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DIRECTORATE OF INTELLIGENCE 2 June 1986

South Africa: Prospects for an Extended General Strike

Summary

Unless racial conflict intensifies significantly in South Africa, we believe a nationwide general strike lasting more than one week is highly unlikely. Despite the success of this year's May Day action, the black labor union movement remains divided and a large pool of unemployed blacks affords companies recourse to massive dismissals. Moreover, most black labor leaders clearly recognize that the South African Government would respond to a lengthy general strike by detaining organizers, banning troublesome labor unions, and cutting food supplies to black townships.

This said, the black labor movement has organizational strength unprecedented among black groups in South Africa. If some event—such as the death in jail of African National Congress leader Nelson Mandela—were to catalyze black support for a long general strike in spite of the likely consequences, we would expect severe repercussions for the national economy. We believe, without its black workers, South Africa probably could not sustain export production, especially in the critical mining sector. As a stalemate strike dragged on, declining export earnings, erosion of foreign investor confidence, and a slump in the exchange value of the South African rand would hasten the advent of a siege economy. Meanwhile, domestic production would hobble along on a near—war footing, with many companies substituting white teenagers,

| African Affairs by | for Charles Freeman, Deputy Assistant Secretary of State for of the Office of African and Latin American Analysis. |
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| housewives, and security force members for unskilled black labor. In our judgment, this temporary labor force—combined with commercial stockpiles of goods—probably would save the economy from complete | · |
| collapse, at least during the initial months of a strike. | NR |
| Faced with an extended nationwide general strike by black workers, President Botha would respond with harsh security measures, perhaps combined with some economic and political concessions intended to weaken the resolve of striking workers. Such a strike undoubtedly would energize rightwing opposition to the government, but, on balance, we believe rising anxiety among whites about their security would lead most Afrikaners—and many English—speaking whites—to rally around the | |
| government. | NR |
| Short of an extended nationwide general strike, significant economic repercussions may occur as a result of more limited strike activity. An increase in short strikes and work boycotts already appears to have hurt export earnings and business confidence enough to help set back a | |
| budding economic recovery. | NR |
| * * * | |
| The emergence last year of a new labor federation that claims to represent some 60 percent of unionized blacks, and a massive one-day work stayaway on 1 May 1986 by some 1.5 million workers raises the issue of South Africa's vulnerability to general strikes. This typescript examines the prospects for a lengthy general strike, its implications, and the outlook for more limited strike activity. | NR |
| Prospects for a Lengthy General Strike | |
| We believe that a lengthy general strike is highly unlikely under current conditions. In our judgment, the prospects for an extended general strike ultimately hinge on how black labor leaders assess the likely costs and benefits of such action, including their ability to win continued support for a strike from rank-and-file workers in the face of | |
| what almost certainly would be harsh government repression. In assessing the likely consequences of a general strike, black labor leaders are likely to consider South African labor history, the organizational strength of the black labor union movement, and potential white counterleverage—and be dissuaded from such a risky enterprise. We believe that these black labor activists would conclude that only one or two-day work boycotts—staged as largely symbolic actions to pressure the government for reforms, | |
| mobilize black political activism, and attract international attention—are cost-effective in the current political climate. | NF |
| Cautious Lessons from History. A review of South African labor history offers little encouragement for black labor leaders contemplating an extended general strike. Black groups have protested government policies with some 30 local or national general | |

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Although South African labor history includes many examples of general strikes by black workers, general strikes that are well-supported and widespread rarely have lasted longer than 2 days. The tolerance that employers and the government sometimes have shown for short politically-motivated strikes usually has evaporated quickly. Indeed, historical documents show that each of the four previous major periods of intensified black labor unionism in South Africa has ended abruptly as growing political activism has led Pretoria to arrest labor leaders and suppress troublesome unions (see Figure 1).

to dock participating workers for one day's pay.

instances where blacks believe that they are less likely to be summarily fired or arrested for participating. For example, prior to the 1 May 1986 work boycott, many employers had indicated they planned only

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Organizational Strength. In our judgment, the unprecedented size of the black labor union movement has enhanced its ability to sustain an extended general strike.

we estimate that black union membership has doubled to one million workers since the end of 1982. The majority of these unionized blacks belong to the Congress of South African Trade Unions, a new labor federation that claims a total membership of some 650,000 workers (see Figure 2) and has promised to

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* For information on past general strikes, see Appendix.

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| use its economic leverage to seek political gains for nonwhites. Of particular significance within COSATU is the National Union of Mineworkers, which now represents some 250,000 black miners; blacks in this key sector until recently had lacked a union for nearly | |
| 40 years after the government crushed the African Mineworkers Union. | NR |
| To yours diver the gereinment or and a | |
| In addition to improved numerical strength and organizational unity, the black labor movement has been launching more strikes and employing more sophisticated tactics. Strike activity—most of it motivated by workplace issues rather than political | |
| concernshas risen dramatically over the past few years, | NR |
| Some recent strikes have incorporated factory sit-ins intended to disrupt | |
| 50me recent strikes have incorporated factory sit in a find more earlier this year | NR |
| production, including an underground sit-in staged in a large gold mine earlier this year. | |
| Others have been accompanied by consumer boycotts of the products of companies | |
| involved in labor disputes. | NR |
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| Despite these organizational gains, black labor still has deep fissures which we believe would widen in the event of a serious call for an extended general strike—thus making it less likely leaders would call such a strike. Even within COSATU, for example, | |
| tactical and ideological differences persistespecially over the extent to which the new | NR |
| federation should pursue political versus economic objectives, | INIX |
| Outside COSATU, divisions are even sharper, with several union leaders | NR |
| expressing dismay over COSATU's political rhetoric. We believe that black labor leaders, | INIX |
| expressing distinay over COSATO 5 pointed meteric. We believe that block in a direct | |
| on balance, would be wary of risking hard-won organizational gains in a direct | |
| confrontation with the South African Government that almost certainly would precipitate a | |
| harsh crackdown on participating unions. | NR |
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| White Counterleverage. From the perspective of black labor leaders and rank-and-file workers, one of the strongest arguments against attempting an extended general strike is the likely response from the whites. | |
| Companies undoubtedly would try to break a general strike by | |
| threatening—and quickly carrying out—mass dismissals of participating | |
| threatening—and quickly carrying out mass dismissals of participating | |
| workers, a credible threat in most industries given that the black | |
| unemployment is about 30 percent nationally and as high as 60 percent | |
| in those parts of the country hit hardest by recession, according to | |
| academic studies.* | |
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| Government security forces have considerable discretion in | |
| detaining strike organizers, and security legislation affords the | |
| government ample latitude to ban unions or other groups organizing | |
| | |
| a general strike. | |
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| * Despite a court ruling last year that offers workers some protection from mass | |
| dismissals during the first few days of legally-sanctioned strikes, blacks would have no | |
| legal protection from mass firings in the case of a general strike, according to reports in | |
| regar protection from mass inings in the case of a general strike, according to reports in | NID. |
| the South African financial press. | NR |
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| If needed, security forces could seal off townships to prevent food and other goods from reaching striking workers. With little in the way of strike funds or stores of food, black workers probably could not sustain a lengthy strike. | |
| Pretoria could offer economic or political concessions in an effort to defuse anti-government feelings and sow internal divisions among striking workers. | NR |
| Implications of an Extended General Strike | |
| We believe black labor leaders recognize the difficulties involved and are unlikely to call a long general strike. Under a scenario where a lengthy nationwide general strike nonetheless occured, the impact on the economy would be considerable. Moreover, developments surrounding and sustaining such a strike—cohesiveness in black opposition, inability of the government to starve blacks out of the townships, and attendant heightened violence—almost certainly would create a sense of immediate crisis among | |
| whites. | NR |
| Economic Impact. The potential economic implications of the implied massive cuts in the available work force and export earnings are staggering, and far outweigh the consequences of any plausible economic sanctions scenarios, in our judgment. Black workers constitute 70 percent of South Africa's economically-active workforce, and are especially important in mining, manufacturing, and construction, according to government statistics (see Figure 3). Without black labor, whites probably could not sustain significant mineral production, which accounts for 76 percent of South African export earnings, including mineral products such as steel, according to our estimates based on | |
| government data. for example, white employees at the Phalaborwa copper mine failed in their efforts to sustain production during the 1 May work boycott this year, and a white supervisor was killed accidentally while attempting to | NR |
| use mining machinery with which he was unfamiliar. | NR |
| A lengthy general strike would isolate South Africa internationally. To date, largely symbolic Western economic sanctions have cut South African fruit, gold coin, and coal exports, but left the vast bulk of its foreign trade intact. Declining creditor confidence has limited the country's access to international credit, and some foreign investments are being withdrawn. South Africa has yet to experience the sort of economic siege that | |
| Rhodesia faced in the last couple of years before majority rule, but it appears headed gradually in that direction. By contrast, a general strike would bring South Africa quickly to a state of economic siege, slash export earnings, and prompt many companies and individuals to use extralegal means to get funds out of the country. As a result of falling exports and rising capital flight, the value of the South African rand would slump. Pretoria probably would respond by freezing all legal capital outflows. In addition, | |
| repressive tactics intended to end the general strike likely would precipitate tougher Western economic sanctions. | NR |
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Political Impacts. We believe that President Botha would respond to a lengthy general strike with tough security measures in an attempt to break the unity of the strikers. His exact response would depend on how events unfolded--particularly if the strike were coupled with random attacks on whites--but we believe that his primary concern would be to avert a general insurrection. The government probably would use its maximum security response, including mobilizing Army and police reserves, who could be used as factory labor if not needed immediately for security purposes. If necessary to break the strike, Botha would be likely to promise, at least as a tactical step, far-reaching concessions, possibly including an offer of some form of power-sharing to blacks.

machinery.

A general strike probably also would add to the growth of rightwing opposition forces, including both those groups participating in Parliament--the Conservative Party (CP) and Hertistge Nasionale Partie (HNP)--and those vigilante groups remaining outside formal political process, especially the Afrikaner Resistence Movement (Afrikaner Weerstandsbeweeging, AWB). On balance, however, we expect that the immediacy of the security threat would cause most Afrikaners and many English-speakers to rally behind the government and its efforts to break the strike. In our view, the growth of rightwing opposition, to a large extent, reflects the fears of some Afrikaners that President Botha's reform program may jeopardize their future--both as a people and as individuals. These rightwing groups generally have less quarrel with Pretoria's response to security issues. Indeed, along most other whites, they tend to applaud forceful suppression of black unrest and foward strikes against African National Congress (ANC) intallations in neighboring states.

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Impact of Narrower Strike Activity

Although we judge a lengthy general strike to be highly unlikely under current conditions, we believe that the recent upsurge in strike activity—including short politically—motivated work boycotts, wildcat strikes, and legally—sanctioned labor disputes—already has hurt a fragile economic recovery. Based on preliminary data, record—high strike activity in the mining sector appears to have impacted on gold production. Likewise, according to data compiled by local business groups, the confidence of South African investors declined in March and April, coincident with the upsurge in work boycotts. In our view, these trends probably explain a fall in first—quarter 1986 GDP after a fourth—quarter 1985 upturn; most other factors—such as higher export prices, lower interest rates, and progress in rescheduling South Africa's short—term foreign debt—had pointed to a continued economic recovery.

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Figure 1. Chronology: Four Waves of Black Labor Activism, 1918-1976

1918-1930

The first significant black union, the Industrial and Commercial Union (ICU), is formed and calls unsuccessful dock strike over wages. Membership reaches 100,000 by 1927 as ICU becomes increasingly political. ICU founder Clements Kadalie is arrested in 1930, and black union activity effectively collapses.

1938-1946

Trade Union Coordinating Committee is formed as a loose black labor federation, and gives way to the more formal Council of Non-European Trade Unions in 1942. Union membership grows rapidly, reaching 158,000 by 1945, as labor movement again becomes increasingly political. Illegal strike by 74,000 black miners results in arrests that weakens significantly the black labor movement.

1954-1961

South African Congress of Trade Unions (SACTU) formed in 1954 as labor wing of Congress Alliance, claiming a peak membership of about 100,000. A smaller politically-oriented black labor federation, the Federation of Free African Trade Unions of South Africa (FFATUSA), is formed by black nationalists in 1959. SACTU functions briefly in the early 1960s as front for the African National Congress and the South African Communist Party following the banning of the ANC. The arrest and banning of activist union leaders and the burden of repressive legislation contribute to effective collapse of SACTU and FFATUSA in early 1960s, though remanants of SACTU continue to survive in exile.

1972-1976

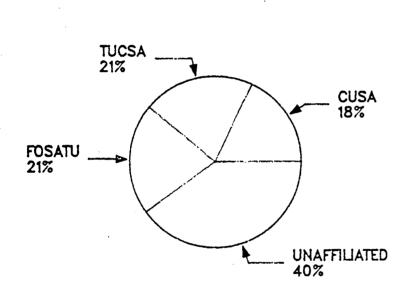
The Trade Union Advisory Committee, a black labor coordinating body, is formed in Natal Province in 1972. A spontaneous outburst of strikes in Natal the following year adds to black organizing efforts as six new black unions emerge. Total membership in black unions reaches a peak of nearly 60,000 in 1975. Following the riots that began in Soweto in 1976, however, Pretoria cracks down on black political activism, banning 26 individuals involved in the black labor movement.



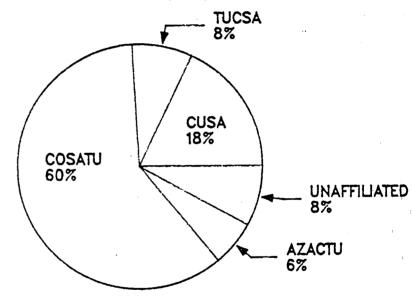
Figure 2.

South Africa: Estimated Black Union Membership

1982 Total: 500,000



1986 Total: 1,000,000



KEY: AZACTU: Azanian Congress of Trade Unions

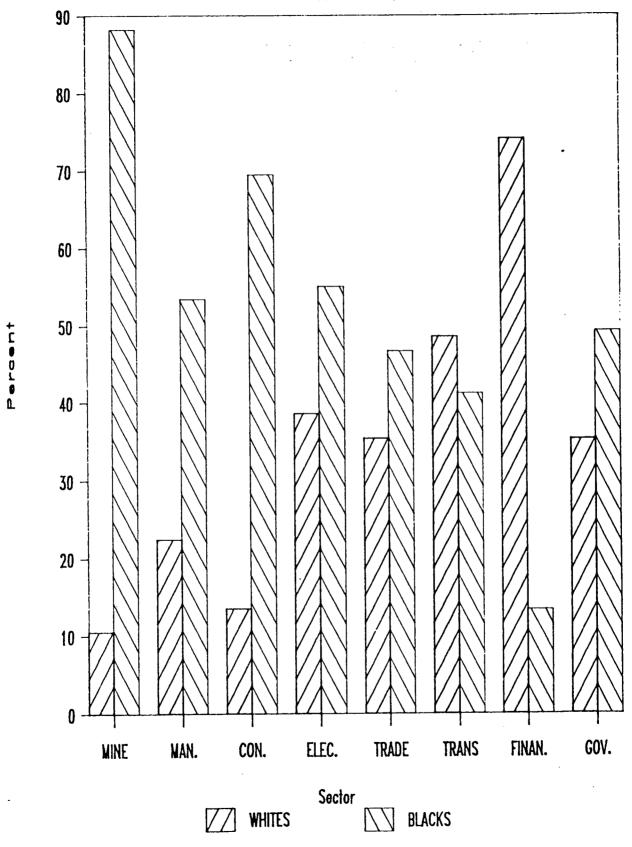
COSATU: Congress of South African Trade Unions

CUSA: Council of Unions of South Africa

FOSATU: Federation of South African Trade Unions

TUCSA: Trade Union Council of South Africa

FIGURE 3: Employment by Race



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Appendix

South Africa: Notable General Strikes, 1946-1986

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1946

An African Mineworkers' Union (AMU) strike by some 60,000 black miners leads the Council for Non-European Trade Unions (CNETU) to call for a week-long general strike in sympathy. Police raid AMU headquarters and arrest leaders. Underground sit-in strike broken with 12 dead and 1200 injured, according to academic studies. Massive police presence in townships used to break general strike. Crackdown weakens black labor movement and effectively destroys AMU, isolating black miners from significant union organization for 36 years.

1950

Two one-day work boycotts are called for 1 May and 26 June. May Day strike is called to protest wide-ranging security legislation and low wages. Strike call apparently is well-supported in Transvaal Province, and 18 people die in clashes with police. Second 1950 work boycott called to protests deaths. This time, support apparently is weak in Transvaal, better in Port Elizabeth and Durban. The strikes are organized from with townships rather than workplace.

1952

Well-supported one-day work boycott is called in Port Elizabeth area to protest laws limiting black movement, residency, and political rights.

1957-1958

One-day strike in Johannesburg and Port Elizabeth is called by South African Congress of Trade Unions (SACTU) in 1957 primarily to push for minimum wage. The 1957 strike receives good support, but turnout is comparatively poor for similar strike in 1958. The later strike suffers from confused signals, with initial week-long strike call being pared to 3 days, and then called off after 1 day. Lack of labor union involvement also hampers strike.

1960

A series of work boycotts begins on 21 March. Initial impetus is a campaign by the Pan Africanist Congress against laws restricting black mobility, but the killing by police of 69 protestors at Sharpeville near the steel town of Vereeniging becomes a cause for additional strike activity. In Vereeniging, smaller industrial and commercial establishments are affected by a 10-day strike, but the steel and metal industries maintain production. A strike by as many as 60,000 black and Colored workers in Cape Town slowly gains momentum, and stretches over 20 days. Cape Town industry is brought to a standstill. Police and army units are used to cordon off nearby townships, and some 1500 people are arrested. Elsewhere, a one-day work boycott on 28 March is widely observed in Johannesburg, Durban, and Port Elizabeth.

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| Three-day strike called by S. Pretoria counters with nightl road blocks. Work boycott i committees in townships. A have disrupted industry in Joas smaller urban areas. | y police sweeps s organized by l Ithough the stri | s through the tow labor unions in fa ke is called off o | rnships, 10,000 arr ectories and specion n second day, it a | ests, and al strike ppears to | |
| 1976 The Soweto Students' Repre well-supported work boycott June. The first two strikes the SSRC than past general strikes. | ts in Johannesb each lasted 1 da | urg in the midst γ, while the third | of the riots that h | | NR |
| Following two smaller one-decommittee organizes a two-the antiapartheid United Deniestimates on the number of The participation rate is high hardest by earlier rioting. Putransportation to work make blacks die in clashes with pothousands of workers are firm | day general stri nocratic Front a black workers v lest among unic ress reports indi many township blice, 13 labor le | ke in Transvaal P nd two major bla who participate va on members and icate that intimida residents unwilli | rovince with support of the control | oort from ns. Press to 500,000. ships hit available At least 23 | |
| 1985-1986 Between March 1985 and Apvarying degrees of success longer. During one strike, w Most of the stayaways are of the lifting of the government Nelson Mandela. The incident this year, culminating in the strike is organized by COSA and various local groups. | across the coun hite schoolchild rganized locally t's declaration once of work boy massive 1 May | try. Most last 1 ren are used to s , but entail nation f a state of emer cotts is especiall strike by some 1 | or 2 days, but a footback and the footback and the release of the | ew extend k labor. nds, such as ease of nd April of . May Day | |
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