



Confronting Structural Risk and Vulnerability in South Africa

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Social unrest, violence and looting in various parts of Gauteng and Kwa-Zulu Natal during July 2021 have shown the need for transformative social protection, as social grants are now no longer enough to appease the poor. Due to a poor understanding of vulnerability and risk, the violent unrests and looting experienced by the country have been a huge setback and a huge blow to businesses, infrastructure and investments

This is because much of the thinking on social protection reflects a limited conceptualisation understanding of risk, vulnerability and poverty. Much of the thinking on social protection has for far too long been embedded in the positivist and post-positivist paradigms.

We now need an activist lens on social protection, which continues in the margins of national and global policy-making. This activist lens correctly places emphatic focus on the “persistence of extreme poverty, inequality and vulnerability as symptoms of social injustice and structural inequity, and campaign for social protection as an inviolable right of citizenship”. (IDS, 2007: p1)

The narrow conceptualisations of social protection as a ‘response to shocks and uncertainties’ are significant, however, limited. By focusing on the uni-dimensional nature of livelihood risk and vulnerability (i.e. income and asset endowments) and transitory or contingent risks (e.g. illness, drought), discursive spaces overlook the inherent structural risks of market economies themselves and the underlying vulnerabilities systemic in social interaction (e.g. social exclusion, economic marginalisation etc). Social protection strategies that emphasise systemic responses ‘only to livelihood shocks and uncertainties’ hardly take into account the systematic and social processes (i.e. dual market mechanisms, unequal power relations, social categorisation, social conditions etc) by which poverty and unemployment is produced and reproduced in the socio-economy of South Africa.

The obsession with positivist lenses is an indication of a bigger crisis in the development discourse: over-quantification and homogenisation of vulnerability and poverty (Green, 2006), depersonalisation and externalisation of risk, and the obsession with absolute measures and un-linear theoretical lenses. Narrow defines are attributable to the narrow and clinical analysis of vulnerability and risk, as well as the limitations of the quantitative instruments used to measure these. The resultant impotency of conceived social protection strategies are, arguably, a natural consequence of the poverty of our own representations of risk and vulnerability.

Understanding Informality in South Africa

In order to understand the strategic locus of transformative social protection in South Africa’s economic discourse, it is important to understanding both the quantitative and qualitative dimensions of South Africa’s labour market challenges. Undoubtedly, one of the most critical challenges facing the Government of South Africa is employment creation and fighting poverty. The goal of government is to reduce unemployment and inequality by 2030.

However, the employment performance of the economy has not adequately met the needs of the society. The number of jobs created has lagged behind the demand for jobs. The majority of the unemployed are low skilled or poorly educated workers, mostly women and youth in rural areas, for which demand has been shrinking due to changes in the domestic structure of production of the economy. A number of the newly-created jobs have been precarious and of poor quality and many of those jobs are under pressure or have disappeared as a result of the recession, accounting for massive job losses. Unemployment rates are generally higher amongst youth, women, unskilled workers and temporary/contract workers.

South Africa is further faced with the complexities relating to an uneven labour market environment. At the core of South Africa's labour challenges lies what is commonly known as labour market dualism. South Africa labour market economy can be said to be divided into two economies – “a first economy of modern establishments and decent work, and a second economy consisting of a range of precarious and vulnerable forms of work and survival activities.” (Webster, 2008: pii). The notion of a second economy is a metaphor used to describe the deep structural divisions of South Africa's economy and should not be taken to mean geographic distinction. The first and second economies constitute an integral component of total national economic activity as are interdependent on each other. The second economy is not a marginal or peripheral appendage of the first.

However, the second is characterised by glaring forms of decent work deficits, which give rise to livelihood risks and vulnerability. Labour market dualism can be said to be a source of livelihood risk and vulnerability as it gives rise to the existence of deferent sets of “superior” and “inferior” conditions of work that coexist, which produces and reproduces a working class poor. This chronic and non-transitional nature of work does very little or nothing to pull up or “trickle down” to the inferior element. To the contrary, it serves to push it down or “develop its underdevelopment”. Labour market dualism perpetuates inequalities as it gives rise to informality, casualisation and externalization of labour. Millions of workers are trapped in informal, temporary, involuntary part-time or casual work that offers few benefits and limited prospects for advancement. This is the case particular for youth, women and immigrants who constitute the biggest chunk of South Africa's workforce. While this may be normal for new entrants to the labour market, informal employment and limited job opportunities mean that there are few opportunities for sustained livelihoods. The informal economy is overwhelmingly characterised by variant forms of decent work deficits, namely:

- Low employment standards, which are the minimum bedrock of legislation to guarantee minimum protections;
- Lack of employment security;
- Lack of social security (i.e. medical aid, pension fund, unemployment insurance fund)
- Poor income and access to benefits
- Lack of Freedom of association; and
- Poor healthy and safe working environment

With the understanding of TSP as removing structural ‘unfreedoms’, this article builds a case for transformative social protection in addressing embedded livelihood risks and vulnerability. Withstanding the structural dualism that characterises South Africa's labour market, the transformative emphasis of transformative social protection is appropriate in addressing poverty and employment challenges, which remain structural in nature.

Without addressing the structural dualism which represents the existence and persistence of substantial and even increasing divergences between working conditions, any other social protection matter would represent a superficial attempt at resolving the South Africa's poverty questions. Transformative social protection correctly bridges the need to transform

the social and economic drivers of vulnerability as they are embedded in the socio-economic structure of society.

It reads therefore that the transformative agenda is therefore an essential part of the economic solution, particularly bearing in mind that South Africa's poverty and unemployment challenges are structural in nature. It is within this context that transformative social protection should be understood and its strategic thrust deemed wholly critical.