

## Time to replace Shibboleths with innovative answers

In a moment of clarifying honesty during the Minister of Labour's NEDLAC Roundtable held few weeks ago to consider current labour legislation, a representative of Business announced that as far as he was concerned, South African Labour and workers clearly lived on a different planet to South African Business.

In so saying, the sveltely besuited gentleman illustrated the huge divide in this country better than any statistical evidence could. It was at least reassuring that his glib comment caused a distressed silence to descend on the normal chatter that usually accompanies occasions of social dialogue.

Government's use of the "two economies" metaphor has received a fair amount of criticism from those who insist firstly that the country has a single economy which includes both formalized and informalized activities and arrangements and furthermore, in certain instances, the dynamics that drive the production and accumulation of surplus can at the same time be the very dynamics that inform the dynamics of exclusion and impoverishment.

Formal big Business it seems prefers the concept of two parallel, distinct economies.

The question of how South Africa proceeds to forge an inclusive growth is one that many fine minds are currently grappling with, but not, it seems, despite its penchant for scenario planning and "out of the box" thinking, one that is receiving much attention from Business. In fact Business seems to be prepared to do little other than trot out old irrelevant blandishments which are totally removed from the pertinent issues facing the country and its decision makers.

In an article in Business Day (30 June 2006) reporting on the Labour Roundtable, comment was made by mainstream economists on the Community Constituency's recommendations on ways to improve conditions for the vast army of people surviving in the informalised economy. The economists' reported point of consensus was not on how to share the surplus of economic production in the country, or how to embrace vulnerable workers into the mainstream of society's largesse, but instead they chose to dismiss as unaffordable the concept of a universal basic income grant.

Community Constituency had in fact not called directly for a basic income grant, but for the introduction of a progressive, comprehensive Social Protection system. "Social Protection" is a composite term that includes various interventions aimed at improving peoples' access to assets, services, income and employment. It lies at the heart of modern development theory on how to help people move themselves out of vulnerability and poverty. It forms one of the principles of the International Labour Organization (ILO)'s

Right to Decent Work. (The South African Minister of Labour was unanimously elected Chairperson of the governing body of the ILO in June this year.)

The point is that a basic income grant is one idea that has been proposed by civil society as a way of addressing the immediate needs and interests of poor people in South Africa, who constitute a groundswell and who possess formally entrenched constitutional rights. These rights, in the eyes of the law at least, rank equal to the rights of those who seek to protect and dismiss these needs in the absence of tendering any other solutions.

Such a dismissal is apparent in a quote attributed in the above article to economist Iraj Abedian who said of the concept of a universal income grant:

“If you introduce such entitlement, it creates an interest group that is easy to create, but not easy to get rid of” .

A more constructive approach would be to ask how to get rid of poverty, rather than how to get rid of the poor.

Dynamic solutions to socio-economic problems are best forged out of common participation of all sectors. To Community Constituency’s request that it be represented at all NEDLAC Chambers rather than just Development Chamber to which it is currently restricted, Business said that it had not and would never support such a request. This is an unfortunate and outdated approach that seeks to impose a false dichotomy between social and economic issues and thereby seeks to rob the poor and vulnerable of any effective economic voice.

While the majority of stakeholders in South Africa are committed to the quest to find inclusive, innovative solutions that address at once questions of poverty, unemployment and economic growth, it seems that formal organized Business prefers to address itself to short term issues of self interest. But Business is not an homogenous beast, and we must encourage those with broader vision and sharper minds to join these national debates.

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This article is written in her personal capacity.