

# NEVA MAGKETLA: Don't blame voters for populist choices

**The privileged, including the newly arrived, are reluctant to change economic systems**

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**DAWN OF DEMOCRACY:** Voters queue to cast their ballots in the 1994 election. File picture: SUNDAY TIMES

An old flat-bed truck, packed with silent men in work clothes, travels through my leafy suburb very early every morning. It is an uncomfortable and dangerous way to get to work. Still, they are the lucky ones, with jobs and an employer who provides transport, presumably from Alex. The idea that they should be grateful: that is what breeds populism.

In the public discourse, the concept of populism has three characteristics. First, it blames social ills on groups of individuals, rather than social systems, which encourages mobilisation against people defined by ethnicity or nationality (and, in some parts of Africa, sexuality), with the attendant oppression and violence.

Second, it is rooted in magical thinking, promising fabulous outcomes with no road map for getting there. On the right, calls to expel immigrants ignore research showing that immigration and diversity are key to economic growth; on the left, demands for nationalisation and expropriation don't delve into who will ultimately get the assets or what will happen to production systems. Instead of analysis, vehemence is presented as proof of sincerity. By extension, efforts at a pragmatic evidence-based policy discourse, however radical in intent, must be a cowardly compromise.

Third, when populists come to power and their promises fail, they demonise democratic norms and their opponents.

In SA the failures of the 1994 compromise provide fertile ground for populism. The basic deal was that, in exchange for political democracy and legal equality, the majority would accept more gradual change in deeply inequitable systems of economic power.

Twenty-five years later, the lives of the majority have certainly improved. Among others, the end of residential

restrictions saw the number of people living in urban areas climbing from half to three quarters; two thirds of the richest 10% of households are black, and black people own half of small formal businesses; the share of black households with water on site has risen from 47% to 70%; and a third of households get some form of financial support from government.

But overall economic inequality, measured by income, assets or the power of big business, has barely budged. The percentage of adults in employment fluctuates around 40%, compared to 60% internationally; workplaces are oppressive and pay scales extraordinarily unequal; the richest 10% of households may be more representative, but still controls more than half of income and two thirds of financial assets; and of the countries that report on income inequality — less than half the total — SA usually ranks worst.

Mostly, inequality and joblessness persist because big business and the privileged, both of long standing and newly arrived, have been reluctant to change existing economic systems. Few have introduced much more equitable pay, workplace relations or ownership. A substantial minority has used court challenges, propaganda and lobbying to delay real change. If you block every pragmatic effort to bring about a more equal society, then don't blame voters for looking to populist promises.

For its part, the democratic state let the ball drop on most large-scale policies aimed at a more equitable economy and society. Initiatives to expand economic opportunities have been stymied by under-resourcing, hijacked by short-sighted bureaucrats and business interests, or weakened by corruption — think for instance of land reform, efforts to achieve equality in basic education, and moves to expand worker ownership. Exceptions such as the minimum wage, Aids treatment, progressive taxation and social grants worked because they embedded new systems and enjoyed rigorous prioritisation from the top.

Political leaders have never measured themselves against unambiguous targets for equality or job creation. The commitment to outcomes-based policy systems, which was supposed to ensure more responsive governance, is bogged down in a morass of excuses and shifting goals.

In a deeply unequal democracy such as SA, stonewalling real change ultimately empowers populists. The only effective answer is to undertake realistic, systemic changes to bring about a visibly more equitable economy. The long run is no longer an option.

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