SECOND CARNEGIE INQUIRY INTO POVERTY
AND DEVELOPMENT IN SOUTHERN AFRICA

Poverty and powerlessness:
The politics of inequality

by

Mary Simons

Carnegie Conference Paper No. 301

Cape Town

13 - 19 April 1984
POVERTY AND POWERLESSNESS: THE POLITICS OF INEQUALITY

Political systems, economic orders and the social environment are created by people. The natural environment and a society's history may act as constraints on human action but they do not compel us to maintain poverty and inequality in the present. The structural conditions that create poverty can be changed to eliminate poverty or they can be maintained to sustain and increase poverty. The exporting and dumping of agricultural produce while many face starvation, the growth of capital intensive industry while millions are unemployed are two examples of policy choices which contribute to poverty within South Africa.

Technological innovation, a decline in economic growth and a demographically young population suggest that without a co-ordinated strategy to eliminate poverty within South Africa, the number of poor and the extent of their poverty will be greater at the turn of the century than it is at present. It has been argued that influx control and the allocation of land are the two main factors which create and perpetuate poverty in South Africa. The capacity of the South African economy to create employment opportunities for its inhabitants will be a determining factor in the eradication of existing and future poverty.

The literature on poverty makes a distinction between absolute and relative poverty, and poverty and inequality. However, in practice a decrease in poverty is accompanied by a decrease in inequality and the correlation of these two logically distinct factors is not explained. This
paper does not distinguish between absolute and relative poverty. Poverty is defined as a network of deprivations and an experience of inequality of access to the resources and assets of South Africa. These deprivations may be categorised as cultural, economic, ideological, political, psychological and social. Whilst it is necessary to understand each of these dimensions separately, together they constitute the reality of poverty.

In an industrializing society, central government constitutes the most powerful agent for the elimination of poverty. An important role may be played by welfare organizations, the churches and community organizations in alleviating poverty and in liberating the poor from a culture of poverty. These groups have the choice of re-inforcing helplessness and passivity among the poor or providing the poor with the resources to achieve a sense of dignity and self-worth.

The poor are geographically dispersed throughout South Africa. They live in the cities, towns and rural areas. They may be young or old, men or women, uneducated or educated, unemployed or employed. Age and gender may be as important determinants of poverty as is educational standard and income. Both in towns and rural areas a disproportionate number of poor households are headed by women. Poverty studies further indicate that within poor families inequality exists with women obtaining the smallest allocation of the available food resources and frequently the least nourishing food. This cultural factor of gender inequality condemns the children of the poor to mental retardation and ill-health, unable to benefit from educational opportunities.
WHO ARE THE POOR?

Those that experience situational poverty are productively incapable and are dependent on others for their survival.

- elderly
- ill (including drug dependence)
- disabled
- young children

Those that reside in rural areas:

- women
- young children
- members of female-headed households
- members of large families
- families on land where the soil's fertility is poor
- families who have no access to land
- families employed in agricultural occupations
- families whose income is derived from self-employment
- families who have no income

Influx control regulations and migrant labour practices coupled with resettlement policies and land division are the major factors sustaining poverty in the rural areas.

Those that reside in urban areas:

- women
- young children
- members of female-headed households
- members of large families, living in overcrowded conditions with a high ratio of dependents to earners
- families whose income is derived from self-employment
- families where the employed individual(s) earn less than the family unit requires to meet its basic needs
- families who have no income
- individuals who lack the educational skills to obtain employment

The common feature of all individuals who are poor is their lack of access to the resources of our society and their
exclusion from the decision-making bodies which allocate resources. Whilst the above list indicates the specific characteristics of poverty, poverty does not flow from a single characteristic. The assessment of poverty on a family basis does not reveal the inequalities that exist within poor families. Furthermore, key indicators of economic development, for examples, rates of infant mortality, school achievement ratios and composition of employment relate exclusively to individuals. The labour market employs individuals and rewards each individual according to his/her characteristics. Therefore, strategies to eliminate poverty require the specific identification of who is poor or they will fail to reach all the poor and may well enrich those who are not poor. Development efforts and resource allocation to geographical regions or sectors of the economy are too broadly based to be successful in the short-term.

Strategies for eliminating poverty

"(Economic) growth itself does not determine a country's inequality course. Rather, the decisive factor is the type of economic growth as determined by the environment in which growth occurs and the political decisions taken."

(Fields 1980:94)

A number of factors influence the way in which central government uses national income. A national government's constituency is representative of diverse and conflicting interests whereas a government which is more narrowly representative is responsible to a more homogenous constituency. Whatever the characteristics of government acute choices must be made between the well-being of the current generation
and the well-being of its heirs; the eradication of poverty and the further endowment of the non-poor. A balance has to be struck between exploitation and conservation of natural resources, between investment for the future in human development and infrastructural development and the satisfying of the current generations' needs.

**Short-term strategy**

Redistribution of income - raising incomes of the poor
Free education and health services for the poor
Subsidised transport

Land and tenure reform in both rural and urban areas requires legislation to protect tenant farmers and tenants from landowners; credit for small farmers
Job creation for the landless, for workers who have lost their jobs in agriculture and industry and for the unemployed
The development of non-agricultural rural economic activity
The expansion of labour-intensive industry
Social welfare programmes for the aged, disabled, ill, pregnant women and nursing mothers

**Long-term strategy**

The means and the end of economic advance are a country's people, for they are its most valuable resource. Economic development and the eradication of poverty is dependent on human development and human skills. Nutrition, health and education are the foundation stones of human and economic development.
Capital investments in economic growth which creates job opportunities
Capital investments in rural infrastructure: roads,
electrification, irrigation, transport and marketing networks and the provision of running water

Constraints
Politically influential capitalists who oppose human development programmes; landowners who oppose land reform
Large and powerful bureaucracies who are protective of their own interests
Highly skilled workers and professionals who protect their interests by means of closed shop agreements
The urban bias of policy makers and bureaucrats
An ideology of inequality and individualism which deems that the poor are responsible for their poverty and denies the existence of structural conditions which create and sustain poverty and inequality
A central government which has no commitment to the eradication of poverty

Education, nutrition and health
Education in itself neither facilitates nor militates against the eradication of poverty. Unless the recipients of education are healthy and adequately nourished they do not benefit from education. Whilst primary and secondary education tends to redistribute income towards the poor, higher education tends to redistribute income from poor to rich. Education may decrease absolute poverty but increase relative poverty and exacerbate inequality within a society. Education acts as a powerful socializing force increasing productivity, reducing population growth but it raises expectations of employment, income and status. Society's inability to meet these expectations leads to frustrations which may be politically expressed.
Educational resources are most deficient in the rural areas. A short-term solution to the lack of skilled teachers is to use the radio as an educational tool for primary and secondary education. Correspondence courses combined with the radio may be used for secondary education. In urban areas the lack of skilled teachers may be overcome by computer aided instruction. Small-group teaching produces a qualitative difference in educational achievement. Once the pupil teacher ratio is above fifteen to one there is very little difference in the performance of pupils who are in classes of sixteen or eighty.

The primary factors creating ill-health among the poor are lack of food, water and fuel, the inadequacy or absence of medical services and overcrowded living conditions. The provision of a centrally treated and distributed water supply is more important in reducing disease than the introduction of conventional sewerage. Although desirable, it is not essential to provide each household with their own water supply. The geographical maldistribution of medical personnel may be overcome by the training of community health workers. The efficacy of community health workers is dependent on an efficient administrative infrastructure and supervision. Their success and acceptance in the community is related to the availability of medical supplies and their linkage to clinics, day care centres and hospitals by means of a referral system. The provision of transport in areas where there is a lack of transport is vital to the efficacy of the referral system.
The extension of education to the poor, the provision of food to the poor and the raising of health standards are the soundest investment that a country can make. In the short term the reward is increased productivity of the economically active. The long term benefits are the development of the resource of human skills and talents and a decline in the rate of population growth.

South Africa: The practice of political inequality

A hundred years of industrialization, sixty years of accelerated urbanization in a country endowed with natural resources and millions of its citizens suffer from malnutrition, although South Africa is an exporter of food. Poverty, high infant mortality rates, low education rates and a high rate of unemployment for one sector of the population must be compared with the wealth, low infant mortality rates, high educational rates and a low rate of unemployment with another sector of the population. A racially exclusive political system enriched its white electorate and impoverished its politically excluded black citizens.

Fifty years ago poverty was colourblind today poverty is a black experience. The eradication of white poverty, the gradual reduction of "coloured" and asian poverty occurred through state action and a radical redistribution of resources. Social welfare benefits, including, housing subsidies, old age pensions, disability grants, unemployment benefits, maternity benefits, rent control coupled with job reservation, minimum wages and free and compulsory education were some of the ways in which poverty was
was reduced and eradicated. State action from the 1920's to eliminate poverty among Afrikaans-speaking whites was a response to the political importance of this group. Similarly, 'coloureds' and asians are benefitting from the expansion of the white political system to include them, although allocation of national resources to these two groups remains in white control.

One of the major constraints on the elimination of poverty is lack of political support and resistance by capitalists to central government action. The South African state has fifty years of experience in the strategies required for eliminating poverty what it lacks is a commitment and a responsibility to its black citizens. Present government strategy for the reduction of black poverty rests on increased education expenditure, increased social benefits primarily in the form of old age pensions and disability grants and a campaign to decrease population growth. It has reduced its financial commitment to housing despite the great shortage of houses in urban areas. The main thrust of government policy with respect to the poor is the incarceration of the poor in resettlement areas. Forcibly kept in rural towns through stringent influx control regulations, they are further impoverished by their landlessness, the absence of educational resources, inadequate health services and no employment. The inestimable number of people 'illegally' in 'white' South Africa, despite the harsh penalties for contravention of influx control regulations is evidence of the extent of poverty and its severity outside 'white' South Africa.

The twenty-year old policy of economic decentralization
has reaped rich rewards for the manufacturing sector and extreme exploitation for workers. The uniform application of minimum wage rates throughout the country would contribute to reducing poverty. If economic deconcentration is to rectify uneven economic development within the country it must be accompanied by specific strategies, for example, labour intensive production and training programmes for workers.

The defensive nature of the South African political system in relation to its black citizens compels the state to implement policies which are reactive to internal and external pressures. The implementation of apartheid policies, the attempt at ethnic segmentation in the face of the resistance of the 'fifties, the recognition of the rights of the black working class to organize economically was a response to labour unrest and external pressure. The increased expenditure on black education comes in the wake of an ongoing struggle around education. The low pass rate of black standard ten pupils, two-fifths of them passed, raises doubts as to whether expenditure on education for blacks is aimed at development or is merely a sop to black demands and industrial capital's needs for skilled manpower. With only a fifth of standard ten pupils obtaining a matriculation exemption which makes them eligible for higher education, black education is at present not the route for the creation of a black middle class. The expenditure on black education is not accompanied by other redistributive policies. In
In 1980, one-third of school-going black children in South Africa (including the bantustans) suffered from malnutrition. The figure provided by the Department of Health and Welfare was that of 2.9 million and the assessment was limited to children under the age of fifteen. Drought and growing unemployment over the last four years would increase that number significantly. The current state of black education cannot alleviate the skills shortage in the short-term. Political reform, which may well include black 'insiders' by increasing the three chamber parliament to four, retains political control in white hands and the allocation of national resources in white hands. It is a white knife that will cut the cake and allocate the pieces.

The foundations of white domination are influx control, migrant labour in its various forms and poverty. The establishment of a non-racial democracy in South Africa offers the possibility but not the guarantee of the elimination of poverty. White domination by its very unresponsiveness to its black citizens and their poverty will not allow the state to play its necessary role in eliminating poverty and reducing inequality.

The elimination of poverty and the reduction of inequality in South Africa is a moral question. The choice confronting each individual is whether he/she wishes to be a perpetrator of inequality and a holder of privilege in the face of your fellow citizens' poverty. It is difficult to see the poor when they are dispatched and concealed and one is protected from their anger by high walls and a police force.
For concerned individuals and groups action is possible. Poverty creates a culture of despair and creates a mindset of helplessness, self-worthlessness and powerlessness. The resources of dignity, self-respect and the capacity to participate in decision-making relating to their lives can be given by church and community organizers and social welfare agents. The strengthening of the capacity for action through organization is the only way that the poor can change their state of poverty and that of their children.

References:

Ahluwalia, M. "Inequality, poverty and development", Journal of Development Economics, 3 307 - 42

Fields, G.S. Poverty, Inequality and Development CUP 1980


House of Assembly Debates: Government Printer Cape Town for 1983

Figures quotes for Black education from H.of Ass. Debates 23 - 27 May col.1413

Statistics on malnutrition among black school going population H.of Ass. Debates 9 - 13 May, col. 206

Nozick, R. Anarchy, State and Utopia. N.Y. Basic Books 1974


Terkel, S. Working N.Y. Pantheon Books 1974

World Bank Poverty and Human Development O.U.P. Oxford 1980


of the Pres. Council
These papers constitute the preliminary findings of the Second Carnegie Inquiry into Poverty and Development in Southern Africa, and were prepared for presentation at a Conference at the University of Cape Town from 13-19 April, 1984.

The Second Carnegie Inquiry into Poverty and Development in Southern Africa was launched in April 1982, and is scheduled to run until June 1985.

Quoting (in context) from these preliminary papers with due acknowledgement is of course allowed, but for permission to reprint any material, or for further information about the Inquiry, please write to:

SALDRU
School of Economics
Robert Leslie Building
University of Cape Town
Rondebosch 7700