

### **Inequality, Poverty and Democracy - The Paradox of South Africa**

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**Abstract:** The genesis of the South African independence in 1994 ushered in the advent of democracy in the rainbow nation. Twenty four years later, the country is still plagued by stark inequality and endemic poverty amongst the black and coloured community. This paper seeks to understand the nexus between the phenomena of inequality, poverty and democracy in South Africa. How has poverty and inequality threatened the democratic prospects of South Africa?, How can South Africans harness the democratic nature of their political governance regime as an opportunity to combat poverty coupled with endemic inequality in the diverse country. Addressing these problematic questions is the thrust of this paper as it advances the notion that, if unaddressed, poverty and inequality shall impede social cohesion in South Africa and the net effect of this will be faltering of democracy in the country.

**Keywords:** Democracy, Inequality, Poverty

#### **Introduction**

The genesis of the South African independence in 1994 ushered in the advent of democracy in the rainbow nation. Twenty four years later, the country is still plagued by stark inequality and endemic poverty amongst the black and coloured community. This paper seeks to understand the nexus between the phenomena of inequality, poverty and democracy in South Africa. How have poverty and inequality threatened the democratic prospects of South Africa?, How can South Africans harness the democratic nature of their political governance regime as an opportunity to combat poverty coupled with the endemic inequality in the diverse country. Addressing these problematic questions is the thrust of this article as it advances the notion that, if unaddressed, poverty and inequality shall impede social cohesion in South Africa and the net effect of this will be faltering of democracy in the country.

Under normal circumstances, a holistic democratic political ambiance should be accompanied with equality of all citizens with regards to wealth distribution, income distribution, and even political capital viz a viz social capital. The paradox arises when a country thriving in other elements of democracy like multi partysim, political freedoms, and electoral democracy like South Africa is ranked the most unequal country in the world, with the highest gini-coeficoent 0.63 as of 2015. It is evident that, South Africa remains a dual economy with one of the highest inequality rates in the world, perpetuating both inequality and exclusion. This is affirmed by the World Bank Report, (2015) which posited that, half of South Africans during the 2008 to 2014/15 period were considered chronically poor or having average consumption below the upper bound poverty line. At least 78% of South Africans were in poverty at least once during this period, (World Bank, 2015). The aforementioned statistical representation of inequality shall be discussed in this paper. The concepts of 'intersectionality' and 'horizontal inequality' (HI) shall also be discussed and used as avenues of analysis in deciphering the paradox of inequality, poverty and democracy in South Africa. In the words of, the International Institute for Democracy and Electoral Assistance (IDEA, 2017), these concepts of 'intersectionality' and 'horizontal inequality' are important tools for analysing inequality and democracy. Further, the concepts help to explain how multiple forms of inequality based on gender, class, religion and ethnicity, among others, can create unique types of discrimination in different contexts.

#### **Definition of Key Terms**

##### **Inequality**

Inequality is a syndrome of concepts and processes that reflects imbalances, unfairness, and asymmetry. This paper shall look at inequality under the tiers of income inequality, wealth inequality, equity coupled with socio economic opportunities and access to the opportunities.

##### **Poverty**

There is no universally agreed single definition of poverty. Nonetheless, for the purposes of this paper, poverty shall be conceptualised as impoverishment, lack of opportunities, incapacity to live above the universally agreed poverty datum line of \$1, 90 coupled with poor quality and standard of living. Poverty in this paper relates to the different of dimensions of poverty. These are relative poverty coupled with absolute poverty where Absolute poverty implies that households are unable to meet the basic needs for survival. They

are chronically hungry, unable to access health care, lack the amenities of safe drinking water and sanitation, cannot afford education for some or all children, and perhaps lack rudimentary shelter, and basic article of clothing like shoes (Sachs, 2005: 20). Moderate poverty refers to conditions of life in which basic needs are met, but just barely. Relative poverty is commonly delineated as a domiciliary income post beneath a particularly set proportion of average national income.

### **Democracy**

There is no universally agreed definition of democracy but principles of the concept. For the purposes of this paper, one shall conceptualize democracy as a means of governance for the people by the people that is participatory, consultative characterized by a separation of powers between the executive, legislature and judiciary, political freedoms, the rule of law and strict adherence to it, media pluralism, horizontal and vertical accountability between the duty bearers, the right holders and free operating space for the third arm of the government (civil society) to monitor and check the same.

### **Inequality and Poverty - Threats to Democracy**

Inequality is gradually yet heavily emerging as one of the formidable threat to sustainable inclusive development confronting developing countries and the world at large due to the cavities between the rich and the poor (the haves and the have nots). In particular, the growing disparities between the rich and poor in South Africa, centred on the land question coupled with property rights have begun to threaten democracy in the country by causing upheavals that can be avoided.

Recent studies have shown that inequalities are accompanied by a reduction in social cohesion, specifically in interpersonal trust between different groups which is as a result of economic equality and equality of opportunities (Rothstein and Uslaner, 2005). South Africa is a prime example of such a country that is mired in inequalities that are starting to impact on its social cohesion. The country has an income Gini that ranges between 0.66 to 0.70% (World Bank, 2016). This bears concrete testimony to the chameleon approach to redistribution of wealth, land and socio-economic benefits 24 years after the advent of democracy.

The advent of independence in 1994, came with an avalanche of expectations for the won political independence to be accompanied with economic independence. To date, this expectation is still alive in the hearts of many South Africans and has been met by little action by the Government of South Africa. It is not a public secret that, owing to the structural economic imbalances and surging inequality, South Africa is a ticking time bomb. A study by Hodgson (2012) revealed that today, “rising inequality is a key challenge for South Africa that adversely impacts economic development and socio-political stability”. The socio-economic and political ambiance in South Africa can rightfully be deemed, ‘the neo-apartheid’ because the socio-economic and political lines in South Africa are still exclusionary. This is affirmed by Khambule, (2017) where he postulates that, the accrued disparities in South Africa have resulted in the undermining or setback of the reconciliation project that South Africa embarked on after 1994 because privileges are still drawn along racial lines.

Empirical and anecdotal evidence through info stats of the Republic of South Africa exhibit the preeminent fact that, income disparities have been widening since 2011 to date. Tracing the causal factors of such statistical occurrence, Kenton (2014) argued that South Africa’s inequalities are heightened by binary elements that is high wage disparities in the workplace and the cavity between those employed and unemployed.

Thus it is apparent that, South Africa continues to face major social and political instability linked to deep and persistent inequality. After a long period of political stability between 2000 and 2016, service delivery protests have escalated and in some cases turned deadly (Institute for Security Studies 2016). Democracy and political equality lack meaning under conditions of ‘destitution’ (Harriss-White 2002), a lack of access to basic services such as clean water and sanitation, and sharp economic inequality. In the absence of social protections and economic and social rights, the risk of democratic backsliding increases.

### **Democracy – Opportunity for Equality**

The paradigm shift from apartheid to democratic governance in South Africa presented with it opportunities for the masses to voice their developmental socio economic needs to the new government. The new democratic post-apartheid dispensation gave the people the right to question the government and this facilitated vertical accountability between the people and the duty bearers in Government. In essence this implies that if the positive energies of democracy are harnessed, there can be inclusive growth for all and equality. This perception of development as laying a congenial platform for equality is affirmed by the Lipset hypothesis. Lipset argues that, development is a determinant of socio economic development and socio-economic development also facilitates the existence of democracy.

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In the context of South Africa, the existence of democracy has manifested itself through the vibrant presence and free operating space for political opposition the parties, the Democratic Alliance (D.A) and the Economic Freedom Fighters (EFF). Both parties have very limited seats in parliament that is 86 for the D.A and 25 for the EFF. Through their presence in parliament, the EFF has been on the fore front of advocating and pushing for combating of inequality through radical transformation of the economic power configuration in South Africa. In this light the EFF has successfully set a topical agenda of land expropriation without compensation in the Republic of South Africa through which amendment of the willing buyer willing seller constitutional clause has been tabled towards redressing inequality in the country.

Further, democracy in South Africa has been manifest through recognition of political freedoms. Recognition of political freedoms like freedom of expression, freedom of association and the right to peaceful demonstration has witnessed the successful holding of demonstrations calling for black empowerment, pro poor development policies, reduction of education costs through a mass fees must fall campaign and social service delivery demonstrations. These demonstrations ushered through existence of political freedoms have made it possible for the vulnerable and marginalized groups in South Africa to share their concerns and development needs to the government. This therefore bears concrete testimony to the pre-eminent fact that, democracy in South Africa presents an opportunity for the ushering in of equality. The following are recommendations on how the government of South Africa and the civil society organizations can start discharging efforts towards nurturing equality, combating poverty and strengthening democracy in the rainbow nation.

#### **Recommendations**

- There is need for the government of South Africa to strengthen and enact more pro-poor human development policies oriented towards the education sector. Considering most of the poor in South Africa are not only unskilled but uneducated hence losing jobs to qualified immigrants, it is imperative for the government to empower its people through relaxing costs of education to make more accessible, affordable and quality fit.
- Address inequality through structural economic transformation that empowers the black majority whilst also taking into cognisance the need to preserve the property rights of the white minority. The land question in the post-apartheid dispensation has to be addressed swiftly yet cautiously.
- Strategic, gender sensitive and human rights oriented wealth redistribution. Whilst indeed, 1994 marked the genesis of independence in South Africa, the country is yet to realize economic independence. It is thus important that the Government of South Africa, starts forging a progressive way forward in wealth distribution that is consultative, participatory, and all inclusive. To avoid a partisan oriented approach, international jurists, the African Union, the Southern Africa Development Community can be seconded to form an independent commission for wealth redistribution and empowerment of the marginalized. This will be a step in the right direction towards the celebration of economic independence for South Africa
- Democracy is under threat in South Africa. Now, more than ever, South Africa should invest in establishing and strengthening democratic institutions that advance and esteem the rule of law over the rule of men. Investing in strong democratic institutions is a sustainable approach in the fight against poverty and inequality.

#### **Conclusion**

Whilst indeed this paper used inequality; poverty and democracy in South Africa as an avenue of analysis, the South African predicament is a mirror reflection of the global distribution of wealth and global inequalities. It is a microcosm of the macrocosm. This is explicit in the 2016 Oxfam report, *An Economy for the 1%*, which aptly points out that, in 2015 the wealthiest 62 individuals in the world controlled as much wealth as the poorest 3.6 billion (Oxfam 2016). It is sound for one to conclude that, there is an inextricable nexus between inequality, poverty and democracy. The three concepts cannot be treated in isolation. Whilst indeed poverty and inequality can be deemed credible threats to democracy, the phenomena of democracy can also present opportunities to combat poverty and inequality.

It is imperative for the South African government to harness the positive energies of democratic tendencies in the rainbow nation to adequately, swiftly and cautiously redress the inequality and poverty plaguing the nation. This will be a crucial point of departure in striding towards holistic democracy in the country.

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