

Special edition

2013 HSRC Research Conference

This special edition of the HSRC Review puts the spotlight on the biennial 2013 HSRC Research Conference that took place over two days on 26 and 27 September and was attended by around 200 researchers who presented 105 papers among them. They covered a wide variety of their research work during 30 parallel sessions that in some way or another touched on the conference theme of 'Inequalities and justice: influences, effects, intersections and evidence'.

Sub-themes addressed completed and ongoing study projects, from economics and employment creation; capabilities, inequalities and human rights; cultural dominance and horizontal inequality; social justice and the global order; migration and remittance in reducing income inequality; governance and policies to end inequality; social fragmentation; inequalities in education; health and inequalities; provision and financing of social protection; and spatial and generational dimensions.

Many of these subjects have been addressed in previous editions of the *HSRC Review* and will therefore not be repeated here. A selection of articles submitted to the editorial team, consisting of the editor and Professors Narnia Bohler-Muller and Vasu Reddy, will appear in this edition and some others in forthcoming editions of the *HSRC Review*.

The ongoing challenge of development

The HSRC held its biennial research conference, themed 'Inequalities and justice: influences, effects, intersections and evidence', in September in Boksburg, Gauteng. The two-day conference provided its nearly 300 participants with the opportunity to present research findings that had a bearing on the theme, and allowed prominent academics and scholars to debate the topic during two plenary sessions. *Ina van der Linde, Narnia Bohler-Muller and Vasu Reddy report.*

The old world is dying, and the new world struggles to be born: now is the time of monsters.' Quoting Antonio Gramsci, **Dr Rasigan Maharajh**, chief director of the Institute for Economic Research on Innovation at the Tshwane University of Technology, brought the HSRC Research Conference on the topic of inequality and justice to a close by posing questions beyond the scope of the convention.

The theme of the struggle of the birth of the new world; what went wrong in the old world; who the nursemaid should be and what the baby should look like was the metaphorical thread that ran through all the presentations.

Maharajh advocated for rethinking the way the world has developed and is developing. So far, development has come at a high cost. All environmental systems of the planet are in crisis, threatened by the current mode of production and consumption, leading to environmental degradation and inequality between and among peoples and communities.

The neoliberal form of global systemic organisation is manifesting in its most brutal form through one-sided (unilateral) actions by governments and through state violence. 'The spectre of violence haunts us all,' he declared, paraphrasing the Slovene philosopher and cultural critic, Slavoj Žižek.



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– Dr Rasigan Maharajh



Capitalism has created an environment for the improvement in the material living conditions of humanity, such as the provision of infrastructures such as water supply, housing, electricity, transport connections and a wide range of essential products and cultural activities. This is however not universal, and has increasingly become dependent on international linkages in global chains of production for their provision and maintenance.

Maharajh said the economic crises experienced by several rich countries were deeply structural; structural in the sense that the planet had been exploited to such an extent that economies built on the environment were no longer sustainable, considering the various indicators such as climate change, energy consumption, degradation of the environment, financial crises and food insecurity. 'The damages wreaked in the pursuit of growth and development on the very ecological systems that sustain life are beyond capacity to remedy,' he stated.

For example, the cost of environmental damage caused by the world's 3 000 largest publicly-listed companies was equated to US\$2.15 trillion. And if the cost of environmental degradation by these companies was brought into their equity portfolio, weighted according to the MSCI All Country World Index (MSCI is a leading provider of investment decision support tools worldwide), more than 50% of these companies would be bankrupt.

This decline in the economies that belong to the Organisation for Economic Co-operation and Development (OECD) is not provisional; a 2010 OECD report stated that this 'realignment of the world economy is not a transitory phenomenon, but represents a structural change of historical significance'.

Maharajh advocated for an alternative development model, or 'a new productive paradigm'. Currently, new industrial sectors are emerging that include the clean economy industry. BRICS is expanding productive systems and infrastructure towards an orientation that is ostensibly linked

to sustainability. China, for example, has emerged as the country with the highest public market financing in the clean energy sector, and together with Germany, both of these countries have overtaken the USA.

To address global and local issues of inequality and justice, he concluded by saying that 'progressive organisations involved in the struggle for social justice and the individuals involved in these struggles have the role of uniting autonomous organisations around a clear vision of a future global community, which can develop out of the current conditions and be imbued with the transcendental objective of building a new post-capitalism paradigm'.



Our vision of a developmental state is of a state that is both capable and caring.

– Derek Hanekom

Minister of Science and Technology, **Derek Hanekom**, agreed. 'Our vision of a developmental state is of a state that is both capable and caring,' he said. 'The economic growth that we strive for must be inclusive growth; at the heart of everything we do must be a commitment to eradicating poverty and reducing inequality.'

He said that although his department was at the forefront of the drive towards a knowledge-based economy, which was essential if South Africa was to compete in an increasingly competitive global economy, South Africa could not play the game on the same terms as labour-cheap countries such as China and India.

He added that it had to be acknowledged that the 'knowledge-economy revolution' shared some of the

downsides of the industrial revolution of two centuries ago in that it appeared to be the mechanism through which economic growth – including innovation-driven economic growth – sometimes translated into widening inequalities.

'For us, the choice is not necessarily between capitalism and socialism but whether, in pursuit of the knowledge-based economy, we can find a better balance between macroeconomic strategies and industrialisation on the one hand, and African humanism on the other hand,' Hanekom said. In the drive for progress and innovation, the poor should not be left behind.



Beneath the theme of an Africa that is rising... lurks evidence of deepening inequality.

– Prof. Adebayo Olukoshi

Prof. Adebayo Olukoshi, a member of the HSRC Board and director of the UN Africa Institute for Development, pointed to the contemporary narratives of 'an Africa that is rising' – what Dr Alioune Sall called the 'myth of African rising'. But beneath the theme of 'an Africa that is rising', with sustained growth rates of 6% on average across the continent for at least a decade, lurks evidence of deepening inequality that needs to be addressed urgently if Africa is to avoid the pitfalls of economic growth without sustainable human development.

Structural transformation is only possible if African countries address their macroeconomic frameworks; frameworks that redefine policies that serve the public purpose and not only the market, which is the current trend.

This also implies that Africa should rediscover the social compact, a disciplined framework within which a macroeconomic policy will begin to make sense.



Research shows that drug abuse, mental illness, violence and unemployment are more prevalent in unequal societies.

– Joel Netshitenzhe

Resonating Olukoshi's views, **Joel Netshitenzhe**, executive director of the Mapungubwe Institute for Strategic Reflection (MISTRA), said inequality could also constrain high growth as well as the sustainability of such growth. Its impact goes deeper though: research shows that drug abuse, mental illness, violence and unemployment are more prevalent in unequal societies.

But there are measures available to deal with inequality, such as the absorption of more people into economic activity, quality education, efficient public services, progressive

taxation and appropriate spatial settlement patterns. While economic growth is critical to dealing with inequality, such growth should be pro-poor in the sense of reducing the cost of living for the impoverished, determine a minimum wage and address the high packages paid to CEOs.



A society that does not put equity at the core of its existence is doomed to fail.

– Dr Alioune Sall

Yes, agreed **Dr Alioune Sall** of the African Futures Institute, a society that does not put equity at the core of its existence is doomed to fail. However, inequality cannot be fully discussed without looking at other issues that have an impact on the poor, such as migration, human rights, health, social fragmentation and gender inequality at the home and at the market.



We need not hate the white way, but need to love the black way.

– Dr Siphamandla Zondi

Responding critically to 'the ideology of development aid' and what has been achieved since the 2011 Busan Partnership for Effective Development Cooperation, **Dr Siphamandla Zondi**, director of the Institute for Global Dialogue (IGD), concluded that the 'decolonisation of Africa' had not been realised. This, in spite of the consensus reached at Busan among 160 countries and 50 organisations towards more efficient and effective delivery of aid and the reform of the donor-beneficiary relationships towards one of equal partnership.

Zondi explained what he called the 'ideology of development aid', and said that Africans still thought through a European lens. 'What you are writing is similar to what Europeans write; we use the same sources, methodologies and archives. We are local but thinking in Oxford.'

African development will happen in earnest when Africans are not dislocated from their own racialised history and context. 'We need not hate the white way, but need to love the black way.' What does this mean? Development is not just about water, health and sanitation, but a fundamental change in power relations, Zondi said. ■

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