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RÉSUMÉ

Une mondialisation juste dans l'Afrique australe: une réponse à La Commission mondiale sur la dimension sociale et la globalisation de l'OIT

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Cet article est une réponse au rapport de la Commission mondiale sur la dimension sociale et la globalisation de l'Organisation internationale du Travail (OIT) qui porte le titre « Une mondialisation juste: Créer des opportunités pour tous » et à l'évaluation par le Secrétaire général des implications pour OIT de ce rapport. L'article examine les réponses de 60 personnes qui incluent plusieurs personnes du monde académique et des stratèges ainsi que des représentants des organisations d'employeurs et de syndicaux dans l'Afrique australe.

Les implications des découvertes et des recommandations des deux rapports sont examinées selon le point de vue de l'Afrique australe. L'argument central est que notre compréhension de la globalisation doit être enracinée dans les expériences quotidiennes des peuples et également dans les histoires des communautés.

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Fair Globalization in Southern Africa: A Response to the ILO's World Commission on the Social Dimension of Globalization

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Conceptualizing a Globalization that is Fair to Southern Africa

“Currently, globalization is a divisive subject,” argue the co-chairs of the ILO’s World Commission on the Social Dimension of Globalization in the preface to their report. “It verges”, they suggest, “on a dialogue of the deaf... Yet the future of countries, and the destiny of our globe, depends that we all rethink globalization” (ILO 2004a: vii). “[T]here is growing concern”, the report continues, “about the direction globalization is currently taking. Its advantages are too distant for too many, while its risks are all too real. Its volatility threatens both rich and poor. Immense riches are being generated. But fundamental problems of poverty, exclusion and inequality persist...” (ILO 2004a: 3).¹ “They arise,”

¹ The World Commission on the Social Dimension of Globalization was created by the ILO’s governing body at the end of 2001. This independent commission was co-chaired by Tarja Halonen and Benjamin William Mkapa, the presidents of Finland and the United Republic of Tanzania. There were nineteen other members with a diverse expertise base and backgrounds drawn from various parts of the world. An additional five ex-officio members created institutional links between the Commission and the ILO (for a list of Commissioners and support staff see ILO 2004a: 148-53). It held various meetings, consultations in different parts of the world and commissioned research (for details see ILO 2004a: 154-58). In February 2004,

the commissioners conclude, “from a fundamental imbalance between the economy, society and the polity. The economy is becoming increasingly global, while social and political institutions remain largely local, national and regional. None of the existing institutions provide adequate democratic oversight of global markets, or redress basic inequalities between countries. The imbalances point to the need for better institutional frameworks and policies if the promise of globalisation is to be realised” (ILO 2004a: 3).

In order to move the debate on globalization forward, the Commission argues:

We believe the dominant perspective on globalization must shift from a more narrow preoccupation with markets to a broader preoccupation with people. Globalization must be brought from the high pedestal of corporate board rooms and cabinet meetings to the needs of people in the communities in which they live. The social dimension of globalization is about jobs, health and education — but it goes far beyond these. It is the dimension of globalization which people experience in their daily life and work: the totality of their aspirations for democratic participation and material prosperity (ILO, 2004a: vii).

The idea of society creating institutions to protect itself from the destructive forces of unregulated markets is an old one. Some sixty years ago Karl Polanyi demonstrated in *The Great Transformation*, how the emergence of unregulated markets after the industrial revolution led to counter movements by people to protect themselves from the destructive effects of rapid social change. Hence, we see the emergence of a variety of forms of social protection such as the welfare states of Western Europe. More recently Joseph Stiglitz (2002: 160-162), former World Bank economist, pointed to the destructive effects of unregulated markets in the developing world and post-communist Russia. International financial institutions, he argued, do not appreciate the importance of the social context in which economic reforms take place. In the

the Commission released its report *A Fair Globalization: Creating opportunities for all* (ILO, 2004a). In addition to this, Juan Somavia, General Secretary of the ILO, prepared a report that provided the ILO with an assessment of the implications of the Commission’s report for the ILO (ILO 2004b).

case of ‘shock therapy’ in Russia: “The IMF’s focus on macroeconomics — and in particular on inflation — led it to shunt aside issues of poverty, inequality and social capital”(Stiglitz, 2002: 161). Similarly, Michael Burawoy (2000) has described the impact of ‘shock treatment liberalisation’ in Russia as leading to social involution — a sense of going backwards in time. Instead of integrating into the global economy, people retreat into their communities, their households, and return to a subsistence economy. People are forced back onto their own resources, intensifying household production and elevate women’s previous role as organisers of the domestic economy.

A similar response to liberalization has been identified in southern Africa. James Ferguson (1999), in his pioneering study of the Zambian copper mines, suggests that the high expectations of the modernizing force of mining — of ‘modernity’ — is now nostalgically remembered as something of the past. This sense of going backward — of ‘disconnection’ — is often considered to be a key part of the impact of globalization on Africa. Unlike de-linking, which is an active process of insulating the national economy from outside influences, Ferguson (1999) argues that disconnection is a relationship in which one side ‘hangs up’ on the other without necessarily cutting the links. An example is the liquidation of Zambian Airways in 1996 and the replacement of its flights to London by British Airways as its remaining connection. He argues that globalization has become to mean a sense of disconnection — a process of ‘red-lining’. It is as if, as Owen Sichone (2000) argues, the region is being cast back to the ‘second-class status from which independence had left it. The continent, in the words of the leading social theorist of globalization Castells, has become a ‘black hole’, a marginal part of the ‘Fourth World’ (Castells, 1998).

But the meaning of ‘globalization’ is a contested concept. Many analyses of Africa’s ‘response’ to globalization have reintroduced the logic of modernization theory. As Frederick Cooper (2001: 196) points out:

For all its emphasis on the newness of the last quarter-century, the current interest in the concept of globalization recalls a similar infatuation in the 1950s and 1960s: modernization. Both [emphasize] a process, not necessarily fully realized yet but ongoing and probably inevitable. Both name the process by its

supposed endpoint. Both were inspired by a clearly valid and compelling observation — that change is rapid and pervasive — and both depend for their evocative power on a sense that change is not a series of disparate elements but the movement of them in a common direction.

Cooper turns the 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 we 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). Michael Burawoy (2000: 341) calls this approach ‘grounded globalization’.

In grounding our analysis, we have to consider how the past links to the present. Africa’s involvement in the global economy is not new: seven centuries ago gold was mined north and south of the Limpopo River at Thulamela near Polokwane. Gold was traded for vases from the Ming Dynasty in China as well as glass beads from India. And, of course, Africa was integrally linked, through the Atlantic slave trade, to the industrialization of Europe. The simultaneous process of ‘connecting and disconnecting’ alluded to above, are part of the way in which Africa was incorporated into the global economy under colonialism. As Cooper (1996) shows, proletarianization in Africa under the colonial regimes of both the French and the British took on its own dynamic, resembling what some would call ‘partial proletarianisation’ (see also Brandell, 1991). It was linked to a simultaneous logic of inclusion and exclusion. As Cooper (2002: 205-6) argues elsewhere:

[C]olonial territories were highly disarticulated politically, socially and economically: colonisers made their money by focusing on investment and infrastructure on extremely narrow, largely extractive, forms of production and exchange. They taught some indigenous peoples some of what they needed to interact with Europeans, and then tried to isolate them from others whose division into allegedly distinct cultural and political units (‘tribes’) was emphasised and institutionalised...

It follows that if we want to conceptualize a globalization that is fair to southern Africa, we have to ground our analysis in the lived experiences of the regions inhabitants, and consider political, social and economic structures while keeping in mind its peculiar history.

The Impact of Globalization on Southern Africa

There are a number of characteristics that are central to understanding the nature of the southern African political economy's location within the global economy. Indeed, southern Africa as a 'region' was constructed by colonialism. As such, it is a product of the 'scramble for Africa' that followed the depression in the world economy in the late-nineteenth century. According to Wallerstein, Martin and Vieira (1992: 4) the colonization of southern Africa was peculiar for two reasons. First, the region's "lands were the site of incredible mineral wealth", and second, the region had "a white settler population of some size and cultural cohesion who were determined to maintain and enhance their group power and status". The wars of national liberation against settler colonialism in apartheid South Africa and Namibia, the Rhodesia's and colonial Portugal took thirty years, only ending in 1990 when the liberation movements were finally unbanned in South Africa (Saul, 1993).

As a result, the economic structure of southern Africa, according to the *SADC Regional Human Development Report, 1998*, is founded upon the historical ambitions of white settler domination. This type of colonial structure acts as a major constraint in the development of a diversified industrial economy in the region. The SADC (Southern African Development Community) report mentions three major constraints.

Economic structure

A first constraint is the persistence of extractive and export-oriented economies based on mining and agriculture. The result is that transport networks were developed in order to open up regions where minerals had been discovered — such as the *Zambian Copperbelt* in the 1920s — and to help transport these commodities to major ports for shipment to Europe. Hence, in postcolonial southern Africa trading relations remain unequal. In the context of the region, South Africa dominates. Only when one considers GDP

Table 1 Trade and Economic Structure in Southern Africa

	Imports of goods and services (% of GDP)		Exports of goods and services (% of GDP)		Primary exports (% of merchandise exports)		Manufactured exports (% of merchandise exports)		High-technology exports (% of merchandise exports)	
	1990	2002	1990	2002	1990	2002	1990	2002	1990	2002
Angola	21	70	39	77	100	..	(.)	..	0	..
Botswana	50	37	55	51	..	9	..	91	..	(.)
Congo, Dem. Rep. of the	29	21	30	18	..	..	..	..	..	..
Lesotho	109	107	16	51	..	..	..	..	..	..
Madagascar	28	23	17	16	85	..	14	..	8	..
Malawi	33	43	24	25	95	90	5	10	(.)	3
Mauritius	71	57	64	61	34	27	66	73	1	2
Mozambique	36	38	8	24	..	91	..	8	..	3
Namibia	67	49	52	48	..	47	..	52	..	1
South Africa	19	31	24	34	..	37	..	63	..	5
Swaziland	74	100	75	91	..	53	..	76	..	1
Tanzania, U. Rep. of	37	24	13	17	..	83	..	17	..	2
Zambia	37	42	36	29	..	86	..	14	..	2
Zimbabwe	23	22	23	24	68	62	31	38	2	3

Source: United Nations Development Programme, compiled from various country reports.

per capita, countries with relatively small populations, such as Mauritius and Botswana, perform better than South Africa. Mauritius has succeeded in building an effective export economy based on its strategic location in clothing and textile commodity chains. Botswana's economic growth can be attributed to the exports of diamonds and, to a lesser extent, meat, and beef in particular.

When we consider indicators of trade, as can be seen in Table 1, manufactured and high technology exports remain a low proportion of exports from countries in the region. Botswana, Mauritius, South Africa and Swaziland seem to be the exceptions. But one has to be careful with aggregated data. In 2003, manufacturing accounted for 62% of South Africa's exports, mining for 33% and agriculture for just under 5%.² However, when one disaggregates manufacturing, what is termed 'raw products' and 'semi-manufactured goods' still account for two thirds of exports. Beneficiated metal products, such as steel, account for a major part of this.³ South Africa also has a negative manufacturing trade balance of 49%, which is offset by a positive mining trade balance of 57%.⁴ So even the region's 'economic giant' is locked into an economy that is still dependent on mining and beneficiated mining products.

A further characteristic of the economic structure of southern Africa is the regional trade balance that favours South Africa to the detriment of other countries in the region.

Labour migration

Labour migration and its consequences constitute a second constraint. For over a century migrant workers from the region were a source of cheap labour for mines, farms and industries in South Africa and Zimbabwe. Rural peasant families bore the main economic and social burden of the reproduction of the migrant labour force. Many of the social consequences of migrant labour, including the AIDS pandemic, originate in this disruption of families and communities in the rural areas.

² Source: Department of Trade and Industry trade data, <http://www.thedti.gov.za/econdb/raportt/rapstruc.html>

³ Source: Department of Trade and Industry trade data, <http://www.thedti.gov.za/econdb/raportt/rapstrucben.html>

⁴ Source: Department of Trade and Industry trade data, <http://www.thedti.gov.za/econdb/raportt/rapstruc.html>

The continued reliance on migrant labour is part of the enclave nature of economic development in the region. In the opening section, we pointed out that significant parts of the region are being disconnected from the rest of the world. However, other parts do link into the global economy. Table 2 shows the growth of the population in the region from 1975 to 2002. We can also identify a process of urbanization, but overall levels of urbanization remain low. For most countries in the region, the majority of the population still lives in rural areas. Only in South Africa and Botswana do more than half the population live in urban areas.

A consequence of this socio-economic structure is the limited size of formal employment in the region. The ILO estimates the unemployment rate for southern Africa at 31.6% in 2003 (ILO,

Table 2 *Selected Population Trends in Southern Africa*

	Total population (millions)		Annual population growth rate	Urban population as % of total population	
	1975	2002	1975-2002	1975	2002
Angola	6.2	13.2	2.8	17.4	34.9
Botswana	0.8	1.8	2.8	12.8	51.1
Congo, Dem. Rep. of the	23.9	51.2	2.8	29.5	31.2
Lesotho	1.1	1.8	1.7	10.8	17.8
Madagascar	7.9	16.9	2.8	16.4	26.3
Malawi	5.2	11.9	3.0	7.7	15.9
Mauritius	0.9	1.2	1.1	43.4	43.1
Mozambique	10.6	18.5	2.1	8.7	34.5
Namibia	0.9	2.0	2.8	20.6	31.9
South Africa	25.8	44.8	2.0	48.0	56.5
Swaziland	0.5	1.1	2.7	14.0	23.4
Tanzania, U. Rep. of	16.2	36.3	3.0	10.1	34.4
Zambia	5.1	10.7	2.8	34.8	35.4
Zimbabwe	6.1	12.8	2.7	19.6	34.5

Source: United Nations Development Programme, compiled from various country reports.

2004: 21). According to the organization's *Global Employment Trends* report, the problems of unemployment and under-employment in sub-Saharan Africa are structural in nature:

Of those who are employed, the majority are in low-productivity, low-income and survivalist activities in the (mainly informal) smallholder and subsistence agricultural sector — a sector characterised by seasonal underemployment. Most smallholders do not earn enough to sustain a decent living. The working poor account for almost 45 per cent of the total number of employed (ILO, 2004: 21).

In addition to this, the ILO points out that youth unemployment is twice as high as the overall unemployment rate, leading to severe social disruption and despair (ILO, 2004: 22). Indeed, when viewed from the vantage point of southern Africa, the advantages of globalization do seem distant for many who live in the region. If one considers trends in human development, countries in southern Africa still lag behind.

In South Africa, by far the richest country in southern Africa, the HDI increased steadily from the 1970s to the 1990s — from 0.655 in 1975 to 0.735 in 1995.⁵ However, partly because of the devastation caused by the AIDS pandemic, in 2002 the country had fallen back to levels of human development of the 1970s and the 1980s. Zimbabwe has also seen its levels of human development decline to an index even lower than the colonial period. Countries ravaged by wars, such as Angola, the Democratic Republic of the Congo (DRC) and Mozambique, still have the lowest levels in the region. Nevertheless, robust economic growth, even if it is based on a low base, has enabled Mozambique to improve somewhat — from 0.286 in 1985 to 0.354 in 2002.

However, the Human Development Index obscures as much as it reveals. While South Africa is grouped along with a number of middle income countries, the gross economic inequalities between people leave many South Africans excluded from the benefits of the end of apartheid.

⁵ The best measure of human development is the Human Development Index (HDI), introduced by the United Nations Development Programme (UNDP) in 1990. This measures the extent to which people can make choices in their lives. The HDI uses three criteria; life expectancy, education, and income.

Table 3 Human Development Index in Southern Africa, 1975-2002

	1975	1980	1985	1990	1995	2000	2002
Angola	..	..	..	..	..	..	0.381
Botswana	0.503	0.574	0.633	0.675	0.666	0.620	0.589
Congo, Dem. Rep. of the	0.410	0.418	0.425	0.414	0.380	..	0.365
Lesotho	0.457	0.499	0.517	0.544	0.549	0.513	0.493
Madagascar	0.40	0.433	0.429	0.436	0.443	0.469	0.469
Malawi	0.315	0.347	0.36	0.368	0.408	0.395	0.388
Mauritius	..	0.658	0.689	0.723	0.747	0.775	0.785
Mozambique	..	0.298	0.286	0.310	0.318	0.342	0.354
Namibia	..	..	..	..	0.667	0.625	0.607
South Africa	0.655	0.672	0.697	0.729	0.735	0.690	0.666
Swaziland	0.516	0.544	0.565	0.611	0.606	0.548	0.519
Tanzania, U. Rep. of	..	..	..	0.413	0.406	0.403	0.407
Zambia	0.466	0.474	0.485	0.466	0.418	0.389	0.389
Zimbabwe	0.547	0.572	0.629	0.617	0.571	0.511	0.491

Source: United Nations Development Programme, compiled from various country reports.

Table 4 Indicators of Poverty and Inequality in Southern Africa

	Population living below:			Share of income or consumption:		Inequality measures:			Ratio of estimated female : male earned income
	\$1 a day (%)	\$2 a day (%)	National poverty line (%)	Poorest 10% (%)	Richest 10% (%)	Ratio of richest : poorest 10%	Ratio of poorest 20%	Gini index	
	1990-2002	1990-2002	1990-2001						
Angola	..	..	..	..	..	..	..	..	0.62
Botswana	23.49	50.13	..	0.7	56.6	77.6	31.5	63.0	0.51
Congo, Dem. Rep. of the	..	..	..	..	..	..	..	..	0.55
Lesotho	36.43	56.06	..	0.5	48.3	105.0	44.2	63.2	0.38
Madagascar	49.09	83.34	71.3	1.9	36.6	19.2	11.0	47.5	0.59
Malawi	41.66	76.13	65.3	1.9	42.2	22.7	11.6	50.3	0.68
Mauritius	..	..	..	..	..	..	..	..	0.37
Mozambique	37.85	78.39	69.4	2.5	31.7	12.5	7.2	39.6	0.66
Namibia	34.93	55.78	..	0.5	64.5	128.8	56.1	70.7	0.51
South Africa	7.10	23.8	..	0.7	46.9	65.1	33.6	59.3	0.45
Swaziland	..	..	40.0	1.0	50.2	49.7	23.8	60.9	0.31
Tanzania, U. Rep. of	19.89	59.65	35.7	2.8	30.1	10.8	6.7	38.2	0.71
Zambia	63.65	87.41	72.9	1.1	41.0	36.6	17.3	52.6	0.55
Zimbabwe	35.95	64.24	34.9	1.8	40.3	22.0	12.0	56.8	0.57

Source: United Nations Development Programme, compiled from various country reports.

Table 5 Health Indicators for Southern African Countries

	HIV prevalence (% ages 15-49)	Malaria cases (per 100,000 people)		Tuberculosis cases	Life expectancy at birth (years)	Maternal mortality ratio (adjusted) (per 100,000 live births)		Public expenditure on health (% of GDP)	
		2003	2002			2000	2002	2000	2001	1990	2001
Angola	3.9 [1.6 - 9.4]	8,773	398	38.0	40.1	1,700	1.4	2.8	
Botswana	37.3 [35.5 - 39.1]	48,704	338	56.1	39.7	100	1.7	4.4	
Congo, Dem. Rep. of the	4.2 [1.7 - 9.9]	2,960	594	45.8	41.8	990	..	1.5	
Lesotho	28.9 [26.3 - 31.7]	0	449	49.5	35.1	550	2.6	4.3	
Madagascar	1.7 [0.8 - 2.7]	..	407	44.9	53.6	550	..	1.3	
Malawi	14.2 [11.3 - 17.7]	25,948	462	41.0	37.5	1,800	..	2.7	
Mauritius	..	1	137	62.9	72.0	24	..	2.0	
Mozambique	12.2 [9.4 - 15.7]	18,115	547	41.1	38.1	1,000	3.6	4.0	
Namibia	21.3 [18.2 - 24.7]	1,502	478	49.9	44.3	300	3.7	4.7	
South Africa	21.5 [18.5 - 24.9]	143	366	53.7	47.7	230	3.1	3.6	
Swaziland	38.8 [37.2 - 40.4]	2,835	769	47.3	34.4	370	1.9	2.3	
Tanzania, U. Rep. of	8.8 [6.4 - 11.9]	1,207	472	46.5	43.3	1,500	1.6	2.0	
Zambia	16.5 [13.5 - 20.0]	34,204	588	49.7	32.4	750	2.6	3.0	
Zimbabwe	24.6 [21.7 - 27.8]	5,410	452	56.0	33.1	1,100	3.2	2.8	

Source: United Nations Development Programme, compiled from various country reports.

Poverty and lack of opportunities impact profoundly on the health status of inhabitants of southern Africa. Table 5 provides an overview of health status based on a number of indicators. Particularly disconcerting is the prevalence of the HIV/AIDS infection rate. Swaziland and Botswana have the highest rates of infection. However, these statistics are difficult to verify, and the figures should be seen as estimates. Nevertheless, this does not detract from the fact that the pandemic has a major impact on the region.

An indicator of whether people connect into the global economy is access to information and communication technology — telephones, cellular phones and internet access. Again in Table 6 we see the dominance of South Africa in this regard, with Mauritius and Botswana following suit.

	Telephone mainlines (per 1,000 people)		Cellular subscribers (per 1,000 people)		Internet users (per 1,000 people)
	1990	2002	1990	2002	2002
Angola	8	6	0	9	2.9
Botswana	21	87	0	241	29.7
Congo, Dem. Rep. of the	1	(.)	0	11	0.9
Lesotho	7	13	0	45	9.7
Madagascar	3	4	0	10	3.5
Malawi	3	7	0	8	2.6
Mauritius	52	270	2	288	99.1
Mozambique	3	5	0	14	2.7
Namibia	39	65	0	80	26.7
South Africa	93	107	(.)	304	68.2
Swaziland	17	34	0	66	19.4
Tanzania, U. Rep. of	3	5	0	22	2.3
Zambia	8	8	0	13	4.8
Zimbabwe	13	25	0	30	43.0

Source: United Nations Development Programme, compiled from various country reports.

Land dispossession

A third constraint is land dispossession and the underdevelopment of the region. The unresolved land question remains a threat to political stability in a number of countries in the region, Zimbabwe's controversial 'fast-track' land reform process being a case in point (Masiwa, 2004).

The issue of land is linked to the legacy of settler colonialism. Indeed, the struggle to liberate South Africa had wider repercussions for the region as a whole. Apart from its occupation of Namibia and the resulting war in Angola, South Africa actively destabilized countries such as Mozambique by funding and supporting a civil war. On occasions it also attacked Botswana, Lesotho and Zimbabwe. The tragic results of this counter-revolutionary war live on in Mozambique today with 25 000 civilians disabled by exploding landmines. It can also be seen in the on going criminal violence fuelled by easy access to small arms (Gun Free South Africa, 2004).⁶

The protracted war in the Democratic Republic of the Congo also added to the destabilization of the region, with the military of Namibia and Zimbabwe getting involved in exchange for mining rights. This, and the involvement of mining corporations from South Africa, remains a controversial issue and highlights the importance of understanding the political economy of war. Table 7 provides some indicators of militarization and the resulting refugee problem for the region.

The Contradictory Impact of Globalization

We have suggested in this section that the economic structure of southern Africa is founded on the historical ambitions of white settler colonialism. We identified three constraints:

- The persistence of extractive and export-oriented economies based on mining and agriculture,
- Labour migration and its consequences,
- Land dispossession and underdevelopment in the region.

⁶ South Africa has the highest rate of private gun ownership in Southern Africa, at about 8.4% of the population. Under the pressure of Gun Free South Africa, the apartheid-era Arms and Ammunitions Act (1969) was replaced with the Firearms Control Act in 2004. The new Act puts in place a far stricter arms control regime.

	Refugees by country of asylum (thousands)	Refugees by country of origin (thousands)	Total armed forces (thousands)	Total armed index (1985=100)
	2003	2003	2002	2002
Angola	13	313	100	202
Botswana	3	(.)	9	225
Congo, Dem. Rep. of the	234	428	81	170
Lesotho	0	(.)	2	100
Madagascar	0	(.)	14	64
Malawi	3	(.)	5	100
Mauritius	0	(.)	..	..
Mozambique	(.)	(.)	11	70
Namibia	20	1	9	..
South Africa	27	(.)	60	56
Swaziland	1	(.)	..	..
Tanzania, U. Rep. of	650	(.)	27	67
Zambia	227	(.)	22	133
Zimbabwe	13	(.)	36	88

Source: United Nations Development Programme, compiled from various country reports.

This type of colonial structure is a major constraint in the development of a diversified economy in the region. During the sixties, seventies and early eighties, the newly independent states in southern Africa embarked on ambitious state driven developmental strategies built around high protection barriers. The emergence of globalization and the opening of these economies in the 1990s to international competition have had contradictory effects — it is leading, we suggest, to a contradictory process of ‘connection’ and ‘disconnection’. Liberalization of the economy has been accompanied by a shift to neo-liberal economic and social policies, such as the introduction of Export Processing Zones (EPZs) and privatization of basic services such as water, electricity and health-care. It has also led to a cut-back in social expenditure and food subsidies leading in the case of Zambia and Zimbabwe to food riots.

At one level it could be argued that the region is being successfully drawn into the new global economy. Indeed, liberalization is having a number of positive effects:

Firstly, under the impact of global competition countries all over the world have formed regional trading blocs — such the European Union (EU), the North American Free Trade Association (NAFTA), and MERCOSUR in South America. The formation of the Southern African Development Community (SADC) is part of a global trend towards greater regional co-operation and integration.

Secondly, globalization has accelerated communication within the region, and between the region and the world. At the centre of the new economy is information technology — cell-phones, the internet, satellite television — opening up the possibility of instant communication on an unprecedented scale. However, as Table 6 indicates, information technology has penetrated very unevenly in the region and is based largely in South Africa. However both Vodacom and MTN are spreading rapidly in the region providing global IT services in airports, conference rooms, game reserves, hotels and private homes to a range of countries including Mozambique and the DRC.

Thirdly, it has widened consumer choice and introduced cheaper goods for the consumer. A clear example is Shoprite, which has introduced ‘world class’ shopping malls with a much wider range of goods and services. But the expansion of South African multinationals in southern Africa is not without its critics (Webster and Mosoetsa, 2001: 17-18). The unregulated flow of mass consumer goods into the region is also undermining local industries such as textiles.⁷

Fourthly, globalization has spread democratic norms and notions of human rights. In the case of Namibia, South Africa, Mozambique, Botswana, Zambia, Zimbabwe and Botswana pressure was put on these countries to engage in ‘free and fair’ elections. As Hyslop has argued: “Globalisation has been a

⁷ The undermining of the local industry through the introduction of cheaper goods from China and India as well as the selling of second-hand clothes from charitable organisations in the North is an example of what is seen by some as ‘free trade’ rather than ‘fair trade’. Similarly the inefficient and corrupt custom controls have led to the illegal importation of consumer goods leading local factories to close down (Webster and Mosoetsa, 2001: 32).

democratising factor in Africa in that states practising human rights abuses have come under pressure from the international community” (Hyslop, 1999: 9).

Fifthly, globalization is encouraging the spread of new workplace norms through the ILO Declaration on Fundamental Principles and Rights at Work in 1998 and their campaign to promote ‘core’ labour standards internationally (ILO, 2004a: 91-95). Through the ILO, structures of collective bargaining are being promoted in the SADC region (Fashoyin, 1999; Nupen, 2000). A clear example of the positive effect of these new global workplace norms on employment conditions in the region is the case of the cut-flower industry in Zimbabwe (Davies, 2000).

Finally, liberalization of the economy has forced some companies to introduce modern human resource management practices and joint problem solving mechanisms (Webster, Wood and Mtyingizana, 2005). However, the best case studies are drawn from South Africa where auto companies such as BMW have been successfully integrated into the global production change through a process of innovative collective bargaining (Webster and Von Holdt, 2005).

At the same time, as a limited number of people are being drawn into a new regional elite, a growing number are losing their jobs and joining the informal sector in a struggle to survive. It is leading, in the words of James Ferguson, to a process of ‘disconnection’ (Ferguson, 1999).

The devastating social indicators reproduced in this section are evidence of this process of ‘disconnection’; all key measures of the social indicators in the HDI point towards a region that is slipping backwards. The pandemic of HIV/AIDS is creating social disintegration on an unprecedented scale. Life expectancy is declining in the region and is likely, over the next decade, to decline even further. Some estimates are as low as a life expectancy of 30 by 2010 in certain SADC countries. Infant mortality rates are among the highest in the world, as are measures of inequality, such as the Gini co-efficient.

Under the impact of liberalization, a process of differentiation of the world of work into three distinct zones is taking place, a process which threatens to produce a new social crisis, what we call a crisis of social reproduction (Webster and Von Holdt, 2005).

In the first zone, the core workplaces of the regional economy, workers have access to decent jobs with the benefits that go with secure employment. However, in the non-core or periphery, workers are subject to job insecurity, low wages and alienation at work. For the new working poor, trade union rights do not exist; they have little access to the rights established in the new labour relation system emerging in the region. As they grapple with the new worlds of work, trade unions lose the capacity to provide a voice for the new working poor and face a crisis of representation. The growth of this zone pushes more and more workers to the edge of poverty, with a corresponding impact on household sustainability.

The growth of the third zone, a periphery of unemployment and informal subsistence activities, places households under even more devastating pressure. For many in this zone 'work' does not involve a regular income. In fact, for many there is no income at all but rather payment in kind. The result is social crisis which puts enormous strain on families, households and communities.

In short, liberalization is having a destructive impact on society, on social cohesion and on the development of social capital, which cannot but have a profound impact on the prospect of social reproduction. The reorganization of the lines of inclusion and exclusion in southern African societies is producing an enclave of development in a sea of poverty and stagnation (Webster and Von Holdt, 2005).

As the Commission discovered, the social and economic impact of globalization has been uneven. "Africa has fared far worse than other regions (of the world). At best Africa felt bypassed, at worst abused and humiliated" (ILO, 2004a: 15). The Commission lists a 'long list' of 'negatives' that were attributed by Africans to globalization (ILO, 2004a: 15-16):

- Unfair trading rules that protect the Northern agricultural sector through subsidies;
- Foreign debt overhang is crippling despite the efforts of even the best-run governments; and
- The high cost of patented drugs is making it difficult to treat the HIV/AIDS pandemic and migration to the North was draining Africa's already meagre supply of skilled workers.

Is there a way of creating opportunities for *fair* globalization in southern Africa?

Responding to the Impact of Globalization

Scholars and policy practitioners, as well as representatives of worker organizations, employer associations and governments remain divided on the answer to this question. There are some, mainly drawn from the business community, who argue that “Africa’s problem is not globalisation. It is a lack of it. Globalisation has contributed to the rise in the world’s overall standard of living over the past 35 years. Africa’s problem is also not penetration and expansion of South Africa firms. It is a lack of it. In the final analysis, only a mutually beneficial strategic partnership underpinned by trust can result in a globally competitive regional economic bloc” (Dlamini, 2005: 7).

While this may be desirable, it does not really help us answer the question raised by the Commission of how to create opportunities for fair globalization. The Commission argues that the rules governing the global economy are “prejudicial to the interests of most developing countries” and the lack of “international economic and social policies to achieve a pattern of globalisation that benefits all people” (ILO, 2004a: 78-79).

In light of the analysis presented in the second section above, we now consider the possibilities opened up by the proposals of the ILO’s Commission on the Social Dimension of Globalization.

National policies: Beginning at home

The Commission on the Social Dimension of Globalization argue that a first step to responding to globalization is to begin at home.⁸ It is important to continue to build national capabilities, to empower people at the local level, and to use regional structures as a stepping stone (ILO, 2004a: chapter 3).

⁸ The ILO has undertaken seven national studies (covering Bangladesh, Chile, Republic of Korea, Poland, Mauritius, South Africa and Switzerland) which were published in a synthesis report, *Towards a Socially Sustainable World Economy: An Analysis of the Social Pillars of Globalisation* (ILO, 2001). The South African study concluded that “the legacy of protective industrial policies that favoured capital-intensive sectors, together with a shortage of real and human capital, has reduced the ability of the South African economy to benefit from trade and FDI liberalization” (ibid.: 3).

Regarding national capabilities and policies, good governance, built on democracy, the rule of law and equitable social and economic institutions forms the foundation of the Commission's argument for 'fair globalization'. Importantly, the Commission rejects the 'big bang' approach to economic liberalization. They argue that policies to manage economic liberalization must be tailored to differing circumstances: "The supporting institutions and regulatory frameworks required for a market economy need to be developed gradually, and require strong public administrative capacity" (ILO, 2004a: 57). Liberalization brings with it the risk of destructive economic fluctuations and resulting changes in the labour market. All in all, the state must be geared to manage these sudden shocks and alleviate the negative impact of rapid change.

In developing countries, argue the Commission, rural development is vital, since the majority of the poor live in rural areas. In addition the informal economy is growing in most parts of the world. The state has to be active in facilitating integration between the formal and the informal economies.⁹ Still, the major goal in poverty reduction is to create 'decent work'.

The Commission is careful to also emphasize local government as a key part of good governance but it needs to be emphasized that the weaknesses of such states as the DRC and Angola, is a major stumbling block in any strategy to engage with globalization. The Report of the Commission for Africa (Blair Commission) concluded that:

Africa's history over the last fifty years has been blighted by two areas of weakness. These have been **capacity** — the ability to design and deliver policies; and **accountability** — how well a state answers to its people. Improvements in both are first and foremost the responsibility of African countries and people. But action by rich nations is essential too (Commission for Africa, 2005:12).

⁹ Hernando de Soto was a member of the Commission and the Report cites his work to make an argument for recognizing property rights as a way of turning informal businesses ('dead capital') into successful capitalist enterprises. The value of de Soto's approach is hotly contested in the literature on the informal economy (Bromley, 1990).

The Report of the Director-General on the Commission recommends five broad areas for strategic engagement. The Policy Forum divided into five Working Groups to discuss each area.

Decent work in global production systems

The Commission points to the shift since the 1960s and 1970s from vertically integrated corporations to multinational corporations that co-ordinate complex and flexible production and supply chains that span borders. At stake is how the commodity chains are governed. Often different countries and regions are played off against each other to extract tax and labour concessions, leading to a race to the bottom (also see Gereffi, 1999; Kaplinsky, 2000; Gibbon, 2001; 2003).

Certain instruments have been put in place by the ILO and the European Union in an attempt to govern such practices (ILO, 2004b: 23). However, much remains to be done. The ILO's Secretary General's report raises a number of steps that could be taken by the organization, including strengthening the knowledge base of how global production systems operate so as to understand how investment patterns that are less exploitative can be encouraged, the promotion of global social dialogue and enhancing the effectiveness of business and multi-stakeholder partnerships (ILO, 2004b: 24-27).

A burning issue in the southern African region is varying labour standards and multinational corporations who negotiate terms of investment that are not conducive to sustainable development. The ILO is currently supporting various countries in the region to harmonize labour standards and to give legislative effect to the ratified ILO conventions.

Nevertheless, as indicated in above, most countries in the region link into the lower ends of commodity chains. Raw materials are exported and manufactured goods are imported. The situation requires concerted efforts to change the industrial structure of the region.

But given the weaknesses in state structures, how can the region bring about industrial restructuring that will lead to more sustainable forms of economic growth? Is it possible to do this without compromising on social and labour standards? How can strategic resources be used to upgrade along existing commodity chains?

An example of a global production chain in southern Africa is the fifty thousand jobs that have been created in Lesotho to export garments to their major buyer, Gap Clothing, in the United States. The factories in Lesotho are monitored by inspectors from Gap Clothing and are sometimes subject to surprise visits to ensure the enforcement of the company code of conduct. Labour standards, Bennett argues, are enforced in these factories, not because of government policy, but because of pressure applied by the consumers of Gap Clothing.¹⁰

This case study was contrasted in the Working Group to that of Tanzania where a revolt by workers had been supported by managers. The result was that the international company withdrew from Tanzania, and the 'success' of workers' struggles was questioned.¹¹ Similarly, in other countries "decent work" suffered in globalized factories. Participants in the Working Group reported 'sweatshop' conditions in certain South African factories, in Namibia women workers in certain factories are subjected to pregnancy testing and body weight limits of no more than 60 kilograms, while in some cases in Uganda workers are often locked inside factories.

Growth, investment and employment

What are the problems and possibilities for creating a climate that is more conducive to investment in southern Africa? In the second section above, we saw that large parts of the region still lag behind in terms of physical infrastructure and human capital. Various indexes showed that countries ravaged by war are worse off by far. In some cases, such as the DRC, the legacies of colonialism and war have left countries without functioning institutions. The danger is that its mineral resources will continue to be extracted without some benefit accruing to society as a whole.

¹⁰ Mark Bennett , ComMark Lesotho Apparel Project, Presentation at the Working Group on Decent Work and Global Production Chains, Policy Forum on Fair Globalisation in Southern Africa, Parktonian Hotel, Johannesburg, South Africa, 20-21 April 2005.

¹¹ Discussion in the Working Group on Decent Work and Global Production Chains, Policy Forum on Fair Globalisation in Southern Africa, Parktonian , Johannesburg, South Africa. 20-21 April, 2005.

While the Commission dealt primarily with the social dimension of globalization, its members are careful to point out that “social progress cannot be achieved solely by social policies”. Indeed, social development depends on “developments in the economy, finance, trade, technology, investment, the environment and other related areas” (ILO, 2004b: 29). In order to bring this about, the Commission calls for greater global policy coherence — and the way to bring this about is through social dialogue between various players in the multilateral system, focussing specifically on how growth and investment have to lead to employment. Organizations such as relevant UN bodies, the World Bank, the IMF, the WTO and the ILO all have to be involved. The report also raises the idea of forming a Globalization Policy Forum to bring together the mentioned organizations. The National Economic Development and Labour Council (NEDLAC) in South Africa is an example of such a forum in a national context.

But given the asymmetry of power globally, what are the prospects of such an agenda taking the lead in global discussions? Also, given the marginal position of southern Africa in the global economy and the low base in terms of employment in the formal sector in the region, is this agenda realistic at all?

In the Working Group on Growth, Investment and Employment, a lively discussion took place on how South African investment affects other countries in the region. Research was presented on how South African investment in Mozambique by Mozal, Shoprite and Vodacom had boosted employment by 11,000, but that the management of these companies consists exclusively of expatriate South Africans. Furthermore, the taxes paid by South African companies to the Mozambican government is modest and thus of little benefit to the Mozambican population.¹² Jose Figueredo, a delegate from the Employers Association of Mozambique responded by pointing out that the conditions in Mozambique improved from a very low base with investment from South Africa, and for Mozambicans, South African companies provide the best conditions. However, he added, there are weaknesses in the labour

¹² Neo Chabane, Corporate Strategy and Industrial Development Programme, School of Economic and Business Studies, University of the Witwatersrand, at the Working Group on Growth, Investment and Employment, Policy Forum on Fair Globalisation in Southern Africa, Parktonian, Johannesburg, South Africa. 20-21 April 2005.

legislation and the bureaucratic nature of government that result in a lack of protection of Mozambican workers. While the exploitative nature of South African capital was accepted in the discussion, the question of where investment for the region would come from if South Africa did not invest in the region, was raised.¹³

Creating a socio-economic floor

The Commission raises the issue of the creation of a socio-economic floor as a key principle of a globalization that is fair. This is part of the broader aim to make decent work a global goal. While somewhat vague on the content of a socio-economic floor, the idea is constructed around three key principles:

The first is about fundamental principles and rights at work. This relates to 'voice' for those who are marginalized and disadvantaged — i.e. the opportunity for them to express their collective will. This is constructed around rights that guarantee certain liberties.

The second relates to employment policies for a secure income through decent work. The Commission raises the tendency for secure jobs to be replaced by contingent work on the periphery of the labour market. This has to be combated by policy interventions.

The third principle is about extending social security to the excluded. In many developing countries, the majority of the labour force work outside the formal labour market and its associated protections. The idea is that various mechanisms, such as training, technological upgrading, the provision of labour market information and support for small business, are used to enhance security for workers on the periphery. Recently, policy researchers have begun to develop the idea of an informal social security system in southern Africa.

However, how does one provide for social protection in a market where a growing number of workers do not have fixed employment or a fixed salary? How do we regulate these forms of work? Can the state extend its protection to these workers? How would this be financed?

¹³ Working Group on Growth, Investment and Employment, Policy Forum on Fair Globalization in Southern Africa, Parktonian, Johannesburg, South Africa 20-21 April 2005.

Migration: the global economy and the cross-border movement of people

The World Commission analyzes in some depth increasing international migration, and concludes that this acceleration in the cross-border movement of people, which is taking place despite a tightening of controls by industrialized countries, is linked to globalization. It notes significant flows between developing countries, as well as from South to North. The Commission's report suggests that there is a large and productive agenda for multilateral action, and identifies three levels of discussion:

- Revitalizing existing international agreements;
- Developing dialogue between countries of origin and destination on issues of common interest on a bilateral, regional and global basis. The agenda could include information on and policy responses to labour market surpluses and shortages, obligations of migrant labour contractors, measures to combat trafficking, and the problems of illegal immigrants; and
- Preparing a process for a multilateral framework.

As pointed out above, the system of migrant labour has always been one of the key characteristics of the southern African region (McDonald, 2000). However, the region does not have a coherent policy approach to the issue. Attempts have been made, specifically in SADC, to move to a situation similar to the European Union where citizens can move freely between countries. However, these initiatives remain bogged down in disagreements between countries, with the countries in the south of the region not supporting the idea when it comes to implementation.

A further problem related to migration is the tendency for skilled individuals to leave the region — the so-called brain drain (McDonald & Crush, 2002). After the recent crisis in Zimbabwe, this country saw a mass exodus of skilled citizens to South Africa and the UK. South Africa acts as a magnet for high-level human resources from Africa, while the country itself is experiencing high levels of emigration of professionals.

In a presentation in the Working Group on Cross-Border Migration, Lebo Lehutso-Phooko emphasized that for unskilled migrant workers, the repercussions are more immediate and

severe.¹⁴ Often they find themselves in the periphery of the destination country's segmented labour market. They are "invisible" to policymakers as they are mostly uncounted, and secondly, because they are not citizens it is difficult for them to secure basic rights and labour standards. For workers receiving low pay, no non-wage benefits, no citizenship and removed from their families, this means a crisis of social reproduction.

The Working Group recommended the need to reconceptualize citizenship in the region by introducing a regional social security system. This could form part of a new notion of citizenship where migrants collect social security payments in countries where they work. It was also suggested that there was a need to develop a regional Human Resource Management Plan. This plan should identify the benefits for the home and destination countries, as well as for the individual migrant workers.

Strengthening the labour standard system

Respect for international labour standards, fundamental principles and rights at work in particular, is an important part of the Commission's proposals for the construction of a social dimension of globalization. A strengthening of the international labour standards system is recommended as part of the broader international agenda of development.

The Report recommends that the ILO reinforce its work at the country and regional levels to highlight the importance of respect for core rights at work in national development in the context of an increasingly integrated global economy. It suggests that the key to effective national action is strong, representative and democratic workers' and employers' organizations (ILO, 2004b: 44-45).

The ILO is active in the region promoting labour law reform (Fashoyin, 1999; Nupen, 2000). In furtherance of their commitment to collective bargaining, governments in the region have ratified the two most important conventions on the subject:

- Convention 87 — freedom of association and the right to organize (Zimbabwe has not yet signed)
- Convention 98—the right to organize and collective bargaining.

¹⁴ Lebo Lehutso-Phooko, researcher at the South African Reserve Bank, presentation to the Working Group on Cross-Border Migration, Policy Forum on Fair Globalisation in Southern Africa, Parktonian, Johannesburg, South Africa. 20-21 April 2005.

However, the limited capacity of unions makes it difficult for them to play an effective regulatory and collective bargaining role. The key resources for successful collective bargaining do not exist in the region (Webster and Mosoetsa, 2001: 26-30). While the harmonization of labour standards is a necessary step in the directions of 'levelling upwards', labour law reform on its own is likely to have limited impact, as long as social partners do not have the capacity to represent the interests of their constituencies. While labour law reform is necessary, what is also required is a reconceptualization of what is a radically different world of work to that of a developed country. Increasingly formal sector workers and their trade unions only constitute a part — approximately one in ten of those earning an income (Torres, 1998). To represent these types of workers will require new organizational forms and new strategies. As the ILO argues, this requires that:

- Trade unions consider developing a dual organizing strategy, including a 'community based' approach to organizing, in conjunction with other 'shopfloor' organizing methods;
- Trade unions should establish mechanisms to systematically track contracting-out processes in order to identify potential members, specifically contract workers and home-workers; and
- There is a need to build coalitions with appropriate informal sector unions and organizations that already exist (ILO, 2000: 14).

To what extent is their evidence of these new strategies and organizations emerging in southern Africa? How successful have these initiatives been? What are the obstacles and opportunities for successful organization of informal workers into sustainable organizations?

Pat Horn, founder member of the Self-Employed Women's Union and current co-ordinator of the international alliance of street trader organizations, StreetNet, led the discussion on work and labour standards in the informal sector.¹⁵ Her presentation was based on the assumption that increasingly work in the formal sector has become an exception in the region. She pointed out that the ILO

¹⁵ Working Group on Labour Standards, Policy Forum on Fair Globalisation in Southern Africa, Parktonian, Johannesburg, South Africa. 20-21 April 2005.

conventions on freedom of association and the right to organise do not exclude informal sector workers. The labour movement, she suggested, faces the following challenges.

- to prioritize the organization of workers in the informal economy, and to make human and financial resources available to implement this.
- if a country's laws are an obstacle to organizing workers in the informal economy, unions need to lobby for the necessary changes to the laws.
- changing trade union constitutions where this is the obstacle to organizing informal workers.
- learning new organizing strategies which are more appropriate for workers in the informal economy. This could mean identifying new negotiating partners (e.g. municipalities in the case of street vendors, rather than employers) and new collective bargaining strategies and demands.
- overcoming the traditional male bias in formal sector trade unions in order to have significant leadership by women (who are in the majority, especially in the lowest income-earning work) in the informal economy.
- because of the greater marginalization of workers in the informal economy, there are often lower levels of formal education, there is often a tendency for formal workers to want to do things on their behalf instead of organizing for them to represent themselves and set their own organizational agenda. Formal workers need to be conscious to avoid this tendency — remembering the struggles they previously had to wage to represent themselves instead of being represented by others.
- it needs to be borne in mind that, for successful joint campaigns, there must be demands set by the workers in the informal economy as well as the demands of the formal workers. If the formal workers set all the demands and the agenda and expect the support of workers in the informal economy when there is nothing in it for them, it will not work. Trade unions should include the demands of informal sector workers, for example an informal sector worker organisation, the Association of Zambian Informal Employees' Associations (AZIEA) is affiliated to the Zambian Congress of Trade Unions (ZCTU) in Zambia, while in Malawi and Zimbabwe similar

links were forged. This is in contrast to the recent collapse of Self-Employed Women's Union (SEWU) in South Africa

- workers need to confront the negative consequences of globalization in a unified way (i.e. formal and informal workers should identify their common ground and organize around that) in order to find ways of influencing or acting on the way in which they are affected by globalization.
- if trade unions are sufficiently representative of the working people (which is usually the majority of adults) in any society, they are the natural leaders of any civil society or social movement. They become much more representative of the wider working class if they genuinely represent the workers in the informal economy, and are then much better equipped to take up a leading civil society role.
- Trade unions involvement in the informal sector appears half-hearted as they do not invest any of their resources in this area. However, the lip service they pay to informal sector workers should be used to hold them to their word.

The Working Group concluded that for workers in the informal sector, it is better to work with organized labour than with organized small entrepreneurs. However, organizing informal sector workers under repressive regimes is very difficult.

The Way Forward: Social Movements and Social Dialogue

The Institute for Global Dialogue has sketched out a number of possible scenarios for the future of southern Africa (IGD, 2002). In their best-case scenario, described as a regional renaissance, various political leaders provide a vision for governments to take the lead in mobilizing the private sector and society in order to form a strong regional bloc that negotiates the terms of its insertion into the global economy with other players. Other possible scenarios range from total breakdown, brought about by spiralling conflicts and small enclaves insulating themselves from disorder, to states abdicating their responsibilities to the private sector and thus leading to highly uneven development and a deteriorating environment.

Underpinning the ILO Commission is a particular approach to governance, that of social dialogue in which representatives of governments, worker and employer organizations collaborate in the design and implementation of labour market and social policies.

This approach assumes that social dialogue leads to a successful integration of countries into the global economy as the process of liberalization is negotiated between the social partners. This may well be the case in certain parts of the world but it has yet to be demonstrated in southern Africa.

We suggested in the first section above that southern Africa was shaped by settler colonialism and the extractive nature of its economy, resulting in great unevenness in terms of state and institutional capacity. In those countries ravaged by war, the public realm remains limited and fragmented, and hence one has to assume that civil society, as an actor, remains fragile. Thus, to suggest, as Bjorn Hettne does, that “the new regionalism marks a response against the forces of globalisation in the same way that, in an earlier era (in Europe), social democratic forces organised at state level in order to rein in the worst aspects of the free market’, is rather optimistic” (Hettne, 2001: 89). The European Union, arguably the most successful social democratic region in the world, was crucially shaped by a historically strong labour movement. The conditions for successful social dialogue, with the possible exception of South Africa, do not yet exist in southern Africa (Webster and Mosoetsa, 2001: 12-30).¹⁶

In the Working Group on South Africa, Zimbabwe and Zambia, Suzanne Dansereau highlighted the importance of good governance for fair globalization.¹⁷ In Zimbabwe and Zambia, she said, ‘voice

¹⁶ In our evaluation of the evolving labour relations system in southern Africa we conclude that: (i) a representational gap has arisen in the world of work as unions decline in their capacity to represent the growing number of casual and informal sector workers, (ii) that large numbers of workers are not covered by collective bargaining and do not have a voice at work, and (iii) that trade unions are struggling to develop autonomous and independent organisations that are allowed to operate in the economic and political arenas of their countries. (Webster and Mosoetsa, 2001) A social democratic developmental economic strategy (one that defends the poorest groups in society through solidaristic collective bargaining and a political coalition made of strong unions and a government that considers industrial workers to be its core constituents) depends on three conditions: well organised employers , unions that represent the working poor , and immediate benefits in terms of income to those at the bottom. This last condition is achieved through wage compression at the top (Moene and Wallerstein, 2002)

¹⁷ Suzanne Dansereau, the new Editor of *Labour, Capital and Society*, at the Working Group on South Africa, Zimbabwe and Zambia , Policy Forum on Fair Globalisation in Southern Africa, Parktonian, Johannesburg, South Africa. 20-21 April 2005.

and accountability' have been reduced to a charade of multi-party politics. The impact of Structural Adjustment Policies (SAPs) in these countries had weakened social dialogue. As a result the institutions for social dialogue, the National Economic Consultative Forum in Zimbabwe and the Tripartite Consultative Labour Council in Zambia, are significantly weaker than demanded by the national labour movements.

While social dialogue may well be the optimal strategy, the conditions for its successful creation do not simply emerge out of conference resolutions; representative organizations are created in the crucible of intense and sometimes disruptive collective action. Under the impact of globalization, the Commission suggests, an imbalance has emerged between the economy, society and the polity. Existing institutions and policies are unable to manage this fundamental faultline of globalization. If this is true of the developed world, it is doubly so in southern Africa. Here the need for societies to reproduce themselves over time (social reproduction) no longer balances the need to undergo constant changes (restructuring). (Webster and Von Holdt, 2005) But this imbalance, Polanyi argued, could generate a countermovement against the rapid liberalization of the economy; a countermovement based on social regulation, rather than market regulation. What possibilities are there of striking a balance between these two opposing forces, the interests of the market on the one hand, and the needs of society on the other?

It is common to present radical social movements as a threat to existing tripartite institutions. But social movements and social dialogue are not polar opposites, on the contrary if you reflect on the history of industrialization you will see that they are dynamically interrelated. Institutions and policies do not emerge in a vacuum; they are the result of contesting ideas and social forces (Webster and Adler, 1999). Indeed it has been suggested that the only potential source for long-term progressive change in southern Africa lies "in a latent Polanyian 'second movement' generated by popular civil society across the region" (Tsie, 2001: 144).

Whether such an ambitious broad social movement is possible in southern Africa is a matter that requires further investigation. What is clear, however, is that the social forces building up in southern Africa do not have strong regional institutions and

organizations that would lead to a fair globalisation. While initiatives such as the New Partnership for the Development of Africa (NEPAD) are attempts at integrating southern Africa into the global economy, it is not clear that NEPAD meets the powerful idea underlying the Commission. This idea is captured in the Director General's report:

'If we want globalisation to work for more people, we need to see it through the eyes of women and men in their daily lives' (ILO: 2004b: 4).

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