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# Discourses around Social Welfare Grants as Antipoverty Policy: Effectiveness and the Potential for Reform

Sarah Maniates

*SIT Study Abroad*, maniatess@kenyon.edu

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**Discourses around Social Welfare Grants as  
Antipoverty Policy:  
Effectiveness and the Potential for Reform**

Sarah Maniates

School for International Training

South Africa: Social and Political Transformation

Spring 2012

Advised by Benjamin Roberts, Human Sciences Research Council

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## **List of Abbreviations and Acronyms**

BIG – Basic Income Grant

CDG – Care Dependency Grant

CSG – Child Support Grant

DG – Disability Grant

EPWP – Extended Public Works Program

FCG – Foster Care Grant

PWP – Public Works Program

SOAP – State Old Age Pension

UIF – Unemployment Insurance Fund

## Abstract

*In a South Africa where many still live in poverty, the government has chosen an extensive system of social grants as one of the primary methods by which it attempts to reduce this poverty. Research has generated substantial quantitative evidence that the system is successful, but there has been little analysis of public opinion around this costly policy, its effectiveness, and the need for its reform. This study explores discourses around the grants, both within government and among everyday people, in order to gain insight into such opinions. This insight is important in a South Africa that is now democratic, but still struggling. First, recent speeches and statements by relevant public officials were analyzed to reveal how the government understands and communicates the purpose and importance of the grants. Personal interviews with working-class South Africans of various age and racial groups were then conducted to learn how the public feels about the prioritization of the grant system as antipoverty policy, the appropriateness and effectiveness of this system, the need for and nature of reform, and the presentation of the system by government. Little variation appeared among the responses of interview subjects, suggesting that opinions around the grant may be dependent on class rather than race or age. Most respondents approved of grants for those unable to work but not for the young and able-bodied, viewed grants as insufficient considering the high cost of living but prioritized higher government spending on other types of social services, and were highly concerned about the presence of fraud within the grant system and its potential to create dependency. Government messages about the grants often aligned with public opinion, expressing wariness of dependency leading to a future prioritization of job creation and growth over social service provision for poverty relief. Both discourses contradict research on the subject, which suggests that grants are the most effective form of spending for poverty alleviation, do not create dependency, and should be extended to more South Africans.*

## Introduction

Poverty, along with inequality and unemployment, is one of the major challenges facing present-day, post-apartheid South Africa. During the past decade, around 50% of South Africans still experienced income poverty, while 32.3% of the population lived in households defined as “ultra-poor.”<sup>1</sup> One of the most important and controversial ways in which the South African government has attempted to address this poverty is through a system of largely unconditional welfare grants, most commonly provided to the elderly, the disabled, and the caretakers of

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<sup>1</sup> Kalie Pauw and Liberty Mncube, “The Impact of Growth and Redistribution on Poverty and Inequality in South Africa,” *International Poverty Center* (2007): 1, 3, web.

children living in poor households.<sup>2</sup> The South African government's commitment to the grant system as a cornerstone of antipoverty is clearly visible in its spending choices. Expenditure on the welfare grant system accounts for about 30% of the social services budget and 20% of the overall non-interest budget each year, an amount expected to rise to R122 billion by 2014/15.<sup>3</sup> Research has shown this spending to be at least relatively effective, with grants reducing the income poverty gap by 23%, even considering less than full take-up of the grants.<sup>4</sup>

However, despite the ostensible success of the grants, poverty remains an extremely significant and visible problem in South Africa. In addition, it is a problem that the South African population considers very important and expects government spending to address. High levels of unemployment and low incomes in the South African population mean that the government has limited revenue with which to deal with poverty, not to mention the multitude of other problems and demands it faces. Therefore, any and all antipoverty spending needs to be maximally effective, and in ways that are visible to the South African population. If social spending, including spending on welfare grants, is not working well from the perspective of the South Africans it is meant to help, or if it is not considered the most effective use of limited funds, reform should be considered. There is substantial quantitative, academic data suggesting that the grant system is effective at poverty reduction, but there has been little investigation into how the South African public, the people receiving the grants or being taxed to pay for them, views the system and its effectiveness. In a democratic and still-restless South Africa with limited resources and high demands upon these resources, these opinions are important.

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<sup>2</sup> Michael Samson et al., "Final Report: The Social and Economic Impact of South Africa's Social Security System," *Economics and Finance Directorate, Department of Social Development* (2004): 1, web.

<sup>3</sup> Pauw and Mncube, "Growth and Redistribution," 49-50; Bathabile Dlamini, "Minister welcomes investment in social protection initiatives," 23/2/12, Department of Social Development, [www.info.gov.za](http://www.info.gov.za).

<sup>4</sup> Michael Samson, "The social, economic, and fiscal impact of comprehensive social security reform for South Africa," *Social Dynamics*, 28 (2002): 72, 73, web.

The preliminary objective of this study was to understand the presentation of the grant system by the government, both in regards to its intended purpose and its place within the larger body of antipoverty policy. This objective was accomplished through analysis of primary source statements in the form of speeches by various relevant members of government. The resulting knowledge allowed for contextualization of the primary objective of this study; to understand how everyday, working-class South Africans, of different age and race groups, view the grant system. More specifically, this study attempted to determine whether a group of South Africans basically agrees with the prioritization, design, and execution of the grant system, whether it seems like an effective use of revenue from their perspective, whether they see increased spending on the grant system or increased social spending in other areas as more useful, and if and how they think the system should be reformed. Ultimately, this study attempted to discover whether the public thinks the grants do reduce poverty, and are the way that government should try to reduce poverty. Furthermore, it was interested in uncovering any variation in perspectives on these issues between different age and race groups, and determining if public opinion and political conception of the grants are compatible with each other and with the results of quantitative academic research.

This study begins with a literature review providing background on the social grant system and a summary of the dominant research on the topic. This review is followed by a description of the methods used to investigate the objectives described above and examination of the limitations within this methodology and the study as a whole. The results of the study are then presented, beginning with an analysis of relevant government statements and speeches about the grant system, organized by speaker. The body of information, results of the personal interviews, follows, organized thematically to deal first with views on the current grant system



and then with the possibility of grant reform. This information is then compared to the themes presented by the government and within the academic literature. Concluding comments complete the study, finding that most respondents approve of the grant system, at least as used by certain demographics of South African society, and consider it effective, yet would prioritize other types of social spending over increased grant spending and are highly concerned about the presence of fraud within the grant system and its potential to create dependency. These opinions are relatively compatible with the stance of policymakers, but both contradict the results of academic research suggesting that grants are the most effective form of spending for poverty alleviation, do not create dependency, and should be extended to more South Africans.

## **Literature Review**

Although South Africa is considered a middle-income, increasingly developed country, many of its citizens still live in conditions of moderate to extreme poverty, both relative to wealthy South Africans and in absolute terms.<sup>5</sup> In the early 2000s, after post-apartheid policies had an opportunity to take effect, between 45% and 55% of South Africans still experienced income poverty, with 32.3% of the population living in households defined as “ultra-poor.”<sup>6</sup> In addition, poverty continues to disproportionately affect historically disadvantaged groups such as black South Africans and those living in rural areas.<sup>7</sup> Therefore, along with some of the highest rates of unemployment and income inequality in the world, poverty reduction is one of the most significant challenges faced by the post-apartheid government. For the current ANC government, highly concerned with the redistribution of income and provision of the services

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<sup>5</sup> Pauw and Mncube, “Growth and Redistribution,” 1.

<sup>6</sup> Pauw and Mncube, “Growth and Redistribution,” 1, 3.

<sup>7</sup> Pauw and Mncube, “Growth and Redistribution,” 4, 6.

necessary for a decent standard of living, decreasing poverty must also be a priority. The South African government has implemented a variety of policies aimed at diminishing poverty, one of the most important and expensive of which is South Africa's extensive and somewhat unique system of social welfare grants. The effectiveness of these grants, their sustainability, their potential negative impacts, and the possibility of their reform have all been the subject of considerable debate. Although there is a strong consensus around the fact that the current grant system reduces poverty and does not tend to create dependency, there is much greater variation within the literature around the necessity and character of grant reform, and little analysis of the attitudes of South Africans around this system as a focus of antipoverty policy.

South Africa's social grant system has actually existed, at least in some form, since long before the ANC, with its goals of poverty reduction, came to power. The first social pensions were introduced in South Africa in 1928, though not extended to Africans until 1944, and even then at much lower levels because of beliefs that "natives should receive lower benefits because they paid lower taxes and had a lower standard of living" and that "pensions were unnecessary for [black Africans] since they could rely on their 'Native custom which makes provision for maintaining dependent persons.'"<sup>8</sup> Although these grants comprised Africa's first social pension system, and became its most extensive system of social welfare, the apartheid government used them to gain the support of the white lower class and further discriminate against the black population, compounding and perpetuating the inequalities inherent in the apartheid system.<sup>9</sup>

The inequities between grant payments to different racial groups decreased as apartheid came to

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<sup>8</sup> Stephen Devereux, "Social Pensions in Southern Africa in the Twentieth Century," *Journal of Southern African Studies*, 33 (2007): 539, 541-3, web.

<sup>9</sup> Devereux, "Social Pensions," 541-2, 544.

an end, and the system was completely equalized from a racial perspective when the ANC instituted means testing for many of the grants after the transition to democracy.<sup>10</sup>

At present, the South African social security system consists of both contributory social insurance and social assistance in the form of grants.<sup>11</sup> These grants include a non-contributory State Old Age Pension (SOAP), a Disability Grant (DG), a Child Support Grant for low-income caretakers of children below a certain age, a Care Dependency Grant (CDG), a Foster Care Grant (FCG), and others.<sup>12</sup> There is no social assistance for the unemployed; the only form of unemployment protection is an Unemployment Insurance Fund (UIF), which is contributory.<sup>13</sup> Of the grants, the Old Age Pension, Disability Grant, and Child Support Grant have the most recipients and are the most commonly researched. South Africa's social security system represents a "distributional regime," combining non-contributory welfare provided to specific categories of the poor with policies more focused on the labor market and creating conventional economic growth.<sup>14</sup>

After South Africa's political transition took place, the social grant system was meant to become an example of "developmental social welfare...which reflects a commitment to overcoming inequity and racial discrimination...seeks to move away from curative services towards preventative programmes and towards linking welfare clients with opportunities for income generation...and encourages individual financial responsibility where possible, but [says] that all South Africans should have the right to a reasonable standard of living."<sup>15</sup> Although the

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<sup>10</sup> Devereux, "Social Pensions," 546-7.

<sup>11</sup> Servaas Van der Berg and Caryn Bredenkamp, "Devising Social Security Interventions for Maximum Poverty Impact," *Centre for Social Science Research, UCT* (2002): 2, web.

<sup>12</sup> Samson et al., "Final Report," 1.

<sup>13</sup> Van der Berg and Bredenkamp, "Devising Social Security Interventions," 6.

<sup>14</sup> Jeremy Seekings, "Prospects for Basic Income in Developing Countries: A Comparative Analysis of Welfare Regimes in the South," *Centre for Social Science Research, UCT* (2005): 1, 10, web.

<sup>15</sup> Francie Lund, *Changing Social Policy: The Child Support Grant in South Africa* (Cape Town: HSRC Press, 2008), 1, 13.

conception of the social grant system described above reflects its genesis during an era dominated by neoliberal ideology, the system was certainly designed as a “route to poverty alleviation,” as described by a policymaker, and social spending since reflects the prioritization of this route.<sup>16</sup> Despite South Africa’s small tax base, a result of the high unemployment level in the country, welfare grant expenditure takes up 30% of the social services budget and 20% of the overall non-interest budget annually, a percentage of its GDP comparable to or higher than in many Northern welfare regimes.<sup>17</sup> The grant system is both a costly and highly redistributive aspect of social policy. Considering these facts, is it accomplishing its goal of reducing poverty?

More than any other aspect of the social grants, there is consensus in the literature on grant effectiveness to the effect that the various grants reach a high percentage of people in poverty and serve to reduce that poverty. The grant system as a whole reduces the average poverty gap by 23%, and could reduce this gap by 37% given a full take-up of the grants.<sup>18</sup> Welfare transfers in the form of grants are an essential source of income for a significant number of South Africans – when varying statistics are compared, “at least a quarter of all households, or a third of the population, relies on welfare transfers for income, and at least a third of these households earn 80% or more of their income from welfare transfers.”<sup>19</sup> Although different academics and researchers measure the success of the grant system differently, they ultimately come to similar conclusions. Kalie Pauw and Liberty Mncube, in “The Impact of Growth and Redistribution on Poverty and Inequality in South Africa,” state simply that “the net effect of transfers and taxes clearly benefits poor people.”<sup>20</sup> Some scholars are even bolder in their

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<sup>16</sup> Lund, *Changing Social Policy*, 13.

<sup>17</sup> Pauw and Mncube, “Growth and Redistribution,” 49-50; Jeremy Seekings, “The Broader Importance of Welfare Reform in South Africa,” *Social Dynamics*, 28 (2002): 8, web.

<sup>18</sup> Samson, “Comprehensive Social Security Reform,” 72, 73.

<sup>19</sup> Pauw and Mncube, “Growth and Redistribution,” 12.

<sup>20</sup> Pauw and Mncube, “Growth and Redistribution,” 41.

assertions of the success of South Africa's system. Jeremy Seekings, in "The Broader Importance of Welfare Reform in South Africa," claims that "it is very likely that the required data, if we had it, would show that the South African pension system serves to redistribute from the rich to the poor to an extent unmatched almost anywhere else in the South."<sup>21</sup> The various authors of the Economic Policy Research Institute's "Final Report on the Social and Economic Impact of South Africa's Social Security System" say most conclusively that "South Africa's system of social security substantially reduces deprivation, and the progressive extension of the magnitude, scope, and reach of social grants holds the potential to dramatically diminish the prevalence of poverty in South Africa."<sup>22</sup> Although many of these authors also identify problems with the existing grant system, their unanimity when it comes to the ability of the grants to reduce poverty in the lives of those who receive them makes the effectiveness of the grants irrefutable.

The report cited above goes on to identify other, more specific positive impacts of the grant system. First of all, although a common theory links welfare to decreased participation in the labor force, South African research finds the opposite result in the case of the poorest South Africans, for whom a grant may give them the funding to search for employment.<sup>23</sup> The grant also has a positive developmental impact on households, increasing the likelihood of school attendance and the efficiency of household spending, and correlates with higher labor market participation and productivity.<sup>24</sup> It could also, in the long run, have positive macroeconomic effects, leading to higher growth reinforced by more equitable income distribution and higher

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<sup>21</sup> Seekings, "Broader Importance," 11.

<sup>22</sup> Samson et al., "Final Report," 2.

<sup>23</sup> Samson et al., "Final Report," 3.

<sup>24</sup> Samson et al., "Final Report," 134.

levels of education.<sup>25</sup> When it comes to the Child Support Grant in particular, Anne Case, Victoria Hosegood, and Frances Lund, in “The Reach and Impact of Child Support Grants: evidence from KwaZulu-Natal,” also conclude that grant recipients are more likely to be enrolled in school, even when their older siblings were not, suggesting that the CSG may overcome the negative impact of poverty on education levels.<sup>26</sup> Finally, existing social attitudes research suggests that the South African population supports grant spending as an effective use of tax revenue, with 82.3% of South Africans strongly agreeing or agreeing that “most people on social grants desperately need the help,” and do not perceive a dependency culture or disincentive to work as a result of the grant.<sup>27</sup>

Despite the many successes of the social grant system, it is far from adequate as a means of poverty eradication. The existing grants leave more than 13 million South Africans with incomes at lower than half the poverty line, and even with full take-up of the grants half the country’s population would be living below subsistence level.<sup>28</sup> They are simply not enough to deal with poverty on their own. In addition, because of the cost and effort involved with applying for the various grants, they reach only 43% of eligible grant recipients.<sup>29</sup> The most pressing problem with the grant system, as identified by a wide range of academics, is its failure to provide an unemployment benefit. The only unemployment protection available to South Africans through the social security system is the Unemployment Insurance Fund (UIF), a contributory insurance plan for which many South Africans, including those employed in the

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<sup>25</sup> Samson et al., “Final Report,” 135.

<sup>26</sup> Anne Case, Victoria Hosegood, and Frances Lund, “The Reach of the South African Child Support Grant: Evidence from KwaZulu-Natal,” *Development Southern Africa*, 22 (2005): 467, web.

<sup>27</sup> Michael Noble, Phakama Ntshongwana, and Rebecca Surender, “Attitudes to work and social security in South Africa,” (Cape Town: HSRC Press, 2008), 14, 19.

<sup>28</sup> Samson, “Comprehensive Social Security Reform,” 72, 74.

<sup>29</sup> Samson, “Comprehensive Social Security Reform,” 75.

informal economy and those who have never been employed, do not qualify.<sup>30</sup> Despite the pervasiveness of the problem of unemployment in South Africa, the UIF as the only aspect of social security addressing this problem makes “no difference to the overwhelming majority of unemployed people” failing “to provide for people who [are] poor not because they [are] in the ‘deserving’ categories of the young, disabled, and elderly but because they [can] not find employment.”<sup>31</sup> There are significant gaps in the system; social unemployment insurance reaches only the wealthier and formally employed members of South African society, and social assistance only reaches lower-income people who fall into specific categories, meaning there is no assistance available for all low-income people or for the long-term poor unemployed.<sup>32</sup> The government’s approach to dealing with the needs of the population not covered by the welfare system has been the implementation of various job creation programs, most significantly the Expanded Public Works Programme (EPWP); however, this approach still fails to adequately address the unemployment problem, remaining limited in scope and providing mostly short-term employment.<sup>33</sup>

Because of concerns about the sustainability of current levels of spending on the social grant system, expanding the system to cover the gaps discussed above is not necessarily a viable option. Welfare spending as currently conceived by the South African government has to cover not only relief for the temporarily poor, but also address the needs of the growing numbers of permanently, structurally poor and unemployed people in the country.<sup>34</sup> Grants already take up 30% of the social services budget and 20% of the overall budget, and welfare spending has been increasing with improved uptake of grants, increased application rates due to the HIV/AIDS

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<sup>30</sup> Van der Berg and Bredenkamp, “Devising Social Security Interventions,” 6-7.

<sup>31</sup> Seekings, “Broader Importance,” 17.

<sup>32</sup> Van der Berg and Bredenkamp, “Devising Social Security Interventions,” 13.

<sup>33</sup> Noble, Ntshongwana, and Surender, “Attitudes to work and social security,” 1.

<sup>34</sup> Pauw and Mncube, “Growth and Redistribution,” 49.

epidemic, and various other factors.<sup>35</sup> Rising social spending has not been matched by increased tax revenue, as unemployment remains high and the tax base remains small, so “there seems to be a great deal of consensus that further increases well above the inflation rate are not sustainable.”<sup>36</sup>

The inadequacies of and gaps within the existing social grant system mean that, for the grants to continue to have an impact on poverty, reform of the system may be necessary in the near future. Beyond agreement on this basic fact, there is little consensus within the literature, or among academics, researchers, and the government, around the shape and character of this reform. Reform will have to address a variety of issues; Samson, in “The Social, Economic, and Fiscal Impact of Comprehensive Social Security Reform for South Africa,” suggests that “social security reform that fails to address the structural problem of low take-up is unlikely to yield substantial social benefits.”<sup>37</sup> Such reform would need to reduce application costs and simplify eligibility criteria for the grants, as well as increasing outreach efforts to isolated rural areas.<sup>38</sup> However, as discussed above, even if the grant system at existing levels was extended to all those eligible, it would still leave many South Africans in poverty, and would additionally entail large increases in administrative costs. Therefore, many experts have called for a more radical solution – a comprehensive social grant distributed to all South Africans, regardless of income level.<sup>39</sup>

Criticism of the social grant system and its failure to cover unemployed South Africans led to the appointment of a Committee of Inquiry into Comprehensive Social Security in South

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<sup>35</sup> Pauw and Mncube, “Growth and Redistribution,” 49-50.

<sup>36</sup> Pauw and Mncube, “Growth and Redistribution,” 50.

<sup>37</sup> Samson, “Comprehensive Social Security Reform,” 75.

<sup>38</sup> Ibid.

<sup>39</sup> Samson, “Comprehensive Social Security Reform,” 76.



Africa (commonly known as the Taylor Committee).<sup>40</sup> In 2002, this committee recommended that a Basic Income Grant (BIG) of R100 per month be instituted for all South Africans, regardless of income.<sup>41</sup> This grant was anticipated to have an “immense effect on poverty” above the effect of the existing grant system, narrowing the poverty gap by 74% to have three times the impact of the current system.<sup>42</sup> The purpose of this grant would be to “address the problem of destitution in South Africa, consequent largely upon mass unemployment,” and although it would be too small to eliminate poverty, it would “eradicate most destitution, and lift as well some substantial number out of poverty.”<sup>43</sup> The Committee recognized the radicalism of this reform and tempered their recommendation with suggestions for phased implementation and a complementary expansion of public works programs, but ultimately came out strongly in favor of the Basic Income Grant idea.<sup>44</sup>

The South African government did not adopt the recommendations of the Taylor Committee, with then-President Mbeki responding that “to introduce a system which indiscriminately gives R100 to a millionaire and a pensioner does not work.”<sup>45</sup> The South African government has in fact not given the possibility of a BIG, or welfare reform in general, significant consideration, citing concerns about cost, administration, and inadequate exploration of alternatives (though many of these arguments were flawed in their failure to take into consideration detailed plans for the administration and finance of the BIG, such as expected recovery of some costs through increased taxation on the wealthy), as well as exhibiting

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<sup>40</sup> Charles Meth, “Ideology and social policy: ‘handouts’ and the spectre of ‘dependency,’” *Transformation: Critical Perspectives on Southern Africa*, 56 (2007): 1, web.

<sup>41</sup> Seekings, “Broader Importance,” 4.

<sup>42</sup> Seekings, “Broader Importance,” 4, 19.

<sup>43</sup> Meth, “Ideology and Social Policy,” 1.

<sup>44</sup> Seekings, “Broader Importance,” 19.

<sup>45</sup> Meth, “Ideology and Social Policy,” 2.

preferences for alternatives it sees as less prone to causing ‘dependency.’<sup>46</sup> The ANC took the position that “able-bodied South Africans should enjoy the opportunity, the dignity, and rewards of work, and only people who were disabled or ill should get handouts,” out of fear of “reducing [their] people to victims that must wait for handouts from the state in order to live” and belief that the state should “enable people to help themselves.”<sup>47</sup> These attitudes reveal a preference for interventions such as “workfare” and the increase of grants to the “deserving” poor, a preference resulting from significant debate and tension between the Social Development and Finance ministries at the time, leading the ANC government to opt ultimately for the expansion of public works programs over reform of the welfare grant system through the introduction of a universal income grant.<sup>48</sup>

While much of the literature on South African welfare reform advocates for the idea of the Basic Income Grant, this literature often varies in its justifications for such radical reform and its analysis of its rejection by the ruling party. Michael Samson, in “The Social, Economic, and Fiscal Impact of Comprehensive Social Security Reform for South Africa,” sees the possibility of the grant in an entirely positive light. He believes that the universality of the BIG, and its lack of a means test, would solve many of the problems associated with the existing grant system by more easily reaching the poor to address incomplete take-up and reduce access costs, getting rid of the stigma sometimes associated with receiving grants, and reducing opportunities for corruption within the administration and distribution of the grant.<sup>49</sup> In addition, although the BIG would be expensive, it would be more effective and probably no more expensive than the cost of fully implementing the existing system, and almost half of the costs could be recouped

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<sup>46</sup> Seekings, “Broader Importance,” 20-22; Samson, “Comprehensive Social Security Reform,” 88.

<sup>47</sup> Meth, “Ideology and Social Policy,” 10-11.

<sup>48</sup> Seekings, “Broader Importance,” 22; Seekings, “Prospects for Basic Income,” 397.

<sup>49</sup> Samson, “Comprehensive Social Security Reform,” 1.

through increased income taxes on the wealthy.<sup>50</sup> It could even have a positive impact on macroeconomic variables such as growth and job creation, “first, through the accumulation of social capital; secondly, through the labour market; and thirdly, through its impact on the level and composition of aggregate demand.”<sup>51</sup> Ultimately, Samson believes that “no other social security reform can provide the effective breadth of coverage demonstrated by the Basic Income Grant,” making the rejection of this proposal a mistake.<sup>52</sup>

Charles Meth, in “Ideology and social policy: ‘handouts’ and the spectre of ‘dependency,’” is largely in agreement with Samson, asserting as well that “R100 per month would close about 70 per cent of the poverty gap, and would reach every poor person. No other social program can achieve this.”<sup>53</sup> It is an obvious fact of South African poverty “that the poor have very little to live on each day,” making directly increasing incomes the most useful and immediate way of reducing poverty.<sup>54</sup> Meth also criticizes the government’s alternative to reform, public works programs (PWPs), as having a lesser capacity to reduce poverty even if introduced under optimal conditions of high growth.<sup>55</sup> He identifies the government’s motives for rejecting the BIG idea as cost and fear of dependency, and dismisses them both as unfounded; although the BIG would be expensive, it would be by no means unaffordable, especially as compared to the cost of expanding existing programs to actually reach all those in poverty.<sup>56</sup> In addition, the BIG would not be large enough to create dependency, and unemployment in South Africa is simply too severe to be addressed merely by “welfare-to-work”

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<sup>50</sup> Samson, “Comprehensive Social Security Reform,” 75-6, 88.

<sup>51</sup> Samson, “Comprehensive Social Security Reform,” 79.

<sup>52</sup> Ibid.

<sup>53</sup> Meth, “Ideology and Social Policy,” 2.

<sup>54</sup> Meth, “Ideology and Social Policy,” 7.

<sup>55</sup> Meth, “Ideology and Social Policy,” 5.

<sup>56</sup> Meth, “Ideology and Social Policy,” 1.

type programs; in both the short term and the long term, the poor and unemployed will also require direct social assistance.<sup>57</sup>

Jeremy Seekings, in “The Broader Importance of Welfare Reform in South Africa,” takes a similar stance, asserting that South African unemployment is beyond the level where it can be addressed by job creation programs or growth, and while public works programs and other similar policies could eventually have a significant effect on poverty, “a BIG is the only way of getting money to all poor people in the short-term.”<sup>58</sup> Samson et al. in their “Research Review on Social Security Reform and the Basic Income Grant for South Africa,” also find that “no other social security reform can provide the effective breadth of coverage demonstrated by the basic income grant,” which would be “feasible, affordable, and supportive of poverty reduction, economic growth, and job creation.”<sup>59</sup> In a chapter of their book *Class, Race, and Inequality in South Africa*, Seekings and Nicoli Nattrass also advocate for a BIG as “it is likely that a BIG would be better targeted than a national PWP in that it would reach more of the poor and less would be lost to administrative costs.”<sup>60</sup>

Some other authors take the issue of welfare reform for poverty reduction farther, or in a different direction. Van der Berg and Bredenkamp, in “Devising Social Security Interventions for Maximum Poverty Impact,” call for the expansion of social security, but include expanding the categories of workers covered by social insurance, expanding social assistance through existing grants, or instituting more public employment programs as possible reforms.<sup>61</sup>

However, they ultimately concede that “it will remain very difficult to plug all holes in the social

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<sup>57</sup> Meth, “Ideology and Social Policy,” 24.

<sup>58</sup> Seekings, “Broader Importance,” 29, 31.

<sup>59</sup> Michael Samson et al., “Research Review on Social Security Reform and the Basic Income Grant for South Africa,” *Economic Policy Research Institute* (2002): 16, 32, web.

<sup>60</sup> Seekings, “Prospects for Basic Income,” 395.

<sup>61</sup> Van der Berg and Bredenkamp, “Devising Social Security Interventions,” 19.

safety net as long as unemployment is rampant,” making “sustained economic growth the necessary, albeit not sufficient, condition for substantial poverty reduction.”<sup>62</sup> James Ferguson, in “Rethinking poverty and assistance in Southern Africa,” looks at the BIG as a policy that is unlikely to be implemented but is an interesting and innovative response to poverty that could actually coexist with the “neoliberal” rhetoric often used to criticize welfare regimes.<sup>63</sup> Finally, Seekings and Natrass, while supporting the prospect of a BIG, also call for the introduction of more radical components of the “egalitarian distributional regime” South Africa claims to be, such as land reform, worker ownership of firms, and other policies that will widen the range of opportunities for making a living in a country where many are without such opportunities.<sup>64</sup>

Although these perspectives provide a variety of convincing explanations of the necessity of welfare reform in South Africa through a method such as a Basic Income Grant, they do not offer many viable alternatives to this policy given the fact that it has been a decade since the Taylor Committee’s recommendations were made and the government has shown no sign of implementing major reform. Although public works programs have been implemented and the grants have been increased along with inflation, more obviously still needs to be done. Poverty has not been eradicated in South Africa. It seems that more substantial reform will still be necessary at some point, and is called for and supported by the majority of South Africans; 83.9% of the poor and 66.4% of the non-poor, clear majorities in both cases, were found to support the introduction of social assistance for the unemployed, and 65% of South Africans

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<sup>62</sup> Van der Berg and Bredenkamp, “Devising Social Security Interventions,” 20.

<sup>63</sup> James Ferguson, “Rethinking poverty and assistance in Southern Africa,” in *Zuma’s Own Goal: Losing South Africa’s War on Poverty*, ed. Brij Maharaj, Ashwin Desai, and Patrick Bond, (Trenton: Africa World Press, 2010), 409-412.

<sup>64</sup> Jeremy Seekings and Nicoli Natrass, *Class, Race, and Inequality in South Africa*, (New Haven: Yale University Press, 2005), 397-8.

strongly agree or agree that “the government should spend more money on social grants for the poor, even if it leads to higher taxes.”<sup>65</sup>

The social grant system is one of the most important ways in which the South African government tries to address the country’s massive problems of poverty, unemployment, and inequality. Research overwhelmingly suggests that this attempt has been successful, and grants have a significant ability to reduce lived poverty. However, the current system does not do enough, leaving many poor and many of the unemployed with no assistance at all. Reform, whether in the form of a universal income grant or some other policy, is necessary but controversial and has been hindered by concerns about cost and dependency creation, yet is still supported by many South Africans. Although South Africa’s social grant system has been the subject of much theoretical, political, and economic debate, existing literature does not provide much insight into the attitudes of everyday South Africans about the effectiveness of the existing system and various proposed reforms, especially since the global recession and Mbeki’s departure from office, leaving the field open for a qualitative study on these issues.

## **Methodology**

This project, as an attempt to gain insight into some aspects of the social welfare grant system, became an investigation of common attitudes around this system as the most accessible and appropriate focus of study for a short-term research effort. As such, the primary methodology I used was personal interviewing. Although there were certainly limitations to this methodology in the context of my project, I believe it gave me a good general overview of perceptions of and major areas of contention around the grants.

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<sup>65</sup> Noble, Ntshongwana, and Surender, “Attitudes to work and social security,” 10, 13.

My information was collected over three days spent in the Bonela neighborhood of Cato Manor conducting interviews. Of the total of twelve interviews I conducted, eight took place on April 14, 2012, three on April 16, and one on April 17. These interviews took place in either the houses of interviewees or the houses of their friends or family who helped me arrange the interviews. All of the interviewees came from the Bonela neighborhood of Cato Manor, a historically diverse, working-class area of Durban. I chose to conduct interviews with people from this neighborhood for several reasons. I wanted to maintain some kind of similarity between the people I interviewed, but also interview people of different racial backgrounds, and Cato Manor is one of the few working-class areas of Durban with residents of many different racial groups. There is some economic variation within the neighborhood, but most people are in approximately the same economic group, and at least have the shared experience of living in the same area. Bonela is also the area of Durban where I have the most personal contacts. After doing our longest homestays there, I have many contacts from among the homestay families of various students, as well as other acquaintances who have worked with SIT in various capacities over the years. Therefore, I thought it would be the easiest to find people to interview there. Finally, Cato Manor is one of the closest working-class residential areas to central Durban, and much easier to reach for interviews than somewhere like Newlands, especially from the SIT program center.

My original intention was to attempt to interview both a young adult and a middle-aged adult in three families of Indian descent, three Colored families, and three black African/Zulu-speaking families. In this manner I would be able to access the perspectives of a range of age groups and people of varying racial backgrounds. Although I planned to interview people from the same families, that would just have been a strategy to talk to people of various ages, serving

no other purpose in my project. I was fairly confident in my ability to find black African interviewees from among SIT homestay families, and ended up interviewing a 46-year-old black female, a 24-year-old black female and her 42-year-old aunt, and a 22-year-old black female that I located through homestay contacts. I was unsure of how to locate Indian and Colored interviewees, however, because no SIT students were placed with people of those racial backgrounds for homestays. I ended up going to an SIT staff member for help, who worked with an Indian acquaintance from Bonela to find Indian and Colored interview subjects. I interviewed a 59-year-old Indian female and her 36-year-old daughter, a 24-year-old Indian female and her 19-year-old brother, a 35-year-old Indian female and her 36-year-old Indian husband, a 34-year-old Colored female, and her 28-year-old Colored friend, all friends or acquaintances of the woman who helped me set up these interviews. A table listing all respondent profiles can be found in Appendix B. Although the respondents were not exactly of the numbers, ages, or relations that I had originally planned on interviewing, I believe that these interviews gave me a large enough sample with enough racial and age variation for my research purposes.

As mentioned earlier, my primary interview technique/method was personal, one-on-one interviewing. Many of these interviews ended up taking place in the presence of others, but I mostly interviewed only one person at a time. I began each interview by explaining my purposes and the terms of the interview and having the interviewee sign an informed consent form. I then went through my interview schedule with each of them, taking handwritten notes on their responses. I mostly stuck to the same interview schedule with each interviewee, with some variation depending on earlier responses and the individual's level of knowledge on various topics (see Appendix A for a list of interview questions). I asked questions about the individual's perception of the current social grant system, their opinions around reform of this



system, and concluded with basic questions about their lives. I later went over and typed up my handwritten notes on the interviews, keeping the information anonymous throughout (see Appendix C for interview results).

Besides investigating everyday perceptions of the grant system, I also hoped to gain insight into government discourse around the grants as a part of my project. Therefore, I also used a secondary methodology of primary source analysis of government statements. I read various speeches and statements made by Bathabile Dlamini, the Minister of Social Development, Pravin Gordhan, the Minister of Finance, and State of the Nation addresses by President Zuma, and took notes on their rhetoric around the grant system and conception of antipoverty policy. Through this aspect of the project, I also hoped to discover whether historical tensions between the Social Development and Finance ministries around the grant system have persisted under the Zuma administration, or if these ministries have reached more of a consensus about the role of the grant system.

I chose to use personal interviewing as my primary methodology both because it is the methodology I felt most capable of practicing and because I thought it would be the most appropriate given the scope of my project and the information I was attempting to access. As I was interested in gaining insight into people's thoughts about and experiences of the grant system, I needed to use some kind of research method where I questioned people directly. The information I was looking for could probably also have been accessed by some type of social attitudes survey, but considering the small size of my research sample, and the complexity of some of the questions I was asking and the type of answers for which I was looking, I thought a more qualitative, personal approach would be more appropriate. In terms of my secondary methodology, primary source analysis, I mainly chose this methodology because it was the only

way to gain insight into policy discourse in the short amount of time allotted for the completion of this project. This methodology allowed me to analyze the government's conception of the grants in their statements to the public, the only information the people I was interviewing would receive about these discourses, making it sufficient for my purposes and the most appropriate technique for comparison.

Both of these methodologies obviously had strengths and weaknesses, as would any. While personal interviewing allowed me relatively significant insight into the opinions of the small number of people I interviewed, it did not allow me to get a sense of the attitudes of a larger and more diverse number of South Africans, as a quicker or simpler interview method might have. My other methodology, primary source analysis, helped me understand policy discourse as presented to the South African population, but did not give me insight into the thought processes of policymakers or the priorities of government when not clearly acknowledged. I believe that both of these methodologies, however, were the most appropriate for my purposes and given the limitations on my study, and gave me sufficient insight into my research questions.

## **Limitations of the Study**

Given the extremely limited period of time allotted to complete this project and the magnitude and multitude of the questions into which I was trying to gain insight, there were certainly considerable limitations to my study. The most significant of these had to do with my interview subjects. My interviewees represented a small demographic of South Africans, with portions of that demographic absent as well. All of the people I talked to would be considered lower-middle class, excluding both the very poor and the very or even relatively wealthy. This

meant that I did not talk to a lot of people who received grants, or people who would be heavily taxed to pay for them. My sample was also unbalanced in terms of race; I did not interview any white South Africans, and did not interview an equal number of Indian, Colored, and black South Africans, although I believe I interviewed enough members of each of these ethnic groups for my purposes. I also interviewed far more women than men, probably because most of my contacts in my research area were women who associate mostly with other women. While I do not think there would be any major differences between the views of men and women on my research topic, it still would have been better to talk to a more balanced group. Although I did not go into this project attempting to specifically interview grant recipients, instead hoping to get the views of the more general population, I only talked to two people who themselves receive or have received grants, and might have gotten a better sense of differences in opinion within this subgroup had I found more grant recipients to interview. Finally, there was one significant group missing from my interview sample: young, unemployed work-seekers. I only talked to one person of this demographic, although I also talked to many people who were unemployed and not seeking work, had been unemployed in the past and had now found work, or were about to finish studying and concerned about finding work.

Most of these limitations stemmed from several realities. I only had a short time to complete this research, so it would have been impossible to talk to a wider demographic range of South Africans (for example, South Africans of every economic class and race group). Also, within the area from which I was drawing interview subjects, there are not really representatives of every demographic economically or racially, and I wanted to stay within this area to create some kind of control factor between my interviewees. Limitations such as not talking to enough men or unemployed youth occurred because I found many of my interviewees through a

“snowball”-type method of interviewing, where I asked others to identify potential interviewees for me from their group of acquaintances, so I did not have very much control over who I ended up interviewing.

Although policy analysis was not the primary focus of my study, there were also limitations within this aspect of the project. Again, due to time constraints, I only analyzed statements from the current administration, and only looked at public statements and speeches, not actual policy documents. Given more time, reading a wider range of materials (both in terms of administration and type of document) would have given me a fuller picture of government thinking around grant policy. Talking to policymakers, academics, or even elected officials about this topic could also have been beneficial, but again time just did not allow for it – doing so could have comprised a whole additional project.

Although these limitations are significant, I believe that by being cognizant of them in my analysis I will still be able to generate useful conclusions that are true for the limited population I researched. In addition, these limitations leave room for possible future study of the topic.

## **Results**

### **Introduction**

The results of this study fall into two categories: findings on the discourse around the grant system within the South African government, and findings on the discourse around the grant system among members of the South African public. Government discourse, separated into messages from the Ministry of Social Development, the Ministry of Finance, and the President, will be covered first, followed by discussion. Public discourse, including opinions

about the current grant system, the grant system as a focus of antipoverty policy, and the possibility of grant reform, is covered next, again followed by discussion. Finally, conclusions are drawn about the intersections and incongruities among government, public, and academic discourse.

## **Government Discourse around the Grant System**

As a significant aspect of government policy, there is considerable discussion of the grant system in public statements and speeches made by various members of government. While many different statements, policy documents, and other primary sources could be examined in order to gain insight into government discourse around the grant system, this study focuses on statements made over the past several years by several relevant members of the current South African administration: Bathabile Dlamini, the Minister of Social Development, Pravin Gordhan, the Minister of Finance, and President Zuma in his State of the Nation addresses.

### ***Statements from the Ministry of Social Development***

As the head of the Ministry of Social Development, the government ministry in charge of the organization and distribution of the social grants, Bathabile Dlamini's rhetoric around the grant system is important to examine. Not surprisingly, she communicates some of the most positive messages about the grants. In one speech, Dlamini reminds listeners that the ANC's Freedom Charter guarantees "the aged, the orphans, the disabled, and the sick shall be cared for by the state," that "the right to social security is entrenched in our Constitution and...our social assistance program does indeed provide a basic safety net for millions of South Africans, especially the young, the aged, and the disabled."<sup>66</sup> In the view of this ministry and minister, the

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<sup>66</sup> Bathabile Dlamini, "Statement by the Minister of Social Dev't, Ms. Bathabile Dlamini, at the launch of Reports on the Impact of the Global Economic Recession on Children and Families, in Soweto, Joburg," 15/8/11, Department of Social Development, [www.info.gov.za](http://www.info.gov.za).

grant system has been proven to be a successful poverty reduction tactic, a use of revenue that “shows government’s commitment to protect the poor from poverty, especially vulnerable members of society such as children, older persons, and people with disabilities.”<sup>67</sup> Even the more controversial Child Support Grant (CSG) is viewed positively in an announcement of findings that this grant has “made and continue[s] to make a significant impact in the fight against child poverty.”<sup>68</sup>

Following from this conception of the success of the grant system, the Ministry of Social Development has made public commitments to expanding the grant system over time, planning to increase overall grant expenditure from a current level of R105 billion/year to R122 billion/year by 2014-2015.<sup>69</sup> Increases in expenditure must be present to at least keep up with inflation, have already begun with the 2011 extension of the CSG to children up to age eighteen, and will continue through increases in value and possibly through the elimination of means tests for some grants.<sup>70</sup> Dlamini presents these increases as the “greatest measure to provide a shield for the poor...because we have a responsibility to alleviate poverty and build social cohesion.”<sup>71</sup>

Despite presenting mostly positive messages about the grants, Dlamini does perpetuate some of the broader concerns about the grant system, most recently addressing concerns of fraud. Her ministry is taking on these concerns by instituting a process of re-registration for the grants through a new biometric-based payment system, “aimed at making a ‘better life for all’ beneficiaries and...ensur[ing] that they receive their grants with dignity.”<sup>72</sup> Although Dlamini

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<sup>67</sup> Dlamini, “Minister welcomes investment.”

<sup>68</sup> Dlamini, “Impact of the Global Economic Recession.”

<sup>69</sup> Dlamini, “Minister welcomes investment.”

<sup>70</sup> Bathabile Dlamini, “Social Dev’t Minister reminds the public of the extension for the child support grant,” – 1/2/11, Department of Social Development, [www.info.gov.za](http://www.info.gov.za); Dlamini, “Impact of the Global Economic Recession.”

<sup>71</sup> Dlamini, “Impact of the Global Economic Recession.”

<sup>72</sup> Bathabile Dlamini, “Social Development Minister Bathabile Dlamini to assess the re-registration process for social grants,” 1/4/12, Department of Social Development, [www.info.gov.za](http://www.info.gov.za); Bathabile Dlamini, “Statement by the

seems much less concerned about responsible use of the grants than other government sources, she does still “call on all recipients of the grants to use the grants responsibly and for the intended purpose.”<sup>73</sup> Viewed as a whole, however, messages from the Ministry of Social Development about the grants represent the more generous side of government rhetoric around the grant system, emphasizing the positive effect of the grants and the need for their expansion over the potential problems within the system.

### *Statements from the Ministry of Finance*

The statements of Pravin Gordhan, the Minister of Finance, reveal a different side of the government’s stance on antipoverty policy. He agrees that poverty reduction is a central policy challenge of the administration, but does not view the grant system as the best means of poverty reduction.<sup>74</sup> Although the Ministry of Finance concedes that social spending is an important way of fighting poverty, it asserts that “redistribution is not a substitute for economic growth and job creation,” which policy must ultimately generate to have a true impact on poverty.<sup>75</sup> Gordhan in fact seems to consider these goals at odds, stating that “our aim is to put development first, and not dependence on welfare.”<sup>76</sup> From his perspective, therefore, the budget should focus on measures that will create employment, as well as encouraging growth as the long-run answer to unemployment and poverty.<sup>77</sup> Such employment-creating measures include the Jobs Fund, recently launched as a new focus of antipoverty and anti-unemployment policy to fund “projects with demonstrable potential for self-sustaining job creation,” general education and specific

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Minister of Social Dev’t, Ms. Bathabile Dlamini, on the introduction of the new biometric-based payment solutions for social grants, Pretoria,” 17/2/12, Department of Social Development, [www.info.gov.za](http://www.info.gov.za).

<sup>73</sup> Dlamini, “Minister welcomes investment.”

<sup>74</sup> Pravin Gordhan, “Budget Speech 2012,” 22/2/12, National Treasury, [www.info.gov.za](http://www.info.gov.za).

<sup>75</sup> Gordhan, “Budget Speech 2012.”

<sup>76</sup> Pravin Gordhan, “2011 Budget Speech by Minister of Finance Pravin Gordhan,” 23/2/11, National Treasury, [www.info.gov.za](http://www.info.gov.za).

<sup>77</sup> Gordhan, “2011 Budget Speech;” Pravin Gordhan, “Medium Term Budget Policy Statement 2011: Speech by the Minister of Finance, Mr. Pravin Gordhan,” 25/10/11, National Treasury, [www.info.gov.za](http://www.info.gov.za).

skills training, and job creation through programs like the Extended Public Works Program (EPWP).<sup>78</sup> Gordhan especially emphasizes the need to address the unemployment problem among South African youth, and the ability of these measures to reach this demographic.<sup>79</sup>

Gordhan's discussion of the existing program of social spending is limited to emphasizing the need to "work within a sustainable fiscal framework" to "realize a rising floor of social and economic rights," to expand social spending only within a "sound fiscal framework" given the reality of limited revenue in the South African budget.<sup>80</sup> This viewpoint is obviously an important and appropriate one given the realities of the South African and international economies, but suggests that future increases in spending on the social grant system will be small due to both budgetary constraints and a prioritization of job creation to reduce poverty, considering the power of the Ministry of Finance over the allocation of government revenue.

### *Statements from the President*

President Zuma, in his State of the Nation addresses during his tenure in office, presents a position that in many ways finds the middle ground between the opposing viewpoints of his ministries. He reminds the nation that "the fight against poverty remains the cornerstone of our government's focus," and includes the grant system, as "the most effective form of poverty alleviation," as an important weapon in that fight.<sup>81</sup> Zuma continues to view the social grant system as a component of the "strong developmental state" he tries to present.<sup>82</sup> However at the same time, he shares the anti-dependency mindset many South Africans and members of

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<sup>78</sup> Pravin Gordhan, "Statement on the Jobs Fund Launch," 7/6/11, National Treasury, [www.info.gov.za](http://www.info.gov.za); Gordhan, "2011 Budget Speech."

<sup>79</sup> Gordhan, "2011 Budget Speech."

<sup>80</sup> Gordhan, "Medium Term Budget Policy Statement 2011;" Gordhan, "2011 Budget Speech."

<sup>81</sup> Jacob Zuma, "State of the Nation Address 2009," 3/6/09, The Presidency, [www.info.gov.za](http://www.info.gov.za).

<sup>82</sup> Jacob Zuma, "State of the Nation Address 2010," 11/2/10, The Presidency, [www.info.gov.za](http://www.info.gov.za).



government hold about the grant system, asserting that “since we are building a developmental and not a welfare state, the social grants will be linked to economic activity and community development, to enable short-term beneficiaries to become self-supporting in the long run” and remaining “mindful of the need to link the social grants to jobs or economic activity in order to encourage self-reliance amongst the able-bodied.”<sup>83</sup>

This attitude seems to be the dominant one in Zuma’s statements, leading him to echo Gordhan in a call for “higher growth and job creation to reduce and ultimately eradicate poverty and inequality.”<sup>84</sup> In Zuma’s view, “the creation of decent work is at the centre of our economic policies,” and will take place through promoted policies including the “New Growth Path,” aimed at creating jobs through infrastructure development, tourism, agriculture, mining, manufacturing, and the green economy, the aforementioned Jobs Fund, public works programs, and programs specifically focused on eradicating youth unemployment.<sup>85</sup> As the ultimate voice of government policy, Zuma’s statements suggest that while the government still acknowledges the social grant system to be a successful means of poverty reduction, this system is viewed as a temporary and potentially problematic solution that will hopefully become less necessary with the prioritization of job creation policy.

### ***Generalization and Discussion***

These statements, made by representatives of the Ministry of Social Development, the Ministry of Finance, and the administration as a whole, suggest that while the social grants are viewed and discussed differently in accordance with the priorities and responsibilities of different bodies of government, government discourse around the grant system is fairly

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<sup>83</sup> Jacob Zuma, “State of the Nation Address 2011,” 10/2/11, The Presidency, [www.info.gov.za](http://www.info.gov.za); Zuma, “State of the Nation Address 2009.”

<sup>84</sup> Jacob Zuma, “State of the Nation Address 2012,” 9/2/12, The Presidency, [www.info.gov.za](http://www.info.gov.za).

<sup>85</sup> Zuma, “State of the Nation Address 2011;” Zuma, “State of the Nation Address 2012;” Zuma, “State of the Nation Address 2010.”

conclusive. The fault line in policy conceptions around grants and dependency between the ministers of Social Development and Finance under the Mbeki administration has persisted somewhat into the Zuma administration, although perhaps in a less visible way. However, the president's presentation of the grant system suggests that the stance of the government as a whole may be in favor of the dependency argument around the grant system, or at least remains very aware of this argument. The grant system is viewed as an important mechanism for at least temporary poverty relief, and a necessity in a country where many are poor, lacking in social services, and often angry about these realities. However, the government is extremely wary of the development of a culture of entitlement or dependency around the grants. Therefore, in the long run, it is choosing to put its hope in various programs to encourage job creation that will allow its citizens to lift themselves out of poverty. Considering this, it seems unlikely that the government will expand the social grant system significantly any time in the near future. Precedent suggests that the job creation approach may eventually be successful, but will require time, more significant investment, and levels of growth that are unlikely to occur. If these suggestions prove true in South Africa, it is likely that poverty and unemployment will remain unacceptably high, citizens will remain disillusioned, and many will remain dependent on a social grant system that does not reach enough of the population or provide enough assistance.

### **Public Discourse around the Grant System**

Although examination of the discourse within government around the social grant system provides important insight into the role, effectiveness, and future of the grants, it does not provide a complete picture. Another discourse is also important; the discourse of everyday South Africans, the people who receive the grants, who are taxed to pay for the grants, and who see the successes and failures of the grants in practice. To access these views, this study also

included personal interviews with a group of South Africans of varying ages and races, interviews that yielded important and sometimes surprising results.

### ***The Respondents***

Twelve interviews were conducted as part of this study's investigation of public discourse around the grant system. Respondents were assured of their anonymity, and will therefore be identified by numbers one through twelve. A table listing the profiles of the respondents can be found in Appendix B. These respondents had a neighborhood, and therefore a general economic class, in common. All live in the Bonela area of Cato Manor, a multi-racial working class neighborhood of Durban. Therefore, while some respondents could be considered more working class and some are more lower-middle class or even middle class (in the South African context), none of the respondents would be considered very poor or even moderately wealthy. The respondents do vary in most other respects. Respondents numbered one through six are of the Indian racial group, respondents seven and eight are Colored, and nine through twelve are black African Zulu speakers. Respondents one, nine, and eleven are in their forties or fifties, respondents three, four, eight, ten, and twelve are in their late teens or twenties, and respondents two, five, six, and seven are in their thirties. The majority of the respondents are either employed or currently studying, though respondents one, five, and eight are currently unemployed. Finally, respondents four and six are male, while the other respondents are female. However, as will be discussed later in this section, none of these factors seemed to contribute to major differences in responses.

### ***On the Current Grant System***

The subjects interviewed had generally strong opinions on the grant system as it is currently organized and distributed. These subjects are at least somewhat qualified to discuss the

grants; although only one interviewee currently receives a grant, the CSG, one interviewee formerly received the CSG for many years and one interviewee was about to begin receiving the old age pension. All of the interviewees know people, whether close friends, neighbors, or relatives, who receive grants. Most of the interviewees know people who receive the old age pension, and two interviewees know a disability grant recipient. Interestingly, none of the Indian respondents have close acquaintances that received the CSG, but all of the Colored and black respondents know people receiving the CSG. None of the respondents who did not currently receive a grant thought they deserved to receive one for any reason, most explaining this opinion by citing the fact that they had jobs or other sources of income, meaning grant money should go to someone in greater need. Many respondents displayed the attitude that the grant is intended for less fortunate people, those who are unable to generate income through any other means and should therefore be able to rely on the government.<sup>86</sup>

This attitude resurfaced throughout most of the interviews, as the majority of respondents expressed a belief that good amounts of the people who receive grants deserve them, but that there are also lots of people who receive grants but do not deserve them or use them well. One respondent estimated this group of non-deserving grant recipients as 60% of all grant recipients.<sup>87</sup> This statistic is obviously unscientific, but reveals the high level of animosity around the concept of grant abuse within the general South African population. Respondents most commonly expressed the sentiment that some, or even most, CSG recipients do not deserve grants, but elderly pensioners and the disabled should absolutely receive money. As mentioned above, several respondents identified people who have work or alternative sources of income as

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<sup>86</sup> Respondent 7, interviewed 14/4/12.

<sup>87</sup> Respondent 7, interviewed 14/4/12.

a group that does not deserve to receive grants.<sup>88</sup> One respondent specifically believed that those earning R30,000 per year or more should not receive grants, although it seems unlikely that there are many grant recipients with this level of income.<sup>89</sup> Another respondent referred to grants going to undeserving recipients as “a waste of our tax money,” revealing concern about low revenue and high demand for spending on social services in South Africa.<sup>90</sup> Only two individuals gave positive responses when asked about who deserves the grants, saying that most grant recipients are struggling and deserve the money; these respondents were an older Indian woman who was about to begin receiving the pension and a young Colored woman who received the CSG, suggesting that receiving a grant may increase an individual’s sympathy towards other struggling individuals.<sup>91</sup>

When asked about the efficacy of the grant system, all respondents were of the opinion that the grant system is helpful to grant recipients. Several individuals discussed how grants allow recipients to support their entire families; for example, one woman talked about how her grandfather purchases groceries for her entire family with his pension.<sup>92</sup> However, almost all of the respondents also believed that the grants do not help enough or provide enough money to live on, and should be higher. Almost every individual interviewed discussed the difficulty of the very high cost of living at present, whether caused by rising utility, petrol, or food prices, and the fact that the amounts of grants have not risen to keep up with these costs. The individual who received the CSG, for example, talked about how the CSG is not high enough to pay for both uniforms and school fees, not to mention food and other essentials.<sup>93</sup> Grants are viewed as “not

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<sup>88</sup> Respondents 4, 5, and 6, interviewed 14/4/12.

<sup>89</sup> Respondent 9, interviewed 16/4/12.

<sup>90</sup> Respondent 10, interviewed 16/4/12.

<sup>91</sup> Respondents 1 and 8, interviewed 14/4/12.

<sup>92</sup> Respondents 9 and 12, interviewed 16/4/12 and 17/4/12.

<sup>93</sup> Respondent 8, interviewed 14/4/12.

much for them [grant recipients] to live [on].”<sup>94</sup> However, at the same time, others expressed the opinion that “something is better than nothing,” that some money is of course better than no money at all.<sup>95</sup> These sentiments were expressed in other interviews as well, with one respondent stating that “that money will never be enough” and another replying “shame, they’re coping.”<sup>96</sup> Only two respondents felt slightly differently; one said he thought the pension was high enough for most recipients, while another said she thought some grants were high enough for small families to live on, but just could not support larger families.<sup>97</sup>

Most respondents said that their opinions of the grant system had not changed significantly over time. Those who had changed their opinions usually did so after direct contact with the grant system. Respondents 5 and 6, a married couple, talked about how their opinions of the grants were affected when their mother-in-law/mother began receiving the disability grant, and it became evident that while the money helped, it was not enough for those without other income.<sup>98</sup> A few respondents have begun to think about the grants more positively as the amounts of the grants have been increasing over time. Another respondent talked about how her opinion of the grants was initially negative and has stayed negative because the government hands out money in the form of grants, but does not help recipients figure out how to use this money, keeping them trapped in a cycle of poverty.<sup>99</sup> Her analysis of this phenomenon was that “you can’t keep giving people crumbs, and expecting them to make the most of it,” that while the grant system is often ineffective this is not necessarily the fault of grant recipients.<sup>100</sup>

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<sup>94</sup> Respondent 2, interviewed 14/4/12.

<sup>95</sup> Respondent 5, interviewed 14/4/12.

<sup>96</sup> Respondents 10 and 11, interviewed 16/4/12.

<sup>97</sup> Respondents 4 and 12, interviewed 14/4/12 and 17/4/12.

<sup>98</sup> Respondents 5 and 6, interviewed 14/4/12.

<sup>99</sup> Respondent 7, interviewed 14/4/12.

<sup>100</sup> Respondent 7, interviewed 14/4/12.

Respondents had especially strong, and overwhelmingly negative, opinions about the Child Support Grant. All of the individuals interviewed, even those who receive or received the CSG, believed that many people abuse the CSG, in a variety of ways. One commonly circulated opinion in South African society and media as a whole is that women may have babies just to receive grant money; one respondent believed that it is mostly younger, teenage girls who would participate in this behavior, since the grant is not realistically enough money to cover the costs of a child.<sup>101</sup> Another respondent explained her belief that women will not necessarily have children just to get money, because indeed it is not enough to raise a child, but people are just becoming less careful about not getting pregnant because they know any child they have will be taken care of.<sup>102</sup> One male respondent expressed the opinion that even some men, those who are “too lazy” to work, will impregnate women to try to get a share of grant money, a unique if somewhat implausible response.<sup>103</sup> The respondent who currently receives the CSG complained about women abusing the grant by using it to buy things for themselves, not on their children.<sup>104</sup> Another respondent explained a phenomenon known as “ghost children,” or “isipoki” in isiZulu, where women forge birth certificates to apply for and receive grants for children they do not actually have.<sup>105</sup> All of these concerns led respondents to advocate for stricter rules around applying for and receiving the CSG, for example a limitation on the number of children for which one can receive the grant.<sup>106</sup> Respondent 10 summed up the general opinion around the CSG in her comment “this Child Grant thing, I don’t know,” revealing skepticism around the

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<sup>101</sup> Respondent 12, interviewed 17/4/12.

<sup>102</sup> Respondent 2, interviewed 14/4/12.

<sup>103</sup> Respondent 6, interviewed 14/4/12.

<sup>104</sup> Respondent 8, interviewed 14/4/12.

<sup>105</sup> Respondents 9 and 11, interviewed 16/4/12.

<sup>106</sup> Respondent 8, interviewed 14/4/12.

necessity and appropriateness of a grant for mostly young, unemployed women in working-class South African society and the persistent stigmatization of poverty.<sup>107</sup>

### ***On the Grant System as a Focus of Antipoverty Policy***

While respondents came to a fairly strong consensus on the grant system as they see and experience it in daily life, they gave more varied answers in reply to questioning about the grant system as a large portion of the social spending budget and therefore necessarily a focus of antipoverty policy. When asked if they considered social grants, as a system, better or more helpful or useful than other social spending by the government (for example, public healthcare, free housing, or education), five participants, across all racial groups surveyed, replied in favor of the grant system. One respondent explained her answer by saying that “money always comes in handy,” because it can be used for anything a grant recipient would need, whether transportation, food, or something else, as opposed to other social spending which is less flexible.<sup>108</sup> Another respondent gave this answer because she thought none of these examples of social spending was effective, “nothing our government does is helpful,” because no social spending covers all of those in need, but the grant system reaches the most people.<sup>109</sup> Most of the other respondents considered other types of social services more useful than the grant system, for various reasons. One participant cited the potential of the grants to create dependency, or be abused – money, with no strings attached, is more easily misused than a house or a doctor’s visit.<sup>110</sup> In another interview, the interviewee talked about how the grants are not enough money

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<sup>107</sup> Respondent 10, interviewed 16/4/12.

<sup>108</sup> Respondent 12, interviewed 17/4/12.

<sup>109</sup> Respondent 7, interviewed 14/4/12.

<sup>110</sup> Respondent 6, interviewed 14/4/12.



for the things people really want, like housing, that the poor “would rather have a roof than money.”<sup>111</sup>

Despite the variation in responses on this topic, most participants, even those who said they thought the grants were more useful than other forms of social spending, thought the government should spend more on other social services instead of more on grants, if spending on one or the other could be increased. Some gave this response out of a belief that other spending is more important. One woman felt strongly that the government should invest more in public hospitals, which she considered to be in bad condition. Several other women thought the government should prioritize spending on education, because education will help people find jobs, addressing the fact that “South Africa is in a cycle of poverty,” and because education “helps a generation.”<sup>112</sup> Others replied that the government should spend more on grants to those they considered deserving, because current grant amounts are not sufficient.<sup>113</sup> Other respondents seemed to think that increased spending on grants could be harmful, saying that the government should not spend more on the grants because there is so much fraud present in the grant system, so people who do not deserve the extra money would benefit from increased spending.<sup>114</sup>

While all respondents had opinions on the place of grants in government policy, very few had heard or retained any messages from the government on the purposes of or rationalization behind grant policy. Most respondents had never heard anyone in the government talk about the grants at all, but particularly had not heard anything about the intent behind the grants. Many interviewees just talked about the government announcing the amounts of each grant, and small

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<sup>111</sup> Respondent 11, interviewed 16/4/12.

<sup>112</sup> Respondents 7 and 12, interviewed 14/4/12 and 17/4/12.

<sup>113</sup> Respondents 5 and 6, interviewed 14/4/12.

<sup>114</sup> Respondent 9, interviewed 16/4/12.

increases made to each amount. One respondent described this as the sitting president just “making himself a hero” by announcing these small increases in the grants.<sup>115</sup> Another interviewee elaborated on this point by describing how the government will promise to increase the grants right before elections, but then fail to follow through.<sup>116</sup> This respondent also remembered hearing debate between the IFP and ANC around the grant system.<sup>117</sup> The only mentions of grant reform reported were discussion about replacing the grant system with a voucher system and announcements about increases in the CSG, presumably the 2011 extension of the grant to children up to age eighteen.<sup>118</sup>

As a whole, the social grant system seems to be viewed as reasonably appropriate and effective government policy for poverty reduction, but not the most effective method of social spending. In addition, government rhetoric about poverty, grants, and social spending does not appear to be reaching or impacting some portions of the public.

### ***On the Prospect of Grant Reform***

Despite the lack of government discourse around reform of the grant system, the respondents in this study had quite a lot to say about this possibility. Most respondents thought that most of the grants should be increased, usually because of the high cost of living in South Africa at present. Even those respondents who considered many grant recipients undeserving expressed a belief that those who they do consider deserving should receive more.<sup>119</sup> Again, a refrain of “things are costly these days” echoed throughout many of the interviewees’ responses.<sup>120</sup> The young, male Indian respondent and one of the young black female respondents

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<sup>115</sup> Respondent 7, interviewed 14/4/12.

<sup>116</sup> Respondent 9, interviewed 16/4/12.

<sup>117</sup> Respondent 9, interviewed 16/4/12.

<sup>118</sup> Respondents 8 and 12, interviewed 14/4/12 and 17/4/12.

<sup>119</sup> Respondents 5 and 6, interviewed 14/4/12.

<sup>120</sup> Respondent 1, interviewed 14/4/12.

did not think that the grants should be increased, since “some people are just spoiled” by the grants and need to find other ways of supporting their families.<sup>121</sup> Many other respondents talked about the necessity of changing the grant system to eliminate some of the rampant fraud by which it is currently plagued. These respondents were happy about the current change in the system to require re-registration for the grants every year, but thought changes should also include stricter standards for qualifying for and receiving the various grants, particularly the CSG. One respondent simply stated that “this is South Africa,” meaning people will be sure to try to cheat the system and the government needs to find a way to ensure that people are using the grants as intended.<sup>122</sup> In addition, several respondents expressed a desire for the government to be clearer about how to apply for the grants and how they can be best used.<sup>123</sup>

However, respondents were much less positive about the prospect of reform that would introduce a grant for the unemployed. When questioned about South Africa’s struggle with unemployment, most respondents thought that the government does not do enough to help with the unemployment problem. One Colored respondent felt that the government has failed in particular to do enough to help unemployed non-blacks, a sentiment that seems common among many non-black South Africans in the post-apartheid era.<sup>124</sup> A few of the Indian respondents brought up the new job creation and skill-building programs the government has recently started, lamenting the fact that the unemployed do not always take advantage of them.<sup>125</sup> Some respondents talked about how the government tries to help the unemployed, but this assistance does not always reach its intended recipients because of corruption.<sup>126</sup> Finally, some took the

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<sup>121</sup> Respondent 12, interviewed 17/4/12.

<sup>122</sup> Respondent 6, interviewed 14/4/12.

<sup>123</sup> Respondents 2 and 7, interviewed 14/4/12.

<sup>124</sup> Respondent 7, interviewed 14/4/12.

<sup>125</sup> Respondents 3, 5, and 12, interviewed 14/4/12 and 17/4/12.

<sup>126</sup> Respondents 10 and 11, interviewed 16/4/12.

position that the government should not help the unemployed, because some people choose to be unemployed and find it easier to beg for a living or because unemployed people are lazy and do drugs instead of supporting their families or trying to do any work for themselves.<sup>127</sup>

Following from the attitudes expressed above, respondents were unanimously against the idea of a grant for the unemployed. All of the respondents thought that “it would be a bad idea – it would be a huge problem,” for various reasons.<sup>128</sup> Many were of the opinion that it would be an incentive for people to be unemployed, and would cause people to be lazy and give up looking for work, or even stop working if they were already employed. Some respondents were also concerned about the lack of tax revenue for funding such a grant.<sup>129</sup> A few people approved of some other grant-based alternatives for addressing unemployment, such as an unemployment grant with limitations (such as a grant that is short term, or is conditional upon proving you are searching for a job, or a grant only for formerly employed people who are retrenched or have to stop work due to illness) or grants to give people funding to acquire the skills they need to get a job.<sup>130</sup>

Respondents were similarly skeptical about the idea of a Basic Income Grant (BIG), a small grant to all South Africans considered by the government in the early 2000s. None of the individuals interviewed had heard about this initiative, and after hearing a simple description most of them thought it would be a bad idea. Many did not understand or disagreed with the reasoning behind the grant, especially the fact that all South Africans, including the wealthy, would get it, even if grants to the wealthy were recouped through increased taxation. Several respondents were concerned about the expense of this initiative – one even calculated the cost

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<sup>127</sup> Respondents 2 and 9, interviewed 14/4/12 and 16/4/12.

<sup>128</sup> Respondent 12, interviewed 17/4/12.

<sup>129</sup> Respondent 7, interviewed 14/4/12.

<sup>130</sup> Respondents 4 and 8, interviewed 14/4/12.

per month to be around R400 million, a sum he considered outrageous.<sup>131</sup> One respondent vehemently stated that if young, able-bodied people got such grant money they would just “use it for drugs and then rape our children, they don’t need that money.”<sup>132</sup> Other participants just did not think such a grant would provide enough money to make a difference, and that some other form of assistance, such as reducing food or electricity costs, would be better, because “what can you do with R100?” A few respondents did feel differently, conceding that a BIG might be a good idea because any amount of money helps.<sup>133</sup>

Despite variations in opinion about the need for and shape of reform, none of the respondents would have been willing to pay higher taxes at their current income levels to finance increases in grant payments or other expansion of the grant system. They were unanimous in feeling that taxes and the cost of living were already too high and their incomes too low to afford a significant increase in taxes, even if they did think grants should be higher. One participant summarized the group’s attitude on the question of willingness to pay higher taxes with the response “hell, no!”<sup>134</sup>

Although most respondents did not remember hearing the government talk much about the grants, they identified the improbability of at least the current administration undertaking significant reform of the grant system. None of the respondents thought that the government would do anything to significantly change the grant system any time soon, other than raising the grants by R10 or R20 per year to keep up with inflation. Several interviewees correctly cited government prioritization of other types of spending, such as spending on education and

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<sup>131</sup> Respondent 6, interviewed 14/4/12.

<sup>132</sup> Respondent 9, interviewed 16/4/12.

<sup>133</sup> Respondents 3 and 4, interviewed 14/4/12.

<sup>134</sup> Respondent 7, interviewed 14/4/12.

infrastructure, as reasons for this reticence towards reform.<sup>135</sup> Most participants thought Mbeki and Zuma would be equally unlikely to increase grant payments or make other significant changes to the grant system. Some participants attributed this to their mutual failure to generally help the people, while others just considered them similarly unlikely to specifically change grants.<sup>136</sup> Those respondents who did think the two leaders might take a different stance on grant reform thought Zuma would be more likely to increase payments, because “Zuma likes people” and knows how they suffer, and because he is fairly popular and he would be inclined to increase the grants so that people would not turn against him.<sup>137</sup> In the eyes of both government and the public, therefore, grant reform seems unlikely, though these groups differ in their opinions of its necessity.

### ***Generalizations and Discussion***

The results of the personal interviews discussed above are conclusive, in sometimes-unexpected ways. This study did not discover significant variation in opinions about the grant system among different ages and racial groups, although these differences are often very divisive in regard to other issues in South African society. The only consistent variation along racial lines was around perceptions of the current government and the extent to which it fulfills its responsibilities, perceptions which were much more positive among black respondents than non-black respondents. Participants probably related similar opinions on most aspects of the grant system because although they are of a variety of racial backgrounds and ages, they all come from somewhat similar economic backgrounds and live in the same community. More variation in opinion could probably have been expected had this study looked at individuals from different economic classes.

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<sup>135</sup> Respondents 3 and 12, interviewed 14/4/12 and 17/4/12.

<sup>136</sup> Respondents 6 and 7, interviewed 14/4/12.

<sup>137</sup> Respondents 3, 9, and 12, interviewed 14/4/12, 16/4/12, and 17/4/12.

As described above, most respondents in this study came to similar conclusions about the social grant system. On the whole, respondents had a positive perception of grants going to those who are unable to work, such as the elderly and the disabled. However, they had a much more negative perception of government assistance to the young and able-bodied, whether young mothers or unemployed youth. Even other youth and those who receive or received grants themselves had a negative view of these types of assistance. Specifically, most participants believed that the Child Support Grant in particular is often abused or leads to dependency, and that an unemployment grant or Basic Income Grant, if either existed, would also be abused. The participants in this study felt strongly that grants given to those who should be able to work tend to create dependency. The interviewees in this study also had major concerns about abuse and fraudulent use of the grant system in general.

The group of respondents on the whole viewed the grant system as a useful policy for poverty reduction, but often believed that grant payments would need to be higher to truly make a difference to the impoverished, because the current cost of living in South Africa is so high. In addition, despite seeing the grant system as helpful policy, most respondents thought it would be preferable for the government to devote more spending to other social services, rather than spend more on the grants, because in the end, grants just are not a substitute for more significant services like free housing, especially since they are insufficient amounts of money. Many participants also identified problems within the current grant system, and therefore looked favorably upon certain reforms of the system, especially increases in the amounts of most of the grants and stricter application standards to prevent fraud. However, few respondents were enthusiastic about the prospect of the creation of new grants for any groups not currently covered by the grant system.

These results are in many ways puzzling, at least initially. The participants in this study are not desperately poor individuals, but they certainly struggle and are not well-off. All of their lives, even the lives of those participants who are employed, would be made easier by government assistance. Why, then, do so many of them view many aspects of the grant system negatively, and some grant recipients as undeserving dependents on the government? Perhaps because many of them both struggle and receive little assistance from the government – they have had to make their own ways, and therefore only approve of government assistance to those who are not able to do so. Some of these attitudes may also stem from fears about corruption and fraud within government and within the grant system, limitations on government revenue, and accompanying high demands on this revenue – fears that the government will not be able to keep the obligations it has already made, and provide things like healthcare and education to all South Africans. Finally, the results of this study reflect the high levels of social conservatism still present in South African society, which come out in attitudes about the necessity of making one’s own way in the world and working for one’s livelihood, and the continued stigma around poverty that conceives of low-income South Africans, particularly the young, as lazy and undeserving of assistance.

### ***Intersection of Government, Public, and Academic Discourses***

The three discourses around the social grant system analyzed in this study – academic, government, and public – align in some respects, yet are surprisingly contradictory in others. Government messages about the grants are in many ways analogous to common attitudes held by the South African public about the grant system, although not many of these messages seemed to reach the participants in this study. One respect in which government discourse was ascertainable to the public is on possibility of grant reform. Government statements make any



significant grant reform in the near future seem unlikely, and the respondents in this study picked up on this message, with the government announcing and the public expecting only small increases in the grants, barely enough to keep pace with inflation.

Government spokespeople and the public also shared fears of the possibility of the grants creating dependency and being prone to abuse. Government rhetoric suggests it will deal with these issues by instituting different and stricter registration processes for the grants and prioritizing job creation programs and general economic growth to reduce poverty, actions that most of the respondents in this study would hope for and approve of. The public also seems to share government concerns about the expense of the social security system and the problem of low tax revenue in South Africa. Many participants in the study cited lack of funding in the budget as a reason the grant system probably would not be expanded, and within government the Ministry of Finance in particular emphasized the need for social service spending to take place within a limited budget. One place where popular opinion and government statements vary is on the success of the Child Support Grant. The government seems to be on board with studies that suggest this grant works well, and have expanded the grant in the past few years as a result, while the South Africans in this study overwhelmingly viewed the CSG as inappropriate and commonly abused. The difference between these opinions suggests that the roots of the stigmatization of poverty in South Africa may lie more in public discourse than in messages from the government.

The most interesting aspect of the findings of this study on all three discourses is the contradiction between the attitudes of the public and government on the grant system and the academic research on this topic. The literature suggests that the social grants are one of the most effective and direct means of poverty alleviation in South Africa, far more effective than public

works programs or other attempts at job creation. Furthermore, the literature does not see many controversial aspects of the grant system as problematic, suggesting that grant expansion would be possible in South Africa with some reform of the tax system, that the Child Support Grant has a significant impact on child poverty and is not abused nearly to the extent most of the public believes, that the grant system as a whole does not usually create dependency or discourage employment, and that an unemployment or broad-based income grant also would not have these problems. The South African government and public do not see many of these issues the same way, making it hard to see a common way forward for South Africa's social grant system in a field where research, policymakers, and the public disagree.

## **Conclusion**

Although not necessarily in the ways expected, this study met the objectives it set out to fulfill. Through a combination of primary source analysis of government statements and personal interviews, it investigated both the conception of the grant system as antipoverty policy by the government and the perspectives of members of the South African public on this issue. As described above, these perspectives were often similar, but sometimes different. Government seems to conceive the grant system as a temporary, though useful, mechanism of poverty reduction, necessary at present to lift the least fortunate out of abject poverty. However, in the long run, government hopes that the grant system will be rendered unnecessary by job creation programs and growth. For the present, the government will concentrate on decreasing fraud within the grant system and discouraging dependency on the grants. The portion of the South African public surveyed viewed the grants as an important means of assisting the deserving poor, but unnecessary for those who should be able to work, such as young mothers or the

unemployed, and not more useful than other forms of social spending. Respondents did not expect grant reform to occur in the near future, but hoped the amounts of the grants, currently inadequate considering the high cost of living, would be raised. Participants were also highly concerned with the presence of fraud and dependency within the grant system, especially considering the low levels of government revenue, and would approve of government measures to combat these problems. For the most part, government and public discourse agree; however, both viewpoints contradict the academic literature on the subject, which suggests that grants are highly effective antipoverty policy, do not tend to create dependency, and could have a large impact on reducing South African poverty if expanded.

Although the findings of this study were somewhat unexpected in the context of existing research and literature, they make sense within larger debates around work, poverty, and policy around the world. Many governments, citizens, and academics have struggled with questions of balance between assistance and leaving problems to the market, welfare and pushing citizens to work for themselves. It is difficult to draw conclusions about which demographics of the impoverished are considered deserving and undeserving, which the government should help and which would squander such help. In the case of this topic, the role of public opinion also raises some challenging questions. Should the South African government, elected democratically, expand the grant system to those it sees fit if research suggests such grants will help, even if the public does not agree? The ambiguity of the answers to all of these questions makes the future of the South African grant system unclear. Although there is a clear government commitment to social grants as a part of the safety net for the poorest South Africans, the possibility of significant expansion of the grant system, whether this takes the form of increasing payments on current grants or extending the grant system to some of those not currently covered, is uncertain,

and will likely depend on the impact of other poverty-reducing policies currently being implemented. The South African government may succeed in creating jobs and decreasing poverty through non-welfare means, and be able to phase out welfare payments to some demographics of the population. On the other hand, the more likely outcome is that the South African economy will not be able to produce the level of growth necessary to lift its people out of poverty, and increased assistance of some form will be required to deal with the three challenges of unemployment, inequality, and poverty. Such assistance may not come through the grant system, but social grants may also still hold the solutions to these challenges.

## **Recommendations for Further Study**

This study produced interesting results, but was not large or in-depth enough to make these results conclusive. A somewhat representative but also highly limited demographic of South Africans was surveyed in this research. A similar study with a more economically diverse group of respondents would more accurately represent the opinions of the South African population as a whole, as would a study that included more responses from actual grant recipients, or just a larger and therefore more representative study. A more complete picture of government conceptions of the grants could also be created with the investigation of more types of sources on grant policy, including personal interviews. Finally, a study more focused on antipoverty policy as a whole, rather than just the grant system, could more successfully situate the importance of the grants in a broader policy context.

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## Appendices

### Appendix A

#### Interview Questions

##### **1. Questions about the Current Welfare Grant System**

- a. Do you receive any grants from the government? If so, how long have you been receiving a grant or grants?
- b. Do you know anyone (a relative, close friend, neighbor, etc.) who receives a grant from the government?
- c. Whether or not you receive a grant, do you think you should be receiving a grant?
- d. Do you think most people who receive grants deserve them?
- e. Do you think there are any groups of people who receive grants who shouldn't, or people who don't receive grants who should?
- f. Do you think the welfare grant system helps the people who receive grants?
- g. Do you think the grants provide enough money to live on?
- h. Are the grants better than the other ways that the government tries to help people, for example providing housing, education, or healthcare?
- i. Do you think the government should spend less money on providing housing, education, etc. and more on the grants, or vice versa?
- j. What have you heard people in the government say about the grants? How do you think the government intends them to be used?
- k. Have your opinions about the grants changed at all over time – for example, did you used to think they were good, and now think they are bad, or vice versa? If so, why?
- l. There are some people who think the Child Support Grant doesn't work well – for example, some people think that the grant causes young women to have babies so that they can receive the grant, or discourages young women from looking for work. What do you think about this issue? Do you think this grant actually helps children?

##### **2. Questions about Reform of the Welfare Grant System**

- a. Do you think anything about the current grant system should be changed?
- b. Do you think the amount of any of the grants should be increased or decreased?



- c. There are many unemployed people in South Africa. Do you think the government is doing enough to help them?
- d. Do you think there should be a grant for unemployed people?
- e. If there was a grant for unemployed people, do you think there should be any requirements for receiving that grant – for example, being required to show that you are looking for work?
- f. A while ago, there was some talk about creating a grant that would go to all South Africans, of about R100 a month. Do you think this grant would be a good idea?
- g. Would you be willing to pay higher taxes so that the amount of grants could be increased? Would you be willing to pay higher taxes so that there could be an unemployment grant?
- h. Based on what you have heard from the government, do you think they will do anything to change the grant system any time soon?
- i. Do you think the government would be more likely to increase the grants now than it was before – for example, would Zuma be more likely to increase the grants than Mbeki?

### 3. Questions about Financial Situation

- a. Are you employed? If so, how long have you been employed, and where do you work? If not, how long have you been unemployed, and are you looking for a job?
- b. Has your or your family’s financial situation changed much in the past few years? For example – have you gained or lost a job during that time, have you been getting more or less assistance from the government, etc.?

### 4. Basic Questions

- a. How old are you?
- b. Where do you live?
- c. Who do you live with?

## Appendix B

### Respondent Profiles

| Respondent no.     | Household no. | Age | Race   | Sex  | Employment status | Grant status         |
|--------------------|---------------|-----|--------|------|-------------------|----------------------|
| 1                  | 1             | 59  | Indian | Fem  | Unemployed        | Future pensioner     |
| 2 (daughter of #1) | 1             | 36  | Indian | Fem  | Employed          | Non-recipient        |
| 3                  | 2             | 24  | Indian | Fem  | Employed          | Non-recipient        |
| 4 (brother of #3)  | 2             | 19  | Indian | Male | Student           | Non-recipient        |
| 5                  | 3             | 35  | Indian | Fem  | Unemployed        | Non-recipient        |
| 6 (husband of #5)  | 3             | 36  | Indian | Male | Employed          | Non-recipient        |
| 7                  | 4             | 34  | Col    | Fem  | Employed          | Non-recipient        |
| 8                  | 5             | 28  | Col    | Fem  | Unemployed        | CSG recipient        |
| 9                  | 6             | 46  | Black  | Fem  | Employed          | Former CSG recipient |
| 10                 | 7             | 24  | Black  | Fem  | Employed          | Non-recipient        |

|                  |   |    |       |     |          |               |
|------------------|---|----|-------|-----|----------|---------------|
| 11 (aunt of #10) | 7 | 42 | Black | Fem | Employed | Non-recipient |
| 12               | 8 | 22 | Black | Fem | Student  | Non-recipient |

## Appendix C

### Field Notes – Personal Interviews

Interview 1 – 14/4/12

Female, 59, Indian

#### 1. Current System

- does not receive any grants – will begin receiving the pension on her 60<sup>th</sup> birthday next week
- sister receives the pension
- doesn't have a problem with not having received a grant before turning 60
- thinks most people who receive grants deserve them, because people are struggling
- doesn't think there are any groups of people who should/shouldn't receive grants and don't/do
- thinks the grant system helps the people who receive grants
- does not think the grants provide enough money to live on – should be more
- other gov't spending, like housing/healthcare/education, are important – grants aren't better than these ways
- gov't should spend more money on non-grant services
- has not heard any information from the gov't about grants
- thinks CSG is abused sometimes, but it does also help recipients

#### 2. Grant Reform

- thinks only change to the current system should be to give out more money – now, it's too little – “things are costly these days”
- thinks the amounts of all of the grants should be increased
- doesn't think the gov't is doing enough to help unemployed people
- says some unemployed people already get a grant, but it would be good if they all did
- requirement for such a grant should be to show you are looking for a job and not getting it
- had not heard about the prospect of a BIG, but thinks it would be a good idea
- would not be willing to pay higher taxes so the grants could be increased – not enough money because her family doesn't have good jobs
- doesn't think the gov't will do anything to change the grants anytime soon, other than increasing them a bit every year
- thinks Mbeki and Zuma are the same in terms of helping the people – too many people are still protesting under Zuma like they did under Mbeki

#### 3. Financial Situation

- has never been employed
- financial situation has not changed much in the past few years, but will change once she begins receiving the pension

#### 4. Basic Info

- lives in Bonela, got house from gov't 20 years ago
- lives with two daughters, aged 30 and 35

Interview 2 – 14/4/12

Female, 36, Indian

## 1. Current System

- does not receive any grants
- aunt receives the pension
- does not think she should be receiving a grant, since she has a job
- thinks most people who receive grants deserve them
- thinks some recipients of the CSG don't deserve it, because some of them have babies just to get money, but the disability and pension are deserved because recipients of these grants use the money to support their households
- thinks the grant system helps people who receive the grants
- does not think the grants provide enough to live on – the cost of living is too high, and living costs are increasing – “not much for them to live”
- does not think the grants are better than other methods of gov't assistance
- thinks instead of spending more on the grants, the gov't should spend more on healthcare and education – hospitals in particular are terrible, should invest more in hospitals – increase staff and upgrade facilities (enough supplies already)
- has not heard the gov't say anything about how they intend the grants to be used, just communicate the amounts of each grant and whether it's being increased etc.
- opinions of the grants haven't changed over time
- thinks the CSG is abused, but it's not enough money to cover the cost of raising children – people won't just have kids to get the grant, but will be less careful about not getting pregnant because they know if they have children they will be taken care of – rules about who gets the grant should be more strict

## 2. Grant Reform

- thinks system should be changed b/c right now, it's too hard to apply – they should be more specific about what documents etc. you need to pick up the grant – this information isn't really communicated by the gov't
- thinks the system for application needs to be changed – lots of fraud – helps that now you need to re-register every year, so people can't collect on the behalf of dead relatives
- thinks the amount of the grants should be increased because of the high cost of living
- thinks the gov't is NOT doing enough to help the unemployed – however, believes it is easier for some people not to be employed, like people who make a living begging – have the attitude that jobs aren't necessary
- does not think there should be a grant for the unemployed, this wouldn't be good because everyone would be fine being unemployed – maybe such a grant would be ok if it was short-term, with conditions
- thinks the BIG would be too expensive, and it's unfair to tax the wealthy to pay for it
- would NOT be willing to pay higher taxes so the amount of the grants could be increased
- does not think the gov't will do anything to change the system any time soon, will just keep increasing the grants minimally – maybe if they decreased their own salaries and bonuses, they could increase the grants!
- thinks the Zuma/Mbeki administrations equally unlikely to undertake significant grant reform

## 3. Financial Situation

- currently employed and has been for 11 years, as a medical receptionist
- financial situation has improved as her family members have grown up, gotten educated, and found jobs – have made a living under their own steam, through hard work

## 4. Basic Info

- has lived in Bonela her whole life
- lives with mom, sister, other family members are often around
- \*also runs tuck shop out of her house

Interview 3 – 14/4/12

Female, 24, Indian

#### 1. Current System

- does not receive any grants
- knows people who receive the pension
- thinks more people should get the grants
- thinks most people who receive grants deserve them
- thinks there are some people who receive grants who shouldn't, depending on their lifestyles
- thinks the grant system helps grant recipients
- thinks the grants should be higher amounts
- thinks the grants work better than other methods of government assistance
- however, thinks the gov't should spend more on education, healthcare, etc.
- thinks the gov't intends the grants to be used to better the "system" in SA, better people's lives
- opinion on grants hasn't changed, has always thought they were good
- thinks CSG is abused to some extent, and some take advantage of it, but it does work in some cases

#### 2. Grant Reform

- thinks the amounts of the grants should be increased – especially the CSG and the pension
- thinks the gov't is trying to do more to help the unemployed now – educating people, helping them to get jobs – these methods are getting better and the gov't is coming up with better ideas – things like PWP's are helpful
- thinks a grant for the unemployed would be good, but some would take advantage of it – only those who cannot look for work should get it
- should have to show that you have a disability that prevents you from working or are looking for work to get an unemployment grant
- thinks the BIG would be a good idea – any money helps
- not sure if she would pay higher taxes to increase grant amounts – taxes are already high
- does not think the gov't will change the grant system any time soon, are currently concentrating more on education, but might change it at some point
- thinks the Zuma admin. would be more likely to increase grant amounts

#### 3. Financial Situation

- currently employed, at an insurance company – has been working for 6 months, was studying before

-financial situation has changed since she just got a job

#### 4. Basic Info

- has lived in Bonela for 14 years
- lives w/ parents

Interview 4 – 14/4/12

Male, 19, Indian

#### 1. Current System

- does not receive any grants
- knows people who receive the pension
- does not think he should be receiving a grant
- thinks most people who receive the grants deserve them
- however thinks people who work should not get grants
- thinks the grant system helps grant recipients
- thinks some of the grants, like the pension, provide enough money to live on
- thinks other methods of gov't assistance, like education etc., are better than the grants
- thinks the gov't should spend less on grants, more on other means of assistance
- has not heard anyone in the gov't talk about the grants
- thinks some people abuse the CSG and have children for money – however, CSG doesn't affect employment because most people who receive it don't have education and can't get jobs because of that

## 2. Grant Reform

- doesn't think anything about the current system should be changed, or any of the grants should be increased or decreased
- doesn't really think the gov't is doing enough to help the unemployed
- thinks there should be a grant for the unemployed, but it should have conditions – giving people money to get education would be better than just giving them money
- thinks the BIG might be a good idea, unsure
- would not be willing to pay higher taxes so grants could be increased, taxes are already high
- thinks any possibility of grant reform will depend on the economy etc., on how much money the gov't has
- unsure which administration would be more likely to implement grant reform

## 3. Financial Situation

- currently unemployed, studying – has 1 year left, then hopes to work in IT – will probably move to Joburg to find a job

## 4. Basic Info

- lives in Bonela w/ parents

## Interview 5 – 14/4/12

Female, 35, Indian

### 1. Current System

- does not receive any grants
- mother-in-law receives the disability grant
- does not think she should be receiving a grant
- does not think everyone who receives the grants deserves them – some people “crook the system,” some people who work get them while some people who need them don't get them
- believes people who have other sources of income should not receive grants
- does think the grant system helps those who receive grants
- does not think the grants provide enough money to live on, not with the economy the way it is – everything is so expensive – grants don't cover costs of living, but “something is better than nothing”
- thinks healthcare spending helps people, but gov't doesn't necessarily do a good job w/ housing and grants can't provide housing (?)

-thinks gov't should spend more money on grants – current amounts don't cover much, and many people are homeless – people who are disabled, unable to earn a living, have no education, etc. should get money

-only hears about changes in grant amounts from the gov't – this year, Zuma allocated R20 more for each of the grants – this isn't much for individuals, but is still a lot of the gov't to pay all together

-has not been exposed to the grant system much except for the pension, which she thinks people deserve – also thought more positively when her mother-in-law went on the disability grant and really needed it – thinks the registration system for the grants is changing for the better

## 2. Grant Reform

-thinks the system of grant collection needs to be changed so it's harder to cheat the system, and this is currently happening, so that's good

-thinks the amount of the disability grant should be increased, because the cost of living is rising but incomes and the grants are not – those who can't work deserve more money

-thinks the gov't is doing enough to help the unemployed, through various skill-building and training programs – gov't offers opportunities, and will often help people find jobs – may also provide funds for setting up/being placed in a job

-only grant for the unemployed right now is the UIF – with high retrenchment rates etc. right now, there should be assistance beyond the UIF

-in terms of an unemployment grant, this should be provided to people who have been employed and lost their jobs and therefore the income they have depended on – should have incomes subsidized by the gov't until they get back on their feet – there should not be a grant for people who have never been employed, because there are opportunities to better yourself

-does not think a BIG would be a good idea because many SAs are already really well-off, and don't need more money – gov't money should only go to those who are in need \*thinks rich people are rich because they're smart and work hard

-wouldn't want to pay higher taxes so grants could be increased, because she already pays very high taxes, ex. on electricity – grants should be increased out of existing taxes and tax increases

-thinks that long-term, gov't will only increase grants to keep up w/ inflation – would be impossible to increase grants by a lot, it's too expensive

-thinks Zuma/Mbeki are the same in terms of grants/assistance

## 3. Financial Situation

-has never been employed – home executive for 13 years, since her oldest son was born – before that, studied

-family is doing better every year because they work hard – her family was not impacted by the recession, but she knows a lot of families were

## 4. Basic Questions

-has lived in Bonela for 15 years – before that, lived in Chatsworth

-lives with husband and 2 sons

## Interview 6 – 14/4/12

Male, 36, Indian

### 1. Current System

-does not receive any grants

-mother receives disability grant

-absolutely does not think he should be receiving a grant, since he has a job

- does not think most people who receive grants deserve them – thinks only people who are incapable of work should get grants
- thinks the grant system kind of helps grant recipients, but not enough – the cost of living is too high for the amount of the grants – grants do not provide enough money to live on
- does not think grants are better than other gov't services – not more useful – makes grant recipients lazy and dependent on gov't handouts
- thinks the gov't should spend more money on other services and less on grants; however, also contradicted himself by talking about how gov't service delivery is discriminatory – “education used to be a right, but is now a privilege” – a “certain race” now gets to demand all the services and the better education – in addition, people don't always deserve free gov't healthcare, such as people who have contracted HIV/AIDS due to their lifestyles – therefore gov't should give more in grants to those in “dire straights” who really need them
- hasn't heard anything from the gov't about grants
- didn't know much about the grants or think much about them until his mother began collecting the disability grant, then found out that they're not enough to live on
- agrees that some people abuse the CSG – knows men who are “too lazy” to work and just have lots of kids to get money instead – important point that it may not just be women who abuse the CSG

## 2. Grant Reform

- thinks there should be stricter standards for qualifying for and receiving the various grants – “this is South Africa” – many people who will try to abuse the system, the gov't needs to really go out to people's houses and determine how they would use the grant and if they deserve it
- thinks the amounts of all the grants should be increased
- thinks the gov't does nothing to help the unemployed
- does not think there should be a grant for the unemployed, this would be a bad idea – if there was such a grant people just wouldn't work, they would be lazy and sit at home
- doesn't think there's any way requirements for receiving the grant could make it work – would be too easy to fake proving you're looking for work or something like that
- does not think the BIG would be a good idea – would cost about R400M/month, which is too expensive, and it would be too easy for the system to become corrupt
- would not be willing to pay more taxes so the grants could be increased – already pays high taxes, and too much for services – electricity has gone up, have to pay for trash collection now, petrol prices increasing, etc.
- has not heard anything from the gov't that makes him think grant reform would occur any time soon
- thinks there is no difference between Mbeki and Zuma – both black Africans, and this is where the problem lies – DA supporter, thinks the ANC is terrible and hasn't even helped most of its supporters, just a select few who have been helped by BEE

## 3. Financial Situation

- has a job – “delivery technician”

## 4. Basic Info

- husband of interviewee #5 – lives in Bonela w/ her and 2 sons

Interview 7 – 14/4/12

Female, 34, Colored

## 1. Current System

- does not receive any grants
- several friends receive the CSG, father receives the pension
- does not think she should be receiving a grant – grant is there for the less fortunate, for those who are disabled, however can be problematic for recipients – ex. CSG is abused
- thinks about 60% of grant recipients don't deserve it and abuse it – 40% should be getting it and use it as intended
- thinks most CSG recipients shouldn't get a grant, but most pensioners deserve it and also have to support their whole household with that money
- thinks the grant system does help grant recipients, but is not enough for the people who really need it, because of the high cost of living – doesn't provide enough to live on
- doesn't think the grants or other gov't services are enough to help people – “nothing our gov't does is helpful” – neither the grants nor other services (healthcare etc.) cover everyone in need
- thinks the gov't should spend more on education, because this will provide the key to poverty reduction by allowing people to find jobs etc. – “South Africa is in a cycle of poverty”
- hasn't heard the gov't say much about the grants – whichever president is in office just “makes himself a hero” every year by announcing R10 increases in the grants to keep up with inflation
- has had the same opinion about the grants over the years – the gov't gives out money, but doesn't do anything to teach people how to use it, keeping them in a cycle of poverty – “you can't keep giving people crumbs, and expecting them to make the most of it”

## 2. Grant Reform

- gov't should focus more on teaching people how to best use the grants, ensuring the money is being used well, and should institute a cutoff number of children you can receive the CSG for
- amounts of grants should be increased if they are being used for the right reasons – living is too expensive, and grants need to increase to account for this
- thinks the gov't is not doing enough to help the unemployed, especially unemployed non-blacks
- thinks there shouldn't be a grant for the unemployed b/c there is not enough tax money
- if there were to be such a grant, people should have to prove they're looking for a job to receive it
- also doesn't think there should be a BIG b/c there's not enough tax money to pay for it
- would not be willing to pay higher taxes so grants could be increased b/c taxes are already too high – exact response was “Hell no!”
- does not think the gov't will do anything to change the grant system, and thinks Mbeki and Zuma are equally bad – thinks Chris Hani would have been a great president

## 3. Financial Situation

- has been employed at a prison in Durban for 10 years
- family's financial situation has gotten worse, partially b/c of the recession but also b/c of increases in the cost of living – also couldn't work for a while b/c of a knee injury

## 4. Basic Info

- has lived in Bonela for 4 years – had to return from a much better situation to take care of kids
- lives with parents and 3 kids
- \*talked about how South Africans today face a “new apartheid” of poverty, unemployment, problems with the social grant system, etc. – “this is our apartheid”

Interview 8 – 14/4/12

Female, 28, Colored

## 1. Current System



- receives the CSG, has been receiving it for 3 years
- almost all of her friends receive the CSG, and some of her relatives receive the pension
- thinks she should be receiving a grant
- thinks most people who receive grants deserve them b/c they have low incomes
- thinks some people who deserve the grants don't get them – ex. sometimes people aren't identified as disabled, but aren't fit for work and should be getting the disability grant – ex. she has glaucoma but wasn't classified as disabled
- thinks the grant system helps grant recipients
- does NOT think the grants provide enough to live on ex. not enough to pay for both uniforms and school fees
- thinks other gov't services, like education, healthcare, housing, are more helpful than the grants, but the gov't already spends less on the grants than these things
- has heard gov't talk about giving out vouchers instead of cash, but doesn't think this would be good, b/c then how would people pay to travel to get grants? has also heard the gov't talk about discontinuing the system all together, or not increasing the amount of an individual's CSG with each additional child
- has always thought the grants are good, and gov't is helping people with them, but grants haven't always been there
- thinks some people do abuse the CSG, and don't always use the money for their children, but instead to buy things for themselves

## 2. Grant Reform

- thinks the system should be changed, and people who aren't using the money for what they're supposed to, like using it on their children, shouldn't get it, or should only get a fixed amount
- does not think the gov't is doing enough to help the unemployed
- does not think there should be an unemployment grant b/c no one would work – a skills dev't type of program would be better, people must earn their jobs
- thinks the BIG would be a bad idea b/c it would be too expensive
- would not be willing to pay higher taxes for the grants to increase
- does not think the gov't will change the system, just keep increasing the grants by R10

## 3. Financial Situation

- not employed, is looking for a job

## 4. Basic Info

- has lived in Bonela for 13 years
- lives w/ parents

## Interview 9 – 16/4/12

Female, 46, Black

### 1. Current System

- received CSG for 12 years, does not now
- father receives the pension
- thinks she should have been receiving the grant when she got it
- does not think everyone who receives the grants deserves them – thinks people who earn more than R30,000/year shouldn't get it – there are people in the gov't who make themselves get it and they shouldn't – only poor people should get it

-thinks the grants help the people who receive them a lot, allow them to support their families – however, some don't use the money to support their families, instead use it to drink, doesn't help them

-the grants do not provide enough money to live on, but they help some – better than nothing

-thinks grants are better than other ways gov't helps people (housing etc.)

-however, thinks the gov't shouldn't spend any more on grants b/c there is so much fraud involved with the grants – people who don't deserve it would just get the extra money

-have mainly just heard the gov't keep promising to increase the grant – used to be more debate around it, the IFP said people shouldn't get grants but the ANC wanted them – coming up to elections, gov't often makes promises to increase grants a lot but doesn't follow through on these promises

-has always thought that the grants were good overall

-definitely agrees that the CSG is abused – thinks that most of the time people shouldn't be getting it – people have kids to get the grant, or they forge birth certificates to get grants for children they don't have – for example, they will register for 3 children but they only have 1 child – phenomenon called “ghost children”

## 2. Grant Reform

-does not think anything about the system should really be changed

-thinks that the amount of the grants should go up, because the cost of living is too high – prices are going up

-does not think the gov't SHOULD help unemployed people – people are lazy, they don't look for jobs they just smoke dagga and do other drugs instead – they don't support their families – people won't work even for themselves, “they won't even plant a garden to grow food for their families”

-thinks unemployment grant would not be a good idea at all – thinks only disabled people who can't physically work should get a grant, people are young and able-bodied and don't even try to get work, “they just strike for houses and don't even build their own house”

-does not think a BIG would be a good idea for everyone, not the rich, maybe for some of the poor, but some of the poor would just use it for drugs and then “rape our children, they don't need that money”

-she would be willing to pay higher taxes so the grants could be increased if she could afford it, because some people need that money a lot, and need things they can't afford, and what the gov't does helps them

-does not think the gov't will change the grant system any time soon

-thinks Zuma would be more likely to increase the grants, because “Zuma likes people” – he knows how the people suffer

## 3. Basic Info

-has been employed at Cambridge Food for 2 years – likes it

-used to live in PMB, family lives there, now lives in Bonela

-lives with niece, cousin, and her cousin's daughter

Interview 10 – 16/4/12

Female, 24, Black (Interviewed with Respondent 11)

## 1. Current System

-does not receive any grants

-knows friends who receive the CSG, relatives who receive the pension

- doesn't think she should be getting a grant now, maybe once she has kids
- thinks not all who get grants deserve them – gov't shouldn't give out the CSG, b/c it just promotes having kids – “waste of our tax money”
- thinks the grant system helps those who receive grants
- thinks the grant system doesn't provide enough money to live on – “that money will never be enough!”
- does not think the grants are better than the other ways the gov't tries to help people
- thinks the gov't should spend less on grants and more on other services
- has not heard people in the gov't say anything about the grants
- grants increase every year, so her opinion of them is getting better
- agrees that at least some people abuse the CSG

## 2. Grant Reform

- thinks the people who qualify for grants should be changed – “This Child Grant thing, I don't know”
- thinks the grants should be increased
- thinks the gov't does help the unemployed, or at least tries – lots of corruption, so programs don't always help as much as they should
- does not think there should be a grant for unemployed people, because people will just be lazy
- had never heard about the BIG, but doesn't think it would help – “What can you do with R100?” – thinks some other form of assistance, like food vouchers, would be better
- would not be willing to pay higher taxes so grants could be increased
- does not think the gov't will change the grant system any time soon
- thinks Zuma and Mbeki would be equally likely/unlikely to increase the grants

## 3. Basic Info

- employed, has worked at Metro Springfield for 2 years
- has lived in Bonela for 10 years
- lives with aunt and cousin

Interview 11 – 16/4/12

Female, 42, Black (Interviewed with Respondent 10)

## 1. Current System

- does not receive a grant
- knows people who receive the pension and the CSG
- does not think she should be receiving a grant for any reason
- thinks some people who receive grants deserve them, some don't
- thinks the grant system helps – pension in particular may support not just elderly people, but their children and grandchildren
- thinks grants do not really provide enough money to live on, things are expensive – “shame, they're coping”
- does not think grants are better than other forms of gov't assistance – people want houses – “They would rather have a roof than money”
- thinks gov't should spend less on grants, more on other services
- has not heard the gov't say anything about the grants
- has a higher opinion of the grants now b/c the amount has gone up

-agrees that there is abuse of the CSG – some people abuse it – gov't needs to more thoroughly investigate if people actually need grants/are using them for the right purposes before they give them out

## 2. Grant Reform

-thinks laws about applying for grants should be changed, especially for the CSG – there are much stricter rules about qualifying and applying for the other grants, but not the CSG, so this is abused – also mentioned “ghost children” phenomenon – called “isipoki” in Zulu

-thinks amounts of the grants should be increased

-thinks the gov't helps the unemployed, but corruption gets in the way

-does not think there should be a grant for the unemployed – it would be a waste of money

-doesn't think the BIG would help, because it's not enough money to make a difference – gov't should spend this money in another way, like deducting R50 from people's water bills or something

-would not be willing to pay higher taxes so grants could be increased

-does not think the gov't will change the system any time soon – thinks Zuma/Mbeki would be equally likely to change the system

## 3. Basic Info

-has worked at Cambridge Food for 20 years

-has lived in Bonela for 11 years

-lives with niece and daughter

Interview 12 – 17/4/12

Female, 22, Black

## 1. Current System

-does not receive a grant

-neighbor receives the CSG, grandfather receives the pension

-does not think she should receive a grant for any reason

-thinks most people who get grants deserve them – people who are sick/injured and can't work, also fair for old people, but “not sure” about the CSG

-young people in particular shouldn't get grants b/c they don't use them for the right purpose

-thinks the grants help the people who receive them – really helps her grandpa, who sometimes uses the money on groceries for the household or to get to work (?)

-for some people, like people trying to support large families, the grant does not provide enough money to live on – for small families like hers, the grant is enough

-thinks the grants are more useful than other gov't initiatives – “money always comes in handy” – can be used for anything you need, food, transport, clothing, etc.

-gov't should not spend more on grants though, should invest more in education because “that helps a generation” – shouldn't give more money to youth

-has heard gov't speak about increasing the CSG, but hasn't heard anything else

-not much of an opinion about the grant system b/c she's only affected by it through her grandpa – however, thinks the grant is good for him

-thinks rumors about abuse of the CSG are very true, but doesn't know why people have babies to get the grant b/c the money just isn't enough to support a child – thinks it happens most of the time, and mostly with the younger teenage girls

## 2. Grant Reform

- thinks the gov't should get rid of the CSG – “people should know they need to support their children themselves” – grant just makes the problem worse b/c people have more kids
- thinks maybe the pension could be increased a bit, but other grants don't need to be increased – “some people are just spoiled” – should find other ways of supporting their families
- thinks gov't does enough to help the unemployed – has introduced programs to help people start their own businesses – there are lots of opportunities, some people are just lazy and don't take advantage of them
- against an unemployment grant – “it would be a bad idea” – people wouldn't work, even those who have jobs now – it would be a huge problem
- BIG would also have been bad – it wouldn't have been useful, just would have made people lazier
- wouldn't want to pay higher taxes to increase grants – “No way!”
- does not think the gov't will change the grant system any time soon – has introduced other programs, like schools, infrastructure, etc. – concentrating on other areas
- thinks Zuma would be more likely to increase the grants, because most people like him and he would increase the grants so people wouldn't turn against him

### 3. Basic Info

- student at Durban University of Technology, studying Human Resources Mgmt., has one more year – challenging, but she enjoys it – wants to work in a private company like Eskom after graduation – thinks it won't be easy to find a job, these days you have to know someone or bribe someone to get a position
- lived in Umlazi until 1995, has lived in Bonela since then
- lives with grandma, grandpa, and cousin