Structural poverty and policy discourse in post-Apartheid South Africa

Reflections on 8 years of research and policy engagement
In this presentation

• A reflection on extent to which CP research enabled constructive policy dialogue
  – Structural Poverty
  – its causes...
  – Policy discourses
  – Responses
  – ‘poverty policy’ at an impasse
Structural poverty

• Chronic poverty a symptom of structural poverty
  – Rooted in the distribution of assets
  – Power-laded and unequal social relations
  – Structure of the economy, nature of growth path

• This means
  – Study of chronic poverty is not the study of ‘the chronically poor’
  – Challenges voluntarist responses
  – Policy responses have to consider core economic policy
Structural poverty in South Africa

• Seekings and Nattrass: ‘underclass’
  – Landless rural poor
  – Jobless urban poor
  – 8 million people in households without formal employment or access to a grant
  – Low likelihood of finding employment in future
  – Low returns to education
  – Low social mobility
Causes

• Apartheid legacy: highly unequal racial order
  – Abolition of institutionalized racial discrimination has failed to reduce structural poverty
• Key reason – rooted in nature of growth path,
  – De-agrarianization, decline of agriculture
  – Structure of core economy, capital intensive growth path
  – Policy bias
Official discourse

• 1994 – 2003: residualist conceptions
  – Trickle-down and service delivery
• 2003: ‘Second economy discourse’
  – Creates space to recognize structural factors
  – Danger: implicit dualism
• CPRC (among others): Critique from political economy
  – Adverse incorporation
  – Focus on marginality
• These critiques recognized, incorporated in policy framework
  – Second economy strategy, ASGISA, 2008 Anti Poverty Strategy
Policy Responses

• Key issue: recognize contribution of nature and structure of core economy
• Six ‘headline strategies’
  – Develop an agenda to address each of the key pillars of structural inequality;
  – Agree a social compact to place employment at the heart of economic policy;
  – Strengthen livelihoods and improve conditions for the working poor – employed or self-employed;
  – Address the development deficit in rural areas:
  – Build efficient and inclusive cities and towns;
  – Target the most marginalised directly.
“Target the most marginalized directly”

• Address policies, processes that marginalize, disadvantage poor / powerless within mainstream economies

• Create ‘intermediate rungs’ for able-bodied unemployed
  • “...a set of strategies that enable the economic participation of unemployed and economically marginalised people, even where markets do not do so; that enable them to work, to strengthen their incomes and assets, and to unlock the sense of economic agency that structural dependency has eroded.”

• In other words
  – Expand public employment
  – Upgrade informal settlements
  – Incentivise and support household food production
A political impasse

- Zuma administration
  - Opening up of policy debate
  - End of presidential hegemony
  - Political contestation
  - New managerialism

- Pro-poor policy development process is obscure
  - 2010 APS abandons many of most positive aspects of 2008 strategy document
  - DPRDLR unable to bring focus to rural development policy
  - Much rhetoric about unfeasible, poorly thought out policies (e.g. ‘War on Poverty’)

- Key structural, economic questions crucially contested within Alliance and government
Conclusions?

- CP research was useful, relevant, insofar as it helped revive older debates around structural poverty, nature of SA economy
- Linked debates about poverty with those about economic growth
- Was a way of bringing a political economy analysis of poverty into ‘policy space’
- Condition of possibility: shared social agenda, shared analytical bent
- ‘Evidence based policymaking’ is in itself a political project, a struggle around the nature of the state