

# INTENSIFYING ECONOMIC INSECURITY MAY THREATEN SOUTH AFRICA'S SOCIAL COHESION- OPINION PIECE

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The country's social fibre is under strain and one cannot help but feel that something will have to give. (David Harrison/M&G)

Abrutal pandemic, anaemic growth, huge job losses and an increasingly austere state have converged to create a sense of perpetual anxiety among millions of South Africans.

When it struck, the country was ill-prepared to deal with the Covid-19 pandemic.

Poor service delivery, weak oversight institutions and a depleted fiscus ensured that the state's social capital was at an all-time low. Testimony being led before the Zondo commission of inquiry into state capture suggests that for some in power, the notion of a better life for all was the least of their concerns in the run-up to the first lockdowns.

Against this backdrop of economic desperation and the growing perception of declining political agency, it should not be surprising if citizens start to respond outside the traditional channels to make their voices heard.

In 2019, when gross domestic product growth first came to a near standstill, South Africa saw its largest number of protests, riots and mob attacks. According to the [Armed Conflict and Location Event Data](#) (ACLED), the country recorded a 21<sup>st</sup> century national record of 1 544 events of social unrest. The majority were 841 peaceful protests; there were 644 riots and the remainder were a handful of mob attacks.

The global migration from the physical to digital domain may accelerate this growth in public discontent. Fuelled by greater internet penetration, a more viral social media and the consolidation of grassroots activism and networks, the nature of social mobilisation is rapidly changing. If political institutions remain unresponsive to economic grievances in the years to come, they risk tipping the balance from democratic protest to instability.

The [2019 South African Reconciliation Barometer](#) (SARB), a nationally representative public opinion survey of the Institute for Justice and Reconciliation (IJR), uncovered sobering truths. They showed that South Africans felt profoundly economically insecure in the same year that civil action peaked.

The SARB found that in 2019, 59% of South Africans felt their economic predicament would either stay the same or deteriorate in the two years thereafter. At the same time, nearly three in four (72%) of South Africans link present-day poverty to historical disadvantage under the apartheid regime.

This downbeat assessment probably stems from a consideration of persistent structural barriers that disadvantage historically marginalised groups.

Large segments of the population believe that to realise their goals, they need access to the right financial resources, people, places and education. When broken down by racial category, coloured South Africans felt the most structurally constrained in their access to financial resources (46%), the right places (41%), the right people (40%) and the right education (29%). The effect of historical discrimination continues to live on, particularly within the large share of the poor who attribute their circumstances to structural causes rather than individualistic ones.

Behind a nation feeling economically insecure lies a plethora of state failures spanning policy choices, policy implementation, corruption and unsuccessful partnerships with labour unions and the private sector. Although the country has made important gains in development, the spoils of economic growth are yet to “trickle down” to the most destitute.

The uneven dispersion of early 21<sup>st</sup> century growth saw an increase in inequality, because its proceeds were concentrated and largely exclusive. In retrospect, it can be contended that the revenue surpluses of the Mbeki administration were not leveraged sufficiently by his and subsequent administrations to create more agency among citizens.

More concerning has been the apparent inconsistency with which our government pursued the objective of human development — from the Reconstruction and Development

Programme through to the Growth, Employment and Redistribution plan, the Accelerated and Shared Growth Initiative South Africa, the New Growth Path and the National Development Plan. Policy became the victim of the ruling party's factional instability. Such inconsistency was further reinforced by the state, labour unions and the private sector not having a unified vision. As such, there may be a stronger relationship between the absence of cohesion between citizens and that between policy elites than the latter would want to admit. Zero-sum games may have led to zero-sum outcomes.

As we struggle to contain the effect of the pandemic on our society, it will become increasingly important in the next months to prioritise the strengthening of trust. In this regard, there has been some positive development. Private public partnerships (PPPs) are gaining momentum as a leading strategy to strengthen and align private and public interests. These partnerships are increasingly being championed as a vehicle for recovery and growth in a post-Covid South Africa. If this is to be, stakeholders must learn from the failures of previous attempts at PPPs. Much of these failures can be ascribed to the absence of trust, transparency and accountability systems. Overcoming these challenges requires improved oversight, building a shared vision for the country that establishes strong relationships and coherent policy choices, as well as a greater concern with the dispersion of economic growth rather than championing growth as the end in itself.

- The IJR has published an occasional paper, [Social Cohesion Hangs in the Balance as South Africans Feel Economically Insecure: Reflections From the South African Reconciliation Barometer](#), where you will find deeper insights into South Africans' feelings of economic insecurity, alongside an analysis of how we have got here and what it might mean for social cohesion.



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