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Unemployment and the gift in the South African context: Towards an economics of recognition and humility

Summary

Unemployment is a serious problem in South Africa that is probably being exacerbated by the destabilising tension between neo-liberal and Marxist perspectives (and in some cases neo-Marxist perspectives) that is being used to address this situation. This tension is based on reductions that may arise from the embedded ontologies that inform these economic philosophies and limit dialogue because of the binary nature of these ontological reductions. The purpose of this study is to enquire whether deconstruction and specifically Jacques Derrida's view of the gift can provide an alternative for the destructive tension between neo-liberal and Marxist perspectives. In this regard it will be argued that the impossibility of the gift, according to Derrida, provides the basis for hospitable narcissism - an economics of recognition and humility.

Keywords: *Unemployment, neo-liberalism, Marxism, deconstruction, the gift, recognition, humility*

1. Introduction

The purpose of this article is to reflect on unemployment in South Africa from the perspective of the deconstructive tension between the reductionist ontologies embedded in neo-liberal and Marxist (and in some cases neo-Marxist) economic philosophies. This tension may have contributed to the fact that unemployment is an escalating problem in South Africa that has risen from 20% in 1994 to 27.7% in 2017 (Statistics South Africa, 2017). These figures may be even higher if the definition of unemployment¹ used in the survey is expanded to include hidden² unemployment.

The problem is that in some cases discussions regarding unemployment can become strained and eventually end in destructive oppositions because reductions may arise from the embedded ontologies of neo-liberal and Marxist³ economic philosophies. On the one hand, the atomism embedded in neo-liberalism promotes self-interest, pro-market exchange related economic policies that encourage foreign investment, expansion and minimal state intervention and/or radical policies; on the other hand, Marxists in many cases support egalitarian economic policies, state intervention and an anti-market sentiment. This binary can be traced back to the liberation struggle that raged

1 *An unemployed person in general is someone who is part of the economically active population who did not work the seven days prior to the interview, wants to work and can start within a week of the interview, has taken steps to find employment or started some form of self-employment in the four weeks prior to the interview (Todaro 1994:229).*

2 *Hidden unemployment refers to people who have given up all hope of finding employment and no longer actively seek employment (Todaro, 1994:229).*

3 *Although classical liberal and Marxist theories continue to function alongside neo-Marxism, they fail to address the complexities of contemporary society that try to deal with issues like globalisation, large-scale poverty, unemployment, environmental catastrophes, religious and cultural diversity.*

long before the first democratic elections in South Africa (Williams, 1989 & Murray, 1988). Today this binary continues and is present in contemporary political rhetoric, research, the work of NGOs and other civil organisations (Bond, 2005, Day 2011, *The Oikos Journey* 2006). The binary is informed by ontological reductions that result in an ever-increasing state of uncertainty and tension in South Africa with the danger of undermining democracy. In this regard the ideologically-laden analysis, interpretation and solutions proposed to address unemployment in South Africa are exacerbating the problem and delaying constructive solutions.

In this regard deconstruction and specifically Jacques Derrida's understanding of the gift can provide an alternative perspective for the destructive reductionist tension that arises between neo-liberal and Marxist approaches to unemployment in South African. According to Caputo (1993:31) the gift is impossible and the basis for *aneconomics* that does not conform to the reductionist reasoning of exchange and circularity in its atomistic or holistic forms. Therefore Derrida proposes the notion of *hospitable narcissisms* as a form of interrupted economics that emerges with the appearance of the other. The other requires a response and is an ethical challenge with the possibility of the emergence of an economics of recognition and humility that moves beyond market and anti-market sentiments of the atomism/holism binary.

This article has been structured as follows: Firstly, the neo-liberal and Marxist perspective on unemployment in South Africa will be explored. Secondly, the deconstruction of Jacques Derrida will be explored from the perspective of the gift as a possible way forward beyond the economic reductionism present in neo-liberalism and Marxism. Finally, the implication of the gift for an economics of recognition and humility will be outlined.

2. Neo-liberalism and Marxism: Research on unemployment in South Africa

In this section two approaches to address unemployment in the South African context are discussed. Firstly, the approach of Rodrik (2008) that is generally influenced by neo-liberalism is discussed. Secondly follows the approach of Bond (2005) and others who use aspects of a Marxist economics. However, before these perspectives are explored it is important that neo-liberalism and Marxism (and neo-Marxism) be clearly defined.

2.1 Neo-liberalism and Marxism

2.1.1 Neo-liberalism

Neo-liberalism⁴ in general is an atomistic economic philosophy that focuses on liberalisation, free trade and open markets (Browning, 2000:176). It is a modern development of *laissez faire* economic theory and the classical liberalism of Locke and Hume (Browning, 2000:176). The main point of departure of liberal economics is the notion of self-interest and natural law (invisible hand) that is traced back to Adam Smith, the father of modern economics and his work *An inquiry into the nature and causes of the wealth of nations* [1776]. Therefore neo-liberalism encourages the privatisation of state-owned enterprises, deregulation of markets and private sector involvement in society.

The neo-liberalism of John Rawls emphasises the importance of social equality and distributive justice as a means to address increasing poverty, amongst other things (Rawls, 2005:8). This highlights the necessity of redistributive policies to bring about social and economic justice. The focus for Rawls is that the liberal principle of equal opportunity must be advanced. This is possible through positive discrimination as a function of the difference

4 Emery (2008:409-431) notes that neo-liberalism in South Africa transposed the class struggle as a form of racial economics.

principle. The problem is that employment equity policies have not been able to address racial disparities and growing unemployment. Naudé (2011:5) notes that distributive government policies in societies with large inequalities cannot turn the tide of economic equality. The failure of distributive policies was dramatically exposed with the rejection of Thabo Mbeki's "two economies" strategy to address poverty in South Africa (Bond, 2005:197). A possible solution is the establishment of "reasonably just basic institutions for a free constitutional democratic society and to secure a social world that make possible a worthwhile life for all its citizens" (Naudé, 2011:5).

Another aspect of neo-liberalism, due to the suspicion of universalism and meta-narrative, is the role of anti-foundationalism and indeterminacy in the philosophies of Richard Rorty, Johan Gray and Raz (Browning, 2000:176). In general, the value of neo-liberalism is its ability to accommodate individual differences; it encourages progress, growth, creativity and productivity (Goudzwaard, 1979:5). However, its atomistic ontology can become reductionist and lead to excessive self-interest, narcissism and exploitation.

2.1.2 Marxism and neo-Marxism

Marxism and its holistic ontology is a function of a dialectic that views capitalism as an alienating and unjust stage in history controlled by the market (Khalil, 1991). This control results in commodity fetishism that irrationally determines value and controls labour leading to alienation and exploitation. The antithesis is represented by communism and the revolutionary implosion of capitalism from which a just society will emerge. Marxism rejects the individualism and profit driven obsession of capitalism that is built on the foundations of liberalism and its atomistic ontology.

Neo-Marxism, in general, is a contemporary response to the failure of classical Marxism to address modern questions. It is a broader application of Marxist theory and incorporates elements from other disciplines like critical theory, psychoanalysis and existentialism (e.g. Sartre). The *Frankfurter Schule* follows an interdisciplinary approach aimed at recapturing the full complexity of Marxist ideas and is an influential example of the earlier developments of neo-Marxism. In this regard, Horkheimer, Adorno and Habermas were critical of capitalism and the Soviet style of socialism (Held, 1980:14). Erik Olin Wright (2005:1-25), a contemporary neo-Marxist, incorporates Weber's social theory (with a broader understanding of social inequalities), criminology and anarchism in his work.

Neo-Marxism is viewed as the New Left with a shift in focus to address inequalities in general and to expose the negative impact of neo-liberalism and capitalism. It also focusses on non-violent revolution and the advancement of more peaceful alternatives to bring about change. The value of neo-Marxism, in general, is its focus on the community, equality, state intervention in the economy and social justice through structural change. The effect of this focus on community, state controls and equality can be that individuality is sacrificed and that totalitarianism⁵ may emerge.

2.2 Neo-liberalism and unemployment in South Africa

Rodrik (2008:2) distinguishes between surface and depth causes⁶ of unemployment in South Africa. On the surface, he states that current money wages are too high compared to real

5 *Totalitarianism is not exclusively linked to neo-Marxism. It is, amongst other things, the result of a movement by the masses that acquire the appetite for political organisation. Hitler and Nazism are other examples. For a discussion of this development and ideological nature of totalitarianism see Arendt (1966). Other extreme examples of totalitarianism is Leninism and Stalinism (Walzer, 2002).*

6 *In general classical liberal causes of unemployed are the following: Frictional (movement between jobs), seasonal (employment limited to particular seasons e.g. agriculture), cyclical/demand-deficiency (related to changing business cycles), structural (limited to particular industries where skills mismatch) (Mohr, 2010:159-160).*

wage levels⁷ at full employment. This conclusion is reached on the basis of a comparison of wages across a wide range of countries. This comparison revealed that “South African wages (in the formal sector) are quite high by the standards of countries at similar income levels” (Rodrik, 2008:2). The irony, according to Rodrik (2008:3), is that real wages have not increased much since democracy. The implication is that the role of trade unions like COSATU (Congress of South African Trade Unions) is simply to prevent the real wages of their members from falling (Rodrik, 2008:3).

The depth cause of unemployment, according to Rodrik (2008:3), is the inability of the South African economy to have created “growth momentum”⁸ since the dawn of democracy. This is the result of the shrinkage of the non-mineral sector of the economy that is responsible for growth through the export of manufactured goods (Rodrik, 2008:3). The reason for this reference to manufacturing is that these industries employ low-skilled labour that forms the largest group of the employment market. It is also this group which is hardest hit by a downturn in the economy. In other words, the erosion of the manufacturing of goods resulted in the current low level of demand for relatively unskilled labour. This situation could have been averted if there had been a large enough decline in real wages at the low end of the skills distribution when the demand for labour declined. The reason for this situation, according to Rodrik (2008:3), is that this was unrealistic given the social expectations and the political climate since the shift to democracy.

Another aspect is the low level of informal employment which is a legacy of the apartheid regime that made it illegal and then difficult for black people to move to urban areas if they did not have a certified job (Rodrik, 2008:4). In the absence of sufficient real wage adjustment and informal sector growth, the decline in the demand for low skilled workers has resulted in high unemployment (Rodrik, 2008:3-4). The remedy for unemployment in South Africa, according to Rodrik (2008:4), is an export economic strategy to stimulate growth. In other words, exports will increase profit and create demand for low-skilled labour.

Rodrik’s perspective does not exclude neo-liberal theories of justice as proposed by Rawls. In South Africa the creation of equal opportunities to address the economic inequality along racial line is one of the main focusses of government’s economic policy. The Broad-Based Black Economic Empowerment Amendment Act, 2013 (Act No. 46 of 2013) clearly reflects the South African government’s commitment to economic transformation (Government Gazette Republic of South Africa, 2014).

The neo-liberal perspective associated with Rodrik relates unemployment to market forces of free and profitable trade. In this regard, high wages lead to lower employment levels to maximise profit. At a depth level, unemployment is linked to poor economic growth and export of manufactured goods. This situation of stagnation and decline was perpetuated, in some cases, by apartheid that focussed on low-skilled labour and resisted the growth of informal labour. The solution for unemployment, according to Rodrik, is an export strategy that stimulates “growth momentum”. This will result in higher capital investment and the utilisation of the large population of low-skilled labour. In this regard, “growth momentum” reflects an approach to deal with unemployment that is influenced by the atomistic ontology of neo-liberalism. In this case aspects like self-interest in the pursuit of profitability and unrestricted trade are viewed as a solution for unemployment.

2.3 Marxism and unemployment in South Africa

The Marxist perspective to an extent takes the opposite view of liberalism by arguing

7 *Real wage levels refer to the balance of supply and demand in the employment market and the impact of inflation.*

8 *Economic growth, according to Mohr (2010:91), is the increase in the total production or real income (taking inflation into account) of a country.*

that unhindered and unregulated market forces are directly responsible for economic “inequalities” and rising unemployment (Bond, 2005:198). Khalil (1992:19) refers to this dominance of the market as “market anarchy” that is the basis for the commodification of labour and exploitation. This situation is being exacerbated by globalisation making unemployment and the exploitation of labour a global problem. As Marx and Engels (1848:8) state: “It is the very nature of the capitalist mode of production to overwork some workers while keeping the rest as a reserve army of unemployed paupers”. The result is that equality is sacrificed for the sake of economic growth and self-interest of the wealthy.

According to Bond (2005:198), “globalisation disempowered anyone advocating anything remotely progressive in terms of social policy, workers’ rights, and gender equality”. The reason for this is that the link between globalisation and neo-liberalism resists any policy interference in the market that promotes equality. The result is the rise of global inequality which “is simply an unfortunate side effect of the broader prosperity and inevitability associated with globalisation”. In other words, goods must be produced as cheaply as possible through the reduction of production costs. This is done by cutting the wages and benefits of labourers and increasing part-time or more flexible employment options in order to stimulate higher productivity, but at lower wages and loss of employment security for labourers, thus perpetuating inequality. Another aspect that increases unemployment is technological development that results in the replacement of workers by machines. Positively, globalisation increases the gross domestic product⁹ (GDP) of the economy; it also raises the inflow of capital and brings about exposure to new technologies for more efficient production. The problem, according to Marxists, is that the liberalisation of markets on a global scale only perpetuates unemployment and increases the gap between rich and poor¹⁰.

In the work of Terreblance (2016), *A History of Inequality in South Africa, 1652 to 2002*, a Poulantzian neo-Marxist mode of analysis is followed that focusses on competition between various fractions of capitalism. Terreblance (2016) suggests that the economic inequality in South Africa can be addressed by an alliance between the state and the oppressed in which distributive policies are required. This highlights the dirigisme (French for *to direct*) of the state which is a major shift from the state as regulatory body to serve distributive aims.

Keri Day (2011:14) states that “economic outcomes that benefit elite communities are reinforced by neo-liberal values, which dismiss how structural constraints perpetuate poverty among disadvantaged communities”. The solution for a “preferable future”, according to Day, is to entrust governments with the capital resources to ensure equal distribution of wealth (Day 2011:32). This is echoed in the ecclesiastical document *The Oikos Journey (TOJ)* (2006) stating that the “... myth of ‘unfettered’, ‘unregulated’, ‘uncontrolled’ market capitalism must be directly challenged. The reality is that markets and capital are highly controlled to secure maximum benefits for the owners of capital” (TOJ, 2006:15). In this regard, equality and non-equity are the main foci of just economics - “Neoliberalism’s concern with material wealth above human dignity dehumanises the human being and sacrifices life for greed. It is an economy of death” (TOJ, 2006:16). In other words, controlled intervention is required for sustained equality in society, thus reflecting the holistic ontology of neo-Marxism.

2.4 The tension between neo-liberalism and Marxism

The abovementioned opposing perspectives are reflected in the current debate on the nationalisation of mines in South Africa (*Business Report*, February 8, 2012). On the one

9 Mohr (2010:17) states the following: “The gross domestic product (GDP) is the total value of all final goods and services produced within the boundaries of the country in a particular period (usually a year)”. The surplus of these goods that are exported increases the wealth of a country.

10 Two instruments to measure inequality are the Lorenz curve and the Gini coefficient (Mohr 2010:169).

hand, the argument is that nationalisation is a just response to the history of colonialism and apartheid. Nationalisation of mines and control by the state, according to this argument, will result in an equitable distribution of the wealth of South Africa's natural resources. On the other hand, according to neo-liberalism, nationalisation of mines can negatively influence capital investment in South Africa that is necessary for employment. The argument is that state ownership of mines may result in the erosion of profit for shareholders because of the possibility of lower productivity and corruption, amongst other reasons. Currently, the neo-liberal and Marxist binary has become highly politicised and is reflected in the government's proposed policy of Radical Economic Transformation (Huffpost, June 2017).

The problem is that there is a destructive tension¹¹ between neo-liberalism and Marxism because of the reductionist tendencies. Neo-liberalism, in general, is rooted in an atomistic ontology and Marxism, mostly, has a holistic view of reality. These ontologies can result in an absolute view of reality that is caught in a reductionist binary that fluctuates between pro-market and anti-market sentiments. Is it possible to move beyond this reductionist binary in order to address unemployment?

In the next section, we turn to deconstruction and its ability to reveal the hidden reductions and binaries of language. We will specifically focus on Derrida's understanding of the gift that opens the possibility of *aneconomics* beyond reciprocal exchange.

3. Deconstruction and “the gift”

3.1 Deconstruction

Deconstruction is influenced by phenomenology that can be traced back to the phenomenological ontology of Martin Heidegger, amongst others (Melchert, 2011:700-703, Taminioux, 1994). However, for Derrida the notion of *dasein* as a function of *Being* that leads to authentic *being* in the world is an example of Western philosophy's obsession with presence - *logocentrism* (or, the immediate rational presence of truth in consciousness that is articulated in spoken words) (Derrida, 1972:xiv, 1976:11, 1996:218). Derrida (1976:3) notes that “...from Plato to Hegel (even including Leibniz) but also ... from the pre-Socratic to Heidegger, always assigned the origin of truth in general to the logos: the history of truth, of the truth of truth, has always been...the debasement of writing¹², and its repression outside 'full' speech”.

The implication is that reductionism is inherent in the philosophical agenda of the West - *white mythology* (Derrida, 1982:213). This reductionist agenda has the important aim to control thought and the functioning of society by creating a hegemonic centre (Derrida, 1972:xiv, 1996:218). However, hegemony is destabilised from the margin that deconstructs textual representation. In other words, ideas are communicated through spoken words (*logoi*) and become present based on what is absent (or rather present in the margin). These words are represented in texts as secondary presentations because there is a distance between the spoken word and the text. The text is a reduction of the spoken word and cannot be verified. There is a built in failure in texts as representations. However, the point that Derrida makes is that there is no primary representation because the spoken

11 This tension reflects the Hegelian dialectic of thesis and antithesis from which an alternative perspective or synthesis develops.

12 Spivak (1976:66) states: “Writing becomes a term for Derrida (and for which he owes Freud, amongst others, an enormous debt, which he has always acknowledged) which announces both the structured (‘written’) condition of all forms of text, including human identity, and also the idea that all such writings are never completely logically coherent or homogeneous, but are in some way marked or traced by what we term alterity or otherness: moments which subvert, contradict the logic, figures, traces, conceptualizations for which we cannot account, which our reading cannot make fit in with the overall structure, and which, because of their heterogeneous nature, announce the structure they inhabit as structure”.

word is a phonetic text with the same limitations as a physical text. Derrida (1976:3) states "... the metaphysics of phonetic writing ... which was fundamentally ... nothing but the most original and powerful ethnocentrism, in the process of imposing itself on the world, controlling in one and the same order ...". Therefore Derrida (1976:11) highlights the notion that the priority given to speech is misleading because of the interdependence of speech and writing – speech is writing in oral form and vice versa. In other words, *logocentrism* disguises the violence of construction and the reduction of reality. It serves power and ideology in the name of justice and liberty.

In this regard deconstruction is important as a perspective to reveal the inherent reductionism of philosophy and specifically neo-liberalism and Marxism. A further important aspect of deconstruction is that it does not lead to synthesis between binary positions. Deconstruction exposes the binary oppositional structure of reality like speech and writing revealing what is absent from these constructions, or, structures as the metaphysics of presence (Derrida, 1976:3). Deconstruction rather functions within the tension between binary poles in order to avoid further reduction. This ability to function within the tension between binaries is reflected in Derrida's reading of Marcel Mauss's *The Gift: Forms and functions of exchange in archaic societies*, first published in 1954.

3.2 The gift

Marcel Mauss's research focussed on the role that gifts play in pre-Modern cultures. Mauss (1966) found that some gifts are deeply rooted in the process of recognition, traditions and power structures of pre-modern societies (*potlatch* and *kula* – gifts as display of power). He (1966:11) states that "...there is a series of rights and duties about consuming and repaying existing side by side ...". In other words, there is a pattern of symmetrical and reciprocal rights that is embedded in the tradition and culture of a group. According to Mauss the reciprocity of the exchange of gifts and the role of traditions as formal guiding structures (obligations) may provide an alternative for individualism of contemporary market economics (Mauss, 1966:37). Mauss (1966:37-41) highlighted that the groups that he studied had three obligations in common, namely: give, receive and repay. These obligations are embedded in the culture, religion and tradition of the group that sustains the reciprocity of the gift.

The purpose of Mauss's study was to investigate gift-giving in pre-modern societies in order to unravel the deeper meaning of the seemingly generous nature of this phenomenon as a form of economic cycle. In this way Mauss attempted to argue that an egalitarian perspective on economics is possible that goes beyond market control or totalitarianism. Mauss (1966:67) states that too much generosity in communism and selfish individualism are both damaging to society. The control of exchange of the groups Mauss studied is rather linked to custom, culture, community and duty; and not the market or the state.

Derrida reflects on the work of Mauss in *Given Time: I. Counterfeit money* (1991) by highlighting that the "presencing" of the gift is at the same time its destruction. According to Derrida (1991:7) when the gift becomes present it enters the horizon of the economy. In other words, there is an expectation to reciprocate the acceptance of the gift that initiates the economic cycle. A gift, according to Derrida (1991:7) must be *aneconomic* – "it must not circulate, it must not be exchanged, and it must not be exhausted, as a gift, by the process of exchange, by the movement of circulation of the circle as a form of return to the point of departure" (Derrida, 1991:7). Derrida notes that although Mauss attempts to escape market control a new debt economy is created, thus continuing a circular economy. In other words, the gift turns to poison – *die Gift vergiftet* (Caputo, 1997:141). The reason for this is because the new process of exchange or economy is embedded in the social controls and obligations associated with gifts. Therefore Derrida (1991:37) highlights that Mauss does not address the incompatibility between gift and exchange that leads to the "annulment of the gift".

This is clear in the relationship between gifts and time. Derrida notes that gifts do differ from other forms of exchange like market economics because there must be a time lag between the acceptance of a gift and a response – “there must be time, it must last, there must be waiting – without forgetting” (Derrida, 1991:41). However, although gifts demand time they do not escape the circularity of duty and debt that is culturally and socially controlled (Derrida, 1991:69).

Derrida’s reading of Mauss’s text on the gift is an important reflection on the limits of controls (social or the market) for the economy. Although Mauss attempts to argue that gifts are different from market controls because of the nature of gift, this does not escape from the debts that gifts place on the recipient. In this regard there is reductionism present in the gift – a system of reciprocity and exchange that is socially controlled. This is the same reductionism present in market controls/obligations of reciprocity of neo-liberal economics. The conclusion that Derrida reaches is that the gift is impossible because the moment it becomes present there is an expectation of reappropriation (Derrida, 1991:18). Therefore only an annulled gift can be viewed as a gift. The gift is “distribution with no expectation of retribution, reciprocity, or reappropriation” (Caputo, 1997:144). Therefore the gift is beyond market and social exchange obligations because both are reductionist.

The implication of the impossibility of the gift is that neo-liberal and Marxist economics only have a limited capability to deal with the suffering of unemployment. Caputo (1993:31) notes that the gift is beyond reciprocity. It is rather *aneconomics* or mad economics in which the call of the other is answered. “From time to time, here and there, it happens that men and women respond, answer the call, spend themselves, using themselves up entirely for the Other”. In other words, Caputo envisions the limits of economic exchange and a movement beyond. According to Derrida, this movement beyond economics is also deeply embedded in self-love because there are various degrees of self-love or various economies of narcissism. “There is not narcissism and non-narcissism; there are narcissisms that are more or less comprehensive, generous, open, extended...” (Derrida, 1995:199). The more “comprehensive” narcissism is “hospitable narcissism, one that is much more open to the experience of the other as other” (Derrida, 1995:199). Caputo (1997:149) refers to this as “interrupted and ruptured narcissism” the opposite of “uninterrupted narcissism” or contemptible crude self-interest. Therefore the narcissism of the value market of liberalism and narcissism of the socially controlled debt market must encounter the other - the suffering and indignity of the unemployed. *Hospitable narcissism* is economics embedded in ethics – the presence of the other. The gift is the presence of the other and not the object, not the presence of reciprocity.

In other words, the impossibility of the gift based on the reciprocity of market dynamics highlights that growth momentum is required for unemployment to be reduced. At the same time the gift as a culturally embedded system of exchange creates a new debt market determined by duty, tradition, obligations and expectations. In both cases a certain type of self-interest is present – self-interest related to economic markets and self-interest related to culture. Thus, narcissism is at the core of reciprocity. However, to deal with problems related to unemployment an interruption of the system is required, because the mere presence of unemployment acknowledges that the system is flawed to an extent. This interruption is, according to Derrida, an event. It is located in time and space at the moment when the other becomes present and not the gift. The presence of the gift initiates the cycle of reciprocity. The presence of the other interrupts exchange because the other has nothing to exchange. The presence of the other demands hospitality. Therefore hospitality is not an act of giving, it is interpersonal. It is not about giving a gift, it is about interaction. It is not about protecting the philosophical premises of an economic philosophy, but is rather about *aneconomics*; it is about ethics (Caputo, 1993:31). It is about recognition and humility.

4. Economics of recognition and humility

The impossibility of the gift is a challenge to neo-liberal and Marxist perspectives and any other system of reciprocity. It is about ethics and the possibility of recognition and humility.

4.1 Recognition

The word recognition is from the Latin *recognition(n-)* referring to the ability to cognitively recall to mind. In other words, the moment of re-cognition takes place as mental activity that does not necessarily require the presence of empirical evidence at that moment. The basis of recognition is awareness of the subject as a cognitive being. However, the content of recognition is based on the presence of the subject in the world as an observing subject with a history of events and experiences. It is these events and experiences on which basis the subject also gives recognition to something or someone as a secondary act. Therefore recognition could mistakenly be viewed as a gift. However, recognition can never be given as an act of hospitality. Recognition is always the gift that the other gives to the host because it interrupts the circularity of giving based on events and experiences. Rather, recognition is the gift given by the other that interrupts the subject and exposes the limits of cognition and rationality. Therefore, recognition from the perspective of the gift moves beyond the classical Kantian view of the rational viewing subject that provides categories to empirical reality.

The other, according to Derrida, is the ethical point of departure of *hospitable narcissism*. Facing the unemployed other requires a response. Although self-interest is the impetus for liberal economics, self-interest becomes self-destructive when the other is disregarded and social destabilisation occurs. Therefore *hospitable narcissism* is the deconstructive movement of economics that goes beyond reciprocity. Recognition must not be confused with welfare capitalism; rather it is a movement in which the binary between neo-liberalism and Marxism is contained by exposing the reductionism contained in both (Henaff, 2010:130). Teubner (2001:37) notes that "...the continual production of the gift is permanently interrupting economic circulation". In other words, it highlights that the "irrationality of the gift is indeed transcending economic rationality" (Teubner, 2001:37). Recognition focusses on the fact that the suffering and indignity of unemployment should not become victims to ideologically driven political-economics. In other words, recognition welcomes the other as an act of self-recognition and exposure of the limits of cognition and the possibility of humility.

4.2 Humility

The word humility in Latin is *humilitatem* that means lowness. Lowness is not a value judgement of a person. It is rather viewed in terms of the contrast with narcissism, pride and hubris. Aristotle in his *Nicomachean ethics* (Book 2) regards humility as an important virtue that is associated with pride (Bartlett & Collins, 2011). However, a person must be aware of undue humility that reflects a state of too little honour; as opposed to too much honour that leads to empty vanity. For Aristotle humility must be embedded in a healthy measure of self-love. The problem with this understanding of humility is that the individual usually fluctuates between the opposing expressions of honour. Although the mean is the goal of virtuous living the problem is that humility associated with pride moreover leads to narcissism.

The embedded failures related to humility are evident in the circularity of exchange. Therefore recognition of the other is also the gift of humility because it is also a moment of self-recognition. Self-recognition is a gift that makes it possible to listen. Listening resists reductionism and opens possibilities. The presence of binary oppositions is usually an indication of tension, reductionism, exclusivity, resistance and even incommensurability. Therefore to refer to openness and dialogue from the perspective of binaries is simply an exercise in futility. The recognition of the other embedded in the impossibility of the gift places any reductionist economics in a bind that is deconstructive at its core. However, this

deconstructive moment is ignited by the presence of the other. Goosen (2007:181) notes that the gift is a sublime-unilateral event in which the subject becomes a passive recipient. In other words the other challenges economics and reveals its embedded reciprocity and reductionism. Therefore any possible solution to unemployment has inherent within its structure its own demise. What occurs is that “two opposite worlds clash in whose opposites can no longer be understood only as the competition of different methods, theories or paradigms” (Teubner, 2001:37). This is an event with the arrival of the other. Thus, facing the other is humbling. Only then is it possible to listen and engage.

5. Conclusion

In this paper it was argued that the binary relationship between neo-liberalism and Marxism based on reductionist ontologies may negatively impact on the ability to find solutions to unemployment in South Africa. The reason for this is that the reductionist nature of these perspective raises conflict and provides limited perspectives on the analysis and possible solutions.

Deconstruction with specific reference to the gift was explored as a possible alternative that moves beyond binaries and reductionism. In other words the gift within an economics of reciprocity is impossible – *aneconomics*. The gift is possible when with the arrival of the other. The other is the basis for *hospitable narcissism* – an economics embedded in ethics. Derrida refers to this alternative as hospitable narcissism that acknowledges the reciprocity of systems of exchange, and at the same time, the interruption of reciprocity. This takes place with the arrival of the other that challenges economics with self-recognition and the ability to listen.

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