests and established some strategic alliances with emerging social movements, overall it appears Labour no longer has the will or the capacity to bring together the burgeoning but inchoate social
movements into a counterhegemonic politics that might challenge the ruling basis of the state. Indeed, despite their many disappointments since 1994, COSATU still aims for a reconfiguration of the ruling bloc to incorporate the working class rather than seeking to build a counterhegemonic alternative. This was demonstrated once again in 2004, when COSATU campaigned at the ANC’s side throughout their election bid and called the ANC’s success “a resounding working class victory,” referring to South Africa’s post-GEAR era.  

The period after 1996 and especially after 1999 saw a significant rise in grassroots protest movements throughout the country — activists and health workers seeking treatment and prevention of HIV/AIDS; community-based movements focused on housing and community services, and many more. These movements also were responding to the failure of the government to live up to its commitment to improve social rights: as Hein Marais commented, “society remains tragically polarized — not least along the lines of income and access to services — while the gulf of structural inequality appears to be widening.” Unemployment had risen to record levels while social spending fell in absolute terms (although not as a percentage of the government budget), and local services were maintained and extended on a “full cost recovery” basis, drastically raising prices and resulting in thousands of electricity, water, and telephone disconnections every month.

Perhaps the movement with the most organizing success and mainstream acceptance was the Treatment Action Committee (TAC), which fought for government-provided and subsidized AIDS drugs and for a reduction in drug prices on the part of pharmaceutical manufacturers. South Africa faces a growing AIDS threat, with overall HIV/AIDS infection rates at one in nine — five million people. TAC worked with the government in a lengthy and ultimately successful legal battle against international pharmaceutical companies over AIDS drug patents and the importation of generics. But next came the struggle to convince the government to financially and institutionally support an antiretroviral program. TAC mounted a second court case against the government, spearheaded a public education campaign, and held numerous protests. Unlike some social movements, TAC was able to mobilize at the local, national, and international levels and to establish
a partnership with COSATU along with other civil society organizations. Although TAC worked effectively with the state at times, it was vilified by government leaders whenever it took an oppositional stance. As von Lieres comments, TAC’s community organizing had little to do with reinforcing the state’s legitimacy:

Rather than arenas for citizen participation with and within the state, these new forms of participation are spaces in which marginalized people act without and on the state. As participatory spaces that are more often chosen than offered, they can become sites of radical possibility in overcoming political exclusion.38

The new neighbourhood movements similarly claimed spaces for citizen participation, but without the same level of mainstream acceptance. These movements, like the “civics” formed in the townships during the 1980s, are a “cross-class coalition of collective consumers” organizing around local material issues, but without the broader political objective of overthrowing apartheid.39 Most of the original civics became closely aligned with the ANC during the 1990s, bureaucratized (especially through their national umbrella, the South African National Civics Organization or SANCO), and in some cases deeply politically compromised. So new community associations were the basis for these local protest movements, although many individuals who had been involved in earlier anti-apartheid community struggles took up leadership positions. Local residents fought against evictions and municipal service cutoffs that were every bit as devastating as those initiated by the apartheid government, but had to face the added obstacle of opposing the ANC. Ashwin Desai, who has written about the rejuvenation of community struggles that began in Chatsworth, Durban, in 1999 and extended to other major cities in the months that followed, comments:

It was in these contradictory circumstances — with a government elected by the oppressed majority and using that power to carry out the program of big capital — that people began defending their homes from the private security companies hired to effect the state’s eviction notices.... They were discussing strategy, learning to say “Phansi ANC! Phansi!” (Down with the ANC! Down!) and planning meetings, strikes and marches. Rivulets of humanity
were back on the streets demanding land, a basic income grant, anti-AIDS medication, a halt to privatization and dignity.\textsuperscript{40}

New protest movements in South Africa all claim social rights against the state and globalized capital, but nonetheless they have been highly fragmented in terms of geographic location and, more importantly, institutional relationships. These movements, and many others besides, are organized around single issues or based in small geographic communities. Desai notes that the fragmentation of these various struggles raises serious questions about the extent to which they can form the core of a movement (as opposed to movements) for change in South Africa:

These struggles, at first conducted in isolation from each other, have begun to jump the firebreaks of race and place. Will they continue to do so, and incinerate the fetters of old political allegiances and class compromise that have so immobilized these last ten years? Or will the multitude be confined to the outer reaches of society doused by brigades of politicians, past masters of turning on and off the taps of struggle and expectation?\textsuperscript{41}

The difficulties of establishing a politics of counterhegemony should not be underestimated. At the beginning of the Twenty-first Century, counterhegemonic practices were everywhere — and nowhere — in the activities of South Africa’s social movements and even some of the unions. As William Carroll argues, counterhegemony (in the neo-Gramscian sense) means constructing:

An alternative hegemony that unites various subaltern groups into a counterhegemonic bloc of oppositional forces committed to an alternative social vision…. Building an alternative hegemony thus entails a protracted “war of position” in which a coalition of oppositional movements wins space and constructs mutual loyalties in civil society, the state, and the workplace, thereby disrupting and displacing the hegemony of the dominant class and its allies.\textsuperscript{42}

The central problem in recent social movement practice has been the inability to move from “counterhegemonies” to “counterhegemony” — a unifying strategy capable of withstanding liberal capitalism’s capacity to
disorganize and demobilize alternative visions. Yet without a strategy to transcend protest politics, their interventions can actually strengthen the legitimacy of a state that develops new capacities to respond to its critics and thus broaden the basis of consent without transforming the basis of power. Signs of this were visible during the 2004 election, when the ANC took its electoral platform from its critics, committing to “radically reduce the levels of unemployment and poverty, by combining the resources of the public and private sectors and build an economy that benefits all.”43

Moreover, it is extremely difficult to imagine a counterhegemonic program that would exclude COSATU because of its institutional network, relatively broad mandate, and historical legitimacy as an agent of struggle. But although some of the new protest movements have worked effectively with organized Labour, notably neighbourhood associations with the South African Municipal Workers’ Union (SAMWU) and the Treatment Action Committee (TAC) with COSATU, for the most part structural links between Labour and social movements are tenuous. Buhlungu observes that “Although the unions still retain some capability to pull off major mass protests, ... they are increasingly becoming isolated from other grass-roots movements.”44 This marks a significant shift from the 1980s, when trade unions affiliated with COSATU and community organizations were closely linked. Desai goes further: “the big trade unions are part of the bulwark that is preventing autonomous and radical resistance developing against the ANC and its neoliberal policies.”45

**Conclusion** Prospective counterhegemonic movements face opposition at the national and international level from state, interstate, and private sector actors and their beneficiaries who actively seek to disrupt efforts to create a counterhegemonic vision.46 In South Africa, the ANC has been extremely successful in disorganizing the opposition to its economic restructuring program. Despite the periodic willingness of COSATU to protest against the ANC’s policies, Desai’s conclusion about the current political role of organized Labour has been warranted to date, given COSATU’s continual assertion of its commitment to the Alliance and repeated claims that its presence is necessary to ensure that the ANC retains its progressive tenden-
cies and keeps workers’ interests at heart. Although the Labour movement has been quieted and marginalized by its inclusion in the ANC Alliance, the sense that COSATU is better off in than out seems to have heightened under President Thabo Mbeki, showing how successfully the ANC leadership has managed its relationship with COSATU.

In light of its refusal even to countenance less than wholehearted support for the ANC despite their profound disagreements over policies, program, and operating style, COSATU’s limited protests and weak alliances with community-based groups have actually served to strengthen the legitimacy of ANC rule. By continually reinforcing the perception that there is no alternative to strongly and virtually unconditionally supporting the ANC no matter what the latter does, COSATU is effectively giving the ANC an extremely wide latitude to develop an economic restructuring program on its own terms that claims to take the needs of the majority of South Africans into account. In the ongoing quest to be accepted as part of South Africa’s post-apartheid historic bloc and participate in shaping a hegemonic project, COSATU’s actions have mystified the real objectives and implications of the new government’s programs instead of disorganizing consent and disrupting discourses and practices of domination. The continual reaffirmation that there is no progressive political alternative to the ANC has stymied efforts to create independent ways of thinking and acting and organizational bases for advancing alternatives. By offering only “protest politics,” COSATU has impeded the development of potential bases for counterhegemonic participation and decisionmaking that might have challenged the legitimacy of the ANC government’s program, rather than simply some of its policies.

Notes

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1. There are two other nonracial labour federations in South Africa, the National Council of Trade Unions (NACTU) and the Federation of Unions of South Africa (FEDUSA), formerly the Federation of Salaried Staff (FEDSAL). The three have worked together on policy issues but only COSATU is formally a political ally of the ANC, and each has a distinct membership, organizational structure, history, and culture. Even where the three work in coalition, COSATU

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dominates both numerically and in terms of the positions taken by the labour coalition. As well, approximately one half of South Africa's organized workers are members of independent (rather than affiliated to a federation) or racially based unions and they are not considered here. These unions are not permitted to participate in the economic policy institutions and have few interactions with COSATU.


5. Debates about the most appropriate relationship between the working class and the liberation movement dominated much of COSATU's political discussion during its first four years (1985-1989). "Workerists" advocated building the workers' struggle by focusing explicitly on socialism as the objective, using incremental, participatory organizing practices developed from the shop floor upwards, building alliances only with other working-class movements, and remaining politically independent or forming a workers' party. The "populists" wanted workers to struggle for democracy first as part of a cross-class alliance under the ANC, which would receive the labour movement's political support. Both these terms are politically loaded and neither grouping likes the term that the other has ascribed to them. They are widely used, however, in analysis of the South African trade union movement. See Alex Callinicos, "Introduction," in Between Apartheid and Capitalism, (ed.), Alex Callinicos (London: Bookmarks, 1992), p. 31; Jeremy Baskin, Striking Back (Johannesburg: Ravan Press, 1991).


9. Alec Erwin, "South Africa's Post-Apartheid Economy: Planning for Prosperity," South African Labour Bulletin 14/6 (February 1990), pp. 41-42. Erwin went on to become one of COSATU's main negotiators at the National Economic Forum. Since 1994, he has served in various positions in the ANC Cabinet, most notably as Trade and Industry Minister, and has become a prominent proponent of the government's neoliberal economic restructuring program.


15. The business delegation has been comprised of two broad groupings, usually referred to as “white” business (representing established, large businesses, primarily in the strongest sectors of the economy like mines, metals, banks, and insurance), and “black” business (smaller, usually privately owned by an emerging black bourgeoisie, represented by the National African Federation of Chamber of Commerce (NAFCOC), which was closely aligned to the ANC). “White” business was brought together under the single umbrella of Business South Africa in 1995, but efforts to federate with the black business association have been unsuccessful. Government representatives typically have been bureaucrats, but at the NEF, Minister of Finance Derek Keys participated actively and was credited with moderating the stance of both COSATU and the ANC via his approach to policy negotiations.
Studies in Political Economy


21. Labour’s list of seven included at least three academics: Dave Lewis (ISP-UCT), Vella Pillay (MERG), John Sender (University of the Witwatersrand and the School of Oriental and African Studies at the London School of Economics).

22. Lael Bethlehem, Research Coordinator, NEDLAC. Interview (22 May 1996).


33. Franco Barchiesi and Tom Bramble, “Introduction,” in *Rethinking the Labour Movement in the ‘New South Africa,’* (ed.), Tom Bramble and Franco Barchiesi (Aldershot, UK: Ashgate, 2003), p. 3. These statistics refer to official unemployment figures—the real rates are believed to be higher. Moreover, they include both formal-sector and informal-sector employment; Franco Barchiesi has estimated that only about one-third of the African population has a regular, full-time occupation.


37. Strictly speaking, the Pharmaceutical Manufacturers Association chose to withdraw their suit in the face of intense negative publicity spearheaded by TAC. Von Lieres, “Citizenship, Marginalization and New Forms of Participation,” p. 3.


41. Desai, We are the Poors, p. 7.


45. Desai, We are the Poors, p. 100.


48. See Buhlungu, “From ‘Madiba Magic’ to ‘Mbeki Logic’.”