

**CDE**  
**RESEARCH**  
POLICY IN THE MAKING

**SOUTH AFRICA'S  
'DISCARDED  
PEOPLE':**

**SURVIVAL,  
ADAPTATION,  
AND CURRENT  
CHALLENGES**



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# **CDE**

## **R E S E A R C H**

POLICY IN THE MAKING

*CDE Research: policy in the making* is a vehicle for disseminating the results of research, and suggested policy options, on critical national challenges. Each issue is based on in-depth research, involving a single commissioned paper or several such papers written by experts in the field. The original research papers are published separately as CDE background research reports, and can be ordered from CDE.

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# SOUTH AFRICA'S 'DISCARDED PEOPLE': *survival, adaptation, and current challenges*

## **THE NATURE OF THE PROBLEM**

### ***An unusual pattern of settlement and commuting***

Patterns of human settlement in South Africa often differ markedly from those in other countries.<sup>1</sup> Thus lower-income people elsewhere tend to live close to their places of work, while in South Africa the reverse is often true; poor people living at places such as Botshabelo in the Free State, Winterveld in North West province, or the western districts of Mpumalanga (the former KwaNdebele) often commute more than 50 kilometres to Bloemfontein or Pretoria while their more affluent urban counterparts live just a few kilometres from their places of work in those cities.

Displaced urban areas such as Botshabelo or Winterveld are not towns or cities in the conventional sense; they lack the commercial, industrial and other economic activities ordinarily associated with urban development, and their social services and amenities are relatively rudimentary. Commuting from such places to the towns and cities with which they are 'twinned' has therefore become the norm.<sup>3</sup>

Of course, medium- to long-distance commuting is not unique to South Africa. But the extent to which this has developed here, the associated costs it has imposed on both the state and the poor, and its relationship with race-conscious planning makes the South African situation both distinctive and problematic.

This is why books such as *Move your shadow* by the current editor of the *New York Times*, with its graphic descriptions of people rising very early on cold winter mornings to travel more than 100 kilometres from the former KwaNdebele to Pretoria, made such an impact on international and local readers during the apartheid years.<sup>4</sup>

### ***The policy challenge***

The formation of urban settlements in places such as the former KwaNdebele has been referred to as displaced urbanisation. Despite being so widespread, this phenomenon is not well understood. It also presents post-apartheid South Africa with some of its most intractable planning problems; the challenges it poses lie at the core of the difficult policy choices facing those who have to allocate scarce national

resources. For example, should more state resources be diverted to displaced urban areas rather than to established cities and towns? If so, why? And to what extent? Should state subsidies to commuters from such areas be retained? If so, why? And to what extent? Before such questions can be answered with any confidence, displaced urbanisation must be better and more scientifically understood.

Displaced urbanisation is a product of South Africa's history of racial-spatial planning. Indeed, it is one of the worst legacies of the apartheid era, when millions of black people were forced to live in places and circumstances that were not of their choosing.<sup>5</sup> Yet, as indicated later, most of those who still live in displaced urban areas now appear to do so out of choice, even if the public consequences and cost-effectiveness of such choices are open to debate.

In democratic societies, those who govern generally try to match public policy to popular aspirations. Yet people's aspirations and intentions in displaced urban areas are complex, and often defy countrywide generalisation. Moreover, in many instances such plans and aspirations have been influenced by past and present policies (on the allocation of housing, schooling, bus subsidies and so on) which are subject to change. For this reason, future policy on displaced urbanisation cannot be crudely pegged to popular sentiment, and the public interest in respect of displaced urbanisation needs to be more broadly and analytically determined.<sup>6</sup>

### ***Displaced urban places and displaced urbanites***

An immediate distinction must be drawn between displaced urban areas and displaced urbanites. The former are primarily residential (functionally urban) areas some distance away from normal urban settlements, and are the product of controls over settlement and constraints on black urbanisation under apartheid. While accurate population figures are not available, these areas probably contain some four million people, or about 10 per cent of the South African population (as is noted later, a proper national register of these areas needs to be compiled). They are not functionally autonomous and are certainly something less than towns or cities. In many respects they constitute greatly extended urban sprawl; they are 'exurbs' inhabited by poorer people, of towns or cities.<sup>7</sup>

Displaced urbanites are people who, because of past racial-

ly discriminatory policies, find themselves in displaced urban areas that do not satisfy their social and economic needs and aspirations. Displaced urbanites can be divided into at least two categories of persons or households: those who are planning to move, even given the current policy environment (about 20 per cent of people now living in displaced urban areas); and those who would probably move away if policy adjustments were to make this easier (an additional 20 per cent of those living in such areas). The remainder are 'voluntary exurbanites' who would probably remain in these areas (or nearby) under almost any realistic policy scenario. While the figures are once again open to interpretation, some 40 per cent of the 1998 population of displaced urban areas (or about 1,6 million people) could probably be defined as displaced urbanites.

Living in these areas is very expensive, in both personal and financial terms; this is particularly so because of long-distance commuting. These places are also costly to the state and broader society, because of the subsidies and wider inefficiencies that were (and are still) required to sustain them. For example, according to the Highveld District Council, the annual state subsidies paid to bus services between the settlements in the former KwaNdebele (now known as the western districts of Mpumalanga) and Pretoria amounted to some R200 million in 1997.<sup>8</sup> The average commuter living in these settlements leaves home at 5 am.<sup>9</sup> On the other hand, as will be demonstrated later, many people now choose to make such journeys, and not all displaced urban settlements impose public and private costs that are significantly beyond those that obtain in the metropolitan areas.

Since apartheid controls were abolished, many people have already left displaced urban areas. As a consequence, while they grew very rapidly during the 1970s and 1980s, some displaced urban areas are now growing more slowly, and a few may actually have become smaller.

However, because conditions in these areas are often better than those in the rural areas and in many small towns, some continue to grow, and a few could even grow fairly rapidly in future (see below).

The situation surrounding the future of these areas is therefore by no means simple or clear-cut. It was in this context that CDE began, in late 1996, an extensive research project on displaced urbanisation. Its objectives were to develop a deeper understanding of displaced urbanisation and its policy implications for various tiers of government as well as development and other agencies (including those in the private sector) involved in determining development and investment priorities in post-apartheid South Africa.

***Displaced urbanisation is one of the worst legacies of the apartheid era, when millions of black people were forced to live in places and circumstances that were not of their choosing***

## **The report's structure**

The most important policy issues raised by displaced urbanisation relate to public investment and spatial planning, and this study will therefore not concern itself with issues surrounding social or welfare policy, for example. As will be demonstrated later, people living in displaced urban areas are not the worst off in South Africa, and are in fact as well off in several respects as the average black South African. This state of affairs raises several

policy issues, including whether, or to what extent, such areas are worthy long-term public investments. Therefore, the conclusion will reflect more widely on the array of policy issues raised by displaced urbanisation.

The rest of this report is divided into six sections. In the next section, displaced urbanisation is placed in a broader context, and the CDE research methods outlined. Next, key features of the areas chosen for examination are described, and the extent to which they represent the full spectrum of displaced urbanisation considered.

The results of a national survey of some 2 500 households in displaced urban areas follow, together with the data used to compare their members to national norms. Next, some of the analytical issues emerging from the previous two sections are described, and particularly relevant results highlighted. Finally, a philosophy of action that seems to emerge from the developing analysis is described, followed by CDE's recommendations for action on displaced urbanisation and related policy issues in South Africa.

## **THE BROADER CONTEXT, AND RESEARCH METHODS**

### **A simplified point of departure**

CDE's first research report – *Post-apartheid population and income trends: a new analysis* – broke new ground in placing systems of settlement in South Africa in a consciously non-racial framework.<sup>10</sup> It initially classified settlements in terms of size and density into four categories: metropolitan areas (more than 500 000 people), cities/large towns (50 000 to 500 000 people), small towns (fewer than 50 000 people in urban concentrations), and rural areas (low-density dispersed populations). However, the report also noted that this classification was anomalous in several respects, particularly in terms of what it described as 'apartheid's hidden urbanites'

It was these anomalies that partly motivated CDE's interest in the present project. Initially, it was assumed that

research would uncover large 'trapped' populations which were being artificially induced (by means of transport subsidies and the lack of alternative housing options, for example) to remain in displaced urban areas. This turned out to be something of an oversimplification, as is explained later, but remains the starting point for an enquiry into artificially induced and geographically dislocated patterns of settlement, and the consequences of this for their inhabitants and efficient resource allocation in the country.

### **Norms in settlement patterns, and deviations under apartheid**

Concepts such as artificiality and dislocation imply that there is a norm from which South Africa deviates. There is in fact a substantial body of literature on norms in settlement patterns in the advanced industrial countries, as well as in developing countries.<sup>11</sup> In essence, the literature shows how cities and towns usually display an ordered hierarchy, and how intra-urban zones, marked by different patterns of land use and different densities, tend to accrete around a central core.

The basic principles informing the development of both systems are to minimise the so-called friction of distance (costs of transport), and achieve cost-efficiency in producing goods and services and accessing urban amenities and services. When, in 1995, CDE spoke of 'apartheid's hidden urbanites' it assumed that it was South Africa's extraordinary politics that had disrupted this normal pattern of forces. More specifically, it was noted that places such as Botshabelo had been classified in the 1991 census as rural, whereas in fact they were remote concentrations of functionally urbanised people;<sup>12</sup> thus they were being hidden by the official statistical framework. Their relative invisibility was compounded by the fact that they were, and remain, rather poorly tied into the system of local government.

Soon after this study began, it became clear that both the notion of 'apartheid's hidden urbanites' and the subsequently modified concept of displaced urbanisation were rather too crude as a basis for researching the problems of artificially induced and spatially dislocated urban settlement. Closer study showed that research should distinguish between different types of deviations from settlement norms, particularly those relating to concentrations of poorer black people.

### **A classification of black settlement areas**

Our research shows that there are at least 14 patterns of racially concentrated settlement involving poor or working-class

**People living in displaced urban areas are not the worst off in South Africa, and are in fact as well off in several respects as the average black South African**

blacks in South Africa. Not all of these are directly relevant to this study, as some are not urban and others are not divorced from the normal urban settlement pattern. Nevertheless, in order to delineate our subject as clearly as possible, it is worth reviewing all these categories and isolating those that conform most closely to the basic concept of displaced urbanisation (see box, *Types of settlements of poor black South Africans*, page 4). Indeed, the 14 cate-

gories could be subdivided even further, for example according to the degree to which they are integrated into a meaningful regional economy. As will become evident later, variations in such levels can be significant in policy terms.

### **Choosing a sample**

Our 14 categories move incrementally from the deep rural areas to the inner city: it is the intermediate categories of settlements – particularly 4, 5 and 6 – that form the subject of our enquiry. This is because they involve very large numbers of people living in functionally urban circumstances at the furthest remove from their workplaces. As such, they constitute the core of displaced urbanisation as a national challenge.

It could be argued that this is an oversimplification. For example, while categories 1 and 9-12 do not diverge significantly from the norm, categories 2,3,7 and 8 involve a significant degree of artificially induced urbanisation and spatial dislocation. For this reason, while it seemed important to focus primarily on categories 4,5 and 6, it was recognised that categories 2,3,7 and 8 should also be considered.

### **Method**

Once displaced urban areas have been isolated as a category (or set of categories), the question arises as to how best to study them. On the one hand, resource constraints dictated that it would not be possible to examine all settlements; on the other, it was thought that restricting research to just one or two areas would limit representation of the national pattern. A compromise had to be found, and the method ultimately adopted was to:

study 11 displaced urban areas, distilling their history, current dynamics, service levels, local economy, commuting patterns, local government arrangements and plans for the future from field research and secondary sources; and survey some 2 500 households in those areas, focusing on their social and economic circumstances, residential conditions, amenities, working patterns, commuting patterns, and aspirations and intentions.

## **Types of settlements of poor black South Africans**

- 1. Dispersed settlements in traditional rural hinterlands:** Areas of dispersed settlement in former 'homelands' which are far from centres of employment and commerce and whose inhabitants commute weekly or monthly to the nearest towns and cities (such as low-density areas in the former Transkei, northern KwaZulu, etc).
- 2. Traditional village clusters or closer settlements:** Concentrated settlements in former 'homelands' which are far from centres of employment and commerce and whose inhabitants commute weekly or monthly to the closest towns and cities (found in all former 'homelands', and usually comprising villages of traditional dwellings and planned betterment villages built on land held under traditional forms of tenure).
- 3. Informal settlements in commercial farming areas:** Concentrated settlements of mainly displaced farm workers in commercial (formerly 'white') farming areas, whose inhabitants commute weekly or monthly to the nearest towns and cities (these are the shock settlements that punctuate formerly 'white' farming areas, often built on land of uncertain tenure).
- 4. Former 'homeland' border towns/townships:** Concentrated settlements sometimes adjacent to relatively unsuccessful industrial decentralisation points, whose inhabitants either commute daily over long distances to the nearest towns and cities, or commute weekly or monthly to such towns/cities (such as Ekangola or Siyabuswa in the former KwaNdebele, and Butterworth in the former Transkei).
- 5. Peri-urban traditional tenure/mixed settlements:** Concentrated settlements 25 kilometres and more from the nearest town or city, consisting of a mixture of traditional dwellings and tenant and subtenant infill, whose inhabitants often commute over long distances to the nearest towns or cities (such as Bushbuckridge in Northern Province).
- 6. Peri-urban informal settlements:** Concentrated informal settlements 25 kilometres and more from the nearest town or city, consisting of non-traditional dwellings and forms of tenure, whose inhabitants often commute over long distances to the nearest towns and cities (such as part of Loskop in the KwaZulu-Natal Midlands, and part of Botshabelo in the Free State).
- 7. Informal settlements on the urban fringe:** Concentrated informal settlements within 25 kilometres of the nearest city, whose inhabitants commute over moderate distances to city work zones (such as Inanda in Durban, Crassroads in Cape Town, and Ivory Park near Johannesburg).
- 8. Townships on the urban fringe:** Concentrated formal settlements within 25 kilometres of the nearest city, whose inhabitants commute over modest distances to city work zones (such as Soweto in Johannesburg, Umlazi in Durban, and Khayelitsha in Cape Town).
- 9. Geographically absorbed informal settlements:** Concentrated informal settlements within towns or cities, whose inhabitants travel over short distances to work zones (such as Cato Manor in Durban and parts of Alexandra in Johannesburg.).
- 10. Geographically absorbed townships:** Concentrated formal settlements within towns or cities, involving travel over short distances to work zones (such as the formal Alexandra township in Johannesburg, or a township adjacent to a rural town or village).
- 11. Backyard dwellings in middle-class suburbs:** Domestic workers or tenants living in middle-class residential areas close to their work zones (cottages or rooms attached to larger homes in most former 'white' suburbs).
- 12. Flats or houses in inner city areas which are rented or owned:** tenants or owners who live very close to their places of work (such as Hillbrow in Johannesburg)
- 13. Squatting in disused/deteriorating buildings in inner city areas:** squatters who live very close to their places of work (such as parts of Johannesburg's eastern downtown section).
- 14. Collective dwellings:** hostels or similar institutions whose inhabitants live very close to their places of work (such as hostels in ports, on commercial farms or in certain mining areas).

The detailed results of both the locality studies and the survey appear in two CDE background research reports;<sup>13</sup> key aspects are summarised in the following three sections. (The areas studied are shown on map 1, this page.)

### The areas chosen, and the reasons why

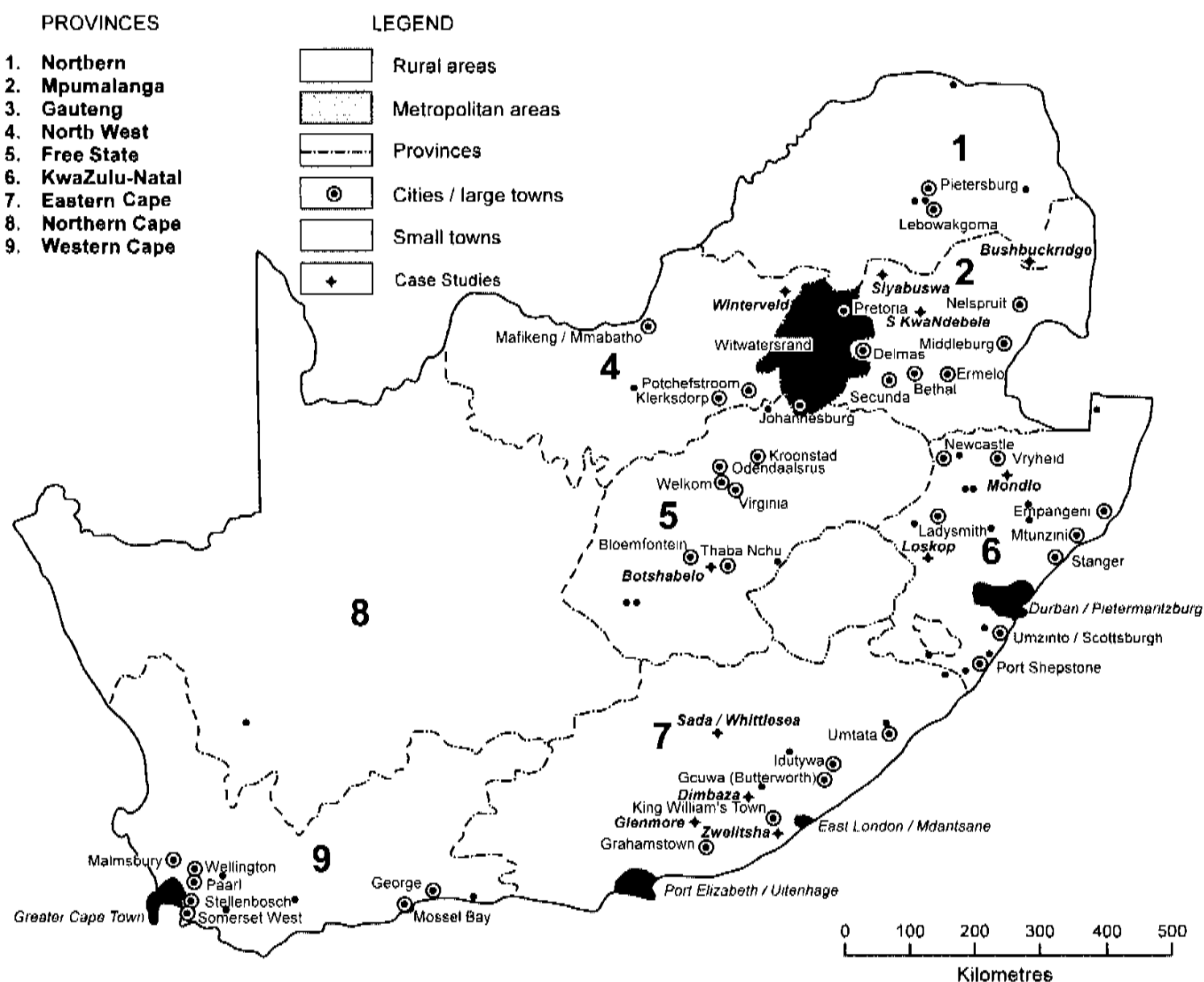
The 11 areas chosen were selected to represent a cross-section of displaced urban areas. After studying secondary material on those areas, talking to local academics and planning offices and examining air photographs and census material, researchers estimated that there were some 4 million people living in such areas in 1997 – most of them in

Northern Province, North West, Mpumalanga, KwaZulu-Natal, Free State and Eastern Cape. These are the six provinces that have inherited former ‘homelands’. Given that local environmental, cultural and political conditions in these provinces may differ, it was considered necessary to select at least one settlement from each of them.

Other factors influencing the selection were the need to examine settlements of different sizes and involving different levels of displacement (ie commuting over long to medium distances). The areas chosen are described in detail in the next section but are briefly identified below, together with an indication of their populations,<sup>14</sup> the nearest town or city, and the category they represent most closely. They are:

**Botshabelo** – some 200 000 inhabitants, located in the

**Map 1: Displaced urban areas studied by CDE**



**There are at least 14 patterns of racially concentrated settlement involving poor or working-class blacks in South Africa**

Free State some 50 kilometres east of Bloemfontein (category 6: 205 house holds interviewed).

**Bushbuckridge** – some 400 000 inhabitants, located in Northern Province some 60 kilometres north of White River (category 5: 412 house holds interviewed).

**Siyabuswa** – some 250 000 inhabitants, located in the northern/central area

of the former KwaNdebele (now Mpumalanga), about 120 kilometres north east of Pretoria (category 4: 104 house holds interviewed).

**the former Southern KwaNdebele** (now part of Mpumalanga) – some 200 000 persons in various urban settlements up to 80 kilometres north east of Pretoria (category 4: 308 households interviewed).

**Winterveld** – more than 200 000 inhabitants, located in North West province some 40 kilometres north of Pretoria (category 6: 333 households interviewed).

**Mondlo** – at least 90 000 persons, located in the former KwaZulu (now KwaZulu-Natal), some 25 kilometres south east of Vryheid (category 4: 249 households interviewed).

**Loskop** – some 25 000 persons in the denser settlements, located in the former KwaZulu (now KwaZulu-Natal), some 25 kilometres south of Estcourt (category 6: 126 households interviewed).

**Dimbaza** – some 50 000 residents, located in the Eastern Cape about 20 kilometres from Kingwilliamstown (category 4: 165 households interviewed).

**Zwelitsha** – at least 40 000 inhabitants, located in the Eastern Cape about 8 kilometres from Kingwilliamstown (category 8: 210 households interviewed).

**Glenmore** – some 6 000 people, located in the Eastern Cape on the border of the former Ciskei, some 40 kilometres north of Grahamstown (category 6: 64 households interviewed).

**Sada/Whittlesea** – some 35 000 people located in the Eastern Cape some 60 kilometres east of Queenstown (category 4: 156 households interviewed).

## Summary

The forms of settlement of black urban poor are more complex than they appear at first sight, and displaced urbanisation only forms part of a wider spectrum. Nevertheless, it has been possible to choose a sample which broadly represents the different types of displaced urban settlements found in the various provinces.

This sample has formed the basis of CDE's research work on displaced urbanisation, the results of which are discussed in the two following sections.

## LOCALITY STUDIES

### Descriptions of selected areas

Following field research and interviews with local informants, reports were compiled on the distinctive features of each chosen locality. Aspects dealt with included the history of the settlement concerned, recent trends and developments in the area, the state of the regional economy, local patterns of travel and commuting, current public sector activities, population characteristics, and local government arrangements. This information has been comprehensively recorded in a background research report;<sup>15</sup> here, the distinctive features of each area will be briefly outlined. Areas are grouped regionally.

### Settlements linked to Pretoria

Three of the largest areas – Winterveld, Southern KwaNdebele and Siyabuswa – are functionally linked to Pretoria, with distances varying between them and the city.

**Winterveld**, a sprawling settlement of some 220 000 people, is located about 30–40 kilometres north west of Pretoria in North West province. It grew out of government efforts during the 1960s and 1970s to direct black settlement away from Pretoria towards the industrial decentralisation point of Rosslyn, north west of the city, and behind the border of the former 'homeland' of Bophuthatswana. The settlement is ethnically heterogeneous; most inhabitants live in free-standing shacks, and more than 80 per cent of those with jobs work in Pretoria. It is poorly serviced. Other key features are:

Both the central government and North West provincial government are making efforts to upgrade the area, especially in respect of water, electricity and housing.

Most inhabitants are tenants and subtenants rather than landowners, with tensions arising regularly between landlords and tenants.

Unemployment is high, running at 43 per cent.

A large proportion of inhabitants dislike the area, and plan to move (some 40 per cent of households speak of plans to move, irrespective of possible policy inducements).

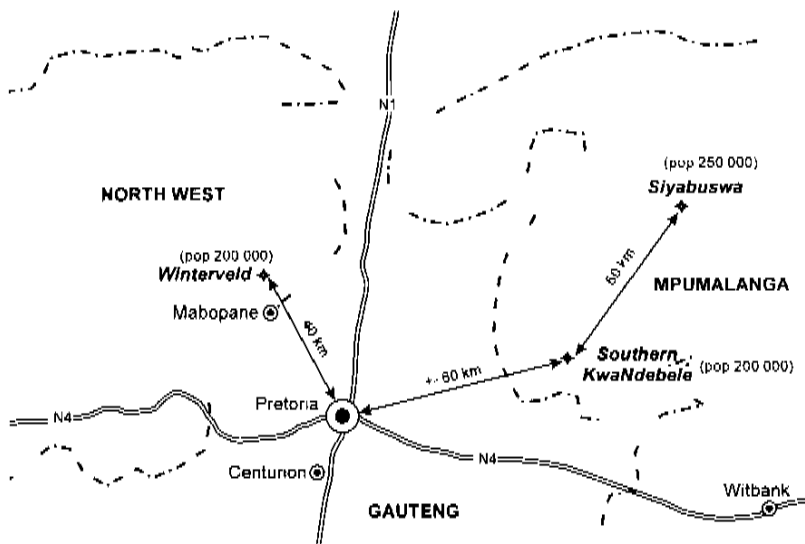
Local government in the area does not function properly, and in some respects the area is administered as a marginal outpost of Mafikeng.

A dominant impression of this area, then, is one of contradictory forces at work: on the one hand the settlement is being upgraded; on the other, many inhabitants strongly dislike it and would like to move out.

**Southern KwaNdebele**, harbouring about 200 000 people, is located up to 80 kilometres north east of Pretoria. It is



## Map 2: Map of Pretoria-linked settlements



largely the result of government efforts to create the 'home land' of KwaNdebele, and an associated industrial decentralisation point at Ekangala. Ethnically homogeneous, it consists of a mixture of formal townships and informal settlements. Most inhabitants work in Pretoria (and to a lesser extent in Bronkhorstspurt), partly because Ekangala has lost rather than gained jobs in recent years. Some key features of the area are:

- A high proportion of people with jobs commute weekly to centres elsewhere.

- There is a high proportion of formal housing, and services are good;

- Relatively few inhabitants plan to move away in the future (18 per cent).

- While most people work in Gauteng (especially Pretoria), the area is effectively administered from Nelspruit, capital of Mpumalanga, and Middelburg in Mpumalanga, seat of the Highveld District Council.

Conditions in this scattered set of settlements are fairly good, but its inhabitants have to travel in diverse directions and at different times in search of jobs.

**Siyabuswa**, an area of about 250 000 people some 120 kilometres north of Pretoria, is the central town of the former 'homeland' of KwaNdebele. Also ethnically fairly homogeneous, it consists mainly of formal township houses. Its formal economic sector is tiny. Siyabuswa seems especially artificial in environmental/location terms; it is a solid settlement, but oddly located in the 'middle of nowhere'. Some of its key features are:

Unemployment is very high (54 per cent), and most people with jobs work in Pretoria.

Residential services are relatively good, and virtually all residents either own their homes (48 per cent) or rent a site from a resident owner (52 per cent).

As in the case of southern KwaNdebele, there is a disjuncture between Siyabuswa's functional dependency on Gauteng (especially Pretoria) and its peripheral relationship with its centres of administrative control (Nelspruit and Middelburg).

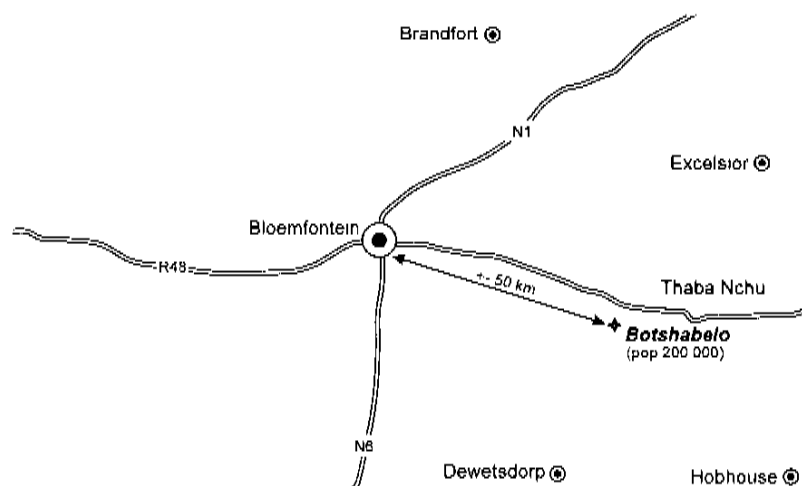
This town creates an impression of considerable sunk investment and physical permanence, but of being bizarrely located in respect of economic activity.

### Free State

Another large settlement selected for study is **Botshabelo**, some 50 kilometres east of Bloemfontein. Currently housing about 200 000 people, Botshabelo grew very rapidly during the 1980s, partly because of housing shortages in Bloemfontein and surrounding towns, and partly because of the displacement of farm workers. It was incorporated in a homeland and provided with an industrial decentralisation point, but the latter was never successful and has lost many enterprises in recent years.

Most workers commute to Bloemfontein. The numbers of bus commuters from the area has declined dramatically over the past five years, partly because many people have moved closer to Bloemfontein, and partly because of the advent of minibus taxis. Botshabelo shares many features with Winterveld, including poor services, and a high proportion of

## Map 3: Botshabelo in relation to Bloemfontein



informal dwellings. However, most of those who were strongly dissatisfied with the area appear to have left, with the result that only 22 per cent of current inhabitants are planning to move in the future (most of these to Bloemfontein). There are autonomous local governments in the area, and a fairly high level of local economic activity.

### Northern Province/ Mpumalanga

A fourth large complex chosen for study is **Bushbuckridge**, a sprawling chain of settlements of nearly half a million people on the road between Nelspruit and Tzaneen. Most of it lies in Northern Province, but some inhabitants have staged violent demonstrations in support of a demand for incorporation into Mpumalanga.

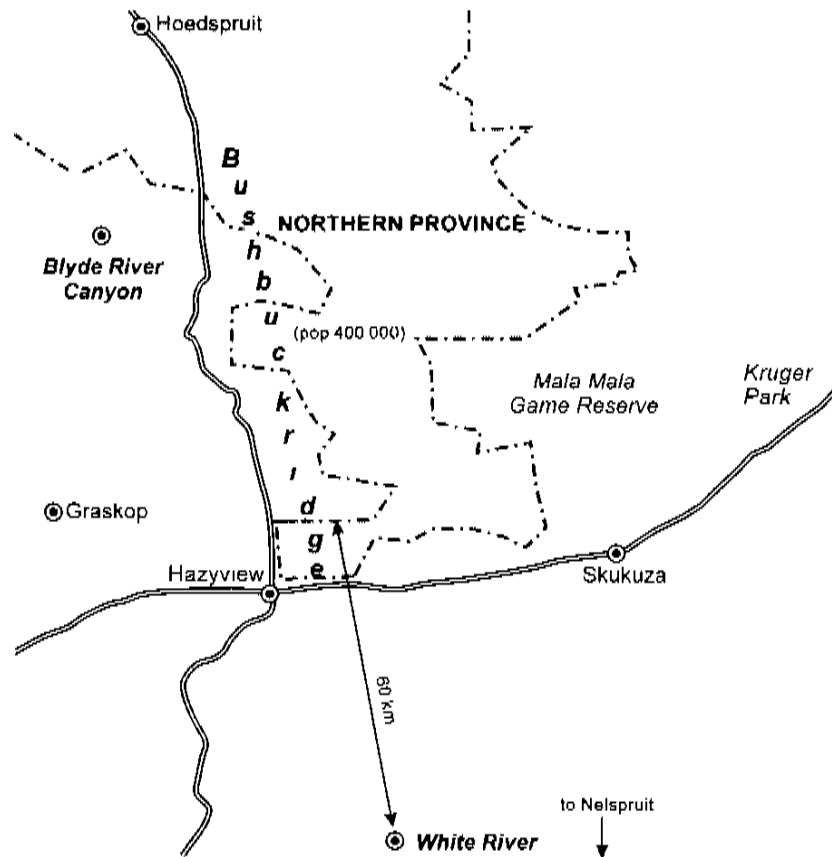
Bushbuckridge is the product of a variety of factors; parts of it were administered by the Lebowa, Gazankulu and KaNgwane governments, and parts by the Transvaal provincial administration. Its population has grown over time, partly due to the expansion of game reserves in the area. It is ethnically heterogeneous. Most people work locally, but a significant proportion – about 15 per cent – commute or migrate to work, particularly to Gauteng.

There is a fairly high level of local economic activity: for example, the 1996/7 Telkom directory lists more than 250 business enterprises in the area, more than twice the number recorded for any other area studied. However, servicing levels are slightly below average for a displaced urban settlement, with 54 per cent of households having no electricity, for example. Home ownership levels are also low, with 50 per cent of people renting from private landlords, and 30 per cent more being housed on the permission of a traditional leader. Connections to the land and to family networks are stronger than in other such settlements, and relatively few people (10 per cent) are planning to move away at some stage in the future.

### KwaZulu-Natal

Because of the way in which homeland boundaries were drawn in KwaZulu-Natal, there is less displaced black urbanisation in the province, and most

**Map 4: The Bushbuckridge region**



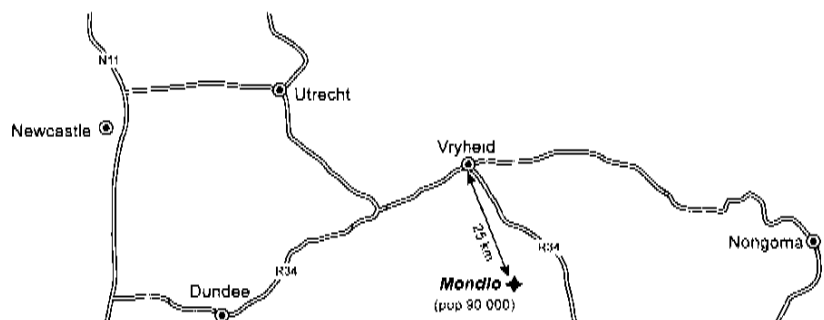
of the large informal settlements are close or reasonably close to towns and cities. However, there are some medium-sized displaced settlements, and two of these were chosen for study.

**Mondlo** is a mixed formal and informal settlement of at least 90 000 people, some 25 kilometres south east of Vryheid. Once part of KwaZulu, it largely resulted from forced removals from the Vryheid district during the 1960s and 1970s. It is ethnically homogeneous.

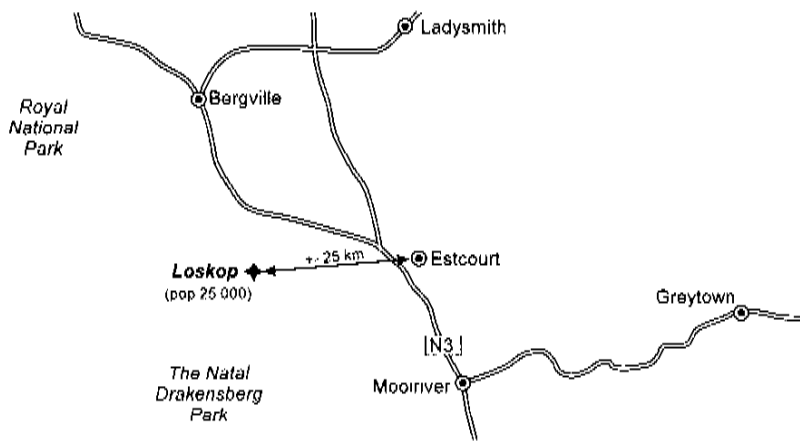
Most people with jobs commute to Vryheid, but about 15 per cent commute over long distances to mines in Gauteng or in the Newcastle/Dundee area. Key features of Mondlo include:

Service levels and levels of formal housing are fairly high;

**Map 5: Mondlo in the Vryheid region**



## Map 6: Loskop in subregional context



for example, 70 per cent of households are electrified. Unemployment is fairly low, and household incomes relatively high. Yet, despite this, a fairly high proportion of people (32 per cent) plan to move away in the future. Negotiations over the integration of Mondlo with local government in the Vryheid area have been inconclusive.

**Loskop** is a former enclave of KwaZulu between Estcourt and Bergville. Because settlement density in the area differs widely, its boundaries are difficult to define; its urban population is estimated at about 25 000, but its peri-urban population is much larger. Predictably, the area is ethnically homogeneous. In some respects it is a fairly typical 'closer settlement' consisting of a mixture of traditional and modern dwellings, but in others it is a displaced township/informal settlement with most working people commuting (mainly by taxi) to Estcourt 25 kilometres away, and a significant minority to a variety of long-distance destinations including Johannesburg and Durban/Pietermaritzburg. Some key features of the area are:

Services levels have been raised significantly in recent years, and most homes are now electrified.

However, the area appears to be unpopular, with 42 per cent of residents planning to move out in future.

De facto, the area seems to be controlled by traditional leaders, who appear to have considerable influence over the Thukela Regional Council in respect of the allocation of resources.

### Eastern Cape settlements

Several small- to medium-sized settlements in the Eastern Cape were selected for study. All of them are associated with the apartheid government's efforts to establish the 'home land' of Ciskei; they were either

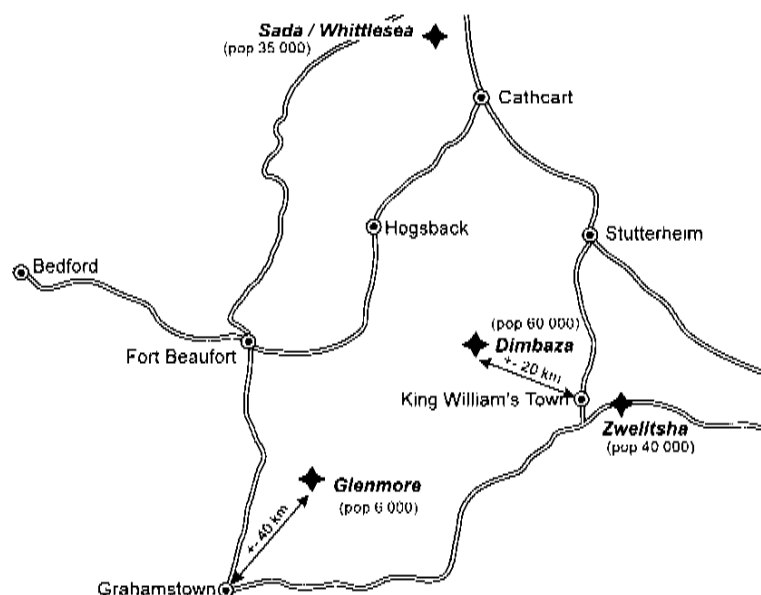
incorporated into the Ciskei, or established later as a result of relocations.

**Zwelitsha**, a township of some 40 000 people eight kilometres outside King Williamstown, originated in the 1940s as a relocation point for rural squatters' It was subsequently twinned with an industrial decentralisation point, and then became the capital of the Ciskei before this function shifted to Bisho. Today, it functions as a slightly displaced township of King Williamstown, and forms part of its local government structures.

**Dimbaza** is a displaced township about 20 kilometres west of King Williamstown. Established in the late 1960s as a resettlement area for people removed from 'white areas, Dimbaza – together with Sada/Whittlesea – became internationally notorious as an apartheid 'dumping ground' Partly in response to these criticisms, an industrial decentralisation point was established nearby, and during the 1980s the area became reasonably prosperous. However, many industries have since left the area, and most inhabitants with jobs now work in King Williamstown, under whose local government structures the area now falls.

**Glenmore** is a displaced informal settlement of some 6 000 people about 40 kilometres north east of Grahamstown; it grew out of forced removals from various areas in the Eastern Cape. Glenmore is one of apartheid's more bizarre creations; during the 1970s, government officials spoke of it becoming a 'new town' of more than 100 000 people. Today it is little-known

## Map 7: Map of Eastern Cape settlements



and inaccessible, and local officials are vague on who is actually responsible for it. About half of those inhabitants with jobs work in the Peddie district, and the remainder commute to various centres in the Eastern and Western Cape.

The settlements of **Sada/Whittlesea** lie some 60 kilometres from Queenstown on the Queenstown/Kingwilliams-town road. Now housing about 35 000 people, they were established as 'resettlement areas' during the 1960s and 1970s, with most development work done on an agency basis by the Queenstown municipality: like Dimbaza, they gained notoriety as prototypical apartheid 'dumping grounds'. Government incentives for industrial decentralisation attracted a few factories to the area in the 1970s and 1980s, but these have since closed. Most inhabitants with jobs work in the surrounding district, and a significant minority (about 15 per cent) commute to Queenstown.

### **General themes**

The results of the household surveys will be analysed in the following section. In the rest of this section, however, we will reflect on the history and geography of the survey areas in a

broader and more qualitative manner. This will be done in terms of four themes: how they were formed; how they grew; their current social and economic dynamics; and their future prospects.

### *Initial formation*

Most of these settlements came into being in the 1960s and early 1970s as a result of political factors, most notably Group Areas removals and/or attempts to 'consolidate' the homelands. Mondlo, for example, resulted from Group Areas removals in Vryheid as well as attempts to consolidate the former KwaZulu. Winterveld developed in much the same way, as did several of the other areas studied. The exact locations chosen by the then government for such settlements suggest a tradeoff between statist dreams of racial separation and economic realities – most were just inside 'homelands' borders, but within long-distance commuting range of major towns or cities in 'white' South Africa.

Over time, they grew primarily because of an increasing labour surplus in white farming areas as well as in the homelands (i.e. push rather than pull factors). In some cases, state projects such as new dams and game reserves also played a

## **Local government and services in the areas studied by CDE**

**Winterveld:** Transitional Representative Council elected in 1995, with limited powers and very slight administrative capacity. Sewerage and electrification projects are being undertaken by the Department of Local Government, North West province; the national Department of Water Affairs is providing basic-level potable water.

**Siyabuswa and southern KwaNdebele:** These areas have TLCs, but most funds for capital projects have come from the central government (under the RDP), Mpumalanga, and the Highveld District Council. The Department of Water Affairs is planning a major new water pipeline (costing about R230 million), and the Department of Land Affairs has piloted several land reform projects nearby (involving about 45 000 hectares of farmland).

**Botshabelo:** The area has a TLC with full powers. It has a significant (but insufficient) local tax base, with about 100 small industries and more than 100 retail enterprises in the area. Schooling is above average (59 schools, 1 393 classrooms), and there is a hospital and 10 clinics. However, residential services need to be upgraded.

**Bushbuckridge:** This area has three TLCs (North, Midland, South) and a TRC. These have sometimes stopped functioning during periods of political conflict, but, with more than 250 local business enterprises, there is a significant (if insufficient) local tax base. There are more than 70 schools and three

hospitals, but residential services need to be upgraded.

**Mondlo:** This area forms part of the Vryheid TLC, but tensions exist within the TLC over Mondlo's membership. There are 10 schools and three clinics, but these are regarded as insufficient, and residential and local public services are also poor.

**Loskop:** This area is on land falling under a tribal authority, and there is no TLC – services are provided by the Thukela Regional Council, liaising with local traditional leaders. The area is being electrified, and water schemes are being upgraded.

**Zwelitsha and Dimbaza:** Both fall under the Kingwilliamstown TLC. There are 21 schools and five clinics in Zwelitsha (no data for Dimbaza is available). Residential services are poor, and funds are only available for emergency maintenance. No significant capital works are in the pipeline.

**Sada/Whittlesea:** These areas are administered as one TLC under the Stormberg Regional Council. There are nine schools and two clinics, but the lack of a local tax base constrains improvements to other services.

**Glenmore:** This area forms part of a Transitional Rural Council (based in Peddie), falling under the Amatola District Council. There are three schools but few other services, and no plans for future improvements.

role (as in Bushbuckridge); in others, regional politics contributed (such as refugees from Bophuthatswana spurring growth in KwaNdebele).

For the most part, however, displaced urban areas grew during the 1980s as a result of forces which were mainly socio-economic in character.

### *Settlement growth*

Investigations reveal that these settlements usually began as tent towns started in locationally and environmentally unattractive areas (this last aspect varies, however, with implications for current development options). Poor conditions in these areas resulted in the then government being condemned for creating dumping grounds – with Limehill/Mondlo and Dumbaza perhaps the most infamous. Partially in response to these criticisms, the state increased its investment in residential and community infrastructure, and offered subsidies and other incentives in an attempt to attract employers to the areas in question. Investments, especially in the public sector, created some localised pull factors, and the deepening of rural demographic trends and capital-intensification in agriculture subsequently added to the push factors fuelling their growth. However, subsidised jobs created via decentralisation schemes seldom satisfied more than 10 per cent of need; thus they were characterised by a dependence on commuting as well as pensions and welfare.

### *Current dynamics*

The locality studies revealed that displaced urban areas generally depend on external urban or subregional economies. Winterveld, Botshabelo, Mondlo, Zwelitsha and Dumbaza are effectively ex-urban areas, whereas Siyabuswa, southern KwaNdebele and Bushbuckridge have been more effectively assimilated into their subregional economies. The latter areas seem less likely to lose their populations over time, since residents do not have quite the same incentives – or options – for moving.

Levels of public investment – especially on schools, water, electricity and housing – in displaced urban areas are higher than in the deep rural (former homeland) areas, but private investment has often declined. In most areas, influential local political interests have emerged around existing as well as possible future investments. Yet, given the locations and environments of displaced urban areas, the merits of renewed investment are often debatable.

### *Diversity*

Beyond these general characteristics, however, it must be acknowledged that displaced areas do differ significantly from one another. This relates mainly to their long-term viability, and the forms they are likely to assume. This makes it difficult to generalise about displaced urban areas. Each has to be

studied carefully, and assessed in its own terms.

None of them is likely to disappear. The question is rather what roles they are likely to play in a future settlement system. The transition away from their status under apartheid will take a long time, but some are clearly developing in different directions from others.

Therefore, a key analytical and policy issue is: which of the following types of settlement are they likely to become?

- i) 'rural-urban slums' consisting largely of vulnerable and trapped people; the most important issues these settlements will raise are those surrounding welfare.
- ii) 'exurbs' of cities/metropolitan areas which will become less popular over time; here, the central issues will be how to gradually facilitate people's movement closer to cities/metropolitan areas.
- iii) settlements which could, via a phased reduction of population on the one hand and local growth strategies on the other, become more functionally autonomous; in this case, local development issues will be central.
- (vi) settlements that will remain popular irrespective of policy interventions, since they provide important residential and other opportunities.

## **NATIONAL SURVEY RESULTS**

### ***Objectives and method***

This section will convey the results of the countrywide survey of households in displaced urban settlements, conducted for CDE by Markdata in 1997.<sup>16</sup> This will allow the reader to relate people living in such places to other South Africans, particularly to other black South Africans. This is important, since it will help us to avoid a crude 'victimology' – a view that the inhabitants of those areas have been excessively prejudiced by history.

This is not to say that the inhabitants of displaced urban areas do not have certain distinctive attributes – they do, as will be shown below, and identifying these will help to identify possible policy interventions. However, this section is primarily descriptive rather than analytical; the next section will relate the data more closely to possible policy options.

Some 2 517 households were surveyed; 2 437 were in the areas described earlier, and the balance of 80 in a complex of villages in rural Sekhukhuneland. The latter were included to ascertain to what extent the many thousands of rural villages in the former northern and western homelands (whose growth was encouraged via homeland 'rural planning') correspond with, or differ from, the displaced urban areas studied.

In all cases the sample was drawn off recent aerial photographs, using a two-stage probability sampling method. In each case the areas to be studied were defined as functional

areas, unrestricted by formal boundaries. The very rich set of findings made possible by such a large sample, and the wide range of questions asked (nearly 100), is available in the background research report referred to earlier.<sup>17</sup> The key themes are summarised below.

### **Income/education profiles**

People living in displaced urban settlements are hardly privileged when compared to the rest of the country, but this reflects their race rather than anything else (virtually 100 per cent of residents are African). In 1997 the average monthly income of households with some employed members in displaced urban areas was R1 700 a month – about half the average national (all-race) household income of R 3 417 a month in October 1995.<sup>18</sup>

When household income in these areas is compared with those of other black South Africans, however, the situation is somewhat different. One of the more surprising results of the survey was the way in which it suggested that, while people in these areas are worse off than blacks in the cities, displaced urban places cannot uniformly be regarded as ‘displaced slums’ – in fact, in some areas, many residents have achieved a measure of social success.

Comparisons of the income levels of people in displaced urban areas are made difficult by the fact that the obvious basis of comparison, income data from Central Statistical Services (CSS) surveys, is available only up to October 1995. Nevertheless, by allowing for inflation some *broad* comparisons are possible.

Table 1 (see this page) sets out the available evidence on income levels in displaced urban areas, and compares this to

the national average for black South Africans, blacks in urban and non-urban areas, and blacks in the five provinces in which the settlements surveyed are located.

These comparisons suggest that employed people in displaced urban areas earn about 80 to 90 per cent of the average earnings of blacks nationwide. The regular income of households as specified by CSS is roughly equivalent to the total earnings of all employed members of households in displaced urban areas. This demonstrates that these places are slightly below the national average, but seem to be well ahead of average regular household earnings in non-urban areas in South Africa and among black populations generally in the provinces in which they are located. Hence, in terms of levels of income, displaced urban areas seem to be located roughly midway between urban levels and those of the surrounding rural areas (if one takes account of the fact that the inflation of CSS estimates probably overestimates urban income growth), and are certainly ahead of their provinces black income averages.

Not surprisingly, given their lower residential costs, savings per month for all households in displaced urban areas at R157 a month are higher than the national norm for black South Africans at R38.<sup>19</sup>

One might expect these displaced areas to have higher rates of unemployment than their fully urban equivalents; however, once again this proves not to be the case. CSS estimates the expanded unemployment rate<sup>20</sup> for blacks in 1997 at 46.8 per cent; in urban areas, 42.9 per cent; and in non-urban areas, 53 per cent.<sup>21</sup> But the expanded unemployment rate in the displaced urban areas surveyed was estimated at 43 per cent, which places them on a par with their urban counterparts. This shows that, in terms of income and employment levels, the inhabi-

**Table 1: Income levels in displaced urban areas compared with income levels among blacks elsewhere**

	<b>Displaced urban areas, 1997</b>	<b>National: CSS 1995 (est 1997)*</b>	<b>Urban: CSS 1995 (est 1997)*</b>	<b>Non-urban: CSS 1995 (est 1997)*</b>	<b>Five provinces: CSS 1995**** (est 1997)*</b>
Average earnings of employed**	R1 478	R1 574 (R1790)	na	na	na
Average regular household income***	R1 700	R1 587 (R1808)	R2199 (R2505)	R1166 (R1328)	R1347 (R1534)

\* 1995 inflated by 9 per cent a year for 18 months to midpoint date of CDE surveys. This procedure probably overestimates income growth, because it doesn't take rising unemployment into account.

\*\* CDE survey/CSS October Household Survey, 1995.

\*\*\* CDE survey, earnings of employees x number of earners per household/CSS 1995 Income and Expenditure Survey, P0111, and Earning and Spending in SA, 1995.

\*\*\*\* Five provinces of displaced urban areas: North West, Mpumalanga, Eastern Cape, KwaZulu/Natal and Free State.

tants of displaced urban areas are not particularly deprived relative to black South Africans generally.

At one level, therefore, it would be difficult to justify a policy perspective which portrayed displaced urban areas as unusually needy places (apart from the challenges of unemployment, which can potentially be addressed through migration). Comparative figures from rural Sekhukhuneland should help to put this into context. While the percentage of adults who had attained matric in displaced urban areas was 15 per cent, in Sekhukhuneland this was 10 per cent; the R1 700 a month average income in the study areas compared to a Sekhukhuneland average of R626 a month; and while average savings in displaced urban places was R157 in Sekhukhuneland it was R83 a month. Clearly, then, there are a great many places, especially in the deep rural areas, which could make stronger claims for special treatment than displaced urban areas. Moreover, in educational terms, displaced urban areas with their 15 per cent of adults who have passed matric, closely approximate national norms for black South Africans.<sup>22</sup>

### **Unemployment, dependency and commuting**

While income and educational indicators are relatively favourable, there are also some unusually problematic indicators, relating primarily to unemployment, dependency and commuting.

The high unemployment levels in displaced urban areas, roughly similar to those among urban black South Africans, have already been noted. However, while unemployment in displaced urban areas is actually slightly lower than for black South Africans generally, there are other problems that are more pronounced in displaced urban areas. Dependency rates (the proportion of household members of all ages dependent on employed adults) are unusually high at 77 per cent, against a national average of close to 65 per cent.<sup>23</sup> All in all, therefore, while people in displaced urban areas who have jobs appear to be doing relatively well, many others are unusually dependent on those employed people.

As most workers in displaced urban areas commute to places of work elsewhere, their average monthly travel costs (R105 a month) are higher than the national average for black South Africans (R61 a month). These costs (and travel times) discourage daily commuting; 27 per cent of workers from all the places studied commute weekly, monthly, or less frequently. For those who commute daily, the costs can be very high (about R350 a

**Despite popular conceptions to the contrary, only 18,4 per cent of commuters travel by bus, with 48,3 per cent travelling mainly by taxi, 10,3 per cent by car, and 21,7 per cent on foot or on bicycles**

month), and the journeys are also very tiring.

Interestingly, despite popular conceptions to the contrary, only 18,4 per cent of commuters travel by bus, with 48,3 per cent travelling mainly by taxi, 10,3 per cent by car, and 21,7 per cent on foot or bicycles (the latter are mainly those who work near their homes, or live in the closely displaced Eastern Cape townships). However, commuting by bus is proportionately higher in Winterveld and southern KwaNdebele/Siyabuswa, whose state subsidies for public transport have been most sharply criticised. A continuing shift towards taxis and cars seems

inevitable, however, and the economics of bus transport will probably play a diminishing role in the future of these areas and the quality of their inhabitants' lives.

This aspect of the survey results is confirmed and elaborated by a separate study of the costs of alternative transport in the former KwaNdebele and Winterveld, conducted for CDE in early 1998.<sup>24</sup> It showed that, while there are high bus occupancy rates during peak hours on the Winterveld/Pretoria and KwaNdebele/Pretoria routes, taxi fares often compare favourably with bus fares.

For example, a one-way bus ticket from Siyabuswa to Pretoria costs between R18 and R20 (depending upon exact destination), whereas a one-way taxi fare from Siyabuswa to Pretoria is usually R18. Buses work out cheaper, however, for those who use a weekly ticket. From Moloto in the former KwaNdebele (somewhat closer to Pretoria), buses are also slightly cheaper than taxis. In Winterveld commuters have more options, including the trains, which, if one is close to the station, is the cheapest option at R3,50 one way. Taxis running between Pretoria and Winterveld station are also cheaper than buses, with the former costing R5 and the latter R6,50. From the more dispersed areas of the Winterveld, combined taxi/bus trips to Pretoria typically cost R8,50, while combined taxi/taxi trips cost R7.

Therefore, the only factors keeping buses in business in these areas seem to be: (i) government subsidies of bus services; and (ii) discounts available to consumers who use buses regularly (weekly/monthly return tickets). It seems likely that, given the current fiscal pressures on the national government, bus travel will become increasingly expensive, and other modes of transportation will further increase their market share. However, it is also important to not be simplistic, since there are variable local trade-offs between the different modes (eg in southern KwaNdebele buses remain the cheapest form of transport); also, some would argue that the withdrawal of bus subsidies would have the effect of pushing up both bus and taxi fares (depending on the state of competition on different routes).

## Attitudes and aspirations

People currently living in displaced urban areas, then, do so under contradictory circumstances. On average, they are as well off as typical black South Africans, but they also experience serious problems in respect of dependency on income earners, as well as commuting.

This contradictory situation has hardly arisen overnight, and is partly – as noted previously – the product of decades of apartheid planning. The approach of the previous government to these circumstances was to try to attract employers to these areas, and to subsidise bus transport. However, as was observed in the previous section, few of the decentralisation points associated with these areas have gained jobs in recent years, and most have lost jobs – often as much as 50 per cent. Obviously, there are far better places for private investors to locate in the post-apartheid era. Moreover, there are strong fiscal pressures to cut back on bus subsidies, and comparative cost and convenience factors have apparently already encouraged most commuters to swop to unsubsidised modes of travel.

Under these circumstances, perhaps some of the most intriguing aspects of the survey results relate to the attitudes and aspirations of people living in displaced urban areas. These results will be analysed more thoroughly in the next section, but they are important enough to be touched on here. By way of contextualising them, it is worth comparing them to the results of a 1995 survey among residents of urban/metropolitan informal settlements nationally which had either been upgraded in situ or had resulted from site and service scheme initiatives. Some 25 per cent of respondents disliked living where they were, compared to only 19 per cent of respondents in the present study (and an even lower 15 per cent of household members).

## Intentions to move

While no comparative figures on intentions to move in urban/metropolitan informal settlements are available, the fact that only 22 per cent of respondents in the 11 displaced urban areas studied indicated an intention to move hardly indicates a torrent of people about to be unleashed on cities and towns.

However, intentions to move vary substantially between displaced urban places; for example, some 40 per cent of inhabitants of Winterveld and Loskop plan to move, compared to only 5 per cent in Sekhukhune and 10 per cent in Bushbuckridge. Interestingly, but somewhat superficially, if distance from a major metropolitan centre is taken as a yardstick of displacement, these results seem both counter-intuitive and contradictory: Winterveld is one of the closest displaced areas, whereas Bushbuckridge, Sekhukhune and Loskop are among the furthest.

The reasons for the variation in propensities to move are analysed in the next section. In the meantime, however, by way of partial explanation of the relatively low overall level of intentions to move, it should be recalled that many people who would previously have been described as displaced urbanites (ie those who are effectively trapped in displaced urban areas) have already moved following the relaxation of apartheid settlement controls in 1986 and 1990. Recent research in Botshabelo/Bloemfontein, for example, has certainly demonstrated this to be the case.<sup>25</sup> Another reason is the fact that some of the areas which are relatively close to cities have begun to experience urban overspill.

A key point emerging from all this is that many people who live in displaced urban areas do so voluntarily, and any policy approaches to the challenges posed by displaced urbanisation will have to bear this in mind.

**Table 2: Some survey results**

Areas	% with std 10+	household income (R)	% unemployed	monthly travel costs (R)	% using buses only
Winterveld	8	1 433	43	102	8
S KwaNdebele	12	1 548	42	98	23
Siyabuswa	14	1 052	54	77	28
Botshabelo	7	1 328	35	147	18
Bushbuckridge	17	1 589	50	66	9
Mondlo	25	3 452	36	221	15
Loskop	14	2 586	31	182	8
Eastern Cape	17	1 635	43	99	9
Sekhukhune	10	626	69	35	(n/a)
TOTAL	15	1 700	43	105	18



It could of course be argued that many people who choose to remain in these areas do so because there are no more attractive alternatives nearer to towns and cities; the survey tested this argument. When people who were planning to move were asked why they had not already done so, by far the most common response (72 per cent) was that it would be too expensive.

Presumably, a government seeking to rectify the wrongs of apartheid could try to remedy this situation (although, as is argued in subsequent sections, this may be difficult in practice). Consequently, respondents were asked what they would do if a housing subsidy was available which would enable them to buy a house wherever they liked. Under these circumstances there was heightened interest in moving; just more than half of the respondents now envisaged moving out of their displaced urban areas and associated subregions, most to the city closest to them.

Since a similar question has not been put to people living in other parts of the country, it is difficult to know how unusual the abovementioned attitudes are. What is clear, however, is that material incentives, either real or imagined, have a noticeable impact on people's locational aspirations. But the obverse of the point made in the previous paragraph should also be recorded: given a free choice, at least 45 per cent of respondents in displaced areas would elect to take advantage of their present location irrespective of any government housing subsidy or other form of assistance elsewhere.

### **Stakes in localities**

An important factor relating to people's propensities to remain in displaced urban areas is the material stake they have in the area. Strikingly, people surveyed had invested significant sums of money in their homes (average R11 000), and their estimates of the present values of these homes averaged R22 000. For poor people, these are very significant assets. It is difficult to determine the markets for homes in such places, but observation suggests that these are underdeveloped in most places. This means it would be very difficult and time-consuming for people moving out of these areas to realise the values of their capital assets, and in many cases virtually impossible.

Even in well-developed housing markets, such as those in the United States, research has shown that home ownership is the primary constraint on propensities to move; in South Africa's displaced urban places, then, it must be a particularly powerful factor. But these are not the only factors that lead to a continued attachment to these places; others that were commonly mentioned include the perceived lower incidence of

**There are a great many places, especially in the deep rural areas, which could make stronger claims for special treatment than displaced urban areas**

crime, local family networks, considerations around the cost of living, and preferred lifestyles.

It should also be noted that houses and land on offer elsewhere under the current housing policy often does not match the conditions many enjoy in the displaced urban areas. For example, the average size of a residential plot in Winterveld was reported to be about 2 000 square metres, about six times bigger than a plot in a typical urban informal settlement. Many

houses in displaced urban areas are also quite substantial; 74 per cent of homes are formal, built of brick. Compared with this, fewer than 10 per cent of houses in the upgraded urban informal settlements surveyed in 1995 were formal and built of brick, and plots were about 300 square metres.<sup>26</sup>

Public investment in displaced urban areas varies. Winterveld, for example, is poorly serviced; fewer than 10 percent of homes have either electricity, piped water or water-borne sewerage; whereas in southern KwaNdebele 80 per cent of homes are electrified, and 22 per cent have piped water.

Demands for improved services are increasing in many displaced urban areas, raising the question of the cost-effectiveness of public investment in these areas. The engineering costs of providing services in displaced areas is reported to be some 10 per cent higher than in the towns and cities.<sup>27</sup> However, it is understandable for people who have built up stakes in these areas to feel justified in their claims for improved services.

**Table 3: Intentions to move**

Area	% households which dislike area	% households with plans to move
Winterveld	28	40
S KwaNdebele	09	18
Siyabuswa	14	22
Botshabelo	10	22
Bushbuckridge	12	10
Mondlo	25	31
Loskop	25	40
Eastern Cape	09	19
Sekhukhuleni	04	05
<b>TOTAL</b>	<b>15</b>	<b>22</b>

## Conclusion

Given the historical and qualitative perspectives dealt with earlier, the survey results paint an unexpectedly complex picture. It emerges that people who have not already moved away are better off in displaced urban areas than may have been anticipated; fewer of them commute by bus than is popularly believed; and many would elect to stay in these areas in almost any policy scenario. On the other hand, issues surrounding intentions to move are critical, particularly for local, provincial and national planning policies; with this in mind, the next section reflects more analytically on factors pertinent to future policy-making.

## ANALYTICAL PERSPECTIVES

### *The analytical challenge*

The analytical and policy issues referred to previously deserve thorough attention. Given a highly complex and contradictory situation, such as that posed by displaced urbanisation, with the quality of life of millions of people implicitly under review, it would be wrong to select certain statistics only as a basis for action. While every effort has been made to provide a balanced and accurate account of the various areas studied, and the characteristics of households in these selected displaced urban areas, the approach until now has been more descriptive than analytical. Certain specialised statistical procedures were carried out in order to tease out relationships among various findings, and investigate apparent anomalies. For example, the issue of the popularity or unpopularity of these areas, and people's intentions to move, are particularly important in analytical and in policy terms. How can the differences in people's attitudes to their areas be explained, and how can one account for variations in their intentions to move? If this could be done, policy-makers would be much better placed to make judgements that would correspond with people's needs and aspirations. For this reason, expressions of affinity to area and people's intentions to move were subjected to multivariate statistical analysis. The detailed results appear in a separate report,<sup>28</sup> but the key findings are summarised below, followed by a broader reflection on some of the other analytical issues raised by the statistics.

### *Correlating area affinities and intentions to move*

Responses that could be associated with preferences for displaced urban areas and intentions to move were entered into

**Residents of displaced urban areas are little different to other South Africans regarding their preferences for their areas and their intentions to move**

a factor analysis; such an analysis identifies the so-called principal components or factors of associated (or strongly correlated) variables, based on computer searches for orderly patterns within an initial matrix of correlations between all the variables entered.

Preliminary expectations of an association between people liking/disliking their areas and their intentions to move were confirmed – these measures clustered together, indicating that if people disliked their area they would be more inclined to move. However, likes or dislikes of one's area and intentions to move or not formed a cluster which was quite independent of all the other variables, including distance to work and facilities, travel costs, and the perceived values of homes.

This is a very important finding, because it suggests that, under present circumstances, residents of displaced urban areas are little different to other South Africans regarding their preferences for their areas and their intentions to move. As a rule, not only in South Africa but elsewhere in the world, if someone dislikes the place they are living in they plan to move, and this is certainly the case in these displaced urban areas.

However, inhabitants of displaced urban areas do not appear to like or dislike their areas for reasons which consistently relate to locational or distance factors; hence the 'displacement' of their areas is not a strong factor in liking or disliking it, or plans to move. Moreover, their stakes in their area also do not seem to be associated with their intentions to move, thus undermining any sense of a 'trapped' population.

Given their apparent importance, the researchers analysed these results further. Statisticians sometimes argue that, while a factor analysis may be useful for initially exploring relationships within a complex array of variables, it is not always appropriate for testing hypotheses. To assess this, and to test the hypothesis that movement intentions are unrelated to locational factors and socio-economic circumstances more strictly, a regression analysis was undertaken.

In a regression analysis, associated variables are held constant while the effects of an explanatory variable on the dependent variable (eg movement intentions) are calculated. Once again, the results did not support the hypothesis that the remoteness of the areas concerned influenced their inhabitants' responses to them. For example, no significant relationships were uncovered between intentions to move on the one hand and commuting distances and transport costs on the other.

However, factors generally associated with people liking an area – such as the presence of shops and services – were modestly associated with intentions to move, and/or the level of liking an area.

## **Analytical inferences**

The implications of these findings are that:

most people who have felt alienated and displaced in these areas have already moved out; and the people who remain respond to these areas as they would to any other residential area.

Of course, these points must be slightly modified insofar as there are certain factors that are mildly associated with heightened intentions to move: for example, whether people were forcibly relocated to these areas or not; whether the area concerned is electrified or not; whether homes are perceived to be badly located in relation to facilities; and whether conditions are perceived to be deteriorating. It should also be recalled that when people were asked to imagine a different housing subsidy regime, many more were willing to move.

On the other hand, some people are also continuing to move into and/or invest in these areas. For example, as many as 13 per cent of respondents' homes had been built since 1994. The origins of residents also conform to a fairly standard pattern. In all areas except Botshabelo, most households had moved there from the surrounding region, and far fewer from further afield. It is important to note this because it is one of the major explanations for residents' commitment to remain. Moreover, some 8 per cent of households had moved into these districts since 1994, and more than 30 per cent had moved in since 1986, when apartheid controls were already weakening.

Yet some of the reasons for the continuing popularity of displaced urban areas could be that (i) state investments in them have exceeded those in many towns and rural areas (and indeed many poorer urban areas); and (ii) in certain cases, services may have been unusually well subsidised.

For example, while research into this subject is continuing (under the auspices of the Department of Constitutional Development), it seems as if some displaced urban areas may historically have been charged less for services than urban townships.<sup>29</sup> This in turn raises the question of how 'naturally' attractive such places really are, and how much of their attraction may be attributed to past and current patterns of state subsidisation.

## **Reconceptualising displaced urban areas**

To summarise, displaced urban areas are fairly dynamic today, with some people moving in and others moving out; most of the politically aggrieved have apparently already moved out, and those remaining are fairly similar to people elsewhere

**Some 8 per cent of households had moved into these areas since 1994, and more than 30 per cent had moved in since 1986, when apartheid controls were already weakening**

in the world in terms of the extent to which their likes and dislikes of an area are linked to their intentions to move. As noted earlier, while many people still commute to work elsewhere, relatively few now travel by bus, and even where they do taxis are often as cheap, or even cheaper, than the buses.

Therefore, there seems to be little reason for continuing to subsidise bus services in these areas. Also, any rationale for regarding the inhabitants of such places generally as special victims of apartheid appears to have

faded, since (i) their quality of life is generally as good as that of other black South Africans; and (ii) their satisfaction with such places and their intentions to move are unrelated either to degrees of displacement, perceived entrapment, or their material stakes in their localities.

This being the case, perhaps the most interesting analytical challenge would be to reconceptualise these places far less in terms of 'victimology' and far more in terms of their potential roles within and contributions to a national developmental framework.

Given their diversity, the key issue now is how to situate them realistically in a broader context of national and regional settlement systems in a state of transition.

In broader terms, the relative popularity of displaced urban areas is partly an indication of a dissatisfaction with the quality of life in South Africa's towns and cities. There are several symptoms of this. For example, in most (but not all) displaced urban areas, people perceive local crime rates to be lower than in the cities. Furthermore, in several cases, most of the people who had moved in since 1995 had come from nearby towns or cities, while in others they had come mainly from economically depressed smaller towns in the subregion. In the most eccentrically located places (Siyabuswa, Loskop and Glenmore), though, about 50 per cent of recent arrivals reported that they did not like the areas and would move if they had the chance.

In terms of age-sex distribution, displaced urban areas now often show a blend of urban and rural characteristics. There are more older people in these settlements than one would expect in an urban population, and fewer males in the 30- to 39-year age group. As in rural areas, there are relatively large proportions of children. In this sense the areas are 'nurseries' probably accommodating the children of 30- to 39-year-old people (especially men) who have migrated to the cities and towns.

Relatively high proportions of 20 to 29-year-olds probably indicate that these areas are serving as a 'refuge' from youth unemployment.

The more 'rural' places in terms of age-sex distributions are Siyabuswa, Loskop, Sada/Whittlesea and Bushbuckridge, and the more 'urban' places are Botshabelo, Winterveld,

southern KwaNdebele, Zwelitsha, Dimbaza and Mondlo.

In many respects, therefore, displaced urban areas should be placed on a rural-urban continuum, which corresponds with the original sociological concept from which urban and rural distinctions derive.

## **Conclusion**

It has been demonstrated that, apart from the fact that households in displaced urban areas are slightly better off than the national average, they are quite similar in many respects to households elsewhere. Most people are no longer 'trapped' and neither are their intentions to move related to displacement or entrapment. On the other hand, there are minorities in these areas – particularly those who were forcibly resettled – who are unhappy, and who could be regarded as a special category of dislocated persons. This observation relates to the distinction drawn earlier between displaced urban areas and displaced people.

Policy interventions involving such people could still have a significant impact, as is demonstrated by the fact that almost half the inhabitants of displaced areas would consider moving if the government offered them subsidised housing elsewhere. Flowing from this, the next section outlines the policy considerations relevant to these areas' futures.

## **POLICY CONSIDERATIONS**

### **Introduction**

While the demise of apartheid has led to a significant number of people moving out of displaced urban areas, a large number remain, and more are moving in. Most people now remain out of choice, and a minority presumably out of a combination of choice, inertia, a lack of suitable options nearer the cities, artificially subsidised transport and other services, and poverty. The fact that people continue to move to these areas reflect their superiority to many rural areas, for example.

Given all this, heroic policy interventions designed to eradicate these bizarre products of apartheid planning now seem unnecessary. As with many state initiatives during the apartheid years, the policies under which these settlements were established were only partially successful; people resisted, and, following the easing and subsequent abolition of apartheid legislation, those who most needed to change their circumstances did so.

This does not necessarily mean that displaced urbanisation should no longer be a policy concern. Existing policies in numerous areas continue to affect the viability of these places,

***The relative popularity of displaced urban areas is partly an indication of dissatisfaction with the quality of life in South Africa's towns and cities***

and there are many policy options that would impact on them in future. Some of these issues are explored below, as a prelude to the policy proposals in the final section.

### **Different perspectives and priorities**

What matters most about displaced urbanisation is open to different interpretations, resulting in different perceived priorities. To choose just a few examples, displaced urbanisation could primarily be viewed in terms of:

- citizens' rights in respect of equality of opportunity; or
- efficient public transport; or
- performance criteria in respect of public investment.

Any policy response to displaced urbanisation will inevitably be predicated on the relative prioritisation of these or other values. Clarity on what exactly policy-makers are seeking to achieve is very important if such policies are to be effective.

### **Placing displaced urban areas in context**

As is evident from the material presented in this report, the danger exists of 'reifying' displaced urbanisation, or abstracting displaced urban areas out of the wider settlement system. Settlement systems consist of a complex array of interconnected subsystems, and change to any one of these often cause ripple effects in others. Policies which change the attractiveness of displaced urban areas either positively or negatively will therefore have implications for other areas also (for example, some cities could grow in ways they might not have anticipated previously).

Policies applied to, or conditions prevailing in, other places can also affect the futures of displaced urban areas. For example, if the rural areas should continue to struggle to support their current populations, if small towns continue to decline economically, and if large towns and cities become poorly managed and crime-ridden, it is the displaced urban areas that could grow. A responsible approach towards displaced urbanisation will need to keep these interdependencies in mind.

### **Noting the differences**

As previously demonstrated, generalisations about displaced urbanisation can be misleading. Different places sometimes have unique features, which mean they will respond differently to a given policy initiative.

For example, phasing out bus subsidies may not have much impact on Winterveld (because of cheaper train and taxi

options), but would have a significant impact on parts of the former KwaNdebele. Likewise, making subsidised housing elsewhere available to residents of displaced urban areas could lead to a significant exodus from Winterveld or Loskop, but would have only a marginal impact on Bushbuckridge.

Besides this, the uniqueness of places comes to the fore when considering the wisdom of future public investments in schools, hospitals and so on. Some of the areas studied might be relatively poor bets (Glenmore, Sada/Whittlesea), while others have more to commend themselves (Zwelitsha, southern KwaNdebele). This is partly because levels of public investment are already higher in some places, and partly because each area is differently situated in the broader economic and settlement system.

This point should be elaborated. While public sector decision-makers may deny this, the fact is that many apparently routine decisions about the allocation of public resources constitute implicit statements of confidence in the future viability of the areas in question. For example, it is now obvious that planners who envisaged Glenmore as a viable 'city' of 100 000 people were either extraordinarily naive, or deliberately trying to foster a political illusion. By contrast, those investing in development in, say, Zwelitsha or southern KwaNdebele were making rather better bets, even if these areas were still situated within the apartheid framework.

Officials will continue to make such calculations, although they will now hopefully be based on more rational premises. In the process, they will have to make some assumptions about the viability of the areas in question, since that, after all, is what public sector investment is all about.

### ***The meaning of 'public interest'***

One factor which planners should take into account in deciding on the allocation of resources is the views of the inhabitants of the areas in question. Presumably, it would make more sense to invest in places which are more popular and which people are less inclined to leave.

However, there may also be cases where local sentiment conflicts with the broader public interest. For example, if one of the main reasons for funding certain areas rather than others is the fact that many residents like living there, it follows that these people could also not reasonably expect government to invest further in the area and continue to subsidise commuting at current levels (and any other special subsidy). This would be inequitable as it would favour these areas above

***Popular support for various development options should be taken into account when determining the public interest. However this should not be reduced to a populist/patronage approach if broader national considerations of equity and efficiency are to be satisfied***

other needy ones, such as informal settlements in cities or the rural areas.

Therefore, while popular support for various development options should be taken into account when determining the public interest, this should not be crudely reduced to a populist/patronage approach if broader national considerations of equity and efficiency are to be satisfied.

### ***Equity and efficiency***

Equity and efficiency are not always compatible policy objectives, and at some stages policy-makers will need to make decisions on how to trade them off *vis-à-vis* displaced urban areas. For example,

places which may most deserve state assistance in terms of efficiency may turn out to be less deserving in terms of equity: and there will be cases of more deserving populations in equity terms in places which are poor bets for long-term public investment.

For example, people in a place such as Sada/Whittlesea will be more deserving of investment as a result of abnormal unemployment, low per capita incomes, historical neglect, high transport costs and so on than those in, say, southern KwaNdebele. However, the latter is probably a better site for longer-term investment. This could mean that if future state investment varies in different types of settlements, compensation could be considered for people in the areas which are being discriminated against? However, this could result in so many claims that the costs would outweigh the original savings achieved by the differential investment strategy.

What guidelines should be used in such situations? One suggestion is that policy proposals should try to meet a goal economists describe as *pareto superiority* – ie, to make as many people as possible as much better off as possible while making none worse off than before. This might be described as the politician's and public official's equivalent of the Hippocratic oath: 'Above all, do no further harm to the patient' – that is to say, no intervention may well be advisable in some cases, especially where the risks and potential costs of a policy intervention outweighs potentially marginal benefits.

Of course, this philosophy also requires a recognition that the government is already intervening in the settlement situation in a variety of ways: for example, by means of its transport subsidies; where it awards subsidised housing; where it provides new schools and infrastructure, electricity, water and sewerage; how it awards subsidies to local governments, and so on. In other words, current policies are already interventions which may or may not meet the crite

ria described earlier. Clearly, existing policy is not perfect, so the issue becomes how, if at all, it should be adjusted. The term 'adjustment' is important here, since, as we have already observed, the situation no longer warrants heroic interventions.

### **Policy as a learning experience**

If the problems associated with displaced urbanisation demonstrate anything, it is the efficiency and equity costs that arise out of large-scale social engineering. If grand plans are adopted, grand costs can follow. Hence, in a sensitive and democratic environment, policy should be developed as part of a learning experience.

In reality, it is usually impossible to achieve pareto superiority through an initial round of policy changes. However, it may be possible, after reviewing the implications of such an initial round, to suggest amendments which would bring one closer to this goal. For example, incremental reductions of the subsidies given to bus companies may be a good point of entry into the problem of displaced urbanisation. In any case, buses are no longer the dominant mode of transport for displaced urban commuters; therefore, the impact of phased reductions in subsidies would be modest, and commuters would absorb them incrementally in a variety of ways.

The most important task is to make policy adjustment an iterative process – ie, to make adjustments which are obviously in the right direction, monitor the consequences, and adjust the policy measures as required. Inter alia, this would be a way of avoiding the worst of unintended consequences.

### **Policy and intergovernmental relations**

The issue of unintended consequences raises issues of intergovernmental relations. For example, the data suggest that incremental adjustments to bus subsidies would not have a profound impact on settlement patterns.

Nevertheless, if such adjustments were made, all provincial governments would need to engage with the challenges outlined in this report at a number of levels: provincial spatial development frameworks may need to be adapted; regional/district councils may need to respond to cases of displaced urbanisation within their jurisdiction; and a number of provincial line departments/boards would need to adapt their criteria for making financial allocations (for example, the provincial housing boards as well as the departments of transport, education, health and others which provide amenities and facilities).

**Numerous government departments are not co-ordinating their investment and spatial planning efforts. Some have no spatial planning frameworks of their own**

Besides this, mechanisms will have to be devised to ensure that provincial and national departments co-ordinate their service delivery. For example, if national plans for providing new water facilities do not correspond with plans for providing housing, educational facilities and so on, this could lead to considerable inefficiencies in the overall distribution of state resources. (A separate report written for CDE on this subject suggests that numer-

ous government departments are not co-ordinating their investment and spatial planning efforts, and that some have no spatial planning frameworks of their own.)<sup>30</sup>

A case in point may be the land reform programme of the Department of Land Affairs. There are many people in South Africa who potentially qualify for assistance under the land reform programme, but the issue of where grants should be made (and why) is not simply a matter of restitution but also of rational land use planning, in line with the types of priorities indicated in this report.

Mechanisms for co-ordinating planning initiatives will also have to be established among national, provincial and local governments. Local governments have their own agendas, which may or may not take into account the broader policy adjustments displaced urbanisation may require. If, for example, the Greater Pretoria Metropolitan Council and/or any of its constituent local councils continue their planning without taking into account the need to accommodate greater numbers of Winterveld/KwaNdebele residents, and the Gauteng government operates under different assumptions, problems could arise.

Local governments will be confronted with displaced urbanisation in a variety of ways:

Some local or metropolitan councils now have displaced urban areas within their boundaries (the inclusion of Dimbaza with Kingwilliamstown and Mondlo with Vryheid spring to mind), with very significant implications. There are spatial planning implications, financial planning implications and others which need to be addressed, and the capacity and/or willingness of local politicians and officials to respond to these may be very uneven. Most displaced urban areas will not evaporate, and some may even grow. Planning for this will be an important responsibility of the relevant local authorities.

Other local councils may need to plan for the possible 'knock-on' effects of potentially enhanced movement into their areas, but may be reluctant to do so. Alternatively, even if they are not reluctant, they may lack the information or capacity they need to respond appropriately.

Finally, there may be some local governments which have potential 'sending' as opposed to 'receiving' areas under

their jurisdiction. Their response to these dynamics may be uneven. On the one hand, there may be a few which would be over-anxious to implement strategies which would speed up their depopulation. On the other, there may be those (probably the majority) which may wish to bolster resource allocation to such places, on the assumption that these are important political constituencies and/or areas of need which should be upgraded.

It is clear that not all provincial or local governments will have the willingness, skills or capacity to contribute towards policy solutions, and in certain instances the various provinces and local governments may adopt conflicting priorities. For example, the conflict between Northern Province and Mpumalanga over Bushbuckridge, and the apparent political polarisation in the area, has received considerable attention in the media; however less prominent cases such as Winterveld are probably just as important.

In formulating development plans and strategies, Gauteng province and the Pretoria Metropolitan Council do not seem to be taking into account the fact that this area will probably have to be integrated with Pretoria, to which it is functionally attached; instead, they are leaving upgrading efforts to North West province.

Central government may have to step in to resolve such differences. Moreover, it may have certain policy priorities of its own – in respect of transport, housing, local government and so on – which may yield a national perspective on displaced urbanisation. The costs associated with various policy options may not always be that obvious to provincial or local politicians and officials.

For example, CDE's research into the relative costs of service provision in different localities reveals that it costs about 10 per cent more to provide engineering services in displaced urban areas than it does in a normal town. Sometimes, consumers have to pay for this (through reduced levels of products or services), and sometimes central government pays (through enhanced subsidies).

Many of these sorts of considerations are not known to local or provincial government officials, and neither do they bear the consequences. Thus central government will have to provide a broad and informed policy perspective which will yield guidelines for local and provincial governments to follow.

## **Conclusion**

The inhabitants of South Africa's displaced urban areas may be no more unfortunate than those living in other predominantly black settlements; however, because of their political history, and also because of an understandable desire to 'right the wrongs of apartheid' these areas have been regarded as problematic by many analysts, planners and policy-makers.

Do we now conclude that this concern is misplaced?

The short answer is 'no' for the following reasons:

Displaced urbanisation raises the question of the costs and benefits of state investment in alternative locations in a very tangible manner, with current practices in many such places giving rise to the issue of whether 'good money is being thrown after bad'

People in displaced urban areas are citizens deserving proper treatment – they should, for example, enjoy basic services, which many presently do not.

However, new large-scale public investments in such areas hardly seem priorities, given more logical locational alternatives.

Also, current implicit state subsidisation of displaced urban areas (such as transport subsidies or higher than usual service subsidies) now seem largely unnecessary.

Finally, the issue of alternative targets for state resources raises questions of where the best long-term returns on state and private investment will be achieved, and, ultimately, which spatial development frameworks should be adopted for post-apartheid South Africa.

These are very important issues and challenges. CDE will now suggest how it believes central government should respond to them.

Before doing so, it must be stressed that it is difficult to generalise with any degree of accuracy about displaced urban areas and their particular conditions and prospects. Each place will have to be studied and thought about in its relevant regional, metropolitan or local context before action is taken.

## **CDE RECOMMENDATIONS FOR ACTION**

CDE has conducted an intensive study of 'displaced urbanisation' covering a large slice of South Africa's population and settlement system. This work has revealed the enormous complexity of dealing with 'the legacy of apartheid' in general and the phenomenon of displaced urbanisation in particular.

It is important to unpack carefully the diverse policy implications of the study, and how necessary policy interventions might be implemented.

### **1 Policy-makers must recognise and build on the lessons of the apartheid past.**

Apartheid policy and its racial obsessions hold important lessons for all government policy-makers – whether politicians or officials – in a non-racial South Africa. The most important are:

- *There is a primary relationship between economics and residential settlement*

An important policy principle arising out of extensive international and painful South African experience in the post-world war two era is that settlement must follow economic principles, and not vice versa. The evidence is overwhelming that putting people where politicians or planners would like them to be and trying to generate economic activity afterwards simply does not work.<sup>41</sup>

South Africa's displaced urban areas have resulted from a particularly harmful form of interventionist planning. A new generation of politicians and state officials may have nobler motives than some of their predecessors, but the lessons of the past for contemporary action do not lie simply in the quality of motives but also in hard analysis. Successful urban settlement in South Africa (as elsewhere) will accrete around places which have comparative and competitive advantages, as well as economies of scale and agglomeration – or, more simply put, places where it is cheaper and easier to produce

things of value. Any realistic policy response to the legacy of displaced urbanisation should be built on this essential realisation.

- *Policy-makers must listen to the voices of ordinary people*

Most displaced urban areas resulted from the arrogance of the powerful, who cared little for the protests of ordinary people who attempted to resist their forced removal. No one expects South Africa's new democratic government to continue behaving in this way. But listening is also important in a democratic order, and people's opinions and aspirations often differ from what even well-intentioned politicians and state officials in democratic societies assume them to be.

Our research shows that, as elsewhere, people's intentions and aspirations in South Africa's displaced urban areas are complex and varied. While the general public interest in respect of displaced urban areas may not always correspond with the interests of particular groups, policy-makers and planners must

### ***Preliminary list of displaced urban areas in South Africa\****

#### **Eastern Cape**

Dimbaza  
Glenmore  
Ilitha  
Kammaskraal  
Keiskammahoek/Eluhanyweni  
Phakamisa  
Mdantsane  
Ndeveda  
Sada/Whittlesea/Amadakeni  
Potsdam  
Zwelitsha

#### **Northern Cape**

Pampierstad

#### **Western Cape**

Atlantis

#### **Northern Province/Mpumalanga**

##### *Former Lebowa:*

Bushbuckridge  
Lebowakgomo  
Namakgale  
Mahlewalereng  
Seshego

##### *Former KwaNdebele:*

Boekenhout  
Goederede  
Gembokspruit  
Kwaggafontein  
Leeufontein  
Pieterskraal  
Siyabuswa  
Vaalbank  
Vlaklaagte  
Vrisgewacht

##### *Former Kangwane:*

Kambokweni  
Kamaqkwekeza  
Kanyamazane  
Oshoek  
Lomando  
Sibasa  
Tshakhuma  
Thohoyandou

##### **Free State**

Botshabelo  
Thaba Nchu

#### **North West**

Bafokeng  
Dinokana  
Ditsobotla  
Ledig  
Madikwe  
Odi/Moretele/Winterveld  
Rooigrond

#### **KwaZulu-Natal**

Bilanyoni  
Ekuvukeni  
Esikaweni  
Ezakheni  
Gamalakhe  
Laskop  
Limehill  
Nomoya/Sahlumbe  
Ntambanana  
Wembezi  
Nondweni  
Mondlo  
Mphophomeni  
Mpumalanga  
Osizweni

\*Further detailed research is required to ensure a complete list.



begin by listening to those who are most directly affected. This is all the more important as people's views and aspirations not only vary within a given place but also among places.

- *Social engineering has enormous costs*

Apartheid resulted in discriminatory and very inefficient policies. In respect of displaced urbanisation, we are seeing the results of bad policies that are now cast in South African concrete. The reality of this peculiar settlement system has to be recognised, factored into policy decisions, and accepted as the base on which new policies must be constructed. Honesty about the realities of the situation are important before new decisions are made. A democratic South Africa must be careful that new public money is not wasted in (directly or indirectly) perpetuating the bad policies of the past.

## **2. Policy-makers must acknowledge how little we really know about South Africa.**

South Africa is a large country that incorporates enormous diversity – of people, geography, places and experiences. Apartheid and opposition to it resulted in a knowledge of only certain dimensions of people's lives. It is important to recognise that we are only now starting to learn what has been happening in communities and regions of the country below the surface of race politics. Therefore, policy-makers have to acknowledge how little we really know about essential components of national life.

Empirical information will have to be collected by independent analysts. Priorities will need to be determined for targeted investigations.

## **3. A national process is required to deal with displaced urbanisation.**

Displaced urbanisation makes itself felt throughout South Africa. We recommend that a national process led by central government, but involving provincial and local government, be instituted. It will need to deal with the following:

- *Development of a national register of displaced urban settlements*

It is important to assess just how many such places there are, and what their characteristics are, if we are to understand and assess the scale and effects of current interventions in such places by the relevant authorities. A preliminary list of displaced urban areas, based on CDE's incomplete information,

***Displaced urbanisation raises the question of the costs and benefits of state investment in alternative locations. Current practice in many such places gives rise to the question whether 'good money is being thrown after bad'?***

appears on the facing page.

Further research is necessary to ensure a complete national register. Such a register should probably be developed by Central Statistical Services, building on the results of the 1996 census. We suggest that the two key criteria for identifying displacement should be:

whether the area concerned was established as a result of political and/or racial controls; and

whether it is unusually far from those cities or towns with most of the work opportunities relevant to the people who live there.

- *Classification of displaced urban areas*

However policy development can begin and action taken before a register of all displaced urban areas is compiled. A useful starting point would be to begin discussing how the government should respond to the 11 areas studied by CDE.

In a previous section (locality studies) it has been suggested that a useful point of policy departure would be a settlement's positioning within four categories in an evolving settlement system – probable 'rural-urban slums' probable less popular exurbs' probable more functionally autonomous settlements and probable popular suburbs. This classification is of course no more than a point of departure, and there are more displaced areas than just the 11 case studies examined here which will ultimately need to be slotted into a more refined classification. However with these and other qualifications in mind, it is still useful to ask, how the 11 places studied here might fit into an initial four-fold classification.

It is proposed that

- (i) Glenmore, Sada/Whittlesea and Loskop are most likely to become 'rural-urban slums' thus future policy issues will revolve around welfare. Although citizens deserve their fair share of resources, apart from agricultural and rural micro enterprise initiatives these areas do not appear to merit long-term state investment.
- (ii) Mondlo, Winterveld and Dimbaza are likely to become less popular exurbs' thus future policy should focus on helping people to move closer to the centres where they are employed as well as incorporating the remaining settlements into the municipal areas on which they depend (Vryheid, Pretoria and Kingwilliamstown respectively).
- (iii) A range of places could become more functionally autonomous over time and in different ways. Different forms of local economic development are therefore relevant to each of them as are different forms of local institutional support for such development:

**Does the chosen initiative elicit the best possible response from private investors, and does it create multiplier relationships between investments in different sectors?**

a degree of functional autonomy in local economic development, as well as institutional support for such development, in Botshabelo could likely best be achieved via a closer relationship with Bloemfontein (see box, facing page.) in the cases of both Siyabuswa and southern KwaNdebele local economic development strategies are also merited, but institutional support in such cases (apart from those already established with provinces and district councils) would likely best be achieved via agency relationships with the municipal areas on which most workers depend.

in the case of Bushbuckridge, local economic development strategies are also important and here the question of appropriate forms of institutional support are perhaps the most complex of all (see box, this page.)

(iv) Only Zwelitsha, which is now effectively a suburb of Kingwilliamstown, seems likely to remain popular irrespective of policy interventions. While the Eastern Cape is economically depressed, Zwelitsha is the one settlement studied which broadly conforms to international settlement norms, and is both close to an established urban centre and aligned with an inter-urban transport route (Kingwilliamstown/East London).

These classifications are merely proposals, but if they are adopted they would lead to quite different policy responses to the various settlements. In short, some places seem destined to become declining rural slums for ageing people, while others could become far, outlying suburbs (with pluses and minuses for the inhabitants and society overall) of expanding cities, metro regions and towns.

• *No displaced urban area is a town in its own right*

However, it should be clear that none of the areas studied are towns in their own right, and that they depend economically on linkages with other (organically formed) towns and/or the surrounding regions. This has important implications for local government.

In the case of Dimbaza and Zwelitsha, this has already been recognised, and they now form part of the Kingwilliamstown TLC. Similar strategies should be sustained in the case of Mondlo and Vryheid.

In other cases it will be appropriate for a place to become a substructure of an adjacent metropolitan government. This seems to be the best option for Winterveld and Pretoria, and Botshabelo and Bloemfontein. In still other areas (for example Loskop and Glenmore), the most relevant local

government linkages may be with a district council, and yet others (such as Siyabuswa) should consider forming agency relationships with a metropolitan council (such as Pretoria or Witbank/Middelburg).

Bushbuckridge presents special local government challenges. If changing the provincial boundaries is deemed impossible, it will probably be necessary to create a new two-tier metropolitan structure which will straddle the border

between Mpumalanga and Northern Province and encompass several displaced urban areas as well as towns in a new sub-region (ie Bushbuckridge, White River, Nelspruit, and so on).

• *Decisions need to be taken and acted upon*

CDE has examined three of our case studies in greater depth; they are Winterveld, Bushbuckridge, and Botshabelo (see boxes). We propose immediate action with respect to these three places. These studies are put forward as concrete exam-

### **Bushbuckridge — future strategy**

Most residents of Bushbuckridge are unlikely to move, and those who commute to work outside the area do so to a variety of subregional destinations. The Bushbuckridge area is not clearly 'twinned' with any single urban node, and its string of settlements conforms more to a corridor than a nodal form.

Of all the case studies Bushbuckridge presents the most complex strategic challenge, largely because of the recent history of political polarisation in the area. The most productive development strategy is probably to continue emphasising practical project work in the area, such as roadworks and associated activities related to the recently announced Phalaborwa SDI (connecting Phalaborwa with the Maputo corridor, via the Bushbuckridge area). Agricultural and tourist enterprises in this subregion might be promoted to supplement existing local enterprise.

Future local government systems in the area should probably flow out of the co-operative relationships established in the course of such practical development work. Interprovincial liaison around the SDI may, for example, be used as a platform for negotiating a cross-border, metro-like system of local governance for this burgeoning area of urban and peri-urban interdependence.

ples of what we believe needs to be done with respect to displaced urban areas generally.

As can be seen, the decisions required in respect of each of these places is different, but centre on their incorporation into the country's local government system.

This is an important part of recognising the unusual nature of these settlements. Ad hoc measures to improve conditions in these areas will not achieve much and will be hard to sustain if the settlements are not integrated with the local government system.

#### **4. A national register is required of places occupied by the poor.**

One possible difficulty with the national register we have proposed is that it may abstract displaced urban areas out of their context within the full spectrum of settlements of poor black South Africans; emphasising them in this way could further

#### **Botshabelo — future strategy**

It is unlikely that most of Botshabelo's remaining residents will move away, or that it will become an effective, autonomous municipality. Functional links between Botshabelo and Bloemfontein are likely to remain strong. If Botshabelo is to avoid becoming a 'welfare' municipality, relying almost entirely on intergovernmental transfers via the Department of Finance's planned 'S-grant', the demarcation board will need to seriously consider including Botshabelo in a Bloemfontein metro (as yet no metro exists in the Free State). The rationale behind this move would be to marry the technical capacity of the metro to the financial resources of the 'S-grant', thereby making the best possible use of the funds involved.

Planning and implementing development strategy in and around Botshabelo should be part of a wider sub-regional strategy focused on nurturing economies of agglomeration and local competitive advantage. The creation of a metropolitan council in the central Free State around Bloemfontein is plausible once it is recognised that the population of the greater Bloemfontein area (including Botshabelo) is now close to 700 000. The area between Botshabelo and Bloemfontein could then be planned coherently, with a probable emphasis on a mix of small-scale farming, market gardening, service industry and related entrepreneurial activity benefiting the region. This could be of interest, inter alia, to the departments of Water Affairs, Land Affairs, Transport, Trade and Industries as well as a Bloemfontein metro.

marginalise other types of settlements. (It will be recalled that, earlier in this report, we identified some 14 different categories of settlement of poorer black South Africans, with displaced urbanisation only covering some three to six of these.)

Thus a serious policy issue is how much developmental attention Botshabelo should receive relative to, say, the townships of Bloemfontein and Winburg, or those of smaller towns such as Dewetsdorp or Hobhouse. The answer must depend partly on accurate estimates of the potential developmental returns on investments in various sectors of the subregional economy. But it will also partly depend on assessments of conditions and the quality of life in the townships in question. For example, are conditions better or worse in Botshabelo or in informal settlements in or around Bloemfontein? Which places have the best chance of really developing if investments were made there? There is currently no reliable body of information on which to base such assessments.

We therefore recommend that a national register of settlements of poor black people be urgently compiled. This should contain indicators of:

- socio-economic conditions;
  - future economic prospects;
  - in- and out-migration;
  - levels and types of public and private investment;
  - future developmental constraints and possibilities; and
  - neighbouring formal towns/townships/cities/metros.
- Such a register could be very useful. It would:
- focus attention on the many different kinds of settlement of black South Africans;
  - remove the illusion that there are 'normal' towns and cities in South Africa, and provide a more informed base for thinking about its settlement system;
  - ensure that 'hidden' people, settlements and communities are more clearly identified and their futures properly thought about; and
  - help to provoke a national debate on development priorities and the inevitable hard choices that such a classification will entail for future government policies and investment decisions.

#### **5. South Africa needs an urbanisation strategy.**

- *Reliable statistics on migration and urbanisation are urgently needed*

This report has shown that contemporary settlement and migration realities do not correspond with the prevailing assumptions in the South African policy and research community. For example, the nature and extent of 'voluntary ex-urbanites' have surprised us and others; the shift away from

buses towards minibus taxis has been more rapid than anticipated; and signs of recent 'backwash' migration from the cities to rural and displaced urban areas run counter to the prevailing wisdom on displaced urbanisation.

By 1995 CDE had already developed some inkling of the changing nature of urbanisation and migration when it referred in its document *Post-apartheid population and income trends* to the idea of a 'new balance' among cities, smaller towns and rural areas. However, these observations were based largely on comparisons of the 1985 and 1991 censuses, and the present report, while based on more up-to-date data, refers to only one subcomponent of the population.

The need for a national study of urbanisation and migration must therefore be emphasised. We currently have little accurate information on the rate, scale or pattern of migration and urbanisation in South Africa. In a country in which only some 50 per cent of people are urbanised, this is an enormously important demographic factor.

Without it, policy approaches towards a wide variety of socio-economic challenges will be based on highly questionable assumptions; for example, anticipating where population growth will occur and why will be very difficult. And unless this can be accurately done, there can be no guarantee that resources will be allocated more efficiently in future than they were in the past.

- *Choices about urbanisation and the where of development need to be made.*

Frameworks for guiding the 'where' of development have been changing for some time. As noted earlier, the displaced urban areas studied here are partly the product of a previous era of planning for development which, inter alia, sought to deflect black urbanisation away from the so-called 'white' cities, and develop the homelands.

Post-apartheid planning frameworks have begun to emerge, as evidenced by the Draft National Spatial Development Framework of April 1997

However, not all government stakeholders accepted the framework, and not all provincial governments have pursued the matter in any depth. Moreover, a national review of central and provincial government departments conducted for CDE in November 1997 suggests that little progress has been made since the release of the framework, which was in any case largely descriptive.<sup>32</sup>

Perhaps the most promising indication to date of a revival of spatial planning are the Spatial Development Initiatives (SDIs) initiated by the departments of Transport and Trade and Industry. However, SDIs have a focused and selective approach to the overall range of development constraints and prospects, and in this respect they tend to mirror the limitations of the previous government's 'growth centre' approach (although SDIs are a marked improvement in terms

of their realism).

At the very least, what seems to be required is an open and informed debate about alternative approaches to the 'where' of development. This will probably boil down to establishing priorities in a context of limited resources. Indeed, displaced urbanisation is a stark reminder that governments cannot do everything everywhere. When decisions have to be taken about long-term public investments such as where to build roads, where to lay water pipelines or where to place a regional hospital, for example, hard choices have to be made.

A great strength of the SDI approach has been its prioritisation of:

- i) the economies of agglomeration (or the efficiencies that

## **Winterveld — future strategy**

In practical terms, Winterveld is a suburb of Pretoria, yet formally it lies beyond the metropolitan council's boundaries and indeed outside Gauteng. Despite this, many of its residents are either planning to move closer to Pretoria, or would like to do so. Is it possible to efficiently plan and develop the greater Pretoria area while this contradiction exists?

Winterveld's situation is analogous to that of the Inanda area within the Durban Metropolitan Council (DMC) area — another informal settlement on the periphery of a metropolis. If this area had been excluded from the DMC, the improvement in local living conditions would have been slower. Moreover, the overall planning of the metro, particularly with regard to transport, land use, planning and service delivery would have been more difficult and would have required more provincial intervention.

Therefore, a first step towards facing the challenges presented by Winterveld would be for the demarcation board to consider the need to link Winterveld to Pretoria (as a separate substructure within the metro). The inclusion of Winterveld into the Greater Pretoria Metropolitan Council (GPMC) area would only raise the latter's population by some 12 per cent, and can therefore hardly be regarded as a radical step.

A second step would be to adjust Pretoria's Land Development Objectives (LDO) to the changed situation, particularly by offering more housing closer to Pretoria. At the same time, the density of Winterveld itself should perhaps be reduced, and efforts to upgrade services concentrated on areas closest to established road and rail termini. (See box, *The making of displaced urbanites*, page 28.)

derive from having the various factors of production close together);

- ii) the comparative and competitive advantages of different localities; and
- iii) achieving efficiency and synergy between patterns of public and private investment.

These are the principles that need to underpin the process of prioritising both public and private future investment. Key criteria for determining those priorities are:

**Individual choice:** Is the chosen initiative compatible with a scenario in which people have freedom of choice, and principles of economic efficiency are allowed to operate?

**Return on investment:** Does the chosen initiative offer the highest rate of return (including social benefits yielded per unit of state input) on both past and future state investments?

**Leverage and synergy:** Does the chosen initiative elicit the best possible response from private investors, and does it create multiplier relationships between investments in different sectors?

These kind of questions would clearly have a big impact on when and whether further investments are made in most of the areas of displaced urbanisation identified in this study.

• *A critical component of an effective urbanisation strategy is a realistic rural development programme*

For decades South Africa has neglected the needs of the millions of people living in rural areas. The country desperately needs an effective rural strategy as part of its national vision of economic growth and development. What is required is an analytic and quantitative assessment of the nature of the current situation and the core of the development challenge in rural areas. On this base strategies must then be developed that deal with the realities of a countryside that has become increasingly dependent on the urban economy and urban options as a central part of almost every rural person's life choices. The rural areas are having to deal with the consequences of declining migrant labour possibilities and increasing urban unemployment, both of which have enormous implications for the future of rural areas.

It is important to remember that what South Africa has is a dynamic single continuum all the way from deep rural areas to the heart of the city. This linkage needs far greater attention both in terms of our currently limited understanding of the nature and volume of the interactions, but most importantly in terms of the policy implications for government policy and strategy.

A better understanding of the South African urbanization process and its outcomes will have important consequences for many aspects of current policy: from where social and physical infrastructure should be invested to housing, land, water, health and transportation policies.

## **6. South Africa needs to focus more attention on the effective management of cities and towns.**

It is important to recognise that the continued existence, and in some cases growth, of areas of displaced urbanisation amounts to a vote of no confidence by their residents in the established cities and towns. This also means that we are perpetuating a highly inefficient allocation of resources, because we are not managing our cities and towns effectively. When residents of displaced areas talk of lower crime, better housing and a greater sense of community, they are commenting negatively on many aspects of our towns and cities.

For the country to achieve a more equitable and efficient system of cities and towns, we have to pay more attention to 'getting the cities right'. The national importance of doing that is self-evident when we consider that some 80 per cent of GDP is produced in the cities and towns. This study of displaced urbanisation has also revealed the national implications and costs of not managing our established urban areas effectively. If we are to incrementally incorporate areas of displaced settlement into the local government system, we will be adding to the pressures on the cities and towns. This will make it even more important to manage these urban centres more effectively.<sup>33</sup>

## **7 A coherent framework for public/private expenditure is essential.**

Evidence suggests that public and private investment in displaced urban areas are not well synchronised. Yet an important principle in facilitating growth and development is to ensure that different departments and tiers of government allocate public resources in such a way that they complement and support each other. For example, the siting of schools should be correlated with the building of clinics or hospitals, and both should be where the people are, or where they will probably be if they had freedom of choice. Moreover, it is generally preferable for public investors to anticipate where private investments are likely to be made, and to tailor their efforts accordingly. Unless this is done, patterns of national resource allocations will continue to be grossly inefficient.

This suggests that a coherent framework should be created for both public and private expenditure at the local level, allowing synergy rather than dissipation or conflict to flow from the allocation of resources. The government's recent emphasis on integrated development frameworks and plans (IDFs/IDPs) as well as land development objectives (LDOs) may result in greater synergy, although the impact of these initiatives on resource allocation is yet to be felt. Moreover, such exercises involve mainly local-level integration and do not oblige national departments (such as those for water, health,

land, education and welfare) to co-ordinate their efforts.

Given this situation, the extent of synergy and conflict in local resource allocations should be monitored, and ways suggested in which local alignment could be achieved. This should be done irrespective of the outcome of the national debate on the 'where' of development.

## **8. Public expenditure must ensure maximum returns.**

As South Africa realigns state expenditure to the needs of the

whole country and all its citizens, so it becomes absolutely essential that public money is spent wisely. What is required are clear and transparent guidelines on how money should be allocated.

### **• Transport subsidies**

Displaced urbanisation directly raises the question of South Africa's bus subsidy system. However, our research indicates the necessity of an urgent investigation. Something must be wrong when hundreds of millions of public rands are being used to prop up a transport system which is being used less

## **The making of displaced urbanites – Pretoria and its satellites**

Pretoria is one of the least African of South African's metropolitan areas. A city surrounded to the north by a series of very poorly serviced dormitory suburbs in which conditions are even worse than those in the former black areas within the boundaries of the greater Pretoria metropolitan council.

Functionally Pretoria is a three-lobed metro complex of some two and a half million people of whom about half are located in the former homelands. These three lobes – a southern core (official Pretoria), a north-western satellite (Winterveld) and a north-eastern satellite (former KwaNdebele) – are highly interdependent yet each is separated from the other by considerable distances, agricultural land and political boundaries. Nowhere else in South Africa has intra-metropolitan apartheid and segregation been so pronounced. This reality is not an accident.

By 1936 there were roughly equal numbers of whites and blacks living in and around Pretoria. Like many other South African cities, while there was a fairly high level of segregation in pre-apartheid years, blacks often lived adjacent to whites and quite close to the city centre. During the 1950s tens of thousands of residents were forcibly removed under the Illegal Squatting and Group Areas Acts to the more peripheral townships of Atteridgeville and Mamelodi. By 1961 there was already a shortage of several thousand houses in these two townships. To accommodate growth the Pretoria City Council motivated the establishment of Ga-Rankuwa behind the 'black reserve' (later Baphuthatswana 'homeland') boundary about 30 kilometres north west of Pretoria.

Settlement in this area expanded rapidly and extended into what became known as Winterveld. The establishment of Ga-Rankuwa was coupled with the establishment of 'border industrial areas' such as Rosslyn and later Babelegi. Together Rosslyn/Babelegi and Ga-Rankuwa/Winterveld made up a black labour-cum-industrial complex which pioneered government thinking on the development of 'homelands' and 'white' cities. Given the recognition that not all blacks could be

restricted to the 'homelands', government planned to develop satellite urban areas near to 'white' cities which could be politically accommodated in 'homelands'. This plan was emulated at much the same time or soon afterwards at Mdantsane/East London, Hammarsdale/Durban, Dimbaza/Kingwilliamstown, Botshabelo/Bloemfontein.

A similar train of events was set in motion in the 'homeland' of KwaNdebele north east of Pretoria. Here industrial deconcentration points were set up at Bronkhorstpruit and Ekangala to provide work opportunities for people (many of them former Pretoria residents) who had settled in closer settlements behind the 'homeland' boundary. As with the north-western Winterveld complex, the north-eastern KwaNdebele conurbation effectively became a satellite of Pretoria with over 40 per cent of KwaNdebele employees working in Pretoria by 1992.

There are in fact two Pretorias: a legal one encompassed by the official metropolitan boundaries and a larger functional Pretoria which includes settlements at Winterveld and others in the former Baphuthatswana and KwaNdebele. These places now face the danger of being regarded as the peripheral 'problem belts' of North West and Mpumalanga provinces, rather than being treated as the suburbs of Pretoria which they mainly are. That even remote areas such as the former KwaNdebele are functionally dependent on Pretoria can be seen in commuting, work, shopping and other patterns.

Winterveld is one of the most glaring legacies of apartheid: a settlement of some 200 000 people created when millions of black South Africans were forced to live in places and in circumstances that were not of their choosing. Most people live in shacks with poor servicing levels. Over 80 per cent of those who work do so in Pretoria; unemployment is estimated at over 40 per cent.

Fully fledged local government is not yet operating in the area. In many respects the area is administered as a geographically marginal outpost of Mafikeng (North West government) priorities. Winterveld is not a town in its own

and less, with alternative modes becoming increasingly price-competitive. We therefore recommend an urgent study on the issue of whether bus subsidies are still necessary and justified in a context of increasing price-competitiveness from the taxi industry. Who exactly benefits from this subsidy? This study should be situated in a wider analysis of anticipated modal shifts in transport informed by parallel experiences elsewhere in the world.

- *Other subsidies*

The phenomenon of displaced urbanisation raises questions

right and is dependent for its economic survival on linkages with a proper city – Pretoria.

In many respects legal Pretoria consists of a blend of privilege and relative disadvantage. On average, socio-economic conditions in legal Pretoria are better than those in other South African metropolitan areas, but this is because Pretoria has effectively excluded a large part of its population. It is outside of legal Pretoria that most of the city's poor and marginalised are to be found. While black households in legal Pretoria increased their real incomes by 17 per cent between 1985-95, in Winterveld average real incomes dropped by 12 per cent. In 1993 only 4 per cent of the Winterveld-Klippan population had a formal water-supply (compared to 32 per cent in Soshanguve); only 0.01 per cent had formal sanitation (compared to nearly 100 per cent in Atteridgeville and Soshanguve). More recent data on Winterveld and former KwaNdebele suggest that some service levels have improved in these areas partly as a result of recent government efforts to improve conditions. However questions could be raised as to the wisdom of further investment in such areas as opposed to providing housing and services closer to Pretoria.

The future of Winterveld and KwaNdebele is dependent on two different provinces, with Pretoria in a third province. It is probable that neither North West nor Mpumalango see Winterveld or KwaNdebele as central to their development priorities. Winterveld for example is the single largest settlement in North West province. According to official (albeit unaudited) figures from 1995-1997 Winterveld, Mabopone and Temba areas received 9 per cent of total housing subsidies in the province, 6,318 out of 67,918. The average per capita expenditure on health in North West 1996/97 was R394,92 and that in the Odi-Maretele area (which includes Winterveld) was R84 and R236 respectively.

This apartheid-style disaggregation of Pretoria and its population was entrenched in 1994 with new provincial boundaries which perpetuated a racially divided Pretoria metropoli-

tan area – a functional metropolitan region bizarrely located in three different provinces. This situation allows legal Pretoria to externalise the costs of its growth and development ('the reproduction of its labour force') by passing off responsibility for the poor to other less resourced authorities (North West and Mpumalanga provinces) – a situation which is remarkably similar to what the apartheid planners of the 1960s and 1970s had in mind.

concerning the future of subsidies more generally. The question of subsidies is complicated when a country moves out of a situation characterised by multiple market distortions. However, the issue of subsidies stretches far wider than buses only. For example, the recurrent costs of some services in displaced urban areas seem to be implicitly subsidised, and the extension of bulk services such as water, sewerage and electricity to such areas will involve higher per capita subsidies than in the 'normal' urban areas. For this reason the Department of Finance, among others, should take note of the fiscal irrationalities associated with displaced urbanisation, and

tan area – a functional metropolitan region bizarrely located in three different provinces. This situation allows legal Pretoria to externalise the costs of its growth and development ('the reproduction of its labour force') by passing off responsibility for the poor to other less resourced authorities (North West and Mpumalanga provinces) – a situation which is remarkably similar to what the apartheid planners of the 1960s and 1970s had in mind.

Pretoria has become what it is today – a highly fragmented and divided metropolis – through a concerted political programme of division and separation lasting more than 50 years. The dormitory communities that depend upon and serve Pretoria have been politically and administratively excluded from their claim on the budget, capacity, resources and energy of the country's third largest city. They have been condemned to perpetual marginal status.

CDE believes that Pretoria should extend its boundaries to include Winterveld. With respect to southern KwaNdebele and northern KwaNdebele (Siyabuswa) the situation is more complicated and we would strongly recommend the establishment of agency relationships with Pretoria and possibly Witbank/Middelburg.

New boundaries will require a new definition of Pretoria and its responsibilities. National government needs to play a part in persuading the city to expand its borders and acquire a new inclusive self-image. It is critically important that if national government decides to move parliament to Pretoria it demands a quid pro quo from the city. This should be a commitment by Pretoria to incorporate and develop Winterveld as a 'suburb' of an expanded metropolitan area. And a commitment to explore an agency relationship with at least southern KwaNdebele and a possible partnership agency relationship with Witbank/Middelburg with respect to Siyabuswa. (This box is based on the recently released CDE Research no 8, *Pretoria – from apartheid's model city to a rising African star?*, July 1998.)

encourage greater fiscal discipline.

The department's policy document entitled *The introduction of an equitable share of nationally raised revenue for local government* of April 1998 provides a reasonable approach towards 'levelling the playing fields' in subsidising both capital and recurrent costs at a local level. (It uses poverty indices as a basis for the largest component of such allocations.) What is critical is that, if there are to be subsidies for poorer people in South Africa, these must be based on clear guide lines, and they must be accounted for in a transparent manner. Clearly this is another factor in considering the future viability and efficacy of investment in displaced urban areas.

## **9 Providing incentives for change.**

International experts no longer favour a single, central and comprehensive spatial planning framework in any country, but this does not mean that national spatial planning has become entirely irrelevant, or that all government should do is to make a set of targeted spatial interventions and leave the rest to chance and/or political determination. The programme leading to the Draft National Spatial Development Framework of April 1997 recognised this by providing for a 'bottom-up' process in which provinces could articulate their own priorities (however, as has been noted, the response to date has been uneven).

The question thus arises: how should this research on displaced urbanisation be situated within an appropriate framework of provincial and national spatial development planning? The Development Facilitation Act provides for planning and development 'commissions' at the provincial and national level, tasked with advising the relevant minister/MECs on spatial planning policy. However, despite this, most actual resources (such as new highways, housing subsidies and so on) are currently being allocated without referring to such commissions.

This may change, but questions still arise as to: (i) how effective these commissions might be; (ii) what such commissions' perspectives might be on issues such as displaced urbanisation; and (iii) how their influence over planning will be received by the various government departments which may need to respond to them.

These observations suggest the need for the placement of this report within a broader process of reactivating and restructuring spatial development policy. The challenges posed by displaced urbanisation are such that any effective policy intervention will require a co-ordinated response by a range of government departments and tiers of government; yet our research into the spatial perceptions and practices of

***A coherent framework should be created for both public and private expenditure at the local level, allowing synergy rather than dissipation or conflict to flow from the allocation of resources***

such departments and tiers suggests that it would be premature to expect a coherent policy response. Indeed, a policy adjustment made by one department (such as Transport) may not be understood and acted on by another.

One way of improving this situation may be via central government rewards to local and provincial governments for meeting certain performance criteria in the course of their own allocation of resources. This idea is similar to the so-called 'matching grants' approach used by

the federal government in the United States in relation to state and local government development plans. For example, the criteria for determining developmental priorities identified earlier could be further elaborated and unpacked by central government, and then advertised as one basis upon which departments such as Transport, Water Affairs, Housing, and others should make their grants available to local and provincial governments.

However, CDE also reiterates its recommendation, in its response to the government's white paper on local government, for a competitive urban development fund. It is suggested that, in order to stimulate innovative local thinking on development and the leveraging of private funds towards such ends, some government finances should be allocated on the basis of local areas' abilities to harness their comparative and competitive advantages in the developmental arena. A consideration that could also be factored in would be municipalities' willingness to incorporate formerly displaced settlements and provide resources for their development.

## **10. Implications for the private sector, international donors and NGOs.**

Thus far, these recommendations have focused on government policy and the actions required to respond to CDE's findings. However, it is important to note that our findings have implications for private donor funding, which has found its way into at least some areas of displaced urbanisation.

Strategic choices are required with respect to future investment by donors in these places. Like government, private and international donors need to think carefully about the costs and benefits of their interventions in these areas.

## **Conclusion**

Displaced urban places are not towns in their own right, and planning for their future will require continual reference to their linkages to adjacent towns/cities and a recognition of their contexts within wider settlement systems.



Having said this, once they have been isolated as a subject for policy concern, displaced urban areas turn out to have some surprising features. There is less of a need for altering state policy on such areas than might initially have been expected, and there seems to be less cause for anxiety over the implications of possible policy adjustments affecting these areas (such as bus subsidy reductions) than might initially have been supposed.

People have largely made their adjustments in the wake of the collapse of apartheid, and entrepreneurs, for example those in the taxi business, are increasingly marginalising the residues of apartheid's transport infrastructure. The settlements themselves are apparently sorting themselves out within the pecking order of locational preferences of households and firms.

What is clear is that most of these displaced areas must be rooted in appropriate local and provincial governmental systems and that the central government needs to initiate a country-wide process in order to identify all places of displaced

***Human settlement normally does, and should, follow economic forces and not vice versa. South Africans should never again ignore this fundamental truth, however well-intentioned they believe their efforts to be***

settlement and the steps required to change their structural position within the system of local and regional government.

This study also raises very important questions about national priorities, as well as the potential folly of a 'victim driven approach to policy formulation and determining development priorities.

It does serve as a spur to a more realistic and developmental conception of national priorities. As such, it also stimulates more fundamental concerns. Where will we as a society get maximum return for 'public rands' for most people

in this society now and in the future? What are the best spatial frameworks for development in post-apartheid South Africa now and for the next 20 years?

Above all, it serves as a reminder of the point that human settlement normally does, and should, follow economic forces and not vice versa. South Africans should never again ignore this fundamental truth, however well-intentioned they believe their efforts to be.

## Endnotes

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*A democratic South Africa must be careful that new public money is not wasted in (directly or indirectly) perpetuating the bad policies of the past*

*Where will we as a society get maximum return for 'public rands' for most people in this society now and in the future?  
What are the best spatial frameworks for development in post-apartheid South Africa now and for the next 20 years?*

*Mechanisms will have to be devised to ensure that provincial and national departments co-ordinate their service delivery. For example, if national plans for providing new water facilities do not correspond with plans for providing housing, educational facilities and so on, this could lead to considerable inefficiencies in the overall distribution of state resources*

*While the general public interest in respect of displaced urban areas may not always correspond with the interests of particular groups, policy-makers and planners must begin by listening to those who are most directly affected. This is all the more important as people's views and aspirations not only vary within a given place but also among places*

**This edition of *CDE Research* is based on the following background research reports:**

- A C Horn, Report on transport issues with regard to certain peripheral settlements in the Pretoria area. 1998.
- F Kitchin, Displaced urbanisation project: government structures and infrastructural costs, 1998.
- F Kitchin, Scan of departmental planning and the mapping of government services in South Africa, 1997
- J J McCarthy, Locality studies of displaced urban places, 1998.
- L Schlemmer, Displaced urbanisation: focused interview survey in 11 areas, 1998.

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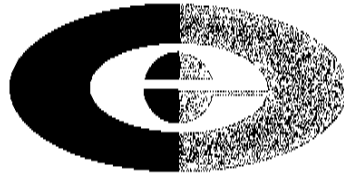
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