

MOTLANTHE WARNS OF DANGERS OF INEQUALITY

By Kgalema Motlanthe

Former President and Deputy President Kgalema Motlanthe gave the opening address of IFAA's conference on Confronting Inequality organised in collaboration with the Royal Netherlands Embassy. Motlanthe is chairperson of the IFAA board.



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“Countries around the world provide frightening examples of what happens to societies when they reach the level of inequality toward which we are moving. It is not a pretty picture: countries where the rich live in gated communities, waited upon by hordes of low-income workers; unstable political systems where populists promise the masses a better life, only to disappoint.”

Perhaps most importantly, there is an absence of hope. In these countries, the poor know that their prospects of emerging from poverty, let alone making it to the top, are minuscule. This is not something we should be striving for.” - Joseph Stiglitz

It is not difficult to relate the South African present to this picture of a vastly unequal society. Frequent descriptions of contemporary life are rooted in a ‘tale of two cities’ narrative that reveals the stark differences that underscore life within our borders.

This is a bleak depiction. But rather than being weighed down by the morass it represents, I am emboldened by a shared belief that a better future is possible.

Professor Ben Turok, Director of the Institute for African Alternatives, wrote in a paper for the conference on Confronting Inequality an unambiguous exploration of the consequences of inequality. It is founded in the belief that when

societies, for a vast array of reasons, begin to take the shape of the contours defined by Stiglitz, the threat of violence invades every day realities and threatens to engulf the better part of the affected world in its long shadow.

Professor Turok emphasises this fact, drawing on the work of French economist Thomas Piketty, who states:

“We also know from historical experience, that extreme inequality of the kind of levels we observe in South Africa is not good for development and growth, and it can also lead to violent reactions and violent events. And we all have in mind the very violent episodes at Marikana three years ago, and we know from historical experience that if inequality is not addressed through peaceful means and peaceful democratic institutions it’s always potentially a source of violence. And, of course, this can happen again.”¹

The echoes of these statements are found in a recent Oxfam report that noted: “Left unchecked, growing inequality threatens to pull our societies apart. It increases crime and insecurity, and undermines the fight to end poverty. It leaves more people living in fear and fewer in hope.”²

Frequently violence is evident in what have been termed 'service delivery protests', but takes a wider form. It is evident in continuing commuter bus and taxi unrest. It rears its head in the responses to student protests at our universities. There are numerous ways in which it invades every day, and reveals societal rifts that blur the distinctions between the past and the present, perhaps because the past is so present.

A dual economy, in which a formal and informal economy exist side-by-side and creates vastly distinct experiences of citizenship, marks our reality. As a result, we find that the task of fully realising freedom is still one that we have to ardently pursue.

Economic marginalisation remains a pressing challenge. With the benefit of hindsight, we can now say that in the initial democratic days, the following question should have been phrased: 'How do we define the new national cause beyond 1994 and which array of social forces should be mobilised to pursue it?'

There is a simple saying that states 'when you know better, you do better'. While it can be up for critique, perhaps we can rephrase this as 'when you know better, you have the capacity to do better'.

In briefly considering present research and the gaps that require address, Professor Turok identifies that little research exists on wealth – as analyses of poverty has overwhelmingly been the post-democratic focus.³

This is backed by Piketty who stressed: 'we still know too little about inequality' and that our aim should be to 'contribute to a more informed democratic discussion about inequality'.

Similarly, Anna Orthofer states that: 'despite the concerns about the persisting economic disparities since the end of apartheid, existing research has focused almost exclusively on income inequality'.

We need to consider income and wealth in relation to poverty, and reflect on how this affects employment opportunities, movement and residence, access to adequate healthcare and education and the way business is conducted.

As we strive to address this and factors mentioned above and their racially skewed dimensions, it would be remiss not to consider the roles and responsibilities of the institutions of democracy.

The current state of our institutions is shaped by historical forces. It has become evident that we are faced with a crisis of institutions that affects multiple sites. These include government, public universities and the private sector.

The term 'state capture' continues to dominate public discourse around governance, which delineates how the interference of nepotistic relations and tainted business transactions can affect the workings of the state and inability of government to meet its social responsibilities.

Any interventions that seek to address inequality cannot ignore this reality. We are required to both question and critique the government's role in alleviating poverty, inequality and unemployment, as well as considering our collective responsibility and agency in contributing towards rebuilding our society on new terms.

We also know, from the work of many economists and social theorists, that multiple factors influence the present state of local and global inequality. These include the state of the global economy; the present design of the economic system; historical and structural features; and unearned benefits that accompany various forms of privilege. What then, could be the possible way out of the bleak picture painted by the economists above?

As Professor Turok writes: "Current mechanisms of welfare

grants and public spending are not doing enough to confront inequality in our economy. Other more ambitious solutions may be needed to resolve the structural constraints that continue to frustrate inclusive development."⁴

Our current policy framework clearly fails to fully comprehend and address present challenges in inequality.

In keeping a solutions-oriented mind-set, I offer one site that must be considered: education.

The Statistician General report on the social profile of vulnerable groups between 2002–2012 revealed a startling decline in educational attendance beyond 15 and 16 years of age. This reality significantly affects the country's Black and Coloured communities.

In thinking about inequality, basic education demands our direct address. Failure to access and sustain adequate education skews access to opportunities long after initial enrollment. It could be said to touch every aspect of life – having effect beyond generations.

In conclusion, we cannot map out solutions emboldened only by a set of untested assumptions. This makes today's conference profoundly meaningful – as it seeks to understand the present data set and interpretations as well as consider inequality from multiple angles, in pursuit of more democratic alternatives.

Our conversations must be underscored by the realisation that there are real, human lives beneath data and academic terminology. The people most affected by the scourge of inequality must be kept in mind, as we seek to 'normalise freedom' and create a country that can truly claim freedom, justice and equality as its reality. [NA](#)

NOTES

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