

# Unemployment

## End result of capitalism

**A**t its National Steering Committee the Democratic Left Front (DLF) attributed unemployment to a crisis of capitalism.

As a direct result of our colonial and apartheid past as well as post-apartheid capitalism, the unemployment crisis is leaving a trail of hunger, poverty, anger and misery. African National Congress (ANC) policies sustain the capital-intensive development path and guarantee massive profits for employers.

As data from the Reserve Bank shows, between 2000 to 2010 workers have lost R480-billion in income. This income has gone to the bosses and has not resulted in more jobs being created. Much of it has been exported out of the country in dividends and profit.

The wealthy elite refuse to concede a single inch to the urgent needs of the majority. Yet, the ANC government fails to put forward transformative economic policies that can systematically and structurally transform the economy and create sustainable decent jobs.

The public infrastructure programme announced by President Jacob Zuma's government is an example of ANC policy failures as it is based on sustaining a mining-dependent, export-oriented and financialised economy that exploits and marginalises the majority. The infrastructure projects will have extremely limited outcomes when it comes to social benefits, job creation and transition to a low-carbon economy. We cannot continue on this path. We need solutions that address the deep systemic and structural causes of unemployment.

### YOUTH WAGE SUBSIDY

The emotive Democratic Alliance (DA) propaganda for a youth wage subsidy (YWS) fails to address the real causes of unemployment. It takes attention away from the required action to address unemployment. It is part of the continuing neo-liberal onslaught against decent work. The YWS proposal scapegoats labour for the crisis of unemployment. It is a deliberate move to divide the formally employed and unemployed. It is a false solution to the crisis of youth unemployment. It is a direct insult to the unemployed.

As the International Labour Organisation's research shows, youth wage subsidies reinforce increased profitability and do not result in any job creation. In essence the YWS scheme is nothing more than a subsidy to capital for cheap labour. It will not restructure the economy away from capital intensity and towards labour intensity.

The DLF calls for the sustained mobilisation of unemployed youth and other unemployed people to expose the YWS as a false solution and to demand effective programmes for employment, quality education and skills development. As a direct outcome of the DLF's current Listen to the People Campaign, the DLF is working with various unemployed people's organisations to build an effective mass campaign against unemployment and for the Right to Work. We call on all progressive forces in South Africa to join this mass campaign.

Concretely, this campaign is being built around these demands:

1. Scaling down of South Africa's carbon-intensive economy through

the creation of one million clean, renewable energy-climate jobs.

2. Provision of a guaranteed basic living income for the unemployed.
3. A proper public works programme to address the massive backlogs in housing, health, and infrastructure.
4. The filling of hundreds of thousands of vacancies in the public sector.
5. An ecologically sustainable mass public transport system for all.
6. Free basic services and decent housing for all.
7. Return ownership of the land and resources to the people to ensure control of food production to end hunger and build the solidarity economy.
8. Free, quality education up to university level for all.

### GLOBAL CRISIS

The unemployment crisis in South Africa is part of a broader crisis of global capitalism that is worsening as reflected in the on-going turmoil in the Euro-zone, economic slowdown in China (including the real possibility of the China bubble bursting), and the impacts of its secondary effects register in other parts of the world. Despite this the global ruling classes are not willing to surrender their dogmatic faith in neo-liberal globalisation, including its 'social democratic variants', as the way forward to solve this crisis. Their responses continue to look for new ways to sustain profits for a few and misery for the majority. Africa in this context is merely another site for a greater scramble for its mineral and other natural resources. <sup>LB</sup>

*Democratic Left Front.*