

Le Bruyns, C and Pauw, C
Dept Systematic Theology and Ecclesiology
University of Stellenbosch

Looking in two ways. Poverty in South Africa and its ecclesiological implications

ABSTRACT

This paper briefly presents the complex nature of poverty in South Africa through two lenses. The first lens will look at the economic data and statistics that are available in order to draw a picture of poverty in South Africa. The second lens will point to how the church ought to look at the problem of poverty. Three aspects of poverty are discussed, namely identifying the poor, poverty and service delivery, and poverty and the labour market. In each case the “economic look” is presented, followed by the “ecclesiological look” to that particular aspect. After looking in these two ways, the conclusion briefly reflects on the ways in which the church may respond to the problem of poverty in South Africa.

1. INTRODUCTION

In order to speak of poverty, one needs to agree on what poverty is. Many factors influence the quality of life that people lead, and the essence of what makes us happy and content with life remains a matter of much speculation and philosophising. To therefore simply equate poverty to a lack of economic means to acquire what we need to survive seems reductive. What about our social and psychological needs, or our spiritual sustenance? Does poverty not also relate to these aspects? It probably does, but these are not simple matters to quantify and compare. One therefore needs a working definition of poverty by which we may determine who the poor are and where they reside. The conventional approach employed by economists to assess poverty is to measure consumption of basic goods such as food, clothing and shelter.¹ Those who cannot afford such goods are considered poor. The World Bank accordingly defines poverty as “the inability to attain a minimal standard of living” (Woolard & Leibbrandt 2001: 42). This definition will also be used here.

Much of the churches’ discussion on poverty focuses on the question of what role the church could or ought to play in eradicating or alleviating poverty in South Africa. Some argue that the free market economy is to blame for job losses and that the church needs to take a radical stance in opposition to globalisation or neo-liberal capitalism and the mass media that promotes consumerism. However, to calculate the actual impact of globalisation on the growth or reduction in world poverty levels is an extremely complicated task. What is clear, however, is that in South

1 Or, more specifically, market goods, i.e. privately supplied or produced goods as well as the cost of housing. This ignores the consumption of public goods and the value of leisure time (Woolard & Leibbrandt 2001:42).

Africa, with the government's preference for free market economic policies, an estimated 1.6 million sustainable jobs have been created between 1995 and 2002 (H Bhorat, in Van der Berg 2004c). This growth has not, however, matched the growth of the labour force during the same period (i.e. the number of persons who have entered the job market), which is estimated at more than 5 million. The net result is that between 1995 and 2002, unemployment in South Africa increased from approximately 30% to 40% (H Bhorat, in Van der Berg 2004c).²

Admittedly, talking about jobs is not similar to talking about poverty even if job creation stands at the centre of poverty eradication or alleviation given our current economic system. It is not the only concern, though. This paper is an attempt to explain the most prominent matters that are at stake when talking about poverty in South Africa. As such it will not enter the larger debate about the effects of globalisation in all its dimensions, notwithstanding the importance of this debate for the church.³ The paper will proceed from the assumption that the free market economic policies that the government has established over the past decade will be sustained in the immediate future, and that the church is called to respond to the problem of poverty within this economic reality. In the following section three aspects of poverty will be discussed in order to draw a picture of poverty in South Africa. In each case the available economic indicators will be summarised and will be followed by some reflections on the ecclesiological implications thereof.⁴

2. EXPERIENTIAL DYNAMICS OF POVERTY

Three matters come to the forefront when talking about poverty. These will be briefly discussed under the following headings: the face of poverty, poverty and service delivery, and poverty and labour.

2.1 The face of poverty

2.1.1 Who are the poor?

One way to decide who may be characterised as poor is by assuming an imaginary poverty line separating the poor from the non-poor. One prominent measure is to draw the line at US\$1 per day. Here account must be taken of the fact that in every country one dollar has a different purchasing power. Moreover, given currency fluctuations, this poverty line shifts in direct proportion to the strengthening or weakening of the dollar against the local currency. Such factors inevitably present difficulties for quantifying the scope and extent of poverty on this basis.

Another approach is to determine a minimum living level (MLL) as a poverty line. This is the amount of income per month that a household requires in order to buy enough food and provide

2 This refers to the expanded or broad definition of unemployment, i.e. the percentage of the labour force that are willing and able to work, but cannot find employment. This is explained further in section 2.1.2.

3 See in this regard Dirkie J Smit, 2003. *Globalization? A Broader Perspective*. Presented at a Consultation on "The Humanisation of Globalisation" by the Beyers Naudé Centre for Public Theology (BNC), Industrial Ministry of South Africa (IMSA), and various German Academies on 10th August 2003, Stellenbosch.

4 The economic data used in this paper is based predominantly on two sources: a number of articles and papers by Servaas van der Berg, professor in economics at Stellenbosch University who is a specialist on the area, and a Development Forum publication of the Ecumenical Foundation of Southern Africa (EFSA) on *Poverty and Inequality in South Africa*. We wish to thank Ronelle Burger, Stan du Plessis, Kalie Pauw and Servaas van der Berg for providing us with many of these sources as well as for valuable feedback on earlier drafts of this paper. The opinions expressed here and any remaining errors are our responsibility. Note that much of the data presented here is based on two sets of surveys of Statistics South Africa, namely the 1995 and the 2000 Income and Expenditure Surveys (IES) respectively.

shelter. In a recent study the Bureau of Marketing Research (BMR) at the University of South Africa set the MLL at an income of approximately R1 500 per month for an average household of 4.7 persons in 2000 (or almost R1 900 per month in 2003 values). According to 2000 census data, 20.5 million South Africans live below the MLL, thus placing 46% of the population in poverty.⁵

Another approach is offered by Servaas van der Berg, who recently used a poverty line of R3 000 per capita income (i.e. household income per household member per year, in 2000 currency value) to compare 1995 and 2000 data. By this measure the number of poor have remained more or less unchanged at 16 million between these dates. Therefore, given population growth, the *proportion* of poor actually decreased – from 38.8% in 1995 to 36.4% in 2000 (Van der Berg 2004b).

For practical purposes many economists set the poverty line at 40%, thereby indicating that the bottom 40% of the population – about 18 million people – live in poverty. A further line is drawn at 20%, representing those who live below this line as living in deep poverty, i.e. caught in a desperate struggle to survive (Van der Berg 2003: 7).⁶

To become a “Church for the poor” requires a step beyond this quantification of poverty though. It will require a personal acquaintance with the poor; knowing where they live and what lies behind their poverty. Furthermore, we need to ask what has been done about their situation, i.e. has poverty deepened over the past decade or are the poor becoming less poor?

2.1.2 Predictors of poverty

A number of factors affect the likelihood of poverty. These may also be referred to as predictors of poverty since they point out where the highest incidence of poverty may be expected. Two dominant predictors of poverty in South Africa are geographic location and race. The vast majority of the poor in South Africa live in rural areas, and almost all the poor are black. Other important factors that play a role include gender, education, age and employment status.

Race: In 2000 almost 95% of the poor were black, and the remaining 5% coloured (Van der Berg 2004b). In this sense poverty certainly is an issue inseparable from racial dimensions. South Africa is a country with extremely high levels of inequality,⁷ with the dividing lines between rich and poor coinciding largely with race.⁸ With a long-term perspective it is clear that

5 The Bureau of Marketing Research conducted a study in March 2003 and set the MLL at R1 871 per month per household of 4.7 people. Adjusted to 2000 Rand values in order to apply it to the 2000 data, this translates to R1 489 per month (Landman *et al* 2003:6).

6 Note that the 40th percentile is used as a *relative* poverty line as opposed to an *absolute* poverty line. This means that no matter what the population earns, the bottom 40% are always defined as poor. An absolute poverty line implies that if everyone’s income increases, some will migrate across the poverty line and the percentage of poor will decrease.

7 On the Gini coefficient South Africa scores 0.6, making it one of the most unequal countries in the world (Landman *et al* 2003:5).

8 An assessment of the 1995 income data for South Africa coupled with the 1998 data of currency strengths by the World Bank (using the so-called Purchasing Power Parity conversion rates) shows that the average per capita income of white South Africans is the second highest in the world at R33 421, behind only Luxembourg and just ahead of the average income of such countries as the USA, Switzerland and Norway. Black South Africans earn on average R4 941, more or less what people in Macedonia, Paraguay or Algeria earn, placing them just over halfway between the poorest and the richest countries in the world. The poorest 20% of South Africans (who are mostly black) earn only R783, placing them among the ten poorest countries in the world. Admittedly, comparing a particular group’s average income to country averages elsewhere is not a common practice, but it is indicative of the nature of inequality in South Africa (Van der Berg 2003:2-3, 26-27).

inequality between race groups in the country has decreased over the past three decades. Blacks, Coloureds and Indians have been earning a growing share of the country's income, with Whites earning a smaller proportion than previously. This represents a normalisation of income patterns, as race *per se* no longer prohibits Blacks from gaining access to wealth. Overall inequality does however remain very wide, with a growing black elite emerging alongside continuing poverty.⁹ It appears that class distinction is replacing race as the dividing line between rich and poor.¹⁰ The consumer market has been deracialised to the effect that as far as the acquisition of wealth is concerned, race is playing an ever-decreasing role. The impact of affirmative action and black empowerment policies in this cannot be denied. However, since most of the poor are black, race still remains one of the most important factors when talking about poverty, and increasingly so does class.

Geography: According to 2000 data, about a third of the country's poor live in urban areas (including both formal and informal settlements) with two thirds (or roughly 12 million) living in rural areas. Coincidentally, the distribution of the country's non-poor is almost exactly the opposite: two-thirds live in urban areas and a third in rural areas.¹¹ Grouped by province, poverty is at its highest in the Eastern Cape and Limpopo (where around 60% of the provincial population are poor), followed by the Free State and Kwazulu-Natal (both at just over 45%). The provinces with the lowest proportion of poor are the Western Cape (12.5%) and Gauteng (17.5%) (Van der Berg 2003: 8). Geographic location is not merely incidental to poverty, but significantly impacts on household income. Where one lives determines to a large degree what one will earn. For many of South Africa's poor, location is a significant contributory factor to their plight.

Gender: Households that are headed by females have a lower income than those headed by males. Studies based on 1995 data found that "average household income (per capita) is 27% lower if there is a female head at home and 17% lower if there is a female head working away from home" (Leibbrandt & Woolard 2001:142). Analysed differently, it means that at a poverty line of R3 000 per capita income, 40% of male-headed households fall below the poverty line, while over 60% of female-headed households fall below the poverty line (Van der Berg 2003:12). Social security grants for female-headed households will thus target a greater proportion of the poor.

Age: A case in point for the effectiveness of targeted social security grants is to look at the impact of old-age pensions. A tabulation of income by age group shows that a smaller percentage of pension-aged people fall below the poverty line than for the whole population (Van der Berg

9 The top ten percent of Blacks now probably earn close to what Whites earn on average, while half of the 10th decile (the top ten percent of earners) are black. Moreover, inequality within the black population is higher than overall inequality in South Africa (Van der Berg 2003: 3, see also Van der Berg 2004a). In his renowned book on inequality in South Africa, professor Sampie Terreblanche frequently refers to this dramatic rise of a black elite over the past three decades (see for instance Terreblanche 2002:132-138).

10 One could argue that class distinction is nothing else than income distinctions and a shift from race divisions to class divisions represents a positive development. Indeed, class distinctions will always be a perfect indicator of poverty and therefore not very useful analytically. However, the danger is that class distinction can soon lead to general discrimination and exclusion of some based on class, and replacing racism with such "classism" certainly does not represent a positive development. Attention therefore needs to be drawn to the emergence of class distinctions in order to guard against this danger.

11 Urban (formal and informal) non-poor amount to 19.2 million out of a total of 28.3 million non-poor (67.8%), while rural poor amount to 11.9 million out of a total of 18 million poor (66.0%) (calculated with data from Van der Berg 2003:7).

2003:10). Simply put, this means that the proportion of poor amongst old people is less than for the rest of the population. Children below the age of fifteen, on the other hand, are the poorest of all age groups. This is, however, based on 1995 data before the government instituted the Child Support Grant and, given the apparent effectiveness of old-age grants, this would most likely have made a difference by now (Van der Berg 2003:10). Such targeted social security grants have evidently been a success in relieving poverty amongst the aged. This suggests that targeting the most vulnerable segments of the population for social grants is an effective way to alleviate poverty – and probably a more effective way than a broad, basic grant for all the poor.

Employment: Employment data are categorised according to the following groups: the employed, broadly unemployed, narrowly unemployed and the discouraged work-seekers. In general, unemployment refers to the number of people who are willing and able to work but who are not employed – thus normally excluding children under the age of 15 and adults of pension-receiving age, as well as physically- and mentally-challenged persons. According to the International Labour Organisation's definition of unemployment, discouraged work seekers – those who are fit to work but are not actively seeking a job – fall outside the labour force, and are therefore not considered unemployed. This is the narrow definition of unemployment. In a developing country such as South Africa this may not be a suitable definition of unemployment as the costs involved in searching for a job are often so high that the rational choice is to stop searching. This is especially true in rural areas where job opportunities are extremely limited. It is more appropriate, therefore, to include discouraged work-seekers in unemployment figures. This is the broad definition of unemployment (Van der Berg 2004c). Data shows that discouraged work-seekers are the most vulnerable group here. According to 1995 data, for instance, at a poverty line of R3 000 per capita income, just over half of the narrowly unemployed fall below the poverty line, while about two-thirds of discouraged work seekers fall below the poverty line. Discouraged work-seekers are, typically, poorer than other unemployed persons. In fact, they are comparatively poorer than female-headed households and children below the age of fifteen (Van der Berg 2003:11, 13). Social grants and education and training programmes targeted specifically to this group might therefore be one of the most effective ways to alleviate poverty.

Given these indicators, two other features of poverty may be deduced. The first has to do with *education and training*. Without appropriate education or training employment opportunities are severely limited. As the country develops, employers also expect higher levels of education and training from their employees, leaving those without training even further behind. We will return to this point later, but it is clear that focussing on education and training programmes for the poor is an essential strategy in the fight against poverty.

The second feature is that of *migrant labour*. Two predictors of poverty, employment and geographical location, are the cause of this phenomenon in South Africa – largely fed by apartheid policies of under-developing rural areas. Since rural employment is so scarce, many people – often men – migrated to the cities in order to find employment. They often chose to leave their families in the rural areas where access to natural resources (water, wood, agriculture and grazing) may still be utilised, but may now be supplemented with urban incomes. In this sense migrant labour “became a way in which two needs of many rural inhabitants were reconciled, viz. *access to urban incomes and opportunities* with retention of *rural living arrangements* ensuring continued access to land-based natural resource use ... rather than cash-based services” (Van der Berg 2003:19). The social problems of such a system are considerable: families are split, remittances by the migrants to their families often cease, or migrants never return. This impoverishes rural

households even further, which contributes to yet another predictor of poverty: the prevalence of poverty among female-headed households. Poverty is evidently a complex matter in South Africa and one that cannot be separated from our historical context.

2.1.3 Ecclesiological implications

The church is living with poverty. Poverty is ubiquitous; it is not only to be found within society at large, “out there”, but within the Christian community as well. It is not only the poor who live with poverty; the churches comprise those who struggle economically to survive or flourish. This is an important point to underline. While at times the churches are not intentionally and constructively engaged in the public domain as part of their witness (*kerygma*), churches are for the most part continuously preoccupied with their internal well-being and service (*ministerium*). This often one-directional focus is, therefore, strategic for addressing poverty among the church membership, who represent and relate to society at large. As churches come to appreciate that poverty and the poor are part and parcel of their faith and life, they are taking a small albeit profound step in the right direction.

The (re)humanisation of the poor. Poverty, along with any other human suffering, cannot deprive any person of their human dignity in principle. A person’s humanity is something internal, securely embedded within her personhood. Notwithstanding their indisputable identity, poverty is in practice an identity-marker of another kind. To be poor is to be *not* secure, *not* fulfilled, *less than* normal, *below* the poverty line, *desperate* in the struggle for life. Coupled with such negative identity labels are those negative connotations around their race, geographical location, gender, age, and employment status – because of its link with poverty. Being poor, in other words, is an identity-marker that tampers with people’s experience of human dignity (“being”). One is poor – first and foremost and primarily – and then one is male or female, Thandeka or Fanie, Capetonian or Gautengian, educated or uneducated, old or young, artistic or mechanical, and so on. In this light, therefore, the churches fulfil a responsibility that reconstructs or reinforces human identity (“being”) in relation to human dignity. Included in this task is the need to give careful attention to the narrative dimensions of being human, which the poor find compromised in their situation of difficulty and despair. Poverty, the churches should not lose sight of, has a human face – as well as a human touch, heart, mind.

The Church fulfils an important role in human dignity for all, especially the poor. It was in the very light of their identity distortion that theologians highlighted God’s preferential option for the poor. In this regard, the Christian community shares the good news of who we are before God – image-bearers of God, relational beings, gifted beings, people of enriching diversity, persons of great potential, intelligent beings, sexual beings, responsive beings, etc. One’s economic status in society, while critically important for its impact on people’s well-being respectively, does not precede one’s ontological identity. The poor are labelled “poor” as a primary identity-marker by the economic world, while the Church bears an important responsibility for maintaining the integrity of people’s identity, especially the poor.

2.2 Poverty and service delivery

2.2.1 Serving society’s most vulnerable

According to the aforementioned statistics, it is clear that discouraged work-seekers, female-headed households, and children below the age of fifteen are on average the poorest groups in South Africa. This is especially true for rural communities in South Africa. Public service delivery needs to be directed specifically to these groups in order to alleviate poverty most effectively. Giving social support to the poorest segments of the population will ensure that the greater

proportion of poor is reached. In this respect the government has responded well to the challenge of poverty by gradually increasing grants to pensioners, children, and persons with disabilities.

2.2.2 *Has South Africa made progress?*

Social grants are, however, not the only means to address poverty. Social services that can lighten the burden of poverty are *inter alia* education, health and welfare services, housing, and access to water and electricity. Although data about progress in service delivery is not necessarily very complete (often limited to case-studies), there are clear signs that the government has made good progress. Between 1994 and 2002, 1.6 million houses were built, 17.3 million households gained water supply, 3.8 million homes gained electricity supply and 700 clinics were built. However, the critical question as Van der Berg points out, is not about the quantity, but about the quality of social services:

How much does access to education mean, when teachers are absent or unmotivated? What is the value of the upgrade to a brick house, when it is smaller than your shack and further from potential jobs and schools for your children? Over the past ten years the aim has frequently been on observable delivery quantities with little regard for less tangible dimensions of service quality, which are crucial for improving social outcomes (Van der Berg 2004d).

Matriculation pass rates, for instance, tell a sad tale. Although teacher-pupil ratios were equalised in 1999, the difference between pass rates of formerly black schools and formerly white schools is almost as large as during apartheid (Van der Berg 2004d). This strongly suggests that the quality of education in former black schools has not improved significantly. The number of black and coloured learners (usually from middle class households) who attend formerly white schools has grown markedly, but the poor quality of education to the poor has apparently continued unabated.

Furthermore, indications suggest that health services to the poor are also lacking in quality. Van der Berg points to the “observed willingness of many of the poor to pay private practitioners when the same services are provided free at government clinics” (Van der Berg 2004d). If the poor prefer to pay for health services that are provided free of charge at their local clinics, surely they regard the free service as inferior.

Upgrading service delivery is clearly not simply a matter of pushing more government resources into the field. This might be true for social grants and physical infrastructure such as housing and water (where, tellingly, services certainly did improve), but for especially education and health, serious consideration ought to be given to the quality and the administration of services. “Additional spending may just funnel more taxpayers’ money into a dysfunctional and wasteful delivery system, without increasing service quality” (Van der Berg 2004d). Apart from this, there is also the question of how much more the government can spend on social services. The matter of government income and expenditure leads us to the next aspect, namely poverty and labour.

2.2.3 *Ecclesiological implications*

It is more blessed to give than to receive (from the perspective of the churches). People in poverty require practical alleviation. The churches can preach the best sermons, grow the largest congregations, secure the most impressive sources of funding, and manage the fullest programme of events – but unless these sermons, members, resources, and programmes are directed directly at the *Sitz-im-Leben* of the poor in a manner that contributes to their economic transformation, the churches are in denial of their most basic and fundamental calling: sharing the good news of Christ. Notwithstanding the various problems associated with churches merely providing aid or

charity among the poor, a hungry person still depends on food to relieve his or her hunger, which demands that the churches still be involved with relief work. However, relief needs to give way also to development and social justice.

The stereotypical mono-directional image of the poor. The poor are always perceived as those on the receiving end of society and church (“receiving”). They survive in direct proportion to their ability and willingness to receive what is given – irrespective of the manner in which it is given, regardless of who has given, and despite the quality of that which was given. In continuity with the calling of the churches to be salt and light in the world, the quality of these efforts and initiatives must reflect values that are higher and different from what far too many of the poor encounter in their societal contact. Here is another avenue through which the churches might proceed to reorient the identity of the poor. While the routine function of receiving preserves their existence, as an endless cycle of life it becomes monotonous and unfulfilling. The humanity of the poor is in practice seemingly compromised. They eat merely to live, and they live only to secure a morsel to eat, in order that they live, and so on and so forth.

2.3 Poverty and the labour market

2.3.1 Job creation

Governments have the responsibility to spend the incomes that they generate from taxation responsibly. Apart from social wages (disability grants, pensions, child support grants), it must also budget for education, health services, infrastructure (water, electricity, roads), fighting crime, and defence.¹² In order to generate the necessary funds for these expenses, governments need to create a favourable business climate to ensure growth. This, in turn, will ensure greater government income from taxation while simultaneously creating of more jobs.

To create this favourable climate also costs money. The point is that in a market economy such as South Africa, the government has a great responsibility to carefully balance income and expenditure. Too much social expenditure and too high taxes can suppress economic growth (and conversely, employment growth)¹³, while too little social spending will eventually alienate the poor

12 The most recent South African Budget (2004-2005) provides, amongst others, for the following expenditure (as reported by Michaels *et al* 2004):

- Pension and disability grants will increase by R40 in April to R740 and the child support grant will be raised to R170 a month.
- A further allocation of R2.1bn for the roll-out of anti-retroviral drugs.
- Crime-fighting is boosted by R1.9bn for more police personnel, vehicles and IT infrastructure.
- Local government will receive R2.2bn to speed up the delivery of water and electricity to poor households.
- The government has set aside R1bn to assist the restructuring process and broadening the skills base in the higher education sector.
- The government has set aside R1.1bn for the Defence Department to support peace-keeping operations on the continent.
- R850-million has been set aside for Home Affairs to establish 67 mobile offices to provide coverage and efficiency of services in under-served rural communities. The department will also computerise its regional offices and upgrade its systems generally.
- In the next three years, 27 hospitals will be completely upgraded or replaced.

13 This includes such initiatives as affirmative action, black economic empowerment and the centralisation of wage negotiations. A remark by Du Plessis is revealing: “these initiatives have resulted in a more rigid labour market and have added to non-wage labour costs, all of which contribute towards an explanation of the feeble employment growth in the formal sector. It may not have been politically correct, but those companies that recently mentioned the risks posed by BEE initiatives to the business

and those concerned with the eradication of poverty, and consequently the government may lose a large proportion of its support base. Moreover, governments are charged with the responsibility to ensure political, social and economic justice for all its citizens.¹⁴

The government's Expanded Public Works Programme is an interesting point in case. This programme, for which R15bn has been budgeted, aims to create one million jobs over the next five years. Some will argue that this is one more initiative that could suppress economic growth, since this money might have been used to fuel economic growth and thereby create *sustainable* jobs in the private sector, rather than the *temporary* and *intermittent* jobs that such a programme will create.¹⁵ On the other hand the Expanded Public Works Programme is targeted at unskilled labour. Employers require ever-increasing skills from their employees, with the result that many persons in the labour market who have not received formal training are excluded. The programme is simultaneously aimed at training and educating workers, thus ensuring that they will have a greater opportunity to enter the labour market once their tenure with the programme ends.¹⁶ If successful, the Expanded Public Works Programme could bridge the gap between unskilled and skilled labour – something that the labour market is not likely to achieve.

Nevertheless, in a market economy job creation remains, by most accounts, the single most important mechanism to reduce poverty. If more people can gain access to sustainable jobs, less people will live below the poverty line. "Without an expanding labour market, progress cannot be made" (Landman *et al* 2003:10). This has been proven by the creation of 1.6 million sustainable jobs between 1995 and 2002. As mentioned, however, more than 5 million new persons entered the labour market in search of jobs, resulting in a growing unemployment rate. The solution, many argue, is greater economic growth. Landman *et al* calculate that in order to create 3 million new jobs over the next ten years (thus reducing to 30% the proportion of people who live below the minimum living level) requires that the economy grows by a GDP rate of 4% p.a. over the same period (Landman *et al* 2003:14). In reality the GDP growth rate for 2003 was only 1.9%, is expected to rise to 2.9% in 2004, 3.6% in 2005 and finally reach 4% in 2006 (Michaels *et al* 2004), on condition that the government maintains its present policy path.¹⁷

environment were speaking truthfully" (Du Plessis 2004). In economic terms such concerns are valid, but these initiatives must simultaneously be judged for their political and moral legitimacy.

14 What this means for governments in legal terms is not clear and a source of much debate. The theme "Social and Economic Justice" happens to be one of the current projects of the *Stellenbosch Institute for Advanced Study* (STIAS), with the aim to "analyse the theoretical framework within which the promotion of social and economic justice takes place" (STIAS Brochure 2004).

15 Landman *et al* raise this criticism. They acknowledge that "there is room for support measures like a public works programme," but warn that "it cannot replace or be pursued at the cost of economic growth" (Landman *et al* 2003:11).

16 Four approaches are suggested to creating a million jobs under the Expanded Public Works Programme (cited in Michaels *et al* 2004):

- Increasing the labour intensity of government-funded infrastructure projects under the leadership of the department of Public Works.
- Creating work opportunities in public environmental programmes under the Environmental Affairs and Tourism department.
- Creating work opportunities in public social programmes (for example, community-based care in health and social welfare and early childhood development under the Social Development department.)
- Developing small business and co-operatives – including putting to use general government spending on goods and services to provide the work experience component of small enterprise learnership/ incubation programmes – under the department of Trade and Industry.

17 It must be noted that the calculation Landman *et al* provide, is based on the assumption that for every 1% GDP growth, the labour market will grow by about 0.5% (or in their specific case, that a growth in

The alleviation of poverty requires a multidimensional approach. It must focus on economic growth and job creation as one of the most important ways to create sustainable ways to ensure that the poor start to receive better incomes. However, a large proportion of the population is excluded from the labour market, either because they are too young or too old to be employed, they are mentally or physically challenged (with the impact of HIV and AIDS being a major concern) or their time is spent collecting wood and water or tending agricultural land and livestock. Where poverty prevails among those outside the labour force, social services in the forms of social grants, education, health services and infrastructure is of equal importance to job creation.

2.3.2 Ecclesiological implication

It is more blessed to give than receive (from the perspective of the poor). Job creation is essential because *inter alia* it facilitates and generates opportunities for the poor to participate (“giving”). The mere act of receiving in dependency deeply affects one’s experience of human dignity. In South African as well as global society, the marketplace stands tall in the face of all people. Their diversity, especially concerning different economic levels, counts for nothing in an economic-oriented society in which one’s worth is ultimately determined in pragmatic terms, i.e. financial terms. For this reason, the poor are socially excluded from processes of change, destiny and contribution. The churches bear a tremendous responsibility in this regard: how do they contribute towards the poor gaining access to societal processes in such a way that the poor experience affirmation and fulfilment in giving? It then becomes obvious that job creation initiatives become part of their calling to serve the poor.

Redefining and revaluing human labour. To the extent that the poor are outside the job market, many would assume that they are not contributing to human life and progress in society. However, despite their economic sanction, the poor often contribute in countless other ways. Those sitting seemingly idle on the street corners might very well be working hard in various ways – listening to community concerns, giving critical thought to different issues, assisting others, getting involved in voluntary social projects, participating in the beautification of their community’s architecture, etc. The point is that the poor are quite often involved in the unfolding of human life and progress in certain ways, except that these roles do not provide remuneration in our current world. And yet such roles are fundamentally important ones for sustaining and transforming human society. For this reason, one of the contributions the churches could offer is a re-envisioning of human work. While paid employment is vital for alleviating or eradicating poverty, the actively involved poor challenges the church and society to rethink the nature, role and value of all work, whether remunerated or not. Embracing such a challenge might access the social capital and hidden resources already existing among the poor, which have never been recognised

the economy of 48% will translate into a labour market growth of 25%, i.e. 3 million new jobs). Past experience suggests that this is a realistic expectation in South Africa. Nevertheless, a great many factors impact on this relationship (including the modernisation of production processes, labour legislation, exchange rates and skills shortages), which make it very hard to predict how much growth is needed to create a certain number of new jobs. Indeed, argues Van der Berg, “[o]n this issue there is no consensus. While some argue the state impedes job creation through labour market restrictions and support for high wages, others believe the economy-wide need for international competitiveness makes job losses inevitable, and that the state can have little positive influence on economic growth and job creation” (Van der Berg 2004c).

or employed. Hopefully it will also directly affect the experience of human dignity and economic well-being for the poor.

3. CONCLUDING REMARKS

We have briefly examined the economic landscape in as far as its impact on the poor in South Africa. The spotlight was repeatedly shifted to the Christian churches and the nature and role of their ministry in a context of poverty with its accompanying dynamics and dimensions. At the heart of the ecclesiological reflections lies the affirmation that poverty is not merely a statistical matter, but that it has a human face. The poor are human beings in human relations who have their own, unique stories to tell, and these stories must be heard.

The economic analysis identified various key priorities that demand careful attention on the path towards poverty alleviation and eradication. It also highlighted that complexity of the problem and the need for a multidimensional approach to alleviating poverty. While the government is inevitably mandated with this critical responsibility, the church similarly carries with it an irrevocable commitment to serve the poor and to strive for life of an eternal quality for all.

Several remarks could guide the churches in their critical reflection on how best to address poverty in credible ways. For one thing the church, with its effective network in both urban and rural areas, can help to promote education and training programmes for unskilled people, as well as create awareness about poverty and about the worrying trend towards class divisions in South Africa.

One of the configurations of the church is its ecumenical nature. The ecumenicity of the church and ministry should provide the texture for offering a contribution. The worldwide church continually strives to express its unity in Christ, and one way in which this may be done is through joint ecumenical endeavours. Poverty, which lies so close to the heart of the church's calling in the world, provides a unique challenge in this regard. Various ecumenical bodies are already engaged in such endeavours and local congregations can be encouraged to take part in these projects. This will provide them with an infrastructure and an expertise on what may be attainable aims in their contexts, rather than working in isolation. The church is by its very nature and calling a network of believers – the body of Christ – and to work in isolation is often to work against other parts of the body. This also means that churches need to explore possible partnerships with other spheres of society – governmental and non-governmental agencies, the academia and other educational bodies – in order to achieve the joint aim of ministering to the poor and alleviating their plight. Since the challenge of poverty requires a holistic approach, the church with its worldwide body is very well suited to take on this challenge.

It is, however, not a simple challenge. Indeed, poverty presents the churches with a complex ecumenical dilemma, as Paul Crow laments: “The church is divided because some of us live in

18 The World Council of Churches' project *Ecumenical Focus on Africa* is one such example. This project seeks to provide “a framework for accompanying African churches and people in their search for a new vision of how to overcome massive, dehumanizing poverty” (WCC 2003). It highlights a number of key factors that require special attention and where the churches can play a constructive role, such as violence, HIV/AIDS, corruption and the discourses on the limitations of the nation-state model for governance in Africa and the challenges of economic globalisation. It also focuses on the greater role that young people and women in poverty and conflict situations may play in addressing these social ills (WCC 2002).

palatial homes while others live in shacks; it is divided because some eat most of the world's protein foods while others eat mostly rice. Some triumphantly thank God for all their material blessings while others learn the joy and humility of total reliance on God even for today's essential needs" (Crow 1982:67). Poverty not only divides humanity between those who have enough and those who don't. It also divides the church itself between rich and poor. To deny this is to deny the fact that sin permeates our existence at all levels, also in the church.

For the churches to address poverty in South Africa it is essential that they start from this reality. As a moral community the church must seek ways in which this division within the church can be addressed. If we are to be the instruments through whom the Spirit of God will attain its transforming power in the world, we need to start from an acknowledgement of our fundamental sinfulness and complete dependence on the reconciling work of God's grace and justice. Keeping this modest recognition as a starting point, we then need to reflect an earnest ecumenical commitment and cooperation in our faith and life to address the complex nature of poverty – a problematic aspect that requires our urgent and determined efforts.

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