



Making a Living, Earning a Living: Work and Employment in Southern Africa

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ABSTRACT. This article examines the changing nature of work and employment in Southern Africa in the wake of liberalization, drawing on six case studies across the manufacturing, retail, and self-employed sectors. Liberalization has intensified competition, leading to the evolution of three different “worlds of work” in which some workers benefit from global integration, some survive in employment, but under worse conditions, and others are retrenched and forced to “make a living” in informal and unpaid work. This has created a “crisis of representation” in which traditional organizational forms, such as trade unions, fail to provide a voice for the “new poor,” necessitating the creation of new coalitions to respond to liberalization.

Keywords: • Globalization • Informal economy • Trade unionism
• Work restructuring

Introduction

A crucial question facing our times is the sociopolitical impact of “globalization.”¹ Invariably, when this question is answered, Africa is treated as a black hole, a marginal part of the world described by a leading social theorist of globalization as the “Fourth World” (Castells, 1996). Frederick Cooper has turned this debate on its head by suggesting that we cease to make integration into the global economy the standard by which we measure our success or failure in Africa. Instead, we need to ask what is “actually happening in Africa” (Cooper, 2001: 206). Rather than making integration the standard and measuring everything else as lack, failure, or distortion, he argues that Africanists should be particularly sensitive to the time-depth of cross-territorial processes, because “the very notion of Africa has itself been shaped for centuries by linkages within the continent and across oceans and deserts” (Cooper, 2001: 190).

In his path-breaking workplace ethnography of a South African steel mill, Von Holdt (2003: 27–45) develops the concept of the apartheid workplace regime to describe the racial structure of power in the South African workplace. Apartheid, he argues, did not exist only in society, it was also inside the mill shaping the social and occupational structure of the workplace. It allocated skill and authority on a racial basis and was characterized by racial insults and racial assault. It had deep historical roots in the evolution of labor regimes, work practices, and racial structures of power within settler colonialism, and was underpinned by the educational and labor market policies of apartheid (Von Holdt, 2003: 27). As a result, it left a legacy of racism, low trust, low skills, high absenteeism, adversarial industrial relations, and a lack of identification by employees with the goals of the enterprise. This legacy, and the constraints it imposes on regional industrial development, provides the context for the region's changing policy regime. Industrial and, indeed, economic policy in the Southern African region since decolonization was managed on a highly interventionist basis, with heavy protection and the state playing a significant role in setting up corporations to drive industrialization. This produced both benefits and costs.²

What is not in dispute, however, is that the strategy produced significant levels of unevenness in the developmental trajectory, with capital-intensive and highly subsidized industrial sectors coexisting with heavily taxed export industries. This produced a racially segmented labor market, with relatively good conditions in the primary labor market and significant levels of insecurity and poverty in the secondary labor market (Webster, 1985: 195–215). This allowed the unemployed to be physically excluded from urban markets, thus defending the wages of those that had access and limiting pressure on urban services, but excluding many people from economic opportunities and requiring a massively discriminatory and costly program of enforcement through the system of influx control over black workers.

This system survived during the apartheid era because its interventionist economic logic coincided with the structuralist paradigm which dominated international policy theory, providing highly profitable opportunities to national and international firms. However, its inherent instability was fully exposed by the late 1980s. The dramatic transition that occurred in the early 1990s can therefore be seen as a “double transition” – the end of two eras, not one (Adler and Webster, 1995). During the 1990s, the industrial policy regime in the region shifted toward market-oriented labor regimes. South Africa's response, through its Department of Trade and Industry (DTI), was to develop a supply-side orientation in which a model of import-substitution industrialization made way for export-led growth (Bezuidenhout, 2002a).

By focusing our research on the “world of work” we are approaching the question of globalization in an unfashionable way. Questions of identity, of discourse, of cultural forms, of personal biography, and of consumption are generally seen as more important than the world of work (Castells, 1996: 3). But as Richard Brown (1997: 1) suggests:

The availability of opportunities for employment, and the conditions under which people are employed, still have more impact on most individuals' chances than many other more fashionable concerns. Work and employment structure our lives and shape inequalities of condition and opportunity to a greater extent than most if not all other areas of social life.

Much of the literature that explores the determinants of economic development has focused either on the market and its social carrier, the bourgeoisie, or on the developmental state and its technocratic elites. This developmental literature, Heller suggests, “has tended to see peasants and workers as either victims or beneficiaries, but rarely as active agents of economic and political transformation” (Heller, 1999: 1). In examining the economic and social impact of liberalization on the workplace in Southern Africa, we have turned these assumptions on their head by trying to understand the world of work from below (Von Holdt, 2003).

To do this effectively it is necessary to root studies in in-depth ethnographic and historically grounded research (Hart, 1998). This method of research challenges the dominant approach in social research that “disenfranchises” workers through what could be called “parachute research” (Buhlungu, 2003). “Parachute” or “helicopter” research, Buhlungu suggests, treats research subjects as if they were “colonial subjects” who do not share the same moral or political universe as the researchers. While a certain amount of distance from the research subjects is both inevitable and desirable, the case studies in this project stand apart from much research on the “world of work” in the degree to which the researchers see workers as actors with distinct workplace cultures, who are not passive, but are a force that management has to contend with. As a result, each case study is based on intensive fieldwork, in-depth interviews, and nonparticipant observation.

The article is divided into two parts. In part one, we examine cases of those who are increasingly integrated into the global economy. They are formally employed, whether full-time, part-time, or subcontracted. They obtain a regular income; they “earn a living.” In part two of the article, we examine the self-employed in the informal sector and the livelihood strategies of 13 households in a township near Durban. We describe the creative livelihood strategies they develop in order to survive as “making a living.”³ As E.P. Thompson (1963: 9) explained in his classic study: “*Making*, because it is a study in an active process, which owes as much to agency as to conditioning.” We conclude by challenging the notion of a “dual economy” as consisting of two separate economies, suggesting, instead, that formal paid employment and informal-sector activities are *asymmetrically interdependent*. The modern sector depends on the informal and the majority of households combine work in the two sectors. To study work in a developing country requires an understanding of the diversity of ways of making a living.

This diversity is shaped, in part, by the intensification of global competition. What we identify in this article are three kinds of “worlds of work”: those in the core who benefit from global integration; those pushed into more precarious and intensive working conditions, because of global competition; and lastly, those who worked in factories that were forced to close down because of international competition and who are in the periphery and are either in informal work or unemployed.⁴

Earning a Living: The New Economy and Workplace Change

In 1992, key actors in the motor industry openly expressed their concern that “there was a good chance there would not be a local motor industry to speak of by the end of the decade.”⁵ To support the industry, the Motor Industry Task Group, a tripartite government, employer, and union forum, was set up and a process of negotiated reconstruction began. The key institutional innovation, introduced in

1995 through the Motor Industry Development Programme (MIDP), removed local content requirements (although protection of the domestic market remains at 40 percent) and encouraged exports through credited rebates for imports. This not only created new market conditions for South Africa's auto sector, it also resulted in an emphasis on specialization and a more internationally integrated industry. Tariff protection was reduced from 115 percent in 1994 to 54 percent in 1998 and to 40 percent in 2002. The impact was dramatic. In 1996, the South African auto industry exported 11,500 vehicles worth R750 million; in 2002, more than 130,000 vehicles worth R15 billion were exported (Furlonger, 2002). The most advanced example of this "turnaround" is BMW, which has located its global production of the 3-series model in South Africa. In 2001, BMWSA produced 49,553 BMW 3-series vehicles; it exported 36,464 to the USA and Europe. In fact, the BMW 3-Series was the second most popular imported luxury car in the USA in 2001 (Von Loon, 2002).

The impact of liberalization on the auto industry has been felt in two main areas. First, the level of foreign investment and ownership has increased substantially in both the assembly and component sectors. Locally owned assembly firms operating under license from foreign carmakers have seen it as increasingly necessary to have a multinational partner in order to gain access to export markets (Black, 2002: 18–19). Second, in the face of intensified international competition, the industry has been forced to reduce production costs and improve product quality. This, as Masondo (2003) demonstrates in his case study of BMWSA,⁶ has led to a shift in the nature of managerial control from the apartheid workplace regime of the past to a more consensus-building approach, which he describes as "ideological flexibility" (2003: 309).

Ideological flexibility, Masondo (2003: 309–11) suggests, is a managerial strategy aimed at increasing the intensity of work through various forms of employee involvement designed to change the behavior and attitudes of employees. Employees, for example, are no longer called "workers," instead, they are "associates." The term "associate," one worker said, is used to conform to "international standards and it shows that South African workers are seen as workers like any other worker in the world, unlike in the past in which South African workers were seen as 'lazy and unskilled'" (Masondo, 2003: 309). Furthermore, all categories of employees, from senior management through to production workers, wear standard BMWSA T-shirts during working hours and are called by their first names (Masondo, 2003: 310).

In addition to these mechanisms to change workers' identities and subjectivity, management has introduced quality circles and a Suggestion Scheme (Masondo, 2003: 306–8). The innovations on the shop floor are designed, a worker said, "to solicit workers' expertise to solve problems such as quality and efficiency, eliminate waste and raise productivity." The company has also invested in new technology and an extensive training program (Masondo, 2003: 311–12).

However, Masondo emphasizes the contradictory aspects of BMWSA's attempt to adapt ideologically to global competition (2003: 310–11). In order, he says, for BMW to survive, it must change workers' identity in relation to the company; at the same time, however, it must raise the level of profitability through retrenchments and the reduction of the strength of labor, thereby diminishing labor's commitment to the company despite this commitment being important for BMWSA's ability to compete. It has also outsourced the production of the leather seats to Ga-Rankuwa, a rural "homeland" (Masondo, 2003: 302).

As in the case of the auto industry, the domestic appliance industry in the early 1990s was a protected industry with a limited and saturated local market. With liberalization, a process of capital restructuring began; by 2000 there were three large manufacturing firms in the sector: Master Fridge, Defy, and Whirlpool. However, unlike the auto industry, it has only been partially integrated into the global production chain.

While BMWSA is in a process of decisive transition away from the apartheid workplace regime, Bezuidenhout's account of the domestic appliance sector suggests that the dynamics of race are being reconfigured through the emergence of "informal wage colour bars" and an "upward floating colour bar" (Bezuidenhout, 2003: 11–17).⁷ Instead of deracialization, Bezuidenhout describes a situation in which important elements of "apartheid" persist. While the introduction of a new grading system in one of the factories might seem like a teething problem, he suggests that the 2002 strike over "grade anomalies" and allegations of "favouritism" had an important racial subtext (Bezuidenhout, 2003: 12).

Bezuidenhout concludes that in spite of "attempts to redress the racial legacies, there is a competing logic – a more informal one – that still operates in the workplace" (2003: 13). Furthermore, African workers are steadily promoted to the supervisory level, but do not feel they have real authority. Others feel that they are under-qualified for their jobs, and that was why management was able to undermine their positions. One explained: "I can take you to our department, you can see the top-level management disregarding the supervisor . . . and going straight to the workforce and saying 'Kom, kom, kom! Work! Do your job! What's wrong?'" (Bezuidenhout, 2003: 14). He also felt that this bypassing of the African supervisors did not happen in the past with non-Africans.

A similar reconfiguration of the past, Bezuidenhout (2003: 17–20) suggests, is taking place regionally. Whereas the industrial decentralization zones, through trade union repression, served as a mechanism to discipline labor in the past, this dynamic is now replicated in the Southern African region. In the 1990s, a factory was set up in neighboring Swaziland. Within two years it captured 40 percent of the South African market for their product. Some 90 percent of its produce was exported to South Africa. Swaziland is notorious for its labor-repressive regime, and South African management and trade unions alike raised this issue publicly.

How does one explain the limited transformation of the workplace in the household goods sector and significant transformation in the auto industry? The key difference in the two industries is that the South African household appliance industry is not yet as integrated into the global production chain as is the auto industry. While liberalization has subjected the industry to intense global competition, it lacks the financial resources and ability to take advantage of economies of scale to establish itself as a global player.⁸ The result is that the industry does not have the managerial and financial depth to pursue successfully innovative strategies of workplace change. For example, roughly one-third of the employees at domestic appliance factories are employed on a monthly or three-monthly renewable contract (Bezuidenhout, 2002b: 6).

This raises the issue of foreign competition, since it is the scale and efficiency of Korean producers that determines the potential competitiveness of South African producers. As potential export producers, South African companies are, in List's terms, "infant industries" globally (Brett, 2004). By opening up the domestic market to competition from more powerful Korean companies, such as LG, South

African companies will either close or will be forced to restructure dramatically to reduce costs.⁹

The auto industry, on the other hand, is organizationally one of the most global of all manufacturing industries. It is an industry of giant corporations, many of which are increasingly organizing their production on transnational lines (Dicken, 2003: 355–98). In the face of Japan's use of alternative methods of "lean" production and intense competition, mergers, acquisitions, and strategic alliances, the auto industry has been transformed into a global production chain – and BMWSA has become part of that chain.

The second set of case studies is drawn from the retail sector. Kenny (2003) analyzes the shift in a large, food-retail chain, Shoprite, from an apartheid workplace order in the 1980s to what she calls a "market hegemonic order."¹⁰ Market hegemony, she suggests, is a new workplace order "whereby the dictates of competitiveness, growth and cost cutting have restructured workplace relations and have infused the imaginations of workers and managers" (Kenny, 2003: 101–2).

Market hegemony was preceded by the restructuring of the retail sector into four companies (dominated by Shoprite and Pick 'n Pay) which control 95 percent of the market share of formal food retailing in supermarkets. Through this process of concentration, shareholder value increased, signifying the rise of finance capital in the sector (Kenny, 2003: 102–3). Although strong continuities with the past persist, through a proactive managerial strategy, Shoprite has successfully reconstituted an *authoritarian post-apartheid workplace order* in which work organization and worker attitudes are less important than new forms of control and higher workloads (Kenny, 2003: 107).

How is this new form of control exercised? Whereas the past workplace order was despotic, discriminatory, and arbitrary (individualized), "the new workplace order is characterised by the centralisation of managerial functions away from personalised relations based at the shop floor". At the same time as power has been centralized, the company has "adapted to standardised fair procedure, guaranteed by the post-apartheid state in fair labour practice" (Kenny, 2003: 104). However, within these procedural limits, Shoprite pursued a strategy of "lean' management, emphasising cost control and efficiency over human resource development" (Kenny, 2003: 105).

To implement this strategy, Shoprite downsized the professional managerial bureaucracy built up in the 1980s, and line managers were forced to carry out orders in which "they quite often did not believe." In the words of one ex-manager: "In my last two years in the company, there were more hearings than ever I had in my entire career with the company. It would be demoralising. Colleagues that you worked with for five years would be in the hearing". The tough new managerial style, motivated as it is by fiscal constraints, was implemented through the use of "proper procedure," laid down by the new democratic labor law reforms (Kenny, 2003: 107).

At the center of this new form of control was the large-scale introduction of forms of precarious employment that disempowered and divided workers, as well as new forms of technological surveillance, such as closed-circuit television, that served to discipline staff. During the 1990s, casualization¹¹ and subcontracting grew in retailing. Additionally, retail companies increased the subcontracting of labor. This included both the contracting out of so-called non-core services, such as cleaning, and the outsourcing of shelf packing to labor-broking firms providing merchandizing services (Kenny, 2003: 110–3).

In 1996, Shoprite subcontracted their directly employed shelf packers to labor brokers. Kenny (2003: 110–1) writes:

These workers were employed by many different labour brokers with different conditions of employment, but generally worked full-time hours for low wages and no benefits. Their job security was also tenuous as the labour brokers' service contracts with the retailer frequently changed.

The result was weaker trade unions and reduced levels of contestation, even quiescence. As Kenny observes: "The market hegemony of these workplaces silenced action: 'permanents' realised 'we are the lucky ones. The ones with jobs'" (2003: 113).

However, in late 2003, the union struck over the degradation of the conditions of part-time employees (formerly casual staff):

The union "won" a return to a guaranteed minimum number of monthly hours (100), reinstatement of the pre-existing hourly rates, the re-assertion that workers have a right to belong to retirement funds of their choice, the re-articulation of the legal right not to have to purchase uniforms, the acceptance that Sunday work will be paid in terms of the industry's sectoral determination, and the prohibition of the already illegal compulsory HIV testing of employees. (Kenny, 2003: 116)

A key part of this new "market hegemonic" workplace, in the context of an overtraded local market, was Shoprite's expansion beyond South African borders (Miller, 2004: 66).¹² While South African retailers have long operated in Southern Africa, liberalization in the region opened up an opportunity for post-apartheid South Africa to enter this regional space "as the bearer of a new African renaissance" (Miller, 2004: 68–71). Shoprite began to expand into the rest of Africa in 1992 while it was consolidating its acquisition of the Checkers chain of supermarkets, representing a sixfold increase in its size in South Africa (Miller, 2004: 74). In 1996, as part of Zambia's privatization program, the state-owned wholesale stores were sold off to Shoprite Holdings (Miller, 2004: 61). By 2003, Shoprite had expanded from South Africa to 14 countries in Africa with revenue of more than US\$3.3 billion (Miller, 2004: 74).

Miller argues that "the new regional moment" is shaping the workplace experiences of African workers. Shoprite, along with other South African multinational companies in the region, have created a dynamic set of contradictions between its self-presentation and regional organization, on one hand, and the regional expectations of workers at these foreign workplaces, on the other. Workers, she argues, claim inclusion in the regional company on an equal basis with South African workers, privileging their ties to South Africa through the company. Workers, she says, attribute uneven standards between themselves and South African workers to the effect of regional discrimination.

These regional claims led to a strike at Shoprite in Zambia in June 2003 (Miller, 2004: 212–33). While the strike demands were around workplace issues and wages, these were pegged with a South African comparison in mind. The strike was fueled by the fact that Zambian workers are the lowest paid Shoprite workers in the region (Miller, 2004: 217). Miller concludes by emphasizing that these regional contradictions point to areas of strategic weakness in South African multinational corporations, and are potential sites of new, trans-border solidarities (Miller, 2004: 256).

Making a Living: New Forms of Work, New Forms of Organization

With the transition to a more open economy in the early 1990s, most industries in the Durban–Pietermaritzburg area “downsized” and retrenched, especially in those sectors vulnerable to cheaper imports, such as clothing, textiles, and leather. With the dropping of tariff barriers, and the flood of cheaper imports (both legal and illegal), largely from China, employment in the footwear industry in KwaZulu-Natal fell by 62 percent from 16,454 in 1989 to 6238 in 1999 (Mosoetsa, 2001: 191–2). This, Sitas suggests, led to the proliferation of new forms of informal work: first, “new hunter-gatherer type societies” among the urban poor, who survive by selling waste products and are often homeless; second, what he calls “new forms of servitude,” whereby individuals are forced to survive by being at the “beck and call of individuals who demand chores, duties, sexual favours, etc.”; and, third, there has been a growth of street traders and hawkers who “sell basic commodities to the black poor, memorabilia to tourists, and food to urban workers” (2001: 13–14). In 1997, it was estimated that there were 19,000 street traders in the Durban Metro Area (Grest, 2002: 6). These traders range from selling merchandise through to “bovine head cookers,” mainly women informal traders who occupy a stretch of pavement on the busy Warwick Avenue (Sitas, 2001: 19).

In informal work, unlike the formal sector, contracts are either nonexistent or unstable, and workers do not receive the non-wage benefits associated with formal sector employment (Unni and Lund, 2002: 7). Here we focus on independent, self-employed persons (i.e. own-account workers, who do not hire any paid workers on a regular basis such as street traders, including “car guards” and public phone operators) as well as “home workers.”¹³

Car guards operate in parking areas and generate an average income of R30 per day. They are “employed” by Car Watch, a company that provides them with a designated parking area and, in return for R7 per day, a coat with the company logo. They receive no protection on the streets and there are no toilets provided. Public phone operators, on the other hand, require more capital (R4750 to buy the phones and batteries), but earn R80 or more per day (Webster, 2003: 14–15). However, the largest proportion of the self-employed comprises of traders. Happiness, a widow with six children, is a typical example of a street trader. She sells curry and rice in Durban’s Warwick Avenue. She works from 07:00 until 19:30 every day of the week, including public holidays. She makes between R10 and R15 per day (Webster, 2003: 3–4).

In contrast to the self-employed on the street, who are operating in a “contested space,” those working from “home” find it easier to work cooperatively (Webster, 2003: 17). For example, the members of the Emzinyathia branch of the Self-Employed Women’s Union (SEWU) in the Kwamashu township have built a church where they worship on Sundays and use the church as a workshop during the week to make dresses. They buy the material in bulk from wholesalers and then travel together to other towns to sell the dresses. “I prefer working in this way than in a factory,” one woman remarked, “as I can look after the children at the same time, I can come and go when I please and I have the company of my friends” (Webster, 2003: 17). Most of those interviewed, however, work in their own homes making beads, preparing traditional medicines, sewing and crocheting, printing on cloth, gardening and chicken farming, and brick-making (Webster, 2003: 18).

How has organized labor responded to the emergence of these new forms of

work? While the main trade union federation, the Congress of Trade Unions of South Africa (COSATU), has adopted recommendations to organize “atypical” workers, it has been less successful in implementing them (Kenny and Webster, 1999: 238). This points to the limitations of industrial-style unionism in dealing with atypical workers. However, since the early 1990s innovative activists have been responding “on the ground” to the changing nature of work. Based on the model of the Self-Employed Workers Association (SEWA) in India, SEWU was formed in Durban in 1994 with the aim of representing the interests of self-employed and “survivalist” women engaged in the informal economy in both rural and urban areas (Webster, 2003: 11).

An important aim of SEWU is to empower home workers to improve their skills (Webster, 2003: 16–18). Indeed, an incentive for joining SEWU is that it gives members access to loans. They use their membership cards to apply for money from the Land Bank. The bank then transfers the money to their accounts. They do not need collateral and can obtain loans from R250 up to R18,000. Members use these loans to buy vegetables or materials. The branch meetings are used as training sessions, including training on how to tender successfully.

Through an effective campaign, in 1995 street traders were able to win from the City Council their demands for shelter, access to water, and clean toilets (Webster, 2003: 18). They were also able to negotiate for child-care facilities for street traders (a concession that is seldom made in the formal sector) and for a special market for traditional medicines. In addition, SEWU engages in advocacy work (Lund and Skinner, 1999: 34–6).

However, the key barrier to organizing self-employed workers is that they do not have an employer to negotiate with and, therefore, the bargaining leverage that arises from the dependence of the employer on their labor is absent. Horn (2002: 10) has quite correctly proposed that to grasp the self-employed workers’ “negotiating partner,” one needs to “identify the entity or authority responsible for the issues [you] wish to negotiate about – and that entity must then be approached as the negotiating partner for the demand(s) in question.” This requires a different kind of organizer and form of organization to that of a traditional union (Webster, 2003: 20–1).¹⁴

But while it is possible to reconceptualize the nature of control exercised over informal workers, the nature of the “counterpart” is quite different to that of the standard employer (Sudershan and Chen, 2002: 13). The self-employed are not selling their labor to an employer for a wage. As a consequence, the value of labor does not lie in a transaction with an employer; it is, as Kate Philip (2003: 242–3) argues, “embedded in the product or service that the business supplies, and if that product cannot be sold, then the value cannot be realised and members will earn nothing.” The implications of this observation are that where people are self-employed, “it is the viability of the business that sets the primary parameters within which choices have to be made, and that determine the constraints” (Philip, 2003: 242). From this perspective street traders are not “workers,” they are aspiring entrepreneurs who in the eyes of some, with access to capital, could be the key to the development of a “popular capitalism” in the developing world.¹⁵

It is unlikely that SEWU will prove sustainable on its own. Unless it is able to form coalitions with other informal sector organizations, and above all the labor movement, it is likely to stagnate and possibly disappear. In contrast to the attempts at organizing the self-employed into a traditional trade union, what responses have there been in the community to the employment crisis? Mosoetsa

(2003) demonstrates how household responses in Mpumalanga township include drawing on such social resources as networks, alliances, and formal and informal associations.¹⁶

The household is emerging, Mosoetsa suggests, as a site of “fragile stability” in response to the social crisis generated by unemployment and fueled by AIDS (2003: 6–8). The household has become a place that people retreat to. It is the major source for sharing economic resources such as housing and income through state grants such as old-age pensions, child and disability grants, and grants to those who have AIDS (Mosoetsa, 2003: 8).¹⁷ Households have become, Mosoetsa suggests, sites of production and reproduction, attracting poorer family members in search of security.

But these households are not homogenous, tension-free institutions. Sharp conflicts based on gender and generation emerge around the allocation of household resources (Mosoetsa, 2003: 7–8). Interviewees, Mosoetsa observes, often cited the loss of income through alcohol abuse by unemployed men in the household. Young women who receive child grants on behalf of their children are also accused of spending their grants for their own benefit only, especially on cell phones, clothes, and hairstyles. The power struggles that surround the allocation of resources threaten the potential benefits that these networks have in reducing individual and household insecurities. It also leads to high levels of interpersonal and domestic violence.

Households have also become places to hide poverty and, through links with rural households, a place to “hide away” those with AIDS (Mosoetsa, 2003: 8). In order to survive, household members extend their networks to include traditional organizations that have a long history in the community such as political parties and trade unions (Mosoetsa, 2003: 8–12). However, these organizations have declined in significance, and in the case of trade unions, many of those interviewed felt they had been betrayed and the unions were no longer committed to their members (Mosoetsa, 2003: 9–11).

The inability of these organizations to deal with the magnitude of the social crisis facing the community has led to religious organizations playing a central role in “healing, community building and teaching” (Mosoetsa, 2003: 11). Older women in the churches are central in house visits to care and pray for the sick, and offer comfort and support for bereaved families after funerals (Mosoetsa, 2003: 11). In addition to the established denominations, new religions and religious organizations have emerged over the past decade, such as the “Universal Church” and Islam. The benefits for the poor in joining the latter, Mosoetsa argues, are that it provides free funeral costs and schooling for children (Mosoetsa, 2003: 11).

With declining household incomes, members are no longer able to make monetary contributions to *stokvels* (see Note 3) and burial societies, and instead, offer “in-kind help such as cooking and baking and lending the bereaved family dishes and pots during funerals” (Mosoetsa, 2003: 12). The nature of such relationships is based on reciprocity “and those households that are known for helping others get more support from the community than those who do not” (Mosoetsa, 2003: 12).

Over the past three years there has also been a rapid growth of a new form of social activism that is decentralized, multiform, network oriented, and globally connected. Some of these movements, such as the Treatment Action Committee (TAC), draw on the rights-based discourse of the new constitutional order to bring

about a shift in power, with their appeal to the constitutional court for the provision of anti-retrovirals.

Desai (2002) has eloquently captured the struggles of these movements. He shows how a new wave of activism culminated in the establishment of the Durban Social Forum to coincide with the World Anti-Racism Conference in August 2001. This new movement emerged out of a confrontation over rent evictions between the residents of Chatsworth, a township created for Indians during the apartheid period, and the elected ANC Durban Metro Council. It broadened its base to Mpumalanga in 2000, forming the Mpumalanga Concerned Citizenship Group (MCG), an affiliate of the Concerned Citizen Group (Mosoetsa, 2003: 12–13). The main focus of the MCG has been resistance to the installation of water meters in the township and the system of cost recovery, which residents say they cannot afford. It led in April 2001 to protest marches by the community and the discontinuation of water supplies to these households (cited in Mosoetsa, 2003: 13).

Conclusion: The Flexible Worlds of Work

While at a broad level the imperatives of an increasingly global system of accumulation are profoundly changing employment relations, there is no unilinear response to liberalization. Instead, we have identified “*multiple trajectories*” that suggest a more complex outcome than the “radical” notion that the world is moving inexorably toward a utopian vision of a homogenous, integrated global economy.¹⁸ However, the intensification of competition is increasingly shaping the worlds of work. There are those workers benefiting from the opportunities of liberalization, such as BMWSA’s employees and, to some extent, the Zambian workers who get better jobs through South African investment. Then there are those workers, such as those in casual or outsourced work, as in the domestic appliance sector and Shoprite, who are forced to accept worse working conditions because of intensified competition. Lastly, there are those in sectors such as footwear whose jobs have disappeared altogether and who are forced survive in informal activities.

To understand these multiple trajectories, we need to distinguish between “earning a living” (regular paid employment) and “making a living” (creating your own job, as well as unpaid activities such as child care and the production of food, either for subsistence or for the market). Importantly, these activities are shaped by gender and generation, as it is women (and old women in particular) who are doing the “unpaid” labor in the household, finding water because of disconnections, and carrying the burden of cutbacks in health expenditure.

In early development policies, there was an idea that there is a high level of “disguised unemployment” in developing countries (Wield and Chataway, 2000: 120). The implication of this approach is that people have lots of time on their hands and could be drawn off and used for new development projects. Our research suggests that women in particular have high workloads, and that many households are involved in varieties of forms of work, some of which involve monetary reward and others that do not. As Wield and Chataway (2000: 121) argue:

Many development projects have been criticized because they have targeted those who already work very hard. Put simply, they do not have much extra spare time; rather they need assistance in increasing their productivity of labour and thus their output, without further intensification of work!

Significantly, there are signs that government is shifting away from a narrow focus on global integration to the idea of a “dual economy.” In his February 2003 State of the Nation Address, President Thabo Mbeki invoked the concept of a “dual economy,” describing it as a “structural fault”: “The one is modern and relatively well developed. The other is characterised by underdevelopment and an entrenched crisis of poverty” (Mbeki, 2003). The existence of a “second economy,” he suggested, is structurally disconnected from the “first economy” and is incapable of self-generating growth and development. What is required, the government has proposed, is state intervention through a series of programs such as micro-credit for the poor, agrarian reform, intensified skills development, the extension of public services, and a “massive public works programme.” In other words, there is a need to transfer resources to the “second economy” and empower the working poor and those in the informal economy.¹⁹ Through these programs the government believes the “second economy” will end its marginalization and become part of the “first economy.”

While this shift in discourse by government is important, our research findings challenge the idea of a “second economy.” Instead, our case studies suggest that the informal economy is largely dependent on the formal economy, and is connected to the “first economy.” There is no “Chinese wall” between those who “earn a living” and those “who make a living.” Men and women move between these categories and households provide “fragile stability” for the “unemployed,” the sick, informal workers, casual workers, and if they are fortunate, those with a regular paid job.

The challenge facing those “making a living” arises from the fact that they are in a subordinate position within the economy and lack access to financial resources and market information, not that they belong to “a separate economy.”²⁰ This increasing inequality in the labor market is, sadly, a global phenomenon (Harriss: 2000: 340–1). The varieties of work that are emerging are captured in the conceptual framework shown in Figure 1.

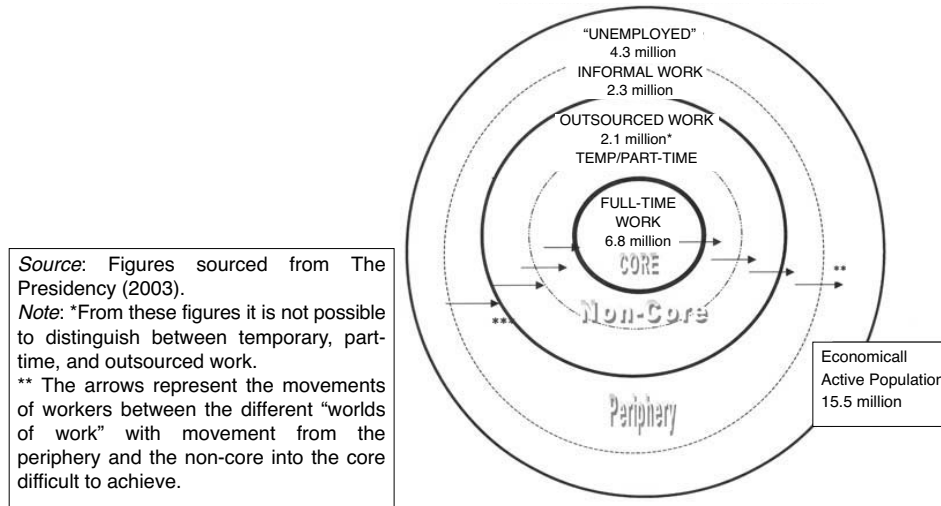


FIGURE 1. *The flexible worlds of work*

The crucial point is that the flexible worlds of work are not horizontal; they are stratified into a hierarchy of access to assets and resources that includes some and excludes others. This hierarchy is reinforced by a new work paradigm which encourages enterprises to distinguish between a core of indispensable workers and a growing pool of casual and sometimes dispensable workers. Thus the new workplace is paradoxical for labor in that, on the one hand, it strengthens the rights of labor, while it erodes them and bypasses the new labor market institutions on the other.

Liberalization has polarized the labor market by increasing the resources to the 6.8 million in the “core” (the first economy), while at the same time reducing the resources of those 2.1 million in the intermediate category of the “non-core” (or atypical work). Those in the “periphery” (the second economy) consist of the 2.3 million workers in informal work and the 4.3 million “unemployed.” The figure of 11.2 million jobs that the government claims have been created between 1995 and 2002 is derived from adding informal work, atypical work, and full-time work. In other words, street traders, car guards, home workers, and casual workers in retail are all counted as employed.²¹

As they grapple with the flexible worlds of work, trade unions lose their capacity to provide a voice for the “new working poor,” and face a “crisis of representation.” The rights of a growing number of formally employed workers are increasingly under threat from those workers who are either outsourced into precarious and lower paid jobs (what we describe in Figure 1 as “non-core”) or are retrenched and attempt to survive in the “second economy” (or what we describe in Figure 1 as the “periphery”).²² For the new working poor, trade union rights do not exist and they have no representation in the new labor relations system. For many in this new social group, “work” does not involve a regular income: in fact, for many there is no income at all, but rather “payment in kind.”

In his classic study of the disruptive social effects of rapid marketization, Polanyi speaks of a countermovement for the “protection of society,” what he called the “double movement” (2001: 130). In other words, as the pendulum swings toward the “commodification of labour” it provokes strong countermovements demanding protection. Indeed, a number of contemporary analysts have seen in the growth of an anti-globalization movement the beginnings of such a countermovement (Munck, 2002).

Is there evidence of this kind of alliance between popular organizations, the new social movements, and organized labor emerging in South Africa that could constitute a “countermovement”? Our case studies provide conflicting evidence: on the one hand, there is a crisis of representation among traditional trade unions; on the other hand, strikes and protests are emerging for the first time among casual workers and new forms of organization are emerging among the self-employed and in the region.

But to pose the question in this way presupposes that Southern Africa is “wedded to the meta-narrative of proletarianisation,” whereby rural cultivators and the self-employed all come together in the city and, deprived of their access to the means of production, become full-time wage laborers and collectively challenge capital through the formation of industrial unions and revolutionary parties (Cooper, 2001: 12). Whether such a combination of workplace struggles and backlash resistance to the growing commoditization of labor and social services emerges remains to be seen.²³

What our case studies indicate is that work and employment in Southern Africa

do not fit a linear model of “proletarianisation” (Cooper, 2001: 14). Instead, we see the reconfiguration of the old, whereby racially based systems of colonial authority persist side by side with radically different employment relations and new forms of informal work. But “making a living” and “earning a living” are not binary opposites; they are linked and the boundaries between them shift over time. It follows that an effective strategy to transform the lives of the working poor requires a coalition of working people that goes beyond traditional trade unions and is sensitive to the multiple trajectories of work and employment in Southern Africa. Whether we have identified in this research the embryo of a Polanyian countermovement is too soon to judge. What is clear is that social researchers will not be able to answer this question unless they root their research in “what is actually happening in Africa.”

Notes

1. Harriss (2000: 325–42) provides a useful analysis of the key issues in this debate.
2. The significance of protectionism, and the extent to which it really protected local industries, is a matter of ongoing debate (Bell, 1995).
3. Of course, informal work among African workers in the towns was widespread during colonial and apartheid times in Southern Africa. As Callinicos (1987: 200) describes in her award-winning study of working life under apartheid: “The black workers’ culture of survival – the informal economy, crime, the sharing of resources through *stokvel* groups, the making of money from selling drink to black workers – subsidised the wage of the black worker.” It should be noted that a *stokvel* is an informal saving scheme common in the Black community, whereby members pool contributions on a regular basis and give the total amount to members in rotation.
4. I would like to thank Teddy Brett for the point about the central importance of international competition. However, I would not go as far as he does in putting the logic and demands of capitalism at the center of the analysis as it leads him to argue in a deterministic way that capitalism “imposes a very specific set of institutional arrangements on all the societies [where capital is dominant]” (Brett, 2004).
5. This comment was made at a conference in 2004 by Alec Erwin, the current Minister of Trade and Industry, reflecting on the transformation of the local motor industry over the past decade (Claasen, 2004).
6. The study is based on 23 in-depth interviews with shop stewards at the BMWSA plant in Roslyn, South Africa between July 2001 and December 2002.
7. The household appliance study is based on 70 semi-structured interviews with workers, supervisors, and managers in seven plants in South Africa, Swaziland, and Zimbabwe between August 2001 and May 2003.
8. During the 1990s, imports of domestic appliances far exceeded exports, with a dramatic increase in Korean imports (Bezuidenhout, 2002b: 8–9).
9. Importantly, Korea combined export orientation with continued protection (Wade, 1990).
10. The study of Shoprite South Africa is based on 60 life-interviews with retail sector workers and managers from one of three supermarkets in Kempton Park, near Johannesburg.
11. “Casual” employment involves working less than 24 hours per week, without benefits or job security.
12. The study of Shoprite Zambia is based on 49 in-depth interviews in the Manda Hill branch of Shoprite in Lusaka between July 2001 and September 2003.
13. Between December 2002 and December 2003, eight biographies of the lives of self-employed workers were developed, together with 15 in-depth interviews with home workers.
14. Sanyal (1991) has attempted to identify the bargaining leverage of informal workers by identifying the various axes of “commonality” and axes of “discord.”

15. This is not, of course, the view of Philip (2003), who favors forms of economic cooperation, but it certainly is the view of the World Bank's favored consultant Hernando de Soto (De Soto, 2000).
16. The study of the community of in Mpumalanga township in KwaZulu-Natal is based on in-depth studies of 13 households in 2002 and 2003.
17. Monthly social grants vary: the old-age pension is R640, the disability grant is R640, and the child grant for unmarried mothers is R140.
18. It is striking how much the flaws of modernization theory parallel those of theories of globalization (Cooper, 2001: 196–7). Both assume that the processes they describe are spontaneous, inevitable, and universal. All the developing world has to do is catch up with the developed world!
19. The notion of a dual economy first emerged in the 1950s, providing the basis for modernization theory, with its notion of a sharp distinction between the “traditional” and the “modern” (Cooper, 1996: 376–80).
20. Of course, not all those who are on fixed-term contracts are in a weak bargaining position. In general, however, South Africans seem to lack a culture of entrepreneurship (*Business Day*, 2004.)
21. The issue at stake here is not whether these new jobs are “good jobs,” but what proportion are bad jobs. See Erwin's response to this (*Financial Mail*, 2004: 11).
22. It is important to recognize that a paradox exists on employment data. While the number of jobs has grown over the period 1995–2002 (by 1,600,633, if we include atypical work, according to the Labour Force Survey), the number of unemployed has grown at a faster rate (2,361,834). This is because the economically active population has increased, including older adults and African women, many of whom are recent migrants from rural areas (The Presidency, 2003: 96).
23. Silver (2003: 26) suggests that the labor movement is being recast globally through a combination of Marx-type (i.e. workplace unrest) and Polanyi-type labor unrest (i.e. mass protests).

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