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The reduction of Mozambican workers in South African mines, 1975-1992: A case study of the consequences for Gaza Province - District of Chibuto

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Chapter III: Contextualisation and characterisation of the reduction of Mozambican workers in South African mines from 1975

III.1 The reduction of Mozambican workers in South African mines

The year of the independence of Mozambique (1975) is an important point in the history of migrant labour to South Africa especially in terms of recruitment of Mozambican workers to South African mines. In this year, the recruitment of workers from Mozambique reached the highest number of all time – 102,725 (see table 2). Numbers were relatively high from the beginning of the 1970s (an average of 90,087 each year) but peaked in 1975. One of the main reasons for this jump was the withdrawal of over 80,000 Malawians from the mines by the government of Malawi. The plane crash in 1974 at Francistown (Botswana), in which 74 Malawian workers died, was the official reason presented by the government of Hastings Banda to justify this decision. Malawi was one of the main suppliers of workers to South African mines and this decision led the mines to search for other alternative sources of labour.[75]

In the following year (1976), the number of Mozambicans recruited by the South African mines dropped to 40,625 and this dramatic reduction was sustained during the second half of the 1970s and beyond. During this period the number of workers from Mozambique in South African mines was almost half that of the first half of the 1970s

[75] James, *Our Precious Metal*, p. 34

(see table 1 and 2). Therefore, the 'golden' age of Mozambican presence in South African mines came to an end. There are a whole series of factors that can explain this reduction; such factors include, but are not limited to, the internalisation of labour in the South African mines, mechanisation within the mining industry and the political changes in the Southern African region from the middle 1970s.

Table2: Mozambican workers recruited in the South African mines, 1975- 1992

	Mozambican workers
1975	102,725
1976	40,626
1977	43,855
1978	42,560
1979	29,933
1980	41,542
1981	37,751
1982	41,542
1983	39,731
1984	45,230
1985	55,571
1986	47,704
1987	40,912
1988	36,188
1989	48,335
1990	48,478
1991	49,715
1992	52,816

Source: Departamento do Trabalho Migratório (DTM) – Ministry of Labour of Mozambique, 'Mineiros Moçambicanos Recrutados para as Minas na África do Sul', Maputo, 2004, p.1

The policy of internalisation in the mining industry started in the early 1970s. From the late 1940s workers from foreign countries constituted the major segment of labour in South African mines. By the 1960s and the early 1970s they were over seventy per cent of the workers working in these mines and the majority of them were from Malawi and

Mozambique. From the early 1970s the situation started to change – the mining industry began to reduce the recruitment of foreign workers and to give priority to South African workers. For the first time in three decades, in 1976 the number of South African workers exceeded half of all black workers received by the mines. In the three following years, South African workers constituted the major segment of the black labour received in South African mines (63%) and this pattern continued through the 1980s. It is important to note that Mozambique and Malawi were the most affected countries by this reduction of foreign workers.[76] The reduction of Mozambican workers took place especially in gold mines as well as coal mines. Concerning the latter sector, Mozambique constituted the major single source of supply of labour to Transvaal Chamber Colliers in 1973 (41%) but it lost this position from 1976, and, as Leger pointed out, the reduction in recruitment in this sector of the mining industry was sharper than that in the gold mining industry.[77] This policy of the reduction of foreign labour and its replacement by workers from inside South Africa in the mining industry has been called 'internalisation'.

It is agreed, as the last paragraph showed, that the policy of internalisation took place but the reasons and the dynamics of this policy has been the subject of debate. According to James, in the context of the independence of Mozambique and the withdrawal of Malawian workers in the early-middle 1970s, members of the Chamber of Mines felt that the mines had become extremely dependent on workers from a limited number of foreign countries and they decided to create a mixed structure of labour supply; in other words the new structure of recruitment tried to avoid a dependence on any state or locality,

[76] Crush, Jeeves and Yudelman, *South Africa's* , pp. 234- 235
[77] See Clarke, 'Foreign Migrant…' and Leger, 'Coal Mining…' pp.129- 155

foreign or domestic. The decision to restrict the recruitment of foreign workers was only taken when the mines concluded that the labour supply from South African homelands was expanding;[78] it would have been hazardous to decrease that recruitment without the guarantee of an increase in internal labour.

The increase of African wages from the early 1970s can also be seen as one of the factors that contributed to the increase of workers from inside South Africa in the mines. The real wages of African workers were low and constant in real terms from the early twentieth century to the end of the 1960s. The fact that the gold price was fixed at a standard level by banking authorities in the industrialised countries led mine owners to pay low wages as means of reducing the costs of production. When the fixed-price system was abandoned in 1972, the price of gold started to depend on the international market and to rise significantly. These changes enabled mine owners to pay much higher wages (they increased eleven fold from the early 1970s to the 1980s) to African workers and it made the mining industry more attractive for South African workers. In this context and in the context in which the level of unemployment was increasing, the mining industry drawn on and increasing pool of black South African workers interested in working in the mines;[79] additionally, the wave of strikes especially in secondary industry in 1973 can be seen as a symptom of crisis in this sector which possibly led a number of South African workers to become available for the mines. The number of Mozambicans

[78] James, *Our Precious Metal,* pp. 5, 6
[79] James, *Our Precious Metal,* pp. 20- 22; Head. 'Migrant Labour…' p. 129

dropped dramatically in the second half of the 1970s to an average of 46,254 each year and the pattern did not change significantly in the 1980s.[80]

From the 1960s almost all the sectors of the South African industry became increasingly mechanised. In the gold industry this process of mechanisation was accelerated in the early 1970s when the price of gold was started to rise. This situation led to an increase in revenue of gold mining and it allowed the development of a significant level of investment in the mechanisation. For example, in the gold mines, the hydraulic drill and trackless transport were introduced and these innovations led to the increase of productivity through the expansion of ultra-deep mining as well as the reduction of labour in the mines.[81] Mechanisation also took place in the coal industry where new techniques of extraction were introduced and consequently the level of productivity increased significantly.[82] According to Ruth First this new technology needed a stable and skilled work force, but it also led to the general reduction of the work force in the mining industry especially foreign workers including Mozambicans[83].

The introduction of mechanisation in the mining industry led to changes in the structure of the black labour force in South African mines from the early 1970s. The implementation of mechanisation needed a more specialised or trained and, therefore, stable workforce. Because Mozambican mineworkers were prepared to undertake repeated long-term contracts many of them had acquired considerable experience and

[80] See Crush, Jeeves and Yudelman, *South Africa*, pp. 234- 235
[81] Freund, 'South African Gold Mining…', pp. 116- 117, 122
[82] For more details about the mechanisation in coal industry, see Leger, 'Coal Mining…', pp. 134- 136
[83] First, *Black Gold*, pp. 50 -61

specialisations and as a result it was difficult to reduce this work force totally. As Head emphasised, the mine owners knew the high level of difficulties of replacing the skills of Mozambican workers and, therefore, they did not interrupt the recruitment of Mozambicans completely, but they stopped recruiting novices from Mozambique gradually.[84] The government of Mozambique was aware that

> the recruitment of Mozambican workers could be dramatically reduced but it could not be totally interrupted, not only because of the skills of Mozambican workers but also because in these mines Mozambican workers were the best in terms of responsibility, efforts, disciplined behaviour and so on (…) in the second half of the 1970s and especially in the 1980s the mine owners made great efforts to maintain the Mozambican workers in their mines because they were useful to the stability and productivity of the sector.[85]

The fact that a significant number of Mozambican workers were specialised allowed several thousands of them to remain employed in the South African mines. This and other situations led Crush, Jeeves and Yudelman to criticise the tendency to fuse capital and government in the explanation of the internalisation of labour in South African mines.[86] They argued that the interests of the mining companies and the government were not always the same and that the economic interests of the mines were often negatively affected by the reduction of Mozambican workers in the mining industry when it prejudiced the profitability of this industry and, in this particular case, it was

[84] Head, 'Migrant Labour…', pp. 133- 135
[85] Interview with representatives of Department of Migrant Labour (Ministry of Labour of Mozambique), Maputo, Conducted by N. Gaspar, 13/09/2005
[86] Crush, Jeeves and Yudelman, *South Africa*, p. 103

economically damaging for the mines to lose skilled, disciplined and submissive workers such as those from Mozambique.[87]

Another important aspect to note in this discussion is the role of the unionisation of mineworkers in South Africa and its impact on the reduction of Mozambican workers in South African mines. The establishment of the National Union of Mineworkers (NUM) in 1982, with Cyril Ramaphosa as the first general secretary, was an important event in the history of African mineworkers in South Africa.[88]

The NUM was established and recognised in the context of reforms of apartheid headed by PW Botha from the end of the 1970s as a result of the crisis of apartheid and consequent recommendations of commissions of enquiry such as the Wiehahn and Riekert commissions. If any observer thought in 1982 that the establishment of this trade union could lead to animosity to foreign workers they were mistaken. When President Botha announced the expulsion of Mozambican workers in 1986, the NUM, like the Chamber of Mines, complained against the decision.[89] It is also important to note that the number of Mozambican workers employed in those mines did not drop significantly in the years following the formation of the NUM (see table 2).

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[87] See Crush, Jeeves and Yudelman, *South Africa*, p. 103; Crush, 'Mine Migrancy…', p. 20
[88] See James, *Our Precious Metal*, pp. 97- 103; and V. Allen, *The History of Black Mineworkers in South Africa, Vol III: The rise and struggles of the union of mineworkers, 1982- 1994*. Keighley: The Moor Press, 2003, pp. 86- 98
[89] Allen, *The History…, Vol III*, p. 207

However, for reasons that remain to be explained, Mozambican mineworkers did not benefit from the NUM´s support to the same extent as workers from Lesotho. The NUM established the Basotho Mineworkers Labour Co-operative in June 1988 in an attempt to support mineworkers who were dismissed as a result of strikes in 1986 and 1987. The Co- operative supported local communities by producing low cost building materials.[90]

Crush argues that it is probable that the increasing power of the NUM contributed to the major preference in the recruitment of foreign workers by the mine owners because "they were more vulnerable to dismissal"[91] and, therefore, more submissive and less militant to the unionisation. This vision is also supported by the representatives of the Ministry of Labour of Mozambique but they preferred to use the expression 'disciplined behaviour' to describe this low level involvement of Mozambican workers in the activities of trade unions and in strikes in the South African mines.[92]

It seems that the main targets of NUM were internal issues such as the improvement of living conditions of workers in this sector rather than the issue of massive and growing unemployment amongst South African workers in the 1980s. The NUM complained against the low wages, the form of safety, health and protection of workers in the mines.[93] It promoted the abolition of hostels and also argued for alternative forms of

[90] Ibid, pp. 427- 429
[91] Crush, 'Mine Migrancy…', p. 20
[92] Interview with representatives of Department of Migrant Labour (Ministry of Labour of Mozambique), Maputo, 13.09.2005, Conducted by N. Gaspar; see also Allen, *The History…Vol III*, p. 204
[93] James, *Our Precious Metal*, pp 1992: 97- 103

accommodation for the African miners.[94] In short, the NUM as a trade union in the mines supported the legal struggle of workers within this sector but there is no evidence that it contributed to the reduction of Mozambican workers.

The independence of Mozambique brought a new phase in the relations between Mozambique and South Africa. The political and economic relations between these states were in general excellent before 1975 when Mozambique was under Portuguese rule. The liberation struggle headed by FRELIMO (Front of Liberation of Mozambique)[95] from September 1964 played an important part in the collapse of the dictatorial regime in Portugal in April 1974 which led to the independence of Mozambique in June 1975.

The Front adopted a socialist line and severely criticised the apartheid regime during the struggle for the independence of Mozambique. When FRELIMO, headed by President Samora Machel, came into power political relations between South Africa and Mozambique became strained and this influenced the crisis in economic relations significantly. In an attempt to control the flux of migration and especially the system of migrant labour to South Africa, the government of FRELIMO decided to reorganise the administrative procedures. For example a new type of passport was established but delay in their issue led a significant number of Mozambican miners to go without passports for several months in 1976. When the issue of passports was solved, only four centres of recruitment of WENELA (Maxixe in Inhambane province, Xai-Xai in Gaza Province,

[94] For more details about the issue of the alternative accommodation for African miners, see C.Laburn-Peart, 'Transforming Power Relations in the Mining Industry: Housing as a Locus of Power', Paper Presented at an International Conference, University of Cape Town, June, 1994, pp. 36- 42

[95] The original name of FRELIMO in Portuguese is Frente de Libertação de Moçambique

Maputo and Ressano Garcia) were authorised to issue these documents and to recruit workers. In the same year the border post at Pafuri was closed by the Mozambican government because of military attacks promoted by the Rhodesian regime in that region and limited the entry of Mozambican workers in South Africa to the Ressano Garcia border.[96] This context led to an apparent crisis in the relations between Mozambique and South Africa especially in terms of the recruitment of Mozambican workers to South African mines – it was more difficult for the Mozambican workers to be authorised to take employment in South African in 1976 onwards than previously.

Even though the government of Mozambique did not argue for the end of the supply of Mozambican workers to the South African mines the posture and the pro-socialist policies of this new government led to increasing doubt among the South African authorities about the security and continuity of the old system of labour supply to the South African mining industry. The government of FRELIMO believed that political independence had been attained in 1975 but it argued that the economic independence was not yet totally achieved. During the first years of its leadership the government promulgated a whole series of policies in an attempt to control the economy, which was in crisis as result of the problems of decolonisation and consequent structural change. The new measures led to the centralisation of the economy of Mozambique - in the later years of the 1970s, banks were restructured on a socialist basis, many industrial and agricultural companies were nationalised, commerce was greatly centralised by the state and so on.[97]

[96] Universidade Eduardo Mondlane (UEM) – Centro de Estudos Africanos (CEA), 'Os Mineiros Moçambicanos na África do Sul', Maputo, 1980, p. 6; First, *Black Gold.*.., p. 58; see also Mapa II

The government argued that agriculture had to be the main basis of development of the country and tried to devise and implement several centralised schemes to develop agriculture throughout the country. FRELIMO's documents from the conferences and the third Congress of 1976 and 1977 respectively showed that the government was trying to keep a significant number of workers in rural areas through the institution of *Aldeias Comunais* (Communal villages) and production cooperatives.[98] These measures showed that the government was attempting to reduce unemployment in Mozambique and this was probably seen by the South African authorities as a threat because this strategy could reduce the high level of dependence on employment in the South African economy, especially on the mines. This development could lead to a shortage of labour on South African mines.

As already referred to, the new government of FRELIMO criticised the manner in which workers from Mozambique were recruited as well as the form of treatment they got in the South African mines. In the government's perception this recruitment was based on colonialist and capitalist forms and constituted exploitation of Mozambican workers and their families. According to officials of the government of FRELIMO, these workers were obliged to work in South African mines because the Portuguese colonialists implemented forms of exploitation such as forced labour and high taxes, and

[97] S. Machel 'O Partido e as Classes Trabalhadoras Moçambicanas na Edificação da Democracia Popular', Documentos do Terceiro Congresso da FRELIMO, Maputo, 1977, pp. 117- 143; see also M. Wuyts, *Money and Planning for Socialist Transition: the Mozambican Experience*. England; Gower, 1989, pp. 95- 98.

remuneration, safety in the work place, health and so on were not guaranteed in these mines. The new government complained of the high level of deaths, sickness and injuries among Mozambican workers who worked in the mines and it also complained of the low levels of wages that they were paid.[99] It is possible that this criticism from the government of Mozambique accentuated fear of the Chamber of Mines of the dependency on relatively few sources of labour and that it intensified the diversification of the sources and contributed to a significant cut in recruitment of Mozambican workers.

In the context of cuts in the demand for migrant labour in South African mines the activities of WENELA started to decrease. This agency changed its name to the Employment Bureau of Africa (TEBA) from 1977. It had had many (21) branches or stations of recruitment in Mozambique before independence including Chibuto, Manjacaze and Guijá in Gaza province, Maxixe, Funhalouro, Homoine, etc. in Inhambane province and Magude, Xinavane, Marracuene, Moamba, and Manhiça, in Maputo Province. However, from the second half of the 1970s it reduced its branches to four – Maputo, Xai-Xai, Maxixe and Ressano Garcia (see Map II). The latter functioned as the centre of concentration of workers from other branches and this is where they concluded the details of the individual contracts.[100] WENELA/TEBA also cut the costs

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[98] FRELIMO, 'Resolução sobre as Aldeias Comunais', Documentos da Oitava Sessão do Comité Central da FRELIMO, Maputo, December 1976, pp. 77- 84; Machel, 'O Partido e as Classes…'pp. 117- 119

[99] Even in the following years members of Mozambican government, including Aguiar Mazula (Minister of Labour) complained because of these conditions. See Anonymous, 'Trabalho Migratório em Discussão', *Tempo*, 732, 21/10/1984, p.4 and F. Ribas 'Trabalho Migratório: Criar Emprego para Reduzir a Dependência', *Tempo*, 733, 28/10/1984, p. 31

[100] Interview with Mr Carlos (official of TEBA), Maputo, conducted by N. Gaspar, 18/ 07/2005

of recruitment in southern Mozambique through cuts in subsidies of the costs of transport and food from the rural areas to the border in Ressano Garcia.[101]

The fact that the demand for Mozambican workers was limited led to long queues in the branches or stations of TEBA in southern of Mozambique especially in the 1980s. According to the sociologist and historian Alpheus Manghezi, many thousands of men from different parts of the country spent days, weeks or months in front of the TEBA post in Alto-Maé (centre of Maputo) in an attempt to be contracted to the mines in the middle 1980s.[102] TEBA officials adopted several strategies to manage these queues, such as the ticket system created in 1985, in which the position in the queue as well as the category of the worker (novices or experienced worker) was mentioned.[103] The job seekers were from different localities of Mozambique, including rural districts or other provinces and many of them had problems of accommodation. As a result these workers:

> …camp out 'permanently' in front of the WENELA station of Alto Mae, where they sleep on the verandas of Indian shops that line both sides of Avenida Josina Machel, or under trees in the vacant plot of land that stretches from directly in front of the WENELA offices, dropping sharply towards the harbour. While the flat part of the open spaces serves as a queuing place, first thing in the morning before the WENELA official arrives to distribute whatever jobs are available that day. During the day the spaces serves as one huge communal 'kitchen', where hundreds of small fires are lit to prepare meals in small pots or empty jam tins. In the night the whole place becomes a dormitory under the stars. There is no water or public toilets

[101] Head, 'Migrant Labour…', pp. 130- 131
[102] Manghezi, 'History and organisation …', pp. 12- 16
[103] Interview with Mr Carlos, Maputo, conducted by N. Gaspar 18/07/2005; Manghezi, 'History and Organisation…' p. 13

anywhere near the place, so water has to be begged for or even bought from neighbouring families, while the slope facing the harbour becomes the public toilet.[104]

The crowd at the Alto Maé (Maputo) TEBA post gave graphic expression to the difficulties facing Mozambican workers who sought contracts on the South African mines in the 1980s. Even though the level of recruitment of Mozambican workers in the mines did not change significantly from the end of the 1970s in terms of numbers, the queues eventually reduced significantly at the branches of TEBA as the expectation of employment faded. In a context of scarcity of new vacancies, TEBA only contracted few and experienced miners and only when they were requested to do so by the mines; and it used both radio and newspapers to announce when vacancies were available.[105]

The supply of workers from Mozambique to the South African mining industry was limited but in general did not drop significantly from the level of the late 1970s in the 1980s. 43.000 Mozambican workers were employed on average each year during this decade (See table 2).[106]

After the independence of Mozambique, the new government had to deal with adverse economic conditions. Firstly, the already poor colonial inheritance was aggravated by the exodus of Portuguese settlers, which was accentuated by the confusion and violence that took place during the period of transition. The Portuguese community numbered about

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[104] Manghezi, 'History and Organisation…', p. 19
[105] Interview with Mr Carlos, Maputo, conducted by N. Gaspar, 18/07/2005
[106] See also Crush, Jeeves and Yudelman, *South Africa.*.., pp. 232- 237; and Head, 'Migrant Labour…' 1995, pp. 129

250,000 in 1974 but diminished to about 20,000 in 1977. The exodus led to a significant shortage of skilled workers because, "by virtue of their privileged racial and class position, (the settler community) had been the only group with access to higher education during the colonial period."[107] This exodus was accompanied by economic sabotage: "Vehicles were driven out of the country, bank balances were emptied, consumer goods were purchased and exported. Portuguese companies used a variety of devices to get their assets repatriated including sending money abroad as payment for phantom orders."[108]

Secondly, the Mozambican government decided to enforce United Nations sanctions against Rhodesia in 1976. Mozambique closed its border with Rhodesia. It was estimated that Mozambique lost between 105 and 165 million US dollars per year from port fees, freight charges and remittances of workers because of this decision. Rhodesian retaliation, characterized by violent attacks against Mozambique that destroyed properties and equipment, was calculated at 300 million US dollars.[109] Thirdly, during the first ten years of independence, climatic adversity had considerable impact on the Mozambican economy. In particular, the floods of 1977/ 1978 and the prolonged drought of 1982/1983 accentuated the obstacles in the way of agricultural recovery.[110] Fourthly, the war between the government and RENAMO, which was characterised by a high level of death and destruction of equipment and property, delayed the implementation of FRELIMO's economic policies.[111]

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[107] A. Isaacman and B. Isaacman *Mozambique: From Colonialism to Revolution, 1900- 1982*, Westview Press, 1983, p. 145
[108] Newitt, *A History of Mozambique*, p. 551
[109] Isaacman and Isaacman, Mozambique…, p.146
[110] Newitt, *A History*…, pp. 551-558

The Mozambican balance of payment which was positive in 1975 (+8 million US dollars) turned negative and worsened rapidly, as the figures for 1978 (-244 million US dollars) and 1980 (-360 million US dollars) show.[112] Mozambique had become a country with a high level of debt. Its total debt to governments and international organisations including banks was more than 1.4 billion US dollars.[113] It was this economic reality that led the Mozambican government to accelerate the diplomatic option with the South African authorities, in an attempt to improve economic relations, and thus help reduce the rate of unemployment and increase the foreign exchange derived from migrant labour.

The intensification of the political crisis between Mozambique and South Africa led to a whole series of direct and indirect South African military attacks against Mozambique from 1981 to early 1984. The poor political relations between the two states threatened economic relations between them and the supply of Mozambican labour to South African mines in the early 1980s. It was in this context that the two states signed the agreement of 'good neighbourliness and non-aggression' in Nkomati in March 1984.

Signed by the President of South Africa, P.W. Botha, and the President of Mozambique, Samora Machel, the Nkomati accord did not refer to economic questions explicitly. Its

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[111] For more details about the implementation of FRELIMO´s economic policies see for example M. Cahen, *Mozambique la Révolution Implosé*, L´ Harmattan, 1987, A. Casal, `Legitimação Política- ideológica da Socialização Rural em Moçambique (FRELIMO, 1965- 1984) ´, *Revista Internacional de Estudos Africanos*, 1991, 14- 15, pp. 35- 76; C. Castel- Branco `Opções Económicas de Moçambique, 1975- 1995´, in B. Mazula, *Moçambique, Eleições, Democracia e Desenvolvimento*. Maputo, 1995, pp. 581- 536 and J. Cravinho, 'Frelimo and the Politics of Agricultural Marketing in Mozambique'. *Journal of Southern African Studies*, 24,1, 1998, pp. 93- 114

[112] Isaacman and Isaacman, *Mozambique*…, p.147

[113] J. Hanlon, *Mozambique: The Revolution under Fire*, London, 1984, p. 254

content focused on political and military issues.[114] However, it constituted an important basis that allowed for a climate of debate and dialogue between these two governments and it led to a whole series of meetings between them relating to the issue of the supply of labour to the mines.[115] Several meetings between the officials of the Ministry of Labour of Mozambique and South African authorities took place in 1984 and 1985. The main objective of the Mozambican government in these discussions was an attempt to bargain for significant increases in recruitment of Mozambican workers to the mines and it promised that "their miners would be dissuaded from joining trade unions".[116] For example, two meetings between high-ranking South African and Mozambican delegations took place in Mozambique and South Africa in November 1984 and during these meetings, "it was decided to set up a working committee to look at the position of migrant workers in South Africa with a view to drafting a new labour agreement between the two countries. An inter-governmental technical committee was appointed to that end".[117] There are few details available about the matters discussed in these meetings but it is known that the draft of a labour agreement was established in May 1985, in which issues such as the number of Mozambican workers to be recruited in the mines, the administrative procedures, the transportation of mineworkers, unclaimed monies and unclaimed compensation were included.[118]

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[114] See Anonymous, "Acordo de Nkomati", in *Tempo*, 702, 25 March 1984, pp. 32- 35

[115] A. Gomes, 'A Paz de Nkomati', *Tempo*, 701, 18 March 1984, pp. 24- 25; A. Bragança, (Interviewed by T. Lima) 'Nkomati -Vitória da Nossa Soberania', *Tempo*, 702, 25 March 1984, pp. 26-27

[116] F. De Vletter, 'Sons of Mozambique: Mozambican Miners and Post- Apartheid South Africa'. Cape Town: Idasa, 1998, p.12

[117] F. De Vletter 'The Rights and Welfare of Migrant Workers: Scope and Limits of Joint Action By Southern African Migrant-sending Countries'. Geneva: International Labour Office, 1985, p. 19

The violations of the Nkomati Accord by the South African government through the support of the anti-government rebels in Mozambique, the Resistência Nacional de Moçambique (RENAMO),[119] and the South African accusation that the Mozambican government supported ANC combatants affected the relations between the two governments negatively. P.W. Botha announced the expulsion of 60,000 Mozambican mineworkers in October 1986.[120] According to officials of the Department of Migrant Labour of the Mozambican Labour Ministry, the expulsion did not take effect because most Mozambican workers were experienced and disciplined. Mining companies needed to retain these workers and, through the Chamber of Mines, they persuaded the government against this decision.[121] This event can be seen as evidence of tensions between the South African government and mine owners**.** It is important to emphasise that the efforts of the Chamber of Mines were motivated by the importance of Mozambican workers in a significant number of mines – it was difficult to replace the experience, the skills and the discipline of Mozambican workers in these mines.

[118] De Vletter, "The Rights…', p. 22
[119] This movement was also known as MNR (Mozambican National Resistance).
[120] See Crush, Jeeves and Yudelman, *South Africa…* , pp. 113;
[121] Interview with Representatives of Department of Migrant Labour (Ministry of Labour), Maputo, conducted by N. Gaspar, 12/09/ 2005 and 13/09/2005.

III.1.1 Summary and discussion of causes of the reduction of Mozambican workers in the mines

There are several processes which can be seen as possible causes of the reduction of Mozambican workers in South African mines, including the internalisation of labour, mechanisation in the mines, the legalisation of trade unions, the influence of the newly independent Mozambican government and the diminishing of WENELA activities in Mozambique. This research argues that these elements are complex and that they have to be seen as a whole. Three of these processes were particularly important – internalisation, mechanisation and the threat posed by the economic policies of the Mozambican government. As a political movement, before the middle 1970s, FRELIMO developed a socialist discourse and criticised the southern African migrant labour system. The underlying threat to mining interests probably accentuated the internalisation of labour and added to the pressures militating against the recruitment of a significant number of new Mozambican males after independence. But the increased gold price and mechanisation, which implied a more efficient mine work force, allowed the already employed Mozambican mineworkers to continue because of their experience. It is important to note that the position of the Mozambican government relating to migrant labour shifted significantly in the late 1970s years because of the internal economic crisis and this contributed to the increases (even though limited) in number of workers from Mozambique in the 1980s. (See table 2)

The diminution of WENELA activities in Mozambique, and the role of trade unions in South Africa, especially the NUM, did not lead to the reduction of Mozambican workers in the mines. The former has to be seen as a symptom and consequence of this reduction;

and this research did not find evidence to show that the latter organisation was against the presence of Mozambicans in the mines.

III.2 The impact of the reduction at national level

The consequences of the reduction of the recruitment of Mozambican workers in South African mines from 1976 were significant for the Mozambican economy and society. It is difficult to calculate these consequences in quantitative terms because of the nature of the system of migrant labour and paucity of good statistical data, but it is possible to note that the economy of Mozambique was affected negatively by this reduction and the country lost a significant part of its foreign income, at least in the period 1977-1980. As I have noted in the chapter on historical background, the colonial state of Mozambique benefited from the recruitment of high numbers of these workers to the South African mines in many and different forms. The agreements with the South African authorities allowed the Mozambican state to obtain income from railway freights and transit duties on commodities passing through Lourenço Marques from or to Transvaal.[122] The state benefited from the administrative process of recruitment that produced revenue from licences, passports and so on. Deferred pay was of significant benefit to the state because it allowed the country to accumulate foreign currency and led to the growth of the local market in which wages from the South African mines, paid through deferred pay in local currency (*Escudos*)[123], was crucial, especially in southern Mozambique.

The importance of deferred pay that constituted 60 per cent of wage of Mozambican miners after the first six months of their contract period was clearly significant in terms of the national economy. Official data shows that the percentage of income from this

[122] For more details about the issue of railways freights, see the 1928 Convention, Article XXXII in Covane, *As Relações Económicas.…*, pp. 110- 111

[123] The government changed the Mozambican currency from '*Escudo*' to '*Metical*' in June 1980.

payment dropped from 1977 and that the figure for 1975 was only achieved again from 1981 (see table 3). Marc Wuyts presented a comparative analysis of the foreign exchange income from deferred pay of mine labour and export earnings and concluded that the foreign exchange income from deferred pay constituted 24 and 38 per cent of those from export earnings in 1975 and 1976 respectively; the percentage of income from deferred payments as compared with export earnings dropped substantially in the following years - 21 per cent (1978), 18 per cent (1979) and 19 per cent (1980).[124]

It is interesting to see that even though the number of workers in South African mines dropped, the income from deferred payments of these workers increased notably in the 1980s and 1990s (see table 3). This contradiction may seem odd; however, it is important to explore historical context and other dynamics in an attempt to understand this situation. First, the liberalisation of the price of gold from the early 1970s, the mechanisation of the mining industry, the role of the trade unions in the 1980s and so on led to a progressive increase of wages in the South African mines. Secondly, the mines did not contract many novices, such that a large number of Mozambicans who were employed in these mines were experienced (skilled, semi-skilled, or specialised) workers; therefore, in principle most of them earned higher wages.

These two points show that the Mozambican miners in South Africa were paid higher salaries in the 1980s and 1990s than in the 1970s and it can explain the fact that the income from deferred pay increased notably in the 1980s onward, at least partially. Thirdly, the changes in the world economy, and the crisis in the South African economy

[124] Wuyts, *Money and Planning…*, pp. 86- 87

led to inflation and the devaluation of the South African Rand;[125] that is why the increases in absolute sums of deferred pay presented in the table can be seen in nominal and not in real terms. The most important issue for this research is the impact of the reduction of the Mozambican component of labour in South African mines for the Mozambican economy. The reduction of the numbers of these workers prevented Mozambique from earning higher foreign exchange income through deferred pay which could provide important resources for the country.

Table 3: Foreign exchange income from deferred payment of mine labour, 1975- 1992 (in million rands)

	income	%
1975	43.6	100
1976	47.0	107.8
1977	30.6	70.2
1978	27.3	62.6
1979	36.8	84.4
1980	38.5	88.3
1981	54.8	125.7
1982	60.7	139.2
1983	75.6	173.4
1984	79.3	181.9
1985	87.0	199.5
1986	101.55	232.9
1987	100.57	230.7
1988	115.4	263.9
1989	115.07	263.9
1990	139.36	319.6
1991	151.59	347.7
1992	168.2	385,8

Source: Departamento do Trabalho Migratório (DTM) – Ministry of Labour of Mozambique, 'Quantias do Pagamento Diferido das Minas Filiadas e não Filiadas Recebidas em Milhões de Randes', Maputo, 2004, p.1

In order to understand this impact fully it is important to recall the history of deferred pay. Compulsory deferred pay for Mozambican miners dates back to 1928; however, the secret gold clause of the 1964 agreement between Portugal and South Africa changed the

[125] See B. Khan, 'The Crisis and South Africa's Balance of Payments' in S. Gelb, *South Africa's Economic*

form in which this payment were to be transferred. It allowed the government of Portugal to

(…) receive deferred pay in gold, the amount being a fixed price in Rands despite later increases on the world market. (The gold would be sold by South Africa on the world market and the profit handed over to Portugal).[126]

Hence, the deferred pay in rands could be converted into gold at official gold price of R29.75 per ounce. This clause continued to operate after independence, and the Bank of Mozambique therefore realized a profit on gold equal to the difference between the free market price and the (old) official price. This source of income allowed Mozambique to bridge the production crisis without any accompanying foreign exchange crisis. Instead, considerable reserves were accumulated during the first years of independence.[127]

Mozambique lost this profitable source of foreign exchange when South Africa abandoned the so-called gold clause in the first semester of 1978.[128] The abandonment of this secret clause as well as the already explained reduction of the Mozambican workers in South African mines affected the reserves of foreign exchange negatively and reduced the capacity of the government to solve the crisis in the national economy.

Crisis, Cape Town: David Philip, 1991, pp. 80-84

[126] First, *Black Gold…*, p. 220
[127] Wuyts, *Money and Planning…*, p. 87
[128] See for example First, *Black Gold…*, p. 65 , Wuyts, *Money and Planning…*, p. 87

The negative effects of the reduction of Mozambican workers in the South African mining industry included the increase of unemployment in Mozambique. The level of reduction of Mozambican workers was dramatic and extremely rapid. A significant part of the literature produced in Mozambique from the end of the 1970s argued that this reduction constituted a form of economic sabotage promoted by South Africa against foreign countries, especially Mozambique, and that was a South African attempt to maintain a political and economic hegemony in the region.[129] This literature saw the implementation of the process of reduction of foreign workers as far more rapid than the capacity of the supplier states, like Mozambique, to absorb the former migrants in terms of employment. As Davies emphasised, the patterns of reduction of these workers were irregular or, in other words, it was subject to unforeseeable fluctuations and it made almost impossible the task of supplier states to make a plan for internal fluctuations.[130] Therefore the level of unemployment increased significantly in Mozambique.

Unemployment was visible in the rural areas of southern Mozambique from the second half of the 1970s –for the first time in a century there were a significant number of adult males in these areas, who were unable to get jobs in the mines and elsewhere. Even though limited, the example of Gaza province is illuminating: the percentage of economically active population who worked in the South African mines dropped from 19 in 1975 to 4 per cent in 1979.[131] It affected thousands of families that were dependent on

[129] See for example, L. De Brito, 'The Social Welfare of Migrant Labour in Contemporary Southern Africa', Maputo: Universidade Eduardo Mondlane, 1978, pp.14; R. Davies, 'Algumas Implicações dos Possiveis Cenários pós Apartheid para a Região da África Austral', in *Estudos Moçambicanos*, 8, 1990, pp. 172- 177.
[130] Davies, 'Algumas...', p. 174
[131] M. Lopes Junior, 'O Processo de Accumulação da RSA e a Situação Actual no Sul do Save', in *Estudos Moçambicanos*, 1, 1980, pp. 92

this type of work to guarantee a certain standard of living.[132] The rural areas of southern Mozambique were in general unable to absorb the increased number of men who needed jobs and this situation "was reflected in an increased migration to the towns".[133] In southern Mozambique for example provincial capitals such as Inhambane, Xai-Xai and especially Maputo as well as small towns (like centre of districts) were destinations for a lot of people from the countryside from the late 1970s. However, even though unemployment was relevant, it is important to note that it was not the only cause of this migration to the towns – the role of the Mozambican civil war and of the natural disasters that affected principally the rural areas especially from the early 1980s also accelerated the migration of people from the countryside to the towns in Mozambique.

The capacity for investment in economic activities in rural areas of southern Mozambique was affected by the reduction of Mozambican workers in the South African mines. Family agriculture was affected negatively, at least in quantitative terms (number of prosperous families), because many families lost the possibility to earn remittances from South Africa that before had allowed them to purchase implements, fertilizers and seeds, and to contract important services for the productivity of this economic activity.[134] Additionally, many families (especially among those whose male members were unable to work in the mines) were less able to cope with bad harvests caused by the natural disasters such as the floods of 1977 and the drought of 1982/1983 because of their exclusive dependence on agriculture.[135] Therefore, the fact that many workers were

[132] De Brito, 'The Social...', p. 14; Wuyts, *Money and Planning...*, p. 86
[133] Wuyts, *Money and Planning…*, p. 86
[134] See De Brito, 'The Social…', pp. 13- 15; Wuyts, *Money and Planning…*, pp. 83- 86; and so on.
[135] Covane, *O Sul e o Trabalho…*, pp. 258- 262, 265-268

unable to continue working in the mines, in the context in which there were few alternative forms of employment intensified the negative impact of the natural disasters for them and their families. These impacts at local level will be analysed in the following chapter through the analysis of the case of district of Chibuto in the southern province of Gaza.