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Housing delivery as anti-poverty: is South Africa on the right track?

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Abstract: This paper addresses questions around the validity of South Africa’s anti-poverty approach, which makes use of housing delivery as government’s key anti-poverty delivery model, intended to bring the urban poor into full participating economic citizenship quickly through promoting savings, accumulation and education as the route out of poverty. The key question is, is this approach working? The argument is made here that government housing policy is indeed on track, but that continuing attention needs to go to correct targeting of different forms of housing delivery to the right places and the right constituencies. New decision frames around addressing informality are now emerging, and will be needed.

The paper looks at South African housing and delivery debates, emphasizing the central questions of location, city form and the peripheralization of the poor in relation to their journey to work. It also addresses the thorny issues around the responses to policy from the poor and from implementors: it is possible that the housing goals of the poor may not align with the goals of government policy and of city planners. As the full capacities of the *Breaking New Ground* (BNG) housing policy begin to be taken up through a more accurately detailed perception of housing delivery, new attention may need to go toward self-delivery options. The paper presents a new analysis of settlement types as a tool for determining housing needs, based on the empirical findings of a new survey carried out by CSIR and HSRC.

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1 Introduction: housing as asset transfer

Some profound changes are in the process of taking place around the way in which housing delivery is conceptualized and applied for South Africa. Earlier policy approaches to housing emphasized numbers of housing units provided. South African RDP housing delivery began after the 1994 elections with a narrowly focussed commitment to increasing the quantity of housing stock available to the poor as quickly as administratively possible (Barry, Dewar, Whittal & Muzondo, 2007; Ndaba 2008). As the housing gap widened, the *Breaking New Ground* policy document (2004) introduced new options for delivery, allowing for a range of delivery modes and housing/subsidy configurations, including emphasis on the rental market and significant variation in local approaches. Emphasis on sustainable human settlements as environments for diversity and choice opened a door to a broader and more accurately detailed policy perception of how housing delivery works.

Experimentation at local level began to build up a body of practice which interacted with commentaries from civil society and the academic world, as well as from donor organizations including the World Bank. Policy thinking around affordable housing came to emphasize the anti-poverty significance of housing as an asset which accumulates value and can be traded in the market (Hirsch 2005).

The government discussion document on poverty reduction strategy which came out in May 2008 refers to housing delivery as asset transfer as representing a central component of the emerging approach (*Toward an anti-poverty strategy for South Africa: a discussion document*). Alongside various measures to invest in human capital and service infrastructure, the strategy document identifies the housing asset as indispensable to economic participation for the poor:

Access to assets – particularly housing, land and capital, including public infrastructure, both to improve economic and social security and to provide the basis for economic engagement in the longer run (GCIS 2008).

In these respects, housing as a platform for the household to carry out asset accumulation through self-investment and saving continues to underpin the national undertaking to bring the excluded poor into the economic mainstream. For this approach to work, families have to accumulate a large enough asset cushion to hold them out of poverty and make them safe from shocks such as job losses. Through secure occupation of their housing in their productive years, the family is better able get over the basic hurdles of keeping children in school and of gaining and holding access to the job market. As their net worth increases, poor households move into full participating economic citizenship of the city. Recent research from the World Bank (Van den Brink and Soni 2008) confirms that education spending increases among South African families in RDP housing, although the accumulation and savings processes were not directly measured.

This asset transfer approach depends on families receiving the right kind of housing asset to meet their specific needs. Local government delivery has been struggling here to estimate need and demand accurately enough to target delivery. New approaches to the enterprise of housing delivery offer potential means of filling these gaps and accelerating implementation.

In pursuit of the anti-poverty objective, resources are being mobilized for a push on housing delivery, and government housing expenditure is set to increase again. The housing budget was R 4.8 billion in 2004, increasing to R 9 billion in 2008/9, a rise of more than 23 percent (Ndaba 2008). Spending on housing delivery is expected to increase again to R 10.6 billion in 2008/9, and to R 15.3 billion by 2010/11, for a rate of climb of more than 19 percent per year. Housing now ranks third in terms of total budget size projected for South Africa 2008/9, though it still falls far behind education and social grant spending. In return for what it spent, South Africa has seen a national fall in the share of population in informal shack accommodation, from 16 percent in 1996 to 14.4 percent in 2007 (SAIRR, 2008). Formal houses have increased during the same period from 64.4 percent to 70.6 percent, an increase largely due to RDP/BNG delivery. However, both restrictions on selling subsidy houses and the policy target of eliminating all South Africa's informal settlements/ slums remain in place (Department of Housing, 2007), and continue to attract debate.

Achievements so far have been remarkable. More than two million houses have been delivered, with 20 percent of the population reported to be in subsidy housing (Khan, personal communication 2008). The share of people housed informally in South Africa has gone down even while the number of households has surged upward and rural-to-urban migration has risen. Housing access has been extended to single people, to unsupported and unemployed youth, and to unmarried couples. The national Department of Housing is establishing an agency to acquire land for poverty-linked settlement, and partnership agreements are being concluded with private-sector construction firms and mining houses to bring in large contractors and increase the supply of accessible land. Flexible new subsidies are allowing individuals and single households to access housing.

At the same time, the current political situation is volatile ahead of the national elections, and violence has already escaped from the bottle. Much of the force of the xenophobic disorder which spread across the country in mid-2008 can be traced to popular frustration with halting delivery of public goods, expanding from the ongoing delivery protests and exploding into outright conflict as angry communities turn against foreign workers seen as illegitimate competitors for the scarce supply of government housing and services (cf HSRC, 2008). With South African poor communities appearing poised to vote in numbers for political leaders whom they believe will act directly on their needs, expectations are rising and the risk of backlash may increase in proportion if the flow of delivery cannot be opened up immediately. An accelerated reexamination of approaches to both the implementation of BNG and the elimination of slum housing appears to be on the horizon.

This paper first looks briefly at some of the perspectives found in current debates around housing and poverty, and in particular notes some new questions around access for the poor to the central city and around informality. The discussion continues with the issue of transport in relation to city access, before looking briefly at the interests involved in the struggle of the poor to maintain their access to the urban core zones. From there the paper turns to a new angle on housing planning, by way of unpacking the housing needs of different fractions of the poverty constituency through the demographics of housing/settlement types. The discussion looks quickly at what this approach can suggest about potential conflicts of interest between the different poverty constituencies present in the urban core zones, before examining potential risks involved with social housing and redevelopment of old housing stock which now accommodates the very poor in the central cities. The concluding section identifies some likely conflict points which may affect efforts to provide housing options for the poor in the cities' most vital and most hotly contested core spaces.

2 Emerging perspectives

It has taken time for the issues to come into focus, but South Africa is learning rapidly about how to deliver housing as an intervention against poverty. What paradigmatic changes are we seeing?

Most strands of dialogue still revolve around ways to bring the excluded poor into the cities with affordable shelter in livelihoods-accessible locations. Parnell (2008, seminar presentation) has pointed out that post-apartheid planning around housing delivery has had two pervading principles, those of integration and compaction, implying bringing together diverse class and race groupings at increased rates of occupation density in the core city areas with location advantage for the poor. Densification is still an important issue, though attention has turned away from compact city planning in its earlier form due to the high costs and scarcity of urban land (cf Todes, 2005). In addition, the policy goal of delivering as many units as possible acted to hold down the price for individual units, leading to development of projects on the urban periphery in localities that were often unfavourable for poverty livelihoods. With the unfolding of more complete and accurate perspectives on how housing delivery interacts with poverty and with economic activity,

renewed stress has come onto delivering housing in the subsidy bands in better-located areas.

Land in the inner city zone is by definition scarce and expensive, and for poverty housing has proved to be a challenge to the identification and release processes. With inputs from non-government commentators working with housing and livelihoods, the central conflict of housing policy shifted from affordable costs against quality and size of housing unit, to affordable cost against spatial location and the principle of well-located land allowing access to the job market and urban amenities (cf Huchzermeyer 1994, SACN 2004, Biermann 2005).

Reflecting work from Wits in particular, the essential link between residential location and access to work and to livelihoods in general by low-income communities (Huchzermeyer 2006) has become broadly accepted, as a common approach identifying peripheralization of the poor by planning removals and procedural barriers as an economic exclusion practice which impoverishes instead of relieving poverty. Out of this consensus an increased stress on in situ informal settlement upgrading is emerging.

Drawing closer to markets

Many of these viewpoints engage with the market instead of trying to bypass it with subsidized government delivery. Along with the increasing emphasis on spatial location has come an increasing awareness of how closely housing delivery for the excluded poor is tied into the activity of the general housing market, of property values and sales, and of taxation regimes (Rust 1999, 2006; Napier 2007, Berrisford et al 2007). However, Vawda (2008) also notes that from the city side regulatory application and planning engagement have often been weak, though some municipalities as well as private-sector bodies have also conducted effective experiments with delivery that have indicated possible implementation directions. Examples which are important in themselves include work by Wits Graduate School of Housing and mining industry which shows that tracts of mining land in very favourable locations which have a radon gas hazard can be made both safe and a very good investment for both middle class and subsidy-band occupiers (Simons & Karam 2008), opening up an option for well-located affordable housing on a significant scale; and two Urban Landmark studies of peri-urban land management showing opportunities for housing delivery and settlement development in areas with informal tenure (Kitchin & Ovens 2008, du Plessis 2008).

With a wider perspective informing perceptions of delivery, a shift seems to be taking place from prioritizing poverty delivery in itself, so that subsidies to the poor drive development, to seeing the broad market in relation to its direction and its revenue and employment context. In a highly influential paper, Rust (2006) has noted the missing rungs of the housing ladder for upwardly mobile households, where families wanting to sell their entry-level house to buy a more expensive one face a serious supply bottleneck for the market levels where they would normally go to buy. For the entry levels themselves, micro-finance has become a major provider of housing finance, leading to complicated interactions with formal banking (Tomlinson, 2007).

Housing delivery planning at city level is also reexamining basic principles in the light of market factors. Some researchers and decision makers have begun thinking about prioritizing commercial development instead of poverty housing, so that market transactions can bring residential housing into spatial alignment with economic activity and jobs can become more accessible (Parnell 2008, seminar presentation). At the same time, land markets involved with subsidy housing are not unproblematic: urban land prices continue to present a serious barrier to economic access by low-income groups (Vawda 2008); similarly, subsidy housing may become a barrier in itself if running costs and hidden costs are not affordable for occupiers (Cross et al, 2005). Huchzermeyer (2008), writing in a comparative context on Kenyan slum upgrading, also questions the opportunities that develop for market distortions to undercut realization of the right to housing for the low-income residents, and K' Akumu (2007), writing as a warning to South Africans, shows how racial segregation in the Nairobi housing market emerged under colonialism, and later persisted in a discriminatory market and transformed into continuing socioeconomic and legal-tenurial segregation after independence.

Critical attention is now going to the need to retain a local-area balance between occupiers from more advantaged classes and beneficiary poor occupiers, in order to maintain a sustainable city revenue base through taxation. The principle of mixed income housing development stems partly from this concern. At the same time, given the weak urban revenue base for developmental housing, research and policy attention is actively engaged with issues around value capture. This approach looks at methods of developing or improving poverty areas, for instance with infrastructure provision, so as to capture value back through rates and taxes, and pump it back into housing, services and other priorities linked to anti-poverty interventions (cf Berrisford et al 2007).

In addition to these developments affecting the relation between housing delivery and the formal market, At the same time, concerns over the cost of transport and the long travel times often required of the South African low-income communities have become a central issue for the planning of housing delivery.

Recognizing informality

Part of this wider awareness of how housing is situated in relation to the market has highlighted the role of informality in the housing and land management problematic of South Africa as an advanced developing country. Attitudes toward informality which prevail among the non-government researchers and commentators have shifted as the housing policy community has examined the potential implications of shack housing elimination. With more research to draw on, the voices calling for formal recognition of the informal land market are growing louder (cf Royston & Narsoo 2006, Kitchin & Ovens 2008).

From a complementary viewpoint, Berrisford et al (2007) in a Gauteng case study document the inefficiency and exhausting nature of bureaucratic requirements on the side of the local government apparatus that communities need to deal with, together with the lack of delivery results over periods extending for years. Their study raises serious

questions around the generally assumed superior efficiency of South Africa's formal land management system at local level.

While government policy, sensitive to political promises of a decent standard of living made to South Africa's excluded poor, has demanded a high standard of government-provided housing and has worked to replace all sub-standard poverty housing, Huchzermeyer (2004), Charlton (2006) and Cross (2006, 2007) among others have underlined the importance of accessible spatial location for poverty livelihoods, and the role of shack housing as the active lowest level of the functioning housing market.

The recent conference of the Urban Landmark initiative in August 2008 and the work of Finmark Trust, together with a urbanization policy symposium hosted by the World Bank in April, have played key roles in introducing a new review impetus based on compelling research work with wide implications for housing policy. Recent research on informal tenure by Gordon (2008) and Abrahams (2008) for Urban Landmark have shown how widespread the informal housing market is, and shown how risk is addressed and how transactions are secured. In addition, Cross (2006) has emphasized the capacity of the informal land market to deliver the fastest and most flexible access to shelter of any administrative system now on offer, while at the same time protecting urban shack settlements from down-market interventions by elites interested in entering advantaged urban localities occupied by the poor.

Coming to housing delivery from a different perspective, the useful body of research information on informality in respect of land and housing issues in the shack settlements and townships themselves is rapidly accumulating. The picture that emerges is one of an informal land management system with rational, price-responsive functioning and significant capacity to distribute access to resources, but also one that is deeply embedded in localized community networks from which it draws the moderate level of security it is able to provide.

In addition to the Gordon and Abrahams studies of informal land management cited above, Barry et al (2008) address informal land use management and land records in a Cape Town settlement as an institutional question. For Wits PDM's 2007 Land Use Management study, Hoosen & Mafukidze (2007) show how the most crowded upmarket township in Soweto carries out land management and land transfers in a highly informalized system, in which would-be buyers and sellers are often unable to organize bank finance for legal housing sales when they try to do so, and therefore find themselves closed out of the formal market by procedural barriers and administrative red tape. In an important earlier article, Robins (2003) shows how informality rapidly reasserts itself throughout the economy, society and institutions of another Cape shack settlement which has been fully upgraded and transformed into township living space. Pithouse (2008) and Gibson (2007) write about informal settlements organizing to challenge or resist outside administrative interventions. They emphasize the issue of social movements opposing governmental policies and interventions, and the anger and separate awareness of the shack areas as small independent polities in relation to the surrounding city.

The transport question in context

From the side of infrastructure, the question of access to the city core is now understood to involve transport as much as spatial location of housing, making transport a rising social issue in relation to livelihoods opportunities and economic participation. Both transport routes and transport costs are tied up with city form, and in South Africa both are notoriously bad from the standpoint of the poor, who have been settled in outlying pockets outside the city and held outside by legal gatekeeping. The history of South African urbanization under apartheid has been the story of the excluded poor finding ways to approach closer to the urban centres (cf Lemon 1982). Over time the result has been a reverse-negative city form, with most of the poor located beyond the suburban belt at extreme distances in terms of international norms.

The key concern is normally access to central city business districts where economic activity concentrates. The poor in the outer informal settlements on the edges of South African cities have been well placed by comparison with the population in the former homelands, but still face long expensive journeys. Poor households in the townships inside the city boundaries can also be excluded from economic participation if internal transport is poor and costs become excessive. To control transport spending, shack settlements have worked their way in toward the urban core zones. In addition to informal settlement moving in on the city core, research for Cape Town Department of Housing (Cross and Bekker with Eva, 1999) reflects the frequent appearance of new informal settlements following closely after the expansion of the de facto urban boundary and the emergence of new up-market suburbs on the edges of the city, allowing the shack settlement workforce to remain in walking distance of jobs and avoid paying high transport costs while working in low-paid domestic and service jobs. More generally, planning around sustainable human settlements has started to recognize the problem of walking distance, especially where urban public transport is weak.

At the World Bank's 2008 symposium on urbanization issues, Bertaud (2008) linked the South African disadvantage in long journeys to work to bad spatial policy under apartheid compounded by lack of coherent spatial policy in the years of democracy, with ad hoc and reactive planning decisions at city level leading to entrenchment of sprawled city form and continued peripheralization of poor communities. Together with these spatial limitations have gone high costs and slow operation of transport generally, making access to job markets a serious problem for planning anti-poverty housing delivery.

Noting that city form is subject to cultural expectations as well as planning decisions, Bertaud (2008) argues that levels of population density in South African city regions are not unusually low by international standards: South African cities are less densely occupied than European cities and very much less dense than the cities of Asia, but on average are denser than cities in the United States. Given that city forms are resilient and resist attempts to change them through planning interventions, Parnell (2008) questions whether it is possible at this stage in South Africa's urban history to increase city density significantly. She argues instead for substituting a corridor model for attempts to densify so as to make more cost-efficient use of roads and transport infrastructure.

The form and density of cities then control what kinds of transport delivery can be put in place to reduce travel disadvantage for poverty housing, and open the way to greater economic participation and better asset accumulation. South African cities are not, as often claimed, fully classifiable as polycentric, though they lean in that direction (Bertaud, 2008). In monocentric cities a few major transport routes with high traffic volumes dominate the city, making public transport delivery effective and practical; however, polycentric cities are forced to rely on a decentralized network of private cars or minibus taxis to cope with the diffuse web of routes which each carry little traffic. The outcome is high transport costs and slow travel times, facing poor households with relatively expensive transport costs that put in place a barrier to reaching the job market, accumulating assets and escaping poverty. Housing location then becomes crucial.

3 Identifying the core conflict?

Most strands of the dialogue around housing in well-located areas are trying to explore ways to get the poor into the city in affordable shelter in good locations, and then not see them pushed back out again. However, market forces acting on free housing stock in good locations attract better off social fractions to approach poor occupiers and make offers, so that the poor will take their profit and move out. If local elites do not come in to exclude low-income occupiers and gradually take over their spaces, the city administration itself will often intervene to protect its core economic spaces. The closer to the protected spaces of the city center, the more acute the market exclusion process will be, the higher the risk of eviction, and the higher the pressure on any available poverty housing stock.

At this stage of the debate, this conflict is widely recognized but has not been fully understood or dealt with. Dynamics here lie at heart of emerging housing problematic for compaction, densification, transport planning and economic participation. Understanding these dynamics requires unpacking the segmentation of this key housing market: in turn, this means recognizing that different constituencies among the poor in effect compete for access to the available core city spaces.

Differentiating the poverty housing market

Cities world-wide tend to try to peripheralize the poor whenever the poor are perceived to threaten the core economy and its economic vested interests: Zimbabwe's recent sweeping campaign of evictions is only one acutely politicized example. China often removes illegal occupiers, and India's massive Dharavi slum settlement is currently fighting efforts at removal aimed at the redevelopment of the valuable space it occupies. Johannesburg has faced acute struggles over its CBD, and Durban's conflicts over street traders have resulted in positive policy (Kitchin and Ovens, 2008e; Lund and Skinner 2002). Administrative expulsions usually result in the evicted low-income occupiers moving back in to reestablish themselves and rebuild their occupancy, sometimes causing a kind of underground war over spatial access to the urban central economy.

This cyclic urban process of expulsion and return is tied to the underlying cycle of decay and regentrification of urban neighbourhoods. Low-income groupings can only get in spatially at the bottom of cycle, and can only stay in place if low-income neighbourhoods are allowed to remain as low-income neighbourhoods, without evictions or redevelopment. If redevelopment does not take place, skid-row areas may sometimes develop, allowing poverty occupation to stabilize. In a vigorous city with a strong economy, this grace period may be only a matter of time: if too many of the poor cluster in the city core, business activity and investment are likely to decline. Most cities will take action to prevent this result if they have the capacity to interrupt or otherwise affect the low-income in-migration.

In the alternative scenario, cities in their developmental role may keep trying to bring the low-income occupiers inside the urban economy and raise their economic standing to participation level, so that they no longer represent a threat to city interests. Migration continually undercuts these efforts by bringing in new poor people from rural districts who often lack the economic skills and/or the network connections needed to integrate them quickly, leading to new expulsions as a frustrated and fearful quick-fix effort on the part of the city administrations in their executive role.

This cycle of advance and retreat around poverty-level in-migration is the characteristic conflict of developing cities in the developing world. However, the impoverished population trying to gain access to the city core is not homogeneous – instead, it contains different social fractions, which in effect, and perhaps without being fully aware of conflicting interests and actions, are competing for available space in the core city. When the city administration or civil society intervenes, it is likely to have the effect of favouring one of these constituencies over the others – again, with or without specific awareness of the targeting consequences.

If the city intervention is based on cost-recovery or a low-subsidy model, the constituency favoured is not likely to be the poorest or the one most in need. What do we know about these demographic constituencies?

Access to the city core: splitting off poverty demographics

Recent analysis carried out for Department of Science and Technology's Integrated Planning, Development and Modelling exercise highlights the close connection between types of housing in the poverty category and the demographics of the households that occupy the housing (Cross 2008a,b). Aimed at helping to promote community-level planning and delivery of housing and services, this demographic analysis of settlement types identifies up to 40 categories of self-built and formally delivered housing down to Census enumerator area level.

Each of these identified settlement types shows a characteristic demographic profile that determines scale and type of demand for housing and infrastructure: single mothers living in slum conditions at Diepsloot reflect different housing needs and affordability from an employed married couple with children in a well-off section of Mamelodi, and

will differ again from the residents of a mining hostel or an extended family in a traditional rural settlement of thatched rondavels. These settlement types show their characteristic profile because residents of neighbourhood communities sort themselves by choice into residential areas occupied by people like themselves, depending on their access to the developed economy, their social identities and their age, education and gender characteristics. The underlying assumptions for this analysis are analogous to those involved in commercial market research demographics.

Such groupings have specific average household sizes, age distributions and education levels, and can be understood as demographically-defined constituencies with particular delivery and accommodation needs. Migrating households choose the best combination of access, affordability, earning and social environment they can locate. Depending on their profiles, they locate in different kinds of shack areas, rental accommodations, formal housing types and government subsidy housing schemes, among other housing options. As a result, demographic profiles for subsidy-band households and communities can be predicted from housing and spatial location.

Based on earlier research for the NSDP development process (Cross and Harwin with Schwabe, Morris and Kekana 2000), and for Johannesburg City Strategies (Cross, Kok and van Zyl 2005), such particular demographic constituencies are also found in the metro central cities. The dominant constituency here is that of younger unmarried male workseekers and employed workers, who generally fit the profile for a shack settlement constituency, but are somewhat younger and better educated than the related grouping living in the outer shack settlements.

Access to the city core: issues around social housing

This closely contested, steam-pressurised central-city environment is largely a rental housing area, with some highly compressed shack occupation and some street homelessness. With compaction-driven efforts to introduce poverty-band housing encountering limited success, it appears that the group being catered for with the limited available accommodation may not be the dominant central city constituency likely to be most in need of housing in terms of relative numbers. The analysis that follows draws heavily on the excellent compilation of twelve successful accessible-housing cases by Kitchin and Ovens for ULM (2008), as well as on the author's earlier NSDP and Johannesburg studies noted above and on recent HSRC research into homelessness (Cross and Seager, 2008 forthcoming).

It is important to note that none of Kitchin & Ovens' nine cases of successful central-city land access record conventional owned residential accommodation accessible to the casual poor from the informal settlements in and around the city core, or even any instance of conventional market rental. For the most part, these cases of successful central city access for the poor involve access to parcels of land for transient accommodation and to transport-linked transit and trading areas that give time-bound access, without residency.

It appears from Kitchin and Ovens' analysis that these relatively small sites serving significant numbers of poor users may be perhaps the most important and most practical modality for ensuring that the poor urban population can overcome exclusion and maintain access to South Africa's core cities in the future. However, these areas do not bring the poor to live in the core city and do not contribute significantly to compaction or densification. Most also require good access to transport to make them genuinely accessible, and transport costs as a barrier to uptake in respect of the potential source communities for users are not assessed.

The main residential cases of successful urban core access appearing in the ULM collection represent social housing, in East London and Johannesburg. The East London social housing project built its low-rise housing units, while the Johannesburg initiative has renovated failed or abandoned central-city hotels.

The case studies indicate that these these projects house what is probably the usual social housing constituency, which comprises employed grown-up women and their families for the most part, and tends to have above-average educational qualifications for a poverty grouping. In both cases this is an employed constituency from among the upper poor. The East London initiative requires at least one job in the household under its tenant screening process, and serves an income band that would qualify for mortgage finance. The Johannesburg scheme is aimed at a slightly lower income band and does not refuse the unemployed out of hand, but selects its tenants carefully and requires three months' rent to move in. Over 80 percent of the Johannesburg tenants were reported to be working, and 86 percent were female. Kitchin and Ovens note that because of the specifications of the Institutional Housing Subsidy, cooperative and social housing in the inner city targets tenants earning R 1 250 to R 3 500 per month.

The two case studies show clearly that these social housing projects serve a very useful and viable function, and succeed in helping the members of the poverty grouping to live in the central city on a fully sustainable basis. In the upper poverty band, they may also help to underpin what is reported to be an 'insatiable' demand for middle-income housing (Finweek, 5 Sept 2008). At the same time, some possible drawbacks emerge.

Access to the city core: competing poverty constituencies?

If in practice the main demographic constituency needing accommodation in the central cities comprises unmarried young male workseekers, employed young single men and male casual workers, as the NSDP research (Cross and Harwin with Schwabe, Morris and Kekana 2000) suggested, the accommodation option offered by central-city social housing is not addressing this demand. This is not to suggest that the social housing initiatives are off the track in targeting working poor women with children, who are very deserving vulnerable beneficiaries and are also good tenants, but only to note that there is probably another larger and poorer constituency often living in inner-city shack-like conditions, which is more marginalized, can rarely access social grants, and is not receiving help with shelter.

This work-oriented young male poverty constituency also appears to have particular characteristics that have implications for housing access in the central city areas. Compared to the women tenants in the social housing project, most of the young men appear to be at a stage in their life cycle when they are willing to tolerate very difficult living conditions in order to be able to earn and save, and to maintain their access to the central city. Unlike the women with children, relatively few men in this constituency will have formed their own family households, which would cause them to need permanent housing or at least long-term stable accommodation. Of those who have migrated in from rural areas, many workseekers will have arrived fully expecting to face hardship conditions in order to save their money.

While many from this constituency live in rental accommodation, fewer would probably be willing to pay the price of renting decent living quarters, and many are likely to remain in shack housing or decaying rentals even if offered quality housing at a very reasonable price. Toleration for crowding and extreme local densification is likely to be very high in this grouping: the ULM case study of Johannesburg's social housing project notes that the hotel renovated for the project came into the programme when it became severely overcrowded, fell into the hands of an unlawful rent collector, and was abandoned by the owner and liquidated. Repeated often enough, this factor may have risky implications for poverty housing options in the central city areas. It is possible that the main poverty-band demographic constituency for the central cities may not be willing to accept the upgrading of slum conditions if they are expected to pay for and maintain a new higher-quality housing dispensation.

There are further implications to looking at competing constituencies in the central cities. Kitchin and Ovens ask the question, Who are the poor? using it to differentiate the poverty constituency by distinguishing the working poor from the unemployed within the excluded poverty population needing access to the central city. They make the point that city and civil society interventions into available housing can not uncommonly have the effect of helping the more advantaged employed constituency to take over space and/or accommodation which had been up to then been occupied by the highly marginal and much poorer unemployed grouping.

This kind of delivery is then promoted as a success, but might, by implication, also be seen as a setback from the standpoint of the poorest, though not from the viewpoint of the city: such initiatives can substitute a rate-sustaining well-behaved citizen grouping for a more marginal, unstable and potentially unruly group, while also upgrading the city's housing stock and improving the physical appearance of the built environment.

Access to the city core: the hostels vs social housing?

This analysis can be taken further. The largely male shack population of the central cities links in its demographics and perhaps in actual origins to what was once the migrant worker hostel population. In important ways, social housing identifies a similar need to the former hostels system, addressing long-term transient city accommodation with large

managed rental blocks, although it is intended for a less poor constituency that tends to be made up of working women with schooling instead of largely unskilled working men.

At the same time, many from the former population of the real hostels, remnants of the apartheid-period migrant worker population from the deep rural districts, have been excluded from their previous hostel accommodation by renovation and the change from single accommodation to family housing units. Though many long-term hostel dwellers are hanging on in deteriorating conditions in semi-abandoned hostels that no longer formally operate (Mafukidze and Makola, IPDM field notes 2007), many other workers who formerly lived in the hostels have been evicted from hostels planned for upgrading.

These men may have joined the floating population of marginally housed people in the densely packed central urban shack settlements, or may have found accommodation in abandoned buildings, gone onto the streets, or given up on holding their place in the city and returned home to outlying rural areas. The amount of displacement involved among the working poor as well as the unemployed may be significant in respect of hostels upgrading, and raises questions about the possible displacement involved with hotel upgrading for social housing projects and how it has been addressed so far.

Access to the city core: displacement and homelessness

Among the possible outcomes of clearing existing run-down buildings either for redevelopment or for social housing may be displacement resulting in an increase in the number of street homeless: homelessness is arguably the true bottom rung of the housing ladder. In the Johannesburg social housing case study (Kitchin and Ovens 2008b), the network of social housing projects has reportedly been developed through the Better Buildings Programme from dilapidated buildings which included former single-room occupancy hotels, or SROs. While South Africa has no large-scale programme to address its street homelessness problem, in overseas countries this type of down-market hotel is a resource for the street homeless and often represents an important element of a successful city response strategy to homelessness as an urban problem (City of San Diego, 1992, 2003). SRO hotels are often the only effective private-sector option for addressing this social problem, given that shelter beds provided by local governments, private owners and civil society are frequently inadequate to accommodate the floating population living on the streets of a given city, and that shelter accommodation can sometimes be of a very low standard and accordingly disliked by the street homeless.

To the extent that this kind of housing stock is cleared and moved up-market by means of redevelopment into social housing, with a different and less poor constituency coming in to replace the largely down-and-out homeless single men, there may be a risk to depriving the street homeless of well-located residential accommodation and possibly displacing them onto the streets full-time to present a continuing problem to city management. From the standpoint of the homeless who arguably stand lowest in the poverty hierarchy, loss of very low-cost hotels and redevelopment of low-income areas are actively impoverishing processes linked to the urban succession sequence, and lead to loss of accessible accommodation. Loss of access to the central city as existing rental

and hostel opportunities move up-market is disastrous to the livelihoods strategies of the highly marginal street population, who rely heavily on casual work offered by enterprises such as stores and restaurants. For the street homeless, as well as for many of the very poor in overcrowded shack settlements, the persistence of skid-row areas close to the city core represents their livelihoods access, for which they do not have alternatives.

For the city administrations, the same areas represent a serious economic risk: Johannesburg's struggles against urban decay by using area redevelopment are a case in point. Part of the purpose of any upgrading initiative will include eliminating the only areas of the central city where the street poor can clearly retain their access with some de facto security. In this respect, anti-poverty initiatives such as social housing projects which recycle and upgrade existing buildings cannot entirely escape the attribution of government-sponsored gentrification and displacement, even though their overall impact is positive and displacing effects may be limited to replacing access for the truly destitute with access for the slightly less poor. It would appear that new social housing undertakings may need to build in options for addressing the issue of displacement from the central city, over and above the issue of providing evicted residents with alternative housing somewhere outside the city core.

Access to the central city: identifying the conflict points

Informal land management is pervasive, resilient and difficult to dislodge: in its own terms, it is highly accessible and effective, though it has clear limits in dealing with higher-value formal housing. In spite of Johannesburg's efforts to adjudicate and formalize land relations in poor areas, the metro cities probably have little to offer by way of land use management mechanisms that work well for the poor and can be adopted quickly as a way to formality (see Berrisford et al 2007). Though it is difficult to design an administrative interface that can cross over the gap between formal and informal, it should be possible and has often been worked on. Recognition of urban enclaves of informal land practice may well be overdue as a means of promoting equitable South African cities and overcoming exclusion. What can go wrong if informal land management is formally recognized in the urban sector?

There appear to be limited prospects for a quantum improvement in transport access which could relieve pressure on access to the core city zones. If the present acute demand levels continue, the real risk from legalizing informality may well be extreme overcrowding and severely deteriorating physical conditions in the legally informal parts of the central cities.

In-migration pressure in the core areas is extremely powerful, and the land parcels under informal occupation in the central cities are very small. Inner city settlement in abandoned blocks can become so dense that people need to turn sideways to squeeze between the structures and gain entrance (cf Cross et al 1998). Informal land practice will often accept very acute density pressure to accommodate in-migration as long as the load is spread more or less equally and in line with seniority.

At the same time, there is reason to think that the predominant poverty-band demographic grouping choosing to locate inside the central city is a relatively young male workseeking population which prioritizes the instant dirt cheap model of informal housing access, is not yet interested in family-quality housing, and appears willing to tolerate hardship conditions and serious crowding in order to obtain spatial access and save money. This appears to be a population with rapid demographic turnover and a strong commitment to livelihoods priorities. In the older rural informal land system, unmarried youth do not hold land or housing, and do not see themselves as permanent stakeholders in the place where they work.

Under informal institutions, this social fraction may not be inclined to see eye to eye with municipal planning in terms of upgrading goals, quality social housing and clean-city practices for the central city area: Lizzaralde and Massyn (2008) note that development agencies and civil society may over-rely on community participation principles and erroneously assume that communities will make decisions in line with what serves the larger interest of the city, while in practice communities often reject guidance and express a binding preference for sprawl and their own autonomy. Young workers now living under deteriorated conditions in the central city may see compelling reasons not to accept local area upgrading: alternatively, upgraded buildings or land parcels may quickly return to their previous condition as the informal economy reasserts itself and a migrant population continues to move in and out (Robins 2003).

The prevailing vision in all tiers of government at present is of the urban poor throughout the cities accumulating assets in decent, sustainable housing, so as to enter full economic citizenship of the urban sector. Though many households living as families in subsidy housing are succeeding in doing exactly this, the other reality has often been called down-market raiding and illegal on-selling, together with some demoralization and outbursts of protest. It will not be easy to square this circle. If informality as a system of land management practice is accepted and legally recognized, what will it mean for potential conflicts of interest over managing housing access and migration at ground level in high-density areas that are economically critical and closely contested?

It is arguable that government is clearly on the right track for housing delivery in a context of household asset formation, and that only time is needed to bring the excluded poor into full economic citizenship through the value of their housing asset. However, a split in the path may be approaching in respect of managing informality. Although some recognition is clearly needed, it is less obvious that what may work reasonably well in the rural sector and in the peri-urban periphery with low to middle density and limited migration pressure may work less well in very high-density central city settlements subjected to much greater demographic pressure and institutional strain, and occupied by a younger, less committed and less stable population.

It would seem that in spite of the excellent work that has been done recently on informality in the urban context, there may still be a need to know more about how informality works in respect of different demographic constituencies before legally determining the relation between the formal and informal land management systems.

4 Squaring the circle?

In this climate of uncertainty and high unemployment, it is clearly vital to push ahead with planning to bring the poor into the city by using all available state and private land for poverty-linked development. To the extent that these areas informalize, they will be protected from down-market invasions and gentrification, though concomitantly more vulnerable to deterioration of the built environment back into poverty conditions, and ultimately vulnerable again to gentrifying developers and to exclusionary city interventions.

Accordingly, all the options now being placed on the table need to be interrogated so as to find a workable combination of solutions, which will bring the urban poor as close as possible to a good spatial solution which also carries sustainable access to decent-quality rental housing as well as to employment and informal livelihoods. The nature of urban processes around cyclic neighbourhood successions is likely to fight against any such solutions, and will need to be combatted in turn.

In this somber light, it looks likely that whatever is done to help the younger work-seeking poor to establish themselves in the central cities may never be enough to relieve pressure from new migrants needing access to the metro cities. As South Africa reluctantly becomes a cosmopolitan African country with 5-10 percent of its residents foreign-born at a minimum, the demographic flows seeking entry to the central cities can be expected to rise instead of falling.

If so, attention also needs to be given to next-best spatial solutions, which are likely to involve intensive developments on the peripheries, on a quasi-suburban model that comes packaged with rapid transit alternatives. To ensure that peripheral developments – whether on old mining land, on Tribal Authority land, on municipal commonage or other open spaces – will not be exclusionary will probably require that government undertake not only wide-scale housing delivery and township development, but also very significant investment in rapid transport delivery to coordinate with housing provision. However, to the extent that such areas offer attractive advantages, they will in turn become vulnerable to gentrification and succession, though at lower levels of in-migration pressure than the central city core areas.

The persistent conflict here between poverty housing delivery and risks of elite exploitation may suggest that the objectives and modalities of future housing policy will need to be continually reviewed and aligned to changing realities on the urban ground. In the meantime, the many new housing and settlement options being developed today offer a number of ways to improve the poverty and urban settlement situation very significantly in the short to medium term, and give grounds for cautious optimism for South Africa's housing delivery undertaking.

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