

YACOOB ABBA OMAR: Time for South Africans to forge a new social compact

There is nothing like a deadline to focus the mind and today there is no larger deadline focusing the nation's mind than that of the constitutionally required June 17 convening of the National Assembly of newly elected MPs and the election of the speaker of the National Assembly and president.

The moment SA finds itself in requires maturity by all the political parties and leaders so that whatever path is chosen — be it a government of national unity, a coalition government or confidence and supply arrangement — it is done in the interest of all of SA, not that of some race or ethnic group, region, class or individual.

Leaders such as Thabo Mbeki and Cyril Ramaphosa have been talking of the need for a national dialogue after the elections. This will need going back to the drawing board and deciding how we can arrive at a social compact as we did in 1994 and what should it be made up of.

Among the earliest, clearest research on social compacting was conducted in 2014 by the Mapungubwe Institute for Strategic Reflection (Mistra) for the National Planning Commission (NPC). There, Mistra argued that a social compact consists of “a core agreement among various societal role players and their government that outlines the rights and duties of each party”. It “requires elements of social partnership; it can only succeed in the context of social dialogue; and the processes of forging it would entail some level of collective bargaining”.

A social compact is not just a Kumbaya moment, where we make vague commitments to some distant Shangri-La. In fact, as the late Malawian economist and London School of Economics professor Thandika Mkandawire said, it “refers to the institutionalisation of consultation and co-operation on economic policy involving representation from the state, capital, labour and other organisations of civil society”.

According to a 2013 report of the International Labour Organisation, “in Western Europe social pacts have been a preferred route in areas of economic and social policies”, and more recently, to facilitate the adjustment of national economies to external shocks such as loss of competitiveness or economic/monetary integration”.

The Republic of Ireland's successful experience, which saw it being dubbed the “Celtic Tiger”, was based on a social pact premised on a developmental approach and included trade unions and employer organisations bargaining hard to reach wage agreements, as well as a number of civic associations to help shape new forms of governance.

Three key elements we should weigh in on are:

- Who should be the convenors of the national dialogue: it's preferable that there is a collective of patriots such as Thuli Madonsela, Dikgang Moseneke, Graca Machel, Ela Gandhi, Archbishop Thabo Makgoba, possibly convened by Mbeki.
- Who should participate in the dialogue: all parties represented in parliament, as well as the widest possible involvement of the trade union movement, business leaders and civil society organisations.
- What should be the basis of the dialogue: its starting point should be two instruments which have enjoyed widespread support — the constitution

adopted in 1996 and the 2012 National Development Plan supported by all parliamentary parties.

The latter has been reviewed by the NPC (which I serve on) and which has resulted in a call to action to get us closer to the Vision 2030 targets. It notes that to achieve elimination of poverty, and the reduction of inequality and unemployment we need economic, social, and environmental fundamentals to be in place. This means an economy that not only grows at the requisite pace but draws in those excluded from the benefits of economic growth.

Priorities identified include labour absorbing strategies, an education system producing a quality workforce, a comprehensive social protection system, a professional public service, a capable state, a functional universal public health system, efficient infrastructure services, and the transition to a low carbon economy.

Whoever was the author of the phrase “no crisis should go to waste”, it’s a phrase which should inspire us to find the best way forward for SA.

Source: Yacoob Abba Omar -

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