South African social policy: ‘neoliberal nationalism’ with ‘tokenistic’ welfarism

By Patrick Bond – presented to UKZN Development Studies seminar, 19 February 2014

- definition of tokenism
- competing claims about ‘generous welfare state’
- social policy regimes
- housing and household water & sanitation
- National Health Insurance
- social grants
- social resistance and alternatives
- macro-economic policy prerequisites
from 1995-2005, African households lost 1.8 percent of their overall income (including wages, salaries, and unearned income), whereas white households gained 40.5 percent (Bhorat et al. 2009).

from 1994-2010, “poverty incidence barely changed in rural areas, while it increased in urban areas” (Leibbrandt et al 2010).

from 1994-2012, those below the $43/month “national poverty line” rose from 45.6 to 47 percent (Bhorat 2013).

from 1994-2012, ratio of surplus going to capital versus labour shifted 5 percent in the direction of capital (Forslund 2013).
tokenism

Line breaks: token|ism

Pronunciation: /ˈtəʊk(ə)nɪz(ə)m

the practice of making only a perfunctory or symbolic effort to do a particular thing, especially by recruiting a small number of people from under-represented groups in order to give the appearance of sexual or racial equality
tokenism in SA social policy

the practice of making only a perfunctory or symbolic effort – especially in relation to state fiscal and redistributive capacity and apartheid precedents – to deliver state services and social grants to the under-represented low-income majority, in order to give the appearance of progress towards a social-democratic National Democratic Revolution (i.e. “talk left, spend right“)
There are at least four strands (and nine sub-strands) of powerful ideological differentiation in South Africa, within which categories most of the major political initiatives of various actors can be located. To generate a coherent sense of state-society and state-society-market relationships requires familiarity with these ideological standpoints, since so many positions of 'policy advocacy' and so much of the 'structure-struggle' dialectic relate to material interests and framing narratives. Four ideologies that most explicitly critique the ‘tokenism’ of current policy include:

1. radicalism
   1.1 independent left (mostly socialist but also autonomist)
   1.2 Economic Freedom Fighters
   1.3 Communist/NDR

2. liberalism
   2.1 social democracy
   2.2 neoliberalism
   2.3 classical liberalism

3. nationalism
   3.1 BEE crony capitalism
   3.2 Black Consciousness
   3.3 ANC big tent hegemony/NDR

4. white racist nationalism
10 CONTEMPORARY POLITICAL IDEOLOGIES IN SOUTH AFRICA

There are at least four strands (and nine sub-strands) of powerful ideological differentiation in South Africa, within which categories most of the major political initiatives of various actors can be located. To generate a coherent sense of state-society and state-society-market relationships requires familiarity with these ideological standpoints, since so many positions of 'policy advocacy' and so much of the 'structure-struggle' dialectic relate to material interests and framing narratives. Three ideologies that most explicitly defend the ‘tokenism’ of current policy include:

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There are very strong indicators of ‘dependency’-baiting across the spectrum, but the three ideologies that most energetically attack SA social policy on principle are:

1. **radicalism**
   1.1 independent left (mostly socialist but also autonomist)
   1.2 Economic Freedom Fighters
   1.3 Communist/NDR

2. **liberalism**
   2.1 social democracy
   2.2 neoliberalism
   2.3 classical liberalism

3. **nationalism**
   3.1 BEE crony capitalism
   3.2 Black Consciousness
   3.3 ANC big tent hegemony/NDR

4. **white racist nationalism**
   let’s not go there
At the centre is a social democratic approach to social reform – it is the state’s job to underwrite the improvement in the quality of life of the poor and to reduce inequalities, but with a firmly entrenched fear of the risks of personal dependency on the state and of the emergence of entitlement attitudes... The ANC’s approach is sometimes summarized as elements of a northern European approach to social development combined with elements of Asian approaches to economic growth, within conservative macroeconomic parameters. This remains the intellectual paradigm within which the ANC operates. (Season of Hope, 2005)
SA’s ‘extremely generous’ welfare state
(Jeremy Seekings, 2005)

• “The whole approach of the post-apartheid government was to deliver free housing, free this, free the other. This has created expectations on the part of citizens, a passive expectation that government will solve problems” – Mamphela Ramphele (2009)

• Social protection is “exceptional not only because of the extensive coverage, relative generosity and efficient delivery of its social grants, but because these grants are underpinned by political commitment and legislated rights” – Stephen Devereaux (2005)

• “The best that a labour surplus economy such as SA can aspire to is an American-style welfare state regime with a very inegalitarian labour market, where the state provides minimal and stringently means-tested public welfare” – Nicoli Nattrass and Jeremy Seekings (1997)
‘American-style’ regime not only option

- Gosta Esping-Andersen’s “three worlds” (1990)
- welfare states are functional insofar as they legitimate capitalism and secure a stable labour force
- Keynesians also promote state’s spending capabilities to mitigate against capitalist crisis tendencies
- 3 types:
  ✓ social democratic (Scandinavia, northern Europe);
  ✓ corporatist (middle Europe); and
  ✓ neoliberal (Anglo-Saxon countries)
- criteria: decommodification and destratification
- worker interests: redistribution within contribution systems such as unemployment insurance, health schemes and pensions – but in SA also state services like water, sanitation and electricity
- alliances: can a minority class (workers) forge alliances with rural people or urban unemployed to win major social policy reforms?
- close relations between capital and the state (SA) = neoliberal welfare systems that commodify labour, with means-tested benefits
could Pravin Gordhan spend more to reduce poverty?

SA has a far lower public debt than peer economies (Malaysia, Brazil, Argentina, Thailand)

why we can afford more than tokenism: borrow more locally (or try Quantitative Easing a la US Fed)

Source: Barclays
could Pravin Gordhan spend more?

**UPDATE**

**Budget balance as % GDP: 2013E**

- Chile
- Mexico
- Russia
- Taiwan
- China
- Philippines
- Indonesia
- Turkey
- Brazil
- Czech
- Argentina
- Malaysia
- Poland
- India
- Thailand
- SA

On Budget Day, 26 Feb, Gordhan will say “no, we are now in trouble, and we dare not risk breaking 6% inflation barrier with local ‘QE’”

*Source: Trading Economics*
another genuine concern: foreign debt rises from $25bn in 1994 to $140 bn in 2014

but we don’t need hard currency for social grants and basic needs programmes, we do need exchange controls to address this coming crisis, though
source of our capital outflow

we do need exchange controls to address this coming crisis, though

debt due to ‘current account deficit’, mainly dividend/profit/interest outflows

trade deficit? no
very modest post-apartheid increase in social spending

this rise is ‘tokenistic’
Figure 0.8. Public social expenditure in OECD countries and emerging economies

Total public social expenditure, latest year available

% of GDP

OECD average

OECD countries

Emerging

1. Data refer to 2007 for OECD member countries, 2005 for Brazil, 2006-07 for India and South Africa and 2008 for China.
2. Policy areas covered include old-age, survivors, incapacity-related benefits, family, health, active labour market policies, unemployment, housing.
3. Information on data for Israel: http://dx.doi.org/10.1787/888932315602.


StatLink: http://dx.doi.org/10.1787/888932535546
inequality in 2011
SA is worst amongst large societies

does this help explain SA’s exceptional rate of social protest?

inequality indices, 1993-2008: worse today than apartheid

<table>
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<th>1993</th>
<th>2000</th>
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<tr>
<td>African</td>
<td>0.54</td>
<td>0.60</td>
<td>0.62</td>
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<tr>
<td>Coloured</td>
<td>0.44</td>
<td>0.53</td>
<td>0.54</td>
</tr>
<tr>
<td>Asian/Indian</td>
<td>0.47</td>
<td>0.51</td>
<td>0.61</td>
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<tr>
<td>White</td>
<td>0.43</td>
<td>0.47</td>
<td>0.50</td>
</tr>
<tr>
<td>Rural</td>
<td>0.58</td>
<td>0.62</td>
<td>0.56</td>
</tr>
<tr>
<td>Urban</td>
<td>0.61</td>
<td>0.64</td>
<td>0.67</td>
</tr>
<tr>
<td>Overall</td>
<td>0.66</td>
<td>0.68</td>
<td>0.70</td>
</tr>
</tbody>
</table>

Source: OECD 2010

so even with a dramatic 2000s increase in welfare recipients, actual impact on inequality is negligible
Pravin Gordhan should spend more?

Against more generous fiscal policy, the most important claim we spend too much on welfare grants, especially ratings agencies: there is a heightened risk that social tensions and social pressures could continue to have a negative impact on South Africa’s medium-term political, economic and fiscal framework.

"There is a heightened risk that social tensions and social pressures could continue to have a negative impact on South Africa’s medium-term political, economic and fiscal framework."

-Konrad Reuss, MD of Standard & Poors
tokenistic ‘RDP’ housing

One of the most obvious ways in which apartheid was constructed was in residential terms: who could live where. Such segregation did not end in 1994, but took on a class-based character. This can be directly attributed to public policy, ironically designed by the then chairperson of the SA Communist Party, Joe Slovo. As the first democratic housing minister, he adopted World Bank advice that included smaller housing subsidies than were necessary and more reliance upon banks for credit. The policy was to give R16 000 per unit, leaving scant funds for foundations, permanent building materials and sound construction. It also saw greater reliance upon banks and commercial developers, instead of state and community-driven development strategies. Twenty-four years later, Gauteng Province housing minister Paul Mashatile admitted that the resulting landscape had become an embarrassment: ‘If we are to integrate communities both economically and racially, then there is a real need to depart from the present concept of housing delivery that is determined by stands, completed houses and budget spent.’ His spokesperson, Dumisani Zulu, added, ‘The view has always been that when we build low-cost houses, they should be built away from existing areas because it impacts on the price of property.’
tokenism is better than rural wattle&daub, or shacks

but still way too small
apartheid ‘matchbox’ houses were 40 square meters with yard big enough to build additional house
tokenistic empowerment for BEE construction firms (but not homeowner): tiny houses built with tissue paper and spit by dubious politically-connected contractors with dubious ethics (Mpisanes, Jay Singh)
tokenistic ‘RDP’ housing

- half as large and constructed with flimsier materials than during apartheid;
- characterised by water and electricity self-disconnecting meters and overpricing;
- with lower-grade state services including
  - rare rubbish collection,
  - inhumane sanitation,
  - dirt roads,
  - no street lights,
  - no sidewalks, and
  - inadequate storm-water drainage
- located even further from jobs and amenities than under apartheid
rich people’s property values!

WARNING
DO NOT DISTURB

Pretoria

Johannesburg
where has the government built new ‘RDP’ housing schemes within our richest province?

answer: as far away as possible!
outside it, no flush sanitation belt: Durban’s ‘sanitation belt’; bad memories: equal access to water? even more extreme geographic re-segregation in Durban
By providing clean water and improved toilets in "township" settlements, Durban is tackling one of the remaining vestiges of apartheid.

Durban’s Poor Get Water Services Long Denied
Durban’s water awards

- 2002 National Geographic award for sanitation,
- 2003 Dubai International Award for Best Practices (for sewage disposal education),
- 2003 South African national ‘Excellence in Innovation’ award,
- Ford Foundation’s 2003 Impumelelo Award,
- ‘best municipal delivery’ and ‘Blue Drop’ awards
- Bill Gates (2010) blogged, Durban’s Neil Macleod “has been a leader in thinking through how to improve sanitation for the poor in Durban”
Urine Diversion (UD) toilet: “water-saving ecologically appropriate, inexpensive, safe” - but in reality, a “neoliberal loo” only given to low-income black people a long way from town.
Urine Diversion toilet: a neoliberal loo?
Durban: three income groups with very different consumption patterns (2003)

Source: Reg Bailey and Chris Buckley (2004), ‘Modelling Domestic Water Tariffs’, UKZN.
Durban: lowest-income 1/3 cut back consumption dramatically as price doubled in real terms

Source: Reg Bailey and Chris Buckley (2004), ‘Modelling Domestic Water Tariffs’, UKZN.
2006 UN report shows Durban to have highest price for second block of water amongst sample of Third World cities.
2008 CALS/Cohre report shows Durban to extremely convex tariff curves amongst major SA cities.
2008 CALS/Cohre report shows Durban (full pressure) had second-highest 2nd block price, after ‘Maritzburg
Mabeskraal: Our water troubles still run deep

The state claims 95% of people have access to water, but the water affairs department admits that only 65% have flowing water.

Mabeskraal, a village of 10,000 people in the North West, has not had piped water for three years. Officially, however, it does have access to water.

Its people are part of the 94.7% of the population that the minister of water affairs, Edna Molewa, says has "access to clean and safe drinking water". "Access" here means infrastructure, but not necessarily that water is flowing.
water mandate in the RDP

The RDP's short-term aim is to provide every person with adequate facilities for health. The RDP will achieve this by establishing a national water and sanitation programme which aims to provide all households with a clean, safe water supply of 20-30 litres per capita per day (lcd) within 200 metres, an adequate/safe sanitation facility per site, and a refuse removal system to all urban households.

In the medium term, the RDP aims to provide an on-site supply of 50 - 60 lcid of clean water, improved on-site sanitation, and an appropriate household refuse collection system. Water supply to nearly 100 per cent of rural households should be achieved over the medium term, and adequate sanitation facilities should be provided to at least 75 per cent of rural households.
tokenistic National Health Insurance

Sound the alarm: there is no NHI in SA’s budget plans

EVER since the Department of Health published its Green Paper in 2011, the public debate about how to finance the National Health Insurance (NHI) reform has been in limbo. But behind closed doors, there has no doubt been a fierce debate between the department and the National Treasury. The Treasury was to publish a discussion paper in April last year, but that did not happen. Rumour has it that the discussion paper will be published soon.

It will be interesting to read, to put it mildly. In the medium-term budget policy statement last month, the acronym NHI does not appear. In real terms for 2012/16 alone, the Treasury is about R150 billion behind the plan for public health reform modelled in the 2011 Green Paper. Indeed, there are no traces whatsoever of the NHI in the Treasury’s budget plans.

The 2011 Green Paper proposed that the size and strength of the public health sector ought to be more than doubled between 2010 and 2025, making clear that resources would have to be transferred to public health from private health.

This is a very reasonable position. Private health comprises about 4 percent of gross domestic product (GDP), or half of South Africa’s spending on health, but it serves only 16 percent of the population. Public provision of health is under severe pressure. Taking into consideration the need for services in health, education and social development, South Africa should ensure that it has a public sector capable of playing a bigger role in the economy.

Polokwane promises
ANC conference resolution, December 2007

* “ON HEALTH,
52. Education and health should be the two key priorities of the ANC for the next years.
53. Reaffirm the implementation of the National Health Insurance System by further strengthening the public health care system and ensuring adequate provision of funding.” ...
tokenistic

National Health Insurance – unbudgeted, reduced from critique of health-apartheid profiteering by Medical Aids and specialists, to primary healthcare

Motsoaledi warns opportunists NHI will not be ‘a pot of gold’

BY ANDISWA MAQUTU, NOVEMBER 29 2013, 13:24

Health Minister Aaron Motsoaledi takes part in a discussion on National Health Insurance at the University of the Witwatersrand in Johannesburg on Thursday. Picture: PUXLEY MAKGATHO

HEALTH Minister Aaron Motsoaledi said on Thursday that National Health Insurance (NHI) was not "a pot of gold", and urged caution over the role of business in what is meant to provide universal access across South Africa to healthcare.

The government is hoping NHI will help overcome inequities in access to health, but it has yet to clarify what form this will take, or how it will be paid for.

Eleven districts across each of South Africa’s nine provinces are piloting the introduction of NHI.

Dr Motsoaledi said when the white paper for NHI comes out, it will explicitly state that NHI is mainly for primary healthcare.

"Where we are losing the plot is when many believe NHI is a pot of gold, and each South African places himself strategically," he said at the University of the Witwatersrand’s faculty of health sciences in Parktown, Johannesburg.

"Who told people that NHI is business? The white paper, when it comes out, will clearly say in black and white, that the heartbeat of NHI is going to be primary healthcare."
grant recipients 1994-2010 (millions)

impressive increase (politically useful: micro-patronage)

Source: Seekings and Matisonn 2010
could Pravin Gordhan spend more?

grants (Feb 2014):

old age & disability: R1260/month

foster care: R800/month

child support: R300/month

lower than apartheid (in real terms): enough to live on?

lower than apartheid (in real terms): enough to live on?

<table>
<thead>
<tr>
<th>Rand</th>
<th>2012/13</th>
<th>2013/14</th>
<th>Increase</th>
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<tbody>
<tr>
<td>Old age grant</td>
<td>1 200</td>
<td>1 260</td>
<td>5.0%</td>
</tr>
<tr>
<td>Old age grant, over 75s</td>
<td>1 220</td>
<td>1 280</td>
<td>4.9%</td>
</tr>
<tr>
<td>War veterans grant</td>
<td>1 220</td>
<td>1 280</td>
<td>4.9%</td>
</tr>
<tr>
<td>Disability grant</td>
<td>1 200</td>
<td>1 260</td>
<td>5.0%</td>
</tr>
<tr>
<td>Foster care grant</td>
<td>770</td>
<td>800</td>
<td>3.9%</td>
</tr>
<tr>
<td>Care dependency grant</td>
<td>1 200</td>
<td>1 260</td>
<td>5.0%</td>
</tr>
<tr>
<td>Child support grant</td>
<td>280</td>
<td>290</td>
<td>3.6%</td>
</tr>
</tbody>
</table>

1. Value will increase to R300 in October 2013
what’s driving inflation – and who bears costs?

grants have been shrinking in real terms
poor people losing relatively more if inflation adjustments are low
tokenistic child grant

not only much small than during apartheid; other problems noted in Thandika Mkandawire summary:

* Universalism and selectivity: under universalism, an entire population receives a benefit as a basic right; while under selectivity or targeting, a procedure such as means testing is applied to determine only the very poor. This choice is often couched in the language of efficient allocation of resources, or budget constraints. What is actually at stake is the fundamental question about a polity's values and its responsibilities to all its members.

* Social policies in the south are typically imbued with traces of policy ideas from the north. Social policies cannot be 'one size fits all', and need to take into account diverse family forms, and changes to household structures and caring patterns, especially in the face of HIV/AIDS. This book shows that this difficult policy challenge was taken on, and indeed formed the rationale for basic policy shifts that were made.

* It is a truism that social development should be comprehensive and multi-sectoral. The cash transfer was one component of a more comprehensive set of measures. The author shows, in the consideration of policy alternatives to and in the design of the cash transfer, that the hoped-for synergy was difficult to achieve.

* Policy reform in democracies presents opportunities for public participation in policy development. In a society in fundamental transition, such as in South Africa's shift from apartheid to a democratic order, the book shows the difficulty involved in reconciling the need to introduce reforms rapidly, with the commitment to inclusive and participatory consultative processes that were espoused by the new government, and expected by the non-governmental organisations.

* There is always an interval of time between policy and implementation, and in that space, the intent of reforms can be strengthened or eroded. Here we can see how in the public domain, protests by welfare organisations led to the increase in the level of the grant, while at the same time bureaucratic decisions were developing that would make the grant more difficult to access.
can there be a non-tokenistic child grant and pension?
political strategy - two contrary directions for framing social policy strategies

1) ‘reformist reforms’: 
   strengthen the internal logic of capitalism, by smoothing rough edges 
   allow the capitalist system to relegate 
   give confidence to status quo capitalist (neoliberal) ideas and forces 
   leave socialist activists disempowered or coopted 
   confirm society’s fear of power, apathy and cynicism about socialism

2) ‘non-reformist reforms’: 
   counteract the internal logic of capitalism, by confronting core dynamics 
   continue capitalist system delegitimisation 
   give confidence to socialist ideas and social forces 
   leave socialists empowered with momentum for next struggle 
   replace social apathy with confidence in socialist integrity and leadership

(for these distinctions, thanks to Andre Gorz, John Saul, Boris Kagarlitsky, Gosta Esping-Andersen)
2. MEETING BASIC NEEDS

2.1 Problem statement

2.2 Vision and objectives

2.3 Jobs through public works

2.4 Land reform

2.5 Housing and services

2.6 Water and sanitation

2.7 Energy and electrification

2.8 Telecommunications

2.9 Transport

2.10 Environment

2.11 Nutrition

2.12 Health care

2.13 Social security and social welfare

The RDP reforms, along with some land reform policies, were non-reformist reforms that targeted non-reformist reforms.

2.1.1 Problem statement

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2.1.7 Energy and electrification

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2.1.9 Transport

2.1.10 Environment

2.1.11 Nutrition

2.1.12 Health care

2.1.13 Social security and social welfare
South Africa is ranked 53rd this year, overtaking Brazil to place second among the BRICS. South Africa does well on measures of the quality of its institutions (41st), including Intellectual property protection (18th), property rights (20th), and in the efficiency of the legal framework in challenging and settling disputes (13th and 12th, respectively). The high accountability of its private institutions (2nd) further supports the Institutional framework. Furthermore, South Africa’s financial market development remains impressive at 3rd place. The country also has an efficient market for goods and services (28th), and it does reasonably well in more complex areas such as business sophistication (35th) and Innovation (39th). But the country’s strong ties to advanced economies, notably the euro area, make it more vulnerable to their economic slowdown and likely have contributed to the deterioration of fiscal indicators. Its performance in the macroeconomic environment has dropped sharply (from 69th to 95th). Low scores for the diversion of public funds (99th), the perceived wastefulness of government spending (79th), and a more general lack of public trust in politicians (98th) remain worrisome, and security continues to be a major area of concern for doing business (at 109th). Building a skilled labor force and creating sufficient employment also present considerable challenges. The health of the workforce is ranked 133rd out of 148 economies—the result of high rates of communicable diseases and poor health indicators more generally. The quality of the educational system is very poor (146th), with low primary and tertiary enrollment rates. Labor market efficiency is poor (116th), hiring and firing practices are extremely rigid (147th), companies cannot set wages flexibly (144th), and significant tensions in labor-employer relations exist (148th). Raising educational standards and making the labor market more efficient will thus be critical in view of the country’s high unemployment rate of over 20 percent, with the rate of youth unemployment estimated at close to 50 percent.
### Cooperation in labor-employer relations

In your country, how would you characterize labor-employer relations? (1 = generally confrontational; 7 = generally cooperative) | 2012-13 weighted average

<table>
<thead>
<tr>
<th>Rank</th>
<th>Country</th>
<th>Value</th>
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<tbody>
<tr>
<td>1</td>
<td>Switzerland</td>
<td>6.5</td>
</tr>
<tr>
<td>2</td>
<td>Singapore</td>
<td>6.2</td>
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<tr>
<td>3</td>
<td>Denmark</td>
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<td>Norway</td>
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<td>7</td>
<td>Qatar</td>
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<td>Hong Kong SAR</td>
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<tr>
<td>9</td>
<td>Japan</td>
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<td>Austria</td>
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<td>New Zealand</td>
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<td>12</td>
<td>Iceland</td>
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<td>13</td>
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<td>Barbados</td>
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<td>21</td>
<td>Finland</td>
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<td>Luxembourg</td>
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<td>Guatemala</td>
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<td>Brunei Darussalam</td>
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<td>82</td>
<td>South Africa</td>
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</table>

**Note:** The table lists countries in descending order based on their scores, with Romania and Argentina tied at rank 139 with a score of 3.3. Chad and Mauritania are tied at rank 141 with a score of 3.3, and Burundi and Serbia are tied at rank 143 with a score of 3.2. Angola and Nepal are tied at rank 146 with a score of 3.0, and Venezuela is ranked 148 with a score of 2.6.
ubiquitous ‘service delivery protests’
when policy and courts fail communities, self-reconnections
SA’s high social protest rate
3000 violent (thousands more non-violent) from 2009-12

On 19 March the Minister of Police, Mr. Nathi Mthetwa, informed parliament about the number of ‘crowd management incidents’ that occurred during the three years from 1 April 2009. Table 1 compares the new data with similar statistics for the preceding five years.

Table 1. Crowd management incidents

<table>
<thead>
<tr>
<th></th>
<th>Peaceful</th>
<th>Unrest</th>
<th>Total</th>
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<tbody>
<tr>
<td>2004/05</td>
<td>7,382</td>
<td>622</td>
<td>8,004</td>
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<tr>
<td>2005/06</td>
<td>9,809</td>
<td>954</td>
<td>10,763</td>
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<tr>
<td>2006/07</td>
<td>8,703</td>
<td>743</td>
<td>9,446</td>
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<tr>
<td>2007/08</td>
<td>6,431</td>
<td>705</td>
<td>7,136</td>
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<tr>
<td>2008/09</td>
<td>6,125</td>
<td>718</td>
<td>6,843</td>
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<tr>
<td>2009/10</td>
<td>7,897</td>
<td>1,008</td>
<td>8,905</td>
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<tr>
<td>2010/11</td>
<td>11,681</td>
<td>973</td>
<td>12,654</td>
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<tr>
<td>2011/12</td>
<td>9,942</td>
<td>1,091</td>
<td>11,033</td>
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</table>
Pretoria - Police handled more than 12 000 public protests during the 2012/2013 financial year, Police Minister Nathi Mthethwa said on Thursday.

"Over the past four years, a total of 46 180 incidents were attended to and all were successfully stabilised, with 14 843 arrests effected," he said at the release of the 2012/2013 crime statistics in Pretoria.

These were made up of 41 104 peaceful and 5 076 violent protests by the SA Municipal Workers Union (Samwu), the SA Commercial, Catering and Allied Workers Union (Saccawu), protests in De Doorns in the Western Cape, Marikana in the North West, and Zamdela in the Free State.

"During 2012/13 alone, police managed 12 399 public incidents. Of these 10 517 were peaceful and 1 882 were violent public protests with a total of 693 various criminal cases reported," Mthethwa said.

"Most of the cases were reported in the Western Cape and North West provinces. Currently, stability has been restored."

- SAPA
“successfully stabilised”
“successfully stabilized”
South Africa’s biggest problem is overcoming our infinite Resource Gap.

“successfully stabilized”
what economic policies are needed for non-tokenistic social policy?

• reimpose exchange controls, lower interest rates, audit SA’s ‘Odious Debt’, control illicit capital flows & trade
• adopt industrial policy aimed at import substitution, sectoral re-balancing, social needs, eco-sustainability
• increase state social spending, paid for by higher corporate taxes, cross-subsidisation and more domestic borrowing (& loose-money ‘Quantitative Easing’, too, if necessary)
• reorient infrastructure to meet unmet basic needs, and expand/maintain/improve energy grid, sanitation, public transport, clinics, schools, recreational facilities, internet
• adopt ‘Million Climate Jobs’ strategies to generate employment for a genuinely green ‘Just Transition’
a century of SA growth/decline

globalisation and world stagnation

deglobalisation

globalisation = shrinking ‘policy space’
1930s-40s SA growth

- lower foreign direct investment, loans, trade
- globalisation disrupted by Great Depression, WWII
- birth of secondary manufacturing industry (beyond mining equipment sector)
- rate of growth of the black wage share rose more than 50 percent (from 11 percent to 17 percent; black share only hit 21 percent in 1970)
- overall GDP growth rate (8 percent) from 1931-46 was fastest recorded in modern SA history

If policy space re-opens, what do we learn from the 1930s?
I sympathise with those who would minimise, rather than with those who would maximise, economic entanglement among nations. Ideas, knowledge, science, hospitality, travel – these are the things which should of their nature be international. But let goods be homespun whenever it is reasonably and conveniently possible and, above all, let finance be primarily national.

— John Maynard Keynes (1933), ‘National Self-Sufficiency,’ Yale Review.