



Poverty & Inequality

Diagnosis Prognosis Responses

**THE STATE OF THE DISCUSSION OF POVERTY AND
INEQUALITY IN SOUTH AFRICA**

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Human Sciences Research Council
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Are there elements of a South African explanation of poverty and inequality that are distinctive and different from an explanation of poverty and inequality in other contexts and countries?

Overview

Part 1

Dominant approaches to poverty and inequality in the global discussion

Part 2

How has the discussion unfolded in South Africa?

Part 3

An intersectional framing for poverty and inequality



*Extreme poverty
growing in Sub-Saharan
Africa*

3,4 billion people living on less
than \$5.50 per day – this is
almost 50% of humanity



*More
billionaires in the
world than ever at
2 208*

Their wealth increasing by
\$2.5 billion per day



Familiar constants of poverty & inequality

- ❖ Neo-liberalism
- ❖ Modern global financial system



Uniqueness of the South African situation

- ❖ Nature and character
- ❖ Causal and constitutive elements
 - ❖ Durability



Economy as
Primary Force



Piketty
2014

$$r > g$$

1987 to 2013

• 6,4% above inflation

Average annual growth of the average wealth of the richest 0,00002% of the adult population of the world

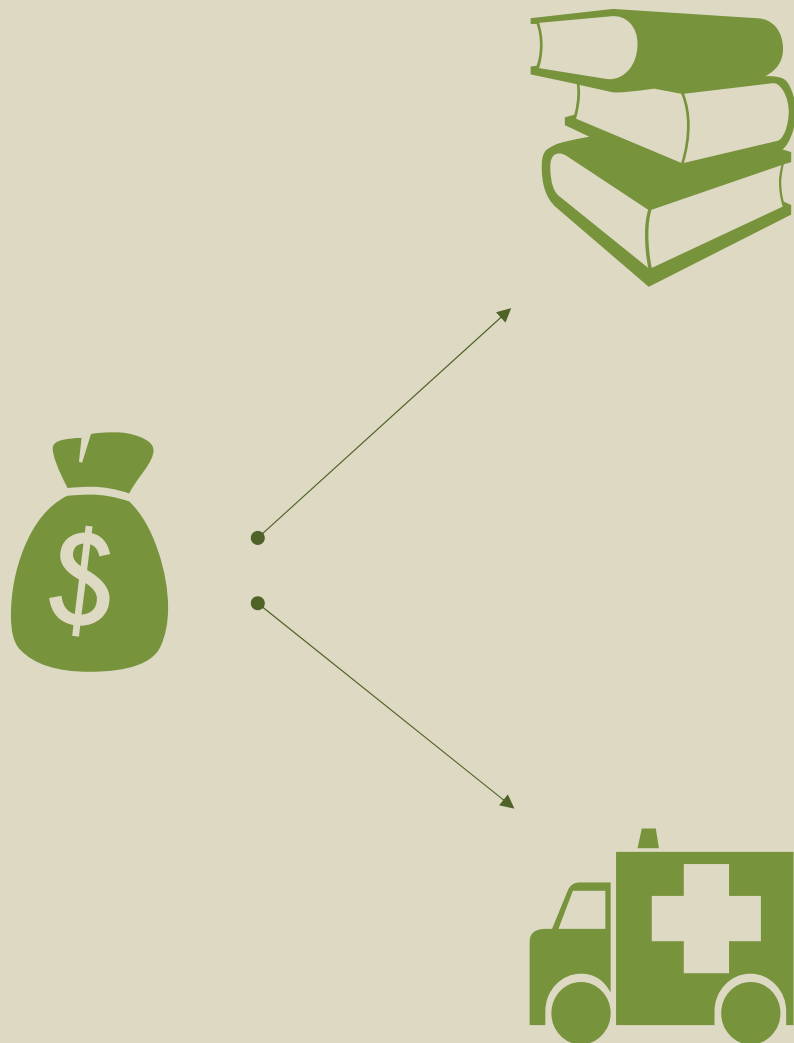
• 2,1%

Average annual global wealth growth per capita

Unequal countries = Worse health and social problems

- ❖ life expectancy
- ❖ maths and literacy attainment
- ❖ infant mortality
- ❖ homicides
- ❖ imprisonment
- ❖ teenage births
- ❖ trust
- ❖ obesity
- ❖ mental problems
- ❖ social mobility





Spending on Education and Health accounted for 69% of the total reduction of inequality according to a study in 13 developing countries



Critiques of Economic Determinism



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...when formulating class inequality one should have race and gender in view as well. Capital is intersectional. It always intersects with the bodies that produce the labor. Therefore, the accumulation of wealth is embedded in the racialized and engendered structures that enhance it. Thomas Piketty's *Capital in the Twenty-First Century* reads as though labor has no actual body – no home that creates it. It remains abstract and therefore colorless as in white, and sexless as in male.

Zillah Eisenstein

Killing Fields



Vital
inequality



Existential
inequality



Resource
inequality

Goran Therborn

Distantiation

Exploitation

Exclusion
mechanisms

Exclusion

Hierarchization

Goran Therborn



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There is little of any quantitative benchmark here, but whenever there is humiliation, there is existential inequality. When existential inequality is no longer backed up by strong norms of difference and by stark resource inequality, the reaction tends to be explosive. A great deal of contemporary youth violence in the rich countries seems to arise out of perceptions of non-respect. Existential humiliation is not to be played with.

Goran Therborn

The relevance for South Africa



Racial classification
and racial exploitation



Conditions of
poverty and
inequality



The Intersectional Perspective in South Africa

National Income Dynamics Study

• **<50%**

Portion of the population below the poverty datum line of R515 per capita per month

• **55% - 54%**

Decrease in poverty level between 1993 and 2008

• **0.70**

Gini co-efficient for South Africa

• Increase in inequality since 1994

Braam Hanekom's four structural pillars

Structural causes



Education

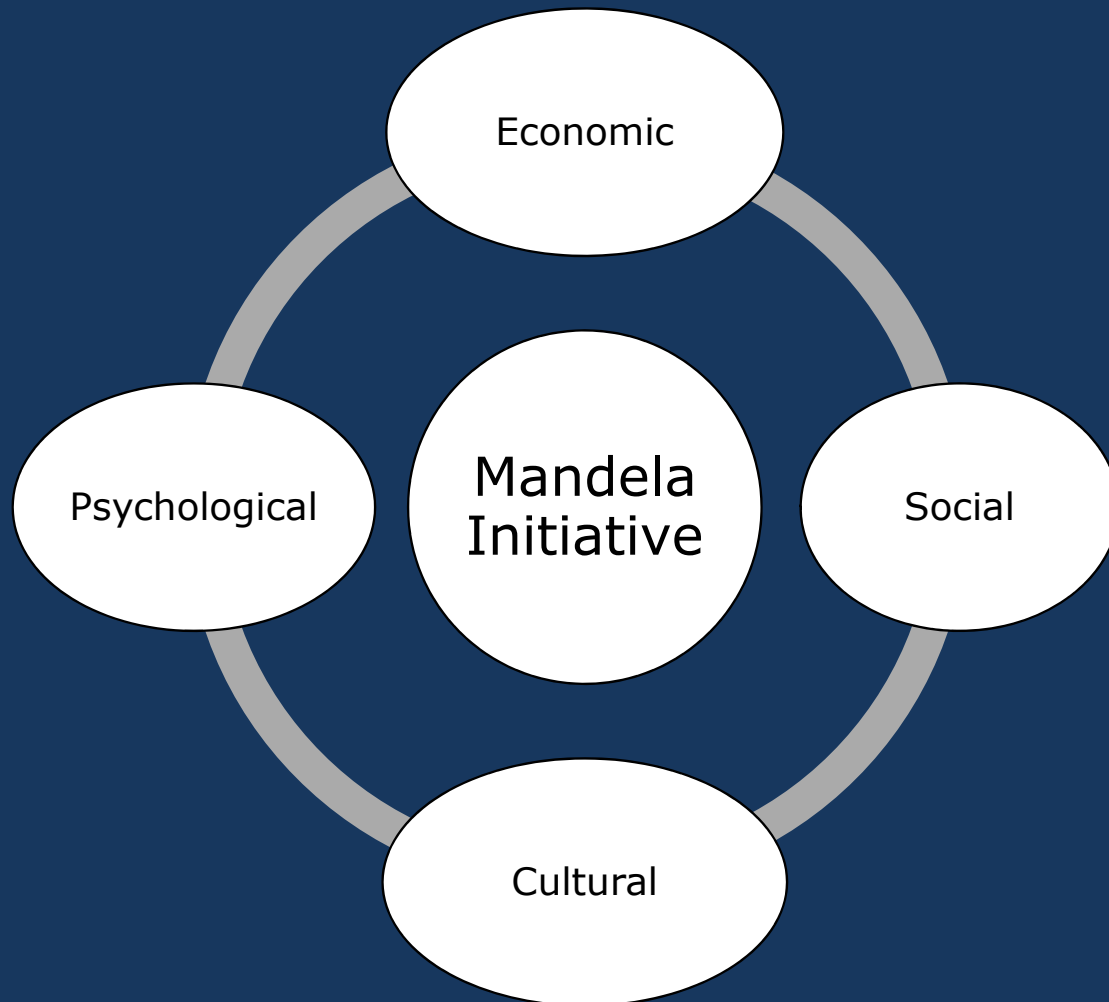


Psychological reasons



Moral fabric and values of our society





The basic
characterisation of
the sociological
nature of South
Africa



The Intersectional Reality



SEEKINGS

*How extra-economic factors work
in relation to the economic.*



Understanding Distantiating

regression analysis

different
effects of
racism

structural
analysis



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One should not waste time here dealing with manifestations of material want of the black people. A vast literature has been written on this problem. Possibly a little should be said about spiritual poverty. What makes the black man fail to tick? Is he convinced of his own accord of his inabilities? Or is he simply a defeated person?.... To a large extent the evil-doers have succeeded in producing at the output end of their machine a kind of black man who is man only in form.

Steve Biko



Is structural change enough to make a difference in the South African context?

- Subordination
- Agency



Understanding the complexity of gender



Thank you