

In 2007 in the run-up to the ANC conference at Polokwane a *gogo* got to her feet at an overwhelmingly pro-Thabo Mbeki meeting, and proposed Jacob Zuma as the presidential candidate. Her motivation: she would very much like to have a job “for two or three days a week”. “Two or three days”, because she realised there were others who also needed jobs, and she did not want everything for herself.

Many months later I am still deeply moved by this story. It also stimulates me to try and get my head around the problem of poverty, and it leads to interesting conclusions.

Firstly, the scale of the problem. In 1994 51% of the population lived in poverty. In 2007 it was 41%. These and other data repudiate the popular falsehood that “the poor are getting poorer”. Nevertheless, SA compares badly with comparable countries.

Turkey has almost exactly the same per capita income as SA - \$5 900 per annum compared with \$5 700 in SA (2007 IMF calculations). But only about 20% of Turkey’s population live in poverty, as opposed to 41% in SA (apologies to Prof. Servaas van den Berg of Stellenbosch University). Clearly available income is distributed more equally in Turkey than in SA.

Comparing Brazil and SA yields similar results. In both countries 25% of the population receive a welfare cheque from the state every month. The numbers differ – 12 million people in SA, 46 million in Brazil – but the ratio is the same.

Brazil is slightly richer than SA with an annual income per head of the population of \$6 200 in 2007. The average monthly welfare cheque in Brazil is bigger than in SA, \$35 per month as opposed to about \$25.

The biggest difference between the two countries is that the 25% of the population who receive grants in Brazil, make up almost 100% of that country’s poorest. A brief calculation indicates that the 25% South African grant receivers include only about 60% of our poorest.

Unemployment in Brazil is just under 12%, in SA around 23%. It helps if more people have jobs.

The sticking point is that there is no shortcut. The best way to reduce poverty is through sustainable growth and job opportunities. In the six years to 2014 we can create up to 1,5 million more jobs, if the world economy plays along. That is about 11% more than we have now. Progress.

But the *gogo* will not get one of those 1,5 million jobs. Like her, a whole generation of young people will not get jobs either, no matter how well the economy grows.

What about a public works programme? That is one of the most successful initiatives of the Mbeki administration, and will easily reach the goal of one

million temporary jobs by 2009. The way has been prepared to double the programme. Two million temporary jobs can be created over the next five years.

Will the *gogo* get one of these jobs? Perhaps, if there is a public works project in her town. And even then only for a while.

The conclusions are simple.

Nothing is more important than sustained economic growth. The possible 1,5 million jobs by 2014 can double to 3 million if we grow at 6% per year.

All very well to teach a man to fish, but what does he eat while the river on whose banks he lives remains dry?

For that reason, the non-economic also has to be done. Double the public works programme. Stretch the welfare net a little wider. Take redistribution as far as possible. Improve education.

Above all, accept that all these things will take time. To pretend differently is to be a false prophet. The *gogo* will probably not get a job "for two or three days a week". That means that we, like India, will have many leadership changes. SA is without doubt making progress. But development takes time.