

enough to produce a third edition of this outstanding textbook in another twelve years.

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## INEQUALITY AND THE CAUSES OF POVERTY IN SOUTH AFRICA

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*Class, Race and Inequality in South Africa.* By JEREMY SEEKINGS and NICOLI NATRASS. New Haven and London: Yale University Press, 2005. Pp. x+446. \$60 (ISBN 978-030-010-8927).

*A History of Inequality in South Africa 1652–2002.* By SAMPIE TERREBLANCHE. Pietermaritzburg and Sandton: University of Natal Press and KMM Review Press, 2002. Pp. xvi+527. £37.50 (ISBN 978-1869-140-229).

KEY WORDS: South Africa, apartheid, class, economic, inequality, poverty, social.

Both books under review are large tomes that assess inequality and the causes of poverty in South Africa from a vantage point several years into South Africa's post-apartheid development. While they concur on the main points of analysis, they adopt different methodologies and have different audiences as their focus.

Terreblanche insists that it is impossible to understand issues of inequality and poverty without looking at South African history or without understanding how power has been wielded within that history. No less than one-third of his book is taken up with a pre-1948 historical narrative. He also provides a detailed assessment of the political transition of 1990–4 and key elements of macro-economic policy since that date. Terreblanche's summary is wide-ranging and, in general, accurate in its telling. His perspective emphasizes power politics over economic structures and imposes itself morally as an object lesson. For instance, he provides considerable discussion of the pathetic role of business in the Truth and Reconciliation Commission hearings and displays notable disdain towards those leading lives of luxury, blind to the historical foundations on which these structures rest. Terreblanche follows an established trend in South African history; he is not the first to conclude that the forecast is gloomy unless this path is abandoned.

By contrast with a writer such as Patrick Bond, Terreblanche sees South Africa's current problems not so much in terms of servitude to the interests of the international financial institutions such as the World Bank as of what he calls the 'Anglo-Americanisation' of the economy, the dominance at the commanding heights of economic power of the financial sector and its worship of shareholder value, with a corresponding lack of interest in developmental ideas that might break down South Africa's historic dualism. For this reason, Terreblanche revisits the transition years from the point of view of economic policy and the powerful role of the corporations. He argues that a system was put in place, even before 1990, establishing structures that effectively keep existing patterns of inequality in place. 'Anglo-Americanisation' he sees as embedded in deeply entrenched prejudices about race and class.

In complementary vein, Seekings and Natrass point out that 'overall levels of inequality changed little during the second half of the twentieth century' (p. 303).

Local Gini coefficients that measure the income of the lowest and highest tenths of the national population are amongst the world's highest, albeit mitigated to some extent by the widening distributional policies of the state. While they agree with Terreblanche on the main effects of the apartheid era, they place more emphasis on the major change that took place in the South African labour market in the 1970s when the need for low-skilled workers stagnated and then declined. Coupled with the decline of agrarian activity in the Reserves, the decline of the cheap labour market meant the emergence of unemployment on a massive scale, creating an economic and social problem. From this perspective, exploitation gives way to exclusion as a basic way of comprehending poverty.

Both volumes point out that the situation of the black poor, certainly with regard to access to work, has deteriorated further since 1994 (perhaps inevitably taking no notice of the somewhat better half-decade between 2003 and 2008). They show how intra-class inequality has increased very substantially in this period; statistically, the middle class has substantially deracialized. Seekings and Natrass trace this increase to the very successes of capitalism in the 1950s and 1960s when the class structure began to alter. Since white advantage shifted significantly from crude racial preference to connections, capital and access to skills and education from the 1970s, very few whites have lost out badly since the end of formal discrimination. They also show how state-engineered welfare redistribution policies, along class and race lines, began to have more significance before the end of apartheid. By 1994, remittances had been replaced in poor black communities, even in the countryside, by pension payments as the main household source of cash.

At this point, however, the direction of thinking differs. Terreblanche largely confines himself to a qualitative assessment along the lines of political economy, a well-established trajectory in South African historiography. By contrast, Seekings and Natrass explore inequality as a subject of sociological enquiry; critical to this is their engagement with developing a working concept of class for the South African situation. This innovation is admirable in two ways. Firstly, as a political intervention, it cuts against the mainstream black politicians who may protest against the excesses of the new black rich but still want to pretend that racism is the key explanation for South Africa's divisions. Secondly, it is a big leap towards the creation of a real South African sociology. As a discipline, sociology in South Africa has attracted some lively and influential writers but it has lived under the shadow of history and political economy or confined itself largely to descriptive material. Seekings and Natrass suggest that this is beginning to change. There is very much less politics in their book (both have written about political issues elsewhere). Rather, their focus is on definitions, characterizations, theory, international comparisons – especially with Latin America – that are suggestive and often convincing. At the same time, they engage more critically with the scholarly literature on South Africa, pointing to the need for further research into mobility, welfare systems and the nature of class, for example.

Most impressive perhaps are the chapters where Seekings and Natrass correlate race, class and other social factors such as employment, gender and the urban/rural divide in characterizing South Africa from 1948 to the present. They have worked through the qualitative and quantitative evidence (for instance, the largely unused papers of the Carnegie Commission of 1984) to provide a nuanced sense of how economic complexity and industrialization affected a situation where, at first, race and class seem homogenized as categories. They deploy the heuristic use of deciles, whereby each economic tenth of the population is characterized by some relevant qualitative evidence, in terms of life experience and life chances. Their use of striking case studies works very well until the post-1994 years when the evidence becomes more difficult to collect and hold together.

More controversially, Seekings and Natrass claim that beyond seven distinct class categories that they identify for the present, there are two key class barriers. One is incontrovertible. The top decile of the population today is startlingly wealthier than the majority. The numerical weakness of the lower middle class is striking; South Africa lacks a bell curve. This does not mean there is nothing to research here: there may be important gaps between the black and white middle class (such as reliance on public vs. private employment or prevalence in the latter of a rising colour bar). These differences may continue to privilege whites.

The other divide, between households with some purchase on the labour market and some chance of upward mobility and those without, is less self-evident. While, without much specific hard evidence, Terreblanche links large-scale unemployment to overall anti-social behaviour in South Africa, Seekings and Natrass are more diffident because their real issue is with the labour market. They make a division between unemployment that can be correlated with industrial change in the urban context (here the chances of the unemployed eventually using their education and 'social capital' to find work are not so bad) and the existence of large-scale permanent unemployment in households without social capital and any relevant skills (such households are often hidden away from job markets). Seekings and Natrass make a strong case for an economically distinct underclass 'defined in terms of especially acute disadvantage in the labour market' (p. 271). Whether or not this judgement will stand up to scrutiny (rather than for instance, masking intra-household/family redistribution) remains to be seen. The two types of households may well be more inter-related than Seekings and Natrass suggest. While palpable, the differences between the lower six deciles still provide a relatively gradual gradient upwards that makes it difficult to see a stark class divide within, as they claim.

Further, Seekings and Natrass propound the idea of 'high productivity now' as a policy in which business and the state collude, in good part for political reasons, a position that Natrass has elsewhere maintained vigorously. But this view ignores the reality that, for a long time, South African companies (mining, agriculture, textiles, steel, etc.) moved ahead profitably with plentiful, cheap labour force numbers while calling for capital-intensive machinery. The two intensities were then not at odds: South Africa's export-orientated economy relied on manufactured goods in which design and skill did not play a big role; cheap black labour was to some extent balanced by expensive white labour, and the overvaluation of scarce management skills was offset by relatively small numbers of skilled workers; work discipline was harsh and shot through with racist practices. Changes in the global economy undermined this balance, which was quite successful for a long period of time and this seems to be the main cause of change. 'High productivity' translates into much leaner labour forces and, increasingly, more of that labour force on non-union contract terms.

Natrass and Seekings do not succeed, any more than Terreblanche, in explaining the shift from exploitation to exclusion as a general capitalist strategy beyond the need to fit into the profitable niches of the present. Far from a deliberate concentration on re-equipping industry with super-productive machinery, however, there has been a disappointingly low level of industrial investment generally for decades and a far more generalized emphasis on forms of economic control, firm structure and specialization along familiar lines. In recent years, very-low-paid work has expanded faster than unemployment. The theoretical approach of the Industrial Strategy Project, which first excited the irritation of Natrass about 'high productivity', has interested South African capital little if at all.

It would be more effective were Seekings and Natrass to consider instead the idea of a long-term economic growth path with particular parameters (ideas about

managing and enskilling labour) that is deeply entrenched in history. Their studied indifference to the idea of a minerals-energy complex as promoted by Fine and Rustomjee, to which Terreblanche shows limited interest, is unfortunate, particularly since the ANC government knows about BEE and forcing industries to adhere to charters about ownership by race but understands very little about changing economic structure. Their abject failure at promoting small-scale black enterprise is a case in point.

When it comes to projections for the future, the salience of Seekings and Natrass's analysis is limited. Lying beneath the surface of their approach is the fantasy-wish that, if only wages could be lowered and more jobs (at miserable wages) created, unemployment and its ills would lessen substantially. To be fair, they admit that this is not a practical prospect. The evidence suggests a more realistic option which they fail to take up: making it easier for the rural poor to access the cities. Miserable as South Africa's shantytowns are, the evidence is strong that rural people are considerably poorer than urban people and have far less chance of mobility. Real remedies, of course, are long-term and relate to skills and education.

In their final chapter, Seekings and Natrass survey a wide range of anti-poverty options (BIG, other distributional elements, education, land reform, small business and others) without much conviction that any will work miracles anytime soon. Exposure of this range is itself useful. However, their promotion of an Irish or Dutch model of social pacts as a great step forwards seems far-fetched. With whom is this pact to take place under South African conditions? What will be made of the large new immigrant element in the population of the big cities? Terreblanche too concludes with an abstract vision of a Continental-style 'democratic capitalism' different from 'Anglo-Americanised' South Africa. These criticisms are not intended to take away from the merits of the two volumes under review.

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## AN UNORTHODOX COMPARISON BETWEEN THE CENTRAL SAHEL AND THE NORTH SEA

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*Rulers, Warriors, Traders, Clerics: The Central Sahel and the North Sea, 800–1500.*

By ANNE HAOUR. Oxford: Oxford University Press, 2007. Pp. xiv + 178. \$60 (ISBN 978-0-19-726411-9).

KEY WORDS: Archaeology, commerce, comparative, power.

Anne Haour, an archaeologist who specializes in the central Sahel, has written a thoughtful and intriguing book. She explores the historical interpretations of the 'medieval' eras of what might appear to be two different and distant regions – one surrounding the North Sea and parts of the English Channel, and the other in the central Sahel. This pairing of regions, of course, is both unorthodox and highly original. Scholars have examined, for example, the comparative development of societies within Eurasia, and explored the commonalities and differences in the long-term historical trajectories of Western Europe and China. Only rarely has the Sahel come under the comparative lens.

In an introductory chapter, Haour lays out the case for the choice of time period and the comparison between the North Sea and the central Sahel. She notes the