

Capitalism in need of a new morality with growth in populism



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The popularisation of "radical economic transformation" could have a positive side effect. While we all know that the popularisers in the main are venal self-serving cronies whose real motive is "radical economic looting", as Mcebisi Jonas put it, the fact is the demand for change is now irrevocably in the air.

Social commentators have begun to put forward ideas for a new deal. Some have said "everything must be put back on the table", from the land question to executive pay. Others have suggested the revival of the campaign for the basic income grant and others have called for a "new activism" to find "imaginative solutions" to social challenges.

Business and the wealthy, both black and white, should be careful not to be tone deaf to this nascent discussion. If SA is to be pulled back from the brink, a step change in economic development is required. And if capitalism is to emerge as part of the solution in SA – and stand its ground against populist ideas of nationalisation – it is imperative that it develop a new morality.

The "inclusive growth" idea, which advocates structural economic reforms to encourage growth, most of which have not been implementable so far, is an essential ingredient of any credible growth plan. But it will take more than growth to save SA. Alongside it, social programmes and campaigns that can transform people's lives are needed on a mass scale.

It is through campaigns that the poor can be mobilised to promote their own social development and access opportunities.

What sort of campaigns and programmes would make a difference? Those with the potential to counter the ugliest and harshest aspects of black people's poverty should be top of the list. First is work and the idea of a job guarantee. This is not very different from the Expanded Public Works Programme and Community

Works Programmes that were scaled up six or seven years ago. But rather than the jobs being temporary, the programme would guarantee a set number of days of work a year for every poor household.

In India, the rural job guarantee programme introduced in 2004 has had both a development and productive effect. Jobs are mainly agricultural, unlike in SA, where apart from temporary work on road maintenance, public works jobs have mostly been "cleaning" jobs picking up litter. Some of the most successful Community Works Projects were food gardens for schools, communities or clinics. Food gardens, separate from the more complex process of land reform, are easy to manage, labour-intensive and have a productive and positive social effect.

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Mass social campaigns around education and child development are another avenue that would involve people in their own development. Parents need to be empowered to promote and foster education. Campaigns to get involved in schools, in supervising homework and in holding teachers, district officials and principals to account could give poor families new hope of escaping the poverty trap.

Societies can be transformed if the political will for change exists. While the ANC made a good start at social transformation – building thousands of clinics, introducing free mother and child healthcare and expanding access to school education – its passion for social transformation stalled as vested interests took control of party and state.

The result is that the ANC has squandered its historic opportunity to be the driving force of social change. A new effort at social transformation is needed and a new political movement to drive it must now be imagined.

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