

2011 Lecture Series: 'Agriculture, Rural Employment, and Inclusive Growth'

Lecture Report:

Andries du Toit – 'The Government of Poverty and the Arts of Survival: Jobless de-agrarianization, Livelihoods and Social Policy in South Africa'

On Tuesday the 3rd of May, 2011, Andries du Toit, Director of the Institute for Poverty, Land and Agrarian Studies (PLAAS), South Africa, delivered the inaugural lecture of the 2011 Lecture Series, 'Agriculture, Rural Employment, and Inclusive Growth'.

Du Toit's lecture grappled with the nature of poverty of inequality in South Africa in the context of a 'truncated' agrarian transition i.e. the incomplete absorption of 'surplus' labour in the shift from rural to urban based economies. Du Toit's thesis was that poverty and



inequality, far from being extraneous to the working of the South African economy, are in fact endogenous to the functioning of capitalism in the country. The failure of government policy to recognise the structural nature of poverty and inequality has led to the steady erosion of (rural) livelihoods and a deep polarization of South African society. In spite of this, poor people have displayed a remarkable resilience, managing to construct an existence for themselves in what are often extremely harsh

conditions. One senses however that these 'arts of survival', creative as they may be, can be no substitute for a government committed to an honest appraisal of the causes of poverty of inequality in South Africa.

Poverty and Inequality in South Africa: It's Structural Nature

It is widely assumed that the deep poverty and inequality present in South Africa are a result of a lack of development and economic growth. Neoliberal economic theory after all assumes that the gains brought about by economic growth will eventually 'trickle down' to the poorer segments of the population, resulting in an overall increase in the standard of living. The South African government has indeed operated according to such an analysis. While poverty eradication has been a central objective of the South African government, testified by the extensive rolling out of cash transfer and other social assistance schemes to some 30% of the population, the logic informing such policies is flawed. The premise remained that "what is good for large corporate capital is good for the country". The South African government has pursued a capital orientated growth path, with the penetration of corporate capital into the countryside seen as a driver of rural development. The fact that the expansion of capital intensive projects biases the formal sector without always delivering on the promises to increase employment opportunities for the poor, is however reason to

be sceptical of such claims. Du Toit argued that until the South African government appreciates the structural nature of poverty and inequality, rooted in the social relations of South Africa's capital rather than labour enhancing growth, such misguided policy frameworks will continue to endure.

The 'Government of Poverty': A Bio-political Perspective

At the core of the South African government's approach to poverty and inequality has been the creation of a 'bio-political project' which Du Toit termed the 'government of poverty'. This hinged around the accumulation of a vast quantitative database on poverty facts and statistics. The problem with this positivistic approach is that it objectifies poor people as targets for management and reduces the complex problem of poverty and inequality to measurable indicators surrounding income thresholds and resource access. Such an econometric assessment of poverty and inequality however does not confront the social nature of the phenomenon nor does it allow for identification with the economic system in which they are embedded. As a result, poverty and



inequality in South Africa have become depoliticised, divorced from a wider critique of capitalism by finding a cosy place within the government's own terms of reference.

The 'Arts of Survival'

What has been the response of poor people to their economic circumstances? Du Toit commented that the economic agency and adaptive ability of poor people should not be underestimated. He noted that 'social networks of reciprocal exchange' have flourished, functioning something like an informal safety net for people whose existence is otherwise characterised by a high degree of risk and vulnerability. The interlacing of these networks with cash transfers forms part of a mechanism of social protection, bringing benefits which would normally accrue only to those engaged in formal sector employment into the informal sphere. More than this, the hybrid livelihoods of many poor people demonstrate the deep interlinkages between the formal and informal sectors and the assertion of poor people within them.

Towards the Future: Beyond the 'Government of Poverty'?

Du Toit closed his lecture by pondering the future trajectory of South African social policy. How stable is the bio-political order which has been constructed around the governance of poverty and inequality? He stated that there has been a perceptible shift in the government's anti-poverty approach. President Thabo Mbeki's 'two economies' doctrine marked a rejection of trickle down theory and an acknowledgement that the South African economy was excluding and leaving behind segments of the population. This has opened the door for debate to take place about the workings of South African capitalism. Under President Jacob Zuma, this space has become more contested as government policy has become increasingly incoherent. Even so, Du Toit stated that until now, no counter-

hegemonic project has been able to form to seriously challenge the government's position. Its response to deeply ingrained poverty and inequality remains characterised by an 'apolitical managerialism'. The fight for South Africa's future development looks therefore set to continue.

Discussion and Debate

Following on from Du Toit's lecture, **Frits van der Wal**, deputy head and senior policy advisor at the Sustainable Economic Development Department of the Dutch Ministry of Foreign Affairs, offered a few remarks. Van der Wal wished to push Du Toit a little more on his



conceptualisation of poverty. What does it mean to objectify rather than incorporate poverty into the analysis? Also, what policy advice would Du Toit give to the South African government in order to better tackle poverty and inequality? Du Toit responded that what he wanted to highlight most in his discussion on the framing of poverty was the need to move beyond a moralising discourse based on a stereotypical rendition of poor people as passive objects. Rather, the adaptive nature of poor people's responses demonstrates

their economic agency and their assertion of themselves as active subjects. The policy response of the South African government continues to be mired by inconsistencies. What does it mean to 'centre labour' when the power of capital is so great? Constructing a coherent narrative around poverty and inequality should therefore be a key priority.

After Van der Wal's commentary, it was the turn of the audience to ask questions during a discussion chaired by **René Grotenhuis**, President of SID and Director of Cordaid. A couple of audience members wished to know where the coalition for change in South Africa is coming from given that Du Toit stated that up until now, no counter-hegemonic project has been able to form. Du Toit argued that there is scope for a broad-based public debate and critique of government policy. A key part of this will be to change the way parliament works. As it stands, parliamentarians are not directly accountable to their local constituencies since they can not be voted out of office. Driving through a deeper campaign of democratisation will help make government officials more responsive to public concerns and grievances. This touched upon another question regarding social polarization in South Africa. Du Toit acknowledged that this was indeed extreme, with conspicuous displays of wealth and consumption sitting alongside enormous desperation and economic hardship. This however also opens up space for social solidarity and moral outrage across the social divide so that possible new social alliances may emerge. Finally, Henry Bernstein, Professor at the School of Oriental and African Studies in London, commented that one of the major obstacles so far in constructing a counter-hegemonic social force is what he termed the "neoliberal optical illusion" whereby state intervention in the economy is discouraged yet the government is charged with fixing poverty. The political effect of this is that publics direct their anger towards the government and not towards corporate capital.