

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