

Chapter 4. Caught in the Grip of the Market:

Agricultural and Forestry Workers in Post-apartheid

South Africa*

Nicolas Pons-Vignon

1. Introduction

Eleven days after the Marikana massacre¹, on August 27th 2012, 300 farmworkers went on strike near De Doorns, in South Africa's agriculturally-rich Western Cape Province. They claimed that they had been asked to sign a contract which effectively cut their wages. Within weeks, 9000 workers, mostly employed in table grape farming in the Hex River Valley area, had joined them in a violent strike movement outside of any formal labour union structure. Their rallying demand soon became a call for an increase in the sectoral minimum wage from ZAR65 (€6.5) to ZAR150 (€15) per day. The movement continued and violence flared up again in January 2013, with numerous blockages along the N1 highway which links Cape Town to Johannesburg, leading to alarmed warnings in the business press that the strikes were doing 'irreparable damage to brand SA' (*Business Day*, 11 January 2013, p.1).

In the media, these strikers have been nearly invisible. Some support to the workers' 'voice' on the strike was offered by the regional secretary of the Congress of South African Trade Unions (COSATU), and, to a lesser extent, by its affiliated Food and Allied Workers Union (FAWU). Although FAWU is supposed to organize farm workers, union density in

agriculture was standing at a remarkably low 3.4 per cent in September 2011, with members largely concentrated in the processing stage (NALEDI 2011). Some commercial farmers organized by the Agricultural Business Chamber of South Africa (AgriBusiness SA) have bemoaned the negative impact on investor confidence of the strikes; a number have brought in armed private security on farms. Nevertheless, in early February 2013, the Department of Labour (DoL) increased the minimum wage to ZAR105 a day. While this may be seen as a victory for farm workers, the threat of massive mechanization put forward by numerous employers in the wake of the protests could lead to substantial job losses, and hundreds of farmers have already applied for exemption from the new minimum wage. Many employers, however, are aware of the need to engage in negotiations; but there is no-one to negotiate with, and direct worker-employer communication channels seem broken beyond repair.

In order to understand this situation, it is necessary to consider the history of South African rural wage relations including the very harsh and unequal character of wage restructuring processes since the late 1980s. Three case studies, spanning four provinces and as many sectors (Boehm and Schirmer 2010; du Toit and Ally 2003; Pons-Vignon and Anseeuw 2009), have highlighted a puzzlingly common trait. In the context of rampant casualization and contracting out of labour, there is growing mistrust amongst workers regarding the wage *amounts* which they are paid. The issue is not only that workers contest their wages *a priori* (although this also happens), but that they feel robbed when they get their actual pay. There is thus a mismatch between what they expect to be paid for a given month or week; and what they actually receive. It appears that the adoption of regulated minimum wages for agriculture and forestry has exacerbated this mistrust; it has however not been caused by it, as many similar observations were made before their introduction. One cannot underestimate the extent to which the mismatch between workers' expectations and actual wage amounts has fuelled tensions across South Africa's rural labour markets. Du Toit and Ally (2003) thus

document how the recurrent disturbances surrounding an employer's office on pay day led to the decision to get the drivers of fund transporting vehicles to pay workers directly. In Mpumalanga, a group of migrant workers interviewed by the author in 2006 declared themselves robbed by the contractor who employed them and, after failing to claim compensation from the paper company for which the contractor worked, threatened in desperation to 'burn down the plantation'.

How can such misunderstanding exist? That workers are unhappy with working conditions is one thing, but that they actually do not agree with their employer about what they are owed when pay day comes, despite written (or orally agreed) contracts, is unusual. Further, how can a movement as large and sustained as the one in De Doorns exist without any formal structure? While this chapter will not look at the particular causes of these strikes, it will offer insights into the context in which they are happening. The strikes reflect a well-known explosive mix: the absence of communication channels (no unions or negotiations), an acute tension between labour and capital (visible in the mistrust discussed above) and a growing 'reproduction squeeze' experienced by workers caught between the rock of low pay and the hard place of high food, accommodation and transport prices. To this challenge, one must add the militant tradition among South African workers which, in spite of the active anti-union strategy of employers, has left them with an ability to mobilize collectively.

This chapter focuses on the restructuring of the South African forestry sector² which presents an extreme (albeit often ignored) case of labour casualization. While all forestry workers were employed by large growers in the 1980s, 82 per cent were working for contractors by 2012, and a further 5 per cent had fixed-term contracts (Clarke 2012). Outsourcing has put workers under unbearable stress – not only of reproduction, but also the assertion of their own dignity, as they are deprived of individual instruments of resistance to exploitation. Task payment is thus entirely controlled by employers and the mechanisms that govern it are, by

and large, obscure to workers. Tensions exist as workers form pay expectations based on their own understanding of task and fairness. For instance, if a worker fails to meet the production target because of difficult environmental conditions but has worked hard nonetheless, the expectation is that he or she should receive a full day's pay. Employers, on the other hand, stick to their production schedules. To understand why tension between employers and workers is so high, it is crucial to analyse the evolution of historically-paternalistic labour relations in agriculture and forestry. It is also important to recognize the growing hierarchical dominance of agricultural and forestry value chains by downstream buyers, and the implication this is having on workers who have historically been voiceless. The central contention of this chapter is that the violence associated with the proletarianization of black³ South Africans has transformed but not decreased. If anything, the current corporate-driven economic coercion under which workers are buckling offers fewer possibilities for contestation than the easily identified apartheid state.

After discussing in Section 2 the history of the formation of a rural proletariat in South Africa, which was the result of the violent destruction of the African peasant economy, the invisibility of rural wage workers is explored in Section 3, with particular reference to the poor quality of data on rural labour markets and to the (negative) impact of post-apartheid policies. In Section 4, these insights are brought to bear in the analysis of the case of forestry, which draws on an inductive approach aimed at uncovering the key dynamics at play. The tremendous casualization of the life and work of forestry workers is thus linked to the restoration of employer power through market means, leading to a situation where profits, not wages, are a fixed variable.

2. A History of Violence: The Formation of the Rural Proletariat in South Africa

It is striking that, more than 30 years after it was written, the opening paragraph of Colin Bundy's classic study of the history of the black South African peasantry remains so relevant, not only in its historical dimension but also in its characterization of the current situation of rural South Africans (1988, 1):

‘At the core of South Africa’s social history lies the transition of a majority of her people – the rural African population – from their precolonial existence as pastoralist-cultivators to their contemporary status: that of sub-subsistence rural dwellers, manifestly unable to support themselves by agriculture and dependent for survival upon wages earned in ‘white’ industrial areas or upon ‘white’ farms.’

In South African agriculture, capitalist relations of production are prevalent; they have been imposed from above and combined with an insistence that Africans would remain proletarians only. The violence which made this possible, and which has been analysed in the Rhodesian context by Arrighi (1970), is discussed in this section with reference to South Africa.

2.1 Capitalism in South Africa: from segregation to Apartheid

Southern Africa has experienced, from the 18th century onwards a very violent transition to capitalism, which has deeply transformed social relations in rural areas. Wars between white settlers, encroaching on African land, and Xhosa groups undermined the reproduction of the latter, forcing many men to start looking for wage work in white areas. In the 19th century, numerous wars and increased white immigration put pressures on the reproduction of pre-capitalist modes of production. However, the key trigger for the accelerated attack on the

African peasantry was the ‘discovery’⁴ of large mineral resources, first diamonds in Kimberley, in 1867, then gold in what was to become Johannesburg, in 1886.

The peasant mode of production and reproduction had to be undermined in order to generate a large labour force whose movements were subsequently organized in a migrant labour system (Van Onselen 1976). The latter entailed an incredibly harsh and intrusive management of the work and life of workers on mining compounds (Moodie 1994). This structured transfer of African labour to the mines, and back, has been a backbone of South Africa’s economy throughout the 20th century. Its formalization inspired the two Land Acts of 1913 and 1936, which allocated about 10 per cent of South Africa’s land (subsequently called Reserves, or Bantustans) to Africans, and the rest to Whites. The purpose was double: on the one hand, to force more Africans into wage labour by undermining the ability of peasant agriculture to support a large population; on the other hand, to allow capitalist employers to pay workers below-subsistence wages, thus shifting part of the cost of their reproduction onto the peasant economy of the Reserves (Legassick 1971).

The migrant labour system has continued to be a core pillar of the evolving South African system of accumulation, characterized by Fine and Rustomjee (1996) as the Minerals-Energy Complex. This highlights the way in which Afrikaner companies have grown through providing inputs and services to the British-dominated mining sector from the 1940s onwards. The adaptation of the migrant labour system to the needs of manufacturing development was analysed in depth by Wolpe (1972), who highlighted the specificity of apartheid (from 1954 onwards) vis-à-vis the previous system of segregation. The constraints put on the Reserves by the combination of their very poverty (both natural, land quality, and infrastructural) with the extraction of male labour for wage employment in mining or other areas resulted in the ‘virtual destruction of the pre-capitalist mode of production of the African communities in the Reserves and, therefore, of the economic basis of cheap *migrant*

labour-power' (ibid., 428, emphasis in original). As a result, the continuation of a migrant labour system founded on racism was increasingly associated with rural squalor in the Reserves, where survival depended increasingly on transfers from urban wages (and, from the 1980s onwards, from welfare transfers). These survival strategies were contested by the racist 'apartheid workplace regime' in mines and factories (Von Holdt 2003).

2.2 Forcible commodification and African workers

The destruction of peasant farming was essential to 'recruit' Black workers for mines and plantations where conditions were harsh and wages low. Deprived of their means of reproduction, they were forced to acquire commodities from the market; engaging in wage labour therefore became necessary (Brenner, 1988). This form of the spread of capitalist relations of production has been termed, in relation to Africa and India, as *forcible commodification* (Bernstein 1994). As Marx put it (1990 [1867], 915-916):

'These methods depend in part on brute force, *e.g.*, the colonial system. But they all employ the power of the state, the concentrated and organized force of society, to hasten, as in a hothouse, the process of transformation of the feudal mode of production into the capitalist mode, and to shorten the transition. Force is the midwife of every old society which is pregnant with a new one. It is itself an economic power.'

Colonial policies were designed to support the interests of white companies and settlers, and ensuring a supply of tractable labour was a crucial issue, along with control over population and space. As shown by Paton (1995), there was a struggle in the late 19th and early 20th century between the British South African Company (BSAC), which ruled over most of British Southern Africa, and the South African state to secure a net inflow of workers for the

development of capitalist mining and farming. The crops grown by white farmers and multinational companies were 'almost entirely seasonal and labour intensive, with low level of technology and little attempt to produce outside the natural growing season' (Loewenson 1992, 40). The reason was that as cheap and disposable labour was widely available thanks to forcible commodification, it was more cost-effective not to invest in infrastructure or technology. Indeed, even adverse productive crises could be absorbed easily by getting rid of defenceless workers. This phenomenon reflects, more generally, the inability of capitalism to be progressive if it is not constrained by competition or increased labour costs, as argued by Weeks (2001). It has also been a recurrent feature of South African agriculture and forestry, as discussed below, and can be explained in part by the weakness of labour in relation to capital.

In South Africa, farming was a key activity for Afrikaners, and their farms were typically smaller than the plantations operated by the British, whether in Natal or in other colonies. Regardless of their size, the competitiveness of white farms was largely dependent on the existence of a very abundant and cheap labour force; it was therefore crucial to prevent any form of class organization to allow for unmitigated exploitation. The whole history of farm labour in Southern Africa can be read through what Clarke (1974) called, with reference to Southern Rhodesia, the 'ideology of labour shortage' among white farmers, that is, the reluctance of farmers to raise wages to attract labourers, preferring instead to 'import' cheap labour from poorer neighbouring countries or Reserves. In other words, while there was no labour shortage in the orthodox economic sense, because wages were rigid, the idea of raising wages was (and continues to be) perceived as an unthinkable, or uneconomical, solution for white farmers.

The relationships between employers and workers in rural areas have been characterized by paternalism since the days of slavery in South Africa, with farm labour relations

characterized by a system of ‘domestic government’. In short, workers were at the disposal of their employers, who had all rights over them. As Du Toit and Ally put it (2003,4):

‘Paternalist ideology refused to recognise slaves and servants as mature human beings. Although slaves and servants were morally entitled to protection and care, they were, in most respects, entirely subject to the final authority of their white ‘masters’ (...) Despite the abolition of slavery [in 1834], the farmers managed to introduce a series of progressively harsher Masters and Servants Acts which gave agrarian employers powers over farm workers that far exceeded those of any other type of employer over any other category of worker.’

Paternalism and the ‘lack of voice’ of workers on farms were compounded by the fact that, even after the abolition of the Masters and Servants Act in 1974, farmers managed to ensure a distinction between farm and other workers, which prevented the former from benefitting from the rights obtained by mobilizations in manufacturing and mining, in particular in terms of organization in trade unions (Bundy, 1979). Labour relations under domestic government have been characterized by high levels of violence, very low pay, and the common practice of in-kind payment cementing the ‘paternalistic’ (as opposed to ‘free’ or capitalist) relationship between employers and workers.⁵ This remains a striking feature of rural wage relations; a farmer interviewed by the *Mail and Guardian* following the strikes in De Doorns, thus insisted that ‘[a] number of farmers also provide services to permanent workers...In his case, there is a crèche on his farm for workers’ children and he provides employees with a funeral policy’ (Donnelly 2013). The insistence on such alleged ‘individual’ benevolence is to be contrasted with the widespread poverty affecting farmworkers, in a context where an increasing number of them are *not* permanently employed; moreover, their voicelessness remains a central feature in the post-apartheid era (see Section 3).

2.3 Support for white farmers and the destruction of African capitalist farmers

Alongside the needs of large-scale mining and manufacturing, the policies pursued by the South African government have sought, throughout the 20th century, to promote the development of small- and large-scale white farming. Support for the former reflected its importance as the country's largest political constituency, since only Whites voted, at least after the removal of residual common rolls of qualified Blacks in the Cape and Natal in the late 1930s. While spurring important growth in agriculture, these policies also acted as a form of social policy until the end of apartheid, for instance by supporting certain sectors in a way designed to keep a large group of producers afloat, as in the case of the wine industry (Du Toit and Ewert 2005). The process of modernization of white agriculture started in the 1960s; it was promoted by the state, which provided loans for increased mechanization. As the international terms of trade for primary products (other than oil) started to decline in the aftermath of the 1973 crisis, farmers accelerated the shift to more capital-intensive production patterns, leading to a decline in agricultural employment. This has however not been accompanied by any improvement in the working or living conditions of farm workers, largely as a result of their inability to organize.

Conversely, the Land Acts and a series of other policies successfully undermined emerging African commercial farmers, including sharecroppers on white farms (Bundy 1979; Van Onselen 1996). Black farms not only struggled to access good land, but also had to compete in an unequal manner with farmers who were supported in accessing capital (by the Land Bank), irrigation, markets (through Control Boards) and, crucially, labour. It was indeed the South African state's objective to ensure that Africans would be confined to the working class and, 'to ensure low reservation wages for the native population, measures were taken to block alternative sources of income that might compete with the wage economy' (Mkandawire 2010, 1650). As a result of these difficult conditions, the inhabitants of the

Bantustans increasingly relied on transfers to ensure their reproduction. Wage labour also developed there, partly as a result of explicit employment schemes promoted by the apartheid regime, such as forestry or textiles. As a result, by the end of the 1970s, peasant farming had effectively vanished as a sole, or even major, source of reproduction across South Africa. Even if (African) small-scale agriculture persists in certain areas, it rarely constitutes the main source of income for poor people; as in much of Africa, poor people depend first and foremost on wage labour (Reardon 1997; Palmer and Sender 2006). This reality is however often overlooked. This phenomenon, as further discussed below, is due to both flaws in data collection methods and the result of ideological biases that are reflected in public policies.

3. Post-Apartheid Policy and Invisibility of Rural Wage Workers in South Africa

This section focuses first on the effects of post-apartheid policy on rural workers. It goes on to explore, furthermore, the reasons behind the statistical under-estimation of (casual) wage labour in South Africa.

3.1 Rural workers and post-apartheid policy reform

Post-apartheid policies explicitly sought to uplift the situation of exploited, often brutalized workers and to take labour relations ‘out of the 19th century’ (Du Toit and Ally 2003, 5). These policies entailed a combination of apparently contradictory actions: on the one hand, an increased regulation of labour, both in terms of employment conditions (Basic Conditions of Employment Act [BCEA] 1997) and security of tenure (Extension of Security of Tenure Act 1997); and, on the other hand, the liberalization of agriculture, with the removal of apartheid-era support mechanisms for farmers, focusing in particular on price liberalization. The result, as assessed by Roberts (2011, 12) is far from the intended objectives of greater competition and growth:

‘A decade and a half after the South African experiment in wholesale liberalization of agricultural markets it is evident that large integrated companies effectively took over the role of governing the production and supply of many important food products and agricultural inputs. The restructuring process has realised large employment losses and [...] been accompanied by low output growth and worsening trade performance.’

As Sender (2012) convincingly discusses, the poor performance of South African agriculture over the past twenty years when compared with other middle-income countries, and the crucial role of declining state support and investment in accounting for this poor result. Table 1 illustrates the growing concentration of the agricultural sector since 1993, the rapid rise of income derived from animals and animal products (partly associated with the rise of extensive game farming, see Andrew 2012) and, crucially, the decline in wage employment, falling by almost a third between 1993 and 2007 to just under 800,000 individuals. Total employee remuneration more than doubled during the same period, reflecting the very low level of wages and benefits under apartheid and the impact of the new labour legislation. This has been accompanied by growing labour casualization; *recorded* casual and seasonal work accounted for 45 per cent of total agricultural employment in 2007 (StatsSA 2007), although this figure may be underestimated, as discussed in the next sub-section. In the forestry sector, the trend has also been one of decreasing recorded employment with a very marked increase in casual work in general and of third party employment in particular. According to a recent survey, only 6 per cent of workers for large forestry companies (by far the biggest contributors to output and employment in the sector) were employed directly on permanent contracts in 2012 (Clarke 2012). The trends in forestry are discussed in more detail in Section 4.

[INSERT TABLE 1 ABOUT HERE]

South African farmers and forestry contractors have thus found themselves caught between increasingly powerful downstream corporate players, such as retail chains for horticulture (Barrientos and Kritzing 2004), and what they perceive to be a stringent labour legislation. Their interpretation is of course debatable. The BCEA covers, as its name suggests, basic conditions of employment. But the bulk of regulation is included in the 1995 Labour Relations Act (LRA), which has had no bearing on agriculture or forestry for lack of a Bargaining Council able to negotiate conditions for these sectors. This situation has led to the adoption of Sectoral Determinations⁶, in 2003, for agriculture and, in 2006, for forestry, which have set very modest minimum wage rates and working conditions, such as the obligation to provide a written contract to workers. It is striking that in 2007 28 per cent of workers were paid *below* the minimum wage in agriculture, and that 36 per cent still did not have written contracts, according to a study using Labour Force Surveys (Bhorat et al. 2012). This poor compliance on the part of employers is certainly related to the weak enforcement (inspection) capacity of the Department of Labour. As Stanwix argues, '[i]n the case of agriculture, the risks [associated with non-compliance] have been low and the penalties light' (2013, 4). Yet, even if they have not been fully implemented, the Sectoral Determinations have pushed wages upwards (ibid.), leading employers to threaten to mechanize en masse. That wages remain very low in agriculture and forestry speaks to the failure of post-apartheid policies in terms of lifting workers out of poverty.

It is certain that agricultural liberalization has made the task of new Black farmers very difficult, and contributed to the very disappointing results of the land reform programme. The latter was indeed heavily influenced by what Byres (2006) calls 'neoclassical neo-populism',

which characterises the convergence between neoclassical agricultural economics, with its insistence on an elusive inverse relationship between farm size and (land) productivity, and new forms of Chayanovian populism which identify small-scale farmers as the ideal engines of progressive transformation. The World Bank convinced the ANC in the early 1990s that market-based land reform would enable the redistribution of 30 per cent of white-owned land to African farmers (the official target of the policy) and be a panacea for rural development.⁷ The outcome, by 2012, was however that ‘just over 7 per cent of the land [had been redistributed] and nearly half of that [had] been resold to white owners’ (Andrew 2012, 4). Worse, assessments of the impact of land reform on beneficiaries suggested that they were *worse off* than before receiving land (see for instance Valente 2009). Indeed, the liberalization policy pursued by the new Government disposed of support mechanisms which had been designed for white farmers, thereby depriving *all* farmers of support. A number of authors, in particular Cousins (2013), continue to argue for targeted support policies for small farmers. However, it is worth noting that a continued focus on the promotion of smallholder farming (or small-scale forestry contracting) contributes to a diversion of attention from workers’ pay and conditions.

The attempt to ‘modernise’ South African agriculture and its labour relations has produced disappointing results, as has land reform, largely because the implementation of these policies has drawn on a shallow understanding of social relations of production in these sectors. At the heart of post-apartheid policy reform lays the naïve idea that development will ‘trickle down’ once competition is unleashed, through the emergence of dynamic entrepreneurs able to seize opportunities hitherto unavailable because of inefficient regulation. Support for this perspective has been reflected in and influenced by the under-estimation of wage labour in discussions of rural poverty, which is discussed in the next sub-section.

3.2 The under-estimation of wage labour in official statistics and analyses of rural poverty

South African labour statistics are on the whole better than in other African contexts in terms of capturing wage labour. This is partly because the development of capitalism has been most advanced and generated a far larger proletariat than elsewhere on the continent.⁸ It is also a consequence of the fact that South Africa has decided to dedicate important resources to understanding labour markets and poverty dynamics after 1994. This was a necessary step given the lack of data on the non-white population under apartheid.

There is however reason to believe that official statistics are not good enough, especially when it comes to capturing *rural* wage labour. This reflects in part general problems of survey design (see, in this volume, Johnston and the introduction, Sender et al. 2005 and Oya 2013), as well as specific shortcomings in South African sample design. The Quarterly Labour Force Surveys (QLFS), which replaced the Labour Force Surveys (LFS) in 2008, include four roughly equal rotating samples covering around 30,000 dwellings (StatsSA, 2008). In the QLFS, every attempt is made to capture as many ‘employed’ people as possible, to an extent which may seem absurd – but which serves obvious political purposes in a country where official unemployment (*excluding* discouraged jobseekers) stands at 25.5 per cent (StatsSA, 2012). Thus, any person who declares having worked the previous week in *any* ‘market production activity’ will be classified as employed, together with any person who has been ‘temporarily absent’ of the household.⁹ The result is that self-employment is artificially bloated; while this may help in capturing informality, South African labour statistics thus tend to under-estimate casual employment.

Micro-level research, however, has shown the importance of wage labour for poor rural South Africans. As argued by Sender (2002), for instance, casual employment in South Africa is the main source of survival for the poorest, typically female, labour market

participants. Yet, while the spectacular growth of labour casualization in rural employment has been well-documented (Barrientos and Kritzinger 2004; Du Toit and Ally 2003; Pons-Vignon and Anseeuw 2009; Theron 2010), Bhorat et al. (2012, 4, emphasis added) note that ‘the LFS data on seasonal and contract workers within Agriculture does not appear to have changed significantly over the period [2003-2007] and *no data on temporary employment services in Agriculture is available*’.

There is thus a tendency to overestimate the role of self-employment (including subsistence farming) based on flawed labour market statistics in South Africa. These shortcomings, inter alia, are also due to ideological biases, notably the influence of neoclassical neo-populism. This strand of thought has found a particularly fertile terrain in South Africa, given the reluctance to acknowledge the demise of pre-capitalist modes of production among black South Africans. This has been the case since the early 1990s, as emphasized by Standing et al. (1996) in their seminal study of the South African labour market. The thick ideological mist which surrounds the analysis of rural labour markets has not yet evaporated; yet, evidence suggests that social differentiation is rife in rural areas across Africa (Lewis 1984; Oya 2010; Sender and Johnston 2004; Wuyts 2011). This calls for further research on the link between categories of (paid) employment and welfare levels of individuals.

The underestimation of casual wage labour in rural areas increases the invisibility, and vulnerability, of those who crucially depend on wages for their survival. When dealing with relations of production characterized by radical inequality, it is crucial to adopt qualitative, inductive research methods in order to contextualize the particular dynamics of the labour market under consideration. Indeed, when large-scale surveys miss important dynamics, they contribute to the invisibility of rural wage workers. Yet, as Oya remarks, ‘[a] challenge is whether ideological fetters will continue to obstruct a pro-poor statistical agenda that centres on labour’ (2013, 268). Thus, as will be discussed in the next section, the most significant

aspect of the restructuring of the forestry sector, outsourcing, has received very little attention and, as a result, casual employment in forestry has been widely underestimated.

4. From Violence to Economic Coercion: The Case of Forestry¹⁰

This section brings many of the above observations to bear through a case study of the transformation of the South African forestry sector, where the discretionary power of large forestry companies over workers has been authoritatively restored through outsourcing. This has entailed the emergence of a few small black capitalists and had a dramatic impact on workers.

‘Authoritarian restoration’ (Von Holdt 2003) in South Africa can be described as follows: employers now use various forms of economic coercion to assert their power over workers, rather than extra-economic coercion, or violence, as they did in the past. The key instrument of exploitation in forestry and agriculture is the practice of task payments¹¹ which, because it is entirely governed by employers and largely opaque to workers, has generated widespread frustration. As discussed above, even if public policies are not explicitly aimed at enforcing this power imbalance anymore, they have nonetheless allowed it to prosper. With much attention (and few resources) focused on the pipedream of (re)creating a class of African peasants, it seems that agricultural and forestry workers have no choice but to resort to spectacular mobilization to draw attention to their plight.

South African farmers and forestry companies have anticipated and adapted to the end of apartheid, which provided them with a labour force which was legally governed by them, by shifting from permanent to casual employment. Prospects such as the implementation of land reform, including the securing of labour tenants’ rights in Natal (Pons-Vignon and Anseeuw 2009), and a protective labour regime have played a critical role. The shift has taken different forms according to the sector under consideration, but the trend is overwhelming. In forestry,

while trade unions were heavily represented in the 1980s, they have all but vanished in the wake of outsourcing, which also paved the way for a deep casualization of labour. Outsourcing has allowed downstream companies to draw on economic coercion to ‘externalize’ many of the costs and risks associated with production.

4.1 Findings without research: Forestry for poverty reduction in South Africa?

Grossly biased research has been used to paint a radically inaccurate portrayal of the forestry sector, which has in turn informed policy. It is worth considering first how forestry workers have been completely left out of a 10-year joint policy research programme between the British Department for International Development (DfID) and the South African Ministry in charge of forestry, which was then the Department of Water Affairs and Forestry (DWAF)¹². The resulting Key Issue Paper (2005) on forestry for poverty reduction in South Africa offers a skewed picture of the situation of the sector and it fails to discuss outsourcing and its implications. It is argued that forestry contributes to poverty reduction ‘through a successful, growing forest products industry; through a growing number of black-owned new enterprises that have been established in the forest sector since 1994; and by the lifeline provided to the very poorest in society, who depend on forest resources as one means of securing their livelihood’ (DWAF 2005, iv). The key issues identified include the need to expand the benefits of forest resources, such as firewood and medicinal plants, to more poor people. In other words, the restructuring of the sector is seen as unproblematic, and workers are considered to be the ‘beneficiaries’ through the generation of employment opportunities. Such a view, however, fails to capture the dynamics at play which link participation in forestry labour markets and poverty.

Furthermore, the research commissioned by the DoL to underpin the Sectoral Determination for Forestry provides a further, striking illustration of how a flawed methodological approach

can contribute to the perpetuation of the invisibility of forestry workers, even though such a study was *explicitly* focused on their working and living conditions. The research, carried out by Siyaphambili Development Consulting (2003)¹³ on behalf of the DoL, failed to identify the most important and pervasive trend in labour relations in the sector: the evolution of task payment. Yet, task payment has been the main instrument of the restoration of employer power in the sector; and, as such, it has crystallized the frustration of increasingly powerless forestry workers, who perceive it as highly exploitative. There are a number of reasons for the failure to pay attention to such an important aspect in the DoL study. First, researchers conducted a limited number of interviews (45 plus 11 in-depth interviews). Secondly, in-depth interviews were conducted with ‘*corporate forestry companies* in the sector’ (ibid., 17, emphasis added). Neither workers nor direct employers (contractors) were interviewed to inform this study. While it is hardly surprising that forestry companies did not raise the importance of looking into the task system, it is certainly worrying for forestry workers that the DoL accepted such a methodological approach for research that ultimately had the objective of protecting them.¹⁴

As long as the vertical integration of production entailed a parallel integration of employment (see below), Growers Processors (GPs) provided reliable information about employment in the sector. With the growth of contracting, they have remained the main source of data in the absence of a bargaining council for the sector, but only have an indirect notion of actual numbers employed, especially in the increasingly frequent cases where contractors use subcontractors (see below). Thus, while the *recorded* number of workers employed in forestry has declined steadily, from over 100,000 in the early 1990s (Mayers et al. 2001) to 60,000 in the early 2000s (Chamberlain et al. 2005) and just over 40,000 in 2012, of which 36,000 employed by large growers (Clarke 2012), there is reason to believe that, rather than a straightforward decline in employment, the restructuring of the sector has led to an

informalization of work. Many workers have become invisible in the process, a trend reinforced by the growing number of migrants (many of whom do not have a work permit) employed in forestry; their numbers are impossible to assess accurately, though they probably make up more than or close to half of the total workforce in the most dynamic forestry regions¹⁵.

INSERT TABLE 2 ABOUT HERE

What is however clear from the latest data available is the massive trend towards externalization and casualization in forestry: as shown in Table 2, only 13 per cent of workers employed by large forestry growers (who make up the bulk of output and employment) have permanent contracts; the remaining 87 per cent are either contracted out or on fixed-term contracts. The implication in terms of earnings is dramatic: Clarke (2012) finds that the wages of non-permanent workers are around the level of the monthly minimum wage (ZAR1, 278), which represents only 61 per cent of the average wage of permanent workers. Wage data cannot be trusted entirely for the same reasons discussed above. Yet, her results suggest that while there has been a substantial increase in the earnings of casual workers following the implementation of the minimum wage, the same workers are still deprived of any non-compulsory benefits such as medical aid. The fact that most forestry workers are employed by contractors represents a radical departure from the situation which was prevalent until the 1990s.

4.2 Brutality without a strategy: Outsourcing in forestry

Plantation forestry developed in South Africa thanks to active state support, first to service the needs of mining, then to ensure the supply of timber needed for the country's growth.

From the 1950s onwards, the state supported the emergence of two private pulp and paper companies, Sappi and Mondi, the latter owned by Anglo-American Corporation, the country's dominant conglomerate. These two companies acquired large tracts of land, in particular in the east and south-eastern parts of the country, to grow trees to feed their paper mills. Together with the state-owned company, SAFCOL, which has been unbundled and partly privatized since the 1990s, they own most of the country's plantations. Across the forestry sector, the rule was vertical integration 'from stump to mill', whether to produce paper or sawn timber, because the trees had been planted in order to service downstream sectors. As a result, large forestry companies are referred to as growers-processors, or GPs.

The production of timber was (and remains) very labour-intensive. For example, most felling is done by hand, and involves large groups of workers to cut, debark, stack and transport trees. During the 1980s, trade unionists from the downstream factories started organizing the very large forestry workforce, as part of a growing political push to make the country 'ungovernable' for the apartheid government (Von Holdt 2003). This led to an increasing contestation of the colonial labour regime under which much of the wage earned by forestry workers was withheld to cover the provision of food, accommodation (in company-run compounds) or other in kind benefits. Unions made substantial gains for forestry workers, and contested the paternalistic labour process. As a result, forestry work was perceived in the late 1980s to be a desirable occupation in rural areas – a perception which would change dramatically over the following years.

Soon after the start of unionization among forestry workers, in the late 1980s, forestry companies started outsourcing their operations, thus breaking their vertical integration. The shift was completed in about 10 years, with large GPs retaining two key activities: the nursing of trees and the ownership of plantations. All other forestry activities, namely silviculture, felling and transport, were outsourced in an unplanned manner. This was done by

encouraging (white) forest managers to start up their own companies to service the GPs as contractors. The reason for outsourcing was the rise of trade unions and the associated contestation of the established labour practices in the sector. In particular, stronger unions meant a more equal negotiation over daily task levels. From interviews with GP executives and contractors, it appears that the key problem with this was as much power as cost: in an industry where companies and their white managing staff wielded large power over black workers, having to negotiate and discuss the labour process was perceived as unacceptable. Moreover, the almost entirely manual nature of forestry work in South Africa meant that increased labour costs would reduce profit margins in downstream activities, unless productivity increased, but this was hardly considered given the 'labour shortage' mind-set discussed above.

This union-imposed balancing of power between workers and employers was soon shattered with outsourcing, which subsequently ensured that value would be squeezed upstream and concentrated downstream. Outsourcing was therefore conducted with a very simple agenda: cutting costs from producing timber, in order to re-assert the power of companies, and to serve their downstream activities. This is visible in the way in which contractor relations have been managed, with a systematic practice of using tender processes (say, for the harvesting of a given plantation compartment) to drive down prices by playing one contractor against another.¹⁶ As a result, many contractors have failed to run a profitable business. A study conducted in KwaZulu-Natal, South Africa's main forestry province with Mpumalanga, estimated the bankruptcy rate of contractors at more than 40 per cent in 2004 (Clarke and Isaacs 2005). It is interesting to note that, from the mid-1990s onwards, executives from GPs developed an *a posteriori* argument that outsourcing was aimed at enhancing productivity by adding competitive pressures (Morkel 2000).

One of the most immediate consequences of these developments was a massive loss of skills, both of white managers and of black workers. As one interviewee put it ‘a good forester is not necessarily a good businessman’. Many experienced foresters thus left the sector soon after they became contractors, largely as a result of the very aggressive strategy of downstream companies. This had a knock-on effect on wages, which were cut in order to secure contracts. As a result, many qualified forestry workers refused to continue to work for casual, less-paid contracts and sought work elsewhere. This opened the door for a radical shift in the make-up of the forestry workforce, which incorporated an increasing number of women and of (often illegal) foreign workers, who for the most had little or no experience of the work. This happened in an environment in which, in order to cut costs and get business, contractors were cutting on all their costs, not least on training.

4.3 Chain subcontracting: Promising the impossible

The difficulties encountered by contractors have been compounded by their inability to organize in a professional association that would allow them to bargain for better rates. The South African Forestry Contractors Association (SAFCA), created in 1989, mostly focuses on providing training for contractors (Khosa 2000). It has been prevented from acting as a representative body of contractors because of active lobbying by large GPs, thus facilitating a race to the bottom. Apart from driving a number of contractors out of business, this race to the bottom has led to the development of chain subcontracting. The least profitable, typically most labour intensive activities (such as weeding a compartment after felling) have been subcontracted, often to contractors operating informally. The latter are typically black workers who are encouraged, in similar fashion to what happened to white foresters, to start their own business to provide a service to a contractor. The clear advantage in this arrangement is the ability to control costs *a priori*; indeed, as with contractors working

directly with GPs, any unforeseen event pushing costs up is the responsibility of the subcontractor.

Since subcontracted activities are typically the ones which carry the greatest unforeseeable risks (associated for instance with weather changes), there is great precariousness at the end of the chain. In many cases, such as that of Julia (see box below), the last subcontractors find themselves caught between a rock (fixed prices for tough jobs) and a hard place (workers whom they need to recruit, transport and get to work for an informal, task-based wage). As a result, many get crushed as they undergo a double reproduction squeeze (as capital and as labour), which is often associated with the investment of household resources to sustain the business.¹⁷ The example below illustrates how fragile such businesses can be, and the low likelihood that they will form the basis of a dynamic black entrepreneurial class called for by many policy documents (including DWAF 2005).

Box: Julia¹⁸, a forestry subcontractor

At the time of the interview, Julia had been a forestry subcontractor for about a year. She took over from her husband when he passed away, as the business was the only income sustaining her and her two young children. She was able to retain her husband's contract from Mike, a black subcontractor working informally for large white contractors. She and Mike soon started an affair, following which he started delaying a number of payments. The (informal) contracts she performs involve weeding, a labour-intensive job done soon after harvesting, to allow replanting. She recruits workers from the Bushbuckridge tribal area, picking them up in her *bakkie* (pick-up truck) and driving them to the plantation and back. Her workers do not have a written contract and are only issued protective equipment when she can afford it (weeding involves spraying harmful chemicals). Julia finds it very difficult to manage her workers, as 'men do not take (her) seriously'. Tensions are frequent when calculating the wages she owes them, which are task-based and indexed on her own production objectives. At the time of the interview, she is hiding because she owes her workers a month's wage.

She has not been able to pay them because she is unable to work since she does not have her bakkie anymore. It broke down and Mike promised to fix it but now asks for a lot of money to pay for the costs and is holding the vehicle. She does not have the funds he asks for, and is owed money on her last contract, with which she was going to pay her workers. In order to run her business, she has exhausted all her funds, including those she needed to send her children to school, who are now at home. She is hiding with them, afraid that her disgruntled workers will find them. Even if she is depressed, and unsure what to do, she still hopes that she can be a successful entrepreneur and make money in the future. This will happen, she thinks, if she can get a written contract, which she could use to get a loan from a bank.

Contractors and subcontractors are thus caught in an unequal and exploitative relationship with GPs, who enforce a very harsh competition pushing bidders to commit to cutting costs (or raising productivity) beyond what is feasible. This is however exactly what the GPs seek to do; Morkel (2000) thus argues that that the competitive pressures of running a successful business will lead to improved productivity. The way in which the contract parameters (the required man-hours for a job) are set reveals the disproportionate power wielded by the GPs in the value chain. As outsourcing was accelerating in the early 1990s, a handbook of forestry best practices was written by a consultant in 1992. This handbook – which prescribed the average man-hour requirements of each and every task involved in silviculture, harvesting and transport – has become the standard from which all contracts are negotiated. It has never been updated; it has not factored in the implication of the massive brain drain suffered in the sector; and it constitutes in itself an anathema to the principle of ‘scientific’ task-setting. Indeed, as forestry work is performed in a natural environment, the particular requirements of each task can vary greatly according to a number of exogenous conditions.¹⁹ That these requirements were set *a priori* therefore reflects the power imbalance between GPs and contractors. It is therefore not surprising that, even if the handbook is still referred to in

negotiations, productive conditions have become secondary to the profit objectives set by GPs to their managers in charge of contract negotiations. As discussed above, this has inflicted huge pressure on contractors and subcontractors, leading to the emergence of a new kind of contractor. Companies renting forestry equipment, whose business developed with outsourcing, are thus increasingly replacing traditional contractors, since many struggle to mobilize the funds necessary to buy or rent the material required to perform jobs.

This form of productive restructuring focused on cutting upstream costs has had very serious consequences on productivity levels, overall timber production, the environment (especially affected by an increase in fires partly related to the poor maintenance of fire breaks) and downstream industries, in particular sawmilling. The latter have been affected by declining production in a context where integrated producers prioritized their own processing plants, and in some cases, such as that of the state-owned Komatiland forests, abused their position of dominance to set timber prices at very high levels, forcing several sawmills to close down (CCSA and IDC 2012). However, the most dramatic consequences of outsourcing have been experienced by forestry workers, both in their work and in their daily lives.

4.4 Forestry workers buckle under task

All of the top-down pressures on increased productivity imposed on contractors have been passed down to forestry workers through the task-based system of payment. The aforementioned study on best operating practices has been the landmark of a formalization (or rather, freezing) of task setting. However, the difficulty of a particular task can vary greatly according to natural conditions. Historically, the setting of task was decided by the forest manager and adapted to natural (e.g. slope) and weather conditions. While the labour process was authoritarian, the task system was not perceived to be an unfair labour disciplining tool. It resembled the use of task payment practiced in many industrial

workplaces, where the task was set below what workers could achieve and allowed them the choice to do overwork in order to increase their income.²⁰ While the task system in South African forestry performed a similar function when the sector was vertically integrated, it changed radically with outsourcing for a number of reasons.

The first has to do with the organizational separation between the production site (the plantation) and the GP which uses (buys) the timber to feed its mills. By contracting out forestry work, GPs have estranged themselves from the nitty-gritty of production and opted to treat it as a mere cost. The competition between contractors has, at least until recently, been decided almost solely on the basis of the price at which they committed to delivering a given job. As forestry is almost entirely manual in South Africa, promising a lower cost effectively amounts to promising a higher output by workers (or lower wages), regardless of concrete conditions. The second reason for the radical change in the meaning of task in forestry has to do with the arrival of many new, inexperienced workers, often migrants (from Zimbabwe²¹, Mozambique or Swaziland mainly in Mpumalanga province). These workers are usually given almost no training – usually half a day or less. Forestry work, like most manual low-skill work, involves much learning by doing, sometimes over a long period. It further requires physical strength, especially in tasks such as stacking logs. These workers' inexperience and poor bargaining power has further facilitated the intensification of work through unilateral task increases, reflecting attempts by contractors to bid for contracts and subsequently honour them.

Outsourcing has thus led to a concomitant intensification of work with a decrease in income. Indeed, contractors have also 'casualized' their workers in an extreme fashion, starting with contract durations indexed to their own contractual agreements with the GPs and, increasingly, shorter. Wages have been linked to increasingly higher levels of task, and have dropped as a result of many workers' inability to meet their targets, in spite of the increasing

tendency to work on Saturdays to ‘catch up’. While wages tend to be slightly higher among large, formal contractors, non-wage benefits are absent across all categories of contractors. All of the social wage elements that had been obtained by trade unions in the 1980s have thus been lost in a few years, starting with pension funds and medical aid for those with a contract, and unemployment or accident insurance for those without one. Even for the former, attempting to claim compensation for a work injury usually proves impossible – a situation compounded by the isolation of forestry workers in the compounds where they live (see below).

The increased pressure on output exercised by GPs could have been met through increasing productivity, for instance by improving wages. This was what happened in São Francisco valley, North East Brazil, when table grape farmers were confronted with increasingly stringent requests from their global buyers. There, workers were able to leverage their structural power (in the production process) through the formation of trade unions which were able to negotiate better conditions of employment, in particular permanent contracts (Selwyn 2007, Selwyn in this volume). In South African forestry, the exact opposite has taken place²²: through casualization, forestry contractors are able to recruit extra workers if existing ones do not meet their production targets. This is in fact used as the key labour discipline instrument: if you do not want to work hard, you will get (under) paid accordingly, and someone else will do the extra work. Two types of task payment dominate: (1) where the worker is paid when s/he has completed his or her day’s task (even if this is after 2, or 3 days); and (2) where workers’ daily pay is calculated at a pro-rata rate of what they have achieved. Thus, attempts to resist exploitative employer demands, for instance through go slow²³, are de facto impossible.

The daily production of individual workers is typically recorded by the employer and not communicated, but reflected at the end of the month in a payslip. This amount is typically

different from the one the worker has come to expect, based on his/her own assessment of work accomplished, but also of efforts made in sometimes adverse conditions. No doubt that, for someone who has worked hard, including on Saturdays, to try and catch up with unreasonable production targets, discovering a meagre pay not reflecting expectations must be infuriating and despairing, especially as avenues of contestation are non-existent. From the employers' point of view, the low wages paid to workers are but a cold reflection of the fact that most do not manage to complete their task.

In South Africa's forestry sector, as well as across the agricultural sector, 'wages are the leavings of profits', as suggested by Wuyts (2011) more generally.²⁴ Indeed, in forestry, profits and non-wage input costs are fixed and wages have to be adjusted by contractors to accommodate the profit levels sought by GPs. In this sense, forestry resembles many sectors of the so-called informal economy in countries of the South, where informalization or casualization of labour have become a means to transfer economic risk associated with business enterprises to workers²⁵. As Wuyts puts it, '[t]he implication is that capital confronts labour not as the risk-taking entrepreneur but as a rentier, leaving labour to manage the risks inherent in low and volatile productivity, a condition that is not conducive to the growth in productivity' (ibid., 12). This is economic coercion in its purest form; coercion is easily identified by the low wages and poor working conditions, as well as by the anguished uncertainty that surrounds pay levels. But coercion is also visible in the physical and social precariousness which is a consequence of outsourcing. To sustain it, there must be sufficient desperation on the part of the workers to agree to such working conditions. The crisis of reproduction experienced by forestry workers completes the vicious cycle of hyper-exploitation in which they are caught.

4.5 The reproduction squeeze and the violence of casual work

A crucial dynamic affecting forestry and agricultural wage labour in South Africa has indeed been the undermining of their conditions of reproduction. In some provinces, such as KwaZulu Natal, where their tenure was dependent on employment, numerous workers and their families have been expelled from the land where they were living after their employment was 'casualized' (Pons-Vignon and Anseeuw 2009). This has been exacerbated by the shift to game farming, which reveals a desire by land owners to move away both from labour intensive activities and from allowing Africans to live on their land (Andrew 2012). The reproduction squeeze experienced by these workers has also been sharpened by the broader shift to neoliberal policies since the early 1980s (Marais 2010), which has entailed an increasing commodification of basic services such as transport, health, education or housing (Barchiesi 2011).

Forestry workers have thus continued to live on isolated compounds located in the heart of plantations, but have experienced a marked casualization of their living conditions. First, many of them now have to rent their accommodation from their employers, who in turn rent rooms from companies managing the compounds, which have also been outsourced by GPs. Living conditions have dramatically deteriorated, largely because of overcrowding reflecting attempts by managing companies to increase profits. This, combined with poor maintenance, leaves workers in often very dire situations. In one compound in Mpumalanga, the author was shown a near-empty water tank with a brownish liquid at the bottom. This was the result of the overcrowding of the compound, whose water resources were insufficient for its population. Most workers interviewed suffered from diarrhoea.

One of the most striking features of these compounds is their isolation. They are only occasionally serviced by collective taxis, meaning that workers are effectively unable to leave

them, except if they decide to use a large part of their income to ask a car-owner to take them to town. During interviews, several workers in urgent need of medical attention had not been able to pay for the cost of transport to the distant public hospital. A related issue is that workers are therefore compelled to purchase basic necessities from shops located on compounds, sometimes owned by employers, who typically charge them a hefty mark-up on every product. This results in a 'double' reproductive squeeze (on wages and prices), which leaves many workers little alternative but to drink cheap alcohol in their free time. It is unfortunate that no plantation is located on the Johannesburg-Cape Town highway, for the strikes in De Doorns have certainly inspired them.

5. Conclusion

In this chapter, we have explored the continued marginalization, invisibility and exploitation of rural wage workers in South Africa, with a special focus on forestry workers. The violence associated with the imposition of capitalist relations of production in Southern Africa continues to shape rural wage relations, which are characterized by the transformation, not the disappearance, of paternalism. While paternalism entailed the direct control over workers by employers in the past, this control has been restored in an authoritarian manner with a shift to economic coercion through outsourcing and task payment. In many ways, rural workers remain an invisible, disposable production factor at the heart of a modern and profitable economy characterized by exceptionally high unemployment and increasing casualization.

The situation of forestry workers has thus worsened considerably, together with that of their direct employers (forestry contractors and sub-contractors), in the wake of outsourcing. While their numbers appear to have declined, it is likely that they have merely undergone a process of informalization. Many casual wage workers, often migrants, are thus invisible, with serious implications for the government's (in)ability to regulate the sector. The

neoliberal approach to economic policy, while hoping for the ‘market disciplining’ effect of dominant companies, has allowed them instead to deepen their control over value chains such as forestry, and to shape the restructuring of labour relations in a way which has undermined the progressive objectives of the post-apartheid labour legislation and the collective power of workers.

Wherever one looks in South Africa, the situation of rural wage workers seems to be dire and worsening. Yet, without union representation, workers in De Doorns have been able to challenge their employers and the state, and to make significant gains. But will they be able to reap the benefits of their mobilization? The evidence so far is not encouraging; farmers feel caught by the double whammy of labour law/unrest and lack of state support and many have sought (and obtained) an exemption from the minimum wage, while others have been mechanizing production. Worse, many of the workers who have taken part in the strike movement have either not been re-hired (when they were seasonal) or been retrenched (Wilderman, 2014).

Progress in South African agriculture and forestry is likely to remain elusive as long as workers remain unorganized, and until the state commits to investing in agriculture and in the implementation of labour law. Inspections should be targeted at sectors where abuse is frequent, such as agriculture and forestry, and should be accompanied by interventions to expand labour-intensive production.

References

- Alexander, P., Lekgowa, T., Mmope, B., Sinwell, L. and Xezwi, B., 2012. *Marikana. A View from the Mountain and a Case to Answer*, Johannesburg: Jacana.
- Amin, S., 1972. 'Underdevelopment and Dependence in Black Africa-Origins and Contemporary Forms'. *Journal of Modern African Studies*, X (4): 503-24.
- Andrew, N., 2012. 'Wildlife-based tourism and land concentration: What social "cost" for farm dwellers of large, upscale private game reserves in the Eastern Cape?' Paper Presented at Conference 'Old Land New Practices. The changing face of land and conservation in postcolonial Africa'. Rhodes University, 11-14 September.
- Arrighi, G. 1970. 'Labour supplies in historical perspective: A study of the proletarianization of the African peasantry in Rhodesia'. *Journal of Development Studies*, (6): 197-234.
- Barchiesi, F. 2011. *Precarious Liberation: Workers, the State, and Contested Social Citizenship in Postapartheid South Africa*. Albany, NY: SUNY Press.
- Barrientos, S. and Kritzing, A. 2004. 'Squaring the Circle: Global Production and the Informalization of Work in South African Fruit Exports'. *Journal of International Development*, (16): 81-92.
- Bernstein, H. 1994 'Agrarian classes in capitalist development'. In *Capitalism and Development*, ed. L. Sklair, 23-53. London: Routledge.
- Bernstein, H. 2013. 'Commercial Agriculture in South Africa since 1994: "Natural, Simply Capitalism"', *Journal of Agrarian Change*, 13(1): 23-46.

Bhorat, H., Kanbur, R. and Stanwix, B. 2012. *Estimating the Impact of Minimum Wages on Employment, Wages and Non-Wage Benefits: The Case of Agriculture in South Africa*. DPRU Working Paper No. 12/149, Cape Town: UCT.

Boehm, A. and Schirmer, S., 2010. 'Development by decree: the impact of minimum wage legislation on a farming area in North West province'. In *Development dilemmas in post-apartheid South Africa*, eds. B. Freund and H. Witt. Scottsville: UKZN Press.

Brenner, R., 1988. 'The social basis of economic development'. In *Analytical Marxism*, ed. J. Roemer, 23-53. Cambridge: Cambridge University Press.

Bundy, C. 1988. *The Rise and Fall of the South African Peasantry*. Cape Town & Johannesburg: David Philip.

Burawoy, M. and Lukács, J. 1992. *The Radiant Past: Ideology and Reality in Hungary's Road to Capitalism*. Chicago: The University of Chicago Press.

Chamberlain, D., Essop, H., Hougaard, C., Malherbe, S. and R. Walker 2005. *The Contribution, Costs and Development Opportunities of the Forestry, Timber Pulp, and Paper Industries in South Africa*. Johannesburg: Genesis.

Clarke, D.G., 1974. *Contract workers and underdevelopment in Rhodesia*. Gwelo: Mambo Press.

Clarke, J., 2012. 'Showdown over labour looms'. *SA Forestry*, August.

Clarke, J. and M. Isaacs, 2005. *What Role for Forestry in Reducing Poverty? Case Studies in the Forestry Sector*. London: IIED.

Competition Commission of South Africa [CCSA] and Industrial Development Corporation [IDC], 2012. *The role of government in promoting a competitive landscape and addressing challenges that hamper growth and development in the Sawmilling sector*. Policy Paper, 31 January.

Cousins, B., 2013. 'Smallholder Irrigation Schemes, Agrarian Reform and "Accumulation from Above and from Below" in South Africa'. *Journal of Agrarian Change*, 13 (1): 116-139.

Donnelly, L., 2013. 'Sour grapes for farmers, workers'. *Mail & Guardian*, 18 January.

Du Toit, A. and F. Ally, (2003). *The externalization and casualization of farm labour in Western Cape horticulture: A survey of patterns in the agricultural labour market in key Western Cape districts, and their implications for employment justice*. PLAAS Research Report No. 16, University of the Western Cape.

Du Toit, A. and J. Ewert, 2005. 'New Fault Lines in the Countryside: Restructuring in the Western Cape Wine Industry'. In *Beyond the Apartheid Workplace: Studies in Transition*, eds. Webster, E. and Von Holdt, K., 97-124. Durban: UKZN Press.

Department of Water Affairs and Forestry [DWAF] 2005. *Key Issue Paper on Forestry and Poverty Reduction in South Africa*. Pretoria: DWAF.

Fine, B. and Z. Rustomjee, 1996. *The Political Economy of South Africa: From Minerals-Energy Complex to Industrialization*. London: Hurst.

Jacobs, P., 2012. 'Whither agrarian reform in South Africa?'. *Review of African Political Economy*, 39 (131): 171-180.

Khosa, M., 2000. *Emerging Entrepreneurs and Globalization: A Case Study of Forest Contractors in South Africa*. South Africa Report Series. London: IIED.

Legassick, M., 1971. *Development and Underdevelopment in South Africa*. London: Royal Institute of International Affairs – Southern Africa Group.

Lewis, J., 1984. 'The Rise and Fall of the South African Peasantry: A Critique and Reassessment'. *Journal of Southern African Studies*, 11 (1): 1-24.

Loewenson, R., 1992. *Modern Plantation Agriculture. Corporate Wealth and Labour Squalor*. London: Zed Books.

Marx, K., 1990. [1867] *Capital. A Critique of Political Economy. Volume 1*. London: Penguin.

Mayers, J., J. Evans, and T. Foy, 2001. *Raising the Stakes: Impacts of Privatisation, Certification and Partnerships in South African Forestry*. London: IIED.

MERG (Macroeconomic Research Group), 1993. *Making Democracy Work: A Framework for Macroeconomic Policy in South Africa*. Bellville: Centre for Development Studies.

Mkandawire, T., 2010. 'On Tax Efforts and Colonial Heritage in Africa'. *Journal of Development Studies*, 46 (10): 1647-1669.

Morice, A., 2006. 'Les salariés payés à la tâche dans le forestage : portée actuelle d'un modèle réputé archaïque'. In *Organisation et intensité du travail*, eds. Askenazy, Ph., Cartron, D., de Coninck F. and M. Gollac, 189-199, Toulouse: Octares.

Moodie, T.D., 1994. *Going for Gold: Men, Mines and Migration*. Berkeley and Los Angeles: University of California Press.

- Morkel, R., 2000. 'The Real Reasons for Outsourcing'. *SA Forestry*, April–March.
- NALEDI, 2011. 'Identifying obstacles to union organising in farms: Towards a decent work strategy in the farming sector'. Research Report commissioned by the Department of Labour.
- Oya C., 2010. 'Agro-pessimism, capitalism and agrarian change trajectories and contradictions in Sub-Saharan Africa'. In *The Political Economy of Africa*, ed. V. Padayachee, 85-109. London: Routledge.
- Oya, C., 2013. 'Rural wage employment in Africa: methodological issues and emerging evidence'. *Review of African Political Economy*, 40 (136): 251-273.
- Palmer, K. and J. Sender, 2006. 'Prospects for On-Farm Self-Employment and Poverty Reduction: An Analysis of the South African Income and Expenditure Survey 2000'. *Journal of Contemporary African Studies*, 24 (3): 347-376.
- Reardon, T., 1997. 'Using Evidence of Household Income Diversification to Inform Study of the Rural Nonfarm Labor Market in Africa'. *World Development*, 25 (5): 735-747.
- Roberts, S. 2011. 'Competition policy, food and agricultural markets, and the role of the state in South Africa'. Mimeo.
- Rutherford, B., 2008. 'An Unsettled Belonging: Zimbabwean Farm Workers in northern South Africa'. *Journal of Contemporary African Studies*, 26 (4): 619-635.
- Selwyn, B., 2007. 'Labour Process and Workers' Bargaining Power in Export Grape Production, North East Brazil'. *Journal of Agrarian Change*, 7 (4): 526–553.
- Sender, J., 2002. 'Women's struggles to escape poverty in South Africa'. *Journal of Agrarian Change*, 2 (1): 1-49.

Sender J. 2003. 'Rural Poverty and Gender: Analytical Frameworks and Policy Proposals'. In *Rethinking Development Economics*, ed. H.-J. Chang, 403-419. London: Anthem Press.

Sender, J., 2012. 'Fictions and Elephants in the Rondawel: A Response to a Brief Chapter in South Africa's National Development Plan'. *Transformation*, 78: 98-114.

Sender, J. and D. Johnston, 2004. 'Searching for a Weapon of Mass Production in Rural Africa: Unconvincing Arguments for Land Reform'. *Journal of Agrarian Change*, 4 (1-2): 142-164.

Sender, J., C., Cramer, and C. Oya, 2005. *Unequal Prospects: Disparities in the Quantity and Quality of Labour Supply in sub-Saharan Africa*. Social Protection Discussion Paper Series No. 0525, Washington, D.C.: The World Bank.

Siyaphambili Development Consulting, 2003. *Investigation of Minimum Wages and Conditions of Employment in the Forestry Sector*. Research report prepared for the Department of Labour.

Standing, G., J. Sender, and J. Weeks, 1996. *Restructuring the labour market: The South African challenge: An ILO Country Review*. Geneva: ILO.

Stanwix, B., 2013. 'Minimum wages and compliance in South African agriculture', *Econ3x3*, January <available at www.econ3x3.org>.

StatsSA, 2012. *P0211 - Quarterly Labour Force Survey, 3rd Quarter 2012*, November 1st (available from www.statssa.gov.za)

Theron, J., 2010. 'Sour Grapes'. *Law, Democracy & Development*, 14: 1-23.

UNECA and African Union, 2011. *Minerals and Africa's Development*. UNECA: Addis Ababa.

Valente, C., 2009. 'The Food (In)Security Impact of Land Redistribution in South Africa: Microeconometric Evidence from National Data'. *World Development*, 37 (9): 1540-1553.

Van Onselen, C., 1976. *Chibaro: African Mine Labour in Southern Rhodesia, 1900-1933*. London: Pluto.

Van Onselen, C., 1996. *The Seed is Mine: The Life of Kas Maine, a South African Sharecropper, 1894-1985*. New York: Hill and Wang.

Von Holdt, K., 2003. *Transition from Below: Forging Trade Unionism and Workplace Change in South Africa*. Pietermaritzburg: UKZN Press.

Weeks, J., 2001. 'The Expansion of Capital and Uneven Development on a World Scale'. *Capital & Class*, 25 (74): 9-30.

Wilderman, J., 2014. *Farm Worker Uprising on the Western Cape: The Spark, Spread, and Structure of Spontaneous Collective Action*. Masters Research Report, Johannesburg: University of the Witwatersrand.

Wolpe, H. 1972. 'Capitalism and Cheap Labour-Power: From Segregation to Apartheid'. *Economy and Society*, 1(4): 425-456.

Wuyts, M., 2011. *The Working Poor: A Macro Perspective*. Valedictory Lecture. The Hague: ISS. 8 December.

* Thanks to the editors of the volume and to Lucien van der Walt for excellent comments which have helped improve the chapter; the usual disclaimers apply

¹ On the 16th of August 2012, 34 striking platinum workers were killed on a hill in Marikana, near Rustenburg (North-West province), by police shooting from the ground and from helicopters. It has been ascertained that many of them were shot in the back while they were running away (Alexander et al.2012). The Marikana massacre has triggered an unprecedented wave of ‘spontaneous’ strikes in South Africa’s mines, which has entailed a rejection of the Congress of South African Trade Unions (COSATU) and aligned National Union of Mineworkers (NUM). It is likely that this wave of strikes has also inspired agricultural workers in De Doorns.

² Forestry refers to the production of timber. It covers tree nursing, silviculture, felling and the transport of timber to processing plants.

³ Racial categories are, understandably, a contested field in South Africa. In this chapter, we will use the official Government category: Blacks thus include Africans, Indians and ‘Coloureds’.

⁴ This was a discovery only for Europeans, since gold mining had been practiced in the region for millennia, with evidence of trade with Asia in the Middle Ages (UNECA and African Union, 2011).

⁵ As noted by Du Toit and Ewert, ‘[a]uthority and power often seem to be bound up with dreams of benevolence and the intention to nurture and protect those who are subjected to the farmers’ power. (...) Ultimately, however, it has been a hierarchical relationship, marginalizing and silencing the voices of those whose labour generated the wealth of the sector’ (2005, pp. 107-108).

⁶ A Sectoral Determination is a unilateral regulation, adopted by the Minister of Labour following advice from the Employment Conditions Commission, of remuneration, including minimum wage, and working conditions in a sector where workers are weak and where no Bargaining Council exists, or has been able to agree on these issues.

⁷ The authors of the (subsequently ignored) Macroeconomic Research Group (MERG)’s policy framework had warned that ‘[the World Bank’s] proposals rest on a ‘broadly-targeted’ (i.e. ill-defined) injection of purchasing power which will allow some black people to purchase land in the existing land market, using state-subsidized credit to make their acquisitions. The criteria for targeting (...) exclude those who currently have access to very low incomes, no collateral and poor organizational capacity to represent themselves.’ (1993, p. 192)

⁸ This led Samir Amin (1972) to refer to Southern and Eastern Africa as ‘Africa of the labour reserves’; Mkandawire (2010) shows the effect of this transition to wage labour on the development of state capacity, in particular in terms of tax collection.

⁹ During a dinner speech at the 2008 DPRU conference, then Minister of Finance Trevor Manuel justified this expanded understanding of the employed category by joking that, in South Africa, most people only consider themselves to be employed if they work for a white person.

¹⁰ This section which draws on the author’s PhD research, conducted in 2005-06 in the Eastern Cape and Mpumalanga Provinces.

¹¹ Task payment means that workers are paid according to what is deemed to represent a day’s normal output, rather than according to how long they have worked, which would be the case in a daily rate.

¹² Forestry has, since 2009, been incorporated into the Department of Agriculture, Fisheries and Forestry (DAFF).

¹³ Following a common South African practice, the firm broke down the research into components which it subcontracted to five (!) other companies, limiting its role to ‘Project Management’.

¹⁴ The author was involved in discussions with the DoL, which led to field visits and recognition of the centrality of the task issue. Subsequently, the Sectoral Determination made strong provisions for the minimum wage to be task insensitive, with the Minister stressing that he ‘would not tolerate employers’ arguments that task-based work without a guaranteed minimum wage ensured that ‘lazy’ workers did what was asked of them’ (Press communiqué published on 15 March 2006 on www.infogov.za/speeches).

¹⁵ In the author’s field research in Mpumalanga, more than half of the workers encountered were foreigners.

¹⁶ The behaviour of GPs may change in future as V. McMenemy (Head of Mondi Forests at the time of the interview) indicated that there was growing awareness of the unsustainability of this cost-focused approach to contracting.

¹⁷ On the reproduction squeeze of informal entrepreneurs, see Bernstein (1994).

¹⁸ Her name and that of the sub-contractor for whom she worked have been changed.

¹⁹ For instance, debarking a tree after a period of drought is far more difficult (and, crucially, time-consuming) than after it has rained, for the bark is much drier and harder to detach from the trunk.

²⁰ This was for instance the case in the Hungarian factory in which British sociologist Michael Burawoy worked in the late 1980s, and where he remarked that only he, the newly-arrived academic, struggled to meet his daily production target (Burawoy and Lukács, 1992, pp. 35s).

²¹ Many Zimbabwean farmworkers have migrated to South Africa, where they are often unregistered, following the fast-track land reform (Rutherford, 2008).

²² While the respective strength of rural unions in North East Brazil and South Africa certainly go a long way in explaining this outcome, the particular conditions of production are also important. The workers in São Francisco valley have had to improve *quality*, while South African forestry workers have merely been asked to work at a faster pace.

²³ Go slow refers to a deliberate strategy by workers to slow down the pace of production. It was widely used in South Africa under apartheid.

²⁴ Wuyts, discussing labour markets in the informal sector in Africa, turns on its head De Quincey's comment on Ricardo's view of profits as 'the leavings of wages'.

²⁵ This phenomenon is however spreading across the world. Exploitative use of task work is thus also found in French forestry: Morice (2006) shows that there, skilled workers operating machines are effectively individual contractors working (under a commercial contract) for forestry companies.