

Strategies to overcome poverty and inequality: Towards Carnegie III

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The conference known as 'Carnegie III', held in September 2012 at the University of Cape Town (UCT), was officially called 'Strategies to Overcome Poverty and Inequality: Towards Carnegie III'. Carnegie III is unlike the previous two Carnegie inquiries – which described the problem of poverty in South Africa in the 20th century – in two respects. Firstly, the third Carnegie inquiry is concerned not only with poverty, but also with the seemingly intractable and growing inequality in South African society. Secondly, it intends to go beyond describing the problem, by exploring solutions. 'Towards Carnegie III' was so termed as it was understood that the conference was the beginning of a research process, rather than the presentation of the findings of a completed process. Taking the National Development Plan of the National Planning Commission (NPC) as a starting point, participants were asked to contribute current research and reflections on practice which responded to the challenges posed therein. In the 'Call for Participation' it was noted that:

The NPC's National Development Plan presents a future vision and begins to outline a path to eliminate poverty and reduce inequality by 2030. The Plan is a starting point, but as the NPC acknowledges, it requires extensive engagement to deepen and refine the strategies, and a collaborative effort to achieve its goals. The conference will seek to provide a platform for serious and deep debate about difficult policy choices that must be made in tackling these issues of poverty, inequality and the underlying facts of massive unemployment.

Over 500 delegates attended and over 300 papers and presentations were discussed. Delegates came from all parts of South Africa, from universities and research institutes, as well as numerous NGOs, government departments and projects. The interaction between practitioners and researchers was one of the factors that made for a stimulating and worthwhile conference.

The conference was opened with a brilliantly concise statistical presentation of the problem by UCT Vice-Chancellor Max Price. The next 4 days were spent not in describing the related problems of poverty and inequality, but in debating strategies to overcome them. As the 'Call for Participation' stated:

The aim is to ask questions about what works, what doesn't work, and why. In particular, the conference will aim to stimulate thinking around the lessons that local-level initiatives have to offer. We will seek to show-case initiatives which may provide insight into:

Ways of mobilising and supporting the energies of people at all levels of society to reduce poverty and inequality.

Opportunities for establishing closer synergies between government, business, trade unions and the NGO sector.

Strategies for replicating and scaling up initiatives that work.

And the conference did precisely what was intended. From large-scale overviews such as Francis Wilson's 'Historical Roots of Inequality in South Africa' to in-depth analyses of one small project, such as Rejane Woodroff's presentation on the 'Bulungula Incubator: Lessons learned and practical strategies for poverty alleviation in a deep rural environment', the conference covered a wide – some might say too wide – spectrum of themes. A scanning of the programme and the abstracts (available on www.carnegie3.org.za) gives an idea of the breadth of the conference, from education to health, from public administration to welfare, from agriculture to industrial policy, from private micro projects (such as Bulungula) to national government programmes (such as the Expanded Public Works Programme). The structure of the conference, with numerous parallel panels, worked well to accommodate this breadth, allowing delegates to 'specialise' by attending panels in their field. Morning plenaries with feedback from the previous day's panels allowed for sharing of what came out of the different themes, and for cross-pollination of ideas. Rapporteurs were tasked with focusing on the questions outlined above: What works and why? What doesn't work? What does this mean for who does what? This format to some extent helped to manage the wide scope and scale of the conference, focusing on cross-cutting strategies.

One of the major tensions of the conference was the 'macro vs micro' debate reflected in some panels tackling macro-economic policy, social grants, labour regulation and the job creation and wage subsidy debates, while others looked in depth at project-based livelihood strategies. From



the use of indigenous nutritional plants which are drought resilient, to the desperation of west-coast fishermen in the context of declining fish stocks; from remote rural projects to urban township-based community planning exercises, the 'micro project' people presented with passion and creativity. The problem, as articulated in one session by Doreen Atkinson from the University of the Free State, was how to 'mainstream' these micro ideas into national policy.

In sessions on local economic development, sustainable livelihoods and rural development, certain questions arose numerous times. How can we move beyond 'pigs and chickens projects' – the small poverty-alleviation initiatives promoted by local governments and NGOs – and into the mainstream economy? What are the links between the informal sector/sustainable livelihoods/asset-based development approaches, and economic development in the formal sector? What is the role of government in poverty alleviation, and how can it go beyond a welfarist model?

Just one example of a particular intervention serves to illustrate these dilemmas. Andrew McCuen, Project Manager for Vela VKE, consulting engineers, presented a paper entitled 'Ethekewini Municipality Zibambele Poverty Alleviation Programme: Low Intensity Road Maintenance Programme – a model for best practice'. He explained how the Zibambele project employs women to perform low-intensity road maintenance. As many as 6000 beneficiary households are involved, with each household assured of 2 days work per week, earning a minimum wage of R75 per day. The project is funded by the Expanded Public Works Programme (EPWP). The project is well managed and transparent, and the benefits to poor households are documented. There are positive lessons from this project in terms of the links between employment in the formal economy and livelihoods in the informal economy: the households which are part of Zibambele, while only getting 2 days employment, are assumed to have other sources of livelihood. There are also opportunities for groups of beneficiaries to establish savings schemes. The question is when does a poverty alleviation project stop being a welfare measure, and become a form of local economic development? The women employed on the EPWP are wage labourers, not entrepreneurs. Earning R600 per month is far from 'decent work' as envisaged by the Congress of South African Trade Unions. The idea, however, is that this cash income, combined with income from other sources, can raise households above the poverty line. Can and should such projects be replicated?

The final question is where to from here? If the Carnegie III conference was the beginning of the process, where is it going to end? Will it have any impact on national planning? As Trevor Manuel noted in the opening session of the conference, it is too late for input into the National Development Plan, which has already been revised and released. However, the space exists 'to deepen and refine the strategies' and then to engage in a 'collaborative effort to achieve its goals'.

As Francis Wilson says in his 'Post Conference Letter' of 28 September 2012, there are a number of steps to be taken if the conference is to have a lasting impact. The first is to consolidate and then disseminate the conference content and discussions widely:

In reporting back, we need to present the key ideas which emerged and highlight gaps identified in the National Planning Commission's final plan, presented to Parliament in August 2012, and in the long list of submissions for the September conference. We also need to identify areas/themes requiring more focused research (by one or more universities and institutions) to enable more effective strategies of action. This will inform the writing of the final conference report over the next three months, the completion of which will mark the end of the first stage of the Carnegie3 process.

The Carnegie Corporation of New York has resolved to continue its support of the process and has allocated funds for the second stage. Wilson's post-conference letter also notes that:

- The second stage of the Inquiry should take place over a clearly defined period, culminating in a major conference in/or around September 2015.
- The focus should remain on strategies to overcome poverty and inequality, with constant focus and reflection on implementation, as was emphasized by all political parties in welcoming the National Development Plan in Parliament in August 2012.
- In order to maintain, and hopefully increase, the momentum built up during the first stage of the Inquiry, it could make sense to co-ordinate a series of smaller workshops that focus on key themes over the next 30 months, convened in different parts of the country.

Wilson's letter concludes that 'with the involvement already of 19 universities and over 200 organisations – there is a huge amount of intellectual capacity and grassroots experience to draw on as we move forward'.