

The poor

paying the price

It is Friday morning, 22 February 1998. In the rest room at Zabediela, an Orange farm 60 odd kilometres north of Pietersburg in the Northern Province, workers listen on the radio to Northern Province premier, Ngwako Ramatlhodi, opening the first sitting of the provincial parliament.

The words have a familiar ring. Major obstacles to delivery have been overcome. Substantial progress has been made in alleviating poverty, creating employment and social service delivery. RDP targets are on track. The spirit of 'Masakhane' is alive and well. Prospects are good for speeding up delivery this year.

Resounding applause from the members of parliament reverberates in the rest room. Visibly incensed, the workers disband, hurling expletives at the government as they make their way to the compound.

Dithabaneng

Three o'clock in the afternoon. A cloud of dust engulfs a makeshift replica of a bakery in Dithabaneng, a desolate rural village 30 kilometres from Zabediela. Five members of the communal bread project gather round the mud ovens used to bake bread for the village locals. The occasion? One of innumerable meetings with government health officials to discuss the hazardous conditions caused by soil erosion and dust particles.

As South Africa approaches another general election, pressure for service delivery is rising among the country's rural poor. The series of poverty hearings taking place across the country offer an opportunity to tackle the scourge of poverty head-on. Malcolm Ray argues that the initiative will come to nought unless it coalesces into a rights-based social movement.

As usual, the officials are late. The villagers are not fazed. The community has waited more than three years for the Lebogakomo Transitional Local Council (TLC) to deliver on its election promises.

When the officials eventually arrive, the question on everyone's lips is whether the government will provide construction materials. It soon dawns on the villagers that the meeting is another talk shop. Project chairperson, Stanford Mphahlele, reacts angrily. "Empty promises are all we hear." "All we are asking for is basic conditions," a community worker interjects nervously.



Workers at the Dithabaneng bread project.

Privatising redistribution

The TLC's track record leaves much to be desired. A discernible shift over the past three years to a market-driven development strategy has dramatically reduced chances for fair and equitable redistribution.

Popular participation, in line with the RDP's call for 'people-driven' development, has been sparse. Lehumo Mphahlele, the Dithabaneng chief, explains that soon after the launch of the Masakhane campaign, the government popularised 'people-centred development' within the community. An RDP committee, headed by Mphahlele, identified water and electricity as pressing priorities. However, the committee lasted no longer than the length of objectives it set out to achieve. Popular enthusiasm melted away when it became clear that the financial burden of development would fall on the community.

As early as 1995, the committee approached the TLC to discuss the electrification of the village. "In 1996, the government contracted Eskom to survey the needs of the community. They (Eskom) simply installed (communal) electricity boxes and left. Each family paid R50 for Eskom's services. The issue is, who pays the installation and service costs? In the meantime, we still do not have electricity."

Water

A similar process was undertaken for the provision of water. An agreement between the greater Lebowakgomo Water Board and Murray and Roberts, a private construction contractor, to install portable running water facilities was sanctioned by Mphahlele on behalf of the community. It was understood that the TLC would oversee the project.

However, vital details were left out of the agreement. For example, it does not

stipulate who will pay service and consumption costs. It merely states that water will be made available (by a private contractor) at a nominal rate of R60 per household for a six month trial period to determine the average monthly consumption rate per household.

Assuming a contractor buys into the projects, Samuel Shaka, a community representative on the Water Board, fears that service charges will be pegged at a market rate. Worse still, the community will have to foot the bill for the installation of infrastructure. According to Shaka, the agreement does not oblige the government to pay for this.

The problem, he explains, is that the water board is a parastatal which will tender out the service to a private company. The government's revenue for water provision will be generated from the cost of the lease. Payment by the community for the service will be to the contractor, not the government.

Smoke and mirrors

The community need look no further than the apartheid past to predict what life will be like after privatisation. What is striking is how little (if any) development has actually taken place. The scale of social and economic deprivation highlights the level of desperation. Situated in the arid surroundings of a densely populated cluster of villages falling under the Mphahlele tribal district, Dithabaneng is home to roughly 1 000 families. Most households average seven people who rely on paltry state pension grants of R470 to make ends meet.

Klaas Leshilo, a pensioner and voluntary worker for the bread project, says he must feed a family of six with the money he receives from the government. Though his means of subsistence is astonishingly modest - his family survives on a staple

diet of bread, mealie meal and sugar - he says the money is barely enough to cover food, water and transport costs. Decent clothing and medical care are 'luxuries' he can ill-afford.

Rapidly shrinking employment opportunities and low wages add to the social burden. A community member explains that village life reproduces an unrelenting cycle of joblessness. When children grow older, they invariably drop out of school and fall back on the pension grants of their parents. Some leave the village in search of a better life in the cities. Those who are lucky to finish school cannot find jobs.

The recent closure of the nearby Platinum mine, which was a vital source of income for many, added to the depressed economic conditions. "I used to earn R500 a month as a mine labourer. I have four children: My wife, a domestic worker, brings home R300 a month. The money just sees to it that we don't die," a retrenched mineworker says. Now, even the surrounding fruit and vegetable farms face bankruptcy because of the hot and dry conditions. Zabediela, one of the few remaining orange farms employing roughly 800 workers, declared bankruptcy last month.

Infrastructure

Basic social services are wanting. A privately-owned borehole on a neighbouring farm supplies water to the community at a price of 70 cents a litre. Women carry the heavy barrels from the farm to the village. "Nothing is wasted," Mphahlele says, adding that "the water is sometimes used three times before it is thrown away."

With running water in short supply, many resort to fetching water from streams, although they are said to be heavily polluted. The local clinic confirms



Water has to be carried long distances.

that the community is prone to disease and a conspicuously high mortality rate because of contaminated water. Maria Mashego, a senior nurse, says the clinic is ill-equipped to administer proper medication. Outside the clinic, a large rusty corrugated iron container is used to collect rain water. "If it does not rain, there is no water for the clinic. On a good day we are lucky if the container is half full," Mashego says. Two nurses staff the clinic, which is the only accessible source of primary health care. Villagers must travel 30 kilometres to Grootshoek, the nearest public hospital, in life-threatening cases.

Other infrastructure such as housing, tarred roads, sanitation and ablution facilities are also sadly lacking. The community complains that even though they qualify for the government housing subsidy of R15 000 (for families earning less than R800 per month) not a single low-cost housing unit has been built.

The mud dwellings in which the people

live have no bathrooms or flushing toilets. Most use pit-latrines and some have no sanitation facilities at all. Conditions can get very dangerous, according to Mphahlele. His eyes glisten with sadness as he recalls an incident two years ago, when heavy rains and strong winds battered the village. Mud dwellings were reduced to rubble. A local school teacher perished after slipping into the flooded river running through the village. Many others died.

Each time a similar catastrophe afflicts the community, patience wears thin. The message of the community is clear and simple: they want basic services.

GEAR

The question the people of Dithabaneng are asking is: has the government abandoned the RDP?

To answer this question, one must look to government's new macro-economic policy - GEAR. A number of analysts have



Geraldine Fraser-Moleketi.

pinpointed the deregulatory policy prescriptions of GEAR as the chief culprit for the current state of affairs. It is maintained that the RDP, once the potential salvation for millions of South Africans, has given way to the stringent austerity measures contained in GEAR.

Others maintain that there is an ongoing, albeit redefined, relationship between the RDP and GEAR. Rather than abandoning its electoral promises, the argument goes, the government has abandoned control of the RDP which gives the state a central place and key responsibility for redistribution. The reasons are well-documented: Mass poverty, non-productive services in rural areas (whose population makes up 70% of the country's poor), rapidly rising unemployment levels, and an apartheid debt to the tune of R39-billion - almost the biggest item on the national budget - have forced the government's redistribution priorities to the wall.

By 1995, this crippling hangover of the apartheid era had raised the question of credit (or the lack thereof) to finance the cost of propping up non-productive service delivery in an acute way. It became patently clear to the government that a policy of fiscal austerity through reducing state spending on the social sector and rationalising the civil service was the only realistic way the system could compensate for the failure of state-driven investment in rural areas. In short, responsibility for redistribution was shifted to the market or private sector.

GEAR is seen as a strategy to implement the RDP. The private sector now occupies the centre stage as an agent of reconstruction and development. State control is being dismantled to some degree and

planning is giving way to more and more market control. In effect, the government has successfully shifted the institutional base of its power out of state coffers and into private pockets.

Welfarism - the answer?

The implications of this strategy for rural communities are cataclysmic. About 74% of the country's poor live in rural areas where the average wage is less than R301 per month. An estimated 40% are unemployed. Most of these people cannot afford to buy into the privatised system.

What happens in the meantime? Government's solution is to flight social security as a strategy to be pursued alongside long-term growth targets. The White Paper for Social Welfare obliges the government to play a significant role in alleviating poverty by providing food and general security. In the words of the White Paper, "Every South African should have a minimum income, sufficient to meet basic

subsistence needs, and should not have to live below minimum acceptable standards."

Welfare and Population Development Minister, Geraldine Fraser-Moleketsi, has identified a number of welfare programmes within GEAR and several other welfare policies to cushion the blow. She is cautious to distinguish between 'poverty eradication' in the long term and 'poverty alleviation'.

Fraser-Moleketsi claims her department's poverty alleviation strategy is on track. The impact is likely to be minimal, however. The social security system is heavily over-stretched. The 600 000 pensioners in the Eastern Cape who found themselves without pensions in January may well be the thin end of the wedge in the collapse of state-provided social security. Despite cuts to state funded white old age homes, the withdrawal from funding for the NGO sector and an increase in this year's budget from R98,4-million to R177,2-million, social expenditure is far from adequate.

Finance Week (28/1/98) notes that for any significant poverty alleviation to take place, the amount spent on social welfare would have to increase at least fivefold. It is estimated that it will take three to five years before any of the programmes scale up and seriously impact on poverty. Even modest delivery to people in dire financial straits is ambitious. According to figures released by the CSS 2,9 million people depend on social security benefits. The population growth rate is dropping, but this is cold comfort in an economy where formal sector jobs are declining daily.

To complicate matters, a large section of the rural poor fall outside the social security net. An estimated 60% of the poor are not eligible for pension grants, many more do not qualify for housing subsidies and the legal prescriptions for land

redistribution exclude a sizeable proportion of the landless from the benefits of land reform. In terms of the Child Support Grant, youth over the age of six fall outside the safety net of R100 per child.

Even assuming social expenditure is extended to people formally outside the net, it is estimated that the pay-off will be very thinly spread. All in all, the government's welfare measures do not fit the country's poverty profile. The stark reality is that the prospects for development (in the short term) are insignificant compared to need.

Engaging with GEAR

What is a way out of this social and economic malaise? At its national conference in Bloemfontein last year, the South African NGO Coalition (SANGOCO) identified the following obstacles to eradicating poverty:

- the lack of access and civil society participation in the budget allocation and prioritisation process;
- the constraints placed on government by the apartheid debt;
- the trend towards privatisation of basic services.

The conference recognised the need to overcome these obstacles as part of a concerted effort to eradicate poverty. What is needed is the emergence of a concrete strategy.

The debate on alternatives within SANGOCO and COSATU is invariably anchored to GEAR. According to SANGOCO national director, Kumi Naldoo, the challenge is to engage with the realities of poor delivery in a 'pragmatic' way. "Because of the complex way political power is devolved, we don't think that it is realistic to put all our eggs in an anti-GEAR basket. Our approach is to ensure that, in the context of GEAR, there is a maximum

orientation to the needs of the poor," he says.

He argues in favour of a two-pronged approach. The first step is to open up a flank of struggle for the poor by deepening the democratic project and creating a space for them to articulate their demands. The second is to shift the boundaries of the budget which is formulated in the context of GEAR. A re-prioritisation of resources through 'pro-poor budgeting' is seen as an integral part of this strategy.

Does this mean abandoning the economic terrain? On the contrary, Naidoo says, both measures ultimately pose the question of an alternative macro-economic policy in a more direct way. SANGOCO has called for the drafting of a comprehensive anti-poverty strategy. This strategy demands interventions that ultimately reach to the centre of the economic agenda: a developmental strategy that matches the goals and objectives of the RDP.

As the experience of Brazil and several other Latin American countries has shown, attempts at grafting a developmental programme onto an economic strategy characterised by privatisation, deregulation, fiscal austerity and trade liberalisation is futile. Naidoo believes that there is no alternative. He says, "The process is not a single event of simply rejecting GEAR. No amount of moral arguments against GEAR will win the battle. We hope that by mobilising the poor in a struggle to access more resources on the ground, it will become patently clear that unless we look at the fundamental role of the macro-economic framework, we are not going to eradicate poverty... When we push the boundaries to extremes, when the framework limits the possibility of accessing resources, the question of the framework itself is raised."

Socio-economic rights

COSATU's emphasis on socio-economic rights complements this approach. Government policy attaches high priority to redressing poverty by constitutionally guaranteeing the right of everyone to a decent life. The federation's approach is to force the state to take reasonable legislative measures and other measures, within its available resources, to achieve the progressive realisation of this right.

COSATU spokesperson, Kenneth Creamer, invokes the Bill of Rights as a 'mobilising platform'. He believes that the constitutional obligation of relevant state organs to annually report their delivery record to the Human Rights Commission provides an important point of intervention for organs of civil society: "It provides an opportunity for progressive elements in civil society to take the lead in driving an agenda of popular mobilisation for socio-economic delivery. On an ideological level, it provides an opportunity for progressive forces to redefine the role of the state as an institution designed to address the needs of the poor."

For Creamer, it is through a critical assessment of delivery that the government's social obligations will become manifest in a more focused way.

Poverty hearings

The recent launch of a series of poverty hearings called 'Speak out on Poverty: Your chance to be heard' might well be the beginning of such an approach. The hearings are part of a joint initiative by SANGOCO, the Human Rights Commission, the Commission on Gender Equality as well as COSATU.

Naidoo spells out the rationale for the hearings. "The intention, apart from developing a report that spells out the

extent of poverty, is to point suggestively at solutions. We hope that the process will result in a popular movement for a pro-poor economic framework which feeds into the policy debate."

There will be ten hearings countrywide, ending in Cape Town on 4 June. They will cover a number of issues, ranging from education to the environment. The process will not end with the hearings. A composite report will be tabled at a national economic summit later this year.

It is hoped that hearings will revive debate on an economic policy. Naidoo points out that it will run concurrently with the government's 'Poverty and Inequality Report' due to be released by deputy president, Thabo Mbeki, soon. Ideally, he says, a common position on a comprehensive policy for reconstruction and development will arise from the debate.

Toward a social movement?

The outcome of the hearings could have far-reaching repercussions. A poverty platform under the slogan 'War on Poverty' is expected to feed into the coming election.

Theoretically, the idea of a platform has features of a social movement. But Naidoo is cautious not to advocate the idea in its entirety. He believes that an organised social formation is not on the immediate agenda.

For Naidoo, the continuation of the tripartite alliance pre-empts the poverty platform going further than a loose coalition of social forces around concrete



issues like child care and housing "Unless COSATU leaves the alliance and drives the formation of a social movement, I can't see it being a viable option," he says.

He does not dismiss the possibility of a social movement arising out of a "creeping ungovernability on the ground. How social discontent adds up in the future will depend on the approach government adopts."

If the experience of the past three years is anything to go by, the seething frustrations of communities like Dithabaneng is a sign that the tension between socio-economic needs and the limited parameters set by GEAR are set to spill over into overt ungovernability. As the 1999 elections draw near, government's ostensible commitment to reconstruction and development will be measured on the ground as never before. ★

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