

Straight Talk (33), 19-25 November 2012:

## **Public sector strikes are a sign of crisis**

*Prepared by Herbert Jauch for The Villager newspaper*

Much has been said and written about the recent series of strikes in Namibia and vastly different views were expressed. This is hardly surprising given the vested interests at play and the huge socio-economic gaps in the country which were once more confirmed by the latest household income and expenditure survey. As pointed out in my previous columns, these inequalities are a constant threat to Namibia's "peace and stability" that our politicians like to brag about.

Strikes are one form of action through which workers express their dissatisfaction. At the recent award ceremony of the Employment Equity Commission, Johannes !Gawaxab, the MD of Old Mutual's Africa operations, described strikes as a cry for help by the voiceless and urged that inequalities will need to be addressed alongside issues of skills development and economic growth. He also pointed out that many workers still struggle to make ends meet. This insight, however, seems not to be shared by several politicians who still seem to think that "business as usual" is the way to go. As the insight magazine recently stated: "The extent of the inequality is shocking and yet more shocking, is the fact that we appear not to be shocked".

In general, strikes have to be understood as a normal occurrence in countries with capitalist market economies where workers and employers negotiate over their shares through collective bargaining. The fundamental interests at play are that companies want to keep and increase their profits while workers want their share in the form of improved salaries and benefits. Thus it is unrealistic to expect the two sides to always reach agreement and strikes are by far the most important workers' tool to pressurise employers when negotiations fail to deliver the desired results. In South Africa's mining industry for example, workers are demanding large increases now as they have hardly benefitted from the country's mining profits over many decades.

What is interesting about the current strikes in Namibia is that they occurred largely in the public sector, either the civil service or at state-owned enterprises (SOEs). Workers there are not amongst the poorest in Namibia and especially the striking teachers were labelled as being selfish by "abandoning" their students ahead of exams. Also, the public sector is not a profit-making enterprise and wage increases thus have to be accommodated within the national budget. SOEs, on the other hand are supposed to operate along commercial principles but many have failed to even cover their operating costs and rely on government bail-outs for their survival. Why then are more strikes occurring in the public sector than in the profit-making private industries like fishing, mining, retail and banking?

In the absence of a comprehensive study into the causes of the recent strikes, it seems that the strikes point to a deep-seated crisis of confidence of workers in the way the

public sector and SOEs are run as well as the way union leaders handle workers' demands. Although public sector and SOE workers might be better paid than some other workers in the private sector, they seem to feel a sense of injustice in the face of huge perks and packages enjoyed by political office bearers and SOE managers. Calls for patience and restraint on the side of workers seem absurd when SOE managers get multi-million dollar golden handshakes and politicians continue to award themselves handsome perks. Thus the inequalities lead to a sense of injustice even if public sector workers are not amongst the poorest while government as an employer struggles to find convincing arguments for modest wage increases.

To make matters worse, several trade unions seem to have lost their sense of direction and leaders operate with little accountability to their members. Most unions are no longer campaigning for a living wage for all and for the closing of the wage gaps and seem generally happy to agree to across-the-board wage increases. Such increases always benefit those in higher income categories and thus widen existing gaps. It thus seems hardly surprising that there is an increasing sense of dissatisfaction amongst workers and that wage negotiations have become a focal point to express frustrations. Uncontrolled housing markets have made housing unaffordable for many formal sector workers, the huge rate of unemployment means that a worker's wage has to cater for a large number of dependents and the luxury enjoyed by the few adds oil to the fire of dissatisfaction. These seem to be some of the broader factors underlying the strikes. They will have to be addressed systematically and deliberately if we want to build a more just and equal society, rather than maintain the current obscene levels of inequality.

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