Largest Strike In South Africa's Auto Industry Occur

[AN] The rising waves of labor unrest in South Africa, which earlier this year hit the metal industries and mines in the Transvaal Province, have in the last month been beating against the strategic automobile industry of eastern Cape Province.

Auto workers are among the best organized of South Africa's black workers, and the current disputes are considered a critical test of the black unions' strength at a time when employers are resisting wage hikes and announcing lay-offs because of a recession.

In the last two weeks of July, over 10,000 auto workers were on strike at Ford, General Motors and Volkswagen plants in Port Elizabeth and Uitenhage. And though work was resumed in early August, a series of walkouts prompted Ford Motor Company to close its four plants on August 10 for a ten-day period. The action by Ford, which serves as the informal leader of the companies in the 'industrial council' (an umbrella body for negotiations), came after the breakdown of talks with the National Automobile and Allied Workers' Union (NAAWU).

Week before last, Ford's industrial relations director, Fred Ferreira, also announced that the company was laying off 507 production workers, approximately one-tenth of the total, because of expected decline in demand for new cars.

Sales of cars and commercial vehicles were up some 10% in June over the previous year, considerably higher than earlier predictions. But industry analysts still expect substantial declines in sales later in the year.

The auto industry has been the scene of black labor activism on a rising scale for several years. Though the concessions made by management have fallen far short of union demands, Ford and other companies have gained a reputation for enlightened labor practices because of their acceptance of the necessity to deal with black unions.

In 1978, Ford became the firt U.S. company in South Africa to recognize a black union, the United Auto Workers' Union (the predecessor of Naawu). In November 1979, some 700 workers went on strike at Ford after the company dismissed Thosamile Botha, a leader of the Port Elizabeth Civic Organization.

In 1980, a strike of more than 3,000 workers at Volkswagen was called over wages, resulting in a 25% increase in the minimum wage paid. In 1981, some 1,000 auto workers walked out in sympathy with employees dismissed at a Firestone tire plant. And this year a number of smaller sporadic walkouts preceded the major action in July.

The July 15 Naawu strike, which hit Ford, GM and Volkswagen simultaneously, came over union demands for an increase in the basic wage for unskilled workers from $1.75 an hour to $3.06 an hour. The employers were offering a far smaller raise, to $1.88 an hour, and they broke off further negotiations until workers resumed production.

Talks did resume briefly after strikers returned to their jobs a week later. Fred Sauls, the Naagwu general secretary, said that the union had offered a compromise of $2.20 an hour, with a commitment to attain the $3.06 target within 18 months. But when management refused to budge, the walkouts began again, and Ford closed its plants.

Some 3,000 members of the rival Motor Assembly and Component Workers' Union (Macwusa) refused to support the strike. Government Zini, Macwusa organizing secretary, said they could not support any action which involved acceptance of the industrial council as a framework for negotiations.

The disagreement between Macwusa and Naawu highlights divergent views within the black trade union movement as a whole over the proper stance to take toward such government-created labor relations institutions as the industrial council system, which imposes industry-wide negotiations within an official framework. In early July, some 11 black and non-racial trade unions and union federations met in Port Elizabeth for the third in a series of unity "summits," but no agreement was reached.

Observers said two camps were apparent within the gathering. One includes the Federation of South African Trade Unions (Fosatu), which includes Naawu, the General Workers Union and the Food and Canning Workers Union. These groups support taking advantage of what options there may be in new labor regulations, but they have also frequently been militant in supporting wildcat strikes. The other grouping, which at the Port Elizabeth meeting included Macwusa and the South African Allied Workers' Union (Saawu), has attacked all alliances with unions that accept government registration or membership in industrial councils.

The first camp, which has affiliated as many as 120,000 workers, believes that its critics' insistence on rigid principles has little support among ordinary workers, and that it is more important to focus on workplace organizing than on confronting the South African state directly.

Whatever viewpoint wins out, there is little doubt that the black trade movement, as well as the incidence of strikes, will continue to grow for the foreseeable future. According to South Africa's National Manpower Commission, the number of strikes grew from 101 in 1979 to 207 in 1980 to 342 last year, with the pace this year making likely an even higher total. The number of workers involved increased from some 15,000 in 1979 to 56,000 in 1980 and 84,000 in 1981.

One potentially explosive dispute, also in the eastern Cape, is between the General Workers' Union and the South African Transport Services (SATS), a division of the state-owned South African Railways and Harbours. The GWU has already won recognition from stevedoring companies at the four major South African ports — Cape Town, Durban, Port Elizabeth and East London — and has also been recruiting black railway workers within the docks. The GWU says it represents some 1,100 SATS employees at the Port Elizabeth and East London docks, but SATS refuses to talk with the union, maintaining that its black workers are represented only by the "in-company" union, the Black Staff Association.

A failure to recognize the union could lead to action by the well-organized stevedores and to support overseas in the form of a boycott by the International Transport Workers Federation against South African shipping. And a ports shutdown would have serious consequences for other industries as well. In fact, Ford's Ferreira in June commented publicly on the dispute, which he termed one of national importance, urging SATS to show flexibility and attempt to reach an accommodation with the GWU.

The GWU has, in addition to its demand for recognition, called for a stop to harassment of its organizers by railway police. The union also filed a court case to change a SATS regulation that classed all black workers as "casual," and thus subject to firing on 24 hours notice. In June, SATS decreed a new classification of "regular workers" for some 84,000 of the 155,000 black employees, requiring longer notice and grounds for dismissal. Contract workers, who generally do not have urban resident rights, would not be eligible for the new classification, and no blaks would yet be able to become "permanent workers" on the same basis as whites.

Presenting the Mindfire award to Edison Lara, center, president and general manager of Westside Distributors, Los Angeles, are Bill Jones, left, area manager for Anheuser-Busch, and Vincent Bryson, area development manager for the United Negro College Fund. The award is presented to the Anheuser-Busch wholesaler in each region for outstanding effort in conjunction with the Lou Rawls Parade of Stars.

U.S./Liberia
Doe Stresses Business

WASHINGTON [AN] On his first official visit to the United States, Liberian head of state Chairman Samuel Doe is mounting what amounts to a full-court press for increased private investment in his country.

After starting his two week visit in New York August 14, he met with President Reagan on August 17 in Washington. Their session opened on an awkward note, as Reagan referred to the Liberian as "Chairman Moe" during a picture-taking session with reporters. But later both leaders spoke positively of the close relations between their nations. "Clearly, a firm bond unites Liberians and Americans," Reagan declared. And Doe said he had been assured of "America's understanding and support for the fulfillment of the objectives of our revolution."

Speaking the next day at a colloquium at the Georgetown Center for Strategic and International Studies, Doe cited U.S. investments of $1½ billion and said that Liberia "needs a greater contribution to the rehabilitation and training of our people." And at the same time, he declared, "American investors can reap greater profits."

Liberia has one of the most liberal investment policies in Africa. While the government would like Liberian businessmen to have a 25% participation in investment projects, Doe pointed out that this is "not a strict rule."

Doe spoke briefly, and he limited the discussion to economic and development issues. When asked to comment on his absence from the OAU summit, he refused.

The bulk of the discussion was carried on by Planning and Economic Affairs Minister Emmanuel O. Gardiner, and by Dew Tuan Wreh Mayson, chairman of Liberia's National Investment Commission. Both men were part of the high-level delegation accompanying Doe, which included Foreign Minister H. Boina Fahnbulleh, and finance Minister G. Alvin Jones.

According to Gardiner, Liberia "has not had new investment for two years." One explanation, Mayson said, was global recession and inflation, but it was clear that an equal or greater part of the problem was, as Gardiner put it, a "drop in investor confidence" after the May 1980 coup which installed Chairman Doe.

According to Gardiner, Liberia has now embarked on a "deliberate strategy" of developing Liberia as a base for economic activities throughout west Africa. An "export free zone" has been established, and countries are being invited to manufacture and export throughout west Africa. The aim, according to Gardiner, is to get around "the smallness of the local market, which is a major constraint on investors."

This month, a complete development plan will be published. Several corporate representatives said they agreed with Firestone representative Bernard Frazier, who remarked that his company is "fairly comfortable with the political scene" in Liberia and intends to stay.

Doe left the meeting early for a session with Pentagon officials. The remaining Liberian officials said they plan to hold an investment seminar in the United States in early October.