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Valedictory Address by

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His research interests include: inequality, climate justice, competition policy and industrial development and employment in developing countries.

Professor Valodia played a leading role in establishing and leading Wits University's Southern Centre for Inequality Studies (SCIS). The SCIS is a multi-disciplinary, cross-country initiative to promote research and policy change to advance greater equality.

Professor Valodia serves on a number of national committees in South Africa, including the Competition Tribunal; the Presidential Economic Advisory Council; and the National Minimum Wage Commission; and is a member of the Academy of Science of South Africa (Assaf) Standing Committee on Science for the Reduction of Poverty and Inequality.

Internationally, Professor Valodia serves on the following boards: United Nations Research Institute for Social Development (UNRISD); UNAIDS Global Council on Inequality, AIDS and Pandemics; Women in Informal Employment: Globalizing and Organizing (WIEGO); and the Global Development Institute.

Highlights of the Address

Structural Transformation, Employment and Climate Change

It is now seventy years since the publication of the famous article by Arthur Lewis (1954), *Economic Development with Unlimited Supplies of Labour*, in the *Manchester Papers*. The article not only laid the foundation for the field of Development Economics, but also placed the issue of labour at the centre of the development process. At the heart of Lewis' contribution is the argument that, for developing countries, the key to economic development was the productivity of labour. In Lewis' dual-sector model, the process of economic development involves the transfer of abundant labour from the agricultural sector to the modern industrial sector, which is defined by higher productivity and higher wages. This process of structural transformation, from low-productivity, low-wage sectors to high-productivity, high-wage sectors has been the cornerstone of how we understand the economic development process. The recent experience of China is perhaps the most profound case in support of Lewis' model. In 1980, approximately 400 million people were employed in China's agricultural sector, which represented about 70% of the total labour force at that time. By 2020, the number of people working in agriculture had dramatically decreased to about 170 million

While Lewis' insights were profound and remain highly relevant today, there were two areas in which he was relative silent. First, notwithstanding a number of references to 'mothers and daughters' the 1954 piece, Lewis is utterly silent on the work and labour required for the reproduction of labour. Recent estimates in India, suggest that up to 84% of this unpaid care work is done by women. Second, understandably for someone writing in 1954, Lewis did not foresee that the growth of manufacturing is also associated with massive increases in the use of fossil-based energy, and associated green-house gas emissions. Staying with the example of China, in 1980, carbon dioxide emissions in China were in the order of 1.5 billion metric tons. By 2020, this had increased to 10.6 billion metric tons, making China the highest carbon dioxide emitter. In short, Lewis did not foresee the planetary boundaries associated with structural transformation.

The challenges of climate change pose a serious challenge for the process of structural transformation so central to the Lewis development process. For much of Asia and Africa, where billions of the world's population live below the breadline, policies are needed that deal simultaneously with the challenge to reduce emissions, while at the same time promoting employment-enhancing economic growth. I argue, in this lecture, that the concept of care – care for humans but also care for our physical environment, offers a pathway for dealing with what, at times, seems irreconcilable economic objectives.