Improving spatial planning in South African district municipalities: Towards inclusive growth and development

Khulekani Mathe

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Abstract

Inefficient apartheid spatial planning has proved difficult to address in the democratic era in South Africa. The post-apartheid government has failed to direct settlement planning and land use in a manner that ensures access to economic opportunities, especially for the poor. The reasons are manifold, but principally, it is the failure of the state to back its intentions in respect of addressing the apartheid geography with resources. The case in point is the location of government-provided low cost housing. These tend to be located much further away, driven largely by the availability of cheap land and the commitment to provide huge numbers of housing to address what has become known as ‘the housing backlog’. In order to address poverty and inequality, there is an urgent need to address spatial inefficiencies informed by a deep understanding of the factors at play.

Keywords: spatial planning; urbanisation; rural development; apartheid geography

1 Introduction

Inefficient apartheid spatial planning has proved difficult to address in the democratic era in South Africa. Post-apartheid planning has done little to address the situation and in some respects even aggravated the situation. The case in point is the location of low cost housing that government provides. They are often located further away from places that provide employment opportunities. This is often driven by the availability of cheap land (Cross, 2008:108) and the commitment to provide huge numbers of housing to address what has become known as ‘the housing backlog’.

This paper is based on the author’s observations as Project Manager of an initiative by the Presidency to promote the application of the principles of the National Spatial Development Perspective (NSDP) at sub-national levels (The Presidency, 2003 & 2006). Although the material produced as part of the District Application Project (DAP) (as it became known) is used, this paper does not purport to be an official evaluation of the DAP.

1 I would like to thank all my former colleagues in the Planning Unit in the Presidency for stimulating discussions which put a lot of things into perspective; and Professor Mark Oranje whose comments greatly improved the paper. All errors and omissions remain my own
The paper uses data from the DAP and analyses income levels, settlement patterns, migration and household formation variables to assess how people are affected by the lack of opportunities and how they respond.

This paper has six sections. The next section provides a brief background to the initiative and its theoretical underpinnings followed by a methodology. The fourth section presents some of the key findings; the fifth section discusses the findings and the sixth section concludes the paper.

2 Background

In 2003, Cabinet approved the NSDP as a framework to facilitate the analysis of spatial dynamics in making investment decisions by all of government. The NSDP provides a national overview of areas where the majority of the poor live and where economic opportunities are located, using the minimum living level and gross value-added as respective measures.

Since 2006, the Presidency has been working with various District Municipalities in an initiative to improve spatial planning at the local government sphere. This was informed by an assessment of how local government had responded to the NSDP 2003. The main thrust of the DAP was to raise the level of awareness and understanding of the NSDP among planners at sub-national spheres and facilitate application of its principles in strategic, development and sector plans. It was implemented in three phases namely: data analysis; workshops with stakeholders; and assessment of institutional weakness that would need to be addressed in order for districts to effectively implement their development plans.

2.1 Overview of the NSDP

The NSDP is post-apartheid South Africa’s first framework to guide public investment. It is a principle-led framework; describes socio-economic and environmental trends; and provides an interpretation of policy implications of the trends (The Presidency, 2006: ii). Its foundations can be traced to a number of theoretical strands, including New Economic Geography (NEG), Institutional Economics (IE), Regional and Urban Economics (RUE) and descriptions of ‘good planning practice’ as espoused in the last two decades’ of Planning Theory.

Economic development potential and poverty measures are used in the analysis to inform the normative investment principles of the NSDP. Using these measures reveals two striking spatial
characteristics. Firstly, that South Africa has 26 areas that can be regarded as engines of the South African economy. These areas cover 31% of the land surface, house 84% of the population and generate 96% of national economic activity. Seventy-seven percent of the poor are also found in these areas according to 2004-estimates. Secondly, that the remainder of the population is located in areas with limited economic activity, especially in the former Bantustans (Mohamed, 2009:214) and depend largely on social transfers and assistance. Per capita income in some areas is 9% (R2374) below the national average (R26 378).

The NSDP recognises that as a global phenomenon, social and economic development tends to be distributed unevenly across space. Evidence from other countries shows that economic growth and populations tend to be spatially concentrated, the precise extent of which is a product of each country’s history; natural and other resource endowments; and the persistence and intensification of historical growth path-processes. The NSDP recognises that regions are different and their unique characteristics should inform formulation of regional policy.

Based on this understanding, the NSDP (2006) put forward five normative principles to guide government investment: (1) Rapid economic growth that is sustained and inclusive is a prerequisite for the achievement of other policy objectives; (2) Government has a constitutional obligation to provide basic services to all citizens wherever they reside; (3) Beyond the constitutional obligation government spending on fixed investment should be focused on localities of economic growth and/or economic potential; (4) Efforts to address past and current social inequalities should focus on people, not places; and (5) Future settlement and economic development opportunities should be channelled to activity corridors and nodes that are adjacent to main growth centres.

The DAP was intended to ensure that these principles are fully understood and put into practice in the local government sphere. It was first run on a pilot basis in 13 district municipalities and later extended to the remaining district municipalities.

2.2 Establishing the theoretical basis of the NSDP

Though coming into prominence in the 1990s, economic geography has a very long history. Krugman (1997) provides an instructive account of the evolution of the theory of economic geography since the land-use model of Isolated State by JH von Thünen in 1826. Weber, Lösch, Christaller and Hicks contributed to the development of the theory of location using geometric analyses. Another strand of economic geography known as cumulative causation contributed to the development of spatial theory
of economics. At a highly simplified level, this theory holds that firms tend to be drawn towards large markets and markets tend to be large where lots of firms locate (Ibid).

Some new economic geographers have distinguished what they call first and second nature geography as two explanations of the location of economic activity. First-nature geography refers to the performance of an area based on natural characteristics, including proximity to rivers, coasts, ports or borders or endowments of climate or natural resources. And Second-nature geography refers to economic gains from proximity, which results from interaction between firms and consumers in areas of concentrations; technological externalities; thick labour markets; and specialisation and size of the markets (Krugman, 1991; Fujita, et al., 2001; Kanbur and Venables, 2007). First-nature geography can give an area some initial advantage compared to others, but unless Second-nature geography effects are mobilised, the initial advantage tends to be short-lived.

In Europe for example, earlier regional policies targeted sectors through central government subsidies and state aid (de Michelis, 2009:230). Thinking has shifted over the years and the focus now is on tapping underutilised potential of each region and enhancing regional competitiveness (OECD, 2009). Urban economics shows that access to large and efficient labour markets, large consumer markets and thick institutions are good for firms (Rosenthal & Strange 2003). Economic geography is concerned with the location of economic activity, why firms choose to locate in one area rather than the other and why some areas perform better than others, what benefits accrue to individuals and firms as consequence of the locational decisions (Krugman, 1997).

Urban economics and New Economic Geography are similar in their recognition that the performance of countries is shaped by what happens in different regions - be they cities, mining or agricultural regions. It follows from this that although understanding poverty in aggregate terms is important, understanding it in spatial terms, is even more important.

New Economic Geography received a boost recently with the publication of the World Development Report 2009 (World Bank, 2009).

3 Methodology

The original design of the DAP had three key dimensions, namely: social, demographic, economic and environmental data-analysis; strategic engagement with key stakeholders of the district municipality on the key drivers of growth and development; and identification of opportunities to be exploited and utilised and challenges that need to be overcome. The final dimension included a review of
institutional aspects and identification of actions that need to be undertaken to facilitate development in ways that address spatial-economic inefficiencies.

The analytical framework used during the pilot phase was called the Strategic Engagement and Agreement Matrix (SEAM) developed by a team of researchers put together by the Council for Scientific and Industrial Research (CSIR). The SEAM-framework was used to collect, analyse and deliberate social, economic and safety and security data from municipalities and other public institutions. A decision was taken after the pilot to replace the SEAM with the framework used by the Organisation for Economic Cooperation and Development to conduct Territorial Reviews.

The CSIR was selected to conduct the pilot on behalf of the Presidency, supported by an interdepartmental steering committee. The CSIR in turn appointed a number of sub-contractors. Different procurement approaches were used in subsequent phases.

The rest of this paper presents a selection of socio-economic indicators which demonstrates the extent of spatial inequality; discusses their implications for policy and concludes.

4 A selection of socio-economic indicators

In this section, an overview of a selection of socio-economic indicators is presented. The data used in this section are drawn from a large dataset compiled by CSIR for the DAP and the Community Survey 2007 dataset (Statistics South Africa, 2007).

4.1 Economic output

Economic activity in South Africa is highly concentrated spatially. To illustrate, in 2007 the 10 biggest contributors to GDP among districts and metros contributed 65.4% (see Table). These top 10 contributors to GDP have the largest cities and towns within their boundaries or include areas richly endowed with natural resources. However, even in these areas, district or metro level data can conceal vast differences in the spatial distribution of economic activity as will be demonstrated later.

A further point to note about the top ten contributors to national output is that outside of the major cities, the South African economy remains dominated by natural resources, in particular mining. On the other hand, of the 10 districts contributing the least to national economic output, four are in the sparsely populated parts of the Northern Cape and Free State provinces and the remainder are in the former homeland areas of KwaZulu, Transkei, Ciskei and Bophuthatswana including some commercial farming areas.
Table 1: Top 10 contributors to GDP (district and metros) 2007

<table>
<thead>
<tr>
<th>District/Metro</th>
<th>Share of National GDP</th>
<th>Cumulative total</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Johannesburg MM</td>
<td>15.8</td>
<td>15.8</td>
</tr>
<tr>
<td>City of Cape Town MM</td>
<td>11.2</td>
<td>27</td>
</tr>
<tr>
<td>eThekwini MM</td>
<td>9.8</td>
<td>36.8</td>
</tr>
<tr>
<td>Ekurhuleni MM</td>
<td>7.8</td>
<td>44.6</td>
</tr>
<tr>
<td>City of Tshwane MM</td>
<td>7.6</td>
<td>52.2</td>
</tr>
<tr>
<td>Nelson Mandela Bay MM</td>
<td>3.2</td>
<td>55.4</td>
</tr>
<tr>
<td>Bojanala DM</td>
<td>2.8</td>
<td>58.2</td>
</tr>
<tr>
<td>West Rand DM</td>
<td>2.5</td>
<td>60.7</td>
</tr>
<tr>
<td>Nkangala DM</td>
<td>2.4</td>
<td>63.1</td>
</tr>
<tr>
<td>Ehlanzeni DM</td>
<td>2.3</td>
<td>65.4</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>65.4</strong></td>
<td><strong>65.4</strong></td>
</tr>
</tbody>
</table>

*Source: CSIR, 2009 using Quantec 2007*

When using Metro and Local Municipal level data to evaluate the spatial distribution of economic activity across the country, a slightly different picture emerges. The top 10 contributors to GDP include the 6 Metros and only 3 Local Municipalities from the original districts which were in the top 10; the fourth Local Municipality (Buffalo City) is located in a District (Amathole DM) which did not feature in the original list. This indicates that focusing on district level data can be deceiving, and that also within districts the national picture is repeated: there are high levels of concentration of economic activity, together with huge tracts of low levels of economic activity.

### 4.2 Per capita income

In 1995, the average national per capita income was estimated at R17 906 in 2000 prices. Of the 237 Local Municipalities and Metros, excluding District Municipalities (DM) and District Management Areas (DMA), 39 (16.5%) had per capita incomes between 75% and 100% of the national average, compared with 36 (15.2%) who had per capita incomes between 50% and 75% of the national average, 54 (22.8%) and 55 (23.2%) who had per capita income between 25% and 50% and less than 25% of
the national average respectively. Put simply, 109 or 46% of all Local and Metro Municipalities had per capita incomes equal to 50% and less than the national average per capita income.

On the contrary, 53 or 22.3% of the municipalities had per capita incomes above the national average. In fact, 12 municipalities had per capita incomes more than double the national average. The difference between the highest and the lowest average per capita income is staggering. The lowest income per capita was R143 in Lesedi Local Municipality in the Sedibeng DM in Gauteng and R81 170 in Thabazimbi Local Municipality in the Waterberg DM in Limpopo Province.

Table 2: Per capita income 1995 (in 2000 prices)

<table>
<thead>
<tr>
<th>% above average per capita income</th>
<th>25</th>
<th>50</th>
<th>75</th>
<th>100</th>
<th>&gt; 100</th>
</tr>
</thead>
<tbody>
<tr>
<td>R17,905</td>
<td>24</td>
<td>8</td>
<td>6</td>
<td>3</td>
<td>12</td>
</tr>
<tr>
<td>(10.1)</td>
<td>(3.4)</td>
<td>(2.5)</td>
<td>(1.3)</td>
<td>(5.1)</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% below average per capita income</th>
<th>25</th>
<th>50</th>
<th>75</th>
<th>&gt;75</th>
</tr>
</thead>
<tbody>
<tr>
<td>39</td>
<td>36</td>
<td>54</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>(16.5)</td>
<td>(15.2)</td>
<td>(22.8)</td>
<td>(23.2)</td>
<td></td>
</tr>
</tbody>
</table>

Source: own calculations from CSIR data based on the Quantec 2007

By 2001, the situation had hardly changed. The number of municipalities with per capita income above the national average had decreased from 22.3% to 19.8%. This means that the number of poorer municipalities increased, although there were notable changes within the quartiles of municipalities with per capita incomes below the national average. There were fewer municipalities with incomes in the last two quartiles below the national average. The municipalities occupying positions of highest and lowest per capita income had not changed. Astoundingly, while per capita income in Thabizimbi had increased by 3% (to R83 933) it declined by -8% in Lesedi (to R132).

Table 3: Per capita income 2001 (in 2000 prices)

<table>
<thead>
<tr>
<th>% above average per capita income</th>
<th>25</th>
<th>50</th>
<th>75</th>
<th>100</th>
<th>&gt; 100</th>
</tr>
</thead>
<tbody>
<tr>
<td>R19 192</td>
<td>18</td>
<td>11</td>
<td>3</td>
<td>4</td>
<td>11</td>
</tr>
<tr>
<td>(7.6)</td>
<td>(4.6)</td>
<td>(1.3)</td>
<td>(1.7)</td>
<td>(4.6)</td>
<td></td>
</tr>
</tbody>
</table>
The period between 2003 and 2007 is regarded as a high growth period in South Africa, and this is reflected in the changes in per capita incomes. By 2007, municipalities in the richest category had decreased by 3 compared to 2001, while four quartiles with income per capita above the national average had collectively increased by 8 municipalities including the gains from the richest category. Below the national average, the poorest quartile remained unchanged between 2001 and 2007, while the second poorest quartile decreased by 8 municipalities. The quartile closest to the national average (75-100%) declined by 5 municipalities with only 1 of those falling to the lower quartile and the remainder exceeding the national average per capita income.

Table 4: Per capita income 2007 (in 2000 prices)

<table>
<thead>
<tr>
<th>% below average per capita income</th>
<th>25</th>
<th>50</th>
<th>75</th>
<th>&gt;75</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>45</td>
<td>43</td>
<td>50</td>
<td>52</td>
</tr>
<tr>
<td>Source: own calculations from CSIR data based on the Quantec 2007</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The largest increase in per capita income happened in Prince Albert Local Municipality, from R10 538 to R34 286 (225%), moving from position 117 to 34 on the list of municipalities in terms of per capita income. On the contrary, Bitou Local Municipality experienced the largest decrease of per capita income, from R21 313 to R14 224 (-33%), taking it from position 35 to 129 on the list of municipalities in terms of per capita income. Both the Prince Albert and Bitou Local Municipalities are neither the richest nor the poorest in the country. So what lies behind this phenomenal change in their respective fortunes? To be sure, not one of the 10 municipalities which experienced the greatest decline of income per capita were amongst the poorest 10 municipalities, both in 1995 and 2007.
Similarly, neither of the municipalities with the top 10 fastest growing average per capita incomes was in the top ten highest per capita income earning municipalities in 1995 or 2007. And none of the top 10 municipalities with the largest increase in per capita income was in the top ten fastest growing municipal economies over the period 1995 – 2007. Much of the change in the growth rate of per capita income and output in these fastest growing municipalities is explained by the fact that they are small economies and a minor change either way can appear to be big in percentage terms although negligible in absolute terms. Interestingly, 5 of the 10 municipalities that had experienced the highest decline in income per capita over the period 1995 – 2007 were in the top 10 municipalities with the highest population growth over the same period.

Table 5: Top 10 per capita income decline; average GVA growth rate & average population growth rates, 1995 – 2007 (selected municipalities)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Umdoni</td>
<td>-10</td>
<td>4.8</td>
<td>2</td>
</tr>
<tr>
<td>Kgatelopele</td>
<td>-10</td>
<td>2.7</td>
<td>2.7</td>
</tr>
<tr>
<td>Stellenbosch</td>
<td>-17</td>
<td>6.2</td>
<td>4.7</td>
</tr>
<tr>
<td>Overstrand</td>
<td>-19</td>
<td>6.4</td>
<td>5.5</td>
</tr>
<tr>
<td>Westonaria</td>
<td>-19</td>
<td>-2.3</td>
<td>0.2</td>
</tr>
<tr>
<td>Umzimkhulu</td>
<td>-21</td>
<td>7.2</td>
<td>2.2</td>
</tr>
<tr>
<td>Kou-Kamma</td>
<td>-21</td>
<td>3.51</td>
<td>3</td>
</tr>
<tr>
<td>Emalahleni</td>
<td>-22</td>
<td>3</td>
<td>4.2</td>
</tr>
<tr>
<td>Mtubatuba</td>
<td>-27</td>
<td>12.7</td>
<td>4.5</td>
</tr>
<tr>
<td>Bitou</td>
<td>-33</td>
<td>7</td>
<td>6.3</td>
</tr>
</tbody>
</table>

*Source: own calculations from CSIR data based on the Quantec 2007*

The evidence from Table 5 indicates that most of the municipalities that had experienced the biggest decline in income per capita between 1995 and 2007 had experienced positive economic growth over the same period, which leaves population growth as the main explanation of the decline of their income per capita. The tentative conclusion from this is that to the extent that the rate of average population growth was much higher than the national average for 9 of the 10 municipalities, means that this growth can be attributed to in-migration. And that growing economies, irrespective of size are likely to attract migrants of whom many may be poor, which may limit their growth in income per capita.
4.3 The people

The DAP has demonstrated that there were significant changes in the population profiles of many areas. Some areas experienced a decline in population, while others increased at a rapid rate. Table 6 shows that 27% of all Districts and Metros experienced negative population growth, and another 27% experienced growth above 10% of their populations over the same period (2001-2007). These changes are large for a relatively short period to be a result of natural factors (births and deaths). It is quite likely that this is a result of population movements from one area to another. Equally likely is the fact that those who left the Districts and Metros that grew slowly went to the fast growing districts and metros. However, given that the among the fastest growing districts were four metros with populations over 1 million each and 4 districts with populations over 500 000, the numbers involved had to be large to push the growth rate so high; especially since only six of the net losers had populations above 500 000 in 2001. This indicates a possibility of in-migration from outside national borders. And, mirroring the economy, there are significant population concentrations in the major cities.
Outside metros, there are significant population concentrations in former homelands, districts that house provincial capitals and those located along the platinum-coal mining belt, according to a CSIR (2009) report.

Table 6: District municipality population growth rates 2001 - 1007

<table>
<thead>
<tr>
<th>Population</th>
<th>Negative Growth</th>
<th>Lowest Growth</th>
<th>Medium Growth</th>
<th>High Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-%</td>
<td>&lt;5%</td>
<td>5% - 10%</td>
<td>&gt;10%</td>
</tr>
<tr>
<td>No of DM</td>
<td>14</td>
<td>15</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>% of all DM</td>
<td>27</td>
<td>29</td>
<td>17</td>
<td>27</td>
</tr>
</tbody>
</table>

Source: Own calculations from CSIR data based on the Quantec 2007
An analysis of the age profile of districts and metros confirms that a significant shift is taking place. Many districts, especially those in former homelands have very young populations. Many have a much higher proportion of those below the age of 35, often higher than the national and provincial average. Districts with limited economic opportunities have a higher proportion of younger people under the age of 24 compared to those with better employment opportunities. This suggests that young people tend to stay in poorer districts while still at school and leave thereafter for better opportunities. Though there are differences, in many instances, population numbers are large up to age 19 and then start to decline steeply. The picture changes slightly, where there is a Further Education and Training (FET) and or higher education (HE) institution in the district.

As mentioned earlier district level data conceals differences between local municipalities in each district. A case in point is Uthungulu DM which has six municipalities. Richards Bay - located in Umhlatuzwe Local Municipality - has 40% of the district’s population and the rest is scattered in 5 other poorer Local Municipalities. Richards Bay is the only vibrant economy in that region and provides employment opportunities to populations of other neighbouring districts, such as Umkhanyakude to the north, Zululand to the west and parts of Ilembe district to the east and west. Umhlatuzwe has a university and an FET college in addition to being the largest and vibrant economy in that region – hence a population structure with younger people.

On the other hand, Metsweding, although poorer, is located in the Gauteng Province, which has a vibrant economy. The district is within reasonable proximity to Tshwane, Ekurhuleni, Sedibeng and Johannesburg. This means that its population has access to opportunities in these other districts and metros, while maintaining their residence in the district; hence it has a population structure that approximates those of well off districts.

Intra-district dynamics such as people moving closer to larger urban centres is also evident. The growing number of Districts which have experienced increase in populations in the 0-14 years category suggests a change in the profile of migrants. For example, the top 20 Districts and Metros that experienced the highest rate of population growth between 1996-2007 also had the highest growth rate of populations in the age category 0-14 years (CSIR, 2009).

Key factors that seem to influence people’s decision to stay in a district beyond schooling appear to be (1) the level of development of the district, (2) size and performance of the local economy, (3) economic profile of neighbouring districts, and (4) availability of basic municipal and social services, particularly good education institutions.

4.4 Migration
South Africans are moving in large numbers. Approximately 19% of all adult South Africans have moved residence in the five years to 2008. Migration rates in Gauteng were as high as 28% in 2008 (Possel, 2009). Various studies have shown that migration can be an effective way of escaping poverty (NSDP, 2003 & 2006; Chronic Poverty Research Centre, 2004; Cross, 2008). As observed earlier, District level data can be misleading. For example, while there have been growing and declining Districts, this masks the fact that within declining Districts there have been found to be growing Local Municipalities or nodes and similarly, within growing Districts, there are declining areas. Table 7, seems to suggest that there is a far more significant movement of the population than is suggested by migration between Districts, Metros and Provinces.

### Table 7: Rate of population growth and decline (within selected Districts) 2001 - 2007

<table>
<thead>
<tr>
<th>District</th>
<th>Local municipalities whose populations grew &amp; rate of growth</th>
<th>Range of decline in other municipalities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ilembe</td>
<td>KwaDukuza (2.1%)</td>
<td>-4% to -13%</td>
</tr>
<tr>
<td>Chris Hani</td>
<td>Lukanji (11.3%) ; Insika Yethu (5.5%)</td>
<td>-1% to 41.7%</td>
</tr>
<tr>
<td>Thabo Mofutshanyane</td>
<td>Maluti A Phofung (6.4%)</td>
<td>-18% to 45%</td>
</tr>
<tr>
<td>Gert Sibande</td>
<td>Albert Luthuli (3.2%) ; Msukaligwa (1.2%)</td>
<td>-13% to 34%</td>
</tr>
<tr>
<td>Waterberg</td>
<td>Bela Bela (6.7%); Mokgalakwena (9.7%)</td>
<td>-6% to 82%</td>
</tr>
</tbody>
</table>

*Source: Stats-SA, 2007*

However, many of the migrants tend to lack the skills required by the economies of their host cities, and tend to exist on the fringes of those societies in informal settlements, squatting on unoccupied properties, and ‘belonging’ to informal and sometimes extra-legal networks. Within this group, there are different age groups, genders, skills profiles and other distinguishing demographic features such as the headship of households. These differences determine the extent to which their migration to urban areas enables them to escape poverty. For example a study by Cross (2008:113-114) using 2007/8 qualitative and quantitative survey data across three provinces found that in general women who migrated to urban areas tended to settle in marginalised areas compared to their male counterparts and their incomes and level of employment were also lower. However, compared to women-headed households in rural areas, incomes for women-headed households in urban areas were higher.
4.5 Household formation

The structure of South African households has also undergone major changes in recent years. The Ten Year Review observed a trend of a decline in household size and a significant increase in household formation – the so-called ‘unbundling of households’. Table 8 confirms this trend in the main, although some countertrends exist. For example, 14 Districts experienced population decline (see Table 6) compared with six which experienced decline in the number of households (Table 8). Interestingly, nine Districts including Ukhahlamba, Chris Hani, Gert Sibande, Metsweding, among others experienced population decline and yet their number of households grew by significant rates. Mopani, Fezile Dabi and Kenneth Kaunda experienced growth in the number of their populations by less than 5%, compared with their respective household growth rates of 10.9%, 23.7% and 28.8%. The contrary trend prevails in Frances Baard, UMgungundlovu and uThukela. These Districts saw growth in their populations of between 5% and 10%, while the number of households in these Districts only grew by -1.1%, 0.6% and 3.5% respectively.

Table 8: District municipality household growth rates 2001 - 2007

<table>
<thead>
<tr>
<th>Households</th>
<th>Negative growth</th>
<th>Least growth</th>
<th>Medium growth</th>
<th>High growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>&lt;5%</td>
<td>5% - 10%</td>
<td>&gt;10%</td>
<td></td>
</tr>
<tr>
<td>No of DM</td>
<td>6</td>
<td>11</td>
<td>12</td>
<td>23</td>
</tr>
<tr>
<td>% of all DM</td>
<td>12</td>
<td>21</td>
<td>23</td>
<td>44</td>
</tr>
</tbody>
</table>

Source: Stats-SA, 2007

In addition to the pressure on public services and infrastructure exerted by growing number of households, it could also result in the spreading of poverty over a larger physical area, which could increase vulnerability, breakdown of family and weakening of social networks.

4.6 Settlement patterns
Evidence from studies on urban economics (Rosenthal, S. S. and Strange, W.C. 2003) shows that density and compaction improves spatial efficiencies. Greater densities generate agglomeration economies, which (1) enlarge markets for products; (2) bring together different players in the production value chains; (3) expand the pool of skills available to enterprises; and (4) reduce transportation and other input costs. Commenting on the structure of the South African City, Bertaud (2009:1) asserts that ‘spatial concentration of economic activities and of labor increases productivity and technological innovation’. Very much along the same lines, the survey studies by Rosenthal and Strange (2003:12) on agglomeration economies in the USA, found that a doubling in city population size in North American Cities increased productivity by between 3-8%. In addition to this, Haverman and Kearney (2010:12), in their analysis of the relationship between urbanisation and labour market outcomes, found that ‘Urbanisation levels matter for a person’s job market outcomes.’

Apartheid settlement planning went against established rational and humane human settlement theory, and located settlements for blacks in ways that made our cities very inefficient. In accordance with the apartheid ideology, black people were not meant to live in urban areas and it was only when the labour demands of the economy made the logic of locating people in homeland reserves unworkable, that a dispensation which allowed limited numbers of black people into urban areas was created (Sparks, 1990; Magubane, 2004).
Figure 2: Population density for selected district and metro municipalities in 2007

Post-1994 spatial planning policies have not address the spatial geography of apartheid. Low-cost houses were built far from economic centres, something which has continued to impose a burden on the poor to travel long distances in order to access economic and other opportunities that urban areas offer. The pursuit of one house per stand meant that large amounts of land was required (and acquired) to meet the commitment to provide 1 million houses in the first five years of democracy. And, even if a model of higher density living were to have been pursued, given the high price of land closer to city centres, it would not have been affordable. The result, sixteen years into democracy, is that houses for the poor have been, are being and will seemingly be built far away from places that provide employment and other opportunities.

Source: CSIR, 2010 (An illustration of regions in South Africa)
Given the many demands competing for the attention of policymakers, the objective of changing the apartheid geography seems to have lost out in the past 16 years. The political will to take on the vested interests in the status quo has been weak. In Richards Bay, for example as late as 2008, there were by-laws which still prevented any building that was more than two-storeys high. Outside of towns and cities, the administration of land by traditional leaders has led to unplanned settlements, which makes the provision of municipal services very difficult and expensive. For instance, allowing settlements to be established in inaccessible areas (often due to difficult topographical features) makes the cost of providing roads, water and electricity infrastructure unaffordable.

4.7 Delivery of basic services

Though the focus of this paper is not on basic service delivery, it is interesting to note that a situation similar to that in the analysis of incomes, obtains. Between 2001 and 2007 there was an improvement in the level of access to electricity, water, sanitation and refuse removal (Statistics South Africa, 2007). And, a spatially disaggregated analysis shows that the rates of improvement differed.

A study by Krugell, et al. (2009) which constructs an aggregate service delivery index for each municipality to overcome the weaknesses of provincial or national aggregate analyses found that ‘the mean access to basic services showed marked improvement, but that the variation of access to basic
services between places increased’ (Ibid: 8). In other words, there were differences in the rate of improvements in different areas. Some municipalities provided below average services, others above average, and others still moved from below average to above average between 2001 and 2007. Among the factors that explain the variation in service-provision, are levels of GDP per capita, rates of unemployment, and levels of poverty. They conclude that ‘...urbanisation and densification may be required to improve the provision of capital-intensive, networked services...[and] local economic growth in itself may not be important, but it would contribute to the ability to pay for services...[and] that the measures of the quality of local institutions have to be further improved’ (Ibid).

What can be concluded from the variation in the improvement of service delivery is that reasons for poor performance are largely due to historical factors resulting in spaces responding differently to the same policy intervention. Areas that were previously favoured tended to perform better than previously marginalised areas.

5 The data review in context

The fact that economic opportunities and poverty are spatially concentrated was well understood by the successive apartheid governments; hence they created policies that confined black people and Africans in particular to the reserves (Magubane, 2004:11). The ‘problem of native urbanisation’ has also been around for many years and a subject of many a number of commissions (Ibid.).

Having been dispossessed of their land, driven to areas with no opportunities and forced to become proletariats, it was natural that black people would seek to move to areas where they could get higher wages for their labour. This was prevented by apartheid policies because the allocation of labour had to be rigidly allocated between commercial farming, mining, white households and done so at cheap rates (Sparks, 1990; Terreblanche, 2002; DBSA, 2005; Magubane, 2004) to satisfy the competing needs of apartheid government constituencies, notably the capital-rich classes.

Spatial geography is the most important determinant of a person and a communities’ well-being, access to opportunities, and chances to escape poverty after race and gender in South Africa. In South Africa, chances of being poor are higher for blacks, even higher for black females, and the experience of poverty more intense for those who live in isolated former homelands, just as the apartheid policy designed it to be. This is not much different to factors that drive or sustain chronic poverty in different parts of the world (Chronic Poverty Research Centre, 2004:28-9).
Poor people all over the world, and black people in South Africa in particular have long recognised migration to locations that provide better employment and other opportunities as an effective strategy to escape poverty (Ibid.; Magubane, 2004:24). For example, the 1942 Smit Report (cited in Magubane, 2004: 24) of the Inter-Departmental Committee on the Social, Health and Economic Conditions of Urban Natives, ‘argued that development of the reserves would not stem the tide of urbanisation, and called for abolition of the pass laws’.

Makgetla (2010) shows that in South Africa, apartheid geography continues to determine levels of employment, access to services, incomes, and general well-being. Similarly, Altman (2010:4) identifies geography as one of the major factors that affect the youth’s participation in the labour market; while Paci and Serneels (2007:2) identify occupational mobility as one of the factors that enable the poor to move out of poverty. Even in affluent societies people migrate to locate where their skills can command higher rewards (World Bank, 2009:146-47).

There is a change in the skills profile of migrants in South Africa. Possel (2009) compared the migration module in the National Income Dynamics Study against migration modules of other surveys and observes increasing levels of education among migrants. This is encouraging, as it suggests that chances of better employment and higher wages for migrants are increasing.

6 Some lessons learnt

The NSDP’s broad approach to addressing spatial exclusion makes a good start and has been validated by other major studies such as the Development Report 2005 (DBSA, 2005) and World Development Report (World Bank, 2009), and as such deserves to be taken seriously.

Migration is a global trend that has been underway for many years, has accelerated after 1994 in South Africa, and is likely to continue for many years to come. Rather than stem it, ways must be found to enable migrants to improve their chances of accessing jobs.

The level of urbanisation has been shown to correlate positively with higher income and service levels. However, it needs to be managed, so that the poor are not excluded from opportunities through being located far away from opportunities when they ‘get to town’. Spatial planning and proper and appropriate land-use management systems should facilitate inclusion of the poor in urban areas and be done in such a way that they support mass-transit use and capital appreciation (i.e. the housing unit).

In terms of urban governance and management there is a need for greater differentiation in terms of local space-economies and spatial and societal features and attributes. Major cities which have the
capacities to successfully manage all their urban functions should be given the powers and be supported to perform their functions. Lagging regions, and in particular former homeland areas, should be given focussed attention to address their development challenges.

Settlement planning in rural areas, as in urban areas, should be guided by the need to lower the cost of providing infrastructure and improve connectivity with areas that have more and varied economic and other life-enhancing and enriching opportunities.

Land administration and land-use management by traditional authorities in rural areas, needs to be made more transparent and be guided by administrative principles that are consistently applied. This will ensure that it does not become a constraint on economic, spatial and communal development in peri-urban and rural areas.

**Conclusion**

Various spatial and poverty analyses have shown that poverty has increasingly become a rural as well as an urban problem. In urban areas, the challenge is to ensure the inclusion of the poor, while rural poverty requires a far-reaching policy dialogue about the scale of the challenge in former homelands, the desired, envisaged and possible futures of these places, the choice and costs of different forms of intervention, and the question of funding, i.e. who will bear the cost. Failure to do so may very easily see the poor in such areas become even more marginalised and end up having to carry the growing cost of their (deepening) exclusion.

**References**


