



SA *today*



A WEEKLY NEWSLETTER FROM HELEN ZILLE

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Welcome to the latest edition of **SA Today**, the weekly newsletter from the Leader of the Democratic Alliance, Helen Zille.

SA Today
Helen Zille, DA Leader

We can choose prosperity over poverty

[This week's extended SA Today is based on an extract from the speech that Helen Zille will deliver this afternoon at the 'War on Poverty' summit in Plettenberg Bay in her capacity as Premier of the Western Cape. The summit is attended by the Deputy President, as well as the national and provincial cabinets]

We must declare war on poverty and we must keep up the fight until we emerge victorious. And we need to do it in partnership. All three spheres of government must work together to alleviate and reduce the impoverishment of our people.

But this does not mean that we necessarily agree on the policies and strategies that will best achieve the end we seek. In a democracy, parties have different plans that they put to the voters. Voters get the government they vote for. And elected representatives must implement their mandate.

Sometimes our priorities and policy platforms align closely with one another and sometimes they don't. This is actually an opportunity to evaluate which approach works best and learn from one another. It is possible to do this within the framework of co-operative governance in good faith and open dialogue.

So let me say upfront: fighting poverty is our top priority as a provincial government, but our approach often differs from that of the national government. We may agree on the goals, but we do not always agree on the means to achieve them.

Today I would like to explore these similarities and differences and, in doing so, set out our approach to alleviating and reducing poverty in the Western Cape.

But before I do, I would like to make some initial remarks on the 'war on

poverty' programme as defined by the Presidency.

It is described as a 'community profiling approach' that identifies the level of deprivation in communities through door-to-door visits. The intention is that the state will intervene appropriately in those households that are in the most distress. This includes expanding access to social grants and basic services.

We believe that the compilation of this data is useful because it gives us a more holistic idea of people's needs. And it assists government departments in all spheres to develop targeted interventions to alleviate poverty. It also helps people claim their constitutional rights.

We are currently implementing "community profiling" in the province, and we are proceeding efficiently. We will continue to do so because we take this programme seriously.

But, I think I speak for everyone here when I say that "community profiling" (while helpful) cannot substitute for a comprehensive anti-poverty strategy. Profiling tells us where poverty is, and how deep it is, and helps us apply elastoplast in places. But it does not enable people to move out of poverty in a sustainable way, which must be the goal of any "war on poverty".

We must also be alive to the possibility that such programmes may have the opposite of their intended effect. We support safety nets, in the form of social grants but are keenly aware that they do not lift people out of poverty because they cannot substitute for a job. The risk is that they may keep people trapped in a cycle of dependency and put a brake on social mobility.

It is also time to look seriously at the sustainability of our social welfare net. The ratio of taxpayers to grant recipients is unsustainable. A real war on poverty must draw more and more people into the productive economy, where they can earn an income, lead lives they value, care for their families and contribute to society. Most people want to do this, and the core goal of a "war on poverty" must be to facilitate the achievement of this outcome. I think we can all agree on this.

The question is: how do we do this? And what role will the Western Cape government play in reducing poverty?

We have to begin with the conceptual framework that is necessary to combat poverty. For us, poverty is what the economist Amartya Sen refers to as "capability deprivation" – the inability of a person to lead a life they value. As such, poverty is the greatest barrier faced by an individual in achieving real freedom.

The role of the state in combating poverty is three-fold.

Firstly, the state must do for people what they cannot be expected to do for themselves. The state must mitigate the effects of poverty through state intervention. This includes expanding access to housing opportunities and basic services, as well as the provision of social grants on a sustainable basis.

Secondly, the state must develop a policy framework that significantly expands people's opportunities to escape poverty. It is up to people to accept responsibility for making the most of these opportunities. The state

cannot force people to do so. The most important intervention the state must make to expand people's opportunities is the provision of an excellent public education system, accessible to all. It is essential to stress that acquiring a good education also requires an enormous effort from each beneficiary to develop herself and become the best they can be.

Thirdly, the state must implement a policy framework that is conducive to economic growth, encouraging investment and job creation.

This is the surest pathway out of poverty, which can happen within a generation if all role players (the state, communities and individuals) understand their role and take responsibility for implementing it. All must become beneficiaries of, and contributors to, sustained economic growth.

In a recent book on poverty on our continent, Greg Mills draws on the lessons learned from successful emerging economies the world over. He finds that, contrary to popular belief, eliminating poverty is not as elusive a goal as people think. In fact, it is a choice.

This is good news because it shows that no country is condemned to the curse of poverty. In fact countries can either choose to remain poor; become poorer; or become increasingly prosperous. Countries that choose prosperity have competent, corruption-free governments that understand their role and fulfill their functions efficiently to serve the people and not themselves.

The Western Cape, like all provinces, is not responsible for macro-economic policy. That is decided at a national level. Our role (within the macro-economic framework) is to focus on creating an enabling environment for economic growth -- and extending opportunities so that individuals can take advantages of growth. This is the only sustainable way of reducing poverty.

This means a commitment to transparency and clean government. We are doing this in many ways – by opening up tender processes, increasing the capacity of our forensic unit and prohibiting state employees and Cabinet Ministers from doing business with the state.

It means eliminating red tape and unnecessary regulations that hamper business because the more business invests, the more jobs are created. We are doing this by working to understand the administrative burdens that prevent businesses starting and streamlining all regulations that put a brake on growth and development. We have asked the national government to do the same and submitted a comprehensive document to show where many of these regulatory blockages are.

It means investing in growth-enabling infrastructure such as telecommunications and broad-band capability, transport networks and alternative energy sources.

It means investing in game-changing mega-projects that leverage economic growth in the province, such as the Cape Town regeneration project and the development of the Port Precinct.

It means supporting farmers and businesses operating within the agri-economics sector; it means re-starting equity share schemes to secure sustainable and productive land reform and improving the conditions of farm workers.

It means focusing enormous attention on improving the quality of education

and skills training so that our children can compete in a globalised knowledge economy and fill the jobs growth generates.

And it means giving people opportunities to escape poverty so they are not trapped in a cycle of dependency. Food security, access to basic services, housing opportunities and access to decent healthcare are all crucial if people are to have a fair chance of improving their lives.

If we can get these things right, we will significantly reduce poverty in the next twenty years. But our success will also depend to a very large extent on national government and the policy choices it makes. It will also depend on whether our people choose to seize the opportunities that are made available to them instead of a life of impoverished dependency.

Because, just as countries and provinces can choose the path of increasing impoverishment, so can people. If you have a baby before finishing your education, you are making a choice for poverty. If you start taking drugs or abusing alcohol, you are making a choice for poverty. And parents who do not care passionately for their children's future, by ensuring they are in school and supporting their development, choose poverty for the next generation.

We can choose prosperity and growth or we can choose a further downward spiral of impoverishment. The choice is ours.



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