

## *Original Paper*

# Economic Inclusion: A paradigm Shift from the Radical Economic Transformation (RET) in the Context of Growing Xenophobia in South Africa

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### ***Abstract***

*This article analyses the experience of migration in the light of Radical Economic Transformation (RET) program of the SA government and argues that the program has been hijacked by nationalists who are now using transformation to sideline non South Africans in the socio-economic development programmes. Article contends that migrants contribute to regional, national, and global development through networks and (like anywhere in the world) are an integral part of the South African society, playing a “multifaceted role” in various capacities such as workers, business owners, community members/organisers and leaders of social justice and faith based movements. Given the volatility of the South African society, it suggested that use of a term such as “Economic Inclusion” could be less controversial than Radical Economic Transformation which breeds violence. In addition, it is suggested that while acknowledging that the extremes between poverty and wealth require a radical economic paradigm, political and public discourse should be sensitive to the volatility of the South African context and promote the inclusion of migrants in socio-economic development programs.*

### ***Keywords***

*migration, transformation, economic development, Southern Africa, exclusion*

## **1. The Radical Economic Transformation (RET) Program**

According the ANC Policy Discussion Document (Note 2), the Radical Economic Transformation (RET) program was born out of the ANC’s 53rd National Conference at Mangaung in 2012 where it

was resolved that:

“[W]e are boldly entering the second phase of the transition from apartheid colonialism to a national democratic society. This phase will be characterised by decisive action to effect economic transformation and democratic consolidation, critical both to improve the quality of life of all South Africans and to promote nationbuilding and social cohesion”. In order to advance economic transformation, the ANC resolved, at Mangaung, as follows:

- To promote growth and development and eradicate the triple scourge of unemployment, poverty and inequality,
- To increase State-led infrastructure investment aimed at massively improving social and economic infrastructure, with an emphasis on the use of local content and local companies,
- To give effect to the National Development Plan (NDP), and the New Growth Path and the Industrial Policy Action Plan with the aim of stimulating growth, employment and the re-industrialisation of the South African economy,
- To transform the mining sector with the aim of widening the benefits of South Africa’s abundance of minerals, including the creation of safe and decent work on the mines as well as benefits for near-mine local communities, as well as give particular focus to mineral beneficiation,
- To promote youth employment, small business and co-operatives,
- To build a developmental state with the technical and political capacity to lead development and transform the economy,
- To maintain a supportive macroeconomic policy framework, oriented towards reconstruction, growth and development, and informed by the imperatives of sustainability and long-run macroeconomic stability.

This document was circulated as the ANC prepared for Policy Conference and National Conference in 2017 where they took stock of the economic conditions locally and globally and later adopted the policy for implementation. Commenting on this program, Deon Oberholzer the CEO of Gestalt (Note 3) observed that “Radical Economic transformation done right is economic inclusion”. Highlighting the shortfalls of the Mining Charter as an example of how the term “transformation” is misleading, he noted that, “the current version of the Mining Charter excludes a proper integration of the transformation of the sector’s supply chain, one of the most important areas in which transformation could occur”. The term. Radical, has also been misunderstood to imply use of force by the poor masses who are desperate for economic change in a country where unemployment ... “increased to 27.2 percent in the second quarter of 2018 from 26.7 percent in the previous period. The number of unemployed rose by 103 thousand to 6.08 million while the number of employed fell by 90 thousand to 16.29 million”. (Note 4)

## 2. Economic Inclusion as an Alternative Term

What I also find misleading is the use of the term “radical”, given the high levels of violence, crime and corruption it would appear like some opportunists are now using it for political and selfish gains, at the expense of national development. As a transformation expert, Oberholzer suggested that terms such as “*Economic Inclusion*” is a less scary way of talking RET. While acknowledging that the extremes between poverty and wealth require a radical economic paradigm, political and public discourse should be sensitive to the volatility of the South African context and promote peace and stability. For example, the Economic Freedom Fighters (EFF)’s land reform draws its radical approach from this narrative and most landless people have been using this political drive to conduct “unlawful” land invasions. In an article that seeks to conceptualise “radical land reform” Jankielsohn and Duvenhage (2017) examine similar approaches in the People’s Republic of China (PRC), the former Union of Soviet Socialist Republics (USSR) and Zimbabwe to draw lessons through comparative analysis indicating that land reform requires a balance between existing land rights and food security on the one hand, and the urgency for historical redress and redistribution on the other and observing that:

A great deal of political rhetoric has been uttered regarding radical economic transformation that includes calls for more radical land reform proposals. This rhetoric is the source of political mobilisation in both the governing African National Congress (ANC), as well as the Economic Freedom Fighters (EFF) opposition. While the ANC call for the end of the willing buyer, willing seller principle in land reform policies and legislation in line with their National Democratic Revolution (NDR), the EFF support a more extreme expropriation without compensation approach. Both these approaches can be regarded as forms of radical land reform that are grounded in their specific ideological orientations (Jankielsohn & Duvenhage, 2017).

Jankielsohn and Duvenhage (2017) further observe that radicals are known to challenge the most established values of society and may differ from one another in fundamental ways. On the one hand there are radicals who postulate the idea, “I know the good, extend it”, while on the other side there are those who postulate, “I know the evil, eliminate it”. While the former may promote greater involvement in their approach to politics, the latter may promote greater resistance (Stankiewicz, 2001, p. 217). Those on the extreme left of the radical spectrum are often referred to as hawks, due to the often violent methods employed by them, while those on the right of this spectrum are referred to as doves, due to the often peaceful methods of protest. Within the South African context, the use of the term “radical” provides political justification for leaders who think they “know good from evil” and therefore consider themselves as liberators of the masses, with little or no consideration on of the implications for such rhetoric on peace and stability. In my view, this political discourse is partly responsible for the violent crimes and xenophobia which are prevalent in South African communities.

Therefore, it is not surprising that the RET program has received mixed opinions since it was launched. For example, the Sunday Times (Note 5) reported that one of South Africa’s richest businessmen Johann Rupert described the program as “*a code word for theft*” to the ire of the political leaders who

labelled him a Capitalist. What was even more detrimental to the government was that Rupert made these comments in Geneva on the side-lines of Richemont's Annual General Meeting. Making such comments in a global platform would surely impact on the global image of South Africa, and this was the reason there was swift diplomatic intervention to allay fears from investors. Government had to give assurances that alleged corruption exposed through what is now known as "State Capture" was in the process of formal investigations and had nothing to do with the RAT program. A similar diplomatic intervention from the ANC led government (Note 6) was also displayed after the US President Trump tweeted on South Africa's land reform program after watching news from Fox News who alleged that South Africa's land reform was racist, prompting the Rand to fall as investors reacted negatively. The South African government hit back, tweeting that it "totally rejects this narrow perception which only seeks to divide our nation" and later issued public statements to assure investors that the land reform program will be conducted lawfully and South Africa will not follow the route taken by Zimbabwe.

On the contrary, we have not seen such high level interventions when migrants are attacked. The government continues to downplay violent xenophobia and instead, it has naturalised anti-outsider violence by constantly blaming it on criminality or the natural resentment poor South Africans feel towards those they perceive as "stealing" opportunities from them, ignoring evidence from authoritative studies which have warned the government of impending attacks. Similarly, civil society efforts have fared little better in arresting the violence as most organisations have also responded in what others (Note 7) call a classic "garbage-can" fashion, matching ready-made solutions to problems through marches, education campaigns, rights awareness symposiums, and social cohesion summits, ignoring documented abuse of migrants. Changing dynamics in South African communities constantly present complex challenges which will require new interventions based on the recognition that migrants are an integral part of the South African society.

### **3. Radical Transformation, as Exclusion of Migrants**

It is a well-documented reality that the response to increased migration in the world has been marked by restrictive regulatory responses to migrations flows especially in Europe where they frame asylum seekers fleeing wars in Syria, Libya, Yemen and other countries as a "security threat" and thereby criminalise the act of seeking safety, including the humanitarian aid workers and organisations. For example, in June this year the world witnessed a "cruel stand-off" (Note 8) on the Mediterranean when the governments of Italy and Malta refused to allow the vessel with 630 migrants and asylum seekers to dock from a search and rescue operation conducted by SOS Mediterranee and Doctors Without Borders (MSF). Equally disturbing was the EU's deal with Turkey which provided Turkey with financial compensation to block asylum seekers and migrants coming into Europe, clandestinely violating international law and abdicating its moral and legal responsibilities to provide asylum to those in great need.

Sadly, we are seeing an upsurge of similar responses in South Africa, albeit in different forms as the

South African political and public discourses on foreign migrants are increasingly oriented towards regimes of exclusion, as opposed to promotion of diversity. Civic and state approach to migration along this trajectory ranges from integration, tolerance, to outright hostile xenophobia which manifests in sporadic waves of xenophobic attacks and a clear distinction between citizens/non-citizens brazenly maintained and now slowly reinforced through legislature which limit rights to non-South African citizens. As the vestiges of apartheid remain intact, neoliberalists resist socio-economic transformation intended to shift the balance of fortunes towards creating more opportunities for the previously disadvantaged black majority. From the early 1990s, which kicks off a particularly neoliberal phase of capitalist globalization which necessitated the surge in migrations flows, the global economy has changed rapidly as migrations shift from significant numbers of highly skilled professionals to ordinary people on the move. To stem this tide, the South African government now prioritises reception of highly skilled labour, neglecting its legal responsibility to provide refuge to asylum seekers.

These restrictive and inhuman policies against the movement of people wane humanitarianism and have led to hospitality fatigue. As Agnes Musonda and Liesbeth Schokaert (Note 9) observed while reflecting on the white paper on immigration by the Department of Home Affairs, they highlight the South African government's subtle move to stifle migration when they observe that:

Last year, the Cabinet approved locating the department of home affairs within the security cluster (alongside justice, police, military and correctional services). It repositioned the department towards adopting a new, empowered border management approach and playing a strategic role in South Africa's economic development. Additionally, South Africa's recently adopted white paper on international migration is evidence of a trajectory that will conflate migration legislation and policy with national security and migrants with skills and capital", and shut out unskilled people from the region with more stringent measures, including criminalising the undocumented, who keep entering the country... In crude terms, it proposes introducing interventions to "attract international migrants with skills and capital", and shut out unskilled people from the region with more stringent measures, including criminalising the undocumented, who keep entering the country.

In what the authors refer to as a callous policy, they argue that the passing of the Border Management Agency Bill by the National Assembly last year set in motion the creation of a centralised authority with sweeping powers over South Africa's ports of entry, including policing and customs. The Bill is set to be considered by the National Council of Provinces although legal experts and civic organisations that took part in the consultative process of the bill, have raised concerns about extensive powers of search, seizure and arrest with or without a warrant contained in the Bill, which could lead to the abuse of vulnerable people and asylum seekers. Based on the comparisons with the developments in Europe, Musonda and Schokaert conclude that the white paper paved way towards South Africa's eerily path which is reminiscent of some of what we have witnessed in Europe and they warn that South Africans now face a challenge to: stand up to prevent a roll-back of protections that vulnerable people require when they flee persecution and unliveable conditions back home, or witness the institutionalised erosion of humanity

and dignity we've seen globally.

Within the South African context, the political and public discourse on transformation seems to be taking another dimension; it means putting South African citizens first and replacing foreigners in employment positions with South African citizens, especially in public institutions managed by the government. As part of ongoing research I have listened to migrants and refugees sharing their experiences of living in South Africa and most of them live in fear, hopelessness as they are not certain if their jobs or economic welfare is guaranteed under the new dispensation of Radical Economic Transformation. Most of the people that I have engaged, have either been directly affected or know of someone who has been exposed to the following:

- Work permits have not been renewed or have been declined
- Permanent residence applications have been declined
- Promotion to senior position denied in favour of a local South African
- Employment denied even when they qualify for the job
- Affected by changes in the requirements for various permits/citizenship

In an article entitled, *The Limits of Social Responsibility with respect to Religion and Migration in South Africa* (Note 10) we contrasted the views of Mary Robinson (Note 11) who proposed an expansion of the concept of citizenship to embrace all those people who find themselves in the country-nationals and migrants alike with the current Mayor of Johannesburg, speaking against African migrants in the city with the largest settlement of migrants in South Africa. We argued that Herman Mashaba, unlike Mary Robinson, draws a stark distinction between citizens and migrants, and he has risen to prominence for his very critical stance against migrants as he announced marking his 100 days in office "I will do everything possible to provide accommodation. But the City of Johannesburg will only provide accommodation to South Africans. Foreigners, whether legal or illegal, are not the responsibility of the city". (Note 12) While many have dismissed Mayor Mashaba as xenophobic nationalist, we observed that a close reading of his speeches suggest that he frames his expulsion of migrants as a socially responsible campaign, invoking the right to exclude migrants in the interest of the citizenry and national development.

In this paper we also discussed recent developments in the field of religion and migration studies and argued that migration of people has untapped resources for development and social transformation, warning that engagements with migration serves as a barometer for social cohesion and social responsibility in South Africa. It is therefore critical to counter and debunk these divisive discourses which unconsciously sustain and reinforce parallel societies through the exclusion or marginalisation of migrants. With migration a part of global life for many societies, there is growing intolerance and the phenomenon of parallel migrant communities living on the margins of society, has emerged as a counter response to nationalism and marginalisation of foreigners in host communities. As Laura Grillo (in Adogame & Spickard, 2010, p. 143) also observes; the "African Diaspora" has been conceived as an epistemological community, a shared consciousness activating a sense of transnational affiliation

across political boundaries”. Laura further suggest that the consciousness of the African diaspora, and the self-conscious communities it fosters, has its basis in an overarching religious worldview, and more particularly, in the principles and values encoded in and transmitted through the practice of divination and its culminating ritual sacrifice. Religion often binds migrants together as means to sustain and maintain migrant communities.

Migrants contribute to the construction and reconstruction of communities in many ways. For example, a recent publication *Migrants and City-Making* (Note 13), Caglar and Schiller (2018) demonstrate how migrants contribute to regional, national, and global development through networks and debunk the notion that migrants threaten social cohesion/stability and challenge assumptions that they exist on the periphery of society (and require integration). Instead, as Caglar and Schiller rightly argue, migrants play a “multifaceted role” as City Makers, urban developers, business owners, community organisers and leaders of social justice movements. By reflecting on the role of migrants in City Making in this way, the authors highlight how urban development or city making as they call it, highlights multiple forces at play as people move. It is therefore disturbing to note how the current political and public discourse frame migrants as helpless people who need the sympathy and hospitality of the host communities.

The political and public discourse on transformation seems to be taking another dimension; it means putting South African citizens first and replacing foreigners and changing this situation will also require going against dominant narratives to destabilise the language and approaches used to speak about violence and immigration in South African and the rest of the world.

#### **4. Conclusion**

This article first analysed South Africa’s Radical Economic Transformation (RET) program and suggested that a term “Economic Inclusion” is less controversial rather than Radical Economic Transformation which fuels crime and xenophobic violence. Drawing from the global increase in migration, article observed that there has been restrictive regulatory responses to migrations flows and there is a tendency to frame migrants and asylum seekers as a “security threat”. In addition, while acknowledging that the extremes between poverty and wealth require a radical economic paradigm, political and public discourse should be sensitive to the volatility of the South African context and promote the inclusion of migrants in socio-economic development programs. This article also argued that the Radical Economic program of the SA government has been high jacked by nationalists who are now using transformation to side-line non South Africans in the socio-economic development programmes and contends that migrants contribute to regional, national, and global development through networks and (like anywhere in the world) are an integral part of the South African society, playing a “multifaceted role” in various capacities such as workers, business owners, community members/organisers and leaders of social justice and faith based movements.

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## Notes

Note 1. Dr Buhle Mpofu is a Post-doctoral Research Fellow at the University of KwaZulu-Natal's School of Religion, Philosophy and Classics in Pietermaritzburg, South Africa. Buhle has an interest on the role of religion and human rights on the experience of migration and is also an ordained minister



within the Uniting Presbyterian Church in Southern Africa. Most of his research focuses on the interface between Religion and the lived experience of migration and his PhD thesis was entitled, “When the people move, the Church moves”: A critical exploration of the interface between Migration and Theology through a Missional study of selected congregations within the Uniting Presbyterian Church of Southern Africa in Johannesburg and this study demonstrated how migrants appropriate their vulnerability and marginalization to reinvent and recreate metaphors of survival through constructing or deconstructing new forms of identity in contested transnational religious spaces within their hostile communities.

Note 2. [http://www.anc.org.za/sites/default/files/National%20Policy%20Conference%202017%20Economic%20Transformation\\_1.pdf](http://www.anc.org.za/sites/default/files/National%20Policy%20Conference%202017%20Economic%20Transformation_1.pdf)

Note 3. [http://gestaltconsult.com/radical-economic-transformation/?gclid=EAIaIQobChMI24W\\_lca13QIVy7HtCh36fAZ7EAAYASAAEgJXn\\_D\\_BwE](http://gestaltconsult.com/radical-economic-transformation/?gclid=EAIaIQobChMI24W_lca13QIVy7HtCh36fAZ7EAAYASAAEgJXn_D_BwE)

Note 4. <https://tradingeconomics.com/south-africa/unemployment-rate?continent=asia>

Note 5. <https://www.timeslive.co.za/sunday-times/business/2017-09-13-radical-economic-transformation-is-just-a-code-word-for-theft-rupert/>

Note 6. <https://businesstech.co.za/news/government/266925/government-responds-to-trumps-land-tweet-as-rand-takes-a-knock/>

Note 7. Musonda and Schockert, South Africa on a perilous path to making criminals of people on the move. Mail and Guardian, 16 August 2018.

Note 8. <http://www.cnn.com/2018/06/11/italy-refuses-to-accept-migrant-rescue-ship-in-standoff-with-malta.html>

Note 9. Musonda and Schockert, South Africa on a perilous path to making criminals of people on the move. Mail and Guardian, 16 August 2018.

Note 10. Mpfu, B., & Settler, F. (2017). The Limits of Social Responsibility with respect to Religion and Migration in South Africa. *Journal for the Study of Religion*, 30(2017) 12-31 Online ISSN 2413-3027.

Note 11. Mary Robinson is the former President of Ireland and president of the Mary Robinson Foundation-Climate Justice. The lecture, “Freedom, Truth, Democracy: Citizenship and Common Purpose” was delivered on xxxx and reported in the Sunday Times xxx (Sunday Times, 14 July, 2013: 10).

Note 12. “Joburg Mayor Mashaba: Foreigners Not The Responsibility Of The City” reported on 24 July 2017 (see <http://ewn.co.za/2017/07/24/joburg-mayor-mashaba-foreigners-not-the-responsibility-of-the-city#>)

Note 13. Ayse Çağlar and Nina Glick Schiller, 2018. Their work was grounded in comparative ethnographies of three cities struggling to regain their former standing—Mardin, Turkey; Manchester, New Hampshire; and Halle/Saale, Germany—Çağlar. In each city Çağlar and Glick Schiller met with migrants from around the world; attended cultural events, meetings, and religious services; and

patronized migrant-owned businesses, allowing them to gain insights into the ways in which migrants build social relationships with non-migrants and participate in urban restoration and development. By exploring the changing historical contingencies within which migrants live and work, Çağlar and Glick Schiller highlight how city-making invariably involves engaging with the far-reaching forces that dispossess people of their land, jobs, resources, neighborhoods, and hope.