

KASA

Ecumenical Service on
Southern Africa

KASA Conference Poverty addressing Wealth

5 to 7 Oktober 2011

Willow Park, Johannesburg, Südafrika



We thank EED for the
financial support

KASA

Ecumenical Service on Southern Africa

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Protocol

Tuesday 4th October

Opening

Facilitator: Simone Knapp

Opening address by Rev. Gift Moerane, SACC

As representative of the South African Council of Churches Rev. Moerane emphasised that the church in South Africa has to find its position back to the centre. The church and especially its members have been crucial to create a democratic society yet the inequalities are still there. We need to transform the society and answer the following questions: Where do we start the debate, what are the issues, who are the actors, what are the tools and who should lead.

Opening remarks by Boniface Mabanza

Addressing Wealth: How to achieve a just redistribution in Southern Africa?

Welcome to our conference. This conference is a result of a consultative process which KASA is running with partners and organizations of the region since 2009. The first consultation took place in 2009 here in Willow Park and focused basically on Alternatives to neoliberalism, followed by a meeting in Cape Town after the soccer world cup 2010. This consultation continued the former discussions and reflected the experiences and campaigns around the world cup. In this mega event South Africa has shown to it's citizens and the world that it can deliver - to big companies!

Taking into account the natural resources of the region, the political situation and the poverty of the majority of its people, we decided to held a conference on "Poverty addressing Wealth". By doing so, we would like to emphasize, the problem in terms of causal research is not the poor, but the rich and how the rich are accumulating wealth. The rich have to be liberated from accumulation of wealth, which causes death. How can this be achieved in a just way? That is what this conference is about.

What we are going to do in the next 3 days is based on the Christian social ethic.

- We would like to see, what is going on in Southern Africa regarding wealth and poverty.
- We then would like to look at the policies and structures, which cause the well known disparities between rich and poor.
- At the end we have to think about how to take positive actions in order to change this situation. Which kind of actions and alliances do we need in order to achieve positive change?

I hope this conference can achieve both: a change in the perception of the problems and a change in our way to act. I hope it will strengthen our will to working together focusing on real priorities.

I want to thank all of you for taking your time for this conference at this busy time of the year. Especially I would like to thank all organizations, who have been part of the consultation process for finding out the topics of this conference. Thank ESSET for the logistical support of the organization.

I wish all of us a productive time. Thank you.

Wednesday 5th October

See: Inequality and its causes

Spiritual Input by Mokesh Morar, Sekwele

Money talks

We compared Luke 16:19-31; 18:18-27; 19:1-10

The poor are also responsible for the rich for them to be saved



Facilitator: Isobel Frey



**Southern Africa: A poor, rich region
(Moderation: Isobel Frey, SPII)**

The participants came from different SADC countries and shared their view of their respective countries on inequality and its causes

- **South Africa:** rich country and poor people

There is the constitution which makes it a need for people to get involved but politics gives no space. Only those prosper who are linked to the leading party – it's a mafia style of society. There is no investment in poor people and in people-driven initiatives: 15 Mio live from social grants, 35% are unemployed (especially young people), 30% have no formal source of income. The New Growth Path is not yet working. The country and the system doesn't serve the people. All energy is put in the system. That is the reason why the country is rich and the people very poor, as the National Planification Document has honestly and critically shown: failure of the education system, the social cohesion is weak and the race issue shows an inability to share the common humanity. When it comes to civil society there seemed to be a division on NGOs, which are looking mainly on funding (anti-apartheid movement was not funded at all) and the new emerging social movements who need to burn things to be recognised. Civil society needs to be reminded about the struggle-values. The economic system favours big business and neglects informal economy where most of the poor people struggle to survive with: health becomes luxury and forceful removals are going on but there is no international solidarity for those removed. And still the whites are not willing to admit to a common excuse. South Africa's transition has not managed to transform the system.

- **Swaziland:** the bankrupt country

From the perspective of an informal trader from Swaziland it looks quite desperate. There is extreme poverty, in fact hunger. There is no political space, the constitution is not amended. Informal economy is not recognised, neither by state nor by churches, they are treated as useless, uneducated, although for most of the people it is the only source for survival.



- **Zimbabwe:** warlordism

The GPA is not fully implemented, only a small group of people benefit from this chaotic situation. The constitutional process is feet-dragged and the environment is not conducive for elections: intimidations and violence is ongoing. The natural resources do not benefit the nation; still 89% of people are unemployed and rely on informal economy. Government has implemented duty on commodities (10% on food, 40% on textiles) which makes it impossible for cross border traders to sell their goods any more. Indigenisation is only for the rich and



much of the people who have been given land can't use it fully. They chop down trees in order to pay the imposed rent. Relocations are taking place in areas with natural resources like diamond and gold. The health system is devastated: only mission hospitals are really working because doctors earn only 375 USD per month in a state hospital! Still well educated people leave the country.

It is a failure of post liberation and political transformation of the country.

- **Zambia:** Yes we can?

It has been the second peaceful change of power in Zambia's post colonial history.

The reason for this is manifold: concerns of people haven't been heard; the constitutional process came to a halt, economic and social rights are not adequately recognised; media was controlled by ruling party only; the windfall tax was suspended.

Especially when it comes to taxation the discrepancy is visible: taxes are paid by 15% of (formal employed) population, mining sector contributes only 3%. Although Zambia has a economic growth rate of 6% the poverty level lies at 60%. Local businesses are not supported but international investment is highly welcomed with 5 years of tax holiday. Often international companies bring their own workers and goods (Chinese, South African shoprite...). Profits are externalised. Out of 5 Mio possible workers only 9, 7% are formally employed. The good quality of jobs is not guaranteed, as the Employment Perception Index shows.

A lot of expectations are burdened on the new government.

- **Namibia:** when do we walk the talk?

55% of people are unemployed and 30% of children under 5 are malnourished although Namibia is now categorised as "Higher middle income country".

Although the BIG Coalition has access to government, they still refuse to implement it nationally.

People are demanding jobs: government has put 15 Mio NamDollars in "Targeted intervention program for employment growth" (TIPEG) to create jobs through private sector and public work as an answer to the BIG. It seems to be short term intervention. The informal economy is recognised but not much happens besides lip service.



Workshop Outcomes

See Annex 2 for further details

Workshop 1: Poverty and the struggle to survive: informal economy (Sipho Twala, Cecilia Dube Informal Trader)

Although the informal trade is contributing to GDP and to national budget, this sector is neglected and violated. Their main struggle is to be heard by municipalities and government. There is money and development in this sector – and people's creativity. Society and politics need to respect those people who make a living by themselves and provide others with commodities. The sector needs financial support (access to finances) and solidarity (buy there and not at shoprite).



Workshop 2: Poor and helpless: Systems of social security (Bongani Bunyoyo, Khanya College)



Although South Africa has one of the most elaborated social security systems in Africa, there are still gaps and challenges: there is no support for youth and unemployed, the amount is small, the targeting system opens door for corruption and the necessary documents are not available for all (ID, birth certificate).

One solution could be a SADC wide BIG financed by mining sector (taxes, royalties, shares): state must provide, big business must contribute!

The problem is that civil society has changed. It's not engaged any more, it's only about jobs and wages.

Workshop 3: How economic growth causes climate change and how climate change intensifies/worsens poverty (Percy Makombe, EJN)

The wealthy countries consumed more than their fair share but the poor countries suffer from climate change directly: climate change is a syndrome of the capital system of growth and mere profit. But also South Africa is part of the polluters but is not accepting its responsibility.

We need to break down the issue to the people and get involved: we are the only leaders!

"Have faith act now" campaign www.havefaithnow.org and get engaged in activities around COP 17 in Durban



Thursday 6th October

Judge: Who governs our countries?

Spiritual input by Dirk Haarmann, TARA

How are we called to act? Isaiah 6:1-13

Isaiah accepts his sending although he knows that nobody will listen. Only if the lands are destroyed they will hear, only then there will be something new growing.

Facilitator: Liepolli Pheko



Economic policies in Southern Africa: Mozambique, Zambia, Zimbabwe. Liepollo Lebohlang Pheko

(see Annex 3 for full presentation)

One can summarise that social development is not on the political agenda at all. Since SAP/ESAP the budgets for social welfare and security are diminishing. The economic modes follow a neoliberal growth path, supporting big/international business before local industry. South Africa is more of a hegemonial and colonial power than helping to develop the region.

Workshop Outcomes

See Annex 2 for further details

Workshop 1: Possibilities and limits of political intervention from the perspective of civil society and social movements (Mokesh Morar, Sekwele)

We need leadership in leadership, an alternative power without –isms! The question of pastoral letters has been discussed controversially but it was clear that timing, tactic and vocabulary are important. The role of the church is crucial in mobilising people but only if they are free to criticise – and are not in bed with government!



Workshop 2: Southern Africa's natural resources vs Foreign Direct Investment (Sosten Banda, Arnold Moyo, JCTR)

The overall question is whether we really need FDIs in our countries. Others (business) decide what we want, what we need. Development is not people but business driven.

When we look for alternatives we come to strong regional frameworks, participation of communities and mobilisation of internal resources. There is a lot of money in the region, it needs to be invested here and not transferred outside. We have to fight corruption and fight for transparency to make clear that aid is not effective and developmental.



Workshop 3: Talking about climate change: Claims/Demands and their receivers (Percy Makombe, EJM)

Live a simple live so that others simply can live

The conference adopted the document "Climate justice and demands" which was prepared by the workshop (see Annex 4) and emphasised that climate change needs clearly to be linked to the current economic system. Without a paradigm shift there will be no solution. This is also important for those countries like South Africa who are big polluters themselves.



Friday 7th October **Act: Alternative economic policy, actors, approaches for the transformation**

Spiritual Input by Baphiwe Nxumalo, Diakonia Council of Churches

Facilitator: Dirk Haarmann

Motto of the day:

- Which idea, lesson, impulse do I take back home
- What action/program can we embark together
- What do we expect from KASA

In search for practical examples for transformation - the Basic Income Grant (BIG) and Solidarity Economy. Dirk Haarmann

(See Annex 5 for full presentation)



Redistribution is the first challenge. After that we need to change the system otherwise it will perpetuate. Here the solidarity economy could be one possible way.

BIG: cash is a necessity to function on our today's society. Power to the people means money to the people. We need to establish BIG as a human right.

Money needs to be re-reduced to a mode of changing goods and not an end in itself. The Brazilian example shows that it can work. People who work in the solidarity economy earn a living.

The idea of Ubuntu could be a starting source for the development of an African way of solidarity economy. Research needs to be done and best practise modes need to be made visible.

New Knowledge: New Tactics for Social & Economic Transformation. Marjorie Jobson

(See Annex 6 for full presentation)



We live in an uncivil democracy. Real democracy can emerge through facilitation of the shift from citizen servitude to government servitude. We need to find a shared identity beyond group interests. The task is to transform a state into a nation; to exercise agency: where the people establish their human subjectivity in the wider society and refuse to accept that the world-as-it-is determines what could be; to expand capacity for transparency and accountability. The challenge is to be comfortable with uncertainty and to forge inclusive working economies.

How can we mobilise the church towards a confrontational policy? Mokesh Morar



"We never know the outcome of our action but if we don't do anything there will be no outcome."

Church is always part of the society, it has always both sides: it took the traditions and cultures away but at the same time gave hideaways for activists during apartheid (safe houses). It perpetuates the system but at the same time fights against it by naming and condemning what is wrong in it.

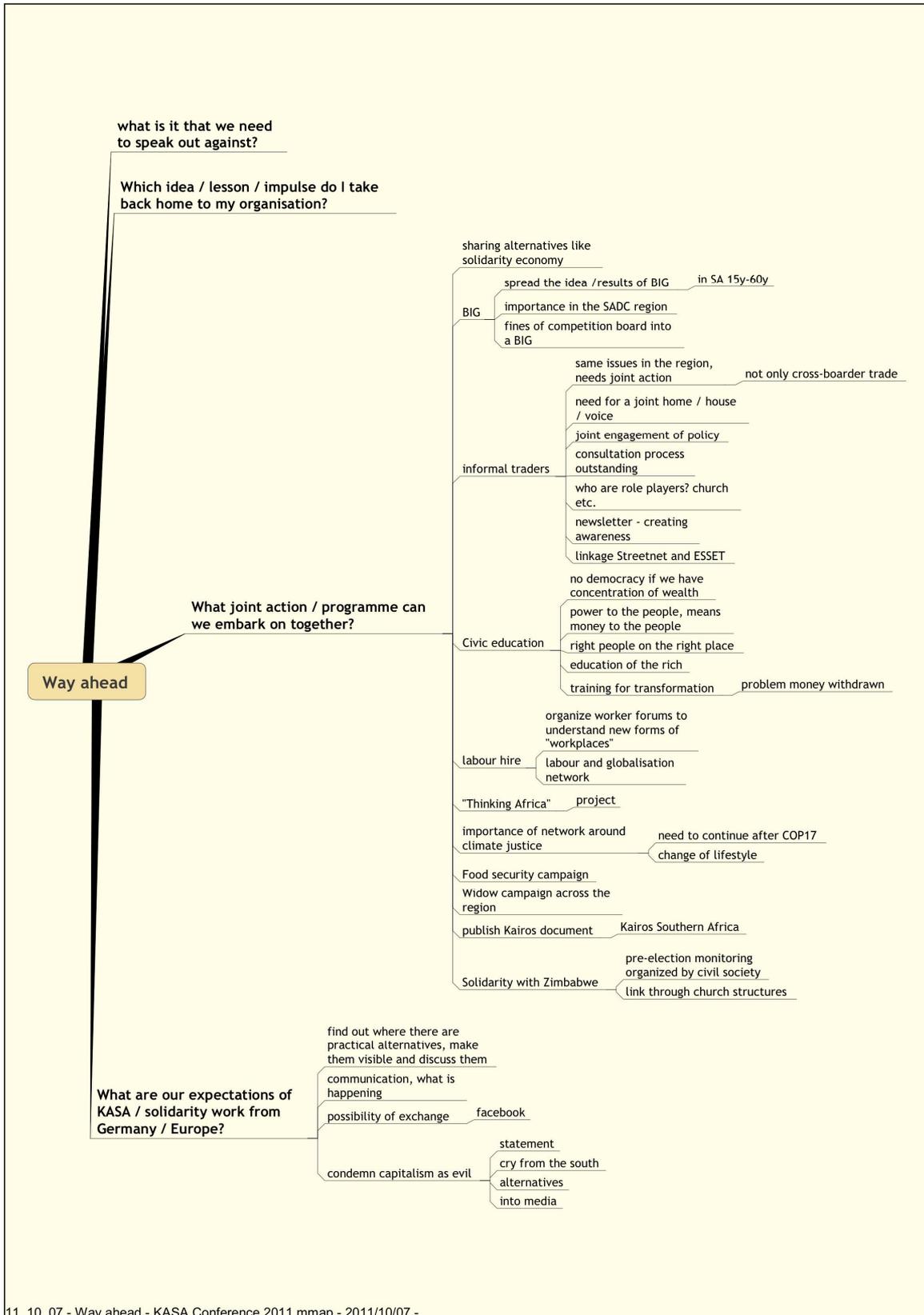
The church clearly needs to take sides, option for the poor not only as lip service but as part of daily life of their members: integrity of church leaders.

We need to work together, use networks which exist already (WSF) and go beyond church boundaries, ally and consolidate and use modern technology

It is time once more for a Kairos-Document, maybe not for South Africa lone but for the region.

"We condemn apartheid – we condemn capitalism".

Plan of action and appointments (Dirk Haarmann)



List of Delegates

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