

EDITORIAL

South Africa: With friends like these who needs enemies?

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It is unfortunate that the incorporation of important days in the struggle for liberation as public holidays often results in the ritualization and hollowing out of their significance and meaning.

The June 16 uprisings of 1976 marked a turning point in the struggle for liberation. We celebrate this day as Youth Day. Marking this day, as we have done for the last 18 years, with platitudes about the heroism of the youth, their role in the struggle, and trite remarks on sacrifice and commitment whilst ignoring the current state of black youth is tantamount to fiddling while Rome burns.

The state of SA's youth is defined by two crises, that of education and mass unemployment. Like a toxic cocktail these crises feed off each other.

The education system leaves many school-leavers unemployable, not even ensuring proficiency with the three Rs. However, the unemployment crisis is not reducible to the failure of the education system. Many black university graduates do not get a sniff of a job. Mass unemployment is a cancer and is rooted in SA's economic structure and in a set of pro-business policies championed by the Democratic Alliance but implemented by the ANC.

Nevertheless, there is a growing awareness of the problem of the youth. 70% of the unemployed are youth. "Ticking time bomb" is the brand of choice when highlighting the threats posed by such high levels of unemployment. The role of unemployed youth in the uprising in Tunisia, Egypt and in other Arab spring revolts has prompted analogies with the South African situation compelling and added a sense of urgency, if not extreme opportunism.

Take the DA's recent march in support of the youth wage subsidy scheme. Suddenly the DA, the vanguard party of big business wishes to put themselves forward as the friends of the unemployed. They have a simple and simplistic narrative that their friends in the media are too willing to promote. Unemployment, according to them, is caused by militant trade unions, such as COSATU. Because the trade unions defend wages they stand in the way of the bosses employing more labour. According to these "friends" of the unemployed, if wages were reduced the bosses would employ more workers. One way to reduce wages would be by subsidising the wages of young workers. This would give an incentive to employers to hire more youth and would then make a substantial contribution to overcoming youth unemployment.

This is mistaken for several reasons.

First, it simply accepts an economic system that in its drive to maximise profits minimises wages often to below starvation levels. Second, it diverts attention from the enormously rich to workers lucky enough to have a job. Third, the wages of young people, especially first-time unskilled workers are very low. Most of these workers do not get formal jobs but are employed by labour brokers. Fourth, it would lead to many older workers losing their jobs in favour of subsidised youth workers.

However, it is these older workers that are presently the lifeline for their unemployed relatives. Employed workers pay the living expenses of the unemployed, complemented in some cases by the grant system.

Most importantly, the idea of the youth wage subsidy ignores the real cause of mass unemployment in SA. At the heart of unemployment is the lack of demand for goods and services produced. In other words, the vast majority of people are too poor to purchase the goods and services that we produce in SA. For example, the richest 20% of the population consume 80% of all durable goods!

By impoverishing the working class further through reducing their very low wages will make the situation even worse. Demand will fall further. This will be a disaster for the South African economy which is already shrinking because global demand for South African goods is falling as a result of the European and global economic crisis.

Yet the DA, zealous to champion the interests of big business, sees the possibility of driving a wedge between the employed and unemployed through the youth wage subsidy scheme. COSATU and other working class formations are compelled to resist the scheme because it will lower wages of the formally employed and lead to many becoming redundant.

Here is a problem for COSATU. If they only are seen to resist the scheme and not champion a programme in defence of the poor in general and especially the unemployed they risk being isolated from a growing section of the working class. Organising the precariat, that is casualised and informalised workers as well as the unemployed, is an absolutely critical task.

The relative absence of an organised movement of the unemployed opens up the space for forces like the DA to create confusion. Increasingly, it looks as if it is the ANC government and the DA that are in alliance the distraction of the Spear painting aside. The DA serves as the vanguard championing policies the government is shy about but nevertheless in the final analysis adopts.

Social movements like the Unemployment Peoples Movement, Abahlali baseMjondolo, and the hundreds of popular organisations involved in service delivery struggles must unite to give voice to the precariat. A new alliance will be possible, that is the alliance of the labour movement and the precariat. Such an alliance in defence of the right to work, the basic income grant, free basic services and million climate jobs would be a powerful counterweight to those that are uniting to drive down wages through labour flexibility, labour brokering and youth wage subsidies.

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P.S.

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