

Two-thirds of South Africa's population in absolute poverty, with one third unemployed

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21 December 2025

Statistics South Africa's latest Poverty Trends report covering the period from 2006 to 2023 reveals the scale of social devastation in South Africa, underscoring the failure of a capitalist system administered by the African National Congress (ANC) for over three decades.

Absolute poverty has risen to 40.8 million people, nearly two thirds of the population. The human cost is visible above all in mass unemployment, officially measured at 31.9 percent, with millions more pushed out of the labour force or confined to insecure and low paid work.

Joblessness has driven poverty rates to 49.1 percent among children aged 0 to 17, while 25.3 percent of those over 65 live in poverty. Even education, long presented as a pathway out of poverty, no longer offers protection as demonstrated by the growing share of poor people who hold a matric or high school certificate.

Those with degrees saw their poverty levels increase between 2006 and 2023 from 6 percent to 7.4 percent. Degree holders now make up a larger slice of the total poor population, rising from 1.1 percent to 3.9 percent. Households headed by someone with a higher qualification saw their poverty incident rise from 2.3 percent in 2026 to 3.1 percent in 2023.

Since 2024, South Africa has been governed by the Government of National Unity, where the ANC rules alongside the pro-business, right-wing Democratic Alliance, Zulu ethno-nationalist Inkatha Freedom Party (IFP), the anti-immigrant Patriotic Alliance (PA), and the right-wing white-Afrikaner Freedom Front Plus (FF+).

The GNU is presiding over a renewed destruction of jobs. According to Stats SA's Quarterly Employment Statistics, total employment declined by 79,000 year on year between September 2024 and September 2025. Of these losses, 72,000 were full time positions, most in business services, manufacturing, community services and trade. This includes the savage job cuts at Daybreak Foods (2,200), Goodyear (900), Ford (500), and the South African Post Office (4,000).

The desperation of workers will worsen with the planned termination of the Social Relief of Distress (SRD) which supports the unemployed who have no other sources of income or social assistance. The SRD provides those who qualify with R370 (\$22) a month, which is below Stats SA's Food Poverty Line of R794 (\$47). Those who fall beneath this line cannot afford enough food to meet the minimum daily energy requirement for adequate

health.

Under pressure from the International Monetary Fund (IMF) and World Bank, the GNU has moved to replace the SRD grant with another grant "linked to employment". There are no jobs to attach a grant to.

It is now more than three decades since ANC leader and South Africa's first post-apartheid president, Nelson Mandela, proclaimed at his inauguration in 1994: "We have, at last, achieved our political emancipation. We pledge ourselves to liberate all our people from the continuing bondage of poverty, deprivation, suffering, gender and other discrimination."

The social reality revealed by Stats SA exposes this promise as a lie. The South African working class remains trapped in mass unemployment and deepening poverty.

This vindicates the Trotskyist perspective of Permanent Revolution, which rejected the claim advanced by the ANC and rationalised by Stalinist and pseudo-left organisations that the coming to power of a black majority government within the framework of capitalism would lead to prosperity and social justice.

Permanent Revolution insists that in countries of belated capitalist development, the tasks historically associated with the bourgeois-democratic revolution—ending mass poverty, securing genuine equality, and achieving real national independence—cannot be carried out by the capitalist class. Bound by its dependence on imperialism and its fear of the working class, the bourgeoisie is incapable of resolving these contradictions. These tasks can only be realised by the working class taking power, expropriating the major banks, mines, and industries, and linking this to the international fight for socialism.

The ANC insisted that the dismantling of the white supremacist apartheid regime (1948-1994) and the transfer of political power to a black-led government, while preserving capitalist property relations, would produce social progress. Instead, the principal beneficiaries have been a narrow layer of new black elites, integrated into corporate boardrooms and state structures through Black Economic Empowerment policies, who joined their white counterparts in intensifying the exploitation of workers of all races.

The ANC's role is the culmination of the class function it performed during the transition from apartheid. During the 1980s, the apartheid regime was confronted with an intensifying economic crisis and a mass uprising of black workers that

threatened to slip beyond its control. Township revolts, strikes, and political radicalisation among the working class placed the apartheid regime on the brink of collapse. A state of emergency was imposed as the government lost control over large sections of the townships.

Under these conditions, South African and international capital concluded that the ANC, and Mandela in particular, were the only forces capable of containing a revolutionary upheaval. His release from prison was a calculated intervention aimed at stabilising capitalist rule. Drawing on the immense prestige he had acquired through decades of struggle and imprisonment, coupled with the socialist rhetoric he was trained in by the South African Communist Party, the ANC moved to restrain and demobilise a mass movement, subordinating it to a negotiated settlement with the white South African ruling class that preserved the wealth and property of the mining houses, banks, and multinational corporations.

Even before assuming office, Mandela and the ANC abandoned key elements of their own programme, especially those calling for public ownership of the banks, mines, and major industries. They signed a secret letter of intent with the International Monetary Fund pledging to implement pro-business policies, including austerity measures, high interest rates, and the removal of barriers to the penetration of international capital.

Mandela had articulated this perspective decades earlier, writing that the implementation of the ANC's programme would mean that "for the first time in the history of this country, the non-European bourgeoisie will have the opportunity to own in their own name and right mills and factories, and trade and private enterprise will boom and flourish as never before." This vision has indeed been realized for a narrow black elite.

Today, the factions that have emerged from the ANC offer no alternative for the working class. Julius Malema, former ANC Youth League leader and now head of the Economic Freedom Fighters (EFF), acknowledged as much when he declared at a media briefing on December 11 that the policies of the ANC-led GNU are "the deliberate outcome of a political arrangement whose purpose is to protect a colonial economic architecture," adding that the GNU "is not a break from the past, it is a continuation of an agenda that predates the 2024 elections."

Yet even as he denounces the GNU, Malema signals his readiness to work them. In an interview with *Business Day* last September, he stated that "the parties that can work together is the EFF, MK [uMkhonto we Sizwe] and the ANC," claiming such a coalition would bring "stability" and the "political will to change the lives of our people."

The EFF's overtures are inseparable from the rise of MK, the party led by former ANC president Jacob Zuma. Zuma governed South Africa from May 2009 to February 2018, almost half the period covered by Statistics South Africa's Poverty Trends report, and presided over the social devastation now cited as proof of the ANC's failure. MK's electoral gains, particularly in KwaZulu-Natal where it drew support away from both the ANC and EFF, have pushed Malema to reposition his party as a "responsible" coalition partner for capital.

The EFF's function is to divert mounting anger among workers

and the unemployed into safe parliamentary channels. Its rhetoric of expropriation of "white monopoly capital" and nationalisation is designed to promote a left image, while its practice is one supporting capitalist rule.

Malema is following a familiar pattern. The EFF hailed the election of Zohran Mamdani as New York mayor as "a powerful signal to the world that progressive, justice-driven leadership is rising even in the heart of the global capitalist order." Yet once elected, Mamdani rapidly abandoned his campaign rhetoric, courted New York's billionaires, and prostrated himself before Donald Trump even after denouncing him as a "fascist." Were the EFF to assume power, it would follow the same trajectory.

Workers must take note of the EFF's response to the bloody repression carried out by Tanzania's ruling party, Chama Cha Mapinduzi (CCM), under President Samia Suluhu Hassan. When Hassan assumed office in 2021, the EFF's official X account praised her role within the African Union and declared the EFF's support, while urging her not to become "a mouthpiece of the imperialists." Since the fraudulent October 29 election in Tanzania, Hassan's CCM regime has unleashed a nationwide campaign of state terror that has killed thousands of protestors.

Only after these atrocities became undeniable did the EFF issue a statement condemning the violence and calling on the Southern African Development Community (SADC) to "intervene decisively." At the time, SADC's interim chair was South Africa's president, Cyril Ramaphosa.

What is required is a genuine socialist alternative that identifies capitalism as the root cause of poverty, unemployment, and inequality. The International Committee of the Fourth International and the *World Socialist Web Site* are working to build an independent movement of the working class, free from all factions of the bourgeoisie. Such a movement must unite with workers across Africa and internationally, in a common struggle against austerity, repression, war, and exploitation. Only through this internationalist and socialist perspective can poverty be eradicated in South Africa and beyond.



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