



## **Elusive Pursuit of Reconciliation and Development in Post-apartheid South Africa**

*Vusi Gumede, University of South Africa*

### **Abstract**

The political landscape is changing rather rapidly after two decades of democracy in South Africa, eliciting various reactions including the debate whether reconciliation is taking place or not. Linked to reconciliation is development; inclusive development to be precise. There is a general view, as far as development is concerned, that socio-economic transformation has been slow since the dawn of democracy in South Africa. Indeed, nation building, development, freedom and related phenomena have suffered in post-apartheid South Africa because there has been an inability to acknowledge and respect South Africa's repulsive political and economic history of deprivation; essentially what reconciliation should be about in the context of South Africa. Consequently, because many in South Africa hoped that the African National Congress (ANC) was going to ensure that reconciliation takes place, the powerbase of the ANC is eroding. The inability of the ANC to vigorously pursue socio-economic development has arguably compounded concerns regarding weak reconciliation since 1994. The paper examines development and reconciliation, in search for an answer regarding the rapidly changing political landscape in South Africa. It is argued that the slow pace of inclusive development and weak reconciliation are compromising the ANC, resulting in rapid evolution of the political landscape in South Africa. This is not to say that other factors (e.g. corruption in government) are not important. It is argued that reconciliation (or lack thereof) is the fundamental constraint

to inclusive development. Inevitably, the paper engages with other related issues such as the national question.

**Key Words: Elections, Reconciliation, Inclusive development, Inclusive justice, Nation, Social Cohesion, socio-economic transformation**

### **Introduction**

The rapidly changing political landscape in South Africa, twenty-five years since the dawn of democracy, merits attention. This paper focuses on the ‘development question’. To address the extent to which inclusive development and associated factors have been attended to since 1994, this paper focuses on the rapidly changing political landscape. Inclusive development has to do with socio-economic transformation that involves, or rather benefits, all the peoples of a particular country (in the context of a country). The rapid changes in the political landscape, as evidenced by an increasing erosion of the power base of the ANC, derives from the view that inclusive development has been slow and that reconciliation has been weak. The ANC got 62.5% of votes in 1994 and 69.69% in 2004 (Twala, 2014). There has since been a decline in the share of votes going to the ANC. The Independent Electoral Commission (IEC) of South Africa estimates that there has been a -7.4% decline in the number of votes received by the ANC between 2014 and 2019 while the EFF grew by almost 70% during 2014-2019.

It is indeed insightful that the Democratic Alliance declined by -6.56% while the Freedom Front Plus (FF+) gained substantially during 2014 and 2019: the FF+ had 0.9% of total votes in 2014 and it received 2.38% for 2019, making it the fifth largest party in parliament. Arguably, this has to do with the land question because the FF+ has been explicit in defending white farmers against expropriation of land without compensation while the DA has not been clear enough. Regarding local government elections, there was a decline of about 8 percentage

points in the share of votes for the ANC during the 2011 and 2016 local government elections: the ANC had attained 61.95% of votes in 2011 (Twala, 2014).

The paper links development with reconciliation as well as with freedom and justice, to some extent. The challenge with an undertaking such as this relates to the starting point for the analysis. There are those who could argue that the manner in which ‘development’ has been conceptualised is problematic, particularly the neo-liberal notions of development – as opposed to Marxist notions of development which have to do with overall material conditions (of which ‘development’ as popularly conceived is central). This view (associated with Marxism) suggests that when development occurs this inevitably precipitates freedom and justice because freedom and justice as well as development are not abstractions but the essence of the same material conditions. This viewpoint considers discussing development, freedom and justice as separate issues to be problematic.

Bearing this in mind, my concern however is not just inclusive development. I am particularly concerned with the relationship between justice and freedom and inclusive development (more so in the particular case of South Africa). In my view, the theorisation that is critical and can add value is examining various interpretations of (inclusive) development and contextualise those in a particular context (i.e. South Africa), addressing the relationship/s between justice, freedom and (inclusive) development. The paper is an attempt to do this as it has not been done in South Africa. The changing political landscape provides an opportunity for the analysis of justice, freedom and (inclusive) development because these factors have played an important role in shifting votes from the ANC to the EFF (looking at the period since the EFF was formed).

The paper starts with providing brief background of what has informed and or shaped development initiatives pursued since 1994 in South Africa. That is followed by a broad review of the performance of the economy and society in the twenty-five years since political independence. A conceptual treatment of the development challenges facing post-apartheid South Africa follows. Before concluding, I discuss justice, freedom and development in the context of reconciliation. The central point which this paper makes is that socio-economic inclusion has been weak so far and reconciliation has not been effective in post-apartheid South Africa. The main argument is that this weak socio-economic inclusion and poor reconciliation has unleashed a rapid change in the political landscape in South Africa as epitomised by the outcome of elections in the past ten years or so.

## **Background**

There are other related issues, such as human rights and needs, which this paper does not cover. Hamilton (2014) theorises greatly about development and freedom in the South African context. Hamilton leaves out justice. He appears to have deliberately done this, hence he reaches a conclusion that ‘all South Africans are not free’. In the context of apartheid colonialism and the South African political transition from apartheid to ‘democracy’ a more persuasive argument could be that it is Africans that are not free in South Africa, and that Hamilton’s proposals for making South Africans free (i.e. changing the electoral system) would not help. Apartheid colonialism is used as shorthand for the centuries of a discriminatory system of colonialism and decades of systemic social and economic exclusion of the majority in South Africa, hence the argument is that what is needed is fundamental restructuring of the whole of South African society that can make ‘all’ South Africans (equally) free.

The conception of development which this paper adopts is that development involves socio-economic progress or improvements in the well-being of people. Development must involve the people that need development – the people should be able to guide the development needed and also have choices for their livelihoods as Sen (1999) or Ake (2000) would put it or as Escobar (1995) discusses development. The improvements in wellbeing are normally quantified through the Human Development Index (HDI), which measures human development as a composite indicator made up of life expectancy, literacy and per capita income. For South Africa, the debate about development has to also, if not primarily, deal with social and economic inclusion, which also covers reconciliation, justice and freedom. Indeed, there is a link between development, reconciliation, justice and freedom.

Manganyi (2004) explains that freedom and democracy were important aspects considered for South Africa's development agenda as South Africa transitioned from apartheid to democracy. As to what has happened, that is a fundamental question that this paper attempts to address. The paper concludes that development has suffered. Also, as explained later, an argument that South Africa has drifted further away from a 'nation' that was envisaged is advanced. The nation referred to is the notion of 'Rainbow Nation', which could happen if reconciliation and development take place. The South African 'Rainbow Nation' could be viewed as a community of all South Africans co-existing and working towards a common future. The common future in question should arguably involve sharing of resources and an appropriate balance of power and influence among all cultural groups in South Africa.

With regards to freedom, another way of thinking about freedom is to consider political freedoms in addition to development as freedom covered in the works of Claude Ake, Amartya Sen and John Rawls. With regards to justice, both economic justice and social justice are

viewed as linked to both freedom and development – the same can be said about distributive justice. Given this, the paper prefers the term ‘inclusive justice’ which would entail both freedom and development. The works of Barry (1996), Rawls (1971) and Sen (1999) on justice are not helpful for the South African or African context, besides the numerous critiques of their works. There is yet to be sound theorization about justice in the context of South Africa or Africa broadly. In the context of Latin America or the global south broadly, Enrique Dussel (2006) has gone a long way in theorizing justice and freedom in Latin America or the global south broadly.

Linked to freedom and justice is the issue pertaining nation building and or social cohesion in the context of the national question because social cohesion or nation building is linked to reconciliation. As Gumede (2008: 9) puts it, ‘nation building is a process aimed at ensuring cohesion among different peoples in a particular nation-state.’ Social cohesion, on the other hand, is understood as the extent to which a society is functional, united and coherent as well as ensuring space for citizens to make choices they value. In the context of South Africa it should therefore be more meaningful and relevant to see a nation – a product of nation building and or social cohesion – as a community that, among other things, ‘acknowledges and respects its repulsive political and economic history of deprivation through systematic restitutionary, reconciliatory and restructuring measures and, more importantly, equitable sharing of resources.’ (Gumede, 2016:44). It is in this context that it would seem that South Africa is still far from becoming a nation. The pursuit of reconciliation should have taken the fundamental point of nation building into account because it is important that there is an appropriate balance of power and influence among all people and or cultural groups in South Africa; essentially a nation.

Literature on the notion of a nation and or the national question implies that it is actually difficult to make up a nation or for a nation to exist, even as efforts to *imagine* a nation are pursued as Benedict Anderson theorized. Stalin (1973: 60), for instance, defined a nation as ‘a historically constituted, stable community of people, formed on the basis of a common language, territory, economic life, and psychological make-up manifested in a common culture.’ Charles Tilly (1975: 6), on the other hand, highlighted that ‘nation remains one of the most puzzling and tendentious items in political lexicon.’ Given what leading scholars view to be a nation, it was always going to be difficult for South Africa to become a nation. From the perspective of a ‘Rainbow Nation’, as explained earlier, it can be argued that South Africa has drifted further away from becoming a nation.

In the main, the failure of reconciliation and poor inclusive development have made it even harder to conceive of *an appropriate balance of power and influence among all people and or cultural groups in South Africa*. It may be useful to highlight that there are debates about the idea or notion of a nation (as discussed in Gumede 2016). In short, some of the leading thinkers (say Aimé Césaire and Kwesi Kwaa Prah) reject the very notion of the term of a nation while other leading thinkers (say Sam Moyo and Samir Amin) embrace the term. The term of a nation can be useful in analysing socio-economic transformation, as Patricia McFadden and others have done in the context of South Africa. This paper cautiously embraces the notion of a nation with a view that it would be important to having *an appropriate balance of power and influence among all people and or cultural groups in South Africa*, hence the importance of reconciliation.

This view is influenced by the theorization of a nation by Benedict Anderson – Anderson (2006: 8) defines a nation as ‘an imagined political community—and imagined as both

inherently limited and sovereign... the nation is always conceived as a deep, horizontal comradeship'. For South Africa, as indicated above, the post-apartheid 'nation' was imagined as a 'Rainbow Nation'. The view that South Africa is drifting away from becoming a nation is in this context: the 'Rainbow Nation' is turning out to be a façade because there has not been acknowledgement of South Africa's 'repulsive political and economic history of deprivation through systematic restitutionary, reconciliatory and restructuring measures and, more importantly, equitable sharing of resources.' (Gumede, 2016: 44).

### **Post-1994 Development Initiatives**

There are many standpoints, theories and ideas [of the national liberation movement] that have informed policies of the post-apartheid South Africa. Among the many perspectives, the main ones include or are captured in: the 1943 Bill of Rights in the *Africans' Claims*, the 1955 *Freedom Charter*, the 1962 *Road to South African Freedom*, the 1992 *Ready to Govern (R2G)*, the 1994 *Reconstruction and Development Programme*, the 1998 *State, Property and Social Transformation* as well as the 1996 *Constitution*.

The R2G [discussion document] is probably the most important perspective or discussion document compared to others mentioned. I argue that if South Africa was able to stick to the perspective presented in R2G and its analysis, South Africa would probably be having better social and economic outcomes by now. The clarity of thought encapsulated in R2G implies that the society envisaged by the liberation movement could have been accomplished within the two decades of political independence, or to a large extent there could have been successes if R2G principles and policy propositions were followed.



Another important point, which is actually more fundamental, is that there appears to have been or there is a case to be made that there could have been a change/shift in the thinking of the liberation movement at some point during the 1940s and the mid-1950s. The shift, at least in emphasis, can be discerned in the Bill of Rights in the *Africans' Claims* relative to the *Freedom Charter*. The *Africans' Claims* understood the fundamental challenge confronting South Africa to be essentially that Africans were excluded, oppressed, brutalised and criminalised. In addition, the *Africans' Claims* opined that the resolution of the South African conundrum could only happen if and or when Africans got their stolen land back and their stolen wealth returned. The *Freedom Charter*, besides being vague and not as detailed as the *Africans' Claims*, appears preoccupied with multi-racialism when the fundamental development question should be about Africans.

From an economic point of view, there are many macroeconomic policies or political economy interventions that have been pursued since 1994. Among the recent policies and political economy interventions, barring the 2013 *National Development Plan* (NDP) – because it is not a policy document and it is still unclear what it really is – the 2010 *New Growth Path* (NGP) has many shortcomings. Besides that the NGP sets wild targets, its preoccupation with public infrastructure leaves a lot to be desired. The NGP sees its proposed or the government's public infrastructure programme as a panacea to South Africa's socio-economic woes. Public infrastructure programmes are expensive and do not address the structural challenges the economies face. A clear or comprehensive industrial policy, coupled with supportive labor market and fiscal policies, is better placed to deal with underlying challenges confronting the South African economy.

The fundamental issue, from an economic or political economy point of view, regarding the economic performance of the post-apartheid economy largely has to do with inappropriate policies and or inappropriately sequenced reforms. The NGP, for instance, besides that it is a weak policy framework, comes very late when the economy was already in decline. Arguably, the 2006 Growth, Employment and Redistribution (GEAR) Framework was a macroeconomic stabilisation programme, akin to a structural adjustment programme. GEAR was focused on stabilising economic fundamentals in order to prepare the economy for expansion and inclusive economic development. The 2005 Accelerated and Shared Growth Initiative for South Africa (AsgiSA), in a sense, could be said to have been about sharing the growth through inclusive development – AsgiSA also came late, given that the economy had already stabilised by early 2000s. It is in this context that I talk of inappropriately sequenced reforms – the policies are said to be inappropriate if they are not addressing the correct problem.

Another set of perspectives that have influenced development initiatives since 1994 and or perspectives that have shaped development itself in South Africa include: the Colonialism of a Special Type (CST) thesis, the National Democratic Revolution (NDR) and Convention for a Democratic South Africa (CODESA). The following questions remain unanswered: was the NDR a correct theoretical basis for the liberation project? Similarly, was the CST an accurate conceptualisation of colonialism and imperialism that South Africa was experiencing in the 1950s/60s? And, lastly, should the Bill of Rights in the *Africans' Claims* or the *Freedom Charter* or the *Constitution* or some other theoretical framework form the basis of post-apartheid South Africa going forward?

Chaloult & Chaloult (1979) and Hudson (1986), among others, argued that the CST thesis was not an appropriate characterisation of South Africa even in the 1950s/1960s. In addition, Visser

(1997) argued that the CST thesis would easily impress any person with little knowledge about South Africa because it obscures rather than explains the South African conundrum – it could be argued that, the South Africa situation is simply colonialism without trivialisation through the CST argument. Perhaps, even, a better or more accurate characterisation is simply that South Africa is a settler colony. Pertaining to the NDR, Hart (2013) is not alone in concluding that ‘the NDR shows no signs of giving way to socialism, as some of its proponents had confidently predicted.’ CODESA, on the other hand, largely left white privilege – not white domination per se – unchanged (Meintjies, 2013).<sup>1</sup> It is probably important to highlight that one of the negative ramifications of the CODESA meetings was that an interim South African constitution was drafted and it would later become the Republic of South Africa’s 1996 Constitution.

All in all, as More (2011) would put it, there has not been decolonisation in South Africa because ‘decolonisation entails the re-appropriation and return of national territory (country) to its original indigenous people and freedom from oppressive regime.’ The other critical issue – the land – remains in the hands of the minority in South Africa. Also, there are psychosocial issues that remain unresolved, hence sporadic attacks on so-called foreign nationals as an example. The predominantly racial inequality that still characterises South Africa also bears testimony that development is still a very long way to go. I say more about this in the next section.

## **South Africa at 25**

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<sup>1</sup>Frank Meintjies (2013) argues that ‘CODESA (Convention for a Democratic South Africa) did nothing to rearrange economic power. It was silent on the need for ownership changes in major corporations. It sent no message about the need to reverse injustice in land ownership.’ See Frank Meintjies, ‘The TRC and CODESA failed South Africa: It’s Time we reflected on this’. Available from: <http://sacsis.org.za/site/article/1783>. Accessed on April 21, 2019.

Post-apartheid South Africa is generally performing below par, in the economic sphere in particular, notwithstanding that the size of the economy has grown substantially since 1994. The economy had stabilised from early 2000s, but comparatively South Africa's economic performance has been pedestrian, relative to many comparable countries.

In a comparative context, focusing on Africa, looking at 2010-2017, many African countries (or rather the selected ones) have performed relatively well – as Table 1 shows. 2010 is chosen as a starting year of the analysis because it is after the global financial crisis, although the impact of the global economic recession was felt beyond 2009. Given the potential capacities of many African economies, it is argued that many countries in Africa are performing below par. The view that these economies perform relatively well is informed by an understanding of the historical challenges that many African economies face. It is also worth highlighting that growth in some of these economies happened as a result of the commodities super-cycle and many of them remain fragile.

*Table 1: GDP growth (%) (2010-2017)*

	2010	2011	2012	2013	2014	2015	2016	2017
Botswana	8,6	6,0	4,4	11,3	4,1	-1,7	4,3	2,4
Ethiopia	12,5	11,2	8,6	10,6	10,2	10,4	7,6	10,2
Ghana	7,9	14,0	9,3	7,3	2,9	2,2	3,4	8,1
Kenya	8,4	6,1	4,6	5,9	5,3	5,7	5,9	4,9
Liberia	6,1	8,2	8,0	8,7	0,7	0,0	-1,6	2,5
Malawi	6,9	4,8	1,9	5,2	5,7	2,8	2,5	4,0
Nigeria	8,0	5,3	4,2	6,7	6,3	2,6	-1,6	0,8
Rwanda	7,3	7,8	8,8	4,7	7,6	8,9	6,0	6,1
South Africa	3,0	3,3	2,2	2,5	1,8	1,3	0,7	1,3
Zimbabwe	19,7	14,2	16,7	2,0	2,4	1,8	0,7	4,7

Source: Own Calculations using World Bank data

It is troubling, however, that the period starting in 2014 to latest available data seems to suggest that many African economies are in decline. For the purposes of this paper, the focus is South Africa (in a comparative context). Compared to many countries indicated in Table 1, South Africa has not performed well (in terms of GDP growth). For the period under review, the performance of the South African economy has been in decline: 3.0% GDP growth in 2010 to 1.3% GDP growth in 2017, and it has been worse for 2014-2016. This has further worsened human development in South Africa.

The concept of human development was first introduced in 1990. The Human Development Index (HDI), which is a composite of indicators on life expectancy, education and access to resources needed for a decent living, is used to quantify wellbeing in Africa. Recently, Africa's breakthrough came with Seychelles achieving a "very high human development" ranking. Other African countries such as Libya, Mauritius, Algeria and Tunisia were designated as the "high" group and ten African countries in the "medium" group. The remaining 37 African countries were in the "low" human development category, without including South Sudan. However, a lot of countries in the "low" category are improving rapidly. Notable among them are Angola, Burundi, Ethiopia, Mozambique, Rwanda, Sierra Leone and Zimbabwe. They have a rapidly rising life expectancy and incomes, but various factors are holding many African countries back.

*Table 2: Human Development Index, 2000-2017 (Selected Countries)*

	<b>2000</b>	<b>2010</b>	<b>2017</b>
Botswana	0,565	0,660	0,717
Ethiopia	0,283	0,417	0,463
Ghana	0,455	0,484	0,592
Kenya	0,451	0,543	0,590
Liberia	0,387	0,407	0,435
Malawi	0,399	0,441	0,477
Nigeria	—	0,484	0,532

Rwanda	0,335	0,485	0,524
South Africa	0,630	0,649	0,699
Zimbabwe	0,440	0,467	0,535

Source: Based on AfDB data (various issues)

Table 2 highlights trends in the HDI in selected countries in Africa. Beginning in the year 2000, there has been an upward trend in all selected countries. Countries such as Ethiopia, Liberia, Malawi and Rwanda have made great strides since the year 2000. This clearly shows that the political and economic reforms made over the years are starting to bear fruits. However, these future successes are vulnerable to many factors, some of which are not within Africa's control, but can be remedied through collective effort and international development partnerships. Although some parts of the continent are still grappling with political instability, this is now an exception rather than the rule.

The GDP growth rates of these selected countries have not significantly positively impacted human development, with the exception of Botswana as indicated above. Ethiopia has experienced GDP growth rates of a minimum of 10% each year since 2010, as an example and excluding 2012 and 2016, but the HDI has remained below 0.50. Granted, there has been an improvement in Ethiopia's HDI from 0,28 in 2000 to 0,46 in 2017. For South Africa, the HDI has not improved much. In fact, South Africa has been overtaken by Botswana. It is in this context that an argument is advanced that development has been weak in the twenty-five years of democracy.

There are other challenges facing South Africa, particularly in relation to poverty and inequality. It may be useful to briefly discuss these two – mainly focusing on money metric aspects (i.e. income inequality and income poverty). While South Africa has experienced a sustained positive economic growth since mid-1990s, the impact of this growth on reducing

inequality inherited from apartheid has been disappointing (Visagie, 2013). Income inequality has remained high due to the structure of the economy of South Africa (Gumede, 2015).

Arguably, income inequality remains stubbornly high because the number of jobs created by the economy barely kept pace with growth of the economically active population. Unemployment remains between 25 percent and 35 percent depending on whether one counts as being unemployed discouraged workers who have given up looking for a job (Statistics South Africa, 2016). The situation is also compounded by the fact that the social transfers system caters only for children from poor households, the elderly and people with disabilities. Income inequality therefore remains very high because of wage inequalities in the labour market on the one hand, and the wide gap between those who are employed and those who are unemployed (Liebbrandt *et al*, 2009; van der Berg *et al*, 2008).

*Table 3: Mean and median income comparison by population group, 1993 & 2008*

Population group	Mean income (R)		Median income (R)	
	1993	2008	1993	2008
<b>African</b>	539	816	304	367
<b>Coloured</b>	1 072	1 381	795	800
<b>Indian</b>	2 148	4 288	1 430	1 860
<b>White</b>	4 632	6 275	3 418	4 188
<b>Total</b>	<b>1 147</b>	<b>1 456</b>	<b>419</b>	<b>450</b>

Source: Adapted from Liebbrandt et al (2012)

As Table 3 shows, the mean and median income shares by population group in 1993 and 2008 differ significantly by population group. *Mean* income is the amount obtained by dividing the total aggregate income of a group by the number of units in that group (which is the average) while *median* income is the amount that divides the income distribution into two equal groups, half having income above that amount and half having income below that amount. There was a 51.4 percent increase in mean income during 1993-2008 for the African population group.

The mean income for Africans was R539 in 1993 and R816 in 2008. The Coloured population experienced a 28.8 percent increase in mean income during the same period. The figures were 99.6 percent for the Indian population and 35.5 percent for the white population.

Table 3 also shows that, in terms of the mean income, the Indian population was the biggest beneficiaries of income distribution since the dawn of the democratic dispensation during 1993-2008. However, the picture is slightly different when one investigates the median income. There was a 20.7 percent increase in median income for the African population. The figures were 0.6 percent increase for Coloureds, 30.1 percent increase for Indians and 22.5 percent increase for Whites. Once again, the Indian population is the biggest beneficiary in terms of the increase in median income and the Coloureds were the worst.

Looking at household income by gender and population group from the 2012 Income and Expenditure Survey, as shown in Table 4, the African population group accounted for 44.6 percent of the income in 2012, Coloureds accounted for 9.9 percent, Indians 5.4 percent for Indians and 40.1 percent for Whites. There was also a huge disparity in the distribution of income in terms of the gender of the household head. Male-headed households accounted for 76.7 percent of the income share while the female-headed households accounted for 23.3 percent of the total income. By implication, comparing Tables 3 and 4, the distribution of income appears to have been stagnant during the democratic period in South Africa particularly in the 2000s.

*Table 4: Annual household income by gender and population group of household head, 2012*

Head of household	Rand amount (in millions)	Proportion (%)
All households	1 567 455	100.0
Gender		



<b>Male</b>	1 201 714	76.7
<b>Female</b>	365 741	23.3
<b>Population group</b>		
<b>Black/African</b>	699 154	44.6
<b>Coloured</b>	154 730	9.9
<b>Indian/Asian</b>	84 495	5.4
<b>White</b>	629 075	40.1

Source: Statistics South Africa (IES), 2012

In the most recent period, data permitting, it is interesting to observe that all population groups derive most of their income from work. However, not surprisingly, households headed by whites derive a greater share of the income from capital than other population groups. The White population group received 3.6 percent of their total income from capital.

On the other hand, Africans derived 9.6 percent of their total income from pensions, social insurance and family allowance. Although this is understandable given the fact that Africans as a group do not own much income generating assets, it is curious that this has not changed even in 2017. The figures in Table 5 (showing the averages of annual income by population group) were derived from the Living Conditions Survey (LCS) published by Statistics South Africa in 2017.

Table 5: Average annual income by population group of the household head, 2017

Source of income	Black/African		Coloured		Indian/Asian		White		Total	
	Average income	(%)	Average income	(%)	Average income	(%)	Average income	(%)	Average income	(%)
<b>Income from work</b>	69 094	74.3	131 699	76.2	215 784	79.4	300 498	67.6	100 246	72.6
<b>Income from capital</b>	842	0.9	1 364	0.8	2 173	0.8	16 184	3.6	2 451	1.8

<b>Pensions, social insurance, family allowances</b>	8 921	9.6	12 260	7.1	10 028	3.7	30 739	6.9	11 378	8.2
<b>Income from individuals</b>	2 194	2.4	2 430	1.4	3 309	1.2	5 232	1.2	2 542	1.8
<b>Other income</b>	1 261	1.4	2 265	1.3	2 323	0.9	6 520	1.5	1 886	1.4
<b>Imputed rent on owned dwelling</b>	10 671	11.5	22 747	13.2	38 005	14.0	85 271	19.2	19 665	14.2
<b>TOTAL</b>	92 983	100	172 765	100	271 621	100	444 446	100	138 168	100

Source: Statistics South Africa (LCS), 2017

As Table 5 shows, income of Africans from work relative to the other population groups was approximately half, a third and a quarter of the Coloured, Indian and White from work (respectively). Indeed, as Sulla and Zikhali (2018:65) indicate, ‘race is a strong predictor of poverty, and the chronically poor group is almost exclusively made up of Black and Coloured South Africans’. Using the National Income Dynamics Study (NIDS) for the period 2008-2012, Gumede and Biyase (2016: 72) concluded that ‘average earnings of white (R17592) and Indian/Asian (R12164) population groups are markedly higher than the average monthly average earnings of their coloured (R5298) and black African (R4144) counterparts.’ Therefore, race is actually not only a strong predictor of poverty but a strong marker for many things, including the level of income, job opportunities etc.

It is clear that the majority of poor African rely on state support in the form of pensions, as Table 5 demonstrates. Also, due to the configurations of African households and their economic situation, most rely on other family members for financial support. The Indian population is the one that least relies on pensions, social insurance and family allowance. This is in line with the data in Table 3 as the Indian population group has benefited most from

income distribution since the dawn of democracy in South Africa or at least for the period examined.

Poverty remains very high in South Africa as many estimates indicate. The challenge of poverty in South Africa is multidimensional, as it is in most parts of the developing world. In the main though, poverty in South Africa is structural – it is the structure of the economy that perpetuates poverty through its capital intensity, mineral-energy-complex character, and high-skill demand in the labor market (Gumede, 2015a).

South Africa's economic growth over the years derives from capital-intensive sectors and very few jobs have been added to the labor market. There is also a widely held view that a mismatch exists between the kinds of job opportunities available in the economy and the skills of most jobseekers. Thwala (2011) for example, argues that the South African economy has not been creating sufficient jobs for the unskilled and semi-skilled laborers who are concentrated mostly in the townships and rural areas. Thus, in the context of continued weaknesses in South Africa's education and training system, there has been limited success in efforts to absorb a significant portion of the unemployed population (Gumede, 2011).

The role of education in one's prospects, including prospects for getting a job, cannot be debated. For instance, Statistics South Africa's Income and Expenditure Surveys and the Living Conditions Survey show a decline in poverty with rising levels of education. According to Sulla and Zikhali (2018:41),

'In 2015, 73.1 percent of the population living in households whose head did not have a formal education versus 2.6 percent of those living in households whose head had attained an education beyond upper secondary school was poor. Between 2006 and

2015, the population living in households with heads who had completed primary school experienced the fastest decline in poverty. Similar patterns are true for individuals: in 2015, 55.0 percent of individuals with no formal education were poor compared to 2.6 percent of those who went beyond upper secondary school.’

Having a higher level of education is accompanied by a lower risk of poverty, as argued by Sulla and Zikhali (2018). With regards to employment prospects, Gumede and Biyase (2016) make a point that education does not only improve prospects of getting a job but also results in relatively better earnings. There are also geographic differences in levels of income. Gumede and Biyase (2016: 72) found that, between 2008 and 2012, ‘average earnings are considerably higher in urban areas, at R6351 compared to R3335 and R3582 in traditional and farm areas.’ This also confirms that apartheid spatial planning has played a role in poverty in South Africa.

In addition to income inequality and poverty, race remains a persistent fault line in South Africa’s unemployment trends. The unemployment rate, using the narrow definition, has been above 25 per cent in South Africa in the recent period. The continuing decline in the labor force participation rate is indicative of an increase in the number of discouraged job-seekers. South African youth remain disproportionately affected by unemployment compared to the adult population and the same holds for females relative to their male counterparts.

South Africa is further faced with the complexities relating to an uneven labor market environment, the changing nature of work, lack of labor market measurement instruments, and that of serving a multi-class of service beneficiaries: vulnerable workers and unemployed/job-seekers. The fragmented nature of South Africa’s labor market, increasing informality, ‘causalisation’ and externalisation of the labor market has undoubtedly worsened the job crisis

and affected economic status of ordinary working class. It is in this context that some have argued that South Africa needs labor market reforms and or a clear labor market policy (Gumede, 2015). In the meantime, or what is overdue, the initiatives such as the labor market incentive schemes should be expedited so as to ameliorate the youth unemployment challenge in particular. The purported labor market reforms and or a clear labor market policy should prioritise job creation for the African population group in particular. In the main, however, the fundamental issue has to do with restructuring the South African economy (see Gumede, 2016).

### **South Africa's Development Challenge**

Many seasoned scholars and activists have argued that part of the challenge South Africa faces has to do with the transition. South Africa's transition from apartheid to post-apartheid society or to a democratic society has been characterised by many scholars and activists as *elite transition* or *elite compromise*. (see Gumede, 2016). The argument advanced is that the post-apartheid development experience has to be understood within the context of many compromises that were made during the negotiations in the early 1990s that do not allow society to move forward faster.

Southall (2010), for instance, characterised South Africa's transition as a 'reform bargain' drawing from Scott Taylor's 'reform coalition'. Southall explains the reform bargain as a 'mechanism that facilitated South Africa's success which was underpinned by the new government's commitment to providing the opportunities for large-scale business to internationalize.' In other words, a particular compromise was reached. On the more radical side, Saul (2012) argues that nothing much has really changed in South Africa because the economy is still subject to the control, manipulation and so forth of the global capitalist system.

It is in this context that others argue that South Africa needs a new political settlement, something along the lines of a social pact or a social contract (Habib, 2013).

More broadly in the context of the [African] continent as a whole, many scholars have looked at the socio-economic transformation of the continent and made a point that the challenge that the developing world and Africa in particular face or faces has to do with the ‘development merchant system.’ –Adedeji (2002) in a powerful conference speech argued that

The implementation of [an] exogenous agenda has, perforce, been pursued because of the operation of the development merchant system under which foreign crafted economic reform policies have been turned into a new kind of special goods which are largely and quickly financed by the operators of the development merchant system, regardless of the negative impact such policies have on the African economies and polities.

Taking what Adedeji says and what other like-minded scholars say, the development merchant system ensures a deliberate design by the global capitalist order to perpetuate a socio-economic and political system that advances the interests of the West and maintains the peripheralization of the African continent.

Lastly, part of the development challenge confronting South Africa relates to the relations between the private sector and the government. The government appears to be captured by the private sector or the state-capital relations favor profits over people (as Noam Chomsky would put it). It is in this context that political inequality and political patronage have caused a rift

between the political leadership and the people in general. The many public protests and confrontations between the police officers and the people are symptomatic of the challenge epitomised by skewed state-capital relations. Inclusive development has given way to personal enrichment by those closer to political power or those in political office. We are dealing with a case of ‘incomplete liberation’ as Saul (2012) puts it. Hamilton (2014) concludes that South Africa is a case of ‘revolution still pending’ while Habib (2013) concluded that South Africa is a case of ‘suspended revolution’. It might very well be – judging from the frequency and the violent character of protests – that the revolution has started.

### **Reconciliation, Justice and Freedom**

As many have argued, the first decade or so of democracy in South Africa was about putting in place a foundation that could have helped South Africa better advance social and economic development [see, for instance, Manganyi (2004)]. In hindsight, indeed, it was wise of Nelson Mandela to focus primarily on reconciliation and nation building. The most important transformation agenda of the post-apartheid South Africa, especially during the years of the Government of National Unity, had to be peace building.

However, despite attempts by the Truth and Reconciliation Commission (TRC) to achieve catharsis from the ills of the past, lack of honest and remorseful acknowledgement of the evils of the apartheid regime have continued to spur revolutionary pressures from the previously disadvantaged group. Qunta (2016) argues that the TRC did not deal with the institutional aspects of the atrocities committed by the apartheid regime, for instance. In other words, only individuals were expected to account but not the apartheid system as a whole. Valji (2015) for instance, argues that the TRC’s failure to deal with the issue of race was an ‘ironic silence’ because economic discrimination and various forms of human rights violations were motivated

by racism. Among other issues, Mamdani (2000:59) views the use of a Latin American commission's design as problematic because 'the Latin American analogy obscured the colonial nature of the South African context: the link between conquest and dispossession, between racialized power and racialized privilege, between perpetrator and beneficiary.'

The 2013 South African Reconciliation Barometer report by the Institute of Justice and Reconciliation (IJR) on the perceptions of South Africans regarding issues related to progress since 1994 presents interesting results – many survey respondents felt that many aspects of 'freedom' have worsened since 1994. Relative to those that feel there are improvements, more who feel that employment opportunities and the gap between the rich and poor has worsened. In particular, 36.7 per cent feel that the gap between the rich and poor has worsened (compared to 30.3 per cent of those that feel that the gap has improved)—we should bear in mind that Wilkinson and Pickett (2010) argue that it is the perception of inequality that matters most, and this has a greater influence than what numbers may suggest. Overall, 42.1 per cent feel that employment opportunities have worsened (relative to 31.1 per cent who feel that employment opportunities have improved). These perceptions speak volumes: the sense that any of the aspects of 'freedom' has worsened since 1994 is an indictment on the pursuit of justice and freedom. Notwithstanding, it is encouraging that there are those—not a negligible percent—that feel that there are improvements in the various areas since the advent of democracy in South Africa.

For a country with centuries of apartheid colonialism, reconciliation and peace building can be a lifetime process. The success of the TRC or its failures remains a matter of contention. Juxtaposed with CODESA negotiations, the TRC played a far more important role. CODESA largely left white privilege—not white domination per se —unchanged. The TRC had an



important role of peace building, although it did not fully achieve its noble objective. The recent report by the Institute for Justice and Reconciliation explains that:

‘The relationship between race and class in South Africa paints a picture of class segregation with racial inflections. The majority of the poor continues to be black and segregated from the multiracial, urban middle class. This pattern is witnessed on the geographical landscape of South Africa, where our cities may demonstrate increasing racial integration, but townships and rural settlements continue to be poor, black and segregated as was intended by apartheid planners. This finding is important for racial reconciliation in South Africa and points to the need to address the relationship between material and social exclusion that results in the segregation of many poor black South Africans from interracial middle-class city spaces’ (Wale 2014).

The position of Wale (2014) and others point to an issue that is not widely spoken about: incorrect or inaccurate theorisation about apartheid colonialism and associated factors. To a very large extent, as argued and elaborated in my new book, socioeconomic development has been constrained by policy failure in South Africa. In particular, the policy failure in question involves incorrect theorisation or theories that gave precedence to non-racialism when the fundamental developmental challenge required that Africans be prioritized in the post-apartheid development agenda. The overemphasis on non-racialism blurs the historical experience of apartheid colonialism. The preoccupation with non-racialism discounts the fact that Africans suffered historical injustices of apartheid colonialism of which the ramifications are still pronounced even after two decades of political independence.

Two areas where theories need to be revisited are: the National Democratic Revolution (NDR) and the Colonialism of a Special Type (CST). Regarding the CST, Chaloult & Chaloult (1979) and Hudson (1986), among others, published papers critiquing the CST thesis and suggesting that it was not an appropriate characterisation of South Africa even in the 1950s/1960s. In addition, Visser (1997) argued that the CST thesis would easily impress any person with little knowledge about South Africa because it obscures rather than explains the South African conundrum. As for the NDR, South Africa appears stuck in the bourgeois democracy phase—the first stage of the NDR. As Hudson (1986) predicted, national [bourgeois] democracy would most likely lead to a consolidation of capitalism than a transition to socialism. Although the NDR appears to be a robust aspiration of the ANC, it is important that more work is done to make it a reality because it increasingly looks like it has become a pipedream.

Reconciliation, viewed as restitutionary, reconciliatory and restructuring measures as well as equitable sharing of resources, should be vigorously pursued. Inclusive development cannot be effective without proper reconciliation in the context of South Africa. Put differently, development would remain precarious without reconciliation. More efforts should be made in creating a South African nation. The inability of the ANC to deal with these issues has resulted to many concerns with the ANC, resulting to the power base of the ANC speedily declining.

## **Conclusion**

The point that this paper makes is that weak reconciliation and poor inclusive development have resulted to rapid changes in the political landscape in South Africa, twenty-five years after political independence. It is also in this context that the paper argues that South Africa is drifting further away from becoming a nation. By implication, more work needs to go to nation building and in ensuring inclusive development. Because South Africa has not directly

addressed the historical injustice (i.e. apartheid colonialism), reconciliation remains a pipe dream – so is development. By consequence, or as a consequence, justice and freedom for the majority remain compromised. It is therefore not surprising that the EFF is gaining traction and that the ANC is losing its share of votes. This is a sign that reconciliation and development have not been satisfactorily addressed since 1994.

To take the South African society forward, comprehensive policies are needed over and above improving implementation as well as monitoring and evaluation and planning. There are many areas that require policies. For instance, South Africa still requires comprehensive social and economic policies. And there are areas that require policy reforms. Of course, leadership and partnerships are critical. This paper focuses on policy issues, hence the emphasis regarding policies needed to take the society forward.

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