

Nation building diagnostic

Introduction

Successful societies generally can unite in common purpose. Can South Africans overcome a legacy of division and unite around a progressive, non-racial, non-sexist and pro-poor programme that promotes prosperity for all?

Goodwill is there. The concept of non-racialism is broadly supported by all sections of society, and is entrenched in the Constitution. And the imperative is clear. Without a high degree of social cohesion, without unity of purpose, it is difficult to envisage South Africa overcoming the significant obstacles that stand in the way of prosperity and equity. A united nation, able to set aside its differences, to work together for the common good, is surely within the country's grasp. The singular reason for this optimism is that despite their violent and divisive history, South Africans did come together to negotiate a peaceful settlement that ended apartheid and ushered in democracy. At the centre of nation-building is a usable past, the creation of a national history. The starting point for the "new" South Africa's history is that the country's people managed to walk away from the precipice of war and bloodshed, to create peacefully through negotiations, a democratic society.

This optimism must be tempered by the pragmatic reality that South Africa is a deeply divided society where opportunity continues to be defined by race, gender, geographic location, class and linguistic background. The country cannot achieve unity and social cohesion without reducing the gaps between rich and poor, black and white, women and men, city and country. In doing this, it is necessary to recognise the historical obligation to effect redress, to correct the wrongs of the past and to affirm the historically disadvantaged. Without unity, the nation cannot hope to correct the wrongs of the past. Without correcting the wrongs of the past, unity would be superficial.

The National Planning Commission's general diagnosis is that while South Africa has made progress in uniting people behind the new national symbols such as the flag and the Constitution, expanding political freedoms and improving access to the social wage, the country is a long way from achieving social cohesion. Further progress will require mobilising South Africans behind a long-term vision that is mutually beneficial, but which will require mutual sacrifice. The country must continue with measures to heal the wounds of the past while reducing economic exclusion, inequality of opportunity and outcomes. This means resolving the inevitable tensions between equity and redistribution on the one hand, and inclusivity on the other.

This chapter highlights the main obstacles to nation building and achieving unity of purpose.

Background

The Constitution anchors a vision of a “South Africa that belongs to all who live in it, united in our diversity”. The aim was to use the Constitution as a foundation for the building of a new national identity through a common citizenship and equal rights, and the avoidance of ethnically defined federalism. Together with national symbols such as the new national flag, the Constitution and its values are the foundation of a new South African nation. In the words of one author, the Constitution itself should

become the focal object of collective loyalties and even replace other objects of identification, so that other, traditional elements of identity become irrelevant ... collective identity is social affiliation that is conscious and reflexive ... given that identity is based on social constructs, the formation of such an identity, based on a constitutional document appears to be possible. (Von Bogdandy et al 2005)

Embedded in the Constitution are shared values and a vision of a non-sexist, democratic, non-racial and prosperous society. This provides a common identity and, indeed, a common destiny for South Africans. The preamble of the Constitution reads:

We, the people of South Africa,

Recognise the injustices of our past;

Honour those who suffered for justice and freedom in our land;

Respect those who have worked to build and develop our country; and

Believe that South Africa belongs to all who live in it, united in our diversity.

We therefore, through our freely elected representatives, adopt this Constitution as the supreme law of the Republic so as to:

- Heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;*
- Lay the foundations for a democratic and open society in which government is based on the will of the people and every citizen is equally protected by law;*
- Improve the quality of life of all citizens and free the potential of each person; and*
- Build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.*

The preamble sets out the need to heal the divisions of the past through affirmation and redress while uniting all South Africans as citizens in the land of their birthright. Uniting all citizens is important because both “former colonised and the former coloniser” call the geographic space of South Africa home. The “colonisers” by and large were allowed to retain the ownership of the factors of production, and their wealth, in exchange for universal franchise and some form of redress (Chipkin 2010). It is this written social compact that enabled a peaceful transition and arguably is the thread that holds the country together.

South Africa sought to strike a delicate balance. On the one hand there is an obligation to build a united nation; and there is an equal obligation to take steps to effect redress. Given that disadvantage was racially defined for decades, the nature of that redress will by definition be race-based. The risk of getting this balance wrong is enormous. Erring on one side implies building a unity that is superficial; erring on the other means deepening the divides.

Finding the right balance requires two significant acknowledgements. First, that without unity and common purpose, and the skills and talents of all South Africans, the country is unlikely to meet its social and economic objectives. Second, without significantly reshaping opportunity, taking positive measures to improve the lives of black South Africans, unity is likely to be only paper-thin.

South Africa also needs to enable economic inclusion for all. As discussed in several other chapters, the legacy of apartheid's economic, education and spatial policies constrain the ability of the economy to create jobs and thus curtail the possibility of inclusion.

Why nation building is necessary?

Nation building is important to inculcate a feeling of belonging, and with it accountability and responsible behaviour. Efforts must be made to ensure that various cultures are respected and equal citizenship for all guaranteed. This is important because for centuries the dominant discourse aimed to diminish all culture/history except that of whites. For example

the development of libraries in South Africa and the country's cultural heritage was, until recently, Eurocentric. It focused primarily on an appreciation of the aesthetic value of colonial-inspired architecture and respect for Cape Dutch and British settler culture, i.e. on a colonial heritage that took root on African soil after 1652. (Bredekamp 2001 p.g.1)

Nation building enables history to be rewritten, and the apartheid legacy of devaluing and erasing the heritage of black South Africans from the consciousness of the nation to be reversed, facilitating healing and further weakening the feelings of "better" citizenship of one population group over the other. Attempts to reverse this and give back pride to the African, Indian and Coloured South Africans receive support from many quarters. This includes state efforts to teach children about African heroes and Africa's contributions to world history and culture.

Nation building is necessary to build trust, which is associated with stronger economic performance. At only 20 percent according to the 2007 World Values survey (Kotze et al 2008), South Africa's trust index is low. Keefer and Knack (1999) modelled trust and investment as a percentage of gross domestic product and found a positive correlation. In the absence of trust, consumption would be preferred to investment and "leaders could not credibly promise supporters future benefits from worthwhile investments".

Higher levels will mean a reduction in the cost of enforcing property rights, because not every single thing has to be written, and contingency plans crafted for all eventualities. Greater trust will result in fewer resources being diverted to prevent corruption; greater innovation, as entrepreneurs devote less time and resources to monitoring possible malfeasance; and more economic growth, as hiring becomes more about excellence rather than social connection.

Social compacts can play a role in strengthening national unity. At the heart of Ireland's¹ success over the past quarter century has been its social compact. Up until the severe

¹ Ireland concluded its first social compact, the Programme for National Recovery, in 1987. Government, business, labour and other social partners reached certain agreements on wages, economic growth, social insurance and industrial relations. Subsequent pacts have continued up to the present day, covering a wider scope of issues, such as the environment and social policy.

economic downturn occasioned by the global financial crisis, this compact supported a steady rise in living standards, including among those at the bottom end of income distribution. This kind of progress gave the government the legitimacy to implement difficult socioeconomic policies which, despite initial hardships, frequently led to long-term benefits.

With a divided people living within a single political boundary, it becomes difficult to implement a social contract, especially if it requires some sacrifice for future gain. Again using the recent economic crisis as an example, the fact that South Africa lost nearly 1 million jobs during the recession is evidence of the fact that key social partners could not agree on the basics of a rescue package. Government provided some fiscal stimulus during this period, but labour did not concede to moderate wage demands and business did not agree to avoid retrenchments at all costs (Hirsch 2011).

Even deciding on priorities is difficult. For example, according to *South African Social Attitudes: Reflections on the Age of Hope* (Human Sciences Research Council 2010), 83 percent of Africans surveyed mentioned unemployment as the priority issue (economic inclusion) compared to 58% whites who mentioned crime and security as priority number one (protection of property).

In conclusion, societal division impedes the formation of consensus to develop, change or even implement policy. Failure to reach consensus, according to some observers, is the result of asymmetric information on costs and benefits.

Each group has imperfect knowledge about the cost that the other group bears in the event that a particular policy change is delayed or about the likelihood that the other group will behave cooperatively The greater the differences between the two groups, and the greater the uncertainty about the other group, the larger are the gains to stubbornness, or continued disagreement about collective decisions.
(Keefer and Knack 2002 p.g 129)

History demonstrates that where building a state preceded building a nation, violence can flare up (for example, in the Malaysian riots of 1969, and in cases of ethnic cleansing in Rwanda and Yugoslavia). The 2008 United Nations Office of the High Commissioner for Human Rights fact-finding team that visited Kenya to analyse the causes of the recent post-election violence concluded that, while irregularities in the election process were the primary trigger of the violence, a number of underlying causes – including discrimination, poverty and disenfranchisement – fuelled the crisis.

What are South Africa's major fault lines?

South Africa has many fault lines. Opportunity is not only defined by race; it also differs for men and women, and for rural and urban dwellers. Language and ethnic background continue to divide South Africa, as does economic participation, because those who have work have access to income and opportunities that the unemployed do not have. Within the employed population, earning disparities are wide, partly the result of educational standards and experience, but also of social capital and networks. Some people live in formal households or rural homesteads, while others live in shacks without running water or electricity. These life experiences are incredibly diverse, making it impossible to describe a "typical" South African.

The lines that divide society are complex and intertwined. Educational background is a key determinant of earnings, but income is also a key determinant of the type of education that a person receives. In the main, educational standards still differ based on race, though black men earn more than black women, even if they have the same number of years of education.

These divisions are reflected in divergent outcomes across categories such as life expectancy and household income, which are also skewed by race, gender and geographic location. In general, the poorest South Africans are black women living in the former homelands. People in these areas are less likely to work, are less well educated, suffer more from communicable diseases and receive inferior basic services from the state. The former homelands are the starkest indicators of South Africa's abnormality compared with other developing countries.

Divisive effects of institutionalised racism

South African society has for centuries been segregated by race. Discrimination began to be codified in law and practice long before the victory of the National Party in 1948. The bedrock of legislated apartheid came in 1959 with the Population Registration Act that classified all South Africans by race. The effect of institutionalised racism was pervasive.

Generally the apartheid government passed hundreds if not thousands of laws to separate people, to banish them far from their places of birth, to move people and to subjugate them. To implement these laws, was built sophisticated institutional machinery used to deprive black people in general and African people in particular from decent education and health care, housing, jobs and from places of worship. The security apparatus constructed to enforce all of this was immense and effective. Alongside the political and quasi-legal framework that underpinned racial segregation, an economic system was developed and operated which reinforced the political. The rents from the mining sector went to build a generous social security system with free education, health care, pensions and child grants, but only for whites. A sophisticated banking and services industry developed, drawing in skilled whites and providing services to a small but wealthy population. In 1981, if white South Africa was a country on its own, it would have had the highest GDP per capita in the world, higher than Canada, Switzerland or the US. (National Planning Minister Trevor Manuel, 2011 Oliver Tambo Memorial Lecture)

The long-lasting effects of the various racial policies should not be underestimated. For example the 1913 Land Act declared that 87 percent of the land would belong to 13 percent of the population and effectively prevented blacks (except those living in the Cape Province) from buying land outside reserves). The 1958 Promotion of Black Self-Government Act set up the "homelands" – a patchwork of mini-states created on some of the country's most barren land, with borders generally drawn to leave out any viable economic areas. The 1971 Black Homeland Citizenship Act changed the status of the inhabitants of the homelands, so that they ceased to be citizens of South Africa or to have any of the rights of citizenship. The effect of these set of laws and other related ones was to

[d]e-agrarianise black people and create a rural periphery, a labour reserve, by forcing people off the land and into urban labour markets and thus today they rely on wage or remittances. Today, only 4 percent of the rural poorest derive their income from agriculture instead of over 20 percent in other developing countries. (Phillips 2011)

Underinvestment in the homelands led to

limited access to basic services, (a) high cost of doing business and limited human capital formation. For example 50.9 percent of rural households had no access to electricity compared to only 22.8 of urban households. (Hemson 2003)

The Bantustan legacy will be with South Africa for decades to come. It makes the development of a truly transformative and sustainable rural development policy difficult. Rather than subsidising investment in areas that could never support strong economies, the state should manage the inevitable shift in settlement patterns toward stronger economic centres. This is emotive because people live in these barren or over-used areas, which have become home.

Another example of how racial prejudice makes participation and inclusion difficult even today is the 1953 Bantu Education Act. This act was designed to reduce the level of education attainable by black people because, as Verwoerd said in 1953,

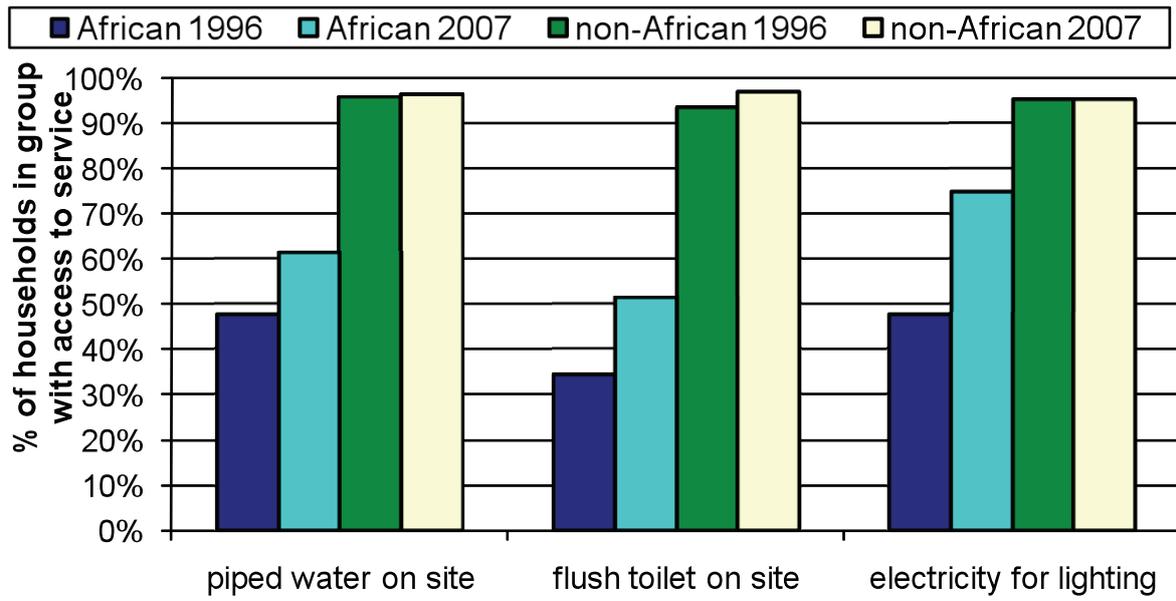
there is no place for [the Bantu] in the European community above the level of certain forms of labour What is the use of teaching the Bantu child mathematics when it cannot use it in practice? That is quite absurd. Education must train people in accordance with their opportunities in life, according to the sphere in which they live.

Bantu education, along with the 1951 Job Reservation Act, which discouraged the training of black artisans, is the root cause of skills deficit and inequitable employment patterns in the country today:

- The proportion of blacks with a tertiary education stands at about 5 percent against 29 percent of whites having a university degree.
- In 2005, white households earned on average R69 680 per year, compared to R6 979 for Africans, R13 213 for Coloureds and R24 707 for Asians (Bhorat 2011).
- The unemployment rate in 2010 for whites was 5.1 percent, 29.8 percent for Africans, 22.3 percent for Coloureds and 8.6 percent for Asians. (Statistics South Africa, Quarterly Labour Force 2010).
- In 2010, depending on the data source, between 26 and 32 percent of managers were black.

Apartheid policies included forced removals to implement the principles laid down in the Native Urban Areas Act and the Group Areas Act. Between 1960 and 1983, the apartheid state forcibly moved 3.5 million black South Africans. Despite large-scale efforts by government in the post-1994 period, social infrastructure and other development outcomes still reflect the racist past. As Figure 2.1 shows, there is a large gap in basic household infrastructure, with Africans the worst off.

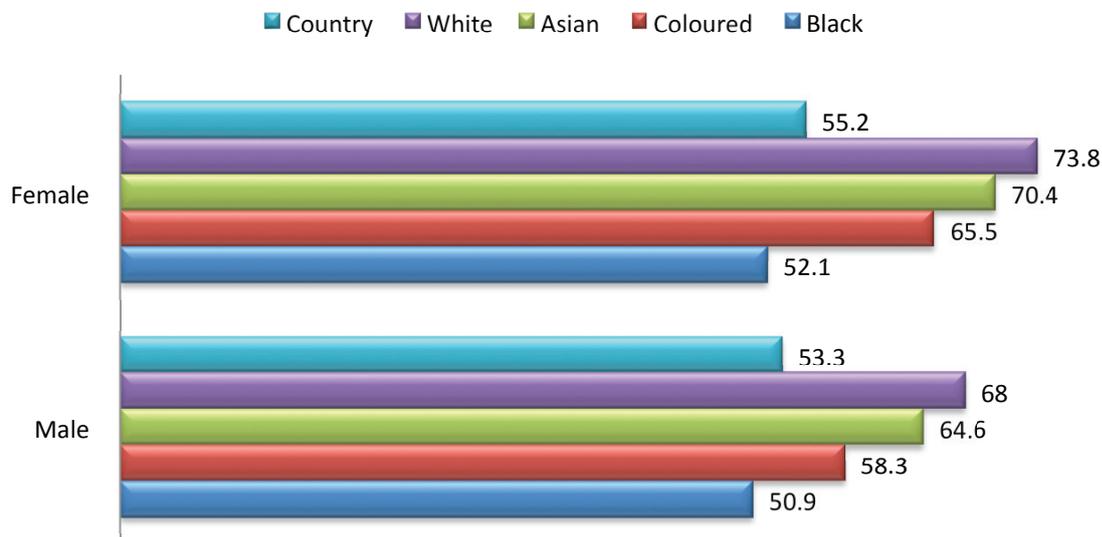
Figure 2.1: Household infrastructure by race



Source: General Household Survey 1996 and 2007

Figure 2 demonstrates how these inequalities are manifest in life expectancy.

Figure 2.2: Life expectancy by gender and population group, 2010



Source: Statistics South Africa, preparation of the 2010 mid-year estimates

The development outcome measured as life expectancy also shows that white women have a life expectancy that is 20 years longer than that of black women.

Besides the psychological cost of apartheid on blacks, the system of apartheid gave rise to a migrant labour system and system of labour reserves in homelands that destroyed conventional family life, causing complex social problems that persist today. Indeed there is still inequality not just in outcomes but in opportunity. As one observer writes:

a new form of racial inequality has emerged, operating not directly on income as in the heyday of job reservation, influx control and school segregation, but indirectly, through inequality in the rewards to effort, as witnessed by sharply divergent patterns in the returns to education between the races. (Keswell 2004 p.g. 1)

Class divisions

South Africa's class divisions largely parallel racial classification. These are the unsurprising findings of the 2008 South African Social Attitudes Survey. Fewer than 10 percent of African respondents placed themselves within the upper middle and upper classes, compared with a third (33 percent) of white respondents, and 45 percent of African respondents considered themselves as being in the lower class compared to 3 percent of white respondents. Despite the fact that many South Africans do not use class as a fundamental part of their self identity, when asked to self-rate by class, 37 percent identified with the lower class, 22 percent with the working class, 29 percent with the middle class, 7 percent with the upper middle class, and 2 percent with the upper class.

South Africa is a highly unequal country, with the top 20 percent of households earning 70 percent of the income and the bottom 40 percent receiving about 6 percent of income.

The top 1 percent of households earn over 20 percent of national income. The unemployment rate for the bottom 40 percent of households is above 50 percent, with a significant minority described as discouraged work-seekers.

Given these patterns, South Africa's middle class remains small, with an exceptionally large proportion of the population (even by developing country standards) marginalised from the economy and opportunities for social advancement.

Creating jobs, and raising the quality of public education, is critical to bridging these divides.

Social fragmentation

Social networks ("connections") help to define one's life possibilities by opening up opportunities. They are also an important measure of social consciousness and preparedness to take part in both community and general national programmes. According to the 2008 Macro Social Report, like most things in South Africa, even "connections" have a gender, race and spatial connotation:

- People in urban communities tend to have more close friends than people in rural communities.
- Black people tend to belong to networks with meagre resources (little to offer).
- The better resourced a respondent's community, the more friends they said they had (with Indians and whites reporting more than three times the figure for African respondents).
- Women have fewer friends within and outside their communities.
- Young adults tend to have fewer friends within their communities, perhaps as a result of mobility.

The family is the principal agent for socialisation, value inculcation and creating a sense of belonging. If the family is in trouble it means the common values mentioned earlier will not be absorbed. "The family is the most important agent of socialisation because it represents the centre of children's lives Infants are almost totally dependent on others for their survivability, and this explains the pivotal role of parents and-or other family members" (Bourne 2006). According to the Macro Social Report:

The ideal two-parent household is on the decline, with an increase in the proportion of both single and extended households in urban and rural areas, marriage rates are falling. Between 1996 and 2001, the number of households in South Africa increased by approximately 30 percent. This far exceeded population growth, which was only 11 percent.

Consequently, the state and other institutions need to play a larger role than would be the case if the "ideal family institution" was intact.

Religious institutions play a role in cementing social cohesion project, because they are a repository of social values. Other organised formations that champion various causes also engage and influence the policy process. However, there are also destructive social forces, particularly gangs, that engage in activities that undermine trust and the values embodied in our constitution. This contributes to the cycle of poverty and violence in poor communities.

Because these multiple sites of social interaction and dialogue significantly influence value inculcation, they are part of the fabric that provides incentives to and regulates the behaviour of individuals within communities. From time to time, they also demand accountability of the state. As such, they are important partners in nation building and social cohesion.

Language

In South Africa's recent past, rigid ethnic or tribal categories were imposed on a fluid social reality, giving each black African a tribal label, or identity, within a single racial classification. For many South Africans, language and ethnicity are essential elements of their own identity. English- and Afrikaans-speaking people tend not to have much ability in indigenous languages, but are fairly fluent in each other's language. In 1993 and 1994, many South Africans began to reclaim their ethnic heritage and to acknowledge pride in their ancestry. The new political leaders recognised the practical advantage of encouraging people to identify both with the nation and with a community that had a past older than the nation, so the interim constitution of 1993 reaffirmed the importance of ethnicity by elevating nine African languages to the status of official languages, along with English and Afrikaans.

Language is indeed an important form of national identity. English is however increasingly becoming the preferred language of commerce and office. This phenomenon is also driven by globalisation. Some countries have used a common language as a nation-building vehicle, including Mozambique, which chose Portuguese, Namibia (English), Tanzania (Swahili), Malaysia (Malay) and India (Hindi). South Africa has chosen not to follow such a route.

Exclusion

The Native (Black) Urban Areas Act (1923) divided South Africa into "prescribed" (urban) and "non-prescribed" (rural) areas, and strictly controlled the movement of black men between the two. The Group Areas Act (1950) restricted firm ownership by blacks to specified areas in cities and towns, and later regulations prevented black entrepreneurs from owning more than one business, from establishing companies or partnerships, or owning business premises.

In combination, these laws laid the basis for the creation of cities/dormitory towns on the basis of race. The physical separation of living areas, schooling, places of leisure, transport systems etc. meant that there was no shared space. Most black people in the countryside (in Bantustans and on the farms) entered into the democratic era with no assets of any type (land, water, finance, social capital etc.) and neither government nor market institutions had been designed to serve them.

The backlogs in former homelands are likely to remain for some time. Rural municipalities find it difficult to raise resources for investing in new infrastructure or even to maintain the limited infrastructure that exists. Rural municipalities have a low income base and residents have few assets of limited worth. Municipal rates are not applicable to properties worth less than R15 000, and this exempts a considerable number of rural households. In addition, the low incidence of industrial and commercial properties limits the collection of revenue.

Through the Division of Revenue Act and the municipal infrastructure grant, government has channelled resources to these municipalities. But the backlogs are massive, and the resources are inadequate to the task. For example, in 2006, the Department of Transport

estimated that about R38 billion was required to bring the rural road transport system up to the level necessary to promote economic activity. Rural municipalities are faced with the additional challenge that there is little or no capacity (strategic planners, engineers etc.) to manage the infrastructure or even plan for additional infrastructure (DBSA 2006).

The apartheid government tried to create industrial hubs in the Bantustans through the industrial decentralisation policy. The policy *“was conceived as a means of shoring up the Bantustan programme by providing their populations with alternatives to metropolitan employment, and by providing their political masters with a viable economic base. Simultaneously, (industrial decentralisation) would work against the process of black urbanisation”* (Wellings et al 1986). Investors were attracted by low wages and other incentives such as infrastructure, capital and wage incentives of up to 95 percent, financial assistance for relocation, transport rebates, housing subsidies, and training allowances (Seidman 1980, Pickles 1988). With these incentives drying up, after the 1990s, these factories ceased to be viable.

Correcting this anomaly, which reproduces inefficiencies, exclusion and immeasurable human suffering, requires government intervention. Attempts to develop a policy framework that will guide spatial investments by government have not been successful.

Gender and sex

Non-sexism is enshrined in the Constitution. South Africa has a large set of state institutions (including a ministry) and legislation devoted to ensuring women's equality, alongside vibrant gender activist organisations.

The country has taken important steps forward in the representation of women, particularly within government. In 2010, 44 percent of legislative seats and 43 percent of Cabinet positions were held by women. In local government, women hold 40 percent of elected positions. The number of women at senior levels of the public service had risen to an average of 36 percent at the end of 2009.

However, patriarchal practices still reduce the participation and voice of women in society. Women still earn less than men on average and only 18 percent of managers are women (National Development Indicators 2009). Women are still expected to conduct their productive and reproductive roles (child care, caring for the sick – a huge burden given the HIV/AIDS pandemic –fetching water, fuel and so on), reducing the possibility of engaging with broader economy. Walby (1990) in Chisana (2006) argues that gender inclusion is difficult because of:

- *The patriarchal mode of production and the expropriation of the women's domestic labour by their husbands and partners and the state.*
- *The patriarchal relations in paid work: Women's work is usually nurturing work and thus lowly paid.*
- *The patriarchal relations in the state: The state has a systemic bias towards patriarchal interests in its policies and actions. Men monopolise positions of political power.*
- *Violence against women is rife and we witness high rates of sexual violence, with poor response mechanism from the criminal justice sector.*
- *The patriarchal relations in sexuality.*
- *The patriarchal relations in cultural institutions: significant for their generation of a variety of gender-differentiated forms of subjectivity. This structure is composed*

of a set of institutions which create the representation of women within a patriarchal gaze.

Equal rights for gay and lesbian people are enshrined in the Constitution. Same-sex civil unions were absorbed into law in 2006. Gay and lesbian people may adopt children, join the army and so on, yet reported incidences of corrective rape show that in spite of legal protection, gays and lesbians are excluded and are not able to practise freely their constitutional rights. In many areas of society, gay and lesbian people still face discrimination.

Much work remains before South Africa can realise the dream of a non-sexist society. It should be possible to navigate the various cultural “norms” and patriarchy to enable participation and inclusion.

Unemployment

At 25 percent, South Africa’s official rate of unemployment is exceptionally high. The situation is even worse for young people. Unemployed youth feel excluded and unable to contribute positively to society. The lack of faster employment growth in general, and in particular the inability of young people to break into the labour market, undermines the country’s ability to unite people around a common vision. Generally the economy has been unable to absorb new job entrants. “In the first 15 years of democratic rule ... the economy generated approximately 3.2 million jobs. Over the same period though, some 4.7 million individuals entered the labour market, in search of jobs. The consequence of the latter was an increase in the number of narrowly defined unemployed by 1.5 million (Bhorat and Mayet 2010).

The inability of the economy to create jobs for young people directly threatens the delicate balance between the constitutional imperative for redistribution, the need to escape the shadow of the past, and the need to build inclusivity for all – both black and white.

Many young whites perceive the Employment Equity Act as exclusionary legislation. This is in spite of the fact that black workers take longer to be absorbed into the workforce, and are generally the first to be retrenched during a downturn. Black people generally experience higher levels of unemployment and the participation of white males is more or less unaffected by business cycle fluctuations. Unemployment rates are higher for black youth than they are for whites, especially at younger ages. Similarly, despite the positive increase of women actively seeking employment, high unemployment rates among women adds to social exclusion and entrenches the poverty trap, especially when considering the fact that many of the poorest households are headed by women.

Unequal experience of the law

The Constitution is South Africa’s foundation, that which binds the nation. Factors such as crime, corruption, poor values and ethics, unequal experience of the law and unrealised rights undermine this foundation.

The Bill of Rights states that all South Africans are equal before the law. Yet in practice, people experience the law differently. Upper middle-class households are often better served by the municipal, provincial and national government than their working-class counterparts. Schools provide a better education to middle-class learners, streets and parks of middle-

class areas are better maintained, refuse collection and other municipal services are superior, and so on. The wealthy and those whose legal expenses are sponsored experience better equality before the law because they can afford better lawyers. Efforts have been made to provide legal assistance to the poor but a significant portion of people are still unable to access support.

An incomplete healing process

Following a successful negotiation process, South Africa chose the mechanism of the Truth and Reconciliation Commission to aid the healing process. This effort aimed to bring perpetrator and victim together to talk about their experiences and, in the case of the perpetrator, to confess to their wrongs and ask for forgiveness. Many positive experiences emerged from the Truth and Reconciliation Commission process. Hundreds of former agents of the apartheid government (though certainly not all) came forward to confess to crimes that they committed. Similarly, on the side of the liberation movement, those who committed acts that were illegal, which in some cases harmed innocent people, also came forward to confess and ask their victims for forgiveness. Thousands of victims and their families came forward to tell their stories of torture, imprisonment, physical and emotional abuse, or the death of their loved ones.

The truth and reconciliation process played an important role in healing the wounds of the past. But a more fundamental point is that the true victims of apartheid were not only the thousands who suffered at the hands of the police, or who were imprisoned; it was the millions who were forcibly moved to barren lands, denied decent education, forced to carry passes and suffer the indignity of racial discrimination daily. The only reparation for all the victims of apartheid is a democratic South Africa that reverses the effects of apartheid and enables equity of opportunity and outcomes.

The balancing act: a progress report

In pre-apartheid South Africa there were numerous attempts at nation-building and identity formation. Shaka, Moshoeshe and others crafted “nations” from many separate groupings. In the wake of the Anglo-Boer war both the victors and the conquered Boer republics went about the

construction of a white South African identity ... predicated on the control of the apparatus of state and privileged access to resources by the white minority. This white minority consists of two main ethnic groups of European origin (English and Afrikaans) both of whom defined themselves primarily in contradistinction to the 'other', the indigenous population The narrative of 'whiteness' which informed the construction of white identity meant that race became a salient social category in South Africa. (Magubane 2010)

The fight against a racist government was in itself a nation-building project. In 1955, the Freedom Charter was adopted. The charter declared that South Africa belongs to all who live in it, black and white. Whites were not seen as colonial settlers, but as citizens of the country with a legitimate right to live and prosper.

The first fully inclusive nation-building exercise was the Convention for a Democratic South Africa, which ultimately gave birth to the democratic constitution that obliges the country to unify our people and effect redress. As mentioned earlier this is a difficult balancing act.

The evidence presented in this chapter suggests that progress has been mixed and patchy. On the one hand, the country has taken huge strides in ending racial discrimination and in dismantling the institutional barriers to social interaction. Some progress has been registered in deracialising the upper end of the income spectrum. For example most middle-class schools are mixed, enrolment at universities nearly mirrors the country's demographic profile.

On the other hand, the country is in many respects failing to meet the challenge of the Constitution. South Africans are not fully united around a common vision, enabling them to harness their full potential to meet the needs of a growing country. The country is failing to improve educational standards for black children, thereby limiting opportunity. Employment and productivity are not rising fast enough to enable rising incomes and living standards, and the economy is not growing rapidly to create new business opportunities. The country has largely not met its own projections for a successful land redistribution programme. By March 2007, the land reform programme in all its forms had transferred somewhere in the order of four million hectares – roughly 5% of white-owned land – to historically disadvantaged South Africans. (Lahiff 2008).

According to the *2010 Development Indicators Report*, 66 percent of citizens are proud to be South African, but only 53 percent see themselves as South African first, as opposed to some other form of identity. The proportion of adult population who feel that the country is going in the right direction was 42.8 percent and 57 percent considered race relations as having improved (The Presidency 2010).

A 1998 Market Research Africa study done on behalf of the Human Sciences Research Council shows that out of a scale of 5, with 5 being very important and 1 unimportant, the number of people who answer very proudly to being called South Africans was high for all racial groups (all over 4). Using the same scale, for all black Africans the ratings for allegiance to cultural symbols was 4 and higher, while whites, and especially Afrikaans speakers, rated the new cultural symbols as less important. (Barnan 2005). If this is still the case today, it could mean that there is still room to rally South Africans behind the new inclusive national symbols.

The *Reflections on the Age of Hope* survey suggests that

While establishing social justice is critical to future social security in South Africa, redress measures have been shown to generate conflict, which itself undermines security. From some perspectives it would appear as though such conflict is inevitable because redress measures threaten the interests of some groups more than others. Thus the (survey) data showed that opposition to redress varied by group according to whether the group stood to gain or lose from the policies.

Redress measures implemented in an environment where public services are being delivered, educational standards are rising and the economy is growing (especially when employment and productivity are growing) is easier to manage. In the absence of these factors, redress measures appear as a win-lose trade-off. Even though this trade-off is justified and morally correct, it does result in feelings of discontentment and marginalisation among the perceived losers. In addition, when these factors are not present, redress measures on their own are insufficient to satisfy the legitimate expectations of millions of black people. This results in growing frustration among the poorest citizens.

While there are uniting factors, such as the Constitution, and expressions of unity – such as integrated suburbs, open places of learning and recreation, on the sports fields and in the grandstands – there are also new factors that prevent unity or that are in fact divisive. Crime and the fear of crime have given rise to high walls, gated communities and much more constrained recreation and leisure activities than would have been the case in an environment of low crime levels.

Under apartheid, religion too was used as a tool of segregation. Despite this, religion has generally been a progressive and uniting force in South Africa's history. Progressive religious communities fought against apartheid and helped produce a range of leaders for the anti-apartheid movement. Over the past 15 years, more socially conservative, evangelical-type churches have grown in prominence. It is not yet clear what this development implies for the nation-building project.

Towards nation formation

Common values and ethics

The process of nation building has to be infused with a set of values and ethics that are consistent with the Constitution. Throughout history, nations have been forged in battle or through having a common enemy. In South Africa's case, apartheid is no longer a common enemy, and South Africa is on friendly terms with its neighbours. The country seeks to build a nation around the values of non-racialism, of healing the past, of acting in the interests of the poor and downtrodden. South Africa should build a social solidarity in which progress for all depends on progress for the poor.

Identity plays a key role in shaping the national values. South Africa has chosen not to create a melting pot, but rather a *potjie* to celebrate diversity. Yet a binding factor is required. What binds us? A useful way of looking at identity is within the thesis put forward by Amartya Sen. In this view, it is both possible and fine to have multiple identities – for example, a South African of Indian origin, Catholic, teaching catechism on Sunday, and a Soweto school maths teacher during the week. South Africans are bound by a shared geographic space, a common modern history (however differently experienced), and a Constitution with four core values:

- Non racism. South Africa belongs to all who live in it, black and white. South Africans may hold multiple identities but we are South Africans first, before race, language or ethnicity.
- Non-sexism: Equality of status, rights, responsibilities and opportunities should unite men and women.
- Social solidarity: All South Africans have a responsibility to build a new society, one in which opportunity is not shaped by our history, which is fundamentally pro-poor in nature.
- Democracy: The people shall govern, and the authority of the state should be exercised by elected representatives of its people in institutions enshrined in the Constitution.

South Africa's path to nation building allows individual cultures, languages and identities to become building blocks of a greater whole, which gives rise to certain challenges. Minority groups may hesitate to identify with the symbols of the state; groups in the periphery of power often feel marginalised.

As discussed elsewhere, South Africa is highly unequal society. Redistribution and equity are not only a constitutional imperative, but are good for growth, development and stability. Without effective redistribution, growth itself becomes unstable. However, it is also true that without faster growth, effective and sustainable redistribution programmes are likely to be pyrrhic and tenuous.

The education system plays an important role in inculcating the values of democracy, social justice, equality, non-racialism and non-sexism, ubuntu (solidarity), human dignity, an open society, accountability, the rule of law, respect and reconciliation. Every effort should be made by government and civil society to promote these values for all South Africans. Incidentally the successful hosting of 2010 Football World Cup, as well as the advertisement that mobilised people to support the world cup contributed immensely in the building of a new all encompassing South African identity and in inculcating the values embedded in the Constitution. The adverts and the campaigns such as the Football Friday and fly the flag campaign, created a new shared history, built national pride and goodwill and united the populace behind South Africa's goal to become a key player in the global economy. The adverts also enhanced citizenship: *"According to these ads, a good citizen demonstrates loyalty and places faith in South Africa, makes sacrifices for goals presumed to be in the national interest such as hosting global sporting events, and contributes locally through community service and adherence to the rule"* (Murai 2011p.g 25)

Uniting values

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A social contract for equity and inclusion

At the core of a social contract (also referred to as a social compact) is an agreement that outlines the mutual rights and responsibilities of citizens, their government, and other institutions in society. Through such a contract citizens gain civil rights in return for accepting the obligation to respect and defend the rights of others, giving up some freedoms to do so. Underlying this concept is the acceptance that everyone is equal to negotiate these obligations and freedoms, and that all will be treated the same before the law.

Within the broader social contract of agreeing to be "governed" and expecting a capable state that delivers, there will be collective agreements between important social partners in society (mostly government, labour unions, business groups, and sometimes other civil society organisations) about how to address major issues that parties to such agreements

consider important. Implicit in this is the concept of mutual or collective sacrifice and contribution for the greater good.

Social contracts sometimes cover specific issues (e.g. addressing the problem of high unemployment) or a broad spectrum of issues such as measures to be taken to lead a particular country to a higher level of economic and social development. In China, for example, the broad social compact is that living standards (household consumption) will rise relatively slowly to enable very high levels of investment, drawing even more people into salaried income.

South Africa has had an implicit compact in which the wealthy pay taxes and the government uses those taxes to deliver services and effect redistribution. This compact will be at risk if people believe that the tax revenues that they contribute are being spent inefficiently.

Necessary conditions for a sustainable, working social contract include:

- A mutual recognition of the problem and a shared analysis.
- A mutual recognition that all parties need to commit to finding solutions.
- Efforts to build and maintain trust among all parties.
- A clear vision of goals and objectives.
- Steps to build confidence by making initial gains to balance sacrifices required, and to audit and report on progress and shortcomings.
- Constituency representation. So a social contract involving labour and business would need to have adequate and credible representation of both parties and their core components (e.g. small and large business).
- A will to transform.

It may well be that South Africa already has an implicit social contract between the poor, labour and big business, over and above the explicit one outlined in the Constitution:

South Africa has pursued a high-growth/low-employment model of development, with the revenues from growth used to fund a relatively generous body of social grants. This settlement is underpinned by a particular set of state-society relations, particularly an agreement between state, capital and labour around the importance of a capital-intensive approach that requires a well-skilled but limited labour force. Here, the trade unions have used their historic importance within the ANC-movement to help protect members, largely to the detriment of less-skilled and less well-organised workers in the informal economy, a constituency who would clearly benefit from a more labour-intensive economic strategy. (Seekings and Natrass 2005)

In South Africa, the singular area that demands a social contract is to create employment.

While virtually everyone agrees that creating jobs is the country's most pressing challenge, there is no agreement on what to do about it. Intuitively, a social contract should not be too difficult. Government would have to invest more of its budget on social and economic infrastructure and deliver an expanding social wage to the poor; business would have to take a longer-term perspective by investing more and training more; and labour would have to recognise that some wage moderation is required, alongside efforts to raise productivity.

To date, South Africans have not been able to agree to the broad terms of such a compact. This says a great deal about the country's history and the lack of trust in the body politic.

Conclusion

South Africa's ability to foster greater social cohesion through the nation-building process requires the maintenance of a delicate balance between uniting a diverse population and effecting redress. Both are critical and correct constitutional imperatives. A growing economy on its own will assist but not reverse the effects of apartheid; this requires an activist state that improves education, builds infrastructure and affirms the historical disadvantages to build a more equal society. Yet without a growing economy, rising employment and an improving education system, affirmation measures on their own will not satisfy the legitimate needs of the majority of poor people.

Building trust in society is essential for the shared sacrifice and common purpose required to achieve South Africa's social and economic objectives. This can only happen through strong leadership in all elements of society and policies and institutions that take a long-term perspective on development.

This chapter shows that only modest progress has been made in building a more inclusive society, reducing divisions including spatial division, enabling equity in opportunities and facilitating redress because redress measures seem to generate conflict, which itself undermines security. South Africa has failed to understand the historical imperative for transformation and what it means, and to build the common values necessary to build long-term trust. Turning this around will not be easy, but it is still a realistic prospect to create the conditions under which unity and transformation can thrive.

As part of the public consultation process to take place in coming months, the National Planning Commission will ask a range of audiences how to accelerate the nation-building process. The questions we will ask are summarised in the table below. The resulting deliberations will inform the draft national plan to be produced next year.

Questions for public engagement leading to the crafting of the plan	
INEQUALITY AND RACE	<p>Is it possible to build an identity that transcends race with the current levels of racial inequality? What perpetuates income inequality along racial lines and how best do we reduce it?</p> <p>How do we convince South Africans black and white that we are one nation, and we must share equitably in the country's resources and opportunities?</p> <p>Does nation building begin with amplifying existing elements of consensus and downplaying dissent, or will this be papering over the cracks?</p> <p>Is there space for the creation of a healing mechanism beyond the Truth and Reconciliation Commission that will also serve to remove the effects of years of racial indoctrination?</p>
INEQUALITY AND CLASS	<p>Should the drive to create a massive middle class be at the core of our economic policy, both to build up markets and increase demand?</p> <p>How can redistribution be quicker without negatively affecting growth and inclusiveness? How do we facilitate redistribution, equity and prosperity without rocking the foundation of the peaceful transition and causing capital and skills flight?</p> <p>Can class be used instead of race to drive equity and the nation-building project, or is it too early in spite of the presence of the black elite? Should the focus be on social equity rather than on the continual use of these divisive elements class or race? Does it matter, because class by and large still mirrors race?</p>
INEQUALITY AND LANGUAGE	<p>Should the reality of the widespread use of English as the major medium of social interaction be recognised in South Africa's language policy by acknowledging that while we have nine official languages, and state and social resources will continue to be used to develop these languages, English will be recognised as the preferred medium of social interaction?</p>
SOCIAL COHESION/ SOCIAL FRAGMENTATION/ INSTITUTIONS	<p>Should government actively strengthen civil society organisations because of the role they play in social cohesion and value inculcation, developing shared ethics, increasing a sense of belonging and in delivering some social services? Is this feasible?</p> <p>How do we strengthen our institutions such that all (rich and poor, powerful and non-powerful) experience justice and constitutional rights fully?</p>
INEQUALITY AND SPACE DYNAMICS	<p>The principles agreed to at an academic level include:</p> <ul style="list-style-type: none"> • Spatial justice • Spatial sustainability • Spatial resilience • Spatial quality • Spatial efficiency <p>Using these principles, are South Africans willing to develop an innovative, workable and politically acceptable spatial policy?</p> <p>How do we make the sharing of common space possible?</p>
SOCIAL COMPACT	<p>Is South Africa ready to embark on a journey to craft a truly transformative social contract?</p> <p>Can a successful social contract make real the aspirations embodied in the Constitution: "Healing the divisions of the past and establishing a society based on democratic values, social justice and fundamental human rights?"</p>
VALUES	<p>How are values inculcated such that they can be lived by all citizens and help create the new overarching identity as envisaged in the Constitution?</p>

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