

offset by rising unemployment and structural poverty; but for the beneficiaries of new opportunities, there was a long-term escape from poverty. Their upward mobility was assisted by policy changes, especially those encouraging home ownership by Africans.

In summary: apartheid affected urban poverty in different ways. It commenced by removing squatter communities and flushing out much of the backyard lodger population from existing housing. It proceeded to remove entire older settlements, in every major city: Sophiatown, Pageview, District Six, Cato Manor, South End, Lady Selborne and North End among others. Those displaced by all categories of urban removals were housed in 'new model townships', designed and built to house a biddable and obedient population, a source of cheap labour, socially and politically neutered. Township life meant material improvements for some residents at the cost of relentless surveillance and bureaucratic controls: 'the environment was alienating, anonymous, and harsh, conducive to casual and violent interchanges and the very opposite of what apartheid ideologues had imagined might develop into peaceful, family-based "native villages"'.<sup>21</sup> And there is a profound historical irony: the entire apartheid project was eventually mortally wounded by mass unrest in the country's townships, exactly where the planners had hoped to impose maximum control. This part of the story is told in the next chapter.

## Social engineering, rural destitution and mass unemployment

*'When you are out of job, you realise that the boss and the government have the power to condemn you to death. If they send you back home (and back home now there's a drought) and you realise you can't get any new job, it's a death sentence. The countryside is pushing you into the cities to survive, the cities are pushing you into the countryside to die.'*

— Migrant worker, quoted by Michael Savage

The two defining features of rural poverty that existed before 1948 continued, and intensified, through the apartheid years. The long-term degeneration of the reserves accelerated from about 1960, as the disparity deepened between the population they housed and their ability to meet food and other requirements. Families of farm labourers continued to subsist on the lowest wages of any sector of employment. Even while their earnings remained artificially low, these workers came under acute new pressures, leading by the 1970s and

1980s to mass evictions. But in addition to these existing aspects of rural impoverishment, there were other, unprecedented policies and processes that condemned large numbers of people to poverty, many of them in grotesque institutional settings.

#### **Apartheid and poverty in the reserves**

The areas successively known as native reserves, homelands, Bantustans and 'self-governing states' had long housed a migrant workforce. The artificially low wages paid to miners and other city workers were justified on the grounds that supposedly 'tribal' migrants had homes in the reserves, which sustained their families. The ability of reserve dwellers to produce a proportion of their own food requirements appears in most cases to have remained fairly stable until the 1950s, although subsistence finally rested on the institution of migrancy and remitted wages, and agricultural production was already under severe pressure. The Tomlinson Commission, appointed to advise on policy towards the reserves, reported in 1956 that only a small sector of the reserve peasantry had escaped extreme poverty, and that urgent steps were required to develop these regions. Its recommendations for an ambitious - and expensive - programme of economic rehabilitation and development were rejected; Verwoerd instead continued the existing 'betterment' schemes and sought to strengthen the authority of traditional chieftaincies.

Living conditions in the reserves/Bantustans deteriorated significantly over the next 20 years. This was largely because their population increased dramatically: a product of natural population growth and of the forced relocation of families and communities from cities and white-owned farms - an aspect of the social engineering discussed below. The average population density of the reserves almost doubled between 1955 and 1969. The total amount of food produced remained steady, but per capita food production fell steeply. Rising population figures meant that growing numbers of families had no access to arable land; there were also households who had been allocated small plots but owned no cattle and were unable to plough. The majority of households in the reserves were only part-time farmers, predominantly women and elderly persons' without the land or resources to produce even their subsistence needs: 'poverty-stricken rural communities were highly dependent on remittances ... pensions, and other income transfers'.<sup>1</sup>

By the early 1980s, a series of detailed local surveys and analyses of the Bantustans<sup>2</sup> revealed not only regional variations but also some clear general trends. These included high levels of malnutrition and poverty-related diseases (for instance, in a Gazankulu clinic at Mhala, 63% of admissions to the children's ward were due to seven diseases associated with poverty); rising numbers of female-headed households among the relatively poor population; a rapidly growing

proportion of the population without land and cattle; and, consequently, a sharp increase in income inequality among the population. While a majority of households had rising absolute incomes (from a very low base), the poor became poorer, both relatively and absolutely, because of landlessness and unemployment.<sup>3</sup>

The immediate cause of rising landlessness, inequality and persistent poverty was rapid population increase in areas already underdeveloped and disadvantaged, historically unable to feed themselves, and structurally dependent on the sale of labour power to mines, factories and farms. Accelerated population growth, in turn, was partly an outcome of natural population growth and partly due to government policies of 'separate development', which morphed, as 'grand apartheid', into Bantu Authorities. Verwoerd's Promotion of Bantu Self-Government Act (1959) was premised on the claim that 'the Bantu people ... do not constitute a homogeneous people, but form separate national units', and that they should therefore exercise 'self-government' in each of eight [later ten] designated ethnic units. The underlying rationale was that bestowing 'the Bantu' rights in an ethnic enclave was a justification for denying them any political rights at all in 'white' South Africa. The central fallacy of this specious reasoning was that the territories identified as homelands were simply the old 'native reserves', several of them geographically fragmented, all of them desperately poor.

In 1976, the Transkei became the first of four 'independent' Bantustans. The logic of grand apartheid had been taken to new extremes. Legislation in 1970 provided that every African was to become a citizen of one or other homeland - whether a person had ever lived in that homeland or not. Transkei, Ciskei, Bophuthatswana and Venda were all ushered into fictive independence with new flags, stamps, anthems and other trappings of Ruritanian statehood. Their 'citizens' automatically lost their South African citizenship. Connie Mulder, Minister of Plural Relations and Development, congratulated himself in 1978: 'If our policy is taken to its logical conclusion ... there will not be one black man with South African citizenship ... Every black man in South Africa will eventually be accommodated in some independent new state in this honourable way.'

#### **Social engineering and rural destitution**

This elaborate exercise of devolving limited powers to those 'traditional' authorities willing to collaborate was a counterpoint to the central challenge confronting apartheid politicians and planners: restricting the number of African families in the cities. If apartheid was to control the flow to the cities, it had somehow to dam the tides from the countryside. This was the social equivalent of making water flow uphill. It could only be achieved by determined and ruthless social engineering. Social engineering means altering economic or social

Table 5.1: Results of social engineering: distribution of African population (%)

Year	Urban areas	White-owned farms	Bantustans
1960	29.6%	31.3%	39.1%
1970	28.1%	24.5%	47.4%
1980	26.7%	20.6%	52.7%

behaviour according to political objectives. More prosaically, but equally accurately, it means pushing large numbers of people around, compelling them to do things they would not otherwise have done. Deborah Posel, who calls the process 'economic engineering', reminds us that a deliberate policy 'with the goal of racializing access to resources, property and wealth, within the rubric of a capitalist economy, was one of the striking singularities of the apartheid project'. In particular, apartheid planners were determined to find new solutions to the perennial problem of keeping African urbanisation under control. Verwoerd and his planners knew that the 1950s approach - trying to minimise numbers by influx control - had failed. Instead, during 'apartheid's second phase, removals were used to excise large chunks of the urban African population altogether'.<sup>4</sup>

Because women were seen as the key to urban family life, apartheid's social planners were determined to limit the numbers of women in towns and cities. In the grim language of General Circular no. 25 of 1967, it was 'accepted government policy that the Bantu are only temporarily resident' in white cities. Therefore, people who became 'for some reason or another, no longer fit for work or superfluous for the labour market' would be relocated, to one of the Bantustans. Those 'who are normally regarded as unproductive and as such have to be resettled in the homelands' included 'the aged, the unfit, widows, women with dependent children'. The

assault on Africans' residential rights in the cities meant that the proportion of the total African population living in cities actually fell during the 1960s and 1970s. The share of the total African population living in the Bantustans rose from just under 40% to over 50% (see Table 5.1). This was social engineering with a vengeance. Altogether, nearly 1.6 million people were subjected to forced removals from the cities: either in terms of the Group Areas Act or decanted as 'surplus' to one or other 'homeland' reserve.

The Bantustans continued to be vast dormitories of migrant labourers. But they served a further function during 'high apartheid'. They became the dumping grounds of apartheid, receptacles for 'the discarded people' or 'surplus people'.<sup>5</sup> Those endorsed out of the cities as 'superfluous for the labour market' were only a small fraction of the estimated 3.5 million people forcibly relocated. The largest single category of removals comprised families evicted from white-owned farms - discussed below - and they were among some 3 million

**Table 5.2: Estimated numbers of forced removals, 1960-83**

Farm evictions	1,129,000
'Black spot' removals and 'consolidation'	614,000
Urban removals	730,000
Group Areas	860,000
Informal settlements	112,000
Infrastructure/strategic	103,500
Total	3,548,900

people added to the already congested Bantustans (see Table 5.2).

The dreaded 'GG' (Government Garage) lorries that came to symbolise forced removals decanted their human cargoes into one of half-a-dozen different sorts of relocation areas. The bleakest of these were the desolate resettlement camps, first described by the Catholic priest Cosmas Desmond. He visited and wrote about a 'labyrinth of broken communities, broken families and broken lives', casualties of forced removals, 'homeless prisoners ... in their own land'.<sup>6</sup> The classic 'resettlement camp' consisted of 'a collection of tin or wooden temporary huts (or tents) ... tucked away in some remote and impoverished corner of a Bantustan ... distinguished by their extreme poverty, their very dense population (mainly women, children and old people) and their tin toilets'.<sup>7</sup> There were several hundred such places, each a beacon of despair.

Resettlement camps and transit camps were intended to be temporary (although some became permanent). Other types of relocation settlements were spelled out in the Lewis Carroll language of apartheid bureaucrats ('when I use a word', said Humpty-Dumpty, 'it means just what I want it to mean'). The most common category was 'closer settlements', designed to house families moved from farms, black spots and mission farms, and expected to construct their own dwellings; 'agricultural settlements', which provided tiny plots with separate communal farming land; 'rural townships' for families whose breadwinners are usually employed in White areas ... or for the aged, widows, women with dependent children etc.; and 'full-scale replacement border townships ... planned and developed in a sophisticated way', located so that workers could commute daily into 'white' areas.<sup>8</sup> What this elaborate taxonomy actually yielded was 'displaced urbanisation': the concentration of millions of black South Africans, in the 1970s and 1980s, into 'huge rural slums'. These were politically in the Bantustans, but economically just near enough to metropolitan labour markets to make commuting possible. Statistically, they were densely populated enough to show up in census data as urban; but because of the total absence of proper urban infrastructure, services or jobs, it is accurate to regard them as new sites of rural poverty.<sup>9</sup>

Botshabelo, which is within commuting distance of Bloemfontein, was bare veld in 1979; ten years later

it held half a million people. The Winterveld area of Bophuthatswana, from where commuters could reach the Pretoria-Brits-Rosslyn labour market, held 750,000 people. Joe Lelyveld, of the *New York Times*, had visited each of the ten homelands and seen most of the major 'closer settlements'. And so he did not expect to be surprised when he revisited Kwaggafontein in KwaNdebele. Yet the visual shock of what had happened in two and a half years staggered him. 'It was no longer just a spot in a rash of "closer settlements". Now it was a part of a nearly continuous resettlement belt ... [for 40 miles] a serpentine stream of metal shanties and mud houses ... Such sights can be seen in other countries, usually as a result of famines or wars. I don't know where else they have been achieved as a result of planning.'<sup>20</sup>

#### **Changing labour market and mass unemployment**

There was another form of acute rural poverty. It is flagged by the statistic that between 1960 and 1980 the proportion of Africans living on white-owned land fell from 31.3% to 20.6%. In 1960, one in three black South Africans lived on land owned by whites, often on land which had belonged to their forefathers. By 1980, just one in five did so. There were two main categories of families who lost their toe-hold on the land. Firstly, many unskilled farm workers were given notice to leave as commercial agriculture mechanised. Farmers using tractors and harvesters no longer relied on part-time

work by labour tenants. In 1947, only 22,000 tractors were used on South African farms; by 1961 there were 122,000, and by 1980 over 300,000. Farmers simply laid off their resident workers – on maize farms, perhaps 70% of seasonal workers and 50% of those who had lived all their lives on the farm.

Secondly, there was a concerted effort by government to expunge any remaining tenancies, especially labour tenancies, sweeping away the last vestiges of an African peasantry living on white-owned land. White farmers who were mechanising now objected to the institutions of sharecropping and labour tenancy – 'mainstays of rural African families for many decades' – and the state moved to eradicate them.<sup>21</sup> Families displaced by this pincer movement of economics and politics frequently wound up as members of the underclass in rural closer settlements; by the 1980s, many made their way to the cities, in search of a site in an informal settlement and, hopefully, a job or an opportunity for informal earnings.

The pressures on farm workers and tenants illustrate an important point. During the apartheid years, people experienced poverty in different ways. In broad terms, they became poor either as a direct result of policies or as an indirect result of economic change during apartheid. People impoverished by apartheid policies included families who lost inner-city homes and were moved to bleak, alienating and violent new townships; and those who were forcibly relocated to resettlement

camps or to zones of displaced urbanisation. In the homelands, apartheid policies created an underclass of the landless, unskilled and unemployed, no longer wanted by farmers or on the mines, lacking any safety net in subsistence agriculture and without the kinds of networks that might lead to jobs.<sup>12</sup> Farm workers laid off as agriculture mechanised were poor to start with, but many were plunged into destitution, essentially as a result of economic and technological change.

But by far the most important form of poverty arising from economic change was structural unemployment on a massive scale. The changing economy has been extensively analysed elsewhere.<sup>13</sup> I can only offer the briefest summary. In the 1960s, industrial manufacture and the service sector expanded. To fill the jobs needed, employers and government edged away from job reservation. A permanently urbanised, better-educated and more skilled African working class emerged in the cities – and its members moved up the skills and wages ladder. Employers reorganised their activities in accordance with a shift from an unskilled to a semi-skilled and skilled labour force. They raised wages, yes; but they also moved from labour-intensive to capital-intensive production. They mechanised where they could; invested in the most skilled workers available – and laid off unskilled labour. So, for African workers with relevant skills, with secondary education and with Section 10 rights, the 1960s and 1970s were years

of rising income and the emergence of a black middle class. Similarly, the mining industry moved decisively away from a migrant workforce characterised by high turnover and low skills towards a 'career' mine labour force of relatively skilled and experienced workers.

In both instances, the relative security of a skilled and semi-professional elite was the mirror image of the acute vulnerability of the unskilled. No longer required by manufacturing or the mining industry, unskilled men joined those expelled from the agricultural sector to constitute a massive army of the unwanted. They lived in 'closer settlements', in sprawling rural slums like Botshabelo, or in the shack peripheries of cities and small towns. As Colin Murray poignantly observed in 1995, 'Their prospects are grim. Formal sector or stable employment is hopelessly beyond the reach of very many of the youth ... they live by their wits from one day to the next; and they hone their skills as best they may in disparate nooks and crannies of the second economy. Energies are committed to pursuing tenuous scraps of opportunity; to negotiating the routine bureaucratic obstructions of a hostile state; to sustaining, against the odds, the fragile threads of family integrity.'<sup>14</sup>

Commencing in the 1970s, but gathering pace in the 1980s, the South African economy underwent an historic transition: a shift from labour shortages to a labour surplus, generating structural underemployment and unemployment. The rise in unemployment was rapid

and dramatic. By the end of the 1970s, unemployment was increasingly visible, as men queued at labour bureaux, outside factory gates, and alongside countless urban streets and roads. They were the casualties of a convergence of two crucial developments: South Africa's dismal economic performance after 1973 and, by the 1980s, a shrinking GDP; and the tendency to replace labour by capital – on the mines, in agriculture and in manufacturing. Because the apartheid state kept such poor statistics, it is difficult to provide precise figures for structural unemployment, but Charles Feinstein's careful work yields an estimate that is reproduced in Table 5.3.

'Whatever its precise scale', he concludes, 'unemployment was clearly a human tragedy on a staggering scale.' By the end of apartheid, somewhere between 4 and 6 million people were unable to find work. Half the population lived in households with at least one unemployed adult. In half of those households, nobody held a formal job. And among those without jobs, less educated, less skilled and less urbanised people had very little prospect of employment, even in the mid- to long term. They experienced structural poverty in acute form.<sup>15</sup>

**Townships in turmoil and new patterns of urban poverty**  
 In the 1970s the government began to lose control of the townships, politically, administratively and socially. Political confrontation on the urban front line began of

**Table 5.3: Estimates of structural unemployment, 1960 to 1996**

	1960	1970	1980	1996
Employed	5,840,000	7,460,000	9,530,000	9,850,000
Unemployed	460,000	530,000	4,700,000	4,880,000
Ultra-discouraged workers (UDW)			1,400,000	1,400,000
Unemployed + UDW			5,100,000	6,280,000

course in Soweto, in 1976; and took new organisational form with the emergence from 1979 of 'civics', typically campaigning around housing, rents, transport costs and schooling – the civic associations became a major component of the United Democratic Front (UDF), launched in 1983. In September 1984, the Vaal Uprising exploded, igniting an urban insurrection that spread to Soweto and Eastern Cape townships. The UDF 'became a movement galvanised by local initiatives, with civics and youth congresses organising a remarkable series of consumer boycotts' to put pressure on city councils and local businesses.<sup>15</sup>

Financial pressures saw a substantial reduction in house building during the 1970s. While housing shortages fuelled urban protests, they also translated into new forms of poverty. There was a sharp rise of subletting, and a 'veritable mushrooming of informal residence'. Desperate rural people increasingly found ways of breaching influx controls, living in the cities as

'illegals', either as tenants in the backyards of township residents or as squatters in new shanty towns. In Cape Town, Crossroads was the best known of these 1970s settlements; it resisted attempts to remove it, and 'survived, grew, and developed a defiant and uncontrolled culture' which challenged the very premises of apartheid's urban regime. While squatting in the 1970s was semi-clandestine and relatively slow, the 1980s witnessed the mushrooming of open squatting, at times involving land invasions on the peripheries of existing townships.<sup>17</sup>

In the 1980s, the state tried to devolve housing and influx control powers to black local authorities – but the experiment backfired calamitously. The wave of protests and boycotts triggered by the Vaal Uprising demonstrated that in many townships there was no longer any effective authority. In 1986, pass laws were formally repealed, and it was announced that they would be replaced by a policy of 'orderly urbanisation'. Urbanisation certainly ensued; but it was far from orderly – what actually resulted was a convulsive disorderly urbanisation. Masses of people poured into the townships, many of them unskilled and unemployed refugees from the countryside. With ingenuity, determination and hope, they created new homes from whatever they could lay hands on. In Soweto, squatter settlements grew 'at a staggering rate' – by 1989 over 40,000 shacks had been erected. 'On every available piece of land stood groups of hovels and makeshift

shelters.' Unsurprisingly, squatters were among the poorest Sowetans. In 1989, the average monthly income of a Soweto household was R900; over 20% of informal settlement households earned less than R300.<sup>18</sup> By the end of apartheid, the loss of control by the state was palpable: 'Townships no longer bear the hallmark of state control. Instead of the homogeneous landscape of official design ... almost every backyard hosts sub-tenants who live in shacks or formal outbuildings ... From the air ... the sheer volume of backyard shacks creates the impression of a residue of matchbox houses floating in a sea of shacks.'<sup>19</sup>

This scenario played out in all major urban areas. The population of greater Durban doubled between 1973 and 1988 – by 1988 it held 3.5 million people, about half of whom lived in shack settlements on the edges of the city. Most shack dwellers had jobs, so they were poor rather than destitute: but the settlements lacked the normal urban infrastructure of roads, sanitation, piped water and lighting. In East London, Duncan Village township housed 17,000 people in 1984. Then the floodgates opened. Six years later, the population was an estimated 80,000, many packed into shanties. In Cape Town, no new African housing was built in the 1960s and 1970s. Consequently, tenants crammed the backyards in Langa, Guguletu and Nyanga; and squatter settlements were erected wherever land stood vacant. This led to the creation of Khayelitsha, originally intended to be for

formal housing – but a decade after its creation, shacks outnumbered formal houses three to one. Khayelitsha and informal settlements were estimated to hold three-quarters of a million people by the end of the 1980s – most of whom, it hardly needs saying, were desperately poor.<sup>20</sup> Structural poverty was predominantly located in the Bantustans initially; but with the collapse of influx control, it also found an urban presence in the shape of informal settlements.

This chapter has described the ruthless social engineering carried out under apartheid, and how it created new sites and forms of poverty in rural areas. It also outlined three linked processes: how an economy in crisis generated a new form of structural poverty; how its casualties left small towns and rural areas for the cities, living mainly in informal settlements; and how the apartheid state lost the ability to control population flows or maintain order in the cities. Social engineering was a leitmotif of apartheid's heyday; failing state machinery was a mark of its final years.

## The ANC and social security

### The good, the bad and the unacknowledged

This chapter explores a central aspect of post-apartheid policy with respect to poverty. It recounts the remarkable story of the social security programme developed by the ANC in government after 1994. As detailed below, it is remarkable in its scale; it is remarkable in the ways in which benefits are delivered; and it is remarkable for its economic, social and political salience. The social welfare cash transfers – pensions and grants – are the most effective mechanism of redistribution used by the ANC. Pensions and grants have stabilised livelihoods, sustained households and reduced destitution. They have translated materially into benefits for poor South Africans, and politically into high levels of voter support for the ANC in the poorest constituencies. A remarkable story: yet one that was entirely unanticipated in 1994, and that remains strangely unacknowledged by the ANC